

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**COMPRHENSIVE
ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED
APRIL 30, 2011**

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED APRIL 30, 2011

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, 2011

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

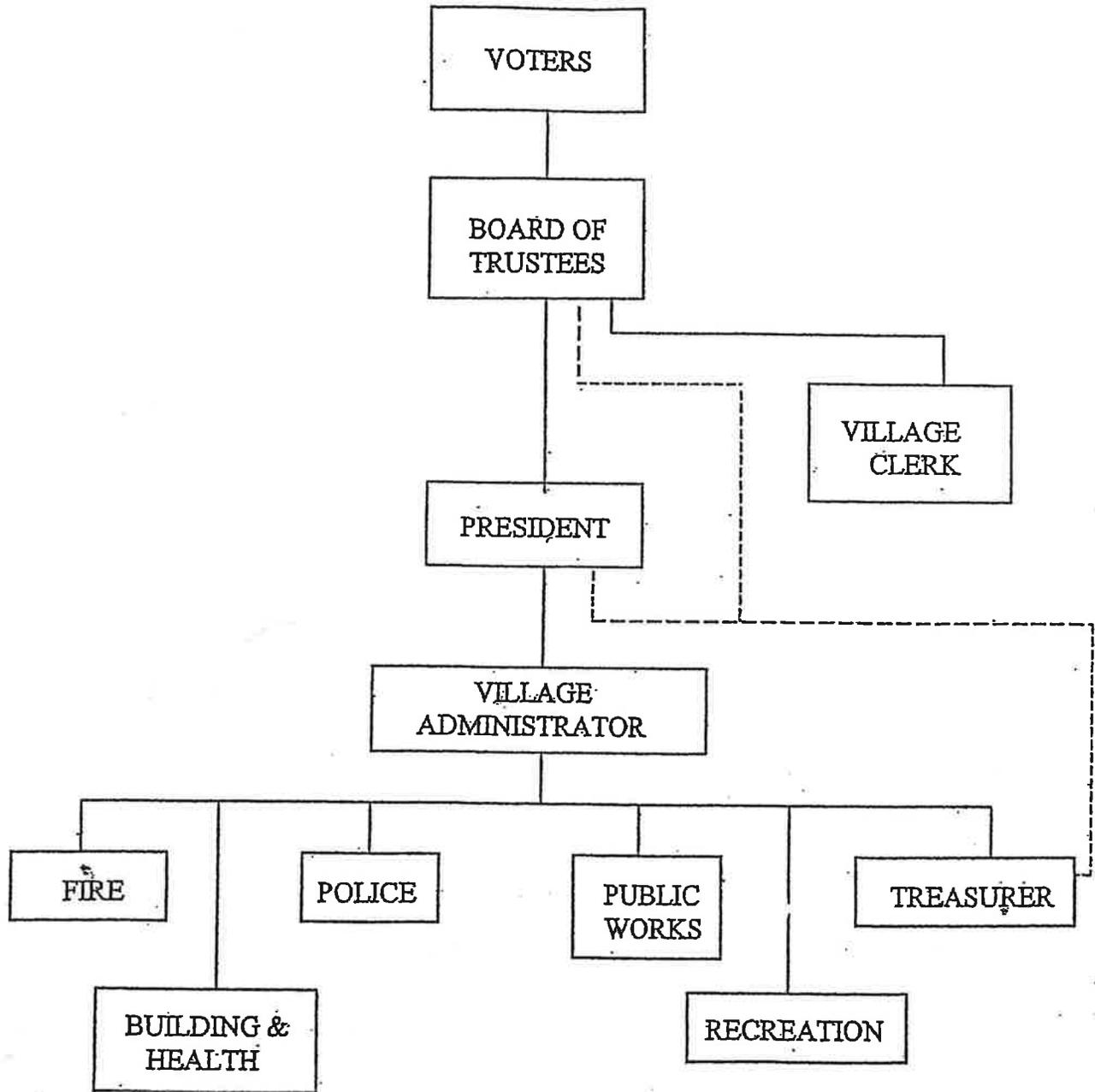
Tim Kutt
Public Works Department

Sue Frampton
Recreation Department

Karyn Byrne
Code Enforcement Officer

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

ORGANIZATION CHART





Kenneth Krochmal
Mayor

Dr. Queenella Miller
Village Clerk

October 4, 2011

Trustees:
Thomas Corgiat
Randall Czajka
H. Bob Demopoulos
Rocco J. DeSantis
Hubert E. Hermanek, Jr.
Joan Sargent

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, 2011, 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, 2011, 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, 2011, 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 6,672 according to the 2010 US Census. 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 67 full-time employees, including 26 sworn police officers and 16 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 two prior fiscal years, current year estimates, final recommended appropriations for the next fiscal year and projections for the upcoming two fiscal years beyond the year being budgeted for.

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

Village staff, following specific directives of the Village Board and Village Administrator, has been involved in a variety of projects and activities throughout the year; projects and activities which reflect the Village's continued commitment to ensuring that its citizens are able to live and work in an enviable environment. The most significant of these projects and activities are discussed below.

- Continued the Village Board's long-standing practice of *not* increasing property taxes by seeking alternate revenue sources to fund and maintain existing services and programs.
- Worked in partnership with several national businesses to locate within the Village's central business district along Harlem and Cermak Roads, thereby, further enhancing the Village's sales tax base.

North Riverside continues to prove as an attractive location for large, national businesses to call home. Among the list of new businesses added to the Village's central business district during the year were CVS Pharmacy, Aeropostale, Crazy 8, America's Kids, Five Below and hhgreg, Inc. In addition, several large retailers underwent large remodeling projects within the fiscal year expanding their businesses and displaying an increased commitment to the community.

CVS began construction on its new retail pharmacy and drug store in the spring of 2011 with its doors open for business on July 1, 2011. Aeropostale, Crazy 8, and America's Kids, opened their newest locations within the North Riverside Park Mall during the fiscal year while Five Below will be opening its doors in June, 2011. With

the addition of these new stores to the North Riverside Park Mall, the Mall has been very successful at marketing North Riverside to new businesses and continues to maintain an occupancy rating over 90% in this tough economic climate.

Hhgreg, Inc. has elected to bring its inventory of electronics and home appliances to town with the opening of its newest store in November, 2011. Hhgreg will occupy a 30,000 square foot facility which was left vacant approximately 4 years ago from the closure of a large, national furniture store.

These new businesses are a welcome addition to the Village's sales tax base and a further testament to the Village's commitment to diversify its largest revenue source.

- Sustained the Village's focus on implementing effective cost cutting measures in order to operate within projected available revenues. During the fiscal year, the Village offered a voluntary early retirement incentive to long time employees in an attempt to lower fixed personnel costs. The end result of this program was a reduction of staffing equal to approximately 10% of the Village's total workforce.
- Conducted an extensive review of all village services and programs provided in-house to determine if sufficient cost savings could be achieved through contract services. Based upon this analysis, the Village elected to reorganize its building and code enforcement departments to utilize contract inspectors and invoke considerable cost savings measures on an annual basis.
- Implemented a 1% Places for Eating Tax on the gross receipts received for prepared food sold for immediate consumption at retail.
- Installed a state-of-the-art surveillance camera system at Commons Park and the North Riverside Tot Lot in an effort to better protect residents of all ages. These cameras were funded through a Judicial Assistance Grant (JAG) through Cook County and will provide the police department with around the clock automated patrol of the Village's parks.
- Instituted a new administrative towing fee within the police department in which the revenue collected from this source will be earmarked for future police related capital purchases, including funding of the annual police vehicle replacement program.
- Received Federal and State grant assistance totaling more than \$200,000 including:
 - 2011 FEMA blizzard assistance (\$94,834)
 - Lighting project for Community Theatre (\$25,000)
 - Law enforcement safety initiatives (\$105,746)
- Secured federal grant funding in the amount of \$1.92 million for the construction of a village wide bicycle path. Preliminary engineering and design of the bicycle path began in April, 2008, with construction anticipated to occur over the next four fiscal years. Phase 1 of the project was completed during the 2010 fiscal year while design engineering for Phase 2 was performed during the 2011 fiscal year. Actual construction of the bicycle path is anticipated to begin in the upcoming fiscal year.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Village operates.

Local economy

The global economic recession that started in December of 2007 continues to be a growing burden on the Village's overall financial condition. We presently live in a time of national economic hardship that has not been seen since the Great Depression. A steep decline in the real estate market, a near collapse of the financial sector, national and state unemployment levels still teetering around nine percent, global economic instability and an unprecedented recession of the U.S. economy are among the many factors which have led to significant declines in retail and automotive sales, construction activity and restaurant sales. Furthermore, increasing pension obligations continue to add to the financial burden of the Village. As sales tax and state shared revenues remain volatile in this economic climate, management is continually monitoring their impact on the budget and making decisions accordingly.

Despite the continuing economic recession and fiscal pressures from the State of Illinois, the Village is well positioned for an economic recovery. State shared sales tax revenue, one major indicator of economic growth, has steadily increased across all sectors of retail sales since June of 2010. North Riverside continues to attract new businesses to locate within its corporate limits by offering tax incentives in the form of sales tax rebates and has a business retention program in place to work with existing businesses willing to make a long-term commitment to the Village through the use of economic development assistance grants. With the increased commitment by the Mayor and Village Board to aggressively promote economic development and revitalization of its commercial sector, the Village has witnessed a moderately low retail vacancy rate of under 10% Village wide despite the volatility in sales tax receipts experienced over the past several years.

Knowing that sales tax revenue is the largest single revenue source which supports governmental activities in North Riverside, the Village is very diligent in protecting and promoting its sales tax base. The Village is extremely committed to following and opposing any pending legislation that would diminish these revenues and jeopardize the Village's ability to delivery basic governmental services.

As long as the Village continues to exercise sound financial management by adhering closely to its five-year financial plan, carefully monitoring operating expenditures and identifying further efficiencies of scale and continuously looking for new and diversified revenue streams to enhance its current revenue base, the Village of North Riverside should be able to sustain itself during these difficult economic times.

Long-term Financial Planning

In order to meet the financial challenges that lay ahead, the Village must remain fiscally prudent and continue to adhere to its long term goals of seeking alternative revenue sources whenever possible in order to continue to provide the high quality of services and programs that its residents have grown accustomed to receiving, sustain economic vitality

throughout the Village, and fund ongoing infrastructure improvements without the reliance on property taxes.

In the past, the Village has developed close partnerships with its local businesses 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 in the years past, adding more than \$5.7 million annually to the Village's sales tax base and demonstrates the Village's commitment to ensure a solid foundation within the community for many years to come. During the fiscal year, the Mayor and Village Board decided to suspend any further business assistance grants to local businesses. This decision was based upon the current financial position of the Village as well as the economic climate experienced over the course of the last several fiscal years. Once the Village is able to re-establish its reserve funds to a level that is more suited to handle future contingencies and emergencies, it will continue its practice of providing economic development assistance to its business community.

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 ten years, these lobbying efforts yielded approximately \$8.5 million dollars in available grant funding for infrastructure and capital related purchases. In the upcoming fiscal year, the Village will be the recipient of an additional \$275,000 in state and federal grant funds for the replacement of aging infrastructure and capital assets

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 on a timely basis. Currently, state statutes require that the Village's contributions accumulate to the point where the past service cost is 90% funded by the year 2040. As of April 30, 2010, which is the latest available actuarial valuation date, the percent funded status for both pension funds increased slightly from 52.9% to 55.7% for police and 56.2% to 58.0% for fire. The actuarial valuation for April 30, 2011 was not available at the time of publication of this report.

The Village also provides pension benefits for its non-public safety employees. 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. In April, 2010, the Governor signed Senate Bill 1946 into law which created a second tier of pension benefits for non-public safety participants first enrolled in the IMRF Regular Plan on or after January 1, 2011. This new bill has no effect on members currently participating in 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. An independent actuary engaged by the Village calculated the funded status of the plan as of April 30, 2011 as well as the Village's annual required contribution. Currently, 51 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 pays approximately 91 percent of the cost of health and life insurance benefits for these employees.

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

Awards and Acknowledgements

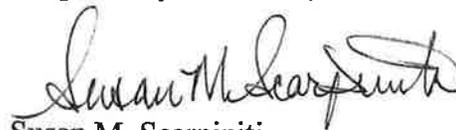
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its comprehensive annual financial report for the fiscal year ended April 30, 2010. The Certificate of Achievement is a prestigious 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-six (26) 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

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, 2010

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.



President

Executive 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

October 4, 2011

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

We have audited the accompanying financial statements of the governmental activities, the 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, 2011, which collectively comprise the Village's basic financial statements as listed in the accompanying table of contents. These financial statements are the responsibility of the Village of North Riverside, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of North Riverside, Illinois as of April 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

Our audit was conducted for the purposes of forming opinions on the financial statements that collectively comprise the Village of North Riverside, Illinois' financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis April 30, 2011

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, 2011. 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.

Since this MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts, readers are encouraged to consider the information presented here in conjunction with additional information furnished in the Letter of Transmittal and the Village's financial statements.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to 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. The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. 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. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or the subsidy to various business-type activities.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2011

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.

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 seven 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 four

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2011

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 elsewhere in 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 through 12 of this report.

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 the combining and individual fund financial statements section of this report.

The basic proprietary fund financial statements can be found on pages 13 through 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 through 17 of this report.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2011

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 through 55 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 as well as other postemployment benefit plans. Required supplementary information can be found on pages 56 through 60 of this report.

The combining statements referred to earlier in connection with major and non-major governmental funds, the enterprise fund, the internal service fund and fiduciary 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 61 through 80 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
As of April 30, 2011

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Current and Other Assets	\$ 6,053,228	\$ 5,086,861	\$ (80,692)	\$ 117,811	\$ 5,972,536	\$ 5,204,672
Capital Assets	12,845,941	13,187,548	2,540,888	2,645,262	15,386,829	15,832,810
Total Assets	<u>18,899,169</u>	<u>18,274,409</u>	<u>2,460,196</u>	<u>2,763,073</u>	<u>21,359,365</u>	<u>21,037,482</u>
Long-Term Liabilities	12,326,500	11,208,205	49,060	47,196	12,375,560	11,255,401
Other Liabilities	4,286,228	3,317,950	195,838	210,943	4,482,066	3,528,893
Total Liabilities	<u>16,612,728</u>	<u>14,526,155</u>	<u>244,898</u>	<u>258,139</u>	<u>16,857,626</u>	<u>14,784,294</u>
Net Assets						
Invested in Capital Assets, Net of Debt	11,662,320	11,316,087	2,540,888	2,645,262	14,203,208	13,961,349
Restricted	92,553	92,489	-	-	92,553	92,489
Unrestricted (Deficit)	(9,468,432)	(7,660,322)	(325,590)	(140,328)	(9,794,022)	(7,800,650)
Total Net Assets	<u>\$ 2,286,441</u>	<u>\$ 3,748,254</u>	<u>\$ 2,215,298</u>	<u>\$ 2,504,934</u>	<u>\$ 4,501,739</u>	<u>\$ 6,253,188</u>

The Village's total net assets decreased from \$6.25 million in fiscal year 2010 to \$4.50 million in fiscal year 2011. The net assets for the governmental activities decreased \$1.46 million while

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2011

business-type activities decreased \$.29 million, thereby, causing a total net decrease of \$1.75 million or 28.01% over the prior fiscal year.

For the third straight year, the Village experienced a reduction in the net assets for the governmental activities primarily due to the growing unfunded pension obligation facing the Village. During fiscal year 2011, the Village's net pension obligation payable increased \$2.88 million over the prior fiscal year as the Village was unable to make its annual employer contribution to both the Police and Firefighters' Pension Funds during the fiscal year. This lack of funding has been an on-going problem for the Village as it struggles to manage the growing burden of funding its public pension plans in an unstable economic climate with declining state shared revenues and sales tax receipts. The required employer contribution for both public safety pension funds totals more than \$1.5 million annually and encompasses approximately 18% of the total public safety costs.

Since 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 or who are on a permanent duty related disability leave on a pay as you go basis, the Village's net assets for governmental activities further decreased during fiscal year 2011 to reflect the additional \$.54 million liability to fund these benefits. Currently, retirees contribute approximately 9% of the actuarially determined premium to the plan, with the Village responsible for the remaining balance.

However, a monumental shift in the Village's policy towards other post-employment benefits (OPEB) occurred just after fiscal year end as the Village successfully negotiated with the Firefighter's Union the elimination of post employment health care and life insurance benefits for all new hires after May 1, 2011. The intention of the Village is to institute similar changes to the OPEB policy for the two remaining unions (police and telecommunications) as well as for non-union personnel; thereby, stabilizing the long-term financial position of the Village by reducing future OPEB liabilities.

With the net assets for governmental activities declining in total during the year from the Village's rapidly growing pension and OPEB liabilities as well as decreases in the capital asset balances due to annual depreciation expense, the Village was able to offset this negative change in net assets by retiring \$.89 million in existing debt service during the year and reducing payables in compensated absences through a voluntary separation program targeted at the Village's most senior employees. Further cost costing measures implemented across all departments during the year in combination with the decision to not replace recently vacated positions created from the voluntary program, left the Village with a positive net change in fund balance across all governmental funds and helped soften the overall reduction in net assets at year end.

The net assets of the business-type activities continued to decline for the fourth straight year from \$2.50 million in fiscal year 2010 to \$2.21 million in fiscal year 2011. This decrease is primarily attributable to the growing loss of accountability in metering water consumption by users resulting from aging and inaccurate water meters. As addressed by the Village's long term

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued) April 30, 2011

capital improvements plan, the Mayor and Village Board have decided to fund a long overdue meter change out program village wide in the upcoming 2012 fiscal year, thereby, allowing the Village to more accurately bill consumers for the actual gallons of water used on their premises and purchased by the Village from the Brookfield-North Riverside Water Commission. Until the existing water metering system is replaced, the Village is forced to subsidize a portion of the actual costs for the purchase of Lake Michigan water from the Commission each year rather than passing those costs onto consumers on their quarterly water bills. As a result of funding years of unmetered water loss, the current and other assets section of the Statement of Net Assets reflects a negative balance of \$80,692 at year end.

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)
April 30, 2011

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, 2011.

	Changes in Net Assets					
	For the Fiscal Year Ended April 30, 2011 and 2010					
	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program Revenues						
Charges for Services	\$2,818,167	\$2,468,596	\$1,485,365	\$1,253,713	\$4,303,532	\$3,722,309
Capital Grants/ Contributions	137,217	436,361	-	-	137,217	436,361
General Revenues						
Property Taxes	705,687	639,711	-	-	705,687	639,711
Sales Taxes	8,105,362	7,692,711	-	-	8,105,362	7,692,711
Other Taxes	898,988	651,921	-	-	898,988	651,921
Intergovernmental	865,469	937,493	-	-	865,469	937,493
Other General Revenues	163,081	117,316	65,707	65,037	228,788	182,353
Total Revenues	<u>13,693,971</u>	<u>12,944,109</u>	<u>1,551,072</u>	<u>1,318,750</u>	<u>15,245,043</u>	<u>14,262,859</u>
Expenses:						
General Government	979,149	1,324,340	-	-	979,149	1,324,340
Public Safety	11,332,637	10,551,760	-	-	11,332,637	10,551,760
Culture and Recreation	757,686	884,433	-	-	757,686	884,433
Public Works	1,144,736	1,432,162	-	-	1,144,736	1,432,162
Building, Health and Zoning	241,274	234,340	-	-	241,274	234,340
Sanitation	576,065	554,573	-	-	576,065	554,573
Interest on Long-Term Debt	124,237	113,524	-	-	124,237	113,524
Water	-	-	1,840,708	1,725,325	1,840,708	1,725,325
Total Expenses	<u>15,155,784</u>	<u>15,095,132</u>	<u>1,840,708</u>	<u>1,725,325</u>	<u>16,996,492</u>	<u>16,820,457</u>
Changes in Net Assets	(1,461,813)	(2,151,023)	(289,636)	(406,575)	(1,751,449)	(2,557,598)
Net Assets, May 1	<u>3,748,254</u>	<u>5,899,277</u>	<u>2,504,934</u>	<u>2,911,509</u>	<u>6,253,188</u>	<u>8,810,786</u>
Net Assets, April 30	<u>\$2,286,441</u>	<u>\$3,748,254</u>	<u>\$2,215,298</u>	<u>\$2,504,934</u>	<u>\$4,501,739</u>	<u>\$6,253,188</u>

Governmental Activities

As is typical for governmental activities of local governments, program revenues generally cover a very small percentage of program expenses, with general revenues covering the majority of expenses. During the 2011 fiscal year, governmental program expenses remained steady around \$15.16 million for the second straight year and exceeded program revenues of \$13.69 million, thereby, creating a shortfall of revenues over expenses of approximately \$1.46 million. Growing unfunded pension obligations coupled with further declines in state shared revenues accounted for the majority of this deficiency.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2011

For the fiscal year ended April 30, 2011, total combined revenues from all governmental activities increased 5.79% over the prior year from \$12.94 million to \$13.69 million, a level more consistent with historical trends and the first signs of an upturn in the Village's core revenues in over two years. Sales tax continues to be the largest single source of revenue for the Village (59% of all governmental revenues), contributing a combined total of \$8.11 million to the Village's overall revenue base. Sales tax receipts collected in FY11 grew 5.92% over the prior year and represents the first positive gain in over four years, exceeding budget estimates by \$.51 million. Sales tax is comprised of two components in the Village of North Riverside; a 1% municipal share of the state's retailer's occupation tax and a 1% local non-home rule sales tax, and generated revenue of \$4.58 million and \$3.51 million, respectively. With the addition of only a few new retailers to the Village's tax base during the fiscal year, the majority of this increase can be attributed to a modest recovery in the local economy.

In addition to the local sales tax, the Village first initiated a 1% places for eating tax beginning in August of 2010. The places for eating tax is a separate tax on the gross receipts received for prepared food sold at retail and was created in response to the unprecedented revenue declines stemming from the extended recession. During the first year of collection, the Village realized approximately \$250,000 in additional tax revenue and anticipates collecting approximately \$325,000 per year in future fiscal years. The new places for eating tax is reflected as other taxes and accounts for the entire 37.9% increase over the prior fiscal year.

Charges for services, the second largest source of revenue for the Village, increased \$.35 million or 14.16% over the prior fiscal year from \$2.47 to \$2.82 million and makes-up approximately 21% of the Village's total governmental revenues. This double digit increase is mainly attributed to two main events: 1) the first full year of wireless 911 surcharge revenues being collected by the Village since it began providing enhanced 911 services to the community in late August of 2009; and 2) the implementation of a scheduled garbage rate increase.

In August of 2010, the Village passed along a 40% rate increase for the collection of garbage services. This was the final rate increase of a four part phased in plan to reduce the Village's long time subsidy of refuse collection within the community. Fees for garbage collection were previously increased in the summers of 2005, 2006 and 2007 as outlined in the Village's master plan. Accordingly, the places for eating tax, wireless 911 surcharge fee, and service rate increase imposed on the collection of garbage were all initiated in conjunction with across the board spending cuts from all Village departments. These measures were necessary to help protect the delivery of basic Village services.

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 23rd consecutive year. Property taxes account for 5% of the Village's total governmental fund revenues with \$.71 million in collections. Although the Village is not heavily reliant upon property taxes to fund its operations, the increasing number of successful tax appeals by commercial and industrial property owners coupled with the untimely settlement of those appeals has made it increasingly more difficult for taxed capped communities to anticipate the amount of property tax revenue necessary to be levied and collected on an annual basis. This, in addition to

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Management's Discussion and Analysis (Continued)

April 30, 2011

the Village's growing public pension obligation, has forced the Village to look at raises in its property tax levy in the upcoming fiscal years in order to continue to meet existing service needs.

The Village receives a number of state shared revenues which are distributed to Illinois municipalities on a per capita basis and reflected as intergovernmental revenues. Amongst these state shared revenues are income taxes, local use taxes, personal property replacement taxes and motor fuel taxes which are all key revenue sources and used to support basic governmental services. Unlike the other state shared revenues which recorded increases in collections from the prior fiscal year, the Village's share of state income taxes continued to decline for the third consecutive year and reflects 1.83% less than what was collected just one year ago. These decreases are mostly attributable to the continuing economic downturn suffered statewide and higher than average state unemployment rates for most of this period. Despite an increase in the State's overall individual income tax rate from 3% to 5% in early 2011, the Legislature reduced the municipal share of tax receipts from 10% to 6%, thereby, nullifying any additional revenue sharing with Illinois local governments.

North Riverside also levies a 5% tax on telecommunication services. Collections of telecommunications taxes are performed at the state level and distributed to Illinois municipalities in a manner similar to the local share of sales tax and other state shared revenues. Revenues generated from the telecommunications tax continued to tumble for the fifth straight year as emerging technologies and bundling of services with cable and internet service providers appear to be changing the landscape of traditional land-line based telecommunication services. As technology continues to evolve at a lightning fast pace, it seems likely that this revenue stream will further erode in future years.

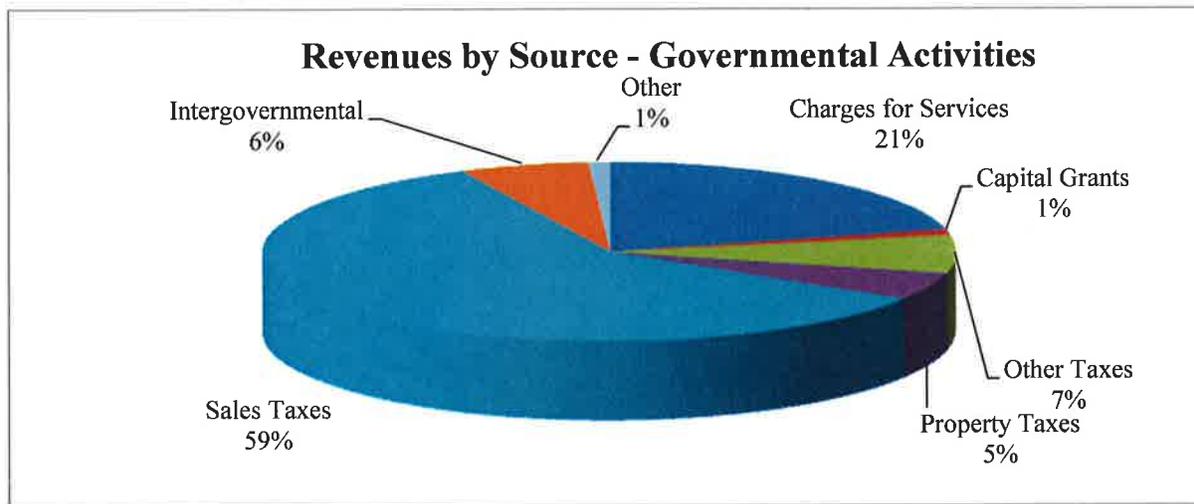
Other general revenues, comprising of 1% of the total governmental activities revenues, increased 40.31% during the year as the Village was recipient of approximately \$95,000 in FEMA Disaster aid for additional costs incurred from the Blizzard of 2011.

The following chart graphically depicts the major revenue sources of the Village for the fiscal year ended April 30, 2011 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, 2011



Expenses for the governmental activities for the fiscal year ended April 30, 2011 remained flat for the past two years and totaled around \$15.1 million per year. No new programs or services were instituted during the fiscal year, as departments once again maintained a truly operational only budget for the fifth straight year. Capital purchases during the fiscal year were prioritized by each department and limited to only those items necessary to maintain current operations. In addition to each department being asked to cut their operating costs by 5%, the Village also offered eligible employees within the organization a voluntary separation program in early 2011. This program resulted in the retirement of seven employees throughout the organization. Even though only a small portion of the cost savings generated by not replacing these positions appeared within this fiscal year, the Village was able to reduce its total workforce 9.5% and generate anticipated savings in personnel costs for the upcoming fiscal year equal to approximately \$250,000.

North Riverside's largest share of costs allocated to governmental activities was in the area of public safety, accounting for 74% 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 7.4% over the prior year from \$10.55 million to \$11.33 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 substantially increased the Village's net pension obligation costs. This was the third straight year the Village failed to fund its public pensions as it struggled throughout the year to increase general revenues in this current economic climate and cut budgeted expenditures/expenses without further draw downs on its available cash reserves. 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's long term financial stability. As such, public pension funding is one of the greatest fiscal challenges facing North Riverside in the years to come.

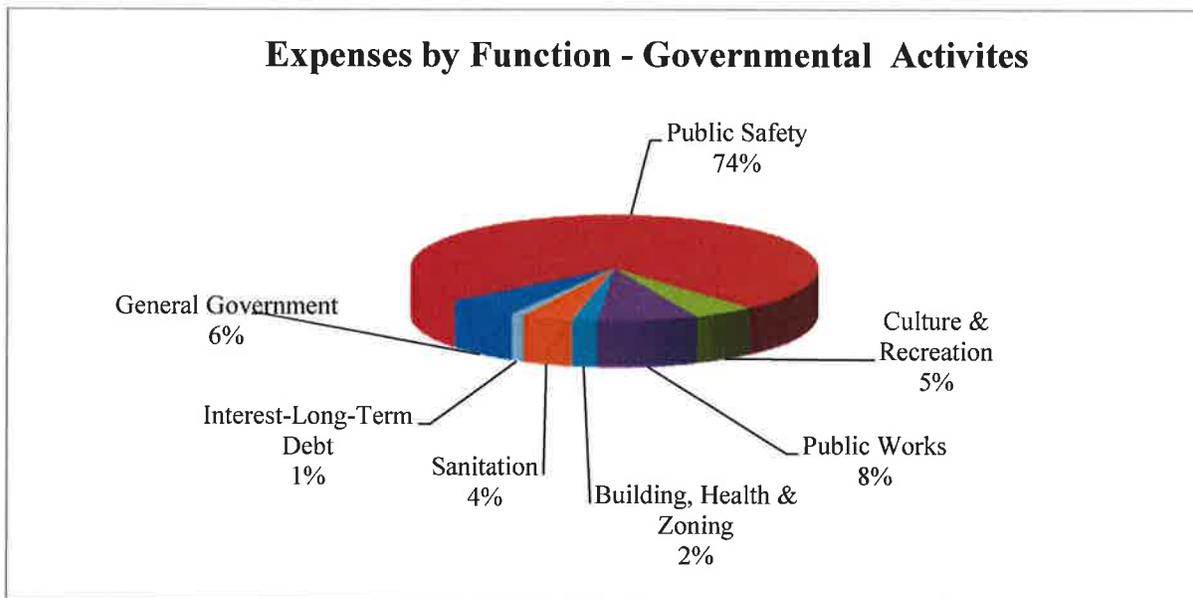
VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2011

The public works and general government activities make up the next two largest functions within the Village, accounting for 8% and 6%, respectively, of total governmental expenses. Public works activities include the costs associated with the Village's Public Works administration, engineering and parks and streets division staff, regular street maintenance activities such as street sweeping, parkway tree maintenance, snow removal, storm sewer cleaning, and other maintenance activities. Total expenses allocated to public works decreased 20.0% from \$1.43 million to \$1.14 million in 2011 due to the postponement of a street paving project during the fiscal year as a means to conserve reserves in the Motor Fuel Tax Fund. With preliminary construction engineering occurring on Phase II of the bicycle path in 2011, the Motor Fuel Tax Fund will fund the actual construction of the bicycle path beginning in the subsequent fiscal years.

The general government activities declined 26.1% over last fiscal year from \$1.32 million to \$.98 million due to significant benefit changes being made to the Village's self-funded health insurance program. These changes in benefit levels were necessary from a cost containment perspective as the Village's health program absorbed significant premium increases over the past two fiscal years. Furthermore, all non-union employees of the Village received wage freezes for the second consecutive year as a further means of controlling operating costs within the year.



Business-type activities

Revenues of the Village's business-type activities increased \$.23 million or 18.48% from \$1.25 million in 2010 to \$1.48 million in 2011 due to a water rate increase imposed on end users in August of 2010 as well as increased collection efforts on past due water accounts. Business-type expenses also increased during the year, growing 6.69% from \$1.73 million to \$1.84 million in 2011. This increase was due to a larger number of water main breaks during the year in addition to a record breaking number of gallons of water purchased from the Brookfield-North Riverside Water Commission over the past five years.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2011

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.

At April 30, 2011, the governmental funds reported a combined ending fund balance of \$4.11 million compared to \$3.28 million one year ago. Of the total fund balance reported, \$3.90 million is unreserved and undesignated, thereby, representing an increase of \$1.25 million or 47.47% over the prior fiscal year. This substantial change in fund balance was attributed to an increased collection of general revenues resulting from higher sales tax receipts over budget, implementation of a new places for eating tax and administrative towing fee, adoption of a 10% across the board rate increase for all licenses and permit fees, added grant revenues and reimbursement from FEMA for federal disaster assistance.

Furthermore, the implementation of a bare bones budget for FY2011 required every operating department to be conscientious of their spending despite modest increases in operations. Although the Village experienced double-digit increases in workers compensation and liability insurance rates for the second straight year, these increases were offset by reductions in health care costs resulting from the Village joining the Intergovernmental Personnel Benefit Cooperative (IPBC), a self-insured health insurance pool. As a result, total expenditures for all governmental funds remained at the 2010 spending levels while total revenues increased.

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 \$1.87 million before transfers to other funds. This was a positive turn of events when compared to the planned drawn down of cash reserves equal to \$.33 million at the start of the fiscal year. Total General Fund revenues were 8.51% higher than in the prior year and exceeded budget estimates by \$.60 million; thus, signaling the first signs of economic recovery in over three years. With sales tax revenue growing 5.92% over the prior year, we are hopefully optimistic that the economic downturn is beginning to level off.

In years where revenues exceed expenditures within the General Fund, excess funds are transferred to other funds to address known financial needs. Accordingly, the Village transferred \$1.20 million to the Capital Projects Fund and \$.40 million to the Health Insurance Fund to replenish the previous drawn down of available reserves over the past several years, \$.03 million to the Refuse Fund to compensate for the lag in passage of the rate increase on refuse collection services, and \$.03 million to the Debt Service Fund to fund the loss of property tax revenue resulting from an increased number of commercial and industrial tax appeals within the past several years.

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)
April 30, 2011

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, 2011

	Original Budget	Final Budget	FY11 Actual	FY10 Actual	% Change
Revenues					
Taxes	\$ 8,918,000	\$ 8,918,000	\$9,467,983	\$8,766,652	8.00%
Licenses and Permits	821,350	821,350	872,195	863,930	0.96%
Intergovernmental	783,118	783,118	823,002	715,664	15.00%
Charges for Services	934,875	934,875	901,350	896,696	0.52%
Fines and Forfeitures	457,000	457,000	347,003	227,902	52.26%
Investment Earnings	10,100	10,100	1,943	1,449	34.09%
Miscellaneous	48,000	48,000	161,128	115,857	39.07%
Total Revenue	11,972,443	11,972,443	12,574,604	11,588,150	8.5%
Expenditures					
General Government	631,765	604,665	541,527	668,033	-18.94%
Public Safety	8,678,433	8,544,933	8,148,644	8,411,498	-3.12%
Culture and Recreation	889,780	874,180	739,858	866,143	-14.58%
Public Works	1,039,348	1,103,548	1,029,506	1,041,987	-1.20%
Building, Health and Zoning	294,380	275,380	241,274	234,340	2.96%
Total Expenditures	11,533,706	11,402,706	10,700,809	11,222,001	-4.64%
Other Financing Sources (Uses)					
Debt Issuance	-	-	-	2,000,000	-100.0%
Disposal of Capital Assets	500	500	750	10,090	-92.6%
Transfers Out	(770,000)	(770,000)	(1,660,000)	(902,000)	84.0%
Total Other Financing Sources (Uses)	(769,500)	(769,500)	(1,659,250)	1,108,090	249.7%
Change in Fund Balance	\$ (330,763)	\$ (199,763)	\$ 214,545	\$ 1,474,239	85.4%

General Fund tax revenue, the largest category of revenues in the General Fund, includes property taxes, sales tax, telecommunication taxes, utility taxes and the newest revenue stream – the places for eating tax and reflected an 8.00% increase over the prior fiscal year from \$8.77 million to \$9.47 million. Sales tax revenue, the Village's main source of funding, rebounded for the first time in over three years netting a positive gain of 5.92% over last year. Steady increases were realized in all categories of sales, excluding automotive, and is characteristic of the Village's low vacancy rate within the Mall and other larger retail outlets. In addition, the Village

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2011

witnessed its strongest gain in the sale of apparel as expected with the expansion and remodel of Kohl's and Babies R- Us during the year and the grand opening of Aeropostale and America's Kids within the Mall.

Intergovernmental revenues, which include state income taxes, federal and state grants and other state-shared revenues, were 15% higher than the previous year. This increase is mainly attributed to new grant awards received during the year to fund capital related purchases despite the third consecutive year of declines in state income tax receipts (the largest, single source of intergovernmental revenues received by the Village). As the growing fiscal crisis at the state level continues to affect local governments in Illinois, the Village expects the amount of state shared revenues to continue to erode over the course of the next few years.

Revenue generated in the fines and forfeits category increased 52.26% over the prior year through the implementation of an administrative towing ordinance and fee in April of 2010 while miscellaneous revenues reported gains of 39.07%, driven principally by the FEMA assistance awarded to the Village for costs incurred from the February, 2011 blizzard.

Total expenditures in the General Fund were contained to \$10.70 million, a reduction of 4.64% over the prior year and \$.70 million (6.16%) below the final budgeted appropriation for the fiscal year. Requested to provide a purely operational only budget for the current year, departments were instructed to reduce their current operations by 5% across the board during the year and instituted numerous cost-control measures to keep increases in costs to a minimal. All capital purchases were suspended during the year as the Village only replaced aging equipment and infrastructure that were directly funded through available state and federal grants or which proved necessary to maintain current operations. In addition, salaries for all non-union employees were frozen for the second straight year in an attempt to avoid the lay off of personnel.

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 \$2.85 per thousand gallons. Water is sold to residential and commercial customers at a rate of \$4.54 and \$10.23 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.

Although revenue collected in the Water Fund increased during the year from \$1.25 million in 2010 to \$1.49 million in 2011 due to a scheduled water rate increase in August, 2010, the Village's existing water metering system demonstrates serious deficiencies and reliability issues. In fact, the level of accountability of metered water at variable speeds continues to be compromised year after year due to the increasing age of the current system. In 2011 alone, only 60% of all water purchased from the Commission was captured by the existing water meters and

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2011

billed directly to end users. The remaining 40% of purchased water remains unaccounted for and therefore, subsidized by the Village during the year. Over the past ten years, water revenues have remained relatively flat despite five scheduled water rate increases and a 20% increase in the number of gallons of water purchased from the Commission, thus, illustrating the potential loss in revenue each year.

Operating expenses also increased 6.69% from \$1.73 million to \$1.84 million as the Village recorded record highs in the number of gallons of water purchased from the Commission in any given year. In January, 2011, the Village received a modest rate increase on the purchase of water from the Commission raising its current purchase price from \$2.80 to \$2.85 per thousand gallons. Since 1987, the Village has received approximately fourteen water rate increases from the Commission, totaling 77% over the entire period, while only passing minimal increases on to its residential customers. Commercial water rates have increased a total of nine times during that same period. The cost to fund the Village's water operations have increased steadily throughout the past 20 years while the amount billed and collected has remained relatively flat. As a result, the Water Fund has consistently reported an annual operating loss equal to approximately \$150,000 from 2002-2009. During fiscal year 2010 and 2011, however, that operating loss escalated to \$400,000 and \$355,000 respectfully as the ratio of gallons billed to gallons purchased steadily declined. Consequently, the Mayor and Village Board have decided to fund a much needed water meter replacement program in the upcoming 2012 fiscal year as addressed in the Village's five year capital improvements plan.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Mayor and Village Board approved one amendment to the fiscal year 2011 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, 2011 amounted to \$15.39 million (net of accumulated depreciation), a decrease of 2.80% over the prior year as no major capital purchases or improvements were made during the 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.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)
April 30, 2011

Capital Assets
As of April 30, 2011

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 7,291,525	\$ 7,254,850	\$ 215,500	\$ 215,500	\$ 7,507,025	\$ 7,470,350
Buildings and Improvements	8,099,148	8,099,148	187,982	187,982	8,287,130	8,287,130
Vehicles	2,280,369	2,280,369	102,698	102,698	2,383,067	2,383,067
Equipment and Furniture	2,830,611	2,763,211	-	-	2,830,611	2,763,211
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
	<u>23,555,246</u>	<u>23,451,171</u>	<u>6,821,495</u>	<u>6,821,495</u>	<u>30,376,741</u>	<u>30,272,666</u>
Less: Accumulated Depreciation	<u>(10,709,305)</u>	<u>(10,263,623)</u>	<u>(4,280,607)</u>	<u>(4,176,233)</u>	<u>(14,989,912)</u>	<u>(14,439,856)</u>
Total	<u>\$12,845,941</u>	<u>\$13,187,548</u>	<u>\$2,540,888</u>	<u>\$2,645,262</u>	<u>\$15,386,829</u>	<u>\$15,832,810</u>

Current year capital asset additions totaled \$.10 million and included only the installation of a new public safety surveillance camera system for the parks and funded through a federal grant administrated by Cook County. Construction in progress increased slightly to reflect the continued design and construction of the village wide bicycle patch. Additional information on the Village of North Riverside's capital assets can be found in note 3 on pages 35 - 36 of this report.

Long-Term Debt

As of April 30, 2011, the Village had total outstanding bonded debt of \$.87 million as compared to \$1.05 million the previous year. 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.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Management’s Discussion and Analysis (Continued)
April 30, 2011**

Tax Year	Property Tax Rate*	Property Taxes Extended
2009	\$ 0.0774	\$ 254,377
2008	0.0677	253,593
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

* Per \$100 of assessed valuation

In addition to the general obligations bonds outstanding at April 30, 2011, the Village also currently maintains two installment contracts in the total amount of \$.32 million of which one will mature within the next year.

During the 2010 fiscal year, the Village issued a \$2.00 million taxable general obligation note to help supplement the continued loss of general revenues. Repayment of this loan is scheduled to occur in December of 2011. The intent of this loan was to be very short term in nature and allow the Village additional time to address the major revenue shortfalls experienced within the annual budget process from the sluggish economy. The Mayor and Village Board have held several financial planning sessions within the fiscal year to address these serious financial challenges. Arising out of these strategic planning sessions were the institution of a new 1% “Places for Eating Tax” in August of 2010, elimination of the General Fund subsidy of the Refuse Program, and an early retirement incentive for current employees. Additional cost cutting measures are currently under evaluation as the Village Board searches for ways to contain costs and meet its current budgetary restrictions.

The Village maintains an A1 rating from Moody’s Investors Services for general obligation debt. The Village, under its non-home rule authority, has a legal debt margin at April 30, 2011 of \$27.5 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 \$.87 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 - 42 of this report.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2011

ECONOMIC FACTORS

North Riverside has not been immune to the financial challenges facing many local governments throughout the country in response to the current economic climate. The impact of the Great Recession continues to be felt today, with most major revenues well below pre-recessionary levels. The Village has responded by reducing expenditures across all major categories, through salary and wage freezes for non-union employees, implementation of a voluntary separation program aimed at reducing staffing levels, and where appropriate, increasing revenues to ensure that essential village services and programs continue to be delivered without interruption.

North Riverside enjoys a stable and diversified commercial and retail sales base with a large regional shopping center consisting of four national department stores and 130 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 upon sales tax receipts (state shared and local non-home rule), the Village's largest revenue source showed the first signs of recovery in over three years. While our challenges are far from over, this modest recovery represents a beginning towards our search for finding the "new norm" for base revenues.

The outlook moving forward continues to be hopefully optimistic but yet guarded, with little anticipation of a true economic recovery in the foreseeable future. In addition to tracking economic indicators and trends, the potential for legislative threats to North Riverside's revenue base appear greater than ever. With the State of Illinois facing a growing burden of fiscal challenges, we must continue to be vigilant in our lobbying efforts to protect those state shared revenues we are so heavily dependent upon to fund essential services and programs within our community. As such, it is essential that we continue to remain accountable and responsible for administering an organization which is lean yet efficient while ensuring the safety and welfare of people of North Riverside.

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. Desplaines 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, 2011

See Following Page

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Statement of Net Assets
April 30, 2011

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 2,445,258	\$ 75	\$ 2,445,333
Receivables - Net of Allowances			
Property Taxes	331,502	-	331,502
Accounts	339,336	420,267	759,603
Accrued Interest	-	-	-
Other	6,510	-	6,510
Due from Other Governments	2,311,861	-	2,311,861
Prepays and Inventories	117,304	423	117,727
Internal Balances	501,457	(501,457)	-
Total Current Assets	<u>6,053,228</u>	<u>(80,692)</u>	<u>5,972,536</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	7,291,525	215,500	7,507,025
Depreciable	16,263,721	6,605,995	22,869,716
Accumulated Depreciation	<u>(10,709,305)</u>	<u>(4,280,607)</u>	<u>(14,989,912)</u>
Total Noncurrent Assets	<u>12,845,941</u>	<u>2,540,888</u>	<u>15,386,829</u>
Total Assets	<u>18,899,169</u>	<u>2,460,196</u>	<u>21,359,365</u>

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

	Governmental Activities	Business- Type Activities	Total
LIABILITIES			
Current Liabilities			
Accounts Payable	524,192	122,026	646,218
Accrued Payroll	157,137	817	157,954
Interest Payable	8,719	-	8,719
Deposits Payable	281,931	54,241	336,172
Claims Payable	-	-	-
Unearned/Deferred Revenues	945,389	6,489	951,878
Current Portion of Long-Term Debt	2,368,860	12,265	2,381,125
Total Current Liabilities	4,286,228	195,838	4,482,066
Noncurrent Liabilities			
Net Pension Obligation	9,598,469	-	9,598,469
Net Other Post-Employment Benefit Obligation	1,094,890	-	1,094,890
Compensated Absences Payable	814,704	49,060	863,764
Installment Contracts Payable	153,437	-	153,437
General Obligation Bonds Payable	665,000	-	665,000
Total Noncurrent Liabilities	12,326,500	49,060	12,375,560
Total Liabilities	16,612,728	244,898	16,857,626
NET ASSETS			
Invested in Capital Assets -			
Net of Related Debt	11,662,320	2,540,888	14,203,208
Restricted - Public Safety	92,553	-	92,553
Unrestricted	(9,468,432)	(325,590)	(9,794,022)
Total Net Assets	\$ 2,286,441	\$ 2,215,298	\$ 4,501,739

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, 2011

	Expenses	Program Revenues	
		Charges for Services	Capital Grants/Contributions
Governmental Activities			
General Government	\$ 979,149	\$ 597,757	\$ -
Public Safety	11,332,637	803,549	116,404
Culture and Recreation	757,686	431,294	-
Public Works	1,144,736	21,723	20,813
Building, Health and Zoning	241,274	413,897	-
Sanitation	576,065	549,947	-
Interest on Long-Term Debt	124,237	-	-
Total Governmental Activities	<u>15,155,784</u>	<u>2,818,167</u>	<u>137,217</u>
Business-Type Activities			
Water	1,840,708	1,485,365	-
	<u>\$ 16,996,492</u>	<u>\$ 4,303,532</u>	<u>\$ 137,217</u>

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
\$ (381,392)	\$ -	\$ (381,392)
(10,412,684)	-	(10,412,684)
(326,392)	-	(326,392)
(1,102,200)	-	(1,102,200)
172,623	-	172,623
(26,118)	-	(26,118)
(124,237)	-	(124,237)
(12,200,400)	-	(12,200,400)
-	(355,343)	(355,343)
\$ (12,200,400)	\$ (355,343)	\$ (12,555,743)
\$ 705,687	\$ -	\$ 705,687
8,105,362	-	8,105,362
208,729	-	208,729
434,339	-	434,339
255,920	-	255,920
521,441	-	521,441
45,680	-	45,680
96,598	-	96,598
201,750	-	201,750
1,953	-	1,953
161,128	65,707	226,835
10,738,587	65,707	10,804,294
(1,461,813)	(289,636)	(1,751,449)
3,748,254	2,504,934	6,253,188
\$ 2,286,441	\$ 2,215,298	\$ 4,501,739

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Balance Sheet - Governmental Funds
April 30, 2011

	<u>General</u>
ASSETS	
Cash and Investments	\$ 2,369,208
Receivables - Net of Allowances	
Property Taxes	223,294
Accounts	128,419
Other	6,510
Due from Other Funds	667,372
Due from Other Governments	2,249,622
Prepays	30,847
Inventories	<u>71,282</u>
 Total Assets	 <u>\$ 5,746,554</u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	\$ 417,958
Accrued Payroll	157,137
Deposits Payable	251,984
Due to Other Funds	821,428
Unearned/Deferred Revenues	<u>557,935</u>
Total Liabilities	<u>2,206,442</u>
 Fund Balances	
Reserved - Prepays/Inventories	102,129
Reserved - Public Safety	92,553
Unreserved - General	3,345,430
Unreserved - Special Revenue	-
Unreserved - Debt Service	-
Unreserved - Capital Projects	-
Total Fund Balances	<u>3,540,112</u>
 Total Liabilities and Fund Balances	 <u>\$ 5,746,554</u>

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

Debt Service	Capital Projects	Nonmajor Governmental	Total Governmental Funds
\$ -	\$ 64,692	\$ 11,358	\$ 2,445,258
108,208	-	-	331,502
-	7,500	203,417	339,336
-	-	-	6,510
124,090	-	666,060	1,457,522
-	62,239	-	2,311,861
-	-	15,175	46,022
-	-	-	71,282
<u>\$ 232,298</u>	<u>\$ 134,431</u>	<u>\$ 896,010</u>	<u>\$ 7,009,293</u>

\$ -	\$ 285	\$ 116,871	\$ 535,114
-	-	-	157,137
-	-	29,947	281,931
-	154,993	-	976,421
237,454	150,000	-	945,389
<u>237,454</u>	<u>305,278</u>	<u>146,818</u>	<u>2,895,992</u>

-	-	15,175	117,304
-	-	-	92,553
-	-	-	3,345,430
-	-	734,017	734,017
(5,156)	-	-	(5,156)
-	(170,847)	-	(170,847)
<u>(5,156)</u>	<u>(170,847)</u>	<u>749,192</u>	<u>4,113,301</u>
<u>\$ 232,298</u>	<u>\$ 134,431</u>	<u>\$ 896,010</u>	<u>\$ 7,009,293</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, 2011

Total Governmental Fund Balances	\$ 4,113,301
 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.	 12,845,941
 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.	 31,278
 Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Net Pension Obligation Payable	(9,598,469)
Net Other Post-Employment Benefit Obligation Payable	(1,094,890)
Compensated Absences Payable	(1,018,380)
Notes Payable	(1,800,000)
Installment Contracts Payable	(318,621)
General Obligation Bonds Payable	(865,000)
Accrued Interest Payable	(8,719)
	<hr/>
Net Assets of Governmental Activities	<u>\$ 2,286,441</u>

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended April 30, 2011**

See Following Page.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended April 30, 2011

	<u>General</u>
Revenues	
Taxes	\$ 9,467,983
Licenses and Permits	872,195
Intergovernmental	823,002
Charges for Services	901,350
Fines and Forfeits	347,003
Investment Earnings	1,943
Miscellaneous	161,128
Total Revenues	<u>12,574,604</u>
Expenditures	
Current	
General Government	541,527
Public Safety	8,148,644
Culture and Recreation	739,858
Public Works	1,029,506
Building, Health and Zoning	241,274
Sanitation	-
Capital Outlay	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>10,700,809</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,873,795</u>
Other Financing Sources (Uses)	
Disposal of Capital Assets	750
Transfers In	-
Transfers Out	<u>(1,660,000)</u>
	<u>(1,659,250)</u>
Net Change in Fund Balances	214,545
Fund Balances - Beginning	<u>3,325,567</u>
Fund Balances - Ending	<u>\$ 3,540,112</u>

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

Debt Service	Capital Projects	Nonmajor Governmental	Total Governmental Funds
\$ 236,446	\$ -	\$ 5,608	\$ 9,710,037
-	-	-	872,195
-	-	222,563	1,045,565
-	-	654,740	1,556,090
-	-	-	347,003
-	-	10	1,953
-	-	-	161,128
236,446	-	882,921	13,693,971
-	-	-	541,527
-	-	59,424	8,208,068
-	-	-	739,858
-	-	102,924	1,132,430
-	-	-	241,274
-	-	576,065	576,065
-	285	969	1,254
185,000	668,582	34,258	887,840
57,403	68,096	3,010	128,509
242,403	736,963	776,650	12,456,825
(5,957)	(736,963)	106,271	1,237,146
-	-	-	750
30,000	1,200,000	30,000	1,260,000
-	-	-	(1,660,000)
30,000	1,200,000	30,000	(399,250)
24,043	463,037	136,271	837,896
(29,199)	(633,884)	612,921	3,275,405
\$ (5,156)	\$ (170,847)	\$ 749,192	\$ 4,113,301

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, 2011

Net Change in Fund Balances - Total Governmental Funds **\$ 837,896**

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	104,075
Depreciation Expense	(445,682)

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	(2,879,444)
Additions to Net Other Post-Employment Benefit Obligation Payable	(543,777)
Retirement of Compensated Absences Payable	174,677
Retirement of Debt	887,840

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.

4,272

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.

398,330

Changes in Net Assets of Governmental Activities **\$ (1,461,813)**

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Statement of Net Assets - Proprietary Funds
April 30, 2011

	Business-Type Activities - Enterprise Water	Governmental Activities Internal Service Health Insurance
ASSETS		
Current Assets		
Cash and Investments	\$ 75	\$ -
Receivables - Net of Allowances		
Accounts	420,267	-
Due from Other Funds	-	31,278
Prepays	423	-
Total Current Assets	<u>420,765</u>	<u>31,278</u>
Noncurrent Assets		
Capital Assets		
Nondepreciable	215,500	-
Depreciable	6,605,995	-
Accumulated Depreciation	(4,280,607)	-
Total Noncurrent Assets	<u>2,540,888</u>	<u>-</u>
Total Assets	<u>2,961,653</u>	<u>31,278</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	122,026	-
Accrued Payroll	817	-
Deposits Payable	54,241	-
Unearned/Deferred Revenues	6,489	-
Due to Other Funds	501,457	-
Compensated Absences Payable	12,265	-
Total Current Liabilities	<u>697,295</u>	<u>-</u>
Long-Term Liabilities		
Compensated Absences Payable	49,060	-
Total Liabilities	<u>746,355</u>	<u>-</u>
NET ASSETS		
Invested in Capital Assets	2,540,888	-
Unrestricted	(325,590)	31,278
Total Net Assets	<u>\$ 2,215,298</u>	<u>\$ 31,278</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, 2011

	Business-Type Activities - Enterprise Water	Governmental Activities Internal Service Health Insurance
Operating Revenues		
Charges for Services	\$ 1,485,365	\$ -
Interfund Services	-	1,925,999
Total Operating Revenues	<u>1,485,365</u>	<u>1,925,999</u>
Operating Expenses		
Administration	-	4,877
Operations	1,736,334	1,922,792
Depreciation	104,374	-
Total Operating Expenses	<u>1,840,708</u>	<u>1,927,669</u>
Operating Income (Loss)	(355,343)	(1,670)
Nonoperating Revenues		
Other Income	<u>65,707</u>	-
Income (Loss) Before Transfers	(289,636)	(1,670)
Transfers In	<u>-</u>	<u>400,000</u>
Change in Net Assets	(289,636)	398,330
Net Assets - Beginning	<u>2,504,934</u>	<u>(367,052)</u>
Net Assets - Ending	<u>\$ 2,215,298</u>	<u>\$ 31,278</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, 2011**

	Business-Type Activities - Enterprise Water	Governmental Activities Internal Service Health Insurance
Cash Flows from Operating Activities		
Receipts from Customers and Users	\$ 1,439,641	\$ -
Receipts from Interfund Services Provided	-	1,894,721
Payments to Suppliers	(956,293)	(2,294,721)
Payments to Employees	(483,348)	-
	<u>-</u>	<u>(400,000)</u>
Cash Flows from Noncapital Financing Activities		
Transfers In	-	400,000
	<u>-</u>	<u>400,000</u>
Net Change in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents		
Beginning of Year	75	-
	<u>75</u>	<u>-</u>
End of Year	\$ 75	\$ -
	<u>\$ 75</u>	<u>\$ -</u>
Reconciliation of Operating Income to Net Cash		
Provided (Used) by Operating Activities		
Operating Income (Loss)	\$ (355,343)	\$ (1,670)
Adjustments to Reconcile Operating Income		
Income to Net Cash		
Provided by (used in) Operating Activities:		
Other Income	65,707	-
Depreciation and Amortization Expense	104,374	-
(Increase) Decrease in Current Assets	(111,431)	(31,278)
Increase (Decrease) in Current Liabilities	296,693	(367,052)
	<u>296,693</u>	<u>(367,052)</u>
Net Cash Provided by Operating Activities	<u>\$ -</u>	<u>\$ (400,000)</u>

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, 2011**

	<u>Pension Trust</u>
ASSETS	
Cash and Cash Equivalents	\$ 2,981,949
Investments	
U.S. Government and Agency Obligations	7,285,928
Mutual Funds	7,880,644
Common Stock	1,471,712
Insurance Contracts	940,264
Corporate Bonds	250,313
Municipal Bonds	2,752,610
Receivables	
Accounts	27,160
Accrued Interest	<u>120,134</u>
Total Assets	23,710,714
LIABILITIES	
Due to Other Funds	<u>10,922</u>
NET ASSETS	
Held in Trust for Pension Benefits	<u><u>\$ 23,699,792</u></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, 2011**

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ -
Contributions - Employee	<u>348,946</u>
Total Contributions	<u>348,946</u>
Investment Income	
Interest Earned	515,194
Net Change in Fair Value	<u>1,864,129</u>
	2,379,323
Less Investment Expenses	<u>(100,489)</u>
Net Investment Income	<u>2,278,834</u>
Total Additions	<u>2,627,780</u>
Deductions	
Administration	20,560
Benefits and Refunds	<u>1,754,790</u>
Total Deductions	<u>1,775,350</u>
Change in Net Assets	852,430
Net Assets - Beginning	<u>22,847,362</u>
Net Assets - Ending	<u><u>\$ 23,699,792</u></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, 2011

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. 39, "Determining Whether Certain Organizations are Component Units – an Amendment of GASB Statement No. 14," 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, 2011

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 PPERS 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 PPERS 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 PPERS 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 resources 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, 2011

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, 2011

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, 2011

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, 2011

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, 2011

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.

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.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements April 30, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Interfund Receivables, Payables and Activity – Continued

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/Inventories

Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepays/inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepays in both the government-wide and fund financial statements.

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, 2011

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, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Unearned/Deferred Revenue

Governmental funds report unearned 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, if any, 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, 2011**

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>
Motor Fuel Tax	\$ 1,924
Health Insurance	9,169

DEFICIT FUND EQUITY

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

<u>Fund</u>	<u>Deficit</u>
Debt Service	\$ 5,156
Capital Projects	170,847

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements April 30, 2011

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.

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 \$592,678 and the bank balances totaled \$569,889.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements
April 30, 2011

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
Illinois Funds	\$ 1,852,655	\$ 1,852,655	\$ -

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, 2011

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, \$103,228 of the bank balance of deposits was not 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 \$1,177,088 and the bank balances totaled \$1,177,088.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements
April 30, 2011

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	\$ 441,023	\$ -	\$ -	\$ 441,023	\$ -
U.S. Treasury Strip	330,863	-	330,863	-	-
U.S. Treasury Note	1,582,984	-	1,345,820	237,164	-
Federal Home Loan Mortgage Corp.	458,031	-	375,316	82,715	-
Federal National Mortgage Assoc.	2,792,849	-	1,730,421	96,065	966,363
Federal Farm Credit Bank	780,720	-	-	780,720	-
Government National Mortgage Assoc.	339,168	-	-	-	339,168
Illinois Funds	130,876	130,876	-	-	-
	<u>\$ 6,856,514</u>	<u>\$ 130,876</u>	<u>\$ 3,782,420</u>	<u>\$ 1,637,687</u>	<u>\$ 1,305,531</u>

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, 2011**

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 \$5,167,906 invested in mutual funds and \$1,471,712 invested in common stock. 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 the Schwab S&P 500 Index Fund of \$939,328.

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 \$1,530,765 and the bank balances totaled \$1,530,765.

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 Strip	\$ 309,353	\$ -	\$ -	\$ -	\$ 309,353
Federal Home Loan Bank	250,937	-	250,937	-	-
Corporate Bonds	250,313	250,313	-	-	-
Local Obligations	2,752,610	1,102,765	1,177,710	208,452	263,683
Illinois Funds	143,220	143,220	-	-	-
	<u>\$ 3,706,433</u>	<u>\$ 1,496,298</u>	<u>\$ 1,428,647</u>	<u>\$ 208,452</u>	<u>\$ 573,036</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, 2011

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 \$2,712,738 invested in mutual funds and \$940,264 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 the Oakmark Equity and Income Fund of \$671,275 and Permanent Portfolio Fund of \$469,432.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements
April 30, 2011

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
Construction in Progress	166,663	36,675	-	203,338
	<u>7,254,850</u>	<u>36,675</u>	<u>-</u>	<u>7,291,525</u>
Depreciable Capital Assets				
Buildings and Improvements	8,099,148	-	-	8,099,148
Vehicles	2,280,369	-	-	2,280,369
Equipment and Furniture	2,763,211	67,400	-	2,830,611
Infrastructure	3,053,593	-	-	3,053,593
	<u>16,196,321</u>	<u>67,400</u>	<u>-</u>	<u>16,263,721</u>
Less Accumulated Depreciation				
Buildings and Improvements	4,568,899	183,553	-	4,752,452
Vehicles	1,897,143	135,193	-	2,032,336
Equipment and Furniture	1,732,175	96,504	-	1,828,679
Infrastructure	2,065,406	30,432	-	2,095,838
	<u>10,263,623</u>	<u>445,682</u>	<u>-</u>	<u>10,709,305</u>
Total Depreciable Capital Assets	<u>5,932,698</u>	<u>(378,282)</u>	<u>-</u>	<u>5,554,416</u>
Total Capital Assets	<u>\$ 13,187,548</u>	<u>\$ (341,607)</u>	<u>\$ -</u>	<u>\$ 12,845,941</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 66,852
Public Safety	245,125
Culture and Recreation	17,828
Public Works	<u>115,877</u>
	<u>\$ 445,682</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements April 30, 2011

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	67,832	37,282	-	105,114
Water System	3,092,962	50,757	-	3,143,719
Sewer System	941,541	11,535	-	953,076
Vehicles	73,898	4,800	-	78,698
	<u>4,176,233</u>	<u>104,374</u>	<u>-</u>	<u>4,280,607</u>
Total Depreciable Capital Assets	<u>2,429,762</u>	<u>(104,374)</u>	<u>-</u>	<u>2,325,388</u>
Total Capital Assets	<u>\$ 2,645,262</u>	<u>\$ (104,374)</u>	<u>\$ -</u>	<u>\$ 2,540,888</u>

Depreciation expense of \$104,374 was charged to the water business-type activity.

PROPERTY TAXES

Property taxes for 2010 attach as an enforceable lien on January 1, 2010, 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, 2011 and July 1, 2011, and are payable in two installments, on or about March 1, 2011, and September 1, 2011. The County collects such taxes and remits them periodically. The 2010 levy was adopted in December 2010 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 2011 tax levy, which attached as an enforceable lien on property as of January 1, 2011, has not been recorded as a receivable as of April 30, 2011, as the tax has not yet been levied by the Village and will not be levied until December 2011, and, therefore, the levy is not measurable at April 30, 2011.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

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	\$ 154,993
Health Insurance	General	31,278
General	Water	501,457
Debt Service	General	124,090
Nonmajor Governmental	General	666,060
General	Firefighters' Pension	2,600
General	Police Pension	8,322
		<u>\$ 1,488,800</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	\$ 1,200,000
Debt Service	General	30,000
Health Insurance	General	400,000
Nonmajor Governmental	General	30,000
		<u>\$ 1,660,000</u>

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.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

Notes Payable

The Village enters into notes payable to provide funds for general purposes. Notes payable have been issued for the governmental activities. Notes payable are direct obligations and pledge the full faith and credit of the Village. Notes payable currently outstanding are 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>
\$2,000,000 Taxable General Obligation Note of 2009, due in annual installments of \$200,000 to \$1,600,000 plus interest at 2.65% through December 15, 2011.	Capital Projects	\$ 2,000,000	\$ -	\$ 200,000	\$ 1,800,000

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	\$ 6,699	\$ -	\$ 6,699	\$ -
\$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	78,903	-	78,903	-

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Contracts – Continued

<u>Issue</u>	<u>Fund Debt Retired By</u>	<u>Beginning Balance</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Ending Balance</u>
\$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	\$ 257,474	\$ -	\$ 257,474	\$ -
\$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.	911 Telephone Service	78,385	-	34,258	44,127
	Capital Projects	300,000	-	113,006	186,994
\$100,000 installment contract payable, dated May 18, 2009, due in annual installments of \$12,500 including interest at 0.00% through November 1, 2017.	Capital Projects	100,000	-	12,500	87,500
		<u>\$ 821,461</u>	<u>\$ -</u>	<u>\$ 502,840</u>	<u>\$ 318,621</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, 2011

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	\$ 1,050,000	\$ -	\$ 185,000	\$ 865,000

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	\$ 6,719,025	\$ 2,879,444	\$ -	\$ 9,598,469	\$ -
Net Other Post-Employment Benefit Obligation	551,113	543,777	-	1,094,890	-
Compensated Absences	1,193,057	174,677	349,354	1,018,380	203,676
Notes Payable	2,000,000	-	200,000	1,800,000	1,800,000
Installment Contracts	821,461	-	502,840	318,621	165,184
General Obligation Bonds	1,050,000	-	185,000	865,000	200,000
	<u>\$ 12,334,656</u>	<u>\$ 3,597,898</u>	<u>\$ 1,237,194</u>	<u>\$ 14,695,360</u>	<u>\$ 2,368,860</u>
Business-Type Activities					
Compensated Absences	\$ 58,995	\$ 4,660	\$ 2,330	\$ 61,325	\$ 12,265

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

Payments on the net pension obligation and net other post-employment benefits obligation are generally 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. For the business-type activities, the compensated absences are liquidated by the Water Fund.

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		Note Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 200,000	\$ 47,505	\$ 165,184	\$ 7,050	\$ 1,800,000	\$ 33,977
2013	210,000	36,705	90,937	-	-	-
2014	220,000	25,260	12,500	-	-	-
2015	235,000	13,160	12,500	-	-	-
2016	-	-	12,500	-	-	-
2017	-	-	12,500	-	-	-
2018	-	-	12,500	-	-	-
	<u>\$ 865,000</u>	<u>\$ 122,630</u>	<u>\$ 318,621</u>	<u>\$ 7,050</u>	<u>\$ 1,800,000</u>	<u>\$ 33,977</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".

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin – Continued

Assessed Valuation - 2009	<u>\$ 328,652,199</u>
Bonded Debt Limit - 8.625% of Assessed Value	28,346,252
Amount of Debt Applicable to Limit	<u>865,000</u>
Legal Debt Margin	<u>\$ 27,481,252</u>

NET ASSETS CLASSIFICATIONS

Investment in capital assets – net of related debt, was comprised of the following as of April 30, 2011:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 12,845,941
Less Capital Related Debt:	
Installment Contracts	(318,621)
General Obligation Bonds	<u>(865,000)</u>
Investment in Capital Assets - Net of Related Debt	<u>\$ 11,662,320</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	<u>\$ 2,540,888</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2011

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

Intergovernmental Personnel Benefit Cooperative (IPBC)

On October, 1, 2010 the Village joined the Intergovernmental Personnel Benefit Cooperative (IPBC) to provide the Village's health insurance benefits. Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years experience factor for premiums. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

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.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2011

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

Intergovernmental Personnel Benefit Cooperative (IPBC)

On October, 1, 2009 the Village joined the Intergovernmental Personnel Benefit Cooperative (IPBC) to provide the Village's health insurance benefits. Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years experience factor for premiums. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

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.

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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.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2011

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Illinois Municipal Retirement System – Continued

The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. 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 contribution rate for calendar year 2010 used by the employer was 14.17 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2010 was 15.93 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	24
Current Employees Vested and Nonvested	<u>28</u>
	<u><u>52</u></u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2011

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 hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ 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. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly benefit of a police officer hired before January 1, 2011, 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. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lesser of 3% or $\frac{1}{2}$ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

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 2040 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% 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.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements
April 30, 2011

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Firefighters' Pension Plan – Continued

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>

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 hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the monthly salary attached to the rank held 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 salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a firefighter hired before January 1, 2011, 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. The monthly pension of a firefighter hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2011

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Plan Descriptions, Provisions and Funding Policies – Continued

Firefighters' Pension Plan – Continued

Covered employees, if any, 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 2040 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded. There are no active covered employees.

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.

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.

Firefighters' Pension	Oakmark Equity and Income Fund	\$	671,275
Firefighters' Pension	Permanent Portfolio Fund		469,432
Police Pension	Schwab S&P 500 Index Fund		939,328

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Summary of Significant Accounting Policies and Plan Asset Matters – Continued

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.” The amount of the pension liability for the IMRF, Police Pension and Firefighters’ Pension plans are as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension	Total
Annual Required Contribution	\$ 276,741	\$ 896,875	\$ 543,999	\$ 1,717,615
Interest on the NPO	790	281,934	182,341	465,065
Adjustment to the ARC	(565)	559,842	391,058	950,335
Annual Pension Cost	276,966	1,738,651	1,117,398	3,133,015
Actual Contribution	253,571	-	-	253,571
(Decrease) to the NPO	23,395	1,738,651	1,117,398	2,879,444
NPO - Beginning of Year	10,530	4,119,482	2,589,013	6,719,025
NPO - End of Year	\$ 33,925	\$ 5,858,133	\$ 3,706,411	\$ 9,598,469

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2011

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	14.17%	0.00%	0.00%
Employee	4.50%	9.91%	9.46%
Actuarial Valuation Date	12/31/2010	4/30/10	4/30/10
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Open Basis	Level % of Projected Payroll Closed Basis	Level %of Projected Payroll Closed Basis
Remaining Amortization Period	30 Years	23 Years	23 Years
Asset Valuation Method	5-Year Smoothed 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 10.0%	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, 2011**

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)	2009	\$ 226,844	\$ 691,329	\$ 456,769
	2010	249,628	1,148,532	700,028
	2011	276,966	1,738,651	1,117,398
Actual Contributions	2009	\$ 226,844	\$ 8,156	\$ -
	2010	239,098	-	-
	2011	253,571	-	-
Percentage of APC Contributed	2009	100.00%	1.18%	0.00%
	2010	95.78%	0.00%	0.00%
	2011	91.55%	0.00%	0.00%
Net Pension Obligation	2009	\$ -	\$ 2,970,950	\$ 1,888,985
	2010	10,530	4,119,482	2,589,013
	2011	33,925	5,858,133	3,706,411

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2011

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	12/31/10	4/30/2010	4/30/2010
Percent Funded	74.22%	55.70%	58.00%
Actuarial Accrued Liability for Benefits	\$5,751,746	\$25,102,328	\$15,273,221
Actuarial Value of Assets	\$4,269,143	\$13,987,381	\$8,859,981
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$1,482,603)	(\$11,114,947)	(\$6,413,240)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$1,753,431	\$2,233,410	\$1,436,145
Ratio of UAAL to Covered Payroll	84.55%	497.67%	446.56%

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.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements
April 30, 2011

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions, and Funding Policies

In addition to providing the pension benefits described, the Village provides post-employment health care insurance benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Village's General Fund.

The Village provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans. Elected officials are not eligible for benefits.

All health care benefits are provided through the Village's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

All retirees contribute approximately 9% of the actuarially determined premium to the plan. For the fiscal year ending April 30, 2011, retirees contributed \$45,434. Active employees do not contribute to the plan until retirement.

At April 30, 2011, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	51
Active Employees	<u>67</u>
Total	<u>118</u>
Participating Employers	1

The Village does not currently have a forma funding policy and currently operates on a pay as you go basis.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2011**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of April 30, 2011, was calculated as follows:

	<u>OPEB</u>
Annual Required Contribution	\$ 1,114,160
Interest on the NPO	27,556
Adjustment to the ARC	<u>(13,778)</u>
Annual OPEB Cost	1,127,938
Actual Contribution	<u>584,161</u>
Increase in the NOPEBO	543,777
NOPEBO - Beginning of Year	<u>551,113</u>
NOPEBO - End of Year	<u><u>1,094,890</u></u>

Trend Information

The Village’s annual OPEB cost, actual contributions, the percentage of annual OPEB cost contributed and the net OPEB obligation (asset) are as follows:

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2009	\$ N/A	\$ N/A	N/A %	\$ N/A
2010	1,135,274	584,161	51.46	551,113
2011	1,127,938	584,161	51.79	1,094,890

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements April 30, 2011

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Funded Status and Funding Progress

The funded status of the plan as of April 30, 2010, the date of the latest actuarial valuation, was as follows:

Actuarial Accrued Liability (AAL)	\$ 17,402,074
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	17,402,074
Funded Ratio (actuarial value of plan assets/AAL)	-
Covered Payroll (active plan members)	6,586,543
UAAL as a percentage of covered payroll	37.85%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2010 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate of return (net of administrative expenses), and an annual healthcare cost trend rate of 8.0%, with an ultimate rate of 6.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the Village has not advanced funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2011, was 30 years.

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 and Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund
 - Other Post-Employment Benefit Plan

- 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 and Employer Contributions
April 30, 2011**

Funding Progress

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)
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%
2009	4,095,778	5,635,292	72.68%	1,539,514	1,781,944	86.40%
2010	4,269,143	5,751,746	74.22%	1,482,603	1,753,431	84.55%

Employer Contributions

Year Ended April 30	Employer Contributions	Annual Required Contribution	Percent Contributed
2006	\$ 203,375	\$ 203,375	100.00%
2007	216,570	216,570	100.00%
2008	238,227	238,227	100.00%
2009	226,844	226,844	100.00%
2010	239,098	249,628	95.78%
2011	253,571	276,741	91.63%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Police Pension Fund

Required Supplementary Information
 Schedule of Funding Progress and Employer Contributions
 April 30, 2011

Funding Progress

Actuarial Valuation Date April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Liability as a Percentage of Covered Payroll (4) ÷ (5)
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%
2009	12,488,103	23,629,478	52.85%	11,141,375	2,247,954	495.62%
2010	13,987,381	25,102,328	55.72%	11,114,947	2,233,410	497.67%

Employer Contributions

Year Ended April 30	Employer Contributions	Annual Required Contribution	Percent Contributed
2006	\$ -	\$ 406,110	0.00%
2007	-	474,683	0.00%
2008	756,905	500,252	151.30%
2009	473,266	539,281	87.76%
2010	8,156	617,755	1.32%
2011	-	896,875	0.00%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
 Schedule of Funding Progress and Employer Contributions
 April 30, 2011

Funding Progress

Actuarial Valuation Date April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Liability as a Percentage of Covered Payroll (4) ÷ (5)
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%
2009	8,299,346	14,760,549	56.23%	6,461,203	1,427,046	452.77%
2010	8,859,981	15,273,221	58.01%	6,413,240	1,436,145	446.56%

Employer Contributions

Year Ended April 30	Employer Contributions	Annual Required Contribution	Percent Contributed
2006	\$ -	\$ 255,205	0.00%
2007	-	293,580	0.00%
2008	472,163	332,861	141.85%
2009	332,861	327,389	101.67%
2010	-	444,545	0.00%
2011	-	543,999	0.00%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Other Post-Employment Benefit Plan

Required Supplementary Information
 Schedule of Funding Progress and Employer Contributions
 April 30, 2011

Funding Progress

Actuarial Valuation Date April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Liability as a Percentage of Covered Payroll (4) ÷ (5)
2006	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A
2007	N/A	N/A	N/A	N/A	N/A	N/A
2008	N/A	N/A	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A	N/A	N/A
2010	-	17,402,072	0.00%	17,402,072	6,586,543	37.85%
2011	N/A	N/A	N/A	N/A	N/A	N/A

Employer Contributions

Year Ended May 31	Employer Contributions	Annual Required Contribution	Percent Contributed
2006	\$ N/A	\$ N/A	N/A
2007	N/A	N/A	N/A
2008	N/A	N/A	N/A
2009	N/A	N/A	N/A
2010	584,161	1,135,274	51.46%
2011	584,161	1,114,160	52.43%

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2010. Information for other years is not available. The Village is required to have an actuarial valuation performed triennially.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 8,918,000	\$ 8,918,000	\$ 9,467,983
Licenses and Permits	821,350	821,350	872,195
Intergovernmental	783,118	783,118	823,002
Charges for Services	934,875	934,875	901,350
Fines and Forfeits	457,000	457,000	347,003
Investment Earnings	10,100	10,100	1,943
Miscellaneous	48,000	48,000	161,128
Total Revenues	<u>11,972,443</u>	<u>11,972,443</u>	<u>12,574,604</u>
Expenditures			
General Government	631,765	604,665	541,527
Public Safety	8,678,433	8,544,933	8,148,644
Culture and Recreation	889,780	874,180	739,858
Public Works	1,039,348	1,103,548	1,029,506
Building, Health and Zoning	294,380	275,380	241,274
Total Expenditures	<u>11,533,706</u>	<u>11,402,706</u>	<u>10,700,809</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>438,737</u>	<u>569,737</u>	<u>1,873,795</u>
Other Financing Sources (Uses)			
Disposal of Capital Assets	500	500	750
Transfers Out	(770,000)	(770,000)	(1,660,000)
	<u>(769,500)</u>	<u>(769,500)</u>	<u>(1,659,250)</u>
Net Change in Fund Balance	<u>\$ (330,763)</u>	<u>\$ (199,763)</u>	214,545
Fund Balance - Beginning			<u>3,325,567</u>
Fund Balance - Ending			<u>\$ 3,540,112</u>

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, 2011**

	Budget		Actual
	Original	Final	
Taxes			
Property	\$ 490,500	\$ 490,500	\$ 469,241
Municipal Sales	4,300,000	4,300,000	4,597,503
Non Home Rule Sales	3,300,000	3,300,000	3,507,859
Simplified Municipal Telecommunications	220,000	220,000	208,729
Utility	420,000	420,000	434,339
Places for Eating	187,500	187,500	250,312
	<u>8,918,000</u>	<u>8,918,000</u>	<u>9,467,983</u>
Licenses and Permits			
Liquor Licenses	62,200	62,200	70,792
Vehicle Licenses	140,350	140,350	115,540
Business Licenses	217,800	217,800	214,201
Television Franchise Fee	60,000	60,000	77,480
Telephone Franchise Fee	12,000	12,000	11,619
Amusement Taxes	40,000	40,000	45,100
Building Permits	181,500	181,500	222,348
Electrical Permits	12,000	12,000	21,987
Alarm User Permits	20,000	20,000	-
Contractor Registration	60,000	60,000	72,200
Other Licenses and Permits	15,500	15,500	20,928
	<u>821,350</u>	<u>821,350</u>	<u>872,195</u>
Intergovernmental			
State Income	480,000	480,000	521,441
Local Use	68,500	68,500	96,598
Personal Property Replacement	31,000	31,000	45,680
Fire and Police Training Reimbursement	16,000	16,000	21,156
Grants			
Badge	103,818	103,818	69,505
Other	63,800	63,800	46,899
IDOT Street Maintenance Reimbursement	20,000	20,000	21,723
	<u>783,118</u>	<u>783,118</u>	<u>823,002</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Charges for Services			
Recreation Fees	\$ 443,000	\$ 443,000	\$ 431,294
Ambulance Fees	250,000	250,000	261,605
Advertising-Bus Shelter	20,000	20,000	26,175
Elevator Inspections	24,000	24,000	33,160
Pre-Sale Inspections	22,550	22,550	18,966
Sign Inspections	44,000	44,000	45,236
Security Alarm Connections	29,000	29,000	28,100
Fire Inspections	44,000	44,000	40,892
Other Charges for Services	58,325	58,325	15,922
	<u>934,875</u>	<u>934,875</u>	<u>901,350</u>
Fines and Forfeitures			
Circuit Court Fines	95,000	95,000	109,311
Parking and Compliance Fines	270,000	270,000	107,492
Code Enforcement Fines	-	-	100
Administrative Tow Fines	72,000	72,000	111,600
False Alarm Fines	20,000	20,000	18,500
	<u>457,000</u>	<u>457,000</u>	<u>347,003</u>
Investment Earnings	<u>10,100</u>	<u>10,100</u>	<u>1,943</u>
Miscellaneous			
Donations	1,200	1,200	2,230
Reimbursements	28,000	28,000	141,603
Miscellaneous	18,800	18,800	17,295
	<u>48,000</u>	<u>48,000</u>	<u>161,128</u>
Total Revenues	<u>\$ 11,972,443</u>	<u>\$ 11,972,443</u>	<u>\$ 12,574,604</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
General Government			
General Administration			
Salaries - Elected Officials	\$ 45,600	\$ 45,600	\$ 45,400
Salaries and Wages	349,000	346,000	344,389
Overtime Pay	-	3,000	1,862
Payroll Taxes and Benefits	213,265	213,265	206,273
Employee Expenses	18,600	18,500	15,279
General Liability Insurance	8,000	8,000	7,144
Audit Fees	22,500	22,500	20,220
Other Professional and Outside Services	140,800	126,300	118,181
Civic and Recreational Programs	10,000	6,000	4,100
Operational Costs	42,000	45,000	35,286
Building Maintenance and Utilities	63,500	58,000	39,086
Equipment Operation and Maintenance	26,000	27,000	20,585
Equipment and Furniture	12,000	5,000	3,222
Allocation to Other Departments and to Enterprise Fund	(319,500)	(319,500)	(319,500)
Total General Government	631,765	604,665	541,527
Public Safety			
Police Protection			
Salaries and Wages	2,776,000	2,776,000	2,690,355
Overtime Pay	454,500	454,500	381,441
Part-Time and Temporary Wages	132,000	110,000	100,507
Payroll Taxes and Benefits	1,274,365	1,269,365	1,244,001
Employee Expenses	63,650	65,150	50,645
Professional and Outside Services	281,400	115,400	96,268
Civic and Recreational Programs	500	500	-
Operational Costs	64,650	66,150	53,704
Building Maintenance and Utilities	89,500	90,500	89,039
Equipment Operation and Maintenance	138,000	143,500	128,135
Equipment and Furniture	7,000	17,000	9,235
Grants	142,618	142,618	108,216
Allocation from General Administration	140,000	140,000	140,000
	5,564,183	5,390,683	5,091,546

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire and Emergency Services			
Salaries and Wages	\$ 1,425,000	\$ 1,425,000	\$ 1,446,686
Overtime Pay	224,000	229,000	176,011
Part-Time and Temporary Wages	48,500	56,000	52,857
Payroll Taxes and Benefits	640,750	640,750	635,490
Employee Expenses	36,200	36,700	29,633
Professional and Outside Services	504,500	505,500	481,646
Operational Costs	31,100	36,100	27,928
Building Maintenance and Utilities	28,000	39,000	34,871
Equipment Operation and Maintenance	82,200	79,700	69,617
Equipment and Furniture	6,500	9,000	5,386
Grants	-	10,000	9,473
Allocation from General Administration	87,500	87,500	87,500
	<u>3,114,250</u>	<u>3,154,250</u>	<u>3,057,098</u>
Total Public Safety	8,678,433	8,544,933	8,148,644
Culture and Recreation			
Administration			
Salaries and Wages	219,500	205,700	205,644
Overtime Pay	5,000	5,000	2,420
Part-Time and Temporary Wages	80,000	83,000	72,168
Payroll Taxes and Benefits	141,880	138,880	128,878
Employee Expenses	3,000	3,000	2,288
Professional and Outside Services	44,500	46,500	40,882
Civic and Recreational Programs	237,900	233,600	177,644
Operational Costs	65,800	64,300	51,230
Building Maintenance and Utilities	65,700	67,700	38,021
Equipment Operation and Maintenance	8,500	8,500	5,553
Equipment and Furniture	4,500	4,500	1,630
Allocation from General Administration	13,500	13,500	13,500
	<u>889,780</u>	<u>874,180</u>	<u>739,858</u>
Total Culture and Recreation	889,780	874,180	739,858

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Public Works			
Administration			
Salaries and Wages	\$ 272,800	\$ 272,800	\$ 274,801
Overtime Pay	39,050	36,050	28,451
Part-Time and Temporary Wages	29,700	26,700	23,598
Payroll Taxes and Benefits	214,435	212,435	208,216
Employee Expenses	5,275	5,375	5,338
Professional and Outside Services	29,340	54,040	29,914
Civic and Recreational Programs	275	275	275
Operational Costs	11,088	11,738	9,295
Building Maintenance and Utilities	16,775	19,925	17,287
Equipment Operation and Maintenance	140,775	137,375	131,811
Recurring Infrastructure Maintenance	252,000	300,000	277,468
Equipment and Furniture	7,760	6,760	2,977
Allocation from General Administration	20,075	20,075	20,075
Total Public Works	1,039,348	1,103,548	1,029,506
Building, Health and Zoning			
Administration			
Salaries and Wages	106,000	95,000	87,601
Part-Time and Temporary Wages	20,000	21,000	17,912
Payroll Taxes and Benefits	60,455	61,455	58,208
Employee Expenses	2,175	2,175	482
Professional and Outside Services	86,700	76,700	65,126
Operational Costs	6,500	6,500	2,539
Equipment Operation and Maintenance	3,250	3,250	1,406
Equipment and Furniture	1,300	1,300	-
Allocation from General Administration	8,000	8,000	8,000
Total Buildings	294,380	275,380	241,274
Total Expenditures	\$ 11,533,706	\$ 11,402,706	\$ 10,700,809

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended April 30, 2011

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 242,673	\$ 242,673	\$ 236,446
Expenditures			
Debt Service			
Principal Retirement	185,000	185,000	185,000
Interest and Fiscal Charges	57,405	57,405	57,403
Total Expenditures	242,405	242,405	242,403
Excess (Deficiency) of Revenues Over (Under) Expenditures	268	268	(5,957)
Other Financing Sources			
Transfers In	-	-	30,000
Net Change in Fund Balance	\$ 268	\$ 268	24,043
Fund Balance - Beginning			(29,199)
Fund Balance - Ending			\$ (5,156)

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, 2011

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental Grants	\$ 248,560	\$ 248,560	\$ -
Expenditures			
Capital Outlay	273,200	273,200	285
Debt Service			
Principal Retirement	671,143	671,143	668,582
Interest and Fiscal Charges	71,604	71,604	68,096
Total Expenditures	1,015,947	1,015,947	736,963
Excess (Deficiency) of Revenues Over (Under) Expenditures	(767,387)	(767,387)	(736,963)
Other Financing Sources			
Transfers In	770,000	770,000	1,200,000
Net Change in Fund Balance	\$ 2,613	\$ 2,613	463,037
Fund Balance - Beginning			(633,884)
Fund Balance - Ending			\$ (170,847)

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

April 30, 2011

	<u>Motor Fuel Tax</u>
ASSETS	
Cash and Investments	\$ -
Receivables - Net of Allowances	
Accounts	34,616
Due from Other Funds	421,592
Prepays	<u>-</u>
 Total Assets	 <u><u>\$ 456,208</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	\$ 21,927
Deposits Payable	-
Total Liabilities	<u>21,927</u>
 Fund Balances	
Reserved - Prepays	-
Unreserved	<u>434,281</u>
	<u>434,281</u>
 Total Liabilities and Fund Balances	 <u><u>\$ 456,208</u></u>

Refuse	911 Telephone Services	Foreign Fire Insurance	Totals
\$ -	\$ -	\$ 11,358	\$ 11,358
148,281	20,520	-	203,417
9,951	234,517	-	666,060
-	15,175	-	15,175
\$ 158,232	\$ 270,212	\$ 11,358	\$ 896,010
\$ 93,605	\$ 1,339	\$ -	\$ 116,871
29,947	-	-	29,947
123,552	1,339	-	146,818
-	15,175	-	15,175
34,680	253,698	11,358	734,017
34,680	268,873	11,358	749,192
\$ 158,232	\$ 270,212	\$ 11,358	\$ 896,010

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended April 30, 2011

	<u>Motor Fuel Tax</u>
Revenues	
Taxes	\$ -
Intergovernmental	222,563
Charges for Services	-
Investment Earnings	-
Total Revenues	<u>222,563</u>
Expenditures	
Public Safety	-
Public Works	102,924
Sanitation	-
Capital Outlay	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>102,924</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	119,639
Other Financing Sources	
Transfers In	<u>-</u>
Net Change in Fund Balances	119,639
Fund Balances - Beginning	<u>314,642</u>
Fund Balances - Ending	<u>\$ 434,281</u>

Refuse	911 Telephone Service	Foreign Fire Insurance	Totals
\$ -	\$ -	\$ 5,608	\$ 5,608
-	-	-	222,563
549,947	104,793	-	654,740
-	-	10	10
549,947	104,793	5,618	882,921
-	55,009	4,415	59,424
-	-	-	102,924
576,065	-	-	576,065
-	969	-	969
-	34,258	-	34,258
-	3,010	-	3,010
576,065	93,246	4,415	776,650
(26,118)	11,547	1,203	106,271
30,000	-	-	30,000
3,882	11,547	1,203	136,271
30,798	257,326	10,155	612,921
\$ 34,680	\$ 268,873	\$ 11,358	\$ 749,192

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, 2011**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 166,500	\$ 166,500	\$ 201,750
Grants	-	-	20,813
Total Revenues	<u>166,500</u>	<u>166,500</u>	<u>222,563</u>
Expenditures			
Public Works			
Legal Notices	-	-	315
Maintenance and Improvements of Infrastructure	101,000	101,000	102,609
Total Expenditures	<u>101,000</u>	<u>101,000</u>	<u>102,924</u>
Net Change in Fund Balance	<u>\$ 65,500</u>	<u>\$ 65,500</u>	119,639
Fund Balance - Beginning			<u>314,642</u>
Fund Balance - Ending			<u>\$ 434,281</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, 2011

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Refuse Fees	\$ 587,000	\$ 587,000	\$ 549,947
Expenditures			
Sanitation			
Refuse Disposal Charges	561,500	561,500	558,462
Refuse Bags	25,000	25,000	17,603
Total Expenditures	586,500	586,500	576,065
Excess (Deficiency) of Revenues Over (Under) Expenditures	500	500	(26,118)
Other Financing Sources			
Transfers In	-	-	30,000
Net Change in Fund Balance	\$ 500	\$ 500	3,882
Fund Balance - Beginning			30,798
Fund Balance - Ending			\$ 34,680

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, 2011

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
911 Fees	\$ 98,000	\$ 98,000	\$ 104,793
Expenditures			
Public Safety			
Telephone	13,000	13,000	15,203
Equipment Operation and Maintenance	49,000	44,000	39,806
Capital Outlay	-	1,000	969
Debt Service			
Principal Retirement	31,920	35,920	34,258
Interest and Fiscal Charges	3,350	3,350	3,010
Total Expenditures	97,270	97,270	93,246
Net Change in Fund Balance	\$ 730	\$ 730	11,547
Fund Balance - Beginning			257,326
Fund Balance - Ending			\$ 268,873

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Water - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in
Net Assets - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 1,450,000	\$ 1,450,000	\$ 1,485,365
Operating Expenses			
Operations			
Cost of Water Purchases	825,000	1,060,000	1,048,751
Salaries and Benefits	500,150	492,150	483,348
Contractual Services	35,910	36,910	31,821
Supplies and Materials	12,662	15,262	12,222
Repairs and Maintenance	147,950	146,850	143,726
Capital Outlay	5,440	3,440	41
Allocated Costs and Administrative			
Charge by the General Fund	16,425	16,425	16,425
Depreciation	105,000	-	104,374
Total Operating Expenses	1,648,537	1,771,037	1,840,708
Operating Income (Loss)	(198,537)	(321,037)	(355,343)
Nonoperating Revenues			
Other Income	65,000	65,000	65,707
Change in Net Assets	\$ (133,537)	\$ (256,037)	(289,636)
Net Assets - Beginning			2,504,934
Net Assets - Ending			\$ 2,215,298

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, 2011

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 1,915,000	\$ 1,915,000	\$ 1,925,999
Operating Expenses			
Administration			
Administrative Fees	10,000	6,500	4,877
Operations			
Claims Incurred	-	12,000	10,144
Term and Reinsurer Premiums	1,900,000	1,900,000	1,912,648
Total Operating Expenses	1,910,000	1,918,500	1,927,669
Income (Loss) Before Transfers	5,000	(3,500)	(1,670)
Transfers In	-	-	400,000
Change in Net Assets	\$ 5,000	\$ (3,500)	398,330
Net Assets - Beginning			(367,052)
Net Assets - Ending			\$ 31,278

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Pension Trust Funds

**Combining Statement of Net Plan Assets
April 30, 2011**

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 1,307,964	\$ 1,673,985	\$ 2,981,949
Investments			
U.S. Government and Agency Obligations	6,725,638	560,290	7,285,928
Mutual Funds	5,167,906	2,712,738	7,880,644
Common Stock	1,471,712	-	1,471,712
Insurance Contracts	-	940,264	940,264
Corporate Bonds	-	250,313	250,313
Municipal Bonds	-	2,752,610	2,752,610
Receivables			
Accounts	16,960	10,200	27,160
Accrued Interest	75,223	44,911	120,134
Total Assets	14,765,403	8,945,311	23,710,714
LIABILITIES			
Due to Other Funds	8,322	2,600	10,922
NET ASSETS			
Held in Trust for Pension Benefits	\$ 14,757,081	\$ 8,942,711	\$ 23,699,792

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Pension Trust Funds

**Combining Statement of Changes in Net Plan Assets
Year Ended April 30, 2011**

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ -	\$ -	\$ -
Contributions - Employee	216,221	132,725	348,946
Total Contributions	216,221	132,725	348,946
Investment Income			
Interest Earned	365,164	150,030	515,194
Net Change in Fair Value	1,390,374	473,755	1,864,129
	1,755,538	623,785	2,379,323
Less Investment Expenses	(62,279)	(38,210)	(100,489)
Net Investment Income	1,693,259	585,575	2,278,834
Total Additions	1,909,480	718,300	2,627,780
Deductions			
Administration	13,496	7,064	20,560
Benefits and Refunds	1,126,284	628,506	1,754,790
Total Deductions	1,139,780	635,570	1,775,350
Change in Net Assets	769,700	82,730	852,430
Net Assets - Beginning	13,987,381	8,859,981	22,847,362
Net Assets - Ending	\$ 14,757,081	\$ 8,942,711	\$ 23,699,792

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Police Pension - Pension Trust Fund

**Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended April 30, 2011**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ -	\$ -	\$ -
Contributions - Employee	225,000	225,000	216,221
Total Contributions	225,000	225,000	216,221
Investment Income			
Interest Earned	391,350	391,350	365,164
Net Change in Fair Value	-	-	1,390,374
	391,350	391,350	1,755,538
Less Investment Expenses	(65,000)	(65,000)	(62,279)
Net Investment Income	326,350	326,350	1,693,259
Total Additions	551,350	551,350	1,909,480
Deductions			
Administration	22,000	22,000	13,496
Benefits and Refunds	1,121,000	1,121,000	1,126,284
Total Deductions	1,143,000	1,143,000	1,139,780
Change in Net Assets	\$ (591,650)	\$ (591,650)	769,700
Net Assets - Beginning			13,987,381
Net Assets - Ending			\$ 14,757,081

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Net Plan Assets - Budget and Actual
Year Ended April 30, 2011

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ -	\$ -	\$ -
Contributions - Employee	140,000	140,000	132,725
Total Contributions	140,000	140,000	132,725
Investment Income			
Interest Earned	115,000	115,000	150,030
Net Change in Fair Value	-	-	473,755
	115,000	115,000	623,785
Less Investment Expenses	(42,000)	(42,000)	(38,210)
Net Investment Income	73,000	73,000	585,575
Total Additions	213,000	213,000	718,300
Deductions			
Administration	10,000	10,000	7,064
Benefits and Refunds	648,000	648,000	628,506
Total Deductions	658,000	658,000	635,570
Change in Net Assets	<u>\$ (445,000)</u>	<u>\$ (445,000)</u>	82,730
Net Assets - Beginning			<u>8,859,981</u>
Net Assets - Ending			<u>\$ 8,942,711</u>

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 Seven Fiscal Years
April 30, 2011 (Unaudited)**

	2005	2006	2007	2008	2009	2010	2011
Governmental Activities							
Invested in Capital Assets, Net of Related Debt	\$ 2,348,686	\$ 5,890,362	\$ 3,718,136	\$ 9,961,081	\$ 10,478,625	\$ 11,316,087	\$ 11,662,320
Restricted	12,290	15,901	7,091	28,150	92,424	92,489	92,553
Unrestricted	1,249,691	(2,612,476)	(1,821,956)	(3,217,263)	(4,671,772)	(7,660,322)	(9,468,432)
Total Governmental Activities Net Assets	3,610,667	3,293,787	1,903,271	6,771,968	5,899,277	3,748,254	2,286,441
Business-Type Activities							
Invested in Capital Assets, Net of Related Debt	2,401,696	2,336,484	2,314,473	2,854,958	2,750,110	2,645,262	2,540,888
Unrestricted	613,549	465,061	339,326	293,824	161,399	(140,328)	(325,590)
Total Business-Type Activities Net Assets	3,015,245	2,801,545	2,653,799	3,148,782	2,911,509	2,504,934	2,215,298
Primary Government							
Invested in Capital Assets, Net of Related Debt	4,750,382	8,226,846	6,032,609	12,816,039	13,228,735	13,961,349	14,203,208
Restricted	12,290	15,901	7,091	28,150	92,424	92,489	92,553
Unrestricted	1,863,240	(2,147,415)	(1,482,630)	(2,923,439)	(4,510,373)	(7,800,650)	(9,794,022)
Total Primary Government Net Assets	\$ 6,625,912	\$ 6,095,332	\$ 4,557,070	\$ 9,920,750	\$ 8,810,786	\$ 6,253,188	\$ 4,501,739

Data Source: Village Records

The Village implemented GASB 34 in Fiscal Year 2005.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Changes in Net Assets - Last Seven Fiscal Years
April 30, 2011 (Unaudited)

	2005	2006	2007	2008	2009	2010	2011
Expenses							
Governmental Activities							
General Government	\$ 856,085	\$ 665,178	\$ 799,955	\$ 749,882	\$ 1,007,171	\$ 1,324,340	\$ 979,149
Public Safety	7,437,597	8,238,866	10,178,859	9,128,660	9,867,851	10,551,760	11,332,637
Culture and Recreation	878,353	912,553	1,019,260	1,062,851	1,077,333	884,433	757,686
Public Works	1,319,721	1,202,431	1,564,512	2,176,159	1,543,731	1,432,162	1,144,736
Building, Health and Zoning	185,216	194,015	200,188	204,748	236,287	234,340	241,274
Sanitation	477,436	493,499	496,988	523,425	551,511	554,573	576,065
Interest on Long-Term Debt	118,519	100,921	122,294	122,853	127,453	113,524	124,237
Total Governmental Activities Expenses	11,272,927	11,807,463	14,382,056	13,968,578	14,411,337	15,095,132	15,155,784
Business-Type Activities							
Water	1,421,153	1,502,286	1,480,059	1,548,506	1,875,025	1,725,325	1,840,708
Total Primary Government Expenses	12,694,080	13,309,749	15,862,115	15,517,084	16,286,362	16,820,457	16,996,492
Program Revenues							
Governmental Activities							
Charges for Services							
General Government	386,001	371,793	342,055	418,369	479,203	606,321	597,757
Public Safety	502,822	553,477	549,575	548,364	556,555	646,186	803,549
Culture and Recreation	400,758	433,903	461,889	464,293	504,745	461,603	431,294
Public Works	17,101	17,828	18,791	59,604	20,268	20,974	21,723
Building, Health and Zoning	304,835	314,061	436,463	514,436	280,197	380,691	413,897
Sanitation	182,371	239,831	271,992	346,842	355,519	352,821	549,947
Capital Grants/Contributions	68,623	158,845	143,090	100,601	329,851	436,361	137,217
Total Governmental Activities Program Revenues	1,862,511	2,089,738	2,223,855	2,452,509	2,526,338	2,904,957	2,955,384
Business-Type Activities							
Charges for Services							
Water	1,194,889	1,196,432	1,190,152	1,301,838	1,303,445	1,253,713	1,485,365
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	1,253,713	1,485,365
Total Primary Government Program Revenues	\$ 3,057,400	\$ 3,286,170	\$ 3,462,007	\$ 3,754,347	\$ 3,829,783	\$ 4,158,670	\$ 4,440,749

	2005	2006	2007	2008	2009	2010	2011
Net (Expense) Revenue							
Governmental Activities	\$ (9,410,416)	\$ (9,717,725)	\$ (12,158,201)	\$ (11,516,069)	\$ (11,884,999)	\$ (12,190,175)	\$ (12,200,400)
Business-Type Activities	(226,264)	(305,854)	(241,907)	(246,668)	(571,580)	(471,612)	(355,343)
Total Primary Government Net Revenue (Expense)	(9,636,680)	(10,023,579)	(12,400,108)	(11,762,737)	(12,456,579)	(12,661,787)	(12,555,743)
General Revenues and Other Changes in Net Assets							
Governmental Activities							
Taxes							
Property	730,639	745,003	732,459	667,968	751,010	639,711	705,687
Municipal and Non-Home Rule Sales	6,526,120	6,576,083	8,207,342	8,410,641	8,050,461	7,692,711	8,105,362
Telecommunication	264,667	277,393	252,293	245,772	245,420	220,939	208,729
Utility	453,746	504,114	462,531	478,032	475,054	426,631	434,339
Other	5,413	5,296	5,169	6,870	4,614	4,351	5,608
Intergovernmental - Unrestricted							
Income Tax	452,775	511,044	563,688	615,787	609,376	531,186	521,441
Replacement Tax	31,709	40,915	44,459	50,706	46,428	41,096	45,680
Local Use Tax	72,234	80,587	86,055	94,590	94,377	79,534	96,598
Other Taxes	199,703	196,797	197,904	190,420	178,188	285,677	452,062
Disposal of Capital Assets	105,000	-	-	-	-	-	-
Investment Earnings	15,693	32,138	67,880	46,803	32,188	1,459	1,953
Miscellaneous	184,269	131,475	147,905	179,108	525,192	115,857	161,128
Total Governmental Activities	9,041,968	9,100,845	10,767,685	10,986,697	11,012,308	10,039,152	10,738,587
Business-Type Activities							
Miscellaneous	87,361	92,154	94,161	96,318	334,307	65,037	65,707
Total Primary Government	9,129,329	9,192,999	10,861,846	11,083,015	11,346,615	10,104,189	10,804,294
Changes in Net Assets							
Governmental Activities	(368,448)	(616,880)	(1,390,516)	(529,372)	(872,691)	(2,151,023)	(1,461,813)
Business-Type Activities	(138,903)	(213,700)	(147,746)	(150,350)	(237,273)	(406,575)	(289,636)
Total Primary Government	\$ (507,351)	\$ (830,580)	\$ (1,538,262)	\$ (679,722)	\$ (1,109,964)	\$ (2,557,598)	\$ (1,751,449)

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, 2011 (Unaudited)**

	2002	2003	2004	2005
General Fund				
Reserved	\$ 27,931	\$ 50,865	\$ 32,388	\$ 44,644
Unreserved	2,362,733	1,090,069	1,148,071	838,838
Total General Fund	2,390,664	1,140,934	1,180,459	883,482
All Other Governmental Funds				
Reserved	1,129,910	590,016	18,456	19,740
Unreserved, Reported in:				
Special Revenues Funds	271,865	367,042	448,616	482,168
Debt Service Funds	-	-	-	-
Capital Projects Funds	(882,387)	(1,340,270)	(749,301)	(748,062)
Total All Other Governmental Funds	\$ 519,388	\$ (383,212)	\$ (282,229)	\$ (246,154)

Data Source: Village Records

2006	2007	2008	2009	2010	2011
\$ 31,181	\$ 29,686	\$ 136,681	\$ 154,015	\$ 628,376	\$ 194,682
859,359	870,738	1,773,026	1,697,313	2,697,191	3,345,430
890,540	900,424	1,909,707	1,851,328	3,325,567	3,540,112
21,958	23,679	28,919	4,403	-	15,175
518,078	684,403	599,417	620,816	612,921	734,017
-	-	-	-	(29,199)	(5,156)
(671,886)	(671,691)	(699,351)	(650,765)	(633,884)	(170,847)
\$ (131,850)	\$ 36,391	\$ (71,015)	\$ (25,546)	\$ (50,162)	\$ 573,189

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Governmental Revenues By Source - Last Ten Fiscal Years April 30, 2011 (Unaudited)

Source	2002	2003	2004	2005
Taxes				
Sales	\$ 4,731,460	\$ 4,832,252	\$ 4,853,755	\$ 4,650,057
Non-Home Rule Sales	-	-	1,588,282	1,876,063
Real Estate	772,036	626,708	663,634	730,639
Utility	559,319	637,546	690,110	718,413
Licenses and Permits	644,023	578,044	642,864	595,914
Intergovernmental	868,251	1,280,056	700,170	842,145
Charges for Services	629,078	631,019	779,288	945,844
Fines and Forfeits	204,927	231,442	243,844	235,029
Investment Income	244,670	126,511	14,041	15,693
Miscellaneous	73,483	147,993	255,645	189,682
Total	\$ 8,727,247	\$ 9,091,571	\$ 10,431,633	\$ 10,799,479

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

Data Source: Village Records

2006	2007	2008	2009	2010	2011
\$ 4,689,367	\$ 4,685,539	\$ 4,635,045	\$ 4,525,605	\$ 4,340,430	\$ 4,597,503
1,886,716	3,521,803	3,775,596	3,524,856	3,352,281	3,507,859
745,003	737,628	674,838	755,624	639,711	705,687
781,507	714,824	723,804	720,474	651,921	648,676
586,694	664,505	809,112	635,864	863,930	872,195
1,030,440	1,057,857	1,127,015	1,302,416	1,413,580	1,295,877
1,065,549	1,152,008	1,291,911	1,327,915	1,337,038	1,556,090
236,398	241,591	175,974	188,512	227,902	347,003
32,138	67,857	46,803	32,188	1,459	1,953
136,771	147,928	179,108	525,192	115,857	161,128
<u>\$ 11,190,583</u>	<u>\$ 12,991,540</u>	<u>\$ 13,439,206</u>	<u>\$ 13,538,646</u>	<u>\$ 12,944,109</u>	<u>\$ 13,693,971</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**General Governmental Expenditures By Function - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Function	2002	2003	2004	2005
General Government	\$ 558,107	\$ 538,064	\$ 491,859	\$ 472,777
Public Safety				
Police Protection (1)	3,652,469	3,764,628	4,102,512	4,491,936
Fire and Emergency Service (2)	2,396,614	2,577,457	2,588,596	2,700,774
Emergency 911 Service	50,883	42,403	45,834	62,709
Culture and Recreation	684,342	754,629	822,332	862,582
Public Works	1,024,353	1,177,653	1,018,110	1,096,565
Building, Health and Zoning	170,502	182,177	173,357	185,216
Sanitation	462,572	456,804	464,525	477,436
Capital Outlay	464,091	1,244,794	233,260	216,967
Debt Service				
Principal	213,590	341,578	338,256	524,933
Interest and Fiscal Charges	157,116	170,814	144,519	123,541
Total	\$ 9,834,639	\$ 11,251,001	\$ 10,423,160	\$ 11,215,436

Data Source: Village Records

(1) Reflects contribution to Police Pension Trust for years 2002 - 2006

(2) Reflects contribution to Firefighters' Pension Trust for years 2002 - 2006

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

	2006	2007	2008	2009	2010	2011
\$	558,197	\$ 567,108	\$ 619,319	\$ 701,924	\$ 668,033	\$ 541,527
	4,400,902	5,627,357	5,537,232	5,252,367	5,172,062	5,091,546
	2,847,169	3,470,379	3,489,785	3,170,040	3,239,436	3,057,098
	67,381	67,400	38,507	42,932	36,646	59,424
	896,782	965,689	1,045,290	1,059,772	866,143	739,858
	1,043,145	1,179,085	1,470,629	1,536,775	1,409,129	1,132,430
	194,015	200,188	204,748	236,287	234,340	241,274
	493,499	496,988	523,425	551,511	554,573	576,065
	88,978	620,761	967,283	485,000	600,432	1,254
	190,839	338,913	506,309	834,042	797,329	887,840
	102,314	111,763	123,544	133,477	111,695	128,509
\$	10,883,221	\$ 13,645,631	\$ 14,526,071	\$ 14,004,127	\$ 13,689,818	\$ 12,456,825

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

	2002	2003	2004	2005
Taxes				
Sales	\$ 4,731,460	\$ 4,832,252	\$ 4,853,755	\$ 4,650,057
Non-Home Rule Sales	-	-	1,588,282	1,876,063
Real Estate	772,036	626,708	663,634	730,639
Utility	559,319	637,546	690,110	718,413
Licenses and Permits	644,023	578,044	642,864	595,914
Intergovernmental	868,251	1,280,056	700,170	842,145
Charges for Services	629,078	631,019	779,288	945,844
Fines and Forfeits	204,927	231,442	243,844	235,029
Investment Earnings	244,670	126,511	14,041	15,693
Miscellaneous	73,483	147,993	255,645	189,682
Total Revenues	8,727,247	9,091,571	10,431,633	10,799,479
Expenditures				
General Government	558,107	538,064	491,859	472,777
Public Safety	6,099,966	6,384,488	6,736,942	7,255,419
Culture and Recreation	684,342	754,629	822,332	862,582
Public Works	1,024,353	1,177,653	1,018,110	1,096,565
Building, Health and Zoning	170,502	182,177	173,357	185,216
Sanitation	462,572	456,804	464,525	477,436
Capital Outlay	464,091	1,244,794	233,260	216,967
Debt Service				
Principal	213,590	341,578	338,256	524,933
Interest and Fiscal Charges	157,116	170,814	144,519	123,541
Total Expenditures	9,834,639	11,251,001	10,423,160	11,215,436
Excess of Revenues Over (Under) Expenditures	(1,107,392)	(2,159,430)	8,473	(415,957)
Other Financing Sources (Uses)				
Debt Issuance	672,309	-	120,000	25,555
Transfers In	345,000	340,000	630,000	791,000
Transfers Out	(345,000)	(340,000)	(630,000)	(791,000)
Disposal of Capital Assets	28,250	7,100	12,035	105,000
Total Other Financing Sources (Uses)	700,559	7,100	132,035	130,555
Net Change in Fund Balances	\$ (406,833)	\$ (2,152,330)	\$ 140,508	\$ (285,402)
Debt Service as a Percentage of Noncapital Expenditures	3.96%	5.12%	4.74%	5.90%

Data Source: Village Records

	2006	2007	2008	2009	2010	2011
\$	4,689,367	\$ 4,685,539	\$ 4,635,045	\$ 4,525,605	\$ 4,340,430	\$ 4,597,503
	1,886,716	3,521,803	3,775,596	3,524,856	3,352,281	3,507,859
	745,003	737,628	674,838	755,624	639,711	705,687
	781,507	714,824	723,804	720,474	651,921	648,676
	586,694	664,505	809,112	635,864	863,930	872,195
	1,030,440	1,057,857	1,127,015	1,302,416	1,413,580	1,295,877
	1,065,549	1,152,008	1,291,911	1,327,915	1,337,038	1,556,090
	236,398	241,591	175,974	188,512	227,902	347,003
	32,138	67,857	46,803	32,188	1,459	1,953
	136,771	147,928	179,108	525,192	115,857	161,128
	11,190,583	12,991,540	13,439,206	13,538,646	12,944,109	13,693,971
	558,197	567,108	619,319	701,924	668,033	541,527
	7,315,452	9,165,136	9,065,524	8,465,339	8,448,144	8,208,068
	896,782	965,689	1,045,290	1,059,772	866,143	739,858
	1,043,145	1,179,085	1,470,629	1,536,775	1,409,129	1,132,430
	194,015	200,188	204,748	236,287	234,340	241,274
	493,499	496,988	523,425	551,511	554,573	576,065
	88,978	620,761	967,283	485,000	600,432	1,254
	190,839	338,913	506,309	834,042	797,329	887,840
	102,314	111,763	123,544	133,477	111,695	128,509
	10,883,221	13,645,631	14,526,071	14,004,127	13,689,818	12,456,825
	307,362	(654,091)	(1,086,865)	(465,481)	(745,709)	1,237,146
		830,716	1,110,407	454,351	2,185,242	-
	469,000	433,000	1,550,025	927,000	902,000	1,260,000
	(655,000)	(433,000)	(681,000)	(927,000)	(902,000)	(1,660,000)
	-	1,500	9,310	(1,780)	10,090	750
	(186,000)	832,216	1,988,742	452,571	2,195,332	(399,250)
\$	121,362	\$ 178,125	\$ 901,877	\$ (12,910)	\$ 1,449,623	\$ 837,896
	2.72%	3.38%	4.45%	7.22%	6.99%	8.23%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Taxable Sales by Category - Last Ten Calendar Years
April 30, 2011 (Unaudited)**

Calendar Year	2001	2002	2003	2004
General Merchandise	\$ 936,353	\$ 1,020,816	\$ 1,470,735	\$ 1,560,188
Food	550,728	541,478	561,151	560,261
Drinking and Eating Places	189,593	177,324	233,600	295,307
Apparel	600,851	639,994	892,242	1,095,391
Furniture and H.H. and Radio	432,062	431,139	542,841	608,115
Automobile and Filling Stations	710,621	631,054	661,038	572,486
Drugs and Misc. Retail	570,833	585,482	735,940	798,368
Agriculture and All Others	622,359	629,376	774,037	972,428
Combined Categories	31,474	21,201	22,228	45,581
Total	\$ 4,644,874	\$ 4,677,864	\$ 5,893,812	\$ 6,508,125
Number of Payers	316	317	340	337
Village Direct Rate (Municipal and Non-Home Rule Sales Tax)	1.00%	1.00%	1.50%	1.50%

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

2005	2006	2007	2008	2009	2010
\$ 1,517,816	\$ 1,855,391	\$ 1,948,730	\$ 1,784,605	\$ 1,619,733	\$ 1,661,894
531,526	527,106	484,381	744,835	744,947	786,036
336,751	387,006	448,147	530,126	517,003	546,664
1,103,093	1,209,416	1,376,449	1,276,829	1,167,799	1,226,354
595,730	707,516	851,705	756,544	681,960	763,418
590,978	639,808	628,827	573,515	653,682	647,944
798,544	971,916	1,093,605	1,031,907	982,584	1,000,845
1,041,179	1,335,217	1,595,821	1,414,161	1,267,566	1,259,683
34,466	29,323	29,210	60,029	61,781	108,156
\$ 6,550,083	\$ 7,662,699	\$ 8,456,875	\$ 8,172,551	\$ 7,697,055	\$ 8,000,994
364	359	365	339	325	323
1.50%	2.00%	2.00%	2.00%	2.00%	2.00%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Fiscal Year	State Rate	RTA Rate	County Home Rule Rate	Village Non-Home Rule Rate	Total Sales Tax Rate	% Distributed to Village
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%
2010	6.25%	1.00%	1.75%	1.00%	10.00%	2.00%
2011	6.25%	1.00%	1.25%	1.00%	9.50%	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, 2011 (Unaudited)**

See Following Page

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Tax Levy Year	Residential Property	Farm
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	133,505,907	-
2009	141,924,360	-
2010	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	\$ 214,704,900	\$ N/A	\$ 214,704,900	0.3532
N/A	N/A	251,211,711	N/A	251,211,711	0.3015
N/A	N/A	253,359,772	57,251	253,417,023	0.2983
N/A	N/A	261,772,696	55,811	261,828,507	0.2880
193,333,261	17,413,262	321,913,353	54,591	321,967,944	0.2360
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
221,505,307	19,420,737	374,431,951	151,346	374,583,297	0.2025
170,651,775	15,890,035	328,466,170	186,029	328,652,199	0.2310
N/A	N/A	N/A	N/A	N/A	0.2311

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Village of North Riverside				
General Rate	0.2351	0.2009	0.1991	0.1927
Debt Service Rate	0.1181	0.1006	0.0992	0.0953
Total Direct Tax Rate	<u>0.3532</u>	<u>0.3015</u>	<u>0.2983</u>	<u>0.2880</u>
Overlapping Rates				
School Districts	4.5760	3.7600	5.0360	5.0660
County	0.8520	0.7570	0.7220	0.6540
Other	0.9610	0.9330	0.9600	0.9580
Total Direct and Overlapping Tax Rate	<u>6.7422</u>	<u>5.7515</u>	<u>7.0163</u>	<u>6.9660</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.

2006	2007	2008	2009	2010	2011
0.1575	0.1564	0.1483	0.1348	0.1536	0.1550
0.0785	0.0775	0.0741	0.0677	0.0774	0.0761
0.2360	0.2339	0.2224	0.2025	0.2310	0.2311
4.4790	4.9400	4.7810	4.5880	4.6860	4.8370
0.6120	0.5620	0.5110	0.4660	0.4640	0.4740
0.8450	0.8300	0.8020	0.7620	0.8170	0.8520
6.1720	6.5659	6.3164	6.0185	6.1980	6.3941

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Principal Property Tax Payers - Current Year and Nine Years Ago
April 30, 2011 (Unaudited)**

Taxpayer	2011			2002		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
North Riverside Park Assoc.	\$ 19,249,997	1	5.86%	\$ 21,222,011	1	9.88%
Tower Real Estate	7,493,225	2	2.28%	6,839,986	2	3.19%
Sears	3,397,139	3	1.03%	4,374,228	5	2.04%
IG Riverside LLC	3,121,423	4	0.95%			
J. C. Penney Company	2,204,270	5	0.67%	5,374,738	3	2.50%
Edward Don & Company	1,926,453	6	0.59%	2,486,251	7	1.16%
Mark IV Realty Harlem	1,810,311	7	0.55%			
7222 Cermak LLC	1,687,499	8	0.51%			
Carson Pirie Scott	1,579,812	9	0.48%	4,459,585	4	2.08%
Riverside Golf Club	1,312,994	10	0.40%			
Joe Rizza Ford				1,058,629	10	0.49%
Riverside Association East				3,300,958	6	1.54%
MB Financial Bank				2,368,156	8	1.10%
S.M. Property Management				1,317,466	9	0.61%
	<u>\$ 43,783,123</u>		<u>13.32%</u>	<u>\$ 44,756,799</u>		<u>20.85%</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, 2011 (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
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%	384,471	750,490	98.90%
2009	2008	760,404	349,450	45.96%	291,780	641,230	84.33%
2010	2009	759,187	388,740	51.20%	313,871	702,611	92.55%
2011	2010	727,454	395,952	54.43%	-	395,952	54.43%

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.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Ratios of Outstanding Debt By Type - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Fiscal Year Ended April 30	Governmental Activities			Installment Contracts Payable	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	General Obligation Loans	Notes Payable				
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
2010	1,050,000	257,474	2,000,000	563,987	3,871,461	7.09%	578.87
2011	865,000	-	1,800,000	318,621	2,983,621	5.46%	447.19

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, 2011 (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)
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	0.66%	370.69
2010	3,871,461	-	3,871,461	1.18%	578.87
2011	2,983,621	-	2,983,621	N/A	447.19

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.

N/A - Currently Not Available

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Schedule of Direct and Overlapping Bonded Debt
April 30, 2011 (Unaudited)**

Governmental Unit	(1) Gross Debt	*Percentage to Debt Applicable to Village (2)	**Village's Share of Debt
Village of North Riverside	\$ 865,000	100.00%	\$ 865,000
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	\$ 4,467,401,000		\$ 34,859,705

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, 2011 (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 - 2009 (Most Recent Available)	<u>\$ 328,652,199</u>
Legal Debt Limit - 8.625% of Assessed Valuation	\$ 28,346,252
Amount of Debt Applicable to Debt Limit	
General Obligation (Alternate Revenue) Bonds, Series 2000	<u>865,000</u>
Legal Debt Margin	<u>\$ 27,481,252</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years April 30, 2011 (Unaudited)

Fiscal Year Ended April 30	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
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
2010	6,688	54,642	26,804	46.0	501	N/A
2011	6,672	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, 2011 (Unaudited)**

Employer	2011			2002		
	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, 2011 (Unaudited)**

Function	2002	2003	2004	2005
General Government	6	5	5	5
Public Safety				
Police	38	36	36	36
Fire	21	20	20	20
Culture and Recreation	3	3	3	3
Public Works	8	8	8	8
Building, Health and Zoning	1	1	1	1
Total	<u>77</u>	<u>73</u>	<u>73</u>	<u>73</u>

Data Source: Village Records

2006	2007	2008	2009	2010	2011
5	5	5	5	5	5
36	36	37	37	38	34
20	19	19	19	19	17
4	4	4	4	3	3
8	8	8	8	8	8
1	1	1	1	1	-
74	73	74	74	74	67

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
April 30, 2011 (Unaudited)**

Function/Program	2002	2003	2004	2005
Public Works				
Forestry				
Number of Parkway Trees Planted	55	-	-	4
Number of Parkway Trees Trimmed	1050	770	770	805
Public Safety				
Fire (1)				
Number of Fire Calls	1,306	1,654	1,527	1,463
Number of EMS Calls	1,176	1,261	1,374	1,362
Number of Training Hours	6,469	6,551	6,659	6,549
ISO Rating	2	2	2	2
Police				
Part I Crime	884	898	897	797
Part II Crime	733	887	880	832
Calls for Service	19,358	20,774	19,321	19,433
State Tickets Issued	1,805	2,135	2,181	2,168
Compliance Tickets Issued	2,359	1,760	1,378	969
Parking Tickets Issued	4,901	5,963	5,155	3,921
Community Development				
Number of Building Permits Issued	945	952	978	950
Number of Building Inspections	1,389	1,479	1,542	1,515
Number of Food Service Inspections	290	296	300	310
Highways and Streets				
Sidewalk Replaced (Sq. Ft.)	2,425	-	575	4,650
Annual Resurfacing Program (\$)	286,649	156,354	182,669	169,650
Water and Sewer				
Water Main Breaks	5	17	9	9
Hydrants Flushed	370	370	370	370
Water Meters Read	9,724	9,704	9,740	9,688
Water Meter Service Requests	108	116	101	97
Water Meters Replaced	48	53	51	39
Total Distribution Pumpage (1,000 Gallons)	335,212	325,135	340,509	380,889
Average Daily Pumpage (1,000 Gallons)	936	923	886	962
Sanitary Sewer Repairs	7	4	7	7

Data Source: Village Records

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

2006	2007	2008	2009	2010	2011
-	-	126	126	-	-
735	800	1,100	1,100	1,100	1,100
1,618	1,693	1,737	1,737	1,191	1,026
1,442	1,365	1,403	1,403	1,402	1,335
6,210	6,613	6,215	6,215	6,527	7,057
2	2	2	2	2	2
853	858	862	862	620	651
915	900	889	889	553	581
19,910	13,475	20,625	20,625	21,694	22,780
2,147	1,840	1,838	1,838	1,905	2,000
941	850	885	885	841	885
3,300	2,093	3,162	3,162	2,373	2,495
941	955	853	853	746	850
1,563	1,586	1,347	1,347	830	629
325	315	284	284	128	32
2,225	-	1,835	1,835	-	-
-	338,000	215,000	215,000	-	-
4	5	16	16	15	18
370	370	370	370	370	370
9,680	9,700	9,705	9,705	9,705	9,705
112	106	120	120	104	120
54	35	50	50	47	47
355,123	365,777	308,185	308,185	343,242	372,414
1,027	937	844	844	940	1,020
8	9	12	12	14	17

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years April 30, 2011 (Unaudited)

Function/Program	2002	2003	2004	2005
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	394	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

2006	2007	2008	2009	2010	2011
1	1	1	1	1	1
15	15	17	17	17	17
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	33.10
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