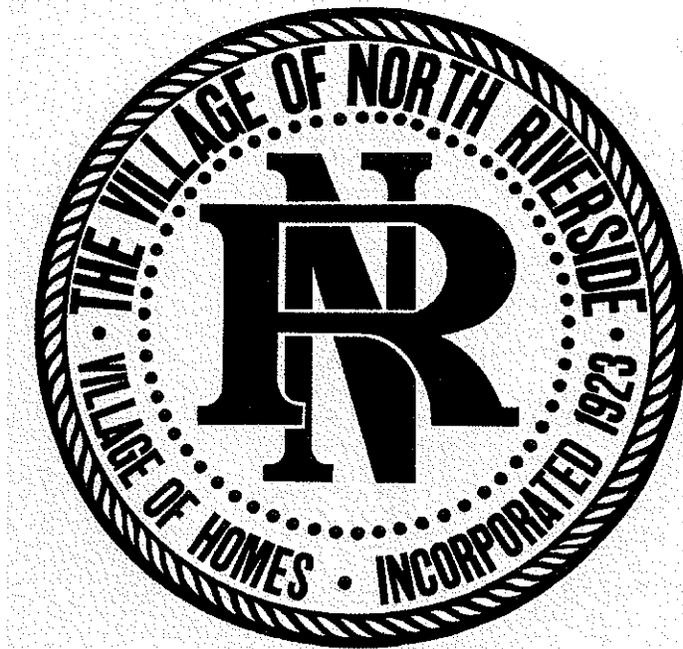


**VILLAGE OF
NORTH RIVERSIDE, ILLINOIS**



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE YEAR ENDED
APRIL 30, 2009**

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED APRIL 30, 2009

Prepared by
Susan M. Scarpiniti
Finance Director/Treasurer

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of North Riverside including: List of Principal Officials, Organization Chart, Certificate of Achievement for Excellence in Financial Reporting, and Letter of Transmittal from the Village Treasurer.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

List of Principal Officials

April 30, 2009

LEGISLATIVE

VILLAGE BOARD OF TRUSTEES

Kenneth Krochmal, Mayor

Tom Corgiat
Randy Czajka
Hubert Hermanek, Jr.

Joan Sargent
James R. Votava
Gary Wittbrodt

Dr. Queenella Miller, Village Clerk

ADMINISTRATIVE

Guy Belmonte, Jr., Village Administrator

Susan M. Scarpiniti
Finance Director/Treasurer

Anthony M. Garvey
Police Department

Kenneth Rouleau
Fire Department

Tim Kutt
Public Works Department

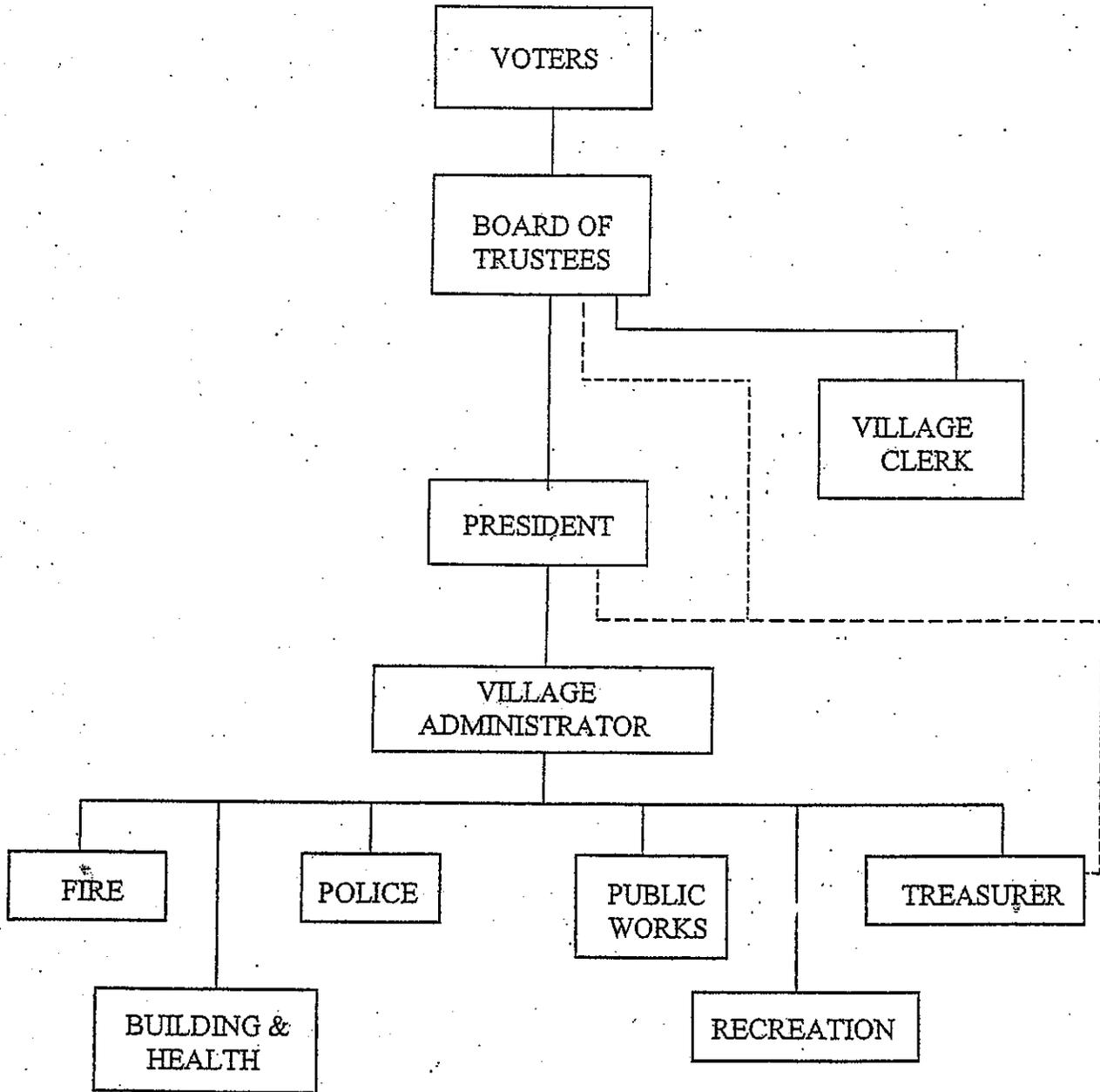
Dave Skurkis
Building Commissioner

Sue Frampton
Recreation Department

Karyn Byrne
Code Enforcement Officer

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

ORGANIZATION CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of North Riverside
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
April 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "M. L. R.", written over the printed name "President".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer", written over the printed name "Executive Director".

Executive Director



Kenneth Krochmal
Mayor

Dr. Queenella Miller
Village Clerk

September 24, 2009

Trustees:
Thomas Corgiat
Randall Czajka
Hubert E. Hermanek, Jr.
Joan Sargent
James R. Votava
Gary Wittbrodt

The Honorable Mayor Kenneth Krochmal
Members of the Board of Trustees
Citizens of the Village of North Riverside

The Comprehensive Annual Financial Report of the Village of North Riverside (the "Village") for the fiscal year ended April 30, 2009, is hereby submitted. Illinois Compiled Statutes require the Village to publish within six months of the close of each fiscal year a complete set of financial statements presented in conformance with generally accepted accounting principles in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the Village. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive framework of internal controls that is designed both to protect the government's assets from loss, theft, or misuse and to compile reliable financial data for the preparation of the Village's financial statements in conformity with GAAP. Internal controls are designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that: (1) the costs of a control should not exceed the benefits likely to be derived; and (2) the evaluation of the costs and benefits requires estimates and judgments on the part of management.

As a recipient of federal and state financial assistance, the Village is also responsible for providing adequate internal controls to ensure and document compliance with all applicable laws and regulations related to these programs. These internal controls are subject to periodic evaluation by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Lauterbach & Amen, LLP, a firm of independent certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of North Riverside for the fiscal year ended April 30, 2009, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts

and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Village's financial statements for the fiscal year ended April 30, 2009, are fairly presented in conformity with GAAP. The independent auditor's report is presented in the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

Profile of the Village of North Riverside

Incorporated in 1923, the Village of North Riverside, a non-home rule community, is located in the central portion of Cook County, approximately 10 miles west of the City of Chicago's downtown "Loop" area and serves a population of 6,688. In general, the Village is very mature in its residential and commercial base. The Village continues to experience a shift in its residential composition from a once predominantly older community to a much younger population base. This shift has provided greater balance in the demographics of the village.

The Village operates under the Board/Administrator form of government. Policy-making and legislative authority are vested in a governing board consisting of the Village President and six Trustees. Village Trustees are elected at-large to four-year staggered terms with three Board members elected every two years. The Village President is elected at-large to a four-year term. The Village President, with concurrence of the Village Board, appoints a Village Administrator, who is responsible for carrying out the policies and ordinances of the Village Board and overseeing the day-to-day operations of the Village. The Village employs 74 full-time employees, including 27 sworn police officers and 18 full-time firefighters.

The Village provides a full range of public services, including public safety (police and fire protection), water treatment and distribution, sanitation services, construction and maintenance of parks, streets and infrastructure, planning and zoning, building and code enforcement, cultural and recreational activities and general administrative services. The Board of Trustees exercises, or has the ability to exercise, oversight of the various boards, commissions and departments as depicted in the Village's organizational chart, as well as the police and firefighters' pension funds. Accordingly, these activities are included in the reporting entity. The local library, elementary and high school districts, as well as other special taxing districts, are legally separate public entities and thus, not included in this comprehensive annual financial report.

The annual budget serves as the foundation for the Village's financial planning and control. All departments of the Village are required to submit requests for appropriation

to the Village Administrator and Finance Director by early March of each year. These requests act as the foundation for developing a recommended budget. The Village Administrator and Finance Director present a proposed operating budget to the Village Board for review in May of each year. The Village Board is required to hold a public hearing on the proposed budget and to adopt a final appropriation no later than July 31st of each year. The appropriated budget is prepared by fund, function (e.g., public safety), and activity (e.g., police), and includes comparative information from four prior fiscal years, current year estimates, department's original requests as well as the final recommended appropriations for the next fiscal year.

The level of budgetary control, that is the level at which expenditures cannot legally exceed the budgeted amount, is established at the fund level. The Finance Director, at the recommendation of each Department Head and with the approval of the Village Administrator, has the authority to transfer funds between expenditure line items and functions of like activity. However, any budget adjustment between departments or transfers that alter the total expenditures of any fund must be approved by the Village Board. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Major Initiatives

Throughout the fiscal year, Village Staff, under the specific directive of the Village Board and Village Administrator, has been vigilant in protecting and promoting its sales tax base while also seeking new revenue sources to further diversify and reduce the Village's dependency on sales tax alone. That coupled with the Village's aggressive lobbying efforts to obtain additional federal and state grants to help fund future planned capital expenditures has helped reduce annual operating expenditures without affecting current services and programs during these challenging economic times. The most significant of these accomplishments are noted below.

- The Village secured state grant funding in the amount of \$560,000 for the replacement of a new 911 dispatch center, the replacement of a new roof for the Village Commons building and the purchase of a new dump truck and village wide telephone system. These capital purchases were originally planned to be replaced over the next three fiscal years from general operating reserves and short term loan proceeds as designated by the Village's long term capital improvements plan.
- The Village received a federal transportation grant in the amount of \$1.92 million for the construction of a village wide bicycle path. The Village finalized the engineering and design of the bicycle path during the fiscal year with Phase I construction beginning just after year end. Construction of this multi-year project is expected to span over the next two fiscal years.
- The Village's first red light photo enforcement camera was installed and activated in April, 2009 at the corner of 17th Avenue and Cermak Road. Additional cameras are anticipated to be installed and activated in the upcoming fiscal year.

- In August, 2008, the Village implemented an in-house adjudication system to process parking and compliance tickets as well as local ordinance and red light violations.

Factors Affecting Financial Condition

Local economy

Similar to other local governments in the region, North Riverside began experiencing declines in several of its core operating revenues during the later part of the fiscal year resulting from the overall slowdown in the national and state economy. The collapse in the financial and housing markets caused a national crisis which affected all aspects of the global economy rather than targeting specific sectors as in past downturns. This trend is expected to continue well beyond the next few years and has forced the Village to implement cost cutting measures in order to stabilize its deteriorating revenue base. As we work through this unstable climate, the Village will continue to reduce operating expenditures and further evaluate the programs and services provided to its residents and business community to ensure these services are delivered in the most cost effective and efficient manner.

Long-term Financial Planning

North Riverside continues to aggressively pursue redevelopment within the community. The Mayor's Economic Development Committee is committed to promoting the activity of the Village's central business district as well as the North Riverside Park Mall, a central shopping location for residents of surrounding communities. This committee actively works with local commercial developers to attract and lease space to new businesses, attract and fill existing tenant vacancies, redevelop barren parcels within the Village and develop new parcels that would be suitable to enhance the Village's sales tax base.

In the past, the Village has developed close partnerships with several large businesses within the community to promote redevelopment through the issuance of business assistance grants and funding of infrastructure related improvements. These financial incentives have proven very successful to the Village, adding more than \$5.5 million annually to the Village's sales tax base. It is this partnership with the local businesses that has allowed North Riverside to remain an attractive community to operate within and was influential in the decision of Moody's Investors Service to reaffirm the Village's A1 bond rating this fiscal year. In their report, it was noted that "the Village's proactive efforts to bolster sales tax receipts in concert with a relatively strong commercial base will allow the tax base to remain stable over the near future". Although the Village recognizes that the relatively high concentration in commercial activity does pose a potential risk to sales tax receipts in a down market, it believes that its recent efforts over the past few years to seek alternative revenue sources has created a more stable revenue base and has somewhat diffused this inherent risk.

The Village also continues to actively lobby within the federal and state governments for available grant funds and issues that directly impact local municipalities. Over the past seven years, these lobbying efforts yielded approximately \$7.9 million dollars in available grant funding for infrastructure and capital related purchases, a trend that is

expected to continue into the near future. In the upcoming fiscal year, the Village will be the recipient of an additional \$780,000 in state grant funds for the replacement of aging infrastructure and capital assets, with \$300,000 actually received during this fiscal year and recorded as deferred revenue for the replacement of the Village's 911 dispatch center.

Over the course of the next two years, the Village will concentrate its efforts to provide safe travel within the community through the construction of a village wide bicycle path and installation of several municipal parking lots. This multi-year project is being funded with a \$1.92 million federal transportation grant and will allow residents to safely travel between the east and west sides of the Village.

Relevant financial policies

Cash balances during the fiscal year were invested in the Illinois State Treasurer's Pool (commonly known as Illinois Funds), money market mutual funds, and U.S. government securities. The Village's investment policy strives to minimize credit and market risk while maintaining competitive yields on its portfolio. Accordingly, all deposits and investments were either insured by federal depository insurance or collateralized. All collateral on deposits were held by the Village's agent or a financial institution's trust department in the Village's name.

Pension and other post-employment benefits

The Village sponsors a single-employer defined benefit pension plan for both its police officers and firefighters. Each year, an independent actuary engaged by the Village calculates the amount of the annual contribution that the Village must make to each respective pension plan to ensure that the plans will be able to fully meet their obligations to retired and disabled employees in a timely manner. As of April 30, 2009, the Village made the conscious decision to alter the actuarial assumptions from the prior year with respect to future interest rates in light of the recent collapse in the financial markets. This decision to decrease the interest rate assumption from 8.5% to 8.00% coupled with the less than expected investment returns resulted in a drop to the percent funded of the firefighter's and police pension funds to 65.5% and 67.1%, respectively.

The Village also provides pension benefits for all other employees (other than those covered by the Police and Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard of 1,000 hours. These benefits are provided through an agent-multiple-employer defined pension plan managed by the Illinois Municipal Retirement Fund (IMRF). The Village has no obligation in connection with employee benefits offered through this plan beyond its annual contractual payments to IMRF.

Additional information on the Village of North Riverside's pension arrangements can be found in Note 4, Employee Retirement System – Defined Benefit Pension Plans.

In addition to providing pension benefits, the Village also provides post-employment health care and life insurance benefits to all employees who have retired with 20 years or

more of continuous service from the Village or who are on permanent duty related disability leave. Currently, 45 retired and disabled employees meet the eligibility requirements as determined by the Village Board and outlined in the Village's personnel policy manual. The Village recognizes that its policy of providing post-employment health care to retirees could have a significant impact on its financial statements and therefore, is currently underway on its actuarial analysis to determine its OPEB liability.

Additional information on the Village of North Riverside's post-employment benefits can be found in Note 4, Post-employment Benefits.

Awards and Acknowledgements

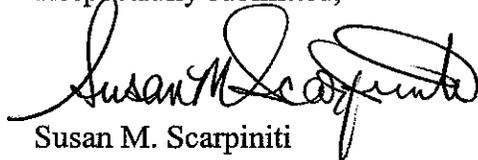
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its comprehensive annual financial report for the fiscal year ended April 30, 2008. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, the Village must publish an easily readable and efficiently organized comprehensive annual financial report (CAFR), whose content conforms to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable requirements.

A Certificate of Achievement is valid for a period of one year only. The Village has received a Certificate of Achievement for the last twenty-four (24) consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and therefore, we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has my sincere appreciation for the contributions made in preparation of this report. In closing, without the leadership and the support of the Mayor, Village Trustees, and Village Administrator, the preparation of this report would not have been possible.

Respectfully submitted,



Susan M. Scarpiniti
Finance Director

FINANCIAL SECTION

This section includes:

- **Independent Auditors' Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Combining and Individual Fund Statements and Schedules**

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the Village's independent auditing firm.

INDEPENDENT AUDITORS' REPORT

September 24, 2009

The Honorable Village President
Members of the Board of Trustees
Village of North Riverside, Illinois

We have audited the accompanying basic financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information for the Village of North Riverside, Illinois, as of and for the year ended April 30, 2009, which collectively comprise the Village of North Riverside's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Village of North Riverside, Illinois' management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

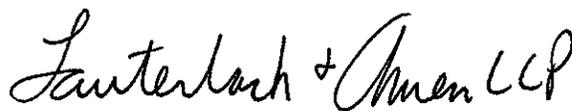
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of North Riverside, Illinois as of April 30, 2009 and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Village of North Riverside, Illinois. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is presented fairly, in all material respects, in relation to the basic financial statements taken as a whole.

The Management's Discussion and Analysis and the other required supplementary information listed in the accompanying table of contents are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The introductory and statistical information listed in the table of contents was not audited by us and, accordingly, we do not express an opinion thereon.

A handwritten signature in cursive script that reads "Lauterbach & Amen LLP".

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis April 30, 2009

As management of the Village of North Riverside (the "Village"), we offer readers of the Village's financial statements this narrative overview and analysis of its financial activity for the fiscal year ended April 30, 2009. This Management Discussion and Analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address current and future years service needs and challenges), (4) identify any material deviations from the Village's financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the Letter of Transmittal beginning on page iv and the Village's financial statements, which begin on page 3.

FINANCIAL HIGHLIGHTS

- The Village's net assets decreased \$1.11 million or 11.2% for the fiscal year ended April 30, 2009. Net assets in the governmental activities decreased \$.87 million (12.9%) while the business-type activities net assets decreased \$.24 million (7.5%) when compared to fiscal year 2008.
- Unrestricted net assets in the governmental activities continue to reflect a deficit of \$4.51 million at April 30, 2009.
- Total fund balance of Governmental Funds decreased marginally by \$.01 million from \$1.84 million to \$1.83 million in fiscal year 2009. Unreserved fund balance in the General Fund at April 30, 2009 is \$1.70 million and represents 14.5% of General Fund expenditures.
- Governmental activities revenue increased \$.10 million (.74%) from \$13.44 million to \$13.54 million while expenses increased \$.44 million (3.17%) to \$14.41 million.
- Business-type activities revenue remained flat during the fiscal year at \$1.30 million while expenses escalated to \$1.88 million (21.09%).
- The total cost of all Village programs increased \$.77 million or 4.96%.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2009

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

The Village's financial statements present two kinds of statements, each designed to offer readers with a different snapshot of the Village's finances. The focus of the financial statements is on both the Village as a whole (government-wide) as well as by 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.

The Statement of Net Assets and the Statement of Activities (on pages 3 - 6) provide information about the activities of the Village of North Riverside as a whole and present a longer-term view of the Village's finances. Financial statements for the individual funds begin on page 7. For governmental activities, these statements tell the reader how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operation in more detail than the government-wide statements by providing information about the Village's most significant funds.

Government-Wide Financial Statements

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

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

The *Statement of Activities* presents information on how the Village's net assets have changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused sick and vacation leave). 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, general taxes 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 other functions which are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village reflect basic services, including police, fire, emergency medical services, streets, infrastructure improvements, building inspection and code enforcement, sanitation, economic development, and culture and recreation. The business-type activities of the Village include operation of the Village's water system.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2009

Excluded from the government-wide financial statements are fiduciary fund types (e.g. North Riverside Police and Firefighter's Pension Funds). Fiduciary funds are used to report net assets held in a trustee or agency capacity for others (e.g. retired police officers and firefighters) and therefore, cannot be used to support the Village's programs and operations.

The government-wide financial statements can be found on pages 3 through 6 of this report.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation to be more familiar; with the focus on major funds, rather than fund types. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains 7 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, and Capital Projects Fund, all of which are considered to be "major" funds. Data from the other 4 governmental funds are combined into a single, aggregate presentation in these financial statements. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements located on pages 65 through 68 of this report.

The Village adopts an annual appropriated budget for all of the governmental funds, excluding the foreign fire insurance fund. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 7 - 12 of this report.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2009

Proprietary Funds

The Village maintains two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements and uses the economic resources management focus and the accrual basis of accounting, similar to private-sector businesses. The Village utilizes an enterprise fund to account for the operation of its water system.

Internal service funds are an accounting device used to accumulate and allocate costs internally among other Village funds. The Village has one internal service fund which is used to account for its self-funded health insurance program. Because the cost of the Village's health program relates primarily to governmental rather than business-type functions, the internal service fund has been included within governmental activities in the government-wide financial statements.

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 Fund, which is considered to be a major fund of the Village, and the Health Insurance Fund. Individual fund data for both the enterprise and internal services funds, including budget compliance and comparisons, are provided in combining and individual fund financial statements section of this report.

The basic proprietary fund financial statements can be found on pages 13 – 15 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 both the Police Pension and Firefighter's Pension Funds.

The basic fiduciary fund financial statements can be found on pages 16 - 17 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 18 - 50 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's progress in funding its obligation to required employee retirement plans and the budgetary comparison schedule for the General Fund. Required supplementary information can be found on pages 51 - 57 of this report.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2009

The combining statements referred to earlier in connection with major and non-major governmental funds, major enterprise funds, and internal service funds are presented immediately following the required supplementary information on employee retirement plans. Combining and individual fund statements and schedules can be found on pages 58 - 77 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Assets

As noted earlier, net assets may serve as a useful indicator of the Village's financial position over time. The following table presents a condensed Statement of Net Assets.

	Statement of Net Assets					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Current and Other Assets	\$ 3,938,868	\$ 3,730,291	\$ 388,852	\$ 517,542	\$ 4,327,720	\$ 4,247,833
Capital Assets	12,962,173	12,824,320	2,750,110	2,854,958	15,712,283	15,679,278
Total Assets	16,901,041	16,554,611	3,138,962	3,372,500	20,040,003	19,927,111
Long-Term Liabilities	7,478,528	6,672,628	46,156	41,722	7,524,684	6,714,350
Other Liabilities	3,523,236	3,110,015	181,297	181,996	3,704,533	3,292,011
Total Liabilities	11,001,764	9,782,643	227,453	223,718	11,229,217	10,006,361
Net Assets						
Invested in Capital Assets,						
Net of Debt	10,478,625	9,961,081	2,750,110	2,854,958	13,228,735	12,816,039
Restricted	92,424	28,150	-	-	92,424	28,150
Unrestricted (Deficit)	(4,671,772)	(3,217,263)	161,399	293,824	(4,510,373)	(2,923,439)
Total Net Assets	\$ 5,899,277	\$ 6,771,968	\$ 2,911,509	\$ 3,148,782	\$ 8,810,786	\$ 9,920,750

The Village's total net assets decreased from \$9.92 million in fiscal year 2008 to \$8.81 million in fiscal year 2009. The net assets for the governmental activities decreased \$.87 million while business-type activities decreased \$.24 million, thereby, causing a total net decrease of \$1.11 million over the prior fiscal year.

The decrease in the governmental activities net assets is largely due to the retirement increase in the net pension obligation payable as a result of no contributions being made to the Police and Firefighters' Pension Funds during the year. Although the Village issued \$.45 million in new debt to fund aging capital assets replaced during the year, the net effect from the retirement of \$.83 million in existing debt caused an increase in the net assets of governmental activities equal to approximately \$.38 million. Net assets increased with \$.14 million in new capital assets placed into service during the fiscal year and less depreciation but after reductions in net assets increases in the Village's long term liability on compensated absences as well as additional costs incurred during the year from excess health insurance claims, the governmental activities net assets ended the year with a net decrease of \$.87 million.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2009

The net assets of the business-type activities continued to decrease for the second straight year from \$3.15 million in fiscal year 2008 to \$2.91 million in fiscal year 2009. This decrease is the direct result of the Village's on-going practice of absorbing the additional costs for the annual maintenance of its water supply system. The annual operating cost of the Village's water system escalated to \$1.88 million during the year as the Village absorbed a 15% increase on the purchase of water from the Brookfield North Riverside Water Commission. Although the Water Fund has been struggling for years to keep up with rising costs, the Village Board elected not to pass this rate increase on to its water users due to the struggling economy.

By far, the largest portion of the Village's net assets (\$13.23 million) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to its citizens and therefore, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it is important to note that the resources needed to repay this debt must be provided from other revenue sources as the capital assets themselves cannot be used to liquidate these liabilities.

For more detailed information, please see the Statement of Net Assets on pages 3 - 4.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued) April 30, 2009

Statement of Activities (Changes in Net Assets)

The following table summarizes the revenues and expenses of the Village's activities for the fiscal year ended April 30, 2009.

	Changes in Net Asset					
	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues						
Program Revenues						
Charges for Services	\$ 2,196,487	\$ 2,351,908	\$ 1,303,445	\$ 1,301,838	\$ 3,499,932	\$ 3,653,746
Capital Grants/ Contributions	329,851	100,601	-	-	329,851	100,601
General Revenues						
Property Taxes	751,010	667,968	-	-	751,010	667,968
Sales Taxes	8,050,461	8,410,641	-	-	8,050,461	8,410,641
Other Taxes	725,088	730,674	-	-	725,088	730,674
Intergovernmental	928,369	951,503	-	-	928,369	951,503
Other General Revenues	557,380	225,911	334,307	96,318	891,687	322,229
Total Revenues	13,538,646	13,439,206	1,637,752	1,398,156	15,176,398	14,837,362
Expenses:						
General Government	1,007,171	749,882	-	-	1,007,171	749,882
Public Safety	9,867,851	9,128,660	-	-	9,867,851	9,128,660
Culture and Recreation	1,077,333	1,062,851	-	-	1,077,333	1,062,851
Public Works	1,543,731	2,176,159	-	-	1,543,731	2,176,159
Building, Health and Zoning	236,287	204,748	-	-	236,287	204,748
Sanitation	551,511	523,425	-	-	551,511	523,425
Interest on Long-Term Debt	127,453	122,853	-	-	127,453	122,853
Water			1,875,025	1,548,506	1,875,025	1,548,506
Total Expenses	14,411,337	13,968,578	1,875,025	1,548,506	16,286,362	15,517,084
Changes in Net Assets	(872,691)	(529,372)	(237,273)	(150,350)	(1,109,964)	(679,722)
Net Assets, May 1	6,771,968	7,301,340	3,148,782	3,299,132	9,920,750	10,600,472
Net Assets, April 30	\$ 5,899,277	\$ 6,771,968	\$ 2,911,509	\$ 3,148,782	\$ 8,810,786	\$ 9,920,750

Governmental Activities

For the fiscal year ended April 30, 2009, total combined revenues from all governmental activities increased \$.10 million (.74%) from \$13.44 to \$13.54 million. Sales tax continues to be the largest single source of revenue for the Village (60% of all governmental revenue), contributing a combined total of \$8.05 million to the Village's overall revenue base. Sales tax is comprised of two components in the Village of North Riverside; the 1% municipal share of the state's retailer's occupation tax and the 1% local non-home rule sales tax, and generated revenue of \$4.53 million and \$3.52 million respectively.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

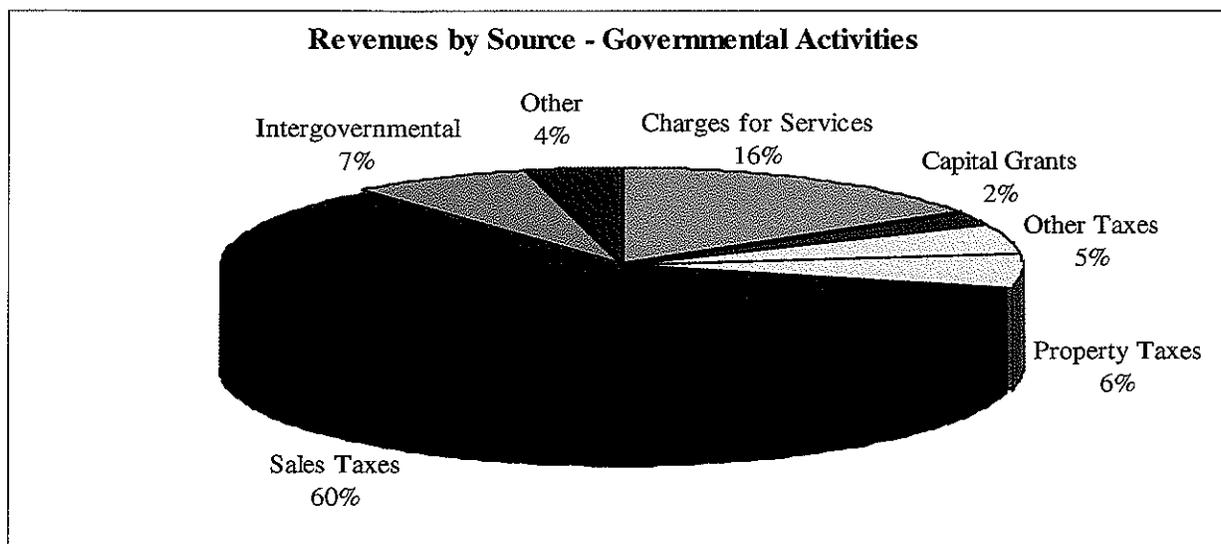
Management's Discussion and Analysis (Continued) April 30, 2009

Charges for services, the second largest source of revenue for the Village, decreased \$.15 million or 6.6% over the prior fiscal year from \$2.35 to \$2.20 million and makes-up approximately 16% of the Village's governmental revenues. The majority of this decrease is attributed to the total collapse of the local housing market which occurred during the year and resulted in no new building construction activity within the Village. In fact, building fees collected during the fiscal year were at an all time low, recording reductions of approximately 30% over the prior three years.

Other general revenues jumped \$.33 million from \$.23 million in fiscal year 2008 to \$.56 million at April 30, 2009. This increase is mainly attributed to the one time sale of Village owned cell tower antenna lease agreements to a private third party. The Village received approximately \$.26 million during the fiscal year for the present value sale of its future rental payments for two telecommunication companies leasing space on the Village's standpipe for placement of their cell tower antennas. The Village still owns the rights to one cell tower lease agreement and will continue to report monthly rental income in upcoming fiscal years related to this lease.

Even in tough economic conditions, however, the Mayor and Village Board continued their commitment to not raise property taxes, as the Village's general corporate levy remained frozen for the 21st consecutive year. This demonstrates the Village's long-term commitment of seeking alternate revenue sources other than property taxes to fund vital services and programs. Property taxes comprises of 6% of the Village's total Governmental Fund revenue with \$.75 million in collections. The Village's equalized assessed valuation increased slightly from \$322,708,962 in 2006 to \$340,275,269 in 2007. These assessments reflect the most recent assessments available from Cook County as the 2008 tax levy has not been finalized at the time this report was published.

The following chart graphically depicts the major revenue sources of the Village for the fiscal year ended April 30, 2009 and clearly demonstrates the Village's heavy reliance on sales taxes to fund governmental activities.



VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2009

Expenses for the governmental activities for the fiscal year ended April 30, 2009 totaled \$13.22 million, an increase of \$.44 million or 3.17% from the prior year. No new programs or services were instituted during the fiscal year, as departments maintained a truly operational only budget for the fourth straight year.

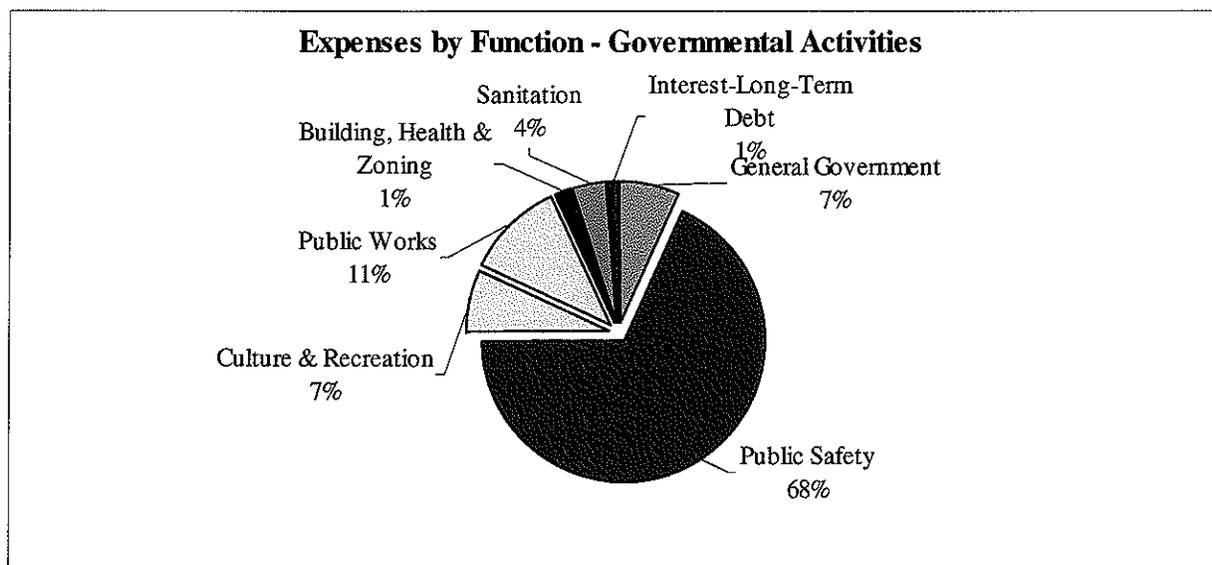
North Riverside's largest share of costs allocated to governmental activities was in the area of public safety, accounting for 68% of total governmental expenses. Public safety activities include the costs associated with the full-time operation of both the Village's fire and police departments, in addition to maintenance of a central emergency dispatch unit, year-round foot-patrol by police officers at the North Riverside Park Mall, and continuation of annual fire inspections for all commercial and multi-family dwellings. Total expenses allocated to the public safety function increased 8.1% over the prior year from \$9.13 million to \$9.87 million. This increase was primarily attributed to the Village's decision to not fund the employer's portion of the annual contribution to either the police or firefighter's pension fund as actuarially determined, which in turn increased the Village's net pension obligation costs. As a result, funding of the Village's long-term pension liabilities will need to be addressed in the immediate future as this increasing liability poses a potential risk to the Village and, in turn, is one of its greatest fiscal challenges.

Public works activities make up the second largest function within the Village, accounting for 11% of total governmental expenses. Public works activities include the costs associated with the Village's Public Works administrative, engineering and parks and streets division staff, regular street maintenance activities such street sweeping, parkway tree maintenance, snow removal, storm sewer cleaning, and other maintenance activities. Total expenses allocated to public works decreased 29.1% from \$2.18 to \$1.54 million from the prior year. This decrease was attributed to the absence of new economic development assistance grants being issued to local businesses when compared to the prior year. As the national and state economy continues to struggle and affect the Village's core operating revenues, the Village has decided to table any additional grants to local businesses in the immediate future and will re-evaluate future requests on a case by case basis using a more stringent set of financial guidelines rather than relying so heavily upon the rate of return of the Village's contribution.

The general government activities increased \$.26 million from \$.75 to \$1.01 million (34.3%) over the prior year. This increase is mainly attributed to rising insurance costs experienced unilaterally by the Village during the year in the areas of general liability and workers compensation as well as health insurance claims.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued) April 30, 2009



Business-type activities

Revenues of the Village's business-type activities remained flat when compared to the prior year at \$1.30 million annually. Business-type expenses increased \$0.33 million or 21.1% from \$1.55 million in fiscal year 2008 to \$1.88 million annually in fiscal year 2009. This increase was attributed to the additional maintenance costs incurred during the year from an unusually high number of water main breaks as well as the Village's decision to absorb a 15% water rate increase on the purchase of water from the Brookfield North Riverside Water Commission rather than passing along these costs to its water customers.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

As noted earlier, the Village of North Riverside uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year and as a measure of the General Fund's liquidity.

In general, the Village of North Riverside's financial position remained relatively unchanged from fiscal year 2008. At April 30, 2009, the governmental funds reported a combined ending fund balance of \$1.83 million compared to \$1.84 million one year ago. Of the total fund balance reported of \$1.83 million, \$1.70 million is unreserved and undesignated, thereby, representing an decrease of \$0.76 million or 4.3% over the prior fiscal year.

The General Fund is the Village's principal operating fund and the largest source of day-to-day service delivery. At the end of the current fiscal year, the General Fund has an excess of revenues over expenditures of \$0.64 million before debt proceeds and transfers to and from other funds. Total General Fund revenues were \$0.18 million (1.5%) lower than in the prior year, thereby, indicating the Village was able to sustain its revenue base in the midst of a growing financial crisis at both the national and state levels.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2009

The Village transferred \$.73 million to the Capital Projects Fund and \$.20 million to the Refuse Fund at fiscal year end. Historically, the Capital Projects Fund has been used to fund major capital assets and infrastructure improvements of the Village. Funding for this fund has traditionally been through federal and state grants, bond proceeds, and contributions from the General Fund. However, over the course of the past five years, the Village has elected to voluntarily draw down on its reserves in several funds to avoid passing on the additional cost for services to its residents.

General Fund Budgetary Highlights For the Fiscal Year Ended April 30, 2009					
	Original Budget	Final Budget	FY09 Actual	FY08 Actual	% Change
Revenues					
Taxes	\$ 10,417,750	10,417,750	\$ 9,272,396	\$ 9,581,183	-3.2%
Licenses and Permits	779,000	779,000	635,864	809,112	-21.4%
Intergovernmental	836,300	836,300	823,812	896,595	-8.1%
Charges for Services	840,000	840,000	910,271	878,330	3.6%
Fines and Forfeitures	497,000	497,000	188,512	175,974	7.1%
Investment Earnings	45,520	45,520	26,801	46,790	-42.7%
Miscellaneous	190,685	190,685	525,192	179,108	193.2%
Total Revenue	13,606,255	13,606,255	12,382,848	12,567,092	-1.5%
Expenditures					
General Government	748,195	775,895	701,924	619,319	13.3%
Public Safety	9,482,135	8,744,915	8,422,407	9,027,017	-6.7%
Culture and Recreation	1,120,810	1,200,360	1,059,772	1,045,290	1.4%
Public Works	1,164,285	1,392,863	1,322,082	1,126,609	17.4%
Building, Health and Zoning	291,385	294,135	236,287	204,748	15.4%
Total Expenditures	12,806,810	12,408,168	11,742,472	12,022,983	-2.3%
Other Financing Sources (Uses)					
Debt Issuance	200,000	200,000	224,645	267,839	100.0%
Disposal of Capital Assets	5,200	5,200	3,600	9,310	100.0%
Transfers In	-	-	-	869,025	0.0%
Transfers Out	(941,000)	(941,000)	(927,000)	(681,000)	36.1%
Total Other Financing Sources (Uses)	(735,800)	(735,800)	(698,755)	465,174	-250.2%
Change in Fund Balance	\$ 63,645	\$ 462,287	\$ (58,379)	\$ 1,009,283	-105.8%

The Village experienced reductions in all of its core operating revenues during the fiscal year; fallout from a weak local economy. General Fund tax revenue, the largest category of revenue in the General Fund, includes property taxes, sales tax and telecommunication taxes remained decreased slightly over the prior fiscal year from \$9.58 to \$9.28 million (3.2%). Revenues in the licenses and permits category suffered substantial reductions from \$.81 to \$.64 million or 21.4%. This decrease is directly attributed to the loss of building construction activity during year as a result of the banking and housing market crisis.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2009

Intergovernmental revenues, which include state income taxes, federal and state grants and other state-shared revenues, dropped 8.1% over the prior year, a trend that is expected to continue over the course of the next few years. Fines and forfeits increased \$.01 million (7.1%) from \$.18 million to \$.19 million. This increase is mainly attributed to the creation of a local adjudication court designed to hear all parking and compliance violations in addition to other local ordinance issues.

Total expenditures in the General Fund were contained to \$11.74 million, a reduction of \$.28 million (2.3%) over the prior year and were \$.66 million (5.4%) below the final budgeted appropriation for the fiscal year. Requested to provide a purely operational only budget for the current year, departments instituted numerous cost-control measures during the year to keep increases in costs to a minimal. In addition, several long-time employees retired from the Village during the year and were subsequently not replaced, thus, creating some cost savings in salaries and benefits.

Public Works expenditures showed the largest increase over the prior fiscal year at 17.4%. This increase was directly related to additional costs incurred during the year to provide village wide flood clean up due to record rainfalls experienced.

Proprietary funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but include long-term outflows and capital assets.

The Village reports the Water Fund as a major proprietary fund. This fund accounts for all of the operations of the municipal water distribution system. Water is purchased from the Brookfield-North Riverside Water Commission (the "Commission") at a rate of \$2.55 per thousand gallons. Water is sold to residential and commercial customers at a rate of \$4.05 and \$9.13 per thousand gallons respectively. The spread between the purchase price and respective sale rates is intended to finance the operations of the water system, including labor costs, supplies, and infrastructure maintenance.

Revenue collected in the Water Fund remained flat from the prior year at \$1.30 million annually while expenses increased 21.1% from \$1.55 to \$1.88 million. In January, 2008, the Village received a 15% water rate increase on the purchase of water from the Commission. Since 1987, the Village has received approximately twelve water rate increases from the Commission, totaling 65% over the entire period, while only passing minimal increases on to its residential customers. Commercial water rates have increased a total of eight times during that same period. The cost to fund the Village's water operations have increased steadily throughout the past 19 years with only minimal increases in funding from its users. As a result, the Water Fund has consistently reported an operating loss each year for the past five years of approximately \$150,000. During fiscal year 2007, the Mayor and Village Board passed its first residential water rate increase onto water customers in over 15 years. In June, 2007 and March, 2008, the Village's water rates increased to offset the additional annual operating expenses incurred by the Village from the Commission; however, the Village opted to absorb the most recent increase received in January, 2009.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Management's Discussion and Analysis (Continued)
April 30, 2009**

GENERAL FUND BUDGETARY HIGHLIGHTS

The Mayor and Village Board approved one amendment to the fiscal year 2009 annual appropriation. This amendment allowed the Village to shift budgeted amounts within line items across all departments without altering the total appropriation for the Village. No supplemental appropriations were approved during the fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village's investment in capital assets for both its governmental and business type activities as of April 30, 2009 was \$15.71 million (net of accumulated depreciation), a slight increase of \$.03 million over the prior year. This investment in capital assets includes land and land improvements, buildings and improvements, vehicles, public infrastructure (i.e. streets and sidewalks), equipment and furniture, and water and sewer system assets.

	Capital Assets As of April 30, 2009					
	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 7,088,187	\$ 7,088,187	\$ 215,500	\$ 215,500	\$ 7,303,687	\$ 7,303,687
Buildings and Improvements	8,099,148	7,964,185	187,982	187,982	8,287,130	8,152,167
Vehicles	2,296,102	2,140,555	102,698	102,698	2,398,800	2,243,253
Equipment and Furniture	2,523,945	2,318,227	-	-	2,523,945	2,318,227
Streets and Sidewalks	3,053,593	3,053,593	-	-	3,053,593	3,053,593
Water System	-	-	5,020,350	5,020,350	5,020,350	5,020,350
Sewer System	-	-	1,294,965	1,294,965	1,294,965	1,294,965
	23,060,975	22,564,747	6,821,495	6,821,495	29,882,470	29,386,242
Less: Accumulated Depreciation	(10,098,802)	(9,740,427)	(4,071,385)	(3,966,537)	(14,170,187)	(13,706,964)
Total	\$ 12,962,173	\$ 12,824,320	\$ 2,750,110	\$ 2,854,958	\$ 15,712,283	\$ 15,679,278

Current year capital asset additions totaled \$.60 million and included replacement of public safety vehicles, installation of a new village wide telephone system, replacement of aging infrastructure, and as well as other miscellaneous capital purchases. Additional information on the Village of North Riverside's capital assets can be found in note 3 on pages 35 - 36 of this report.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2009

Long-Term Debt

As of April 30, 2009, the Village had total outstanding bonded debt of \$1.23 million as compared to \$1.40 million the previous year, a decrease of 12.1%. This entire amount of outstanding debt has been issued in the form of General Obligation Alternate Revenue Source Bonds, payment of which is pledged by the full faith and taxing authority of the Village.

The Village's property taxes and corresponding tax rate for its long-term bonded debt for the last 10 years is shown in the table below.

<u>Tax Year</u>	<u>Property Tax Rate*</u>	<u>Property Taxes Extended</u>
2008	N/A	N/A
2007	\$ 0.0741	\$ 252,144
2006	0.0775	250,100
2005	0.0785	252,745
2004	0.0953	249,523
2003	0.0992	251,390
2002	0.1006	252,719
2001	0.1181	253,566
2000	0.1264	261,975
1999	0.1164	245,952

In addition to the general obligations bonds outstanding at April 30, 2009, the Village also currently maintains six installment contracts in the total amount of \$1.25 million - \$.66 million was issued to finance various equipment purchases and \$.59 million remains outstanding on the economic development assistance grants within the Village's central business district. These installment contracts are due to mature within the next 2 to 3 years.

The Village maintains an A1 rating from Moody's Investors Services for general obligation debt. This rating was recently reaffirmed by Moody's in September, 2008. The Village, under its non-home rule authority, has a legal debt margin at April 30, 2009 of \$28.1 million. Under Illinois Compiled Statutes, installment contracts not backed by the full faith and taxing authority of the Village are not subject to debt limitations. Accordingly, the Village is well under the legal debt margin, with only \$1.23 million subject to the legal debt limits. Additional information on the Village of North Riverside long-term debt can be found in Note 3 on pages 38 - 41 of this report.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2009

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

North Riverside enjoys a stable and diversified commercial and retail sales base with a large regional shopping center consisting of three national department stores and 114 specialty stores, two major automobile dealers, a national distributor of foodservice equipment and supplies, two leading grocery/drug stores, and several large retail strip centers. Heavily dependent on sales tax receipts (state shared and local non-home rule), the Village largest revenue source remained relatively stable during the year regardless of the general economic slowdown experienced at the national and state levels.

A portion of North Riverside's revenues is also received from State income tax distributions, which are allocated to Illinois communities on a per-capita basis each month. The State unemployment rate has impacted the Village's receipt of these state-shared revenues over the past several years. The State average unemployment rate for calendar year 2009 as of September, 2009 was 10.5%, the highest level in the past ten years. Consequently, state income tax revenue decreased 1.0% in fiscal year 2009, a trend that is expected to continue into the next few fiscal years.

<u>Calendar Year</u>	<u>State Unemployment Rate</u>
2009*	10.5%
2008	6.9%
2007	5.3%
2006	4.7%
2005	5.7%
2004	6.2%
2003	6.7%
2002	6.5%
2001	5.4%
2000	4.5%

* Rate reflected as of September 2009.

One of the biggest fiscal challenges facing the Village in the upcoming years is finding new revenue sources to offset negative changes in the Village's tax bases that are more susceptible to national and local economic factors. To assist the Village in this endeavor, a red light photo enforcement camera was installed at the intersection of 17th Avenue and Cermak Road with these violations being heard through the Village's local adjudication hearings. Additional cameras are anticipated to be up and running in the upcoming fiscal year.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2009

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Finance Director, Village of North Riverside, 2401 S. Desplains Avenue, North Riverside, Illinois 60546.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
 - Governmental Funds
 - Proprietary Funds
 - Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Statement of Net Assets

April 30, 2009

See Following Page

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Statement of Net Assets
April 30, 2009**

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 1,168,240	\$ 75	\$ 1,168,315
Receivables - Net of Allowances			
Property Taxes	381,955	-	381,955
Accounts	184,262	300,479	484,741
Accrued Interest	2,296	-	2,296
Other	23,994	-	23,994
Due from Other Governments	2,061,628	-	2,061,628
Prepays and Inventories	204,791	-	204,791
Internal Balances	(88,298)	88,298	-
Total Current Assets	3,938,868	388,852	4,327,720
Noncurrent Assets			
Capital Assets			
Nondepreciable	7,088,187	215,500	7,303,687
Depreciable	15,972,788	6,605,995	22,578,783
Accumulated Depreciation	(10,098,802)	(4,071,385)	(14,170,187)
Total Noncurrent Assets	12,962,173	2,750,110	15,712,283
Total Assets	16,901,041	3,138,962	20,040,003

The notes to the financial statements are an integral part of this statement.

	Governmental Activities	Business- Type Activities	Total
LIABILITIES			
Current Liabilities			
Accounts Payable	554,905	103,061	657,966
Accrued Payroll	224,266	3,159	227,425
Interest Payable	11,162	-	11,162
Deposits Payable	249,331	47,538	296,869
Claims Payable	246,297	-	246,297
Unearned/Deferred Revenues	1,206,852	16,000	1,222,852
Current Portion of Long-Term Debt	1,030,423	11,539	1,041,962
Total Current Liabilities	3,523,236	181,297	3,704,533
Noncurrent Liabilities			
Net Pension Obligation	4,859,935	-	4,859,935
Compensated Absences Payable	932,374	46,156	978,530
Installment Contracts Payable	636,219	-	636,219
General Obligation Bonds Payable	1,050,000	-	1,050,000
Total Noncurrent Liabilities	7,478,528	46,156	7,524,684
Total Liabilities	11,001,764	227,453	11,229,217
NET ASSETS			
Invested in Capital Assets -			
Net of Related Debt	10,478,625	2,750,110	13,228,735
Restricted - Public Safety	92,424	-	92,424
Unrestricted	(4,671,772)	161,399	(4,510,373)
Total Net Assets	\$ 5,899,277	\$ 2,911,509	\$ 8,810,786

The notes to the financial statements are an integral part of this statement.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Statement of Activities
Year Ended April 30, 2009**

	Expenses	Program Revenues	
		Charges for Services	Capital Grants/Contributions
Governmental Activities			
General Government	\$ 1,007,171	\$ 479,203	\$ -
Public Safety	9,867,851	556,555	289,851
Culture and Recreation	1,077,333	504,745	-
Public Works	1,538,351	20,268	40,000
Building, Health and Zoning	236,287	280,197	-
Sanitation	551,511	355,519	-
Interest on Long-Term Debt	127,453	-	-
Total Governmental Activities	14,405,957	2,196,487	329,851
Business-Type Activities			
Water	1,875,025	1,303,445	-
	\$ 16,280,982	\$ 3,499,932	\$ 329,851

General Revenues

- Taxes
 - Property
 - Municipal and Non-Home Rule Sales
 - Telecommunication
 - Utility
 - Other
- Intergovernmental-Unrestricted
 - Income Tax
 - Replacement Tax
 - Local Use Tax
 - Other Taxes
- Investment Earnings
- Miscellaneous

Change in Net Assets

Net Assets - Beginning

Net Assets - Ending

The notes to the financial statements are an integral part of this statement

Net Expense/Revenue		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (527,968)	\$ -	\$ (527,968)
(9,021,445)	-	(9,021,445)
(572,588)	-	(572,588)
(1,478,083)	-	(1,478,083)
43,910	-	43,910
(195,992)	-	(195,992)
(127,453)	-	(127,453)
<u>(11,879,619)</u>	<u>-</u>	<u>(11,879,619)</u>
-	(571,580)	(571,580)
<u>\$ (11,879,619)</u>	<u>\$ (571,580)</u>	<u>\$ (12,451,199)</u>
\$ 751,010	\$ -	\$ 751,010
8,050,461	-	8,050,461
245,420	-	245,420
475,054	-	475,054
4,614	-	4,614
609,376	-	609,376
46,428	-	46,428
94,377	-	94,377
178,188	-	178,188
26,808	-	26,808
525,192	334,307	859,499
<u>11,006,928</u>	<u>334,307</u>	<u>11,341,235</u>
(872,691)	(237,273)	(1,109,964)
<u>6,771,968</u>	<u>3,148,782</u>	<u>9,920,750</u>
<u>\$ 5,899,277</u>	<u>\$ 2,911,509</u>	<u>\$ 8,810,786</u>

The notes to the financial statements are an integral part of this statement

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Balance Sheet - Governmental Funds
April 30, 2009**

	<u>General</u>
ASSETS	
Cash and Investments	\$ 1,160,377
Receivables - Net of Allowances	
Property Taxes	255,888
Accounts	45,306
Accrued Interest	2,296
Other	23,994
Due from Other Funds	1,036,100
Due from Other Governments	2,061,628
Prepays	21,836
Inventories	39,755
	<u> </u>
Total Assets	<u>\$ 4,647,180</u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	\$ 441,160
Accrued Payroll	224,266
Deposits Payable	219,384
Unearned/Deferred Revenues	580,205
Due to Other Funds	1,330,837
Total Liabilities	<u>2,795,852</u>
Fund Balances	
Reserved - Prepays/Inventories	61,591
Reserved - Debt Service	-
Reserved - Public Safety	92,424
Unreserved - General	1,697,313
Unreserved - Special Revenue	-
Unreserved - Capital Projects	-
Total Fund Balances	<u>1,851,328</u>
	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 4,647,180</u>

The notes to the financial statements are an integral part of this statement.

Debt Service	Capital Projects	Nonmajor Governmental	Total Governmental Funds
\$ -	\$ -	\$ 7,863	\$ 1,168,240
126,067	-	-	381,955
-	7,500	107,092	159,898
-	-	-	2,296
-	-	-	23,994
119,741	-	849,453	2,005,294
-	-	-	2,061,628
-	-	140,000	161,836
-	-	-	39,755
<u>\$ 245,808</u>	<u>\$ 7,500</u>	<u>\$ 1,104,408</u>	<u>\$ 6,004,896</u>
\$ -	\$ 35,432	\$ 68,403	\$ 544,995
-	-	-	224,266
-	-	29,947	249,331
241,405	-	385,242	1,206,852
-	622,833	-	1,953,670
<u>241,405</u>	<u>658,265</u>	<u>483,592</u>	<u>4,179,114</u>
-	-	-	61,591
4,403	-	-	4,403
-	-	-	92,424
-	-	-	1,697,313
-	-	620,816	620,816
-	(650,765)	-	(650,765)
<u>4,403</u>	<u>(650,765)</u>	<u>620,816</u>	<u>1,825,782</u>
<u>\$ 245,808</u>	<u>\$ 7,500</u>	<u>\$ 1,104,408</u>	<u>\$ 6,004,896</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Reconciliation of Total Governmental Fund Balance to the
Statement of Net Assets - Governmental Activities**

April 30, 2009

Total Governmental Fund Balances	\$ 1,825,782
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Amounts reported for governmental activities in the Statement of Net Assets
are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	12,962,173
-----------------------------------------------------------------------------------------------------------------------------	------------

Internal service funds are used by the Village to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Assets.	(368,565)
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Net Pension Obligation Payable	(4,859,935)
Compensated Absences Payable	(1,165,468)
Installment Contracts Payable	(1,253,548)
General Obligation Bonds Payable	(1,230,000)
Accrued Interest Payable	<u>(11,162)</u>

Net Assets of Governmental Activities	<u>\$ 5,899,277</u>
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VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended April 30, 2009**

See Following Page

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended April 30, 2009**

	<u>General</u>
Revenues	
Taxes	\$ 9,272,396
Licenses and Permits	635,864
Intergovernmental	823,812
Charges for Services	910,271
Fines and Forfeits	188,512
Investment Earnings	32,181
Miscellaneous	525,192
Total Revenues	<u>12,388,228</u>
Expenditures	
Current	
General Government	701,924
Public Safety	8,422,407
Culture and Recreation	1,059,772
Public Works	1,322,082
Building, Health and Zoning	236,287
Sanitation	-
Capital Outlay	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>11,742,472</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>645,756</u>
Other Financing Sources (Uses)	
Debt Issuance	224,645
Disposal of Capital Assets	(1,780)
Transfers In	-
Transfers Out	<u>(927,000)</u>
	<u>(704,135)</u>
Net Change in Fund Balances	(58,379)
Fund Balances - Beginning	<u>1,909,707</u>
Fund Balances - Ending	<u>\$ 1,851,328</u>

The notes to the financial statements are an integral part of this statement.

Debt Service	Capital Projects	Nonmajor Governmental	Total Governmental Funds
\$ 249,549	\$ -	\$ 4,614	\$ 9,526,559
-	-	-	635,864
-	260,416	218,188	1,302,416
-	-	417,644	1,327,915
-	-	-	188,512
-	-	7	32,188
-	-	-	525,192
249,549	260,416	640,453	13,538,646
-	-	-	701,924
-	-	42,932	8,465,339
-	-	-	1,059,772
-	-	214,693	1,536,775
-	-	-	236,287
-	-	551,511	551,511
-	485,000	-	485,000
170,000	658,345	5,697	834,042
75,867	56,389	1,221	133,477
245,867	1,199,734	816,054	14,004,127
3,682	(939,318)	(175,601)	(465,481)
-	229,706	-	454,351
-	-	-	(1,780)
-	730,000	197,000	927,000
-	-	-	(927,000)
-	959,706	197,000	452,571
3,682	20,388	21,399	(12,910)
721	(671,153)	599,417	1,838,692
\$ 4,403	\$ (650,765)	\$ 620,816	\$ 1,825,782

The notes to the financial statements are an integral part of this statement.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities - Governmental Activities**

Year Ended April 30, 2009

Net Change in Fund Balances - Total Governmental Funds \$ (12,910)

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.

Capital Outlays	600,564
Depreciation Expense	(458,961)

The net effect of various miscellaneous transactions involving capital assets
is to decrease net assets.

Disposals - Cost	(104,336)
Disposals - Accumulated Depreciation	100,586

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Additions to Net Pension Obligation Payable	(1,148,098)
Increases to Compensated Absences Payable	(109,791)
Issuance of Debt	(454,351)
Retirement of Debt	834,042

Changes to accrued interest on long-term debt in the Statement of Activities
does not require the use of current financial resources and, therefore, are not
reported as expenditures in the governmental funds.

6,024

Internal service funds are used by the Village to charge the costs of health
insurance to individual funds. The net revenue of certain
activities of internal service funds is reported with governmental activities.

(125,460)

Changes in Net Assets of Governmental Activities \$ (872,691)

The notes to the financial statements are an integral part of this statement.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Statement of Net Assets - Proprietary Funds
April 30, 2009**

	Business-Type Activities - Enterprise Water	Governmental Activities Internal Service Health Insurance
ASSETS		
Current Assets		
Cash and Investments	\$ 75	\$ -
Receivables - Net of Allowances		
Accounts	300,479	24,364
Due from Other Funds	350,286	-
Prepays	-	3,200
Total Current Assets	<u>650,840</u>	<u>27,564</u>
Noncurrent Assets		
Capital Assets		
Nondepreciable	215,500	-
Depreciable	6,605,995	-
Accumulated Depreciation	<u>(4,071,385)</u>	<u>-</u>
Total Noncurrent Assets	<u>2,750,110</u>	<u>-</u>
Total Assets	<u>3,400,950</u>	<u>27,564</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	103,061	-
Accrued Payroll	3,159	-
Deposits Payable	47,538	-
Unearned/Deferred Revenues	16,000	-
Claims Payable	-	246,297
Due to Other Funds	261,988	149,832
Compensated Absences Payable	11,539	-
Total Current Liabilities	<u>443,285</u>	<u>396,129</u>
Long-Term Liabilities		
Compensated Absences Payable	<u>46,156</u>	<u>-</u>
Total Liabilities	<u>489,441</u>	<u>396,129</u>
NET ASSETS		
Invested in Capital Assets	2,750,110	-
Unrestricted	<u>161,399</u>	<u>(368,565)</u>
Total Net Assets	<u>\$ 2,911,509</u>	<u>\$ (368,565)</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds
Year Ended April 30, 2009

	Business-Type Activities - Enterprise <u>Water</u>	Governmental Activities <u>Internal Service Health Insurance</u>
Operating Revenues		
Charges for Services	\$ 1,303,445	\$ -
Interfund Services	-	2,157,848
Total Operating Revenues	<u>1,303,445</u>	<u>2,157,848</u>
Operating Expenses		
Administration	-	38,677
Operations	1,770,177	2,244,631
Depreciation	104,848	-
Total Operating Expenses	<u>1,875,025</u>	<u>2,283,308</u>
Operating Income (Loss)	(571,580)	(125,460)
Nonoperating Revenues		
Other Income	<u>334,307</u>	-
Change in Net Assets	(237,273)	(125,460)
Net Assets - Beginning	<u>3,148,782</u>	<u>(243,105)</u>
Net Assets - Ending	<u>\$ 2,911,509</u>	<u>\$ (368,565)</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Statement of Cash Flows - Proprietary Funds
Year Ended April 30, 2009**

	Business-Type Activities - Enterprise <u>Water</u>	Governmental Activities <u>Internal Service Health Insurance</u>
Cash Flows from Operating Activities		
Receipts from Customers and Users	\$ 1,504,454	\$ -
Receipts from Interfund Services Provided	-	2,133,787
Payments to Suppliers	(938,230)	(2,133,787)
Payments to Employees	(566,224)	-
Net Change in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents		
Beginning of Year	75	-
End of Year	\$ 75	\$ -
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	\$ (571,580)	\$ (125,460)
Adjustments to Reconcile Operating Income Income to Net Cash		
Provided by (used in) Operating Activities:		
Other Income	334,307	-
Depreciation and Amortization Expense	104,848	-
(Increase) Decrease in Current Assets	(133,298)	(24,061)
Increase (Decrease) in Current Liabilities	265,723	149,521
Net Cash Provided by Operating Activities	\$ -	\$ -

The notes to the financial statements are an integral part of this statement.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Fiduciary Funds - Statement of Net Assets
April 30, 2009

	<u>Pension Trust</u>
ASSETS	
Cash and Cash Equivalents	\$ 2,146,929
Investments	
U.S. Government and Agency Obligations	10,218,821
Mutual Funds	6,184,768
Insurance Contracts	630,638
Common Stock	1,466,407
Receivables	
Due from Other Funds	11,357
Accounts	30,275
Accrued Interest	<u>99,701</u>
 Total Assets	 <u>20,788,896</u>
LIABILITIES	
 Due to Other Funds	 <u>1,447</u>
NET ASSETS	
 Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial statements.)	 <u>\$ 20,787,449</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Fiduciary Funds - Statement of Changes in Net Assets
Year Ended April 30, 2009**

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ -
Contributions - Employee	352,428
Other Contributions	<u>16,700</u>
Total Contributions	<u>369,128</u>
Investment Income	
Interest Earned	422,951
Net Change in Fair Value	<u>(2,640,608)</u>
	(2,217,657)
Less Investment Expenses	<u>(98,996)</u>
Net Investment Income	<u>(2,316,653)</u>
Total Additions	<u>(1,947,525)</u>
Deductions	
Administration	20,182
Benefits and Refunds	<u>1,437,985</u>
Total Deductions	<u>1,458,167</u>
Change in Net Assets	(3,405,692)
Net Assets - Beginning	<u>24,193,141</u>
Net Assets - Ending	<u>\$ 20,787,449</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of North Riverside is a municipal corporation governed by an elected President and six-member Board of Trustees. The Village's major operations include police protection and fire safety, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, water and sanitation services, and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB Pronouncements. Although the Village has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Village has chosen not to do so. The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of North Riverside
Blended Component Units:	Police Pension Employees Retirement System Firefighters' Pension Employees Retirement System

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, "The Financial Reporting Entity," and includes all component units that have a significant operational or financial relationship with the Village.

Blended Component Units - Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Village Board or the Component unit provides services entirely to the Village. These component units' funds are blended into those of the Village's by appropriate activity type to compose the primary government presentation.

Blended Component Units

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village President, one elected pension beneficiary and two elected police employees constitute the pension board.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements
April 30, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Blended Component Units – Continued

Police Pension Employees Retirement System – Continued

The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PERS is reported as a pension trust fund.

Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board, with two members appointed by the Village President, two elected from active participants of the Fund, and one elected from the retired members of the Fund. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn firefighters. The FPERS is reported as a pension trust fund.

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's police protection and fire safety, highway and street maintenance and reconstruction, forestry, building, code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's water services are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Village's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Village first utilizes restricted resources to finance qualifying activities.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements April 30, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, etc.) The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, interest income, etc).

The Village allocates indirect costs to other funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations, but are paid for through the General Fund.

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net assets resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements.

A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements April 30, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

General fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains four nonmajor special revenue funds.

Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and is used to account for the accumulation of resources and payment of general obligation bond and installment contract principal and interest from governmental resources.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Capital Projects Fund is treated as a major fund and is used to account for resources to be used for infrastructure improvements and the acquisition or construction of major capital assets other than those financed by proprietary funds.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements April 30, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Proprietary Funds – Continued

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains one major enterprise fund, the Water Fund, which is used to account for resources used to provide services to the general public on a user charge basis exclusively for water supply.

Internal service fund is used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains one internal service fund, the Health Insurance Fund. The Health Insurance Fund is used to account for all of the diverse health and term insurance purchases for the government with the costs allocated to the other funds and departments on a per employee basis.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Village programs. The reporting focus is on net assets and changes in net assets and is reported using accounting principles similar to proprietary funds.

Pension trust funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police and Firefighters' Pension Funds account for money received from nonenterprise fund sources and held by a governmental unit in the capacity of trustee for individuals, entities and nonpublic organizations. The pension trust funds' assets, by definition, are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, therefore, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements April 30, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net assets.

Basis of Accounting

In the government-wide Statement of Net Assets and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales, non-home rule sales, simplified telecommunication, motor fuel taxes collected or due, franchise fees, amusement taxes, utility taxes licenses, investment earnings, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements April 30, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

All proprietary and pension trust funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

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 Village's enterprise fund, and of the Village's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service 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.

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Assets are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows", cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are amounts provided with a requirement of repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings, and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide Statement of Net Assets, except for amounts between similar activities, which have been eliminated.

Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The cost of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements April 30, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Interfund Receivables, Payables and Activity – Continued

Services provided and used are sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as due to/from other funds in the fund Balance Sheets or fund Statements of Net Assets. Reimbursements repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported in the reimbursing fund and as a reduction of expenditures in the reimbursed fund. Transfers are flows of assets (such as cash or goods) without equivalent flows of assets in return and without the requirement of repayment. In governmental funds, transfers are reported as other financing uses in the fund making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after non-operating revenues and expenses.

Prepays

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaids.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report utility charges as their major receivables.

Capital Assets

Capital assets purchased or acquired with an original cost of \$25,000 to \$250,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, public right-of-ways and sidewalks are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Capital Assets – Continued

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Land Improvements	15 – 25 Years
Buildings	45 Years
Building Improvements	10 – 30 Years
Vehicles	3 – 10 Years
Machinery and Equipment	5 – 30 Years
Computers	4 Years
Furniture and Fixtures	5 – 20 Years
Infrastructure	20 – 80 Years

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements
April 30, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Unearned/Deferred Revenue

Governmental funds report unearned/deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Fund Equity

In the government-wide financial statements, equity is classified as net assets and displayed in three components:

Invested in capital assets, net of related debt—Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets—Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted net assets—All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, special revenue (except the foreign fire insurance fund), debt service, capital projects, enterprise and internal service funds. Operating budgets are adopted for the pension trust funds. All annual appropriations lapse at fiscal year end.

All departments of the Village submit requests for appropriation to the Village Administrator and Treasurer so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget.

The Village Administrator and Finance Director are authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body.

Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, supplementary appropriations were made and are reflected in the financial statements.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is not used.

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following fund had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

<u>Fund</u>	<u>Excess</u>
Health Insurance	\$ 144,108

DEFICIT FUND EQUITY

The following funds had deficit fund equity for the fiscal year:

<u>Fund</u>	<u>Deficit</u>
Capital Projects	\$ 650,765
Health Insurance	368,565

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments". In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Permitted Deposits and Investments – Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund. The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Funds to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois Bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance companies provided the investment in separate accounts does not exceed ten percent of the pension fund's net assets. Pension funds of at least 5 million that have appointed an investment advisor may, through that investment advisor, invest up to thirty-five percent of the plan's net assets in common and preferred stocks that meet specific restrictions.

Illinois Funds is an investment pool managed by the Illinois public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$336,250 and the bank balances totaled \$613,961.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments. The Village has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1 to 5
Federal Home Loan Mortgage Corp.	\$ 255,362	\$ -	\$ 255,362
Federal National Mortgage Assoc.	101,656	-	101,656
Illinois Funds	475,047	475,047	-
	<u>\$ 832,065</u>	<u>\$ 475,047</u>	<u>\$ 357,018</u>

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village’s investment policy states that it will mitigate interest rate risk by structuring the investment portfolio so that securities mature concurrently to meet cash requirements of the Village’s ongoing operations, thereby, eliminating the need to sell securities on the open market prior to maturity, and investing operating fund primarily in shorter-term securities, money market mutual funds or similar investment pools. Specifically, the investment policy states that unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than five years from the date of purchase. Reserve funds and other funds with longer-term cash flow requirements may be invested in securities exceeding five years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of funds.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village’s investment policy mitigates credit risk by limiting investments to the safest types of securities, by pre-qualifying all financial institutions, brokers/dealers, intermediaries and advisors with which the Village conducts business, and diversifying the investment portfolio so that potential losses on individual securities will be minimized. At year-end, the Village’s U.S. Agency securities are all rated AAA by Standard & Poor’s, and the Village’s investment in the Illinois Funds is rated AAAM by Standard & Poor’s.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires that any deposit in excess of Banking Insurance Fund and Savings Association Insurance Fund limits to be secured by some form of collateral. The Village will accept any of the following assets as collateral: U.S. Government Securities, Obligations of Federal Agencies, Obligations of Federal Instrumentalities, and Obligations of the State of Illinois. The fair market value of collateral provided will not be less than 110% of the bank balance of deposits, including accrued interest. Pledged collateral will be held in safekeeping by an independent third party acting as agent for the Village. At year-end, the entire amount of the bank balance of deposits was covered by federal depository or equivalent insurance. For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year-end, the Village's investments in U.S. Agency securities are all insured or registered with the Village or its agent in the Village's name and the Village's investment in the Illinois Funds is noncategorizable.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that the investment policy shall be diversified by: limiting investments to avoid over concentration in securities from a specific issuer or business sector, excluding U.S. Treasury securities, by limiting investment in securities that have higher credit risks, by investing in securities with varying maturities, and by continuously investing a portion of the portfolio in readily available funds such as local government investment pools (i.e. Illinois Funds) and money market mutual funds to ensure that appropriate liquidity is maintained to meet ongoing operating obligations. At year-end, the Village's investment in the Illinois Funds represents more than 5 percent of the total cash and investment portfolio.

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$254,615 and the bank balances totaled \$254,615.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Bond	\$ 455,022	\$ -	\$ -	\$ 455,022	\$ -
U.S. Treasury Strip	381,649	-	381,649	-	-
Federal Home Loan Bank	904,972	695,073	209,899	-	-
Federal Home Loan Mortgage Corp.	541,693	-	-	418,280	123,413
Federal National Mortgage Assoc.	3,496,514	-	1,041,593	493,364	1,961,557
Federal Farm Credit Bank	423,295	-	-	423,295	-
Government National Mortgage Assoc.	446,693	-	-	-	446,693
Illinois Funds	129,550	129,550	-	-	-
	\$ 6,779,388	\$ 824,623	\$ 1,633,141	\$ 1,789,961	\$ 2,531,663

Interest Rate Risk. The Fund’s investment policy states that the investment portfolio will remain sufficiently liquid to enable the Fund to meet all operating requirements which might be reasonably anticipated.

Credit Risk. The Fund’s investment policy states that safety of principle is the foremost objective of the policy. Investments shall be undertaken in a manner that seeks to insure the preservation of capital. The Fund’s investment policy helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. At year-end, the Fund’s investments in U.S. Government and Agency securities were all rated AAA rated by Standard & Poor’s.

Custodial Credit Risk. The Fund’s investment policy does not mitigate custodial credit risk. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund’s investment in U.S. Government and Agency securities are categorized as insured, registered, or held by the Fund or its agent in the Fund’s name.

Concentration Risk. The Fund’s investment policy states that investments of the Fund shall be so diversified as to minimize the risk of large losses. Diversification is to be interpreted to include diversification by asset type, by characteristic and by number of investments.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investment management of the Fund’s assets shall be in accordance with the following asset guidelines:

	<u>Minimum</u>	<u>Maximum</u>	<u>Preferred</u>
Equities	25%	45%	35%
Fixed Income	45%	74%	63%
Cash and Equivalents	1%	15%	2%

At year-end, the Funds investments are in compliance with the guidelines outlined above. In addition to the securities and fair values listed above, the Fund also has \$3,881,915 invested in mutual funds and \$1,466,407 invested in common stock. At year-end, the Fund has no investments over 5 percent of net plan assets available for retirement benefits (other than U.S. Government guaranteed obligations).

Firefighters’ Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund’s deposits totaled \$1,731,576 and the bank balances totaled \$1,731,576.

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Note	\$ 1,192,262	\$ -	\$ 535,667	\$ 656,595	\$ -
U.S. Treasury Strip	658,615	-	-	-	658,615
Federal Home Loan Bank	503,595	-	-	503,595	-
Federal National Mortgage Assn.	507,190	-	-	-	507,190
Federal Home Loan Mortgage Company	510,725	-	510,725	-	-
Local Obligations	196,596	-	-	-	196,596
Illinois Funds	31,187	31,187	-	-	-
	<u>\$ 3,600,170</u>	<u>\$ 31,187</u>	<u>\$ 1,046,392</u>	<u>\$ 1,160,190</u>	<u>\$ 1,362,401</u>

Interest Rate Risk. The Fund’s investment policy states that the investment portfolio shall remain sufficiently liquid to enable the Pension Board to meet all operating requirements, insurance premiums and settlements of claims which may be reasonably anticipated.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements
April 30, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk. The Fund's investment policy states that safety of principal is considered the foremost priority of the Pension Board. With each investment that is made the Board shall make a prudent effort to avoid capital losses, whether they be from default or erosion of market values. At year-end, the Fund's investment in U.S. Treasury and Agency securities were all rated AAA rated by Standard & Poor's. Standard & Poor's rated the Fund's investment in the Illinois Funds AAAM.

Custodial Credit Risk. The Fund's investment policy states that all funds on deposit in banks in excess of FDIC limits be secured by some form of collateral. Direct investments guaranteed by the United States government do not require collateral. The Fund shall accept any of the following securities as collateral: negotiable full-faith and credit obligations of the United States government, and negotiable obligations of any agency or instrumentality of the United States government. The amount of collateral will not be less than 110% of the fair market value of the net amount of funds secured. Pledged collateral will be held in safekeeping and evidenced by a safekeeping agreement. All investments of the Fund shall be clearly held and accounted for to indicate ownership by the Board. The Fund will direct the registration of securities in its own name or in the name of a nominee created for the express purpose of registration of securities by a state bank, national bank or trust company authorized to do business in the State of Illinois. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund's investment in U.S. Treasury and Agency securities are categorized as insured, registered, or held by the Fund or its agent in the Fund's name. The Fund's investment in the Illinois Funds is noncategorizable.

Concentration Risk. The Fund's investment policy states no financial institution shall hold more than 50% of the Fund's portfolio at the current time of investment placement, exclusive of securities held in safekeeping with the Trust Department of the financial institution. The following are suggested limits of holdings for the Fund:

Cash, Illinois Funds, NOW Accounts	0%	to	50%
GNMA Securities	0%	to	30%
Other Agencies	0%	to	75%
Strips (Zero Coupon Securities)	0%	to	70%
Full Faith & Credit – U.S. Govt.	10%	to	100%
Certificates of Deposit	0%	to	10%
Guaranteed Investment Contracts/Insurance Separate Accounts	0%	to	10%
Equity Investments	0%	to	35%

At year-end, the Fund is in compliance with the guideline outlined above. In addition to the securities and fair values listed above, the Fund also has \$2,302,853 invested in mutual funds and \$650,638 invested in insurance contracts. At year-end, the Fund has over 5 percent of net plan assets available for retirement benefits (other than U.S. Government guaranteed obligations) invested in QA3 Funds of \$1,968,501.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets - Nondepreciable				
Land	\$ 2,774,097	\$ -	\$ -	\$ 2,774,097
Land - Right of Way	4,314,090	-	-	4,314,090
	<u>7,088,187</u>	-	-	<u>7,088,187</u>
Depreciable Capital Assets				
Buildings and Improvements	7,964,185	134,963	-	8,099,148
Vehicles	2,140,555	184,883	29,336	2,296,102
Equipment and Furniture	2,318,227	280,718	75,000	2,523,945
Infrastructure	3,053,593	-	-	3,053,593
	<u>15,476,560</u>	<u>600,564</u>	<u>104,336</u>	<u>15,972,788</u>
Less Accumulated Depreciation				
Buildings and Improvements	4,206,061	179,285	-	4,385,346
Vehicles	1,715,664	186,491	29,336	1,872,819
Equipment and Furniture	1,816,627	61,200	71,250	1,806,577
Infrastructure	2,002,075	31,985	-	2,034,060
	<u>9,740,427</u>	<u>458,961</u>	<u>100,586</u>	<u>10,098,802</u>
Total Depreciable Capital Assets	<u>5,736,133</u>	<u>141,603</u>	<u>3,750</u>	<u>5,873,986</u>
Total Capital Assets	<u>\$ 12,824,320</u>	<u>\$ 141,603</u>	<u>\$ 3,750</u>	<u>\$ 12,962,173</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 69,996
Public Safety	250,664
Culture and Recreation	17,561
Public Works	<u>120,740</u>
	<u>\$ 458,961</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets - Nondepreciable				
Land	\$ 215,500	\$ -	\$ -	\$ 215,500
Depreciable Capital Assets				
Buildings	187,982	-	-	187,982
Water System	5,020,350	-	-	5,020,350
Sewer System	1,294,965	-	-	1,294,965
Vehicles	102,698	-	-	102,698
	<u>6,605,995</u>	<u>-</u>	<u>-</u>	<u>6,605,995</u>
Less Accumulated Depreciation				
Buildings	25,850	4,700	-	30,550
Water System	2,957,918	83,813	-	3,041,731
Sewer System	918,471	11,535	-	930,006
Vehicles	64,298	4,800	-	69,098
	<u>3,966,537</u>	<u>104,848</u>	<u>-</u>	<u>4,071,385</u>
Total Depreciable Capital Assets	<u>2,639,458</u>	<u>(104,848)</u>	<u>-</u>	<u>2,534,610</u>
Total Capital Assets	<u>\$ 2,854,958</u>	<u>\$ (104,848)</u>	<u>\$ -</u>	<u>\$ 2,750,110</u>

Depreciation expense of \$104,848 was charged to the water business-type activity.

PROPERTY TAXES

Property taxes for 2008 attach as an enforceable lien on January 1, 2008, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1, 2008 and July 1, 2009, and are payable in two installments, on or about March 1, 2009, and September 1, 2009. The County collects such taxes and remits them periodically. The 2008 levy was adopted in December 2008 and the uncollected amount at April 30 is recorded as a receivable with the full levy recorded as deferred revenues since it is intended to finance the Village's subsequent fiscal year. The 2009 tax levy, which attached as an enforceable lien on property as of January 1, 2009, has not been recorded as a receivable as of April 30, 2009, as the tax has not yet been levied by the Village and will not be levied until December 2009, and, therefore, the levy is not measurable at April 30, 2009.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements
April 30, 2009

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

The composition of interfund balances as of the date of this report, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Capital Projects	\$ 622,833
General	Health Insurance	163,936
General	Firefighters' Pension	1,447
Debt Service	General	119,741
Nonmajor Governmental	General	849,453
Water	General	<u>350,286</u>
		<u>\$ 2,107,696</u>

Interfund balances are advances in anticipation of receipts.

Interfund Transfers

Interfund transfers for the year consisted of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Capital Projects	General	\$ 730,000
Nonmajor Governmental	General	<u>197,000</u>
		<u>\$ 927,000</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS – Continued

Interfund Transfers – Continued

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

LONG-TERM DEBT

Installment Contracts

The Village has established installment contracts payable as follows:

<u>Issue</u>	<u>Fund Debt Retired By</u>	<u>Beginning Balance</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Ending Balance</u>
\$28,753 installment contract payable, dated August 8, 2007, due in annual installments of \$6,919 including interest at 9.76% through September 8, 2010.	Capital Projects	18,292	-	5,515	12,777
\$301,963 installment contract payable, dated March 6, 2007, due in annual installments of \$62,747 including interest at 4.25% through October 6, 2009.	Capital Projects	155,742	-	102,733	53,009
\$500,000 installment contract payable, dated May 15, 2006, due in annual installments of \$95,525 including interest at 4.85% through May 15, 2009.	Capital Projects	250,001	-	166,666	83,335

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Contracts – Continued

Issue	Fund Debt Retired By	Beginning Balance	Issuances	Retirements	Ending Balance
\$450,000 installment contract payable, dated September 4, 2007, due in annual installments of \$80,549 including interest at 4.15% through September 7, 2010.	Capital Projects	\$ 289,204	\$ 89,593	\$ 146,868	\$ 231,929
\$750,000 installment contract payable, dated February 13, 2008, due in annual installments of \$131,505 including interest at 2.86% through April 1, 2011.	Capital Projects	750,000	-	242,260	507,740
\$450,000 installment contract payable, dated April 16, 2009, due in annual installments of \$79,867.33 including interest at 3.62% through May 1, 2012.	Capital Projects	-	150,000	-	150,000
	911 Telephone Service	-	214,758	-	214,758
		<u>\$ 1,463,239</u>	<u>\$ 454,351</u>	<u>\$ 664,042</u>	<u>\$ 1,253,548</u>

General Obligation Bonds

The Village has issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Fund Debt Retired By	Beginning Balance	Issuances	Retirements	Ending Balance
\$2,415,000 General Obligation (Alternate Revenue Source) Bonds of 2000A, due in annual installments of \$50,000 to \$235,000 plus interest at 4.65% to 5.60% through April 1, 2015.	Debt Service	\$ 1,400,000	\$ -	\$ 170,000	\$ 1,230,000

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Net Pension Obligation	\$ 3,711,837	\$ 1,148,098	\$ -	\$ 4,859,935	\$ -
Compensated Absences	1,055,677	219,582	109,791	1,165,468	233,094
Installment Contracts	1,463,239	454,351	664,042	1,253,548	617,329
General Obligation Bonds	1,400,000	-	170,000	1,230,000	180,000
	<u>\$ 7,630,753</u>	<u>\$ 1,822,031</u>	<u>\$ 943,833</u>	<u>\$ 8,508,951</u>	<u>\$ 1,030,423</u>
Business-Type Activities					
Compensated Absences	\$ 52,152	\$ 11,086	\$ 5,543	\$ 57,695	\$ 11,539

Payments on the net pension obligation are made by the General Fund. The Capital Projects Fund and 911 Telephone Service Fund make payments on the installment contracts. Payments on the general obligation bonds are made by the Debt Service Fund. Also, for the governmental activities, compensated absences are generally liquidated by the general fund.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year Ending April 30	Governmental Activities			
	General Obligation Bonds		Installment Contracts	
	Principal	Interest	Principal	Interest
2010	\$ 180,000	\$ 66,943	\$ 617,329	\$ 33,040
2011	185,000	57,402	490,340	19,864
2012	200,000	47,505	145,879	7,050
2013	210,000	36,705	-	-
2014	220,000	25,260	-	-
2015	235,000	13,160	-	-
	<u>\$ 1,230,000</u>	<u>\$ 246,975</u>	<u>\$ 1,253,548</u>	<u>\$ 59,954</u>

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979".

Assessed Valuation - 2007	<u>\$ 340,275,269</u>
Bonded Debt Limit - 8.625% of Assessed Value	29,348,742
Amount of Debt Applicable to Limit	<u>1,230,000</u>
Legal Debt Margin	<u>\$ 28,118,742</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village participates in the Municipal Insurance Cooperative Agency (MICA). MICA is a public entity risk pool whose members are Illinois municipalities. Each member is represented on the governing board of MICA, who are responsible for the operation of the pool. MICA manages and funds first party property losses, third party liability claims, workers' compensation claims and public officials' liability claims of its members. Each member is responsible for the first \$1,000 per claim with MICA responsible for the remainder – subject to certain limits. The Village's payments to MICA are displayed on the financial statements as expenditures/expenses in appropriate funds. The Village is not aware of any additional contributions required by MICA at of April 30, 2009 for prior claim years.

The Village has established a Health Insurance Fund (an internal service fund) to account for the self-insured health insurance provided to current, disabled and retired employees. The Village has purchased specific and aggregate excess coverage policies to limit its exposure to these risks. The specific coverage limits losses to \$50,000 per person per policy year and the aggregate limit of all losses is \$1,752,991 per policy year.

Each participating fund makes payments to the Health Insurance Fund for amounts which are determined based on historical trends and current occurrences. Such payments are displayed on the financial statements as revenues and expenditures/expenses (interfund services provided/used). A liability for claims incurred as well as claims incurred but not yet reported has been reported in the internal service Health Insurance Fund as claims payable based on claims paid and historical experience. A reconciliation of claims payable for the fiscal years 2009 and 2008 is as follows:

	Year Ended April 30,	
	2009	2008
Claims Payable - Beginning	\$ 157,217	\$ 194,083
Incurred Claims	1,416,805	1,050,508
Claims Paid	(1,328,227)	(1,087,374)
Claims Payable - Ending	<u>\$ 245,795</u>	<u>\$ 157,217</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements April 30, 2009

NOTE 4 – OTHER INFORMATION – Continued

POST-EMPLOYMENT BENEFITS

In addition to provided pension benefits, the Village provides postemployment health care and life insurance benefits, in accordance with the personnel policy manual, to all employees who have retired with 20 years or more of service from the Village or have been granted permanent duty related disability leave. Currently, 45 retirees and disabled employees meet those eligibility requirements. The Village pays approximately 75 percent of the cost of health and life insurance for the employees. Expenditures for postemployment health care and life insurance benefits are recognized as insurance premiums are paid. Accordingly, no liability has been recorded for postemployment health care benefits. During the year, expenditures of approximately \$170,010 were recognized for postemployment benefits.

CONTINGENT LIABILITIES

Litigation

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

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. 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.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan, which is also a single-employer pension plan. Separate reports are issued for the Police and Firefighters' Pension Plans and may be obtained by writing to the Village at 2401 South DesPlaines Avenue, North Riverside, Illinois 60546. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies

Illinois Municipal Retirement System

All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer rate for calendar year 2008 was 12.97 percent.

Police Pension Plan

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At fiscal year end the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	21
Current Employees Vested and Nonvested	<u>28</u>
	<u><u>49</u></u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Police Pension Plan – Continued

The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered 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 of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer 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 original pension and 3% compounded annually thereafter.

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 is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

Firefighters' Pension Plan

The Firefighters' Pension Plan is a single-employer defined pension plan that covers all sworn fire personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At fiscal year end the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	13
Current Employees Vested and Nonvested	<u>18</u>
	<u>31</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements April 30, 2009

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Firefighters' Pension Plan – Continued

The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered 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 of the monthly salary attached to the rank at the date of retirement. The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, 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. The monthly pension of a firefighter 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 original pension and 3% compounded annually thereafter.

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' 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 is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

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

Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Summary of Significant Accounting Policies and Plan Asset Matters – Continued

Significant Investments

There are no significant investments (other than U.S. Government - guaranteed obligations) in any one organization that represent 5 percent or more of plan net assets available for benefits for either the Police or Firefighters' Pension Plans, except as listed below. Information for IMRF is not available.

Plan	Organization	Amount
Firefighters' Pension	QA3 Funds	\$ 1,968,501

Related Party Transactions

There are no securities of the employer or any other related parties included in plan assets.

Annual Pension Cost and Net Pension Obligation

The pension liability was determined in accordance with GASB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers." There was no net pension obligation for the IMRF Plan. The amount of the pension liability for the Police Pension and Firefighters' Pension plans are as follows:

	Police Pension	Firefighters' Pension	Total
Annual Required Contribution	\$ 617,755	\$ 428,260	\$ 1,046,015
Interest on the NPO	178,846	114,752	293,598
Adjustment to the ARC	(105,272)	(86,243)	(191,515)
Annual Pension Cost	691,329	456,769	1,148,098
Actual Contribution	-	-	-
(Decrease) to the NPO	691,329	456,769	1,148,098
NPO - Beginning of Year	2,279,621	1,432,216	3,711,837
NPO - End of Year	\$ 2,970,950	\$ 1,888,985	\$ 4,859,935

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Annual Pension Cost and Net Pension Obligation – Continued

The Village annual required contribution for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	12.97%	0.00%	0.00%
Employee	4.50%	9.91%	9.46%
Annual Pension Cost	\$226,844	\$691,329	\$456,769
Contributions Made	\$226,844	\$0	\$0
Actuarial Valuation Date	12/31/2006	4/30/08	4/30/08
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	24 Years	25 Years	25 Years
Asset Valuation Method	5-Year Smothered Market	Market	Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	8.00% Compounded Annually	8.00% Compounded Annually
Projected Salary Increases	.4 to 11.6%	5.00%	5.00%
Inflation Rate Included	4.00%	3.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Trend Information

Employer annual pension cost (APC), actual contributions and the net pension obligation (NPO) are as follows: The NPO is the cumulative difference between the APC and the contributions actually made.

	Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2007	\$ 216,570	\$ 462,296	\$ 291,809
	2008	238,227	386,773	232,945
	2009	226,844	691,329	456,769
Actual Contributions	2007	\$ 203,375	\$ 756,905	\$ 472,163
	2008	238,227	473,266	332,861
	2009	226,844	-	-
Percentage of APC Contributed	2007	100.00%	163.73%	161.81%
	2008	100.00%	122.36%	142.89%
	2009	100.00%	0.00%	0.00%
Net Pension Obligation	2007	\$ -	\$ 2,366,114	\$ 1,532,132
	2008	-	2,279,621	1,432,216
	2009	-	2,970,950	1,888,985

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2009**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Funded Status and Funding Progress

The Village's funded status for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	12/31/08	4/30/2008	4/30/2008
Percent Funded	69.00%	67.10%	65.50%
Accuarial Accrued Liability for Benefits	\$5,190,092	\$22,270,103	\$14,125,995
Actuarial Value of Assets	\$3,581,140	\$14,946,214	\$9,246,926
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$1,608,952)	(\$7,323,889)	(\$4,879,069)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$1,748,989	\$2,080,965	\$1,368,226
Ratio of UAAL to Covered Payroll	91.99%	351.95%	356.60%

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Funding Progress
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund

- Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund

- Budgetary Comparison Schedule – General Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Funding Progress

April 30, 2009

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2003	\$ 3,315,272	\$ 3,971,400	83.48%	\$ 656,128	\$ 1,476,442	44.44%
2004	3,678,155	4,621,461	79.59%	943,306	1,631,161	57.83%
2005	3,854,860	4,735,518	81.40%	880,658	1,607,708	54.78%
2006	4,478,707	5,159,080	86.81%	680,373	1,594,776	42.66%
2007	4,345,165	5,052,675	86.00%	707,510	1,755,539	40.30%
2008	3,581,140	5,190,092	69.00%	1,608,952	1,748,989	91.99%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Police Pension Fund

Required Supplementary Information

Schedule of Funding Progress

April 30, 2009

Actuarial Valuation Date April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2003	\$ 11,130,659	\$ 15,505,008	71.79%	\$ 4,374,349	\$ 1,730,111	252.84%
2004	11,987,689	16,718,101	71.70%	4,730,412	1,851,273	255.52%
2005	12,294,223	17,941,601	68.52%	5,647,378	1,917,803	294.47%
2006	13,067,675	19,044,881	68.62%	5,977,206	1,895,593	315.32%
2007	14,512,393	20,883,981	69.49%	6,371,588	2,004,829	317.81%
2008	14,946,214	22,270,103	67.11%	7,323,889	2,080,965	351.95%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information

Schedule of Funding Progress

April 30, 2009

Actuarial Valuation Date April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2003	\$ 8,095,829	\$ 9,447,319	85.69%	\$ 1,351,490	\$ 1,271,878	106.26%
2004	8,008,900	10,088,327	79.39%	2,079,427	1,342,697	154.87%
2005	7,999,656	10,926,310	73.21%	2,926,654	1,342,697	217.97%
2006	8,044,548	11,481,354	70.07%	3,436,806	1,402,820	244.99%
2007	8,965,139	12,153,137	73.77%	3,187,998	1,455,381	219.05%
2008	9,246,926	14,125,995	65.46%	4,879,069	1,368,226	356.60%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Employer Contributions

April 30, 2009

Calendar Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2003	\$ 164,476	\$ 164,476	100.00%
2004	209,278	209,278	100.00%
2005	203,375	203,375	100.00%
2006	216,570	216,570	100.00%
2007	238,227	238,227	100.00%
2008	226,844	226,844	100.00%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Employer Contributions
April 30, 2009**

Year Ended April 30	Employer Contributions	Annual Required Contribution	Percent Contributed
2004	\$ 184,462	\$ 379,791	48.57%
2005	-	406,110	0.00%
2006	-	474,683	0.00%
2007	756,905	500,252	151.30%
2008	473,266	539,281	87.76%
2009	-	617,755	0.00%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information

Employer Contributions

April 30, 2009

Year Ended April 30	Employer Contributions	Annual Required Contribution	Percent Contributed
2004	\$ 61,528	\$ 204,495	30.09%
2005	-	255,205	0.00%
2006	-	293,580	0.00%
2007	472,163	332,861	141.85%
2008	332,861	327,389	101.67%
2009	-	428,260	0.00%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended April 30, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 10,417,750	\$ 10,417,750	\$ 9,272,396
Licenses and Permits	779,000	779,000	635,864
Intergovernmental	836,300	836,300	823,812
Charges for Services	840,000	840,000	910,271
Fines and Forfeits	497,000	497,000	188,512
Investment Earnings	45,520	45,520	26,801
Miscellaneous	190,685	190,685	525,192
Total Revenues	13,606,255	13,606,255	12,382,848
Expenditures			
General Government	748,195	775,895	701,924
Public Safety	9,482,135	8,744,915	8,422,407
Culture and Recreation	1,120,810	1,200,360	1,059,772
Public Works	1,164,285	1,392,863	1,322,082
Building, Health and Zoning	291,385	294,135	236,287
Total Expenditures	12,806,810	12,408,168	11,742,472
Excess (Deficiency) of Revenues Over (Under) Expenditures	799,445	1,198,087	640,376
Other Financing Sources (Uses)			
Debt Issuance	200,000	200,000	224,645
Disposal of Capital Assets	5,200	5,200	3,600
Transfers Out	(941,000)	(941,000)	(927,000)
	(735,800)	(735,800)	(698,755)
Net Change in Fund Balance	\$ 63,645	\$ 462,287	(58,379)
Fund Balance - Beginning			1,909,707
Fund Balance - Ending			\$ 1,851,328

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedule – Enterprise Fund
- Budgetary Comparison Schedule – Internal Service Fund
- Combining Statements – Pension Trust Funds
- Budgetary Comparison Schedules – Pension Trust Funds

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the improvements to streets and infrastructure and for the maintenance of streets and infrastructure. Financing is provided by the government's share of state gasoline taxes and any interest earnings. State law requires these gasoline taxes be used to maintain streets and associated infrastructure.

Refuse Fund

The Refuse Fund is used to account for the government's provision to remove refuse, yard waste and recyclable materials. Financing is provided by charges for service and contributions from the General Fund. Funds are used to furnish waste pickup for all three activities.

911 Telephone Services Fund

The 911 Telephone Services Fund is used to account for the emergency service provided through a centralized phone number (911). Financing is provided through charges added to each phone users monthly bill. Funds are used to provide equipment and telephone connections with the local phone company.

Foreign Fire Insurance Fund

The Foreign Fire Insurance Fund is used to account for the expenditures of a 2% tax on premiums for fire insurance policies covering property in the Village that are sold by insurance companies not incorporated in Illinois.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond and installment contract principal and interest from governmental resources.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for resources to be used for infrastructure improvements and the acquisition or construction of major capital assets other than those financed by proprietary funds.

ENTERPRISE FUND

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Water Fund

The Water Fund is used to account for resources used to provide services to the general public on a user charge basis exclusively for water supply.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

INTERNAL SERVICE FUND

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

Health Insurance Fund

The Health Insurance Fund is used to account for all of the diverse health and term insurance purchases for the government with the costs allocated to the other funds and departments on a per employee basis.

TRUST AND AGENCY FUNDS

PENSION TRUST FUNDS

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to pay pension costs. Resources are contributed by police force members at rates fixed by state statutes and by the government through a general fund contribution.

Firefighters' Pension Fund

The Firefighters' Pension Fund is used to account for the accumulation of resources to pay pension costs. Resources are contributed by fire personnel members at rates fixed by state statutes and by the government through a general fund contribution.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual
Year Ended April 30, 2009**

	Budget		Actual
	Original	Final	
Taxes			
Property	\$ 490,750	\$ 490,750	\$ 501,461
Municipal Sales	5,157,000	5,157,000	4,525,605
Non Home Rule Sales	4,055,000	4,055,000	3,524,856
Simplified Municipal Telecommunications	250,000	250,000	245,420
Utility	465,000	465,000	475,054
	<u>10,417,750</u>	<u>10,417,750</u>	<u>9,272,396</u>
Licenses and Permits			
Liquor Licenses	51,000	51,000	49,920
Vehicle Licenses	145,000	145,000	99,800
Business Licenses	181,000	181,000	173,968
Television Franchise Fee	63,500	63,500	62,407
Telephone Franchise Fee	16,000	16,000	14,947
Amusement Taxes	20,000	20,000	21,758
Building Permits	181,000	181,000	126,837
Electrical Permits	19,000	19,000	13,673
Contractor Registration	82,000	82,000	58,450
Other Licenses and Permits	20,500	20,500	14,104
	<u>779,000</u>	<u>779,000</u>	<u>635,864</u>
Intergovernmental			
State Income	615,000	615,000	609,376
Local Use	90,000	90,000	94,377
Personal Property Replacement	50,000	50,000	46,428
Fire and Police Training Reimbursement	22,300	22,300	23,928
Grants			
Badge	9,000	9,000	12,160
Other	30,000	30,000	17,275
IDOT Street Maintenance Reimbursement	20,000	20,000	20,268
	<u>836,300</u>	<u>836,300</u>	<u>823,812</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued
Year Ended April 30, 2009

	Budget		Actual
	Original	Final	
Charges for Services			
Recreation Fees	\$ 445,700	\$ 445,700	\$ 504,745
Ambulance Fees	200,000	200,000	207,502
Advertising-Bus Shelter	18,500	18,500	18,254
Elevator Inspections	22,000	22,000	20,948
Pre-Sale Inspections	31,000	31,000	22,896
Sign Inspections	35,750	35,750	37,393
Security Alarm Connections	27,000	27,000	29,937
Fire Inspections	32,000	32,000	44,551
Other Charges for Services	28,050	28,050	24,045
	<u>840,000</u>	<u>840,000</u>	<u>910,271</u>
Fines and Forfeitures			
Circuit Court Fines	150,000	150,000	62,580
Parking and Compliance Fines	325,000	325,000	95,432
False Alarm Fines	22,000	22,000	30,500
	<u>497,000</u>	<u>497,000</u>	<u>188,512</u>
Investment Earnings	<u>45,520</u>	<u>45,520</u>	<u>26,801</u>
Miscellaneous			
Donations	2,500	2,500	1,775
Reimbursements	167,835	167,835	234,286
Miscellaneous	20,350	20,350	289,131
	<u>190,685</u>	<u>190,685</u>	<u>525,192</u>
Total Revenues	<u>\$ 13,606,255</u>	<u>\$ 13,606,255</u>	<u>\$ 12,382,848</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2009**

	Budget		Actual
	Original	Final	
General Government			
General Administration			
Salaries - Elected Officials	\$ 45,600	\$ 45,600	\$ 45,600
Expenses - Elected Officials	4,080	4,080	3,740
Salaries and Wages	347,500	347,500	343,569
Overtime Pay	7,000	7,000	6,332
Payroll Taxes and Benefits	207,465	218,665	213,519
Employee Expenses	34,600	34,600	20,997
General Liability Insurance	10,000	10,000	9,441
Audit Fees	20,000	21,000	20,590
Other Professional and Outside Services	202,200	186,700	182,017
Civic and Recreational Programs	8,500	19,000	18,249
Operational Costs	42,500	50,000	41,903
Building Maintenance and Utilities	76,800	87,300	84,505
Equipment Operation and Maintenance	26,500	29,000	25,415
Equipment and Furniture	34,300	34,300	4,097
Allocation to Other Departments and to Enterprise Fund	(318,850)	(318,850)	(318,050)
Total General Government	748,195	775,895	701,924
Public Safety			
Police Protection			
Salaries and Wages	2,658,000	2,658,000	2,619,029
Overtime Pay	561,500	561,500	537,609
Part-Time and Temporary Wages	137,000	137,000	114,255
Payroll Taxes and Benefits	1,678,966	1,218,085	1,209,985
Employee Expenses	72,100	73,100	53,298
Professional and Outside Services	206,150	137,650	101,325
Civic and Recreational Programs	1,000	1,000	200
Operational Costs	69,000	70,000	60,862
Building Maintenance and Utilities	117,000	117,000	90,247
Equipment Operation and Maintenance	135,100	161,100	143,691
Equipment and Furniture	148,150	175,150	167,660
Grants	9,000	24,000	14,206
Allocation from General Administration	140,000	140,000	140,000
	5,932,966	5,473,585	5,252,367

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
Year Ended April 30, 2009

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire and Emergency Services			
Salaries and Wages	\$ 1,400,000	\$ 1,400,000	\$ 1,402,132
Overtime Pay	309,000	309,000	294,423
Part-Time and Temporary Wages	48,000	48,000	46,761
Payroll Taxes and Benefits	962,819	681,830	678,434
Employee Expenses	61,450	61,600	34,624
Professional and Outside Services	467,600	467,600	454,704
Operational Costs	43,300	44,300	38,373
Building Maintenance and Utilities	43,000	45,000	39,576
Equipment Operation and Maintenance	97,500	97,500	82,721
Equipment and Furniture	29,000	29,000	10,792
Allocation from General Administration	87,500	87,500	87,500
	<u>3,549,169</u>	<u>3,271,330</u>	<u>3,170,040</u>
Total Public Safety	<u>9,482,135</u>	<u>8,744,915</u>	<u>8,422,407</u>
Culture and Recreation			
Administration			
Salaries and Wages	242,500	248,900	241,213
Overtime Pay	14,500	17,500	13,935
Part-Time and Temporary Wages	85,350	86,850	76,088
Payroll Taxes and Benefits	142,510	149,560	143,763
Employee Expenses	3,800	5,900	5,272
Professional and Outside Services	66,400	70,400	77,644
Civic and Recreational Programs	383,400	434,900	370,407
Operational Costs	79,800	81,800	70,070
Building Maintenance and Utilities	57,750	59,250	39,101
Equipment Operation and Maintenance	7,300	7,800	5,172
Equipment and Furniture	24,000	24,000	3,607
Allocation from General Administration	13,500	13,500	13,500
	<u>1,120,810</u>	<u>1,200,360</u>	<u>1,059,772</u>
Total Culture and Recreation	<u>1,120,810</u>	<u>1,200,360</u>	<u>1,059,772</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended April 30, 2009**

	Budget		Actual
	Original	Final	
Public Works			
Administration			
Salaries and Wages	\$ 266,925	\$ 266,925	\$ 269,404
Overtime Pay	40,150	55,000	48,616
Part-Time and Temporary Wages	74,250	112,000	113,780
Payroll Taxes and Benefits	192,968	207,843	203,215
Employee Expenses	11,385	11,685	9,306
Professional and Outside Services	44,326	59,901	52,920
Civic and Recreational Programs	1,265	1,265	1,265
Operational Costs	21,944	22,062	14,517
Building Maintenance and Utilities	26,125	30,600	26,892
Equipment Operation and Maintenance	169,200	193,335	179,580
Recurring Infrastructure Maintenance	275,000	391,500	373,496
Equipment and Furniture	20,672	20,672	9,016
Allocation from General Administration	20,075	20,075	20,075
Total Public Works	1,164,285	1,392,863	1,322,082
Building, Health and Zoning			
Administration			
Salaries and Wages	83,750	83,750	83,097
Part-Time and Temporary Wages	45,000	45,000	35,141
Payroll Taxes and Benefits	49,935	51,535	49,499
Employee Expenses	6,700	7,050	2,020
Professional and Outside Services	67,950	67,950	50,010
Operational Costs	11,200	11,200	4,547
Equipment Operation and Maintenance	3,750	4,550	2,616
Equipment and Furniture	15,100	15,100	1,357
Allocation from General Administration	8,000	8,000	8,000
Total Buildings	291,385	294,135	236,287
Total Expenditures	\$ 12,806,810	\$ 12,408,168	\$ 11,742,472

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Debt Service Fund

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended April 30, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 246,000	\$ 246,000	\$ 249,549
Expenditures			
Debt Service			
Principal Retirement	170,000	170,000	170,000
Interest and Fiscal Charges	75,868	75,868	75,867
Total Expenditures	245,868	245,868	245,867
Net Change in Fund Balance	\$ 132	\$ 132	3,682
Fund Balance - Beginning			721
Fund Balance - Ending			\$ 4,403

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Capital Projects - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended April 30, 2009

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grants	\$ 2,066,000	\$ 2,066,000	\$ 260,416
Expenditures			
Capital Outlay	2,234,500	2,234,500	485,000
Debt Service			
Principal Retirement	659,105	659,105	658,345
Interest and Fiscal Charges	54,950	54,950	56,389
Total Expenditures	2,948,555	2,948,555	1,199,734
Excess (Deficiency) of Revenues Over (Under) Expenditures	(882,555)	(882,555)	(939,318)
Other Financing Sources			
Debt Issuance	150,000	150,000	229,706
Transfers In	733,000	733,000	730,000
	883,000	883,000	959,706
Net Change in Fund Balance	\$ 445	\$ 445	20,388
Fund Balance - Beginning			(671,153)
Fund Balance - Ending			\$ (650,765)

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

April 30, 2009

	<u>Motor Fuel Tax</u>
ASSETS	
Cash and Investments	\$ -
Receivables - Net of Allowances	
Accounts	13,355
Due from Other Funds	339,539
Prepays	<u>-</u>
 Total Assets	 <u><u>\$ 352,894</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	\$ 6,787
Deposits Payable	-
Deferred/Unearned Revenue	<u>-</u>
 Total Liabilities	 6,787
Fund Balances	
Unreserved	<u>346,107</u>
 Total Liabilities and Fund Balances	 <u><u>\$ 352,894</u></u>

Refuse	911 Telephone Services	Foreign Fire Insurance	Totals
\$ -	\$ -	\$ 7,863	\$ 7,863
89,131	4,606	-	107,092
21,075	488,839	-	849,453
-	140,000	-	140,000
<u>\$ 110,206</u>	<u>\$ 633,445</u>	<u>\$ 7,863</u>	<u>\$ 1,104,408</u>
\$ 49,709	\$ 11,907	\$ -	\$ 68,403
29,947	-	-	29,947
-	385,242	-	385,242
79,656	397,149	-	483,592
30,550	236,296	7,863	620,816
<u>\$ 110,206</u>	<u>\$ 633,445</u>	<u>\$ 7,863</u>	<u>\$ 1,104,408</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2009**

	<u>Motor Fuel Tax</u>
Revenues	
Taxes	\$ -
Intergovernmental	218,188
Charges for Services	-
Investment Earnings	-
Total Revenues	<u>218,188</u>
Expenditures	
Public Safety	-
Public Works	214,693
Sanitation	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>214,693</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,495
Other Financing Sources	
Transfers In	<u>-</u>
Net Change in Fund Balances	3,495
Fund Balances - Beginning	<u>342,612</u>
Fund Balances - Ending	<u>\$ 346,107</u>

Refuse	911 Telephone Service	Foreign Fire Insurance	Totals
\$ -	\$ -	\$ 4,614	\$ 4,614
-	-	-	218,188
355,519	62,125	-	417,644
-	-	7	7
355,519	62,125	4,621	640,453
-	39,047	3,885	42,932
-	-	-	214,693
551,511	-	-	551,511
-	5,697	-	5,697
-	1,221	-	1,221
551,511	45,965	3,885	816,054
(195,992)	16,160	736	(175,601)
197,000	-	-	197,000
1,008	16,160	736	21,399
29,542	220,136	7,127	599,417
\$ 30,550	\$ 236,296	\$ 7,863	\$ 620,816

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended April 30, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 182,500	\$ 182,500	\$ 178,188
Grants	40,000	40,000	40,000
Total Revenues	<u>222,500</u>	<u>222,500</u>	<u>218,188</u>
Expenditures			
Public Works			
Legal Notices	1,500	1,500	1,297
Maintenance and Improvements of Infrastructure	215,000	215,000	213,396
Total Expenditures	<u>216,500</u>	<u>216,500</u>	<u>214,693</u>
Net Change in Fund Balance	<u>\$ 6,000</u>	<u>\$ 6,000</u>	3,495
Fund Balance - Beginning			<u>342,612</u>
Fund Balance - Ending			<u>\$ 346,107</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Refuse - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended April 30, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Refuse Fees	\$ 345,000	\$ 345,000	\$ 355,519
Expenditures			
Sanitation			
Refuse Disposal Charges	530,000	528,000	521,328
Refuse Bags	23,000	25,000	30,183
Total Expenditures	553,000	553,000	551,511
Excess (Deficiency) of Revenues Over (Under) Expenditures	(208,000)	(208,000)	(195,992)
Other Financing Sources			
Transfers In	208,000	208,000	197,000
Net Change in Fund Balance	\$ -	\$ -	1,008
Fund Balance - Beginning			29,542
Fund Balance - Ending			\$ 30,550

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

911 Telephone Surcharge - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended April 30, 2009**

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
911 Fees	\$ 70,000	\$ 70,000	\$ 62,125
Intergovernmental			
Grants	300,000	300,000	-
Total Revenues	370,000	370,000	62,125
Expenditures			
Public Safety			
Telephone	10,000	10,000	9,110
Equipment Operation and Maintenance	27,000	26,500	29,937
Capital Outlay	325,000	325,000	-
Debt Service			
Principal Retirement	5,500	6,000	5,697
Interest and Fiscal Charges	1,600	1,600	1,221
Total Expenditures	369,100	369,100	45,965
Net Change in Fund Balance	\$ 900	\$ 900	16,160
Fund Balance - Beginning			220,136
Fund Balance - Ending			<u>\$ 236,296</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Water - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in
Net Assets - Budget and Actual
Year Ended April 30, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 1,448,500	\$ 1,448,500	\$ 1,303,445
Operating Expenses			
Operations			
Cost of Water Purchases	800,000	713,120	683,306
Salaries and Benefits	516,407	562,582	566,224
Contractual Services	60,024	325,949	302,500
Supplies and Materials	17,956	22,113	15,170
Repairs and Maintenance	180,175	189,440	175,657
Capital Outlay	17,278	17,278	10,895
Allocated Costs and Administrative Charge by the General Fund	16,425	16,425	16,425
Depreciation	-	-	104,848
Total Operating Expenses	1,608,265	1,846,907	1,875,025
Operating Income (Loss)	(159,765)	(398,407)	(571,580)
Nonoperating Revenues			
Other Income	96,000	96,000	334,307
Change in Net Assets	\$ (63,765)	\$ (302,407)	(237,273)
Net Assets - Beginning			3,148,782
Net Assets - Ending			\$ 2,911,509

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Health Insurance - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in
Net Assets - Budget and Actual
Year Ended April 30, 2009**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 1,980,000	\$ 1,980,000	\$ 2,157,848
Operating Expenses			
Administration			
Administrative Fees	38,700	41,700	38,677
Operations			
Claims Incurred	1,140,000	1,295,000	1,328,227
Prescription Drugs	360,000	360,000	484,559
Term and Reinsurer Premiums	440,500	442,500	431,845
Total Operating Expenses	1,979,200	2,139,200	2,283,308
Change in Net Assets	\$ 800	\$ (159,200)	(125,460)
Net Assets - Beginning			(243,105)
Net Assets - Ending			\$ (368,565)

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Pension Trust Funds

**Combining Statement of Net Plan Assets
April 30, 2009**

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 384,165	\$ 1,762,764	\$ 2,146,929
Investments			
U.S. Government and Agency Obligations	6,649,838	3,568,983	10,218,821
Mutual Funds	3,881,915	2,302,853	6,184,768
Insurance Contracts	-	630,638	630,638
Common Stock	1,466,407	-	1,466,407
Receivables			
Due from Other Funds	11,357	-	11,357
Accounts	19,394	10,881	30,275
Accrued Interest	75,026	24,675	99,701
Total Assets	12,488,102	8,300,794	20,788,896
LIABILITIES			
Due to Other Funds	-	1,447	1,447
NET ASSETS			
Held in Trust for Pension Benefits (A schedule of funding progress is presented following the notes to the financial statements.)	\$ 12,488,102	\$ 8,299,347	\$ 20,787,449

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Pension Trust Funds

**Combining Statement of Changes in Net Plan Assets
Year Ended April 30, 2009**

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ -	\$ -	\$ -
Contributions - Employee	218,217	134,211	352,428
Other Contributions	16,700	-	16,700
Total Contributions	234,917	134,211	369,128
Investment Income			
Interest Earned	68,248	354,703	422,951
Net Change in Fair Value	(1,807,619)	(832,989)	(2,640,608)
	(1,739,371)	(478,286)	(2,217,657)
Less Investment Expenses	(59,067)	(39,929)	(98,996)
Net Investment Income	(1,798,438)	(518,215)	(2,316,653)
Total Additions	(1,563,521)	(384,004)	(1,947,525)
Deductions			
Administration	14,953	5,229	20,182
Benefits and Refunds	879,640	558,345	1,437,985
Total Deductions	894,593	563,574	1,458,167
Change in Net Assets	(2,458,114)	(947,578)	(3,405,692)
Net Assets - Beginning	14,946,216	9,246,925	24,193,141
Net Assets - Ending	\$ 12,488,102	\$ 8,299,347	\$ 20,787,449

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Police Pension - Pension Trust Fund

**Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended April 30, 2009**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 555,281	\$ 555,281	\$ -
Contributions - Employee	215,000	215,000	218,217
Other Contributions	-	-	16,700
Total Contributions	770,281	770,281	234,917
Investment Income			
Interest Earned	760,500	760,500	68,248
Net Change in Fair Value	(250,000)	(250,000)	(1,807,619)
	510,500	510,500	(1,739,371)
Less Investment Expenses	(67,500)	(67,500)	(59,067)
Net Investment Income	443,000	443,000	(1,798,438)
Total Additions	1,213,281	1,213,281	(1,563,521)
Deductions			
Administration	28,500	28,500	14,953
Benefits and Refunds	993,000	993,000	879,640
Total Deductions	1,021,500	1,021,500	894,593
Change in Net Assets	\$ 191,781	\$ 191,781	(2,458,114)
Net Assets - Beginning			14,946,216
Net Assets - Ending			\$ 12,488,102

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended April 30, 2009

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 327,389	\$ 327,389	\$ -
Contributions - Employee	140,000	140,000	134,211
Total Contributions	467,389	467,389	134,211
Investment Income			
Interest Earned	365,000	365,000	354,703
Net Change in Fair Value	(125,000)	(125,000)	(832,989)
	240,000	240,000	(478,286)
Less Investment Expenses	(40,000)	(40,000)	(39,929)
Net Investment Income	200,000	200,000	(518,215)
Total Additions	667,389	667,389	(384,004)
Deductions			
Administration	10,500	10,500	5,229
Benefits and Refunds	599,000	599,000	558,345
Total Deductions	609,500	609,500	563,574
Change in Net Assets	\$ 57,889	\$ 57,889	(947,578)
Net Assets - Beginning			9,246,925
Net Assets - Ending			\$ 8,299,347

STATISTICAL SECTION

(Unaudited)

This part of the 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 financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

Debt Capacity

These schedules present 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 in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

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 provides and the activities it performs.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Net Assets by Component - Last Five Fiscal Years
April 30, 2009 (Unaudited)**

	2005	2006	2007	2008	2009
Governmental Activities					
Invested in Capital Assets, Net of Related Debt Restricted	\$ 2,348,686	\$ 5,890,362	\$ 3,718,136	\$ 9,961,081	\$ 10,478,625
Unrestricted	12,290	15,901	7,091	28,150	92,424
	1,249,691	(2,612,476)	(1,821,956)	(3,217,263)	(4,671,772)
Total Governmental Activities Net Assets	3,610,667	3,293,787	1,903,271	6,771,968	5,899,277
Business-Type Activities					
Invested in Capital Assets, Net of Related Debt Unrestricted	2,401,696	2,336,484	2,314,473	2,854,958	2,750,110
	613,549	465,061	339,326	293,824	161,399
Total Business-Type Activities Net Assets	3,015,245	2,801,545	2,653,799	3,148,782	2,911,509
Primary Government					
Invested in Capital Assets, Net of Related Debt Restricted	4,750,382	8,226,846	6,032,609	12,816,039	13,228,735
Unrestricted	12,290	15,901	7,091	28,150	92,424
	1,863,240	(2,147,415)	(1,482,630)	(2,923,439)	(4,510,373)
Total Primary Government Net Assets	\$ 6,625,912	\$ 6,095,332	\$ 4,557,070	\$ 9,920,750	\$ 8,810,786

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2005.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Changes in Net Assets - Last Five Fiscal Years
April 30, 2009 (Unaudited)

	2005	2006	2007	2008	2009
Expenses					
Governmental Activities					
General Government	\$ 856,085	\$ 665,178	\$ 799,955	\$ 749,882	\$ 1,007,171
Public Safety	7,437,597	8,238,866	10,178,859	9,128,660	9,867,851
Culture and Recreation	878,353	912,553	1,019,260	1,062,851	1,077,333
Public Works	1,319,721	1,202,431	1,564,512	2,176,159	1,543,731
Building, Health and Zoning	185,216	194,015	200,188	204,748	236,287
Sanitation	477,436	493,499	496,988	523,425	551,511
Interest on Long-Term Debt	118,519	100,921	122,294	122,853	127,453
Total Governmental Activities Expenses	11,272,927	11,807,463	14,382,056	13,968,578	14,411,337
Business-Type Activities					
Water	1,421,153	1,502,286	1,480,059	1,548,506	1,875,025
Total Primary Government Expenses	12,694,080	13,309,749	15,862,115	15,517,084	16,286,362
Program Revenues					
Governmental Activities					
Charges for Services					
General Government	386,001	371,793	342,055	418,369	479,203
Public Safety	502,822	553,477	549,575	548,364	556,555
Culture and Recreation	400,758	433,903	461,889	464,293	504,745
Public Works	17,101	17,828	18,791	59,604	20,268
Building, Health and Zoning	304,835	314,061	436,463	514,436	280,197
Sanitation	182,371	239,831	271,992	346,842	355,519
Capital Grants/Contributions	68,623	158,845	143,090	100,601	329,851
Total Governmental Activities Program Revenues	1,862,511	2,089,738	2,223,855	2,452,509	2,526,338
Business-Type Activities					
Charges for Services					
Water	1,194,889	1,196,432	1,190,152	1,301,838	1,303,445
Capital Grants/Contributions	-	-	48,000	-	-
Total Business-Type Activities Program Revenues	1,194,889	1,196,432	1,238,152	1,301,838	1,303,445
Total Primary Government Program Revenues	\$ 3,057,400	\$ 3,286,170	\$ 3,462,007	\$ 3,754,347	\$ 3,829,783

	2005	2006	2007	2008	2009
Net (Expense) Revenue					
Governmental Activities	\$ (9,410,416)	\$ (9,717,725)	\$ (12,158,201)	\$ (11,516,069)	\$ (11,884,999)
Business-Type Activities	(226,264)	(305,854)	(241,907)	(246,668)	(571,580)
Total Primary Government Net Revenue (Expense)	(9,636,680)	(10,023,579)	(12,400,108)	(11,762,737)	(12,456,579)
General Revenues and Other Changes in Net Assets					
Governmental Activities					
Taxes					
Property	730,639	745,003	732,459	667,968	751,010
Municipal and Non-Home Rule Sales	6,526,120	6,576,083	8,207,342	8,410,641	8,050,461
Telecommunication	264,667	277,393	252,293	245,772	245,420
Utility	453,746	504,114	462,531	478,032	475,054
Other	5,413	5,296	5,169	6,870	4,614
Intergovernmental - Unrestricted					
Income Tax	452,775	511,044	563,688	615,787	609,376
Replacement Tax	31,709	40,915	44,459	50,706	46,428
Local Use Tax	72,234	80,587	86,055	94,590	94,377
Other Taxes	199,703	196,797	197,904	190,420	178,188
Disposal of Capital Assets	105,000	-	-	-	-
Investment Earnings	15,693	32,138	67,880	46,803	32,188
Miscellaneous	184,269	131,475	147,905	179,108	525,192
Total Governmental Activities	9,041,968	9,100,845	10,767,685	10,986,697	11,012,308
Business-Type Activities					
Miscellaneous	87,361	92,154	94,161	96,318	334,307
Total Primary Government	9,129,329	9,192,999	10,861,846	11,083,015	11,346,615
Changes in Net Assets					
Governmental Activities	(368,448)	(616,880)	(1,390,516)	(529,372)	(872,691)
Business-Type Activities	(138,903)	(213,700)	(147,746)	(150,350)	(237,273)
Total Primary Government	\$ (507,351)	\$ (830,580)	\$ (1,538,262)	\$ (679,722)	\$ (1,109,964)

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2005.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Fund Balances of Governmental Funds - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

	2000	2001	2002	2003
General Fund				
Reserved	\$ 561,386	\$ 40,323	\$ 27,931	\$ 50,865
Unreserved	2,591,396	3,134,607	2,362,733	1,090,069
Total General Fund	3,152,782	3,174,930	2,390,664	1,140,934
All Other Governmental Funds				
Reserved	756,634	611,495	1,129,910	590,016
Unreserved, Reported in:				
Special Revenues Funds	268,501	236,815	271,865	367,042
Capital Projects Funds	(1,475,413)	(706,355)	(882,387)	(1,340,270)
Total All Other Governmental Funds	\$ (450,278)	\$ 141,955	\$ 519,388	\$ (383,212)

Data Source: Village Records

2004	2005	2006	2007	2008	2009
\$ 32,388	\$ 44,644	\$ 31,181	\$ 29,686	\$ 136,681	\$ 154,015
1,148,071	838,838	859,359	870,738	1,773,026	1,697,313
1,180,459	883,482	890,540	900,424	1,909,707	1,851,328
18,456	19,740	21,958	23,679	28,919	4,403
448,616	482,168	518,078	684,403	599,417	620,816
(749,301)	(748,062)	(671,886)	(671,691)	(699,351)	(650,765)
\$ (282,229)	\$ (246,154)	\$ (131,850)	\$ 36,391	\$ (71,015)	\$ (25,546)

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**General Governmental Revenues By Source - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

Source	2000	2001	2002	2003
Taxes				
Sales	\$ 4,887,203	\$ 4,861,059	\$ 4,731,460	\$ 4,832,252
Non-Home Rule Sales	-	-	-	-
Real Estate	742,265	702,341	772,036	626,708
Utility	546,752	656,706	559,319	637,546
Licenses and Permits	578,622	668,316	644,023	578,044
Intergovernmental	943,912	1,191,557	868,251	1,280,056
Charges for Services	612,040	674,165	629,078	631,019
Fines and Forfeits	281,745	244,281	204,927	231,442
Investment Income	49,140	506,467	244,670	126,511
Miscellaneous	78,924	439,724	73,483	147,993
Total	\$ 8,720,603	\$ 9,944,616	\$ 8,727,247	\$ 9,091,571

Includes General, Special Revenue, Debt Service and Capital Projects Funds for the primary government.

Data Source: Village Records

2004	2005	2006	2007	2008	2009
\$ 4,853,755	\$ 4,650,057	\$ 4,689,367	\$ 4,685,539	\$ 4,635,045	\$ 4,525,605
1,588,282	1,876,063	1,886,716	3,521,803	3,775,596	3,524,856
663,634	730,639	745,003	737,628	674,838	755,624
690,110	718,413	781,507	714,824	723,804	720,474
642,864	595,914	586,694	664,505	809,112	635,864
700,170	842,145	1,030,440	1,057,857	1,127,015	1,302,416
779,288	945,844	1,065,549	1,152,008	1,291,911	1,327,915
243,844	235,029	236,398	241,591	175,974	188,512
14,041	15,693	32,138	67,857	46,803	32,188
255,645	189,682	136,771	147,928	179,108	525,192
<u>\$ 10,431,633</u>	<u>\$ 10,799,479</u>	<u>\$ 11,190,583</u>	<u>\$ 12,991,540</u>	<u>\$ 13,439,206</u>	<u>\$ 13,538,646</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**General Governmental Expenditures By Function - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

Function	2000	2001	2002	2003
General Government	\$ 493,316	\$ 812,400	\$ 558,107	\$ 538,064
Public Safety				
Police Protection (1)	3,025,021	3,466,598	3,652,469	3,764,628
Fire and Emergency Service (2)	1,926,337	2,214,771	2,396,614	2,577,457
Emergency 911 Service	388,620	70,029	50,883	42,403
Culture and Recreation	673,695	728,589	684,342	754,629
Public Works	1,199,570	950,151	1,024,353	1,177,653
Building, Health and Zoning	128,958	128,796	170,502	182,177
Sanitation	438,377	457,194	462,572	456,804
Capital Outlay	927,359	1,357,479	464,091	1,244,794
Debt Service				
Principal	84,582	138,972	213,590	341,578
Interest and Fiscal Charges	60,529	184,620	157,116	170,814
Total	\$ 9,346,364	\$ 10,509,599	\$ 9,834,639	\$ 11,251,001

Data Source: Village Records

(1) Reflects contribution to Police Pension Trust for years 2001 - 2006

(2) Reflects contribution to Firefighters' Pension Trust for years 2001 - 2006

Includes General, Special Revenue, Debt Service and Capital Projects Funds for the primary government.

2004	2005	2006	2007	2008	2009
\$ 491,859	\$ 472,777	\$ 558,197	\$ 567,108	\$ 619,319	\$ 701,924
4,102,512	4,491,936	4,400,902	5,627,357	5,537,232	5,252,367
2,588,596	2,700,774	2,847,169	3,470,379	3,489,785	3,170,040
45,834	62,709	67,381	67,400	38,507	42,932
822,332	862,582	896,782	965,689	1,045,290	1,059,772
1,018,110	1,096,565	1,043,145	1,179,085	1,470,629	1,536,775
173,357	185,216	194,015	200,188	204,748	236,287
464,525	477,436	493,499	496,988	523,425	551,511
233,260	216,967	88,978	620,761	967,283	485,000
338,256	524,933	190,839	338,913	506,309	834,042
144,519	123,541	102,314	111,763	123,544	133,477
\$ 10,423,160	\$ 11,215,436	\$ 10,883,221	\$ 13,645,631	\$ 14,526,071	\$ 14,004,127

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

	2000	2001	2002	2003
Taxes				
Sales	\$ 4,887,203	\$ 4,861,059	\$ 4,731,460	\$ 4,832,252
Non-Home Rule Sales	-	-	-	-
Real Estate	742,265	702,341	772,036	626,708
Utility	546,752	656,706	559,319	637,546
Licenses and Permits	578,622	668,316	644,023	578,044
Intergovernmental	943,912	1,191,557	868,251	1,280,056
Charges for Services	612,040	674,165	629,078	631,019
Fines and Forfeits	281,745	244,281	204,927	231,442
Investment Earnings	49,140	506,467	244,670	126,511
Miscellaneous	78,924	439,724	73,483	147,993
Total Revenues	8,720,603	9,944,616	8,727,247	9,091,571
Expenditures				
General Government	493,316	812,400	558,107	538,064
Public Safety	5,339,978	5,751,398	6,099,966	6,384,488
Culture and Recreation	673,695	728,589	684,342	754,629
Public Works	1,199,570	950,151	1,024,353	1,177,653
Building, Health and Zoning	128,958	128,796	170,502	182,177
Sanitation	438,377	457,194	462,572	456,804
Capital Outlay	927,359	1,357,479	464,091	1,244,794
Debt Service				
Principal	84,582	138,972	213,590	341,578
Interest and Fiscal Charges	60,529	184,620	157,116	170,814
Total Expenditures	9,346,364	10,509,599	9,834,639	11,251,001
Excess of Revenues Over (Under) Expenditures	(625,761)	(564,983)	(1,107,392)	(2,159,430)
Other Financing Sources (Uses)				
Debt Issuance	2,376,313	-	672,309	-
Payments to Escrow Agent	(1,184,580)	-	-	-
Transfers In	1,115,750	1,705,926	345,000	340,000
Transfers Out	(1,115,750)	(705,926)	(345,000)	(340,000)
Disposal of Capital Assets	145,564	179,364	28,250	7,100
Total Other Financing Sources (Uses)	1,337,297	1,179,364	700,559	7,100
Net Change in Fund Balances	\$ 711,536	\$ 614,381	\$ (406,833)	\$ (2,152,330)
Debt Service as a Percentage of Noncapital Expenditures	1.72%	3.54%	3.96%	5.12%

Data Source: Village Records

	2004	2005	2006	2007	2008	2009
\$	4,853,755	\$ 4,650,057	\$ 4,689,367	\$ 4,685,539	\$ 4,635,045	\$ 4,525,605
	1,588,282	1,876,063	1,886,716	3,521,803	3,775,596	3,524,856
	663,634	730,639	745,003	737,628	674,838	755,624
	690,110	718,413	781,507	714,824	723,804	720,474
	642,864	595,914	586,694	664,505	809,112	635,864
	700,170	842,145	1,030,440	1,057,857	1,127,015	1,302,416
	779,288	945,844	1,065,549	1,152,008	1,291,911	1,327,915
	243,844	235,029	236,398	241,591	175,974	188,512
	14,041	15,693	32,138	67,857	46,803	32,188
	255,645	189,682	136,771	147,928	179,108	525,192
	10,431,633	10,799,479	11,190,583	12,991,540	13,439,206	13,538,646
	491,859	472,777	558,197	567,108	619,319	701,924
	6,736,942	7,255,419	7,315,452	9,165,136	9,065,524	8,465,339
	822,332	862,582	896,782	965,689	1,045,290	1,059,772
	1,018,110	1,096,565	1,043,145	1,179,085	1,470,629	1,536,775
	173,357	185,216	194,015	200,188	204,748	236,287
	464,525	477,436	493,499	496,988	523,425	551,511
	233,260	216,967	88,978	620,761	967,283	485,000
	338,256	524,933	190,839	338,913	506,309	834,042
	144,519	123,541	102,314	111,763	123,544	133,477
	10,423,160	11,215,436	10,883,221	13,645,631	14,526,071	14,004,127
	8,473	(415,957)	307,362	(654,091)	(1,086,865)	(465,481)
	120,000	25,555		830,716	1,110,407	454,351
	-	-		-	-	-
	630,000	791,000	469,000	433,000	1,550,025	927,000
	(630,000)	(791,000)	(655,000)	(433,000)	(681,000)	(927,000)
	12,035	105,000	-	1,500	9,310	(1,780)
	132,035	130,555	(186,000)	832,216	1,988,742	452,571
\$	140,508	\$ (285,402)	\$ 121,362	\$ 178,125	\$ 901,877	\$ (12,910)
	4.74%	5.90%	2.72%	3.38%	4.45%	7.22%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Taxable Sales by Category - Last Ten Calendar Years
April 30, 2009 (Unaudited)**

Calendar Year	1999	2000	2001	2002
General Merchandise	\$ 1,040,563	\$ 755,178	\$ 936,353	\$ 1,020,816
Food	545,716	567,080	550,728	541,478
Drinking and Eating Places	139,717	471,670	189,593	177,324
Apparel	687,691	681,195	600,851	639,994
Furniture and H.H. and Radio	360,952	399,718	432,062	431,139
Automobile and Filling Stations	761,037	750,406	710,621	631,054
Drugs and Misc. Retail	563,558	596,015	570,833	585,482
Agriculture and All Others	606,417	579,957	622,359	629,376
Combined Categories	30,347	30,409	31,474	21,201
Total	\$ 4,735,998	\$ 4,831,628	\$ 4,644,874	\$ 4,677,864
Number of Payers	313	321	316	317
Village Direct Rate (Municipal and Non-Home Rule Sales Tax)	1.00%	1.00%	1.00%	1.00%

Notes:

The amounts listed under the Combined Categories represents taxable sales for both the Lumber, Building Hardware, and Manufacturers categories. These amounts are not listed individually to protect the confidentiality of individual taxpayers since there are less than 4 taxpayers reported per category.

The Village's direct rate includes both the municipal portion of the state sales tax rate and the Village's non-home rule sales tax rate. The Village receives 1% of the state's sales tax rate of 6.25%. In July, 2003, the Village began collecting an additional 1/2% non-home rule sales tax. In July, 2006, the Village's non-home rule sales tax rate was increased from 1/2% to 1% by voter referendum.

Data Source: Village and State Records

2003	2004	2005	2006	2007	2008
\$ 1,470,735	\$ 1,560,188	\$ 1,517,816	\$ 1,855,391	\$ 1,948,730	\$ 1,784,605
561,151	560,261	531,526	527,106	484,381	744,835
233,600	295,307	336,751	387,006	448,147	530,126
892,242	1,095,391	1,103,093	1,209,416	1,376,449	1,276,829
542,841	608,115	595,730	707,516	851,705	756,544
661,038	572,486	590,978	639,808	628,827	573,515
735,940	798,368	798,544	971,916	1,093,605	1,031,907
774,037	972,428	1,041,179	1,335,217	1,595,821	1,414,161
22,228	45,581	34,466	29,323	29,210	60,029
\$ 5,893,812	\$ 6,508,125	\$ 6,550,083	\$ 7,662,699	\$ 8,456,875	\$ 8,172,551
340	337	364	359	365	339
1.50%	1.50%	1.50%	2.00%	2.00%	2.00%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

Fiscal Year	State Rate	RTA Rate	County Home Rule Rate	Village Non-Home Rule Rate	Total Sales Tax Rate	% Distributed to Village
2000	6.25%	0.75%	0.75%	-	7.75%	1.00%
2001	6.25%	0.75%	0.75%	-	7.75%	1.00%
2002	6.25%	0.75%	0.75%	-	7.75%	1.00%
2003	6.25%	0.75%	0.75%	-	7.75%	1.00%
2004	6.25%	0.75%	0.75%	0.50%	8.25%	1.50%
2005	6.25%	0.75%	0.75%	0.50%	8.25%	1.50%
2006	6.25%	0.75%	0.75%	0.50%	8.25%	1.50%
2007	6.25%	0.75%	0.75%	1.00%	8.75%	2.00%
2008	6.25%	1.00%	0.75%	1.00%	9.00%	2.00%
2009	6.25%	1.00%	0.75%	1.00%	9.00%	2.00%

Notes:

The Village's direct rate includes both the municipal portion of the state sales tax rate and the Village's non-home rule sales tax rate. The Village receives 1% of the state's sales tax rate of 6.25%. In July, 2003, the Village began collecting an additional 1/2% non-home rule sales tax. In July, 2006, the Village's non-home rule sales tax rate was increased from 1/2% to 1% by voter referendum.

Data Source: Village and State Records

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

See Following Page

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

Tax Levy Year	Residential Property	Farm
1999	\$ N/A	\$ -
2000	N/A	-
2001	N/A	-
2002	N/A	-
2003	N/A	-
2004	N/A	-
2005	111,166,830	-
2006	114,686,462	-
2007	120,756,636	-
2008	N/A	N/A

Data Source: Cook County Clerk's and Treasurer's Offices

N/A - Currently Not Available

Commercial Property	Industrial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
\$ N/A	\$ N/A	211,299,000	\$ N/A	\$ 211,299,000	0.3839
N/A	N/A	207,259,079	N/A	207,259,079	0.3536
N/A	N/A	214,704,900	N/A	214,704,900	0.3699
N/A	N/A	251,211,711	N/A	251,211,711	0.3532
N/A	N/A	253,359,772	57,251	253,417,023	0.3015
N/A	N/A	261,772,696	55,811	261,828,507	0.2983
193,333,261	17,413,262	321,913,353	54,591	321,967,944	0.2880
190,925,532	17,015,571	322,627,565	81,397	322,708,962	0.2339
201,374,447	18,028,455	340,159,538	115,731	340,275,269	0.2224
N/A	N/A	N/A	N/A	N/A	0.2025

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Village of North Riverside				
General Rate	0.2372	0.2435	0.2351	0.2009
Debt Service Rate	0.1164	0.1264	0.1181	0.1006
Total Direct Tax Rate	<u>0.3536</u>	<u>0.3699</u>	<u>0.3532</u>	<u>0.3015</u>
Overlapping Rates				
School Districts	4.9980	4.5230	4.5760	3.7600
County	0.9550	0.9010	0.8520	0.7570
Other	<u>0.8950</u>	<u>0.9680</u>	<u>0.9610</u>	<u>0.9330</u>
Total Direct and Overlapping Tax Rate	<u>7.2016</u>	<u>6.7619</u>	<u>6.7422</u>	<u>5.7515</u>

Data Source: Office of the Cook County Clerk

Note: Overlapping rates are those of local and county governments that apply to property owners within the Village. Not all overlapping rates apply to all Village property owners.

2008 levy not available at time of audit.

N/A - Currently Not Available

2004	2005	2006	2007	2008	2009
0.1991	0.1927	0.1575	0.1564	0.1483	0.1348
0.0992	0.0953	0.0785	0.0775	0.0741	0.0677
0.2983	0.2880	0.2360	0.2339	0.2224	0.2025
5.0360	5.0660	4.4790	4.9400	4.7810	N/A
0.7220	0.6540	0.6120	0.5620	0.5110	N/A
0.9600	0.9580	0.8450	0.8330	0.8020	N/A
7.0163	6.9660	6.1720	6.5689	6.3164	N/A

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Principal Property Tax Payers - Current Year and Nine Years Ago
April 30, 2009 (Unaudited)**

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Urban Retail Property Co.	\$ 25,402,822	1	7.87%	\$ 20,168,023	1	10.40%
Tower Real Estate	7,603,476	2	2.36%	5,814,360	2	3.00%
J. C. Penney Company	6,755,965	3	2.09%	5,132,046	3	2.65%
Carson Pirie Scott	5,317,197	4	1.65%	3,843,861	5	1.98%
Sears	4,850,127	5	1.50%			
IG Riverside LLC	3,589,071	6	1.11%			
7222 Cermak LLC	3,089,057	7	0.96%			
Edward Don & Company	2,489,998	8	0.77%	1,995,381	8	1.03%
Exoho Harlem Assoc.	1,444,177	9	0.45%			
Joe Rizza Ford	1,103,270	10	0.34%	1,115,924	9	0.58%
Montgomery Wards				4,139,546	4	2.13%
Riverside Association East				2,720,875	6	1.40%
MB Financial Bank				2,386,647	7	1.23%
S.M. Property Management				1,092,498	10	0.56%
	<u>\$ 61,645,160</u>		<u>19.10%</u>	<u>\$ 48,409,161</u>		<u>24.96%</u>

Data Source: Office of the Cook County Clerk

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Property Tax Levies and Collections - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

Fiscal Year Ended April 30	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2000	1999	\$ 724,243	\$ 701,066	96.80%	\$ -	\$ 701,066	96.80%
2001	2000	739,466	742,505	100.41%	-	742,505	100.41%
2002	2001	731,538	626,185	85.60%	-	626,185	85.60%
2003	2002	758,659	665,304	87.69%	-	665,304	87.69%
2004	2003	729,375	728,967	99.94%	-	728,967	99.94%
2005	2004	756,044	731,384	96.74%	-	731,384	96.74%
2006	2005	759,844	730,262	96.11%	-	730,262	96.11%
2007	2006	755,139	368,551	48.81%	298,659	667,210	88.36%
2008	2007	758,814	366,019	48.24%	382,913	748,932	98.70%
2009	2008	731,405	349,450	47.78%	-	349,450	47.78%

Data Source: Gross amount of tax levy - North Riverside Tax Levy Ordinance.

Current tax collections and uncollected levy balance - Cook County, Illinois Collector.

Notes:

- (1) Tax levies are for the previous calendar year.
- (2) Current tax collections are receipts of the previous calendar year levy. The second installment of the levy is not due until August 1 of the year subsequent to the calendar year of the levy.
- (3) Although some individual receipts may in fact be delinquent, the Village has generally received approximately 100% of the levy balance due to the 3% added by Cook County for losses and costs of collection.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Ratios of Outstanding Debt By Type - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

Fiscal Year Ended April 30	Governmental Activities			Total Primary Government	Percentage of Personal Income	Per Capita (1)
	General Obligation Bonds	General Obligation Loans	Installment Contracts Payable			
2000	\$ 2,415,000	\$ -	\$ 281,009	\$ 2,696,009	5.01%	\$ 436.25
2001	2,365,000	-	192,037	2,557,037	4.75%	382.33
2002	2,245,000	-	770,676	3,015,676	5.61%	450.91
2003	2,120,000	-	553,014	2,673,014	4.97%	399.67
2004	1,990,000	-	464,759	2,454,759	4.56%	367.04
2005	1,855,000	-	101,736	1,956,736	3.64%	292.57
2006	1,710,000	-	55,897	1,765,897	3.28%	264.04
2007	1,560,000	-	697,700	2,257,700	4.20%	337.57
2008	1,400,000	750,000	802,832	2,952,832	5.40%	441.51
2009	1,230,000	507,740	745,808	2,483,548	4.55%	371.34

Data Source: Village's Records

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Ratios of General Bonded Debt Outstanding to Equalized Assessed Value
and Net General Obligation Bonded Debt Per Capita - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

Fiscal Year Ended April 30	Gross General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
2000	\$ 2,696,009	\$ 1,944	\$ 2,694,065	1.28%	\$ 435.93
2001	2,557,037	56,805	2,500,232	1.21%	373.84
2002	3,015,676	75,220	2,940,456	1.37%	439.66
2003	2,673,014	40,016	2,632,998	1.05%	393.69
2004	2,454,759	18,456	2,436,303	0.96%	364.28
2005	1,956,736	19,740	1,936,996	0.74%	289.62
2006	1,765,897	21,958	1,743,939	0.54%	260.76
2007	2,257,700	23,679	2,234,021	0.69%	334.03
2008	2,952,832	721	2,952,111	0.87%	441.40
2009	2,483,548	4,403	2,479,145	N/A	370.69

Data Source: Village Records

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Ratios of Outstanding Debt by Type Schedule for Equalized Assessed Value data (Actual Taxable Value of Property).

(2) See the Demographic and Economic Statistics Schedule for the Per Capita Income data.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Schedule of Direct and Overlapping Bonded Debt
April 30, 2009 (Unaudited)**

Governmental Unit	(1) Gross Debt	*Percentage to Debt Applicable to Village (2)	**Village's Share of Debt
Village of North Riverside	\$ 1,230,000	100.00%	\$ 1,230,000
Overlapping Bonded Debt			
Cook County (a)	2,897,975,000	0.21%	6,085,748
Cook County Forest Preserve District	115,105,000	0.21%	241,721
Water Reclamation District of Greater Chicago (a)	1,373,526,000	0.22%	3,021,757
School District 209	8,825,000	1.00%	88,250
Township High School District 208	59,810,000	33.59%	20,090,179
School District 91	6,600,000	6.60%	435,600
School District 94	1,315,000	49.54%	651,451
Village of North Riverside Public Library	3,380,000	100.00%	3,380,000
Subtotal Overlapping Bonded Debt	4,466,536,000		33,994,705
Total Direct and Overlapping Bonded Debt	\$ 4,467,766,000		\$ 35,224,705

Data Source: Office of the County Clerk

* Determined by the ratio of assessed value of property in the Village of North Riverside subject to taxation by the Governmental Unit to the total assessed value of property of the Governmental Unit.

** Amount in column (2) multiplied by amount in column (1).

(a) Excludes General Obligation Notes issued in lieu of tax anticipation warrants and notes issued to provide interim construction financing.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Schedule of Legal Debt Margin
April 30, 2009 (Unaudited)**

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2007 (Most Recent Available)	<u>\$ 340,275,269</u>
Legal Debt Limit - 8.625% of Assessed Valuation	\$ 29,348,742
Amount of Debt Applicable to Debt Limit General Obligation (Alternate Revenue) Bonds, Series 2000	<u>1,230,000</u>
Legal Debt Margin	<u>\$ 28,118,742</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Demographic and Economic Statistics - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

Fiscal Year Ended April 30	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2000	6,180	\$ 53,790	\$ 24,034	46.0	555	N/A
2001	6,688	53,790	24,034	46.0	501	N/A
2002	6,688	53,790	24,034	46.0	502	N/A
2003	6,688	53,790	24,034	46.0	545	N/A
2004	6,688	53,790	24,034	46.0	547	N/A
2005	6,688	53,790	24,034	46.0	547	N/A
2006	6,688	53,790	24,034	46.0	482	N/A
2007	6,688	53,790	24,034	46.0	482	N/A
2008	6,688	54,642	26,804	46.0	501	N/A
2009	6,688	54,642	26,804	46.0	501	N/A

Data Sources

- (1) U.S. Department of Commerce, Bureau of the Census
- (2) Illinois Department of Employment Security (using annual averages)

N/A - Currently Not Available

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2009 (Unaudited)**

Employer	2009			2000		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment

Information is not available for principal employers for the current fiscal year or nine fiscal years ago

-	0.00%	-	0.00%
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VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

Function	2000	2001	2002	2003
General Government	5	6	6	5
Public Safety				
Police	38	37	38	36
Fire	20	21	21	20
Culture and Recreation	3	3	3	3
Public Works	8	8	8	8
Building, Health and Zoning	1	1	1	1
Total	<u>75</u>	<u>76</u>	<u>77</u>	<u>73</u>

Data Source: Village Records

2004	2005	2006	2007	2008	2009
5	5	5	5	5	5
36	36	36	36	37	37
20	20	20	19	19	19
3	3	4	4	4	4
8	8	8	8	8	8
1	1	1	1	1	1
73	73	74	73	74	74

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

Function/Program	2000	2001	2002	2003
Public Works				
Forestry				
Number of Parkway Trees Planted	24	40	55	-
Number of Parkway Trees Trimmed	800	700	1050	770
Public Safety				
Fire (1)				
Number of Fire Calls	1,439	1,436	1,306	1,654
Number of EMS Calls	1,149	1,187	1,176	1,261
Number of Training Hours	7,405	6,213	6,469	6,551
ISO Rating	2	2	2	2
Police				
Part I Crime	779	895	884	898
Part II Crime	625	864	733	887
Calls for Service	19,158	20,499	19,358	20,774
State Tickets Issued	1,999	2,237	1,805	2,135
Compliance Tickets Issued	3,272	3,115	2,359	1,760
Parking Tickets Issued	3,372	4,152	4,901	5,963
Community Development				
Number of Building Permits Issued	N/A	N/A	945	952
Number of Building Inspections	1,330	1,496	1,389	1,479
Number of Food Service Inspections	312	305	290	296
Highways and Streets				
Sidewalk Replaced (Sq. Ft.)	3,275	4,150	2,425	-
Annual Resurfacing Program (\$)	180,766	220,285	286,649	156,354
Water and Sewer				
Water Main Breaks	6	5	5	17
Hydrants Flushed	370	370	370	370
Water Meters Read	9,668	9,640	9,724	9,704
Water Meter Service Requests	107	98	108	116
Water Meters Replaced	52	50	48	53
Total Distribution Pumpage (1,000 Gallons)	351,770	349,517	335,212	325,135
Average Daily Pumpage (1,000 Gallons)	934	1,005	936	923
Sanitary Sewer Repairs	5	3	7	4

Data Source: Village Records

N/A: Currently Not Available

Note: Indicators are not available for the general government function.

2004	2005	2006	2007	2008	2009
-	4	-	-	126	126
770	805	735	800	1,100	1,100
1,527	1,463	1,618	1,693	1,737	1,737
1,374	1,362	1,442	1,365	1,403	1,403
6,659	6,549	6,210	6,613	6,215	6,215
2	2	2	2	2	2
897	797	853	858	862	862
880	832	915	900	889	889
19,321	19,433	19,910	13,475	20,625	20,625
2,181	2,168	2,147	1,840	1,838	1,838
1,378	969	941	850	885	885
5,155	3,921	3,300	2,093	3,162	3,162
978	950	941	955	853	853
1,542	1,515	1,563	1,586	1,347	1,347
300	310	325	315	284	284
575	4,650	2,225	-	1,835	1,835
182,669	169,650	-	338,000	215,000	215,000
9	9	4	5	16	16
370	370	370	370	370	370
9,740	9,688	9,680	9,700	9,705	9,705
101	97	112	106	120	120
51	39	54	35	50	50
340,509	380,889	355,123	365,777	308,185	308,185
886	962	1,027	937	844	844
7	7	8	9	12	12

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
April 30, 2009 (Unaudited)**

Function/Program	2000	2001	2002	2003
Police				
Stations	1	1	1	1
Patrol Units	15	15	15	15
Fire Stations	1	1	1	1
Public Works				
Streets (Miles)	17.19	17.19	17.19	17.19
Sidewalks (Miles)	33.17	33.17	33.17	33.17
Streetlights	408	394	394	394
Water and Sewer				
Water Mains (Miles)	33.93	33.93	33.93	33.93
Fire Hydrants	370	370	370	370
Sanitary Sewers (Miles)	20.08	20.08	20.08	20.08
Manholes	489	489	489	489

Data Source: Village Records

2004	2005	2006	2007	2008	2009
1	1	1	1	1	1
15	15	15	15	17	17
1	1	1	1	1	1
17.19	17.19	17.19	17.19	17.19	17.19
33.17	33.17	33.17	33.17	33.17	33.17
394	394	394	394	394	394
33.93	33.93	33.93	33.93	33.93	33.93
370	370	370	370	370	370
20.08	20.08	20.08	20.08	20.08	20.08
489	489	489	489	489	489