

VILLAGE OF NORTH RIVERSIDE,
ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL
REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2016

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
APRIL 30, 2016

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, Letter of Transmittal from the Village Treasurer, and Certificate of Achievement for Excellence in Financial Reporting.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**List of Principal Officials
April 30, 2016**

LEGISLATIVE

VILLAGE BOARD OF TRUSTEES

Hubert E. Hermanek, Jr., Mayor

Jason A. Bianco
Deborah Czajka
Matthew J. Decosola

H. Bob Demopoulos
Joseph Mengoni
Vera A. Wilt

Kathy Ranieri, Village Clerk

ADMINISTRATIVE

Guy Belmonte, Jr., Village Administrator

Susan M. Scarpiniti
Finance Director/Treasurer

Lane Niemann
Police Department

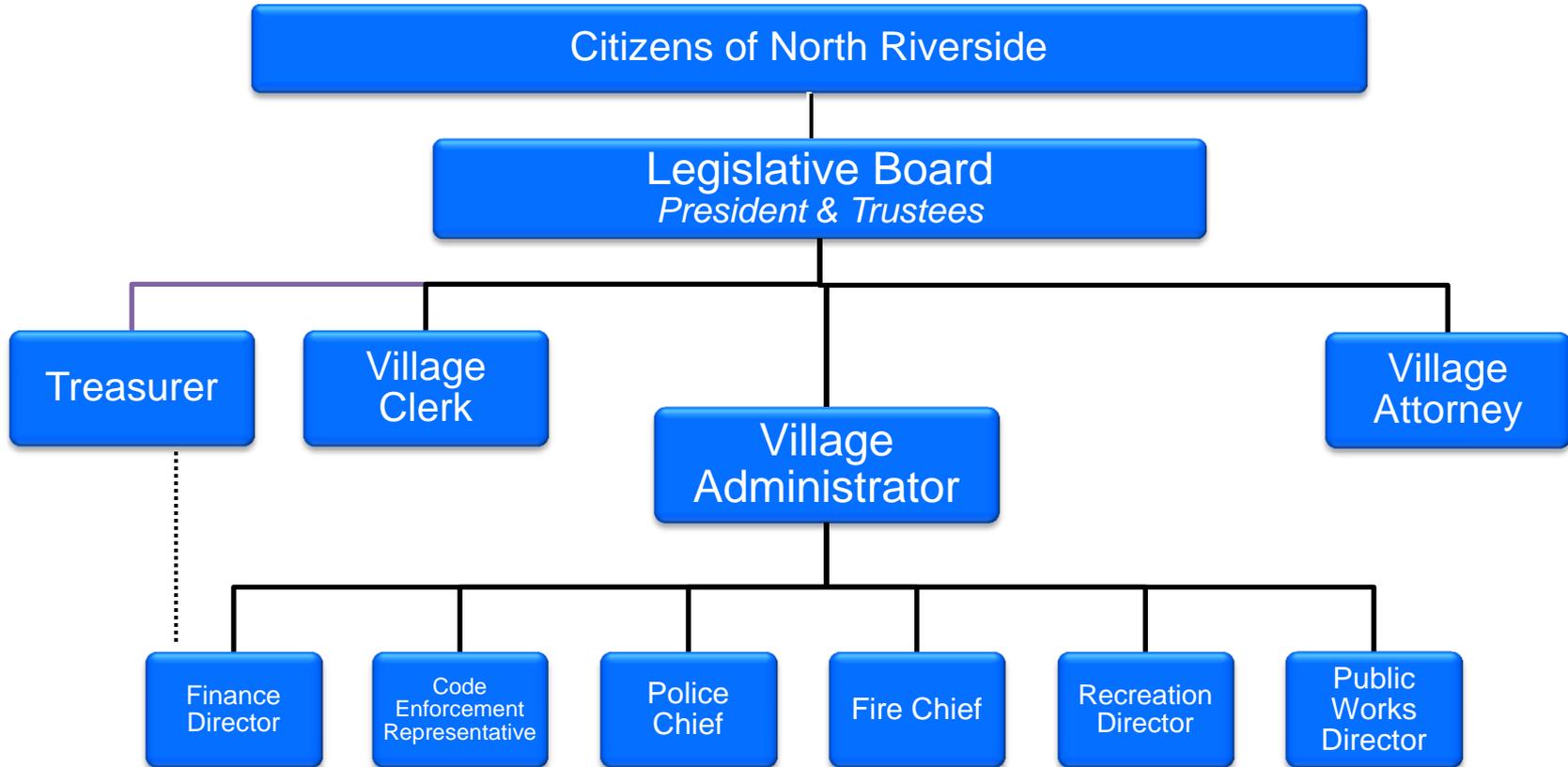
Brian Basek
Fire Department

Tim Kutt
Public Works Department

Teresa Michalik
Recreation Department

Karyn Byrne
Code Enforcement Officer

Legislative





Hubert E. Hermanek, Jr.
Mayor

Kathy Ranieri
Village Clerk

October 26, 2016

Trustees:
Jason A. Bianco
Deborah Czajka
Matthew J. Decosola
H. Bob Demopoulos
Joseph Mengoni
Vera A. Wilt

The Honorable Mayor Hubert E. Hermanek, Jr.
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, 2016, 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 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, 2016, 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 unmodified opinion that the Village's financial statements for the fiscal year ended April 30, 2016, 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 is a non-home rule community and is located in the central portion of Cook County, approximately 10 miles west of the City of Chicago's downtown "Loop" area. The population of North Riverside is 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 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 63 full-time employees, including 26 sworn police officers and 14 sworn firefighters.

The Village provides a full range of public services, including public safety (police and fire protection), water 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 process serves as the foundation for the Village's financial planning and internal control structure. All departments of the Village are required to submit requests for appropriation to the Village Administrator and Finance Director by early February of each year. These requests act as the basis 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 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 operating budget serves as a vital planning and operating tool that guides management's use of available resources during the year. The legal authority and maximum limits for spending are derived from a separately adopted appropriation ordinance. The appropriation ordinance is based upon the annual operating budget and is approved by the Village Board prior to the end of the first quarter of the fiscal year as provided by state statute.

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 that alters 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 President and Board of Trustees, 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 initiatives are discussed below.

- Maximized the 2015 tax levy to capture limited tax dollars created by continued new growth in the Village's commercial sector. This represents the second consecutive year the Village has shifted away from its long standing practice of freezing property taxes. The Village continued to seek additional revenues within its non-home rule authority to help offset its rapidly growing public pension obligations.
- Sustained its commitment to economic development and revitalization of the Village's central business district along Harlem and Cermak Roads through expanded partnerships with local developers and aggressive marketing of vacant properties. The Village welcomed Miller's Ale House to its central business district during the fiscal year; further enhancing its Places for Eating tax base.

- Continued to focus on reorganizing department resources through privatization. This will ensure the Village operates within available financial resources and continues to deliver high quality services and programs the community has grown accustomed to receiving in the most cost effective manner.
- Worked in cooperation with PACE Suburban Bus Service, a division of the Regional Transportation Authority (RTA) in the Chicago metropolitan area, to enhance transportation services for senior, disabled and low income residents by providing convenient, safe and affordable mini-bus service to a large variety of local health care providers, pharmacies, financial institutions, shopping centers and other designated Chicagoland areas.
- Continued to aggressively televise, clean and repair the Village's combined storm and sanitary sewer system to improve flood control. The Village completed Phase II of a three-year sewer lining project to extend the useful life of its main sewer lines by approximately 40 to 60 years.
- Actively worked with the Brookfield-North Riverside Water Commission to identify and correct areas of deficiencies within our joint water distribution system; thereby, increasing the level of accountability between the number of gallons of water purchased from the Commission and billed within North Riverside. The Village also instituted a semi-annual leak detection survey program to improve operational efficiency and identify structural weaknesses within the system.
- Received federal, state and county grant assistance totaling more than \$100,000 during the year.
- Actively pursued collection of more than 5,000 unpaid and outstanding police tickets totaling approximately \$1.2 million through the State of Illinois Comptroller's Office Local Debt Recovery Program. Collection of these delinquent fines is expected to span over multiple fiscal years as monies are recovered from debtors through liens of income tax returns, state wages, and other state payments.

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

State shared sales tax revenue, one major indicator of economic growth, continued to show positive signs of recovery during the fiscal year as total sales tax receipts increased 6.9% over the prior fiscal year. Within two year of completion, the 26th Street redevelopment project has made a substantial impact on the local economy through the employment of over 300 employees, both full and part time, and the influx of new tax dollars.

North Riverside continues to serve as an attractive location for businesses due to its close proximity to the City of Chicago and the vast array of public services and programs provided at affordable costs. Aimed at attracting new businesses, North Riverside remains competitive with the surrounding communities who are all trying to entice large retailers and national restaurant chains to locate within their corporate boundaries. In fact, throughout the years, North Riverside has been extremely successful at luring businesses into town with its low tax base and attractive financial incentive packages in the form of either short-term tax rebates or the waiver of one-time building permit fees. In addition, the Village also maintains a business retention program that is designed to work with existing businesses willing to make long-term commitments to the community through the use of economic development assistance grants. Through this on-going commitment by the Mayor and Village Board to aggressively promote economic development and revitalization of its commercial sector, North Riverside maintains a low retail vacancy rate. Currently, the North Riverside Park Mall, a regional shopping center anchored by three national department stores and an enticing cross-section of specialty stores, flanks the Village's central business district and has consistently maintained a steady 98% occupancy rate for many years.

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

As long as the Village adheres closely to its sound financial policies, continues to implement programs designed to strengthen and diversify its existing revenue base, and carefully monitors its operating expenditures to create further efficiencies of scale, North Riverside should be able to sustain itself during difficult economic times, whether at the state or local levels.

Long-term Financial Planning

In order to meet the financial challenges that lay ahead, the Village must remain fiscally prudent, continue to seek alternate revenue sources other than sales tax whenever feasible to further strengthen and diversify its governmental revenue base, sustain economic vitality throughout the Village, and develop a long-term solution to its public pension crisis – an area that has weakened North Riverside's overall fiscal health.

During the fiscal year, the Village continued its in-depth review of all financial policies and practices, with the Village Board and executive staff conducting on-going strategic planning sessions geared towards redefining the goals and objectives of the Village for the next several years. During this process, performance standards used for budgeting purposes were re-evaluated for effectiveness and fine-tuned when determined necessary. While it still remains uncertain when the general economy will show signs of a more permanent recovery; the Village must continue to stay diligent in its financial planning and aggressively prioritize spending decisions to avoid deteriorating financial performance.

In addition, the Village placed more reliance on financial forecasting and benchmark reporting on a multi-year basis with the objective being a broader perspective of the financial position of the Village beyond the current year's budgetary goals. These forecasts attempt to blend existing and projected operational costs with all foreseeable capital projects on a five year basis, providing a more comprehensive perspective of the financial position of the Village. Revenue sources are conservatively forecasted and matched against projected expenditures.

A detailed five-year Capital Improvements Plan is prepared on an annual basis and reviewed as part of the budget preparation process. Historically, the Capital Projects Fund is funded by surpluses generated by the General Fund. For the past several years, all major capital projects not funded through the receipt of state or federal grant revenue have been placed on hold until sufficient operating reserves could be re-established within the General Fund. General Fund cash reserve policies require the maintenance of reserves between 25% and 50% of net annual budgeted expenditures, with the Board of Trustees preferring to target a reserve balance in the upper part of that range due to the heavy reliance on sales tax. Amounts in excess of the 50% reserve target are generally transferred to the Capital Projects Fund for the ongoing maintenance and replacement of the Village's governmental infrastructure assets. At the conclusion of this fiscal year, the Village's General Fund reserves increased slightly to approximately 32% of net budgeted operating expenditures as the Village continues to place it's the highest financial priority on funding its annual pension costs.

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, 2015. 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 thirty-one (31) 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



Government Finance Officers Association

**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, 2015

Executive Director/CEO

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 26, 2016

The Honorable Mayor
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 of the Village of North Riverside, Illinois, as of and for the year ended April 30, 2016, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of North Riverside, Illinois, as of April 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of North Riverside, Illinois', basic financial statements. The introductory section, combining and individual fund financial statements and budgetary comparison schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules 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. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are fairly stated, in all material respects, in relation to the basic 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, 2016

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, 2016. 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 Position* presents information on all of the Village's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. The focus of the Statement of Net Position (the "Unrestricted Net position") 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 funds' 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 position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The *Statement of Activities* presents information on how the Village's net position has changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future 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, 2016

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 Firefighters' Pension Funds). Fiduciary funds are used to report net position 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 - 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.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2016

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 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 schedule for these funds has been provided to demonstrate compliance with this budget.

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

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 - 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 Firefighters' Pension Funds.

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued) April 30, 2016

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 - 66 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's progress in funding its obligation to required employee retirement plans and other postemployment benefit plans as well as the budgetary comparison schedule for the General Fund. Required supplementary information can be found on pages 67 - 76 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 77 - 97 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

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

**Statement of Net Position
As of April 30, 2016 and April 30, 2015**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current and Other Assets	\$ 7,857,549	\$ 7,377,169	\$ 460,253	\$ (411,311)	\$ 8,317,802	\$ 6,965,858
Capital Assets	15,751,200	16,198,909	2,927,671	3,057,284	18,678,871	19,256,193
Deferred Outflows	2,252,011	-			2,252,011	-
Total Assets/ Deferred Outflows	<u>25,860,760</u>	<u>23,576,078</u>	<u>3,387,924</u>	<u>2,645,973</u>	<u>29,248,684</u>	<u>26,222,051</u>
Long-Term Liabilities	52,986,132	26,424,310	1,033,206	1,114,317	54,019,338	27,538,627
Other Liabilities	2,013,321	2,426,865	309,616	209,948	2,322,937	2,636,813
Deferred Inflows	24,040,706	529,900	-	-	24,040,706	529,900
Total Liabilities/ Deferred Inflows	<u>79,040,159</u>	<u>29,381,075</u>	<u>1,342,822</u>	<u>1,324,265</u>	<u>80,382,981</u>	<u>30,705,340</u>
Net Position						
Net Investment in Capital Assets	14,986,200	14,956,409	1,877,671	2,007,284	16,863,871	16,963,693
Restricted	351,976	260,821	-	-	351,976	260,821
Unrestricted (Deficit)	<u>(68,517,575)</u>	<u>(21,022,227)</u>	<u>167,431</u>	<u>(685,576)</u>	<u>(68,350,144)</u>	<u>(21,707,803)</u>
Total Net Position	<u>\$ (53,179,399)</u>	<u>\$ (5,804,997)</u>	<u>\$ 2,045,102</u>	<u>\$ 1,321,708</u>	<u>\$ (51,134,297)</u>	<u>\$ (4,483,289)</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2016

The Village decreased beginning net position by \$48.26 million due to the implementation of GASB Statement No. 68, which requires governments to report the net pension liability and related deferred items for the IMRF, Police and Firefighters' Pension funds on the financial statements.

The Village's total net position increased from a restated (\$52.74) million in fiscal year 2015 to (\$51.13) million in fiscal year 2016. The net position for the governmental activities increased \$881 thousand (1.63%) while business-type activities also rose \$723 thousand (54.73%) for a combined increase in net position equal to \$1.60 million or 3.04% over the prior fiscal year.

For the second consecutive year, the Village experienced an increase in its net position for the governmental activities. This increase was mainly attributed to rebounding sales tax and other state shared revenues, newly added revenue streams, and significant fine revenues collected during the year that outpaced the growing unfunded public pension and other postemployment benefit obligations still plaguing the Village.

Cited by the Illinois Department of Insurance in early 2013 for failure to comply with minimum pension funding requirements, the Village's primary financial objective the past three fiscal years has focused on funding the full annual required contribution (ARC) to both the Police and Firefighters' Pension Funds. The lack of consistent pension funding has been the Village's greatest fiscal challenge, as growing public pension obligations continue to put additional pressure on the Village's future financial outlook. The required annual employer contribution for both public safety pension funds totaled approximately \$2.07 million annually; actual contributions were \$2.07 million accounting for 12.13% of total governmental program expenses.

Since the Village also provides postemployment health care and life insurance benefits to employees who retire from service or who are on a permanent duty-related disability leave on a pay as you go basis, the Village's net position for governmental activities further decreased during fiscal year 2016 to reflect the additional \$1.10 million liability to fund these benefits. In general, active employees hired prior to 2011 (2014 for union police officers) receive the majority of the premium costs paid for by the Village, with retirees contributing approximately 9% of the actuarially determined premium for the plan. For all new employees hired after 2011 (2014 for sworn police officers), the Village pays only the implicit age adjusted subsidy.

The net position of the business-type activities rose from \$1.32 million in fiscal year 2015 to \$2.05 million in fiscal year 2016. Focusing on leak detection and water flow deficiencies within its water distribution system, the Village's Public Works Department worked diligently with the Brookfield-North Riverside Water Commission throughout the year to isolate unmetered water loss within the joint system and increase the level of water accountability.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued) April 30, 2016

As the Village continued to address ongoing operational issues within the Water Fund, a comprehensive water rate study was conducted to determine the proper level at which rates need to be set in order to meet current and future fund obligations. As a result of this study, water rates were increased for the third consecutive year to cover rising costs on the purchase of Lake Michigan water from the City of Chicago as well as future infrastructure improvements expected in the upcoming years.

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

Statement of Activities (Changes in Net Position)

The following table summarizes the revenues and expenses of the Village's activities for the fiscal year ended April 30, 2016.

	Changes in Net Position For the Fiscal Years Ended April 30, 2016 and 2015					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program Revenues						
Charges for Services	\$ 5,010,660	\$ 5,429,219	\$ 2,965,980	\$ 2,612,216	\$ 7,976,640	\$ 8,041,435
Capital Grants/ Contributions	151,875	2,368,845	-	-	151,875	2,368,845
General Revenues						
Property Taxes	492,475	496,314	-	-	492,475	496,314
Non-Home Rule Sales	4,047,596	3,786,622	-	-	4,047,596	3,786,622
Other Taxes	1,164,689	1,116,361	-	-	1,164,689	1,116,361
Intergovernmental	6,773,721	6,387,786	-	-	6,773,721	6,387,786
Other General Revenues	62,376	88,578	105,140	72,686	167,516	161,264
Total Revenues	<u>17,703,392</u>	<u>19,673,725</u>	<u>3,071,120</u>	<u>2,684,902</u>	<u>20,774,512</u>	<u>22,358,627</u>
Expenses						
General Government	2,236,721	2,964,587	-	-	2,236,721	2,964,587
Public Safety	10,905,466	11,902,114	-	-	10,905,466	11,902,114
Culture and Recreation	1,194,312	1,093,865	-	-	1,194,312	1,093,865
Public Works	1,442,855	1,281,392	-	-	1,442,855	1,281,392
Building, Health and Zoning	242,661	276,155	-	-	242,661	276,155
Sanitation	545,557	516,043	-	-	545,557	516,043
Interest on Long-Term Debt	254,452	269,959	-	-	254,452	269,959
Water	-	-	2,347,726	2,481,109	2,347,726	2,481,109
Total Expenses	<u>16,822,024</u>	<u>18,304,115</u>	<u>2,347,726</u>	<u>2,481,109</u>	<u>19,169,750</u>	<u>20,785,224</u>
Changes in Net Position	881,368	1,369,610	723,394	203,793	1,604,762	1,573,403
Net Position, May 1 as Restated	<u>(54,060,767)</u>	<u>(7,174,607)</u>	<u>1,321,708</u>	<u>1,117,915</u>	<u>(52,739,059)</u>	<u>(6,056,692)</u>
Net Position, April 30	<u>\$ (53,179,399)</u>	<u>\$ (5,804,997)</u>	<u>\$ 2,045,102</u>	<u>\$ 1,321,708</u>	<u>\$ (51,134,297)</u>	<u>\$ (4,483,289)</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued) April 30, 2016

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 fiscal year 2016, governmental program expenses decreased 8.10% or \$1.48 million from \$18.30 million to \$16.82 million. The majority of this savings is reflected by the reduction of the net pension liability for public safety employees as the Village concentrated on fully funding its pensions.

Fiscal year 2016 reflected solid growth for the Village as general revenues outpaced expenses by \$881 thousand. With less reliance on state shared revenues to fund ongoing village operations, the Village remains confident that any uncertainty at the state level will have little to no impact on the Village's ability to continue delivering its core services.

For the fiscal year ended April 30, 2016, total combined revenues from all governmental activities decreased 10.02% over the prior year, from \$19.67 million to \$17.70 million. Sales tax continues to be the largest single source of revenue for the Village (55% of all governmental revenues), contributing a combined total of \$9.74 million to the Village's overall revenue base. Total sales tax receipts collected during fiscal year 2016 reflected an increase of 6.89% over the prior year as actual receipts were \$169 thousand (1.77%) higher than original budget estimates. Sales tax is comprised of two components in the Village; a 1% municipal share of the state retailer's occupation tax and a 1% local non-home rule sales tax; generating revenue of \$5.70 million and \$4.05 million, respectively.

To supplement its sales tax base, the Village initiated a 1% places for eating tax beginning in August 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 fiscal year, collection of the places for eating tax reflected a 12.88% increase over the prior year as the Village continues to target large national restaurant chains to locate within its boundaries. The Village fully expects this revenue stream to continue to grow in the upcoming years as plans for several new restaurants and food establishments were approved for construction. Reporting stronger than projected tax revenues, video gaming receipts continued to outperform prior year tax receipts by 51.72%. This is second consecutive year of strong growth in the video gaming sector and represents the majority of the 4.33% increase in other taxes from 2015.

Charges for services, the second largest source of revenue for the Village, remained at 28% of total governmental revenues in 2016, decreasing \$419 thousand (7.71%) from \$5.43 million to \$5.01 million. The lion's share of this decrease can be attributed to the reduction in photo-enforcement traffic tickets issued since the program's inception one year ago.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2016

Recognizing the need to stabilize its general revenue base with less economically-sensitive sources and to address the growing pension liabilities, the Village ended its long-standing practice of freezing property taxes. The 2015 tax levy, adopted by the Village Board in December of 2015, represented a 3.5% increase over the prior levy extension and afforded the Village with a limited opportunity to alter its past property tax strategy and capture additional dollars from new construction growth beyond the current low tax cap environment.

Although the Village is not heavily reliant upon property taxes to fund its operations at this time, 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 tax capped communities to anticipate the amount of property tax revenue necessary to be levied and collected on an annual basis. This, in addition to the Village's growing public pension obligation, has forced the Village to re-evaluate its past property tax philosophy in order to generate more dependable revenues and meet growing 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 the municipal share of the state sales tax, 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. Reflecting positive signs of a recovery statewide, the Village's share of state income taxes increased 8.82% in 2016. As mounting financial pressures continue to affect the State of Illinois, the Village's share of future income taxes and other shared revenues are currently being threatened.

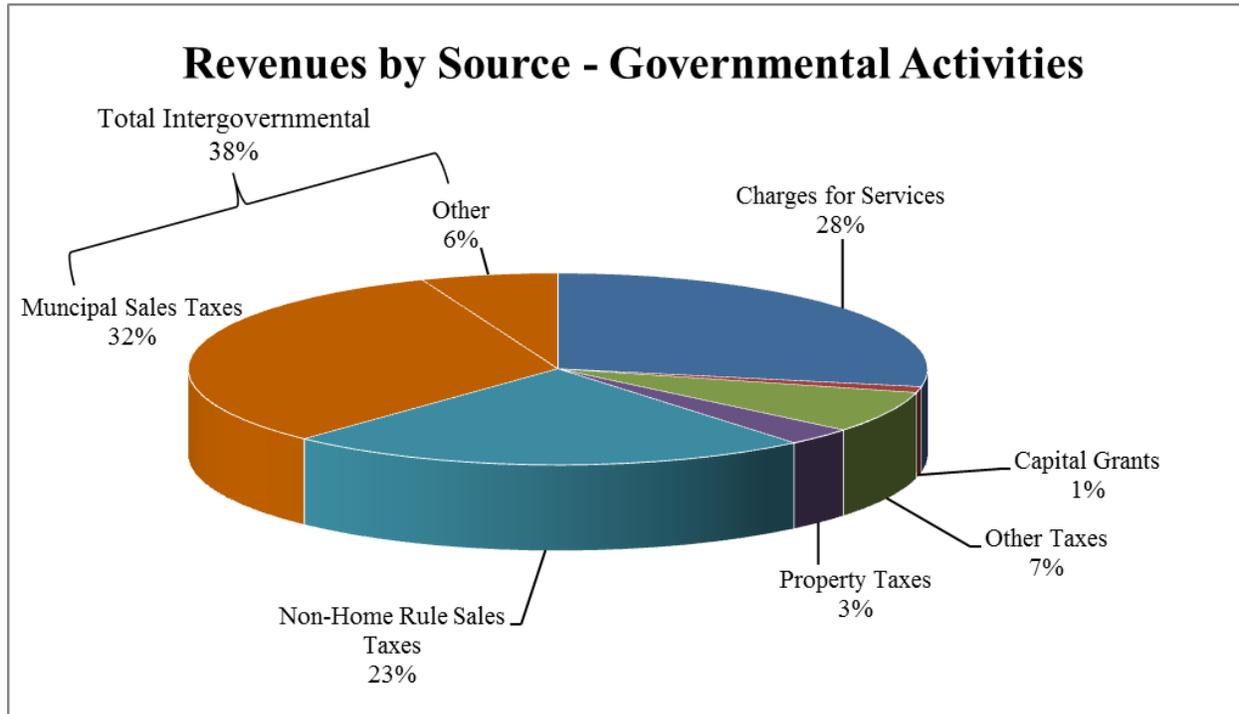
North Riverside also levies a 5% tax on telecommunication services. Collections of telecommunications taxes are performed at the state level and distributed to Illinois municipalities in a manner similar to the local share of sales tax and other state shared revenues. Revenues generated from the telecommunications tax continued to tumble for the tenth 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 and make it necessary for the Village to investigate different revenue sources to make up this difference.

Capital grants and contributions (previously comprising 12% of total governmental activities revenue) decreased 93.59% or \$2.22 million over 2015 figures as North Riverside completed four large construction projects and capital equipment purchases previously funded through federal, state, and county grants.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued) April 30, 2016

The following chart graphically depicts the major revenue sources of the Village for the fiscal year ended April 30, 2016 and clearly demonstrates the Village's heavy reliance on sales tax to fund governmental activities.



Expenses for the governmental activities for the fiscal year ended April 30, 2016 decreased \$1.48 million (8.10%) from \$18.30 million to \$16.82 million. The most significant decrease in expenses at the governmental activities level was due to reductions in net pension liabilities for the police and firefighters' pension funds. No new programs or services were instituted during the fiscal year, as departments once again maintained a truly operational only budget for the ninth straight year and the Village looked to privatization and other cost containment strategies. Capital purchases during the fiscal year were prioritized by each department and limited to only those items necessary to maintain current operations or funded through grant monies.

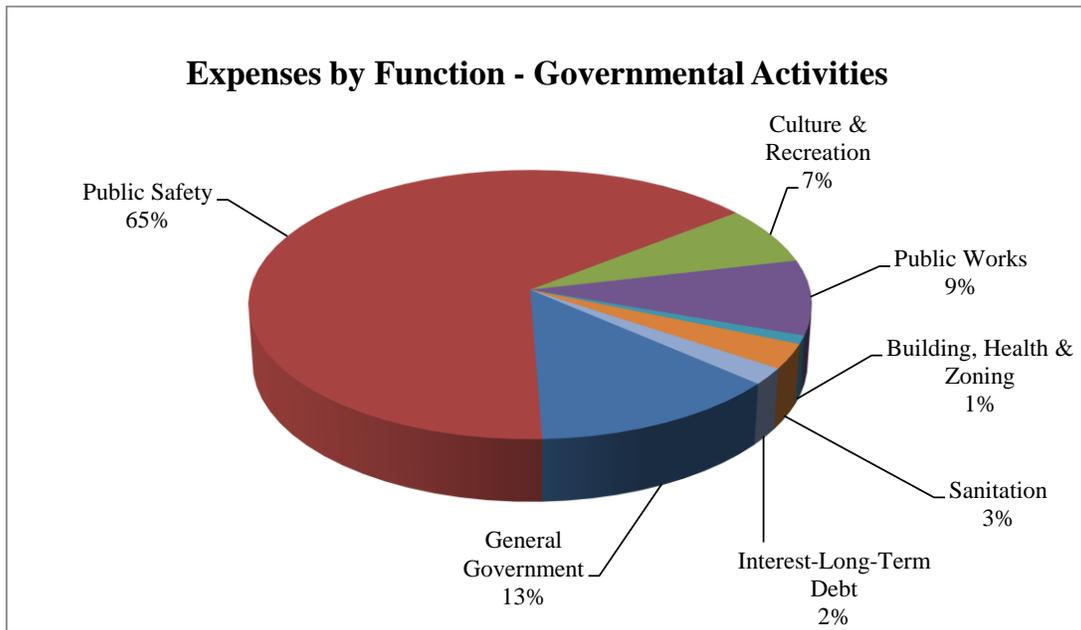
North Riverside's largest share of costs allocated to governmental activities was in the area of public safety, accounting for 65% of total governmental expenses. Public safety activities include the costs associated with the full-time operation of both the Village's fire and police departments, in addition 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 decreased \$997 thousand or 8.37% from the prior year. This decrease was primarily attributed to deferred differences in the total pension liability of the police and firefighters' pension funds between expected and actual experiences, the Village making its full actuarially determined required pension payment for the second consecutive year causing a slowing of the net pension obligation payable and changes in actuarial assumptions.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued) April 30, 2016

General government activities decreased 24.55% (\$728 thousand) and represent approximately 13% of the total governmental expenses. This decrease was offset by the \$1.10 million increase in the actuarial accrued liability for other postemployment benefits (OPEB) provided to Village employees. Consistent funding of the Village's growing public pension and OPEB liabilities continues to be the greatest fiscal challenge facing North Riverside today. These growing liabilities are increasing at an unsustainable pace and pose a potential risk to the Village's long term financial stability.

The public works activities account for 9% of the Village's total governmental expenses and include the costs associated with the Village's Public Works administration, engineering, and parks and streets division staff, regular street maintenance activities (i.e., street sweeping, street patching, parkway tree maintenance, and snow removal), storm sewer cleaning, and other maintenance activities. Total expenses allocated to public works increased 12.60% from \$1.28 million to \$1.44 million in 2016 as the Village focused more heavily on the maintenance and improvement of its public infrastructure.



VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2016

Business-type Activities

Program revenues of the Village's business-type activities increased 54.73% over the prior year, moving from \$1.32 million in 2015 to \$2.05 million in 2016. This increase is mainly attributed to improved customer billing accountability, less leakage and unaccounted water loss within the distribution system, and additional revenue generated from the third straight water rate increase imposed in July of 2015. After undergoing a comprehensive water rate study during fiscal year 2014, the Village identified deficiencies in its current water rate model and re-designed its rate structure to better account for current and future cost assumptions. As a result, the Village Board unanimously passed a water rate increase equal to \$1.50 per thousand gallons and established a new flat \$30 bi-monthly water operations billing charge. These increases generated the necessary dollars required to cover annual operating expenses and rebuild the Water Fund's deteriorating net position.

Business-type expenses decreased during the year by 5.38% from \$2.48 million to \$2.35 million in 2016. This decrease was largely due to a stabilization of the City of Chicago's water rate on the sale of Lake Michigan water to the Brookfield-North Riverside Water Commission and less demand by consumers during the year resulting from rising costs. Prior to 2016, the Village witnessed four consecutive water rates increase from the City of Chicago totally 70% since 2012.

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, unrestricted 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, 2016, the governmental funds reported a combined ending fund balance of \$6.10 million compared to \$5.46 million one year ago. Of the total fund balance reported, \$4.78 million is unassigned, an increase of \$443 thousand or 10.23% from the prior fiscal year. This increase in fund balance was attributed to the Village enacting several new revenue streams during the fiscal year as it continues to address its ongoing public pension funding issue and looks for ways to stabilize its financial position.

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 had an excess of revenues over expenditures of \$1.64 million before transfers to other funds. With \$1.19 million in outgoing operating transfers to fund needed capital improvements and current year debt service requirements, the total net change in fund balance at year end was an increase of \$464 thousand.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued) April 30, 2016

Total General Fund revenues were \$323 thousand (1.97%) higher than in the prior year and exceeded original budget estimates by \$489 thousand. In years where revenues exceed expenditures within the General Fund, excess funds are transferred to other funds to address long term strategic goals consistent with the Village's fund balance policy and the funding of capital replacements as identified in the Village's Capital Improvements Plan. At fiscal year end, the Village's General Fund reserves represented approximately 32% of net operating budgeted expenditures. The General Fund transferred \$450 thousand to the Capital Projects Fund and \$740 thousand to the Debt Service Fund during the year to fund current debt service obligations and capital improvements. No other transfers were needed at year end as the Village reinforced its commitment to eliminate General Fund subsidizes to other funds.

General Fund Budgetary Highlights For the Fiscal Year Ended April 30, 2016

	Original Budget	Final Budget	FY16 Actual	FY15 Actual	% Change
Revenues					
Taxes	\$ 5,642,000	\$ 5,642,000	\$ 5,695,923	\$ 5,394,101	5.60%
Licenses and Permits	959,250	959,250	1,156,574	1,172,285	-1.34%
Intergovernmental	6,429,770	6,429,770	6,713,305	6,240,780	7.57%
Charges for Services	1,058,150	1,058,150	1,074,081	1,194,906	-10.11%
Fines and Forfeitures	2,117,500	2,117,500	2,068,250	2,356,515	-12.23%
Investment Earnings	35,100	35,100	30,183	12,790	135.99%
Miscellaneous	39,550	39,550	32,192	75,787	-57.52%
Total Revenues	16,281,320	16,281,320	16,770,508	16,447,164	1.97%
Expenditures					
General Government	1,102,200	941,550	862,662	969,666	-11.04%
Public Safety	11,702,690	11,847,190	11,592,585	11,229,520	3.23%
Culture and Recreation	1,149,610	1,195,360	1,163,943	1,070,057	8.77%
Public Works	1,405,628	1,307,178	1,267,715	1,246,862	1.67%
Building, Health and Zoning	279,550	269,300	242,661	236,075	2.79%
Total Expenditures	15,639,678	15,560,578	15,129,566	14,752,180	2.56%
Other Financing Sources (Uses)					
Disposal of Capital Assets	-	-	14,085	500	0.00%
Transfers Out	(1,049,500)	(1,191,000)	(1,191,000)	(1,480,000)	-19.53%
Total Other Financing Sources (Uses)	(1,049,500)	(1,191,000)	(1,176,915)	(1,479,500)	-20.45%
Change in Fund Balance	\$ (407,858)	\$ (470,258)	\$ 464,027	\$ 215,484	-115.34%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued) April 30, 2016

Intergovernmental revenues, the largest category of revenues in the General Fund, increased 4.56% over last year and consist of the municipal share of the state sales tax, state income taxes, federal and state grants, and other state shared revenues. The municipal portion of the state sales tax outperformed year end projections by increasing 6.89% compared to the prior year as the Village witnessed stronger than expected growth across all categories of sales. State income tax receipts increased during the year, posting a positive change of 8.82% over the prior fiscal year.

With local unemployment levels (5.9%) remaining higher than the national average (5.0%) for the third straight year, Illinois continues to struggle with its general financial outlook as it continues to lose manufacturing jobs and corporate businesses. With mounting financial pressure at the state level, it is even more imperative that the Village adopt strong financial policies and practices and strengthen its financial position by dealing with its growing pension and OPEB liabilities.

General Fund tax revenue, the second largest category of revenues in the General Fund, includes property, non-home rule sales, telecommunication, utility, places for eating, and video gaming taxes. During fiscal year 2015, General Fund tax revenues rose 5.60% over the prior fiscal year from \$5.39 million to \$5.70 million. Non-home rule sales tax revenue, the largest contributor of this category, grew 6.89% from the prior year and outperformed original budget targets by a marginal 1.19%. With the anticipation of several new businesses opening in the upcoming fiscal year, the Village feels optimistic that its sales tax base will continue to strengthen over the next several years.

Revenue generated in the licenses and permits category decreased 1.34% from the prior year as large construction activity began to slow with the completion of the Harlem & 26th Street Redevelopment Project. Decreases in fines and forfeitures totaled 12.23% over last year and were directly attributed to positive changes in drivers' behavior resulting in less tickets being issued during the second year of the photo-enforced traffic program at the intersection of Harlem and Cermak Roads.

Total expenditures in the General Fund increased 2.56% or \$377 thousand over the prior year. This increase in total expenditures is mainly attributed to growing annual pension costs for public safety employees. Budget transfers were made within the General Fund to cover the Village Board's decision during the fiscal year to fund the police and fire pension funds at 100% of ARC rather than the statutory minimum as originally budgeted. This increased pension contribution demonstrates the Village's continued commitment to funding its public pensions and represents the second consecutive year the Village fully funded its annual pension costs. The final amended budget for all expenditures in the General Fund decreased \$79 thousand over original budget estimates as the majority of those funds were transferred to the Capital Projects Fund to fund additional capital purchases approved by the Village President and Board of Trustees during the fiscal year. Only supplemental appropriations in the Police Pension Fund were approved during the fiscal year to account for police employees retiring mid-year and collecting new pension benefits.

The Debt Service and Capital Projects Funds, also reported as major governmental funds, reported net changes in fund balance at year end of \$1 thousand and \$32 thousand, respectfully, after transfers from the General Fund.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2016

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 at a rate of \$4.94 per thousand gallons. Water is sold to residential and commercial customers at a rate of \$9.05 and \$14.74 per thousand gallons, respectively. An additional flat \$30 bi-monthly water operations fee is also charged to all water customers to help offset ongoing maintenance and infrastructure related improvements to the water distribution system. The spread between the purchase price and respective sale rates is intended to finance the operations of the water and sewer systems, including labor costs, supplies, debt service, and infrastructure maintenance.

Operating expenses decreased 5.45% from \$2.48 million in 2015 to \$2.31 million in 2016. With aggressive leak detection and more frequent surveying of aging water lines, the Village has witnessed a 26% drop in the number of water main breaks and service leaks experienced over the prior year. This drop has resulted in a significant reduction in the levels of unaccounted water loss and allowed the Village to increase its water accountability from the mid 70% to high 80% range in just one year. In addition to reducing the amount of unaccounted water loss, overall water consumption has also dropped 10.7% over the prior year as consumers look for more affordable ways to conserve water given the rising water rate environment experienced the past several years.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Mayor and Village Board approved one amendment to the fiscal year 2016 annual appropriation. This amendment allowed the Village to shift budgeted amounts within line items across funds without altering the total appropriation for the Village. One supplemental appropriation was also approved during the fiscal year. See the financial analysis of the village's funds on the previous pages for further discussion on the General Fund's budgetary highlights.

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, 2016, amounted to \$18.68 million (net of accumulated depreciation), an decrease of 3.00% from the prior year. This investment in capital assets includes land and land improvements, buildings and improvements, vehicles, public infrastructure (i.e. streets and sidewalks), equipment and furniture, and water and sewer system assets.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Management’s Discussion and Analysis (Continued)
April 30, 2016**

**Capital Assets
As of April 30, 2016 and April 30, 2015**

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land and Land Right of Way	\$ 7,088,187	\$ 7,088,187	\$ 215,500	\$ 215,500	\$ 7,303,687	\$ 7,303,687
Buildings and Improvements	8,161,078	8,099,148	1,197,592	1,197,592	9,358,670	9,296,740
Vehicles	3,476,594	3,426,083	102,698	102,698	3,579,292	3,528,781
Equipment and Furniture	2,882,158	2,928,478	-	-	2,882,158	2,928,478
Streets and Sidewalks	5,170,405	4,097,557	-	-	5,170,405	4,097,557
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
Construction in Progress	1,665,078	2,625,994	-	-	1,665,078	2,625,994
	<u>28,443,500</u>	<u>28,265,447</u>	<u>7,831,105</u>	<u>7,831,105</u>	<u>36,274,605</u>	<u>36,096,552</u>
Less: Accumulated Depreciation	<u>(12,692,300)</u>	<u>(12,066,538)</u>	<u>(4,903,434)</u>	<u>(4,773,821)</u>	<u>(17,595,734)</u>	<u>(16,840,359)</u>
Total	<u>\$ 15,751,200</u>	<u>\$ 16,198,909</u>	<u>\$ 2,927,671</u>	<u>\$ 3,057,284</u>	<u>\$ 18,678,871</u>	<u>\$ 19,256,193</u>

Current year capital asset additions totaled \$312 thousand and included replacement of three police squad cars and a new gym floor. Funding for the annual squad car replacement program was provided through the administrative towing revenue collected by the Village and earmarked during the year for such purpose. Construction-in-progress also decreased to reflect the final completion of the Village-wide bicycle path funded from a federal transportation grant, as well as reconstruction of DesPlaines Avenue as part of a Surface Transportation Project Grant. Additional information on the Village of North Riverside’s capital assets can be found in Note 3 on pages 38 - 39 of this report.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued) April 30, 2016

Long-Term Debt

As of April 30, 2016, the Village had total outstanding bonded debt of \$8.07 million as compared to \$8.82 million the previous year. This entire amount of outstanding debt has been issued in the form of debt certificates, payment of which is pledged by the full faith and taxing authority of the Village. In addition to the debt certificates outstanding at April 30, 2016, the Village also currently maintains one installment contract in the total amount of \$25 thousand which will mature in November 2017.

In 2015, Moody's Investors Services reaffirmed the Village's issuer rating of Baa1 (outlook negative) for general obligation debt and Baa2 (outlook negative) for debt certificates. The Baa2 rating on the Village's debt certificates reflect the weaker security of the certificates relative to the general obligation unlimited tax security that is the basis of the issuer rating. Debt certificates are secured by the Village's pledge to appropriate from any and all lawfully available funds but do not benefit from a dedicated tax levy. Citing the Village's increased financial risk stemming from increasing pension liabilities in the police and firefighters' pension funds and upcoming statutory requirements in 2016 that will require the Village to fund 100% of its required annual employer contribution, Moody's analysis further goes on to state that while the Village's reserves are solid at the present time, they were accumulated, in part, through the deferral of annual pension payments and the issuance of long-term debt. The Mayor and Board of Trustees have worked diligently since Moody's first downgraded the Village's rating in 2014 to address their concerns with respect to consistent funding of the Village's public pensions, the growing OPEB obligation and the deficit net position of the Water Fund. North Riverside has made tremendous strides in putting its financial house in order and is optimistic that these positive steps will be regarded favorably by Moody's at the Village's next surveillance review.

The Village, under its non-home rule authority, has a legal debt limit at April 30, 2016 of \$19.81 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 limit, with only \$8.07 million subject to these limits. Additional information on the Village of North Riverside long-term debt can be found in Note 3 on pages 41 - 44 of this report.

ECONOMIC FACTORS

North Riverside has not been immune to the financial challenges facing many local governments throughout this State. The impact of the Great Recession of 2008 continues to be felt today, with the Village's major revenues finally showing recovery above pre-recessionary levels and the Village's EAV beginning to stabilize in value for the first time. The Village responded over the years by reducing expenditures across all major categories, outsourcing services traditionally provided by public employees in order to achieve a more cost effective solution to service delivery, imposing multi-year salary and wage freezes for non-union employees, eliminating post-retirement health care benefits for new hires, implementing 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.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Management's Discussion and Analysis (Continued)

April 30, 2016

North Riverside has always enjoyed a stable and diversified commercial and retail sales base with a large regional shopping center consisting of three national department stores and 130 specialty stores, two major automobile dealers, the nation's leading warehouse club retailer, two 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 posted another year of strong growth. Through aggressive economic development efforts, the Village is cautiously optimistic that additional sales tax growth will continue to occur over the next several years.

The outlook moving forward continues to be guarded as North Riverside focuses on fully funding its public pensions and growing other postemployment benefit obligations and rebuilding the net position of the Water Fund. 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. Des Plaines 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 Position

April 30, 2016

See Following Page

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Statement of Net Position
April 30, 2016**

	Governmental Activities	Business- Type Activities	Totals
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 3,891,172	\$ 75	\$ 3,891,247
Receivables - Net of Allowances			
Property Taxes	267,628	-	267,628
Accounts	474,680	591,381	1,066,061
Accrued Interest	16,894	-	16,894
Other	255,317	-	255,317
Due from Other Governments	2,670,294	-	2,670,294
Prepays and Inventories	146,414	3,947	150,361
Internal Balances	135,150	(135,150)	-
Total Current Assets	<u>7,857,549</u>	<u>460,253</u>	<u>8,317,802</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	8,753,265	215,500	8,968,765
Depreciable	19,690,235	7,615,605	27,305,840
Accumulated Depreciation	(12,692,300)	(4,903,434)	(17,595,734)
Total Noncurrent Assets	<u>15,751,200</u>	<u>2,927,671</u>	<u>18,678,871</u>
Total Assets	<u>23,608,749</u>	<u>3,387,924</u>	<u>26,996,673</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	722,997	-	722,997
Deferred Items - Police Pension	1,102,616	-	1,102,616
Deferred Items - Firefighters' Pension	426,398	-	426,398
Total Deferred Outflows of Resources	<u>2,252,011</u>	<u>-</u>	<u>2,252,011</u>
Total Assets and Deferred Outflows or Resources	<u>25,860,760</u>	<u>3,387,924</u>	<u>29,248,684</u>

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

	Governmental Activities	Business- Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 551,867	\$ 128,543	\$ 680,410
Accrued Payroll	65,033	3,803	68,836
Interest Payable	101,584	13,969	115,553
Deposits Payable	412,551	50,470	463,021
Other Payables	109,745	10,779	120,524
Current Portion of Long-Term Debt	772,541	102,052	874,593
Total Current Liabilities	<u>2,013,321</u>	<u>309,616</u>	<u>2,322,937</u>
Noncurrent Liabilities			
Net Pension Liability			
IMRF	2,025,635	-	2,025,635
Police Pension	20,901,862	-	20,901,862
Firefighters' Pension	14,638,938	-	14,638,938
Net Other Post-Employment Benefit Obligation	7,972,032	-	7,972,032
Compensated Absences Payable	940,165	68,206	1,008,371
Installment Contracts Payable	12,500	-	12,500
Debt Certificates	6,495,000	965,000	7,460,000
Total Noncurrent Liabilities	<u>52,986,132</u>	<u>1,033,206</u>	<u>54,019,338</u>
Total Liabilities	<u>54,999,453</u>	<u>1,342,822</u>	<u>56,342,275</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Items - IMRF	210,066	-	210,066
Deferred Items - Police Pension	13,285,104	-	13,285,104
Deferred Items - Firefighters' Pension	10,000,536	-	10,000,536
Property Taxes	545,000	-	545,000
Total Deferred Inflows of Resources	<u>24,040,706</u>	<u>-</u>	<u>24,040,706</u>
Total Liabilities and Deferred Inflows of Resources	<u>79,040,159</u>	<u>1,342,822</u>	<u>80,382,981</u>
NET POSITION			
Net Investment in Capital Assets	14,986,200	1,877,671	16,863,871
Restricted			
Public Safety	9,351	-	9,351
Motor Fuel Tax	196,369	-	196,369
911 Telephone Service	136,312	-	136,312
Foreign Fire Insurance	9,944	-	9,944
Unrestricted	<u>(68,517,575)</u>	<u>167,431</u>	<u>(68,350,144)</u>
Total Net Position	<u>\$ (53,179,399)</u>	<u>\$ 2,045,102</u>	<u>\$ (51,134,297)</u>

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Statement of Activities
For the Fiscal Year Ended April 30, 2016**

	Expenses	Program Revenues	
		Charges for Services	Capital Grants/ Contributions
Governmental Activities			
General Government	\$ 2,236,721	\$ 777,124	\$ -
Public Safety	10,905,466	2,413,006	137,443
Culture and Recreation	1,194,312	634,859	-
Public Works	1,442,855	24,955	14,432
Building, Health and Zoning	242,661	559,919	-
Sanitation	545,557	600,797	-
Interest on Long-Term Debt	254,452	-	-
Total Governmental Activities	16,822,024	5,010,660	151,875
Business-Type Activities			
Water	2,347,726	2,965,980	-
Total Primary Government	\$ 19,169,750	\$ 7,976,640	\$ 151,875

General Revenues

Taxes

Property

Telecommunication

Utility

Non-Home Rule Sales

Other

Intergovernmental-Unrestricted

Municipal Sales

Income Tax

Replacement Tax

Local Use Tax

Other Taxes

Investment Earnings

Miscellaneous

Change in Net Position

Net Position - Beginning as Restated

Net Position - Ending

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

Net (Expenses)/Revenues		
Primary Government		
Governmental Activities	Business-Type Activities	Totals
\$ (1,459,597)	\$ -	\$ (1,459,597)
(8,355,017)	-	(8,355,017)
(559,453)	-	(559,453)
(1,403,468)	-	(1,403,468)
317,258	-	317,258
55,240	-	55,240
(254,452)	-	(254,452)
(11,659,489)	-	(11,659,489)
-	618,254	618,254
\$ (11,659,489)	\$ 618,254	\$ (11,041,235)
\$ 492,475	\$ -	\$ 492,475
169,603	-	169,603
375,374	-	375,374
4,047,596	-	4,047,596
619,712	-	619,712
5,696,582	-	5,696,582
711,052	-	711,052
40,611	-	40,611
154,814	-	154,814
170,662	-	170,662
30,184	-	30,184
32,192	105,140	137,332
12,540,857	105,140	12,645,997
881,368	723,394	1,604,762
(54,060,767)	1,321,708	(52,739,059)
\$ (53,179,399)	\$ 2,045,102	\$ (51,134,297)

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Balance Sheet - Governmental Funds
April 30, 2016**

	<u>General</u>
ASSETS	
Cash and Investments	\$ 3,881,228
Receivables - Net of Allowances	
Property Taxes	267,628
Accounts	291,617
Other	255,317
Accrued Interest	16,894
Due from Other Funds	135,150
Due from Other Governments	2,381,272
Prepays	27,716
Inventories	<u>118,698</u>
 Total Assets	 <u>\$ 7,375,520</u>
LIABILITIES	
Accounts Payable	\$ 441,977
Accrued Payroll	65,033
Deposits Payable	305,321
Due to Other Funds	975,452
Other Payables	<u>109,745</u>
Total Liabilities	1,897,528
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	<u>545,000</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,442,528</u>
FUND BALANCES	
Nonspendable	146,414
Restricted	9,351
Committed	-
Assigned	-
Unassigned	<u>4,777,227</u>
Total Fund Balances	<u>4,932,992</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>\$ 7,375,520</u>

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

Debt Service	Capital Projects	Nonmajor	Totals
\$ -	\$ -	\$ 9,944	\$ 3,891,172
-	-	-	267,628
-	-	182,123	473,740
-	-	-	255,317
-	-	-	16,894
3,538	395,493	397,268	931,449
-	107,245	181,777	2,670,294
-	-	-	27,716
-	-	-	118,698
<u>\$ 3,538</u>	<u>\$ 502,738</u>	<u>\$ 771,112</u>	<u>\$ 8,652,908</u>
\$ -	\$ -	\$ 106,377	\$ 548,354
-	-	-	65,033
-	-	-	305,321
-	-	-	975,452
-	-	-	109,745
-	-	106,377	2,003,905
-	-	-	545,000
-	-	106,377	2,548,905
-	-	-	146,414
3,538	-	342,625	355,514
-	-	322,110	322,110
-	502,738	-	502,738
-	-	-	4,777,227
<u>3,538</u>	<u>502,738</u>	<u>664,735</u>	<u>6,104,003</u>
<u>\$ 3,538</u>	<u>\$ 502,738</u>	<u>\$ 771,112</u>	<u>\$ 8,652,908</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 Position - Governmental Activities**

April 30, 2016

Total Governmental Fund Balances \$ 6,104,003

Amounts reported for governmental activities in the Statement of Net Position
are different because:

Capital assets used in governmental activities are not financial
resources and therefore, are not reported in the funds. 15,751,200

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 Position. 69,350

Deferred outflows (inflows) of resources related to the pensions not reported in the funds.
Deferred Items - IMRF 512,931
Deferred Items - Police Pension (12,182,488)
Deferred Items - Firefighters' Pension (9,574,138)

Long-term liabilities are not due and payable in the current
period and therefore are not reported in the funds.
Net Other Post-Employment Benefit Obligation Payable (7,972,032)
Compensated Absences Payable (1,175,206)
Net Pension Liability - IMRF (2,025,635)
Net Pension Liability - Police Pension (20,901,862)
Net Pension Liability - Firefighters' Pension (14,638,938)
Installment Contracts Payable (25,000)
Debt Certificates Payable (7,020,000)
Accrued Interest Payable (101,584)

Net Position of Governmental Activities \$ (53,179,399)

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
For the Fiscal Year Ended April 30, 2016**

See Following Page

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2016

	<u>General</u>
Revenues	
Taxes	\$ 5,695,923
Licenses and Permits	1,156,574
Intergovernmental	6,713,305
Charges for Services	1,074,081
Fines and Forfeits	2,068,250
Investment Earnings	30,183
Miscellaneous	32,192
Total Revenues	<u>16,770,508</u>
Expenditures	
Current	
General Government	862,662
Public Safety	11,592,585
Culture and Recreation	1,163,943
Public Works	1,267,715
Building, Health and Zoning	242,661
Sanitation	-
Capital Outlay	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>15,129,566</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,640,942</u>
Other Financing Sources (Uses)	
Disposal of Capital Assets	14,085
Transfers In	-
Transfers Out	<u>(1,191,000)</u>
	<u>(1,176,915)</u>
Net Change in Fund Balances	464,027
Fund Balances - Beginning	<u>4,468,965</u>
Fund Balances - Ending	<u>\$ 4,932,992</u>

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

Debt Service	Capital Projects	Nonmajor	Totals
\$ -	\$ -	\$ 8,837	\$ 5,704,760
-	-	-	1,156,574
-	52,752	185,094	6,951,151
-	-	686,200	1,760,281
-	-	-	2,068,250
-	-	1	30,184
-	-	-	32,192
-	52,752	880,132	17,703,392
-	-	-	862,662
-	-	78,444	11,671,029
-	-	-	1,163,943
-	-	75,406	1,343,121
-	-	-	242,661
-	-	545,557	545,557
-	191,759	36,172	227,931
510,000	247,500	-	757,500
229,923	31,375	-	261,298
739,923	470,634	735,579	17,075,702
(739,923)	(417,882)	144,553	627,690
-	-	-	14,085
741,000	450,000	-	1,191,000
-	-	-	(1,191,000)
741,000	450,000	-	14,085
1,077	32,118	144,553	641,775
2,461	470,620	520,182	5,462,228
\$ 3,538	\$ 502,738	\$ 664,735	\$ 6,104,003

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**

For the Fiscal Year Ended April 30, 2016

Net Change in Fund Balances - Total Governmental Funds **\$ 641,775**

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	311,509
Depreciation Expense	(759,218)
Disposals - Cost	(133,456)
Disposals - Accumulated Depreciation	133,456

The net effect of deferred outflows (inflows) of resources related to the pensions
not reported in the funds.

Change in Deferred Items - IMRF	175,499
Change in Deferred Items - Police Pension	(13,374,574)
Change in Deferred Items - Firefighters' Pension	(10,453,913)

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 Other Post-Employment Benefit Obligation Payable	(1,101,012)
Deductions to Compensated Absences Payable	27,394
Additions to Net Pension Liability - IMRF	(366,781)
Deductions to Net Pension Liability - Police Pension	13,713,607
Deductions to Net Pension Liability - Firefighters' Pension	11,298,012
Retirement of Debt	757,500

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

6,846

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.

4,724

Changes in Net Position of Governmental Activities **\$ 881,368**

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Statement of Net Position - Proprietary Funds
April 30, 2016

See Following Page

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Statement of Net Position - Proprietary Funds
April 30, 2016**

	Business-Type Activities - Enterprise <u>Water</u>	Governmental Activities <u>Internal Service Health Insurance</u>
ASSETS		
Current Assets		
Cash and Investments	\$ 75	\$ -
Receivables - Net of Allowances		
Accounts	591,381	940
Due from Other Funds	-	175,640
Prepays	3,947	-
Total Current Assets	<u>595,403</u>	<u>176,580</u>
Noncurrent Assets		
Capital Assets		
Nondepreciable	215,500	-
Depreciable	7,615,605	-
Accumulated Depreciation	(4,903,434)	-
Total Noncurrent Assets	<u>2,927,671</u>	<u>-</u>
Total Assets	<u>3,523,074</u>	<u>176,580</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	128,543	-
Accrued Payroll	3,803	-
Due to Other Funds	135,150	-
Deposits Payable	50,470	107,230
Other Payables	10,779	-
Interest Payable	13,969	-
Compensated Absences Payable	17,052	-
Debt Certificates Payable	85,000	-
Total Current Liabilities	<u>444,766</u>	<u>107,230</u>
Long-Term Liabilities		
Compensated Absences Payable	68,206	-
Debt Certificates Payable	965,000	-
Total Noncurrent Liabilities	<u>1,033,206</u>	<u>-</u>
Total Liabilities	<u>1,477,972</u>	<u>107,230</u>
NET POSITION		
Net Investment in Capital Assets	1,877,671	-
Unrestricted	167,431	69,350
Total Net Position	<u>\$ 2,045,102</u>	<u>\$ 69,350</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 Position - Proprietary Funds
For the Fiscal Year Ended April 30, 2016**

	Business-Type Activities - Enterprise Water	Governmental Activities Internal Service Health Insurance
Operating Revenues		
Charges for Services	\$ 2,965,980	\$ -
Interfund Services	-	2,275,000
Employee Contributions	-	136,724
Retiree Contributions	-	87,730
Total Operating Revenues	<u>2,965,980</u>	<u>2,499,454</u>
Operating Expenses		
Administration	-	578
Operations	2,184,374	2,494,152
Depreciation	129,613	-
Total Operating Expenses	<u>2,313,987</u>	<u>2,494,730</u>
Operating Income	<u>651,993</u>	4,724
Nonoperating Revenues (Expenses)		
Other Income	105,140	-
Interest and Fiscal Charges	(33,739)	-
	<u>71,401</u>	-
Change in Net Position	723,394	4,724
Net Position - Beginning	<u>1,321,708</u>	64,626
Net Position - Ending	<u>\$ 2,045,102</u>	<u>\$ 69,350</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
For the Fiscal Year Ended April 30, 2016

	Business-Type Activities - Enterprise Water	Governmental Activities Internal Service Health Insurance
Cash Flows from Operating Activities		
Receipts from Customers and Users	\$ 3,029,578	\$ -
Receipts from Interfund Services Provided	-	2,491,664
Payments to Suppliers	(2,614,514)	(2,491,664)
Payments to Employees	(381,325)	-
	33,739	-
Cash Flows from Capital and Related Financing Activities		
Interest and Fiscal Charges on Capital Debt	(33,739)	-
Net Change in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents		
Beginning of Year	75	-
End of Year	\$ 75	\$ -
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	\$ 651,993	\$ 4,724
Adjustments to Reconcile Operating Income Income to Net Cash		
Provided by (used in) Operating Activities:		
Other Income	105,140	-
Depreciation and Amortization Expense	129,613	-
(Increase) Decrease in Current Assets	(41,542)	(7,790)
Increase (Decrease) in Current Liabilities	(811,465)	3,066
Net Cash Provided by Operating Activities	\$ 33,739	\$ -

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Statement of Fiduciary Net Position

April 30, 2016

	<u>Pension Trust</u>
ASSETS	
Cash and Cash Equivalents	\$ 1,834,981
Investments	
U.S. Government and Agency Obligations	7,416,525
Mutual Funds	9,053,259
Common Stock	3,271,244
Corporate Bonds	1,015,015
Municipal Bonds	621,992
Receivables	
Accrued Interest	78,178
Other	28,937
Due from Other Funds	3,513
Prepays	<u>285</u>
NET POSITION	
Net Position Restricted for Pensions	<u><u>\$ 23,323,929</u></u>

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2016**

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 2,071,861
Contributions - Employee	362,320
Miscellaneous	<u>50</u>
Total Contributions	<u>2,434,231</u>
Investment Income	
Interest Earned	740,527
Net Change in Fair Value	<u>(797,172)</u>
	(56,645)
Less Investment Expenses	<u>(82,329)</u>
Net Investment Income	<u>(138,974)</u>
Total Additions	<u>2,295,257</u>
Deductions	
Administration	37,223
Benefits and Refunds	<u>2,733,812</u>
Total Deductions	<u>2,771,035</u>
Change in Fiduciary Net Position	(475,778)
Net Position - Beginning	<u>23,799,707</u>
Net Position - Ending	<u><u>\$ 23,323,929</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, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of North Riverside (Village) 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). 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
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In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

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 from the retired members of the fund and two elected from active participants 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 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 sworn police officers. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

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: 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 fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the FPERS.

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 Position, 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/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

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 position 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/deferred outflows, liabilities/deferred inflows, 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/deferred outflows, liabilities/deferred inflows, 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/deferred outflows, liabilities/deferred inflows, 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, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Total assets/deferred outflows, liabilities/deferred inflows, 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 debt certificate 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 position, 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, 2016

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 position and changes in net position 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 (pension participants) 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, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type 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/deferred outflows and liabilities/deferred inflows 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 position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type 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/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows 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, 2016

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/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits and 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 Position, 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, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION 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 Position. 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.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets – Continued

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.

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:

Buildings and Improvements	10 - 45 Years
Vehicles	3 - 10 Years
Equipment and Furniture	4 - 30 Years
Water and Sewer System	40 - 50 Years
Infrastructure	20 - 50 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.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an outflow or resources (expense)/inflow of resources (revenue) until that future time.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts 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 expenses at the time of issuance.

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.

Net Position

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

Net investment in capital assets – 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 – Consists of net position 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 – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

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, requested appropriations for the upcoming fiscal year and projections for the following two fiscal years.

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 EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following fund had an excess of actual expenses over budget as of the date of this report:

<u>Fund</u>	<u>Excess</u>
Capital Projects	\$ 5,684
Health Insurance	2,130

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

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 Fund are held separately from those of other Village funds. Statutes authorize the Pension Fund 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; credit unions, 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 Funds Market Fund (Formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), 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 and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, pension funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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 \$540,071 and the bank balances totaled \$598,935.

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	\$ 1,469,590	\$ 1,469,590	\$ -
Municipal Bonds	1,881,586	1,214,397	667,189
	<u>\$ 3,351,176</u>	<u>\$ 2,683,987</u>	<u>\$ 667,189</u>

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

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires that any deposit in excess of Banking Insurance Fund and Savings Association Insurance Fund limits to be secured by some form of collateral. The Village will accept any of the following assets as collateral: U.S. Government Securities, Obligations of Federal Agencies, Obligations of Federal Instrumentalities, and Obligations of the State of Illinois. The fair market value of collateral provided will not be less than 110% of the bank balance of deposits, including accrued interest. Pledged collateral will be held in safekeeping by an independent third party acting as agent for the Village. At year-end, the entire amount of the bank balance of deposits was covered by collateral, 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 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 not subject to custodial credit risk.

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 \$464,379 and the bank balances totaled \$464,379.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements April 30, 2016

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. Treasuries	\$ 2,666,024	\$ -	\$ 1,651,312	\$ 1,014,712	\$ -
U.S. Agencies	1,184,526	-	987,166	39,516	157,844
Illinois Funds	630,838	630,838	-	-	-
Corporate Bonds	826,043	-	733,003	93,040	-
	<u>\$ 5,307,431</u>	<u>\$ 630,838</u>	<u>\$ 3,371,481</u>	<u>\$ 1,147,268</u>	<u>\$ 157,844</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. Agency securities were all rated AAA rated by Standard & Poor's, the corporate bonds were rated from BBB+ to AA+ by Standard and Poor's and the investment in the Illinois Funds was rated AAAM 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 investments 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, 2016

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

Concentration Risk – Continued. The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	36%	1.5%
Domestic Equities	42%	6.6%
International Equities	15%	6.3%
Real Estate	3%	9.1%
Blended	4%	2.9%
Cash and Cash Equivalents	0%	0.0%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in May 2016 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April 30, 2016 are listed in the table above.

Rate of Return

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.60%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

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

Concentration Risk – Continued. At year-end, the Funds' investments are in compliance with the guidelines outlined above. In addition to the securities and fair values previously listed, the Fund also has \$5,859,955 invested in mutual funds and \$3,271,244 invested in common stock. At year-end, the Fund has over 5 percent of net plan position available for retirement benefits (other than U.S. Government guaranteed obligations) invested in the Vanguard Total Stock Market Index Signal Fund of \$1,467,517.

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 \$73,229 and the bank balances totaled \$73,229.

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. Treasuries	\$ 346,957	\$ -	\$ 293,012	\$ 53,945	\$ -
U.S. Agencies	3,219,018	150,635	625,519	1,425,312	1,017,552
Illinois Funds	666,535	666,535	-	-	-
Corporate Bonds	188,972	50,120	138,852	-	-
Municipal Bonds	621,992	25,546	390,149	139,769	66,528
	<u>\$ 5,043,474</u>	<u>\$ 892,836</u>	<u>\$ 1,447,532</u>	<u>\$ 1,619,026</u>	<u>\$ 1,084,080</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, 2016

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. Agency securities were all rated AA+, corporate bonds were rated BBB-AAA, and municipal bonds were either not rated or rated AA-AA+, 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.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

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

Concentration Risk – Continued. 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 \$3,193,304 invested in mutual funds. At year-end, the Fund has over 5 percent of net position available for retirement benefits (other than U.S. Government guaranteed obligations) invested in the Vanguard 500 Index Fund of \$738,228, T Rowe Price of \$630,081, and Illinois Funds of \$666,535.

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	60%	0.70% - 1.70%
Domestic Equities	0 - 35%	5.80% - 6.80%
International Equities	0 - 10%	5.90%
Cash and Cash Equivalents	0 - 50%	0.50%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 55%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in May 2016 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April 30, 2016 are listed in the table above.

Rate of Return

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.18%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PROPERTY TAXES

The Village annually establishes a legal right to revenue from property tax assessments upon enactment of a tax levy ordinance by its Village Board. This levy ordinance must be filed with Cook County by the last Tuesday in December. The tax levy becomes an enforceable lien against the property on January 1 of the year following the tax levy year. These taxes are billed and collected by the County Treasurer of Cook County, Illinois. Taxes levied in one year become due and payable in two installments during the following year.

Property taxes are recognized as a receivable at the time they are levied. Revenue from property taxes is recognized as the taxes are collected in the year intended to finance or when they become available to be used to pay liabilities of the current period, generally considered to be within 60 days after year end. Revenue from those taxes which are not considered available is reported as unearned/unavailable revenue. An allowance, based upon historical collection experience, is provided for the uncollectible taxes. All uncollected taxes relating to prior years' levies have been written off.

The property tax calendar for the 2015 tax levy is as follows:

Lien Date	January 1, 2015
Levy Date	December 15, 2015
Tax Bills Mailed (at least 30 days prior to collection deadline)	
First Installment Due Date	April 1, 2016
Second Installment Due Date	August 1, 2016
Fiscal Year Intended to Finance	April 30, 2017

The 2016 tax levy, which attached as an enforceable lien on property as of January 1, 2016, has not been recorded as a receivable as of April 30, 2016, as the tax has not yet been levied by the Village and will not be levied until December 2016 and therefore, the levy is not measureable at April 30, 2016.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

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
Nondepreciable Capital Assets				
Land	\$ 2,774,097	\$ -	\$ -	\$ 2,774,097
Land - Right of Way	4,314,090	-	-	4,314,090
Construction in Progress	2,625,994	111,932	1,072,848	1,665,078
	<u>9,714,181</u>	<u>111,932</u>	<u>1,072,848</u>	<u>8,753,265</u>
Depreciable Capital Assets				
Buildings and Improvements	8,099,148	61,930	-	8,161,078
Vehicles	3,426,083	137,647	87,136	3,476,594
Equipment and Furniture	2,928,478	-	46,320	2,882,158
Infrastructure	4,097,557	1,072,848	-	5,170,405
	<u>18,551,266</u>	<u>1,272,425</u>	<u>133,456</u>	<u>19,690,235</u>
Less Accumulated Depreciation				
Buildings and Improvements	5,486,664	186,650	-	5,673,314
Vehicles	2,312,989	306,012	87,136	2,531,865
Equipment and Furniture	2,035,280	134,303	46,320	2,123,263
Infrastructure	2,231,605	132,253	-	2,363,858
	<u>12,066,538</u>	<u>759,218</u>	<u>133,456</u>	<u>12,692,300</u>
 Total Net Depreciable Capital Assets	 <u>6,484,728</u>	 <u>513,207</u>	 <u>-</u>	 <u>6,997,935</u>
 Total Net Capital Assets	 <u>\$ 16,198,909</u>	 <u>\$ 625,139</u>	 <u>\$ 1,072,848</u>	 <u>\$ 15,751,200</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 113,883
Public Safety	417,569
Culture and Recreation	30,369
Public Works	<u>197,397</u>
	<u>\$ 759,218</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

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:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Nondepreciable Capital Assets				
Land	<u>\$ 215,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 215,500</u>
Depreciable Capital Assets				
Buildings and Improvements	1,197,592	-	-	1,197,592
Water System	5,020,350	-	-	5,020,350
Sewer System	1,294,965	-	-	1,294,965
Vehicles	102,698	-	-	102,698
	<u>7,615,605</u>	<u>-</u>	<u>-</u>	<u>7,615,605</u>
Less Accumulated Depreciation				
Buildings and Improvements	134,466	29,940	-	164,406
Water System	3,542,241	83,338	-	3,625,579
Sewer System	999,215	11,535	-	1,010,750
Vehicles	97,899	4,800	-	102,699
	<u>4,773,821</u>	<u>129,613</u>	<u>-</u>	<u>4,903,434</u>
Total Net Depreciable Capital Assets	<u>2,841,784</u>	<u>(129,613)</u>	<u>-</u>	<u>2,712,171</u>
Total Net Capital Assets	<u>\$ 3,057,284</u>	<u>\$ (129,613)</u>	<u>\$ -</u>	<u>\$ 2,927,671</u>

Depreciation expense of \$129,613 was charged to the water business-type activity.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

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	Water	\$ 135,150
Debt Service	General	3,538
Capital Projects	General	395,493
Nonmajor Governmental	General	397,268
Health Insurance	General	175,640
Police Pension	General	3,383
Firefighters' Pension	General	<u>130</u>
		<u><u>\$ 1,110,602</u></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>
Debt Service	General	\$ 741,000
Capital Projects	General	<u>450,000</u>
		<u><u>\$ 1,191,000</u></u>

Transfers are used to 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, 2016**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

Debt Certificates

The Village issues debt certificates to provide funds for the acquisition and construction of major capital projects and to provide financial assistance to developers for redevelopment within the Village. Debt certificates are direct obligations and pledge the full faith and credit of the Village. Debt certificates currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balance	Issuances	Retirements	Ending Balance
Debt Certificates of 2011A, due in annual installments of \$85,000 to \$110,000 plus interest at 2.55% to 3.75% through December 1, 2026.	Water	\$ 1,050,000	\$ -	\$ -	\$ 1,050,000
Debt Certificates of 2011A, due in annual installments of \$215,000 to \$230,000 plus interest at 2.00% through December 1, 2015.	Debt Service	230,000	-	230,000	-
Debt Certificates of 2011B, due in annual installments of \$220,000 to \$255,000 plus interest at 1.40% to 3.70% through December 1, 2018.	Capital Projects	975,000	-	235,000	740,000
Debt Certificates of 2013, due in annual installments of \$225,000 to \$485,000 plus interest at 2.00% to 4.00% through December 1, 2032.	Capital Projects	6,560,000	-	280,000	6,280,000
		<u>\$ 8,815,000</u>	<u>\$ -</u>	<u>\$ 745,000</u>	<u>\$ 8,070,000</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Installment Contracts

The Village has established installment contracts payable as follows:

Issue	Fund Debt Retired by	Beginning Balance	Issuances	Retirements	Ending Balance
\$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	\$ 37,500	\$ -	\$ 12,500	\$ 25,000

Long-Term Liability Activity

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

Type of Debt	Restated Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 1,202,600	\$ 27,395	\$ 54,789	\$ 1,175,206	\$ 235,041
Net Pension Liability					
IMRF	1,658,854	366,781	-	2,025,635	-
Police Pension	34,615,469	-	13,713,607	20,901,862	-
Firefighters' Pension	25,936,950	-	11,298,012	14,638,938	-
Net Other Post-Employment					
Benefit Obligation	6,871,020	1,101,012	-	7,972,032	-
Debt Certificates	7,765,000	-	745,000	7,020,000	525,000
Installment Contracts	37,500	-	12,500	25,000	12,500
	<u>\$ 78,087,393</u>	<u>\$ 1,495,188</u>	<u>\$ 25,823,908</u>	<u>\$ 53,758,673</u>	<u>\$ 772,541</u>
Business-Type Activities					
Compensated Absences	\$ 80,396	\$ 9,724	\$ 4,862	\$ 85,258	\$ 17,052
Debt Certificates	1,050,000	-	-	1,050,000	85,000
	<u>\$ 1,130,396</u>	<u>\$ 9,724</u>	<u>\$ 4,862</u>	<u>\$ 1,135,258</u>	<u>\$ 102,052</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

For governmental activities, payments on the compensated absences, the net pension liabilities and net other post-employment benefits obligation are generally made by the General Fund. Payments on the Debt Certificates are made by the Debt Service, Capital Projects, and Water Funds. The Capital Projects Fund makes payments on the installment contracts. For business-type activities, 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	Governmental Activities				Business-Type Activities	
	Debt Certificates		Installment Contracts		Debt Certificates	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 525,000	\$ 243,802	\$ 12,500	\$ -	\$ 85,000	\$ 33,525
2018	535,000	230,902	12,500	-	85,000	31,358
2019	550,000	217,017	-	-	85,000	29,190
2020	305,000	198,732	-	-	90,000	27,023
2021	315,000	189,582	-	-	90,000	24,727
2022	325,000	180,132	-	-	95,000	21,757
2023	335,000	170,382	-	-	95,000	18,623
2024	345,000	159,494	-	-	100,000	15,487
2025	360,000	145,694	-	-	105,000	12,187
2026	375,000	131,294	-	-	110,000	8,250
2027	385,000	116,294	-	-	110,000	4,125
2028	405,000	100,894	-	-	-	-
2029	420,000	84,694	-	-	-	-
2030	435,000	67,894	-	-	-	-
2031	450,000	52,125	-	-	-	-
2032	470,000	35,812	-	-	-	-
2033	485,000	18,188	-	-	-	-
Totals	\$ 7,020,000	\$ 2,342,932	\$ 25,000	\$ -	\$ 1,050,000	\$ 226,252

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

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

Assessed Valuation - 2015	<u>\$ 229,627,725</u>
Bonded Debt Limit - 8.625% of Assessed Value	19,805,391
Amount of Debt Applicable to Limit	<u>8,070,000</u>
Legal Debt Margin	<u>\$ 11,735,391</u>

NET POSITION/FUND BALANCE

Net Position/Fund Balance Restatements

Net position was restated due to the implementation of GASB Statement No. 68. The following is a summary of the net position as originally reported and as restated:

<u>Net Position</u>	<u>As Reported</u>	<u>As Restated</u>	<u>(Decrease)</u>
Governmental Activities	\$ (5,804,997)	(54,060,767)	(48,255,770)

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of April 30, 2016:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 15,751,200
Less Capital Related Debt:	
Installment Contracts	(25,000)
Debt Certificates - 2011A and 2011B	<u>(740,000)</u>
Net Investment in Capital Assets	<u>\$ 14,986,200</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 2,927,671
Less Capital Related Debt:	
Debt Certificates	<u>(1,050,000)</u>
Net Investment in Capital Assets	<u>\$ 1,877,671</u>

FUND BALANCE CLASSIFICATIONS

In the governmental funds financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Minimum Fund Balance Policy. The Village’s policy manual states that the General Fund should maintain a minimum unrestricted fund balance equal to three months of budgeted operating expenditures, excluding transfers and capital expenditures. Fund balances in excess of said levels may be transferred to the capital projects fund at the discretion of the Board.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS – Continued

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Debt Service	Capital Projects	Nonmajor	Totals
Fund Balances					
Nonspendable					
Prepays	\$ 27,716	\$ -	\$ -	\$ -	\$ 27,716
Inventories	118,698	-	-	-	118,698
	<u>146,414</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>146,414</u>
Restricted					
Public Safety	9,351	-	-	-	9,351
Debt Service	-	3,538	-	-	3,538
Motor Fuel Tax	-	-	-	196,369	196,369
911 Telephone Service	-	-	-	136,312	136,312
Foreign Fire Insurance	-	-	-	9,944	9,944
	<u>9,351</u>	<u>3,538</u>	<u>-</u>	<u>342,625</u>	<u>355,514</u>
Committed					
Refuse	-	-	-	322,110	322,110
Assigned					
Capital Projects	-	-	502,738	-	502,738
Unassigned					
	<u>4,777,227</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,777,227</u>
Total Fund Balances	<u>\$ 4,932,992</u>	<u>\$ 3,538</u>	<u>\$ 502,738</u>	<u>\$ 664,735</u>	<u>\$ 6,104,003</u>

Committed Fund Balance. The Village reports committed fund balance in the Refuse Fund. Formal Village Board action, through the passage of an ordinance, is required to establish, modify or rescind a fund balance commitment. The Village Board has committed these funds for future refuse services provided to the residents of the Village.

Assigned Fund Balance. The Village reports assigned fund balance in the Capital Projects Fund, a major fund. The Village’s Board, through the Village’s adopted fund balance policy, has given authority to management (Village Administrator/Finance Director) to assign these funds to future capital needs and improvement projects based on approved Board/management expenditures as determined through the annual budget process.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

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.

The separate accounts of the IPBC are as follows:

Administration Account - This account is used to control and pay the administrative expenses of the IPBC.

Benefit Account - This account is used to control and account for the costs associated with the indemnity program, primarily the various PPO programs.

HMO Account - This account is used to control and account for the costs associated with the HMO program. Currently, the Village does not offer a HMO program.

Terminal Reserve Account - This account is used to accumulate declared dividends payable to the members. The balance is recorded on the Village’s balance sheet in the Health Insurance Fund.

See below for listing of the balances held by the IPBC related to the Village:

	<u>Administration</u>	<u>Benefit</u>	<u>HMO</u>	<u>Terminal Reserve</u>	<u>Ending Balances</u>
North Riverside	\$ 6,810	\$ 752,436	\$ -	\$ (107,230)	\$ 652,016

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES

Litigation

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

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement (IMRF)

Plan Descriptions

Plan Administration. All employees (other than those covered by the Police and Firefighters' Pension Plan) hired in positions that need or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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

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

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

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement (IMRF) – Continued

Plan Descriptions – Continued

Plan Membership. As of December 31, 2015, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	27
Inactive Plan Members Entitled to but not yet Receiving Benefits	8
Active Plan Members	<u>28</u>
Total	<u><u>63</u></u>

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2015 was 13.29% of covered payroll.

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2015, using the following actuarial methods and assumptions:

Actuarial Valuation Date	12/31/2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.48%
Salary Increases	3.75% to 14.50%
Cost of Living Adjustments	3.50%
Inflation	3.50%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement (IMRF) – Continued

Plan Descriptions – Continued

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

Discount Rate

A Single Discount Rate of 7.48% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.48%.

Discount Rate Sensitivity

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.48%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.48%)	Current Discount Rate (7.48%)	1% Increase (8.48%)
Net Pension Liability	\$ 3,942,815	2,025,635	454,508

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement (IMRF) – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	\$ 13,010,425	11,351,571	1,658,854
Changes for the Year:			
Service Cost	219,002	-	219,002
Interest on the Total Pension Liability	960,372	-	960,372
Difference Between Expected and Actual Experience of the Total Pension Liability	(260,748)	-	(260,748)
Changes of Assumptions	-	-	-
Contributions - Employer	-	248,607	(248,607)
Contributions - Employees	-	84,178	(84,178)
Net Investment Income	-	56,186	(56,186)
Benefit Payments, including Refunds of Employee Contributions	(561,445)	(561,445)	-
Other (Net Transfer)	-	162,874	(162,874)
Net Changes	357,181	(9,600)	366,781
Balances at December 31, 2015	13,367,606	11,341,971	2,025,635

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement (IMRF) – Continued

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

For the year ended April 30, 2016, the Village recognized pension expense of \$191,282. At April 30, 2016, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	(210,066)	(210,066)
Change in Assumptions	-	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	634,172	-	634,172
Pension Contributions Made Subsequent to the Measurement Date	88,825	-	88,825
Total Deferred Amounts Related to IMRF	<u>722,997</u>	<u>(210,066)</u>	<u>512,931</u>

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

Fiscal Year	Net Deferred Outflows of Resources
2017	\$ 196,686
2018	107,861
2019	107,861
2020	107,861
2021	(7,338)
Thereafter	<u>-</u>
Total	<u>512,931</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At April 30, 2016, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	31
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>26</u>
Total	<u><u>57</u></u>

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

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ 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 annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements
April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police office retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent of ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. 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 and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2016, the Village’s contribution was 47.9% of covered payroll.

Concentrations. At year end, the Pension Plan has investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net position available for benefits as follows:

Investment	Amount
Vanguard Total Stock Market Index Siganl Fund	\$ 1,467,517

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2016, using the following actuarial methods and assumptions:

Actuarial Valuation Date	4/30/16
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.50%
Salary Increases	3.50% - 18.13%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates are based on the assumption study prepared by an independent actuary in 2016. The table combines observed experience of Illinois Police Officers with the RP-2014 mortality table for blue collar workers. Mortality improvements have been made to 5 years past the valuation date.

Discount Rate

The discount rate used to measure the total pension liability was 7.50%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate as well as what the Village’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	\$ 25,613,377	20,901,862	17,016,142

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2015	\$ 50,135,829	15,520,360	34,615,469
Changes for the Year:			
Service Cost	378,988	-	378,988
Interest on the Total Pension Liability	3,695,364	-	3,695,364
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	(1,321,990)	-	(1,321,990)
Changes of Assumptions	(15,284,390)	-	(15,284,390)
Contributions - Employer	-	1,192,086	(1,192,086)
Contributions - Employees	-	240,847	(240,847)
Other Income	-	50	(50)
Net Investment Income	-	(226,323)	226,323
Benefit Payments, including Refunds of Employee Contributions	(1,728,605)	(1,728,605)	-
Administrative Expenses	-	(25,081)	25,081
Net Changes	(14,260,633)	(547,026)	(13,713,607)
Balances at April 30, 2016	35,875,196	14,973,334	20,901,862

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

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

For the year ended April 30, 2016, the Village recognized pension revenue of \$339,033. At April 30, 2016, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	(1,057,592)	(1,057,592)
Change in Assumptions	-	(12,227,512)	(12,227,512)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,102,616	-	1,102,616
Total Deferred Amounts Related to Police Pension	<u>1,102,616</u>	<u>(13,285,104)</u>	<u>(12,182,488)</u>

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

Fiscal Year	Net Deferred Inflows of Resources
2017	\$ (3,045,621)
2018	(3,045,621)
2019	(3,045,621)
2020	(3,045,625)
2021	-
Thereafter	-
Total	<u>(12,182,488)</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters’ Pension Plan

Plan Descriptions

Plan Administration. The Firefighters’ Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active fire employees.

Plan Membership. At April 30, 2016, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	17
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members	<u>14</u>
Total	<u><u>32</u></u>

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

The Firefighters’ Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ 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 annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements
April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters’ Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters’ salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the police office retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent of ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.455% of their base salary to the Firefighters’ Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2016, the Village’s contribution was 67.8% of covered payroll.

Significant Investments. At year end, the Pension Plan has investments (other than U.S. Government and U.S. Government-guaranteed obligations) in any one organization that represent 5 percent or more of net position available for benefits as follows:

Investment	Amount
Vanguard 500 Index Fund	\$ 738,228
T Rowe Price	630,081
Illinois Fund	666,535

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters’ Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2016, using the following actuarial methods and assumptions:

Actuarial Valuation Date	4/30/16
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.50%
Salary Increases	3.50% - 22.49%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates are based on the assumption study prepared by an independent actuary in 2016. The table combines observed experience of Illinois Firefighters with the RP-2014 mortality table for blue collar workers. Mortality improvements have been made to 5 years past the valuation date.

Discount Rate

The discount rate used to measure the total pension liability was 7.50%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund’s fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters’ Pension Plan – Continued

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate as well as what the Village’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	\$ 17,669,958	14,638,938	12,127,111

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2015	\$ 34,216,297	8,279,347	25,936,950
Changes for the Year:			
Service Cost	217,973	-	217,973
Interest on the Total Pension Liability	2,528,527	-	2,528,527
Difference Between Expected and Actual Experience of the Total Pension Liability	(1,486,482)	-	(1,486,482)
Changes of Assumptions	(11,481,575)	-	(11,481,575)
Contributions - Employer	-	879,775	(879,775)
Contributions - Employees	-	121,473	(121,473)
Net Investment Income	-	87,349	(87,349)
Benefit Payments, including Refunds of Employee Contributions	(1,005,207)	(1,005,207)	-
Administrative Expenses	-	(12,142)	12,142
Net Changes	(11,226,764)	71,248	(11,298,012)
Balances at April 30, 2016	22,989,533	8,350,595	14,638,938

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters’ Pension Plan – Continued

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

For the year ended April 30, 2016, the Village recognized pension revenue of \$844,099. At April 30, 2016, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	(1,146,325)	(1,146,325)
Change in Assumptions	-	(8,854,211)	(8,854,211)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	426,398	-	426,398
Total Deferred Amounts Related to Firefighters' Pension	<u>426,398</u>	<u>(10,000,536)</u>	<u>(9,574,138)</u>

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

Fiscal Year	Net Deferred Inflows of Resources
2017	\$ (2,860,920)
2018	(2,860,920)
2019	(2,860,920)
2020	(991,378)
2021	-
Thereafter	<u>-</u>
Total	<u>(9,574,138)</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Notes to the Financial Statements
April 30, 2016**

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, 2016, retirees contributed \$74,108. Active employees do not contribute to the plan until retirement.

At April 30, 2016, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but not yet Receiving Them	61
Active Employees	<u>55</u>
Total	<u>116</u>
Participating Employers	1

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements April 30, 2016

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, 2016, was calculated as follows:

Annual Required Contribution	\$ 2,170,558
Interest on the NPO	309,196
Adjustment to the ARC	<u>(246,497)</u>
Annual OPEB Cost	2,233,257
Actual Contribution	<u>1,132,245</u>
Increase in the NOPEBO	1,101,012
NOPEBO - Beginning	<u>6,871,020</u>
NOPEBO - Ending	<u><u>7,972,032</u></u>

Trend Information

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

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 2,348,835	\$ 613,348	26.11%	\$ 5,032,037
2015	2,495,265	656,282	26.30%	6,871,020
2016	2,233,257	1,132,245	50.70%	7,972,032

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Notes to the Financial Statements

April 30, 2016

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, 2016 was as follows:

Actuarial Accrued Liability (AAL)	\$ 37,699,979
Actuarial Value of Plan Assets	\$ -
Unfunded Actuarial Accrued Liability (UAAL)	\$ 37,699,979
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Covered Payroll (Active Plan Members)	\$ 4,985,712
UAAL as a Percentage of Covered Payroll	756.16%

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, 2016 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 4.50% investment rate of return (net of administrative expenses), and an annual healthcare cost trend rate of 4.20%, with an ultimate rate of 5.50%. Both rates include a 2.5% 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 dollar amount on an open basis. The remaining amortization period at April 30, 2016, 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

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

- Schedule of Changes in the Employer's Net Pension Liability
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund

- Schedule of Investment Returns
 - Police Pension Fund
 - Firefighters' Pension Fund

- Budgetary Comparison Schedule
 - General Fund

Notes to the Required Supplementary Information

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Other Post-Employment Benefit Plan

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
April 30, 2016**

Funding Progress

Actuarial Valuation Date	(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)
Apr. 30						
2011	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A
2012	N/A	N/A	N/A	N/A	N/A	N/A
2013	-	27,172,353	0.00%	27,172,353	4,856,690	559.48%
2014	N/A	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A	N/A
2016	-	37,699,979	0.00%	37,699,979	4,985,712	756.16%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2011	\$ 584,161	\$ 1,114,160	52.43%
2012	584,161	1,181,010	49.46%
2013	613,348	2,211,337	27.74%
2014	613,348	2,388,244	25.68%
2015	656,282	2,555,421	25.68%
2016	1,132,245	2,170,558	52.16%

The Village is required to have an actuarial valuation performed triennially.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Employer Contributions
April 30, 2016**

Calendar Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 248,607	\$ 248,607	\$ -	\$ 1,870,630	13.29%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	28 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	3.0%
Salary Increases	4.4% - 16.0%
Investment Rate of Return	7.5%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men 120% of the table rates were used. For women 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Employer Contributions
April 30, 2016**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 1,092,237	\$ 1,092,005	\$ (232)	\$ 2,455,335	44.5%
2016	1,192,086	1,192,086	-	2,491,162	47.9%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	25 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.50 - 18.13%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	Independent Actuary 2016 Illinois Police Mortality Rates

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Employer Contributions
April 30, 2016**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 773,055	\$ 723,859	\$ (49,196)	\$ 1,356,536	53.4%
2016	879,775	879,775	-	1,298,088	67.8%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	25 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.50 - 22.49%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	Independent Actuary 2016 Illinois Firefighters Mortality Rates

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2016

	<u>12/31/2015</u>
Total Pension Liability	
Service Cost	\$ 219,002
Interest	960,372
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	(260,748)
Change of Assumptions	-
Benefit Payments, Including Refunds of Member Contributions	<u>(561,445)</u>
Net Change in Total Pension Liability	357,181
Total Pension Liability - Beginning	<u>13,010,425</u>
Total Pension Liability - Ending	<u><u>13,367,606</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 248,607
Contributions - Members	84,178
Net Investment Income	56,186
Benefit Payments, Including Refunds of Member Contributions	(561,445)
Administrative Expense	<u>162,874</u>
Net Change in Plan Fiduciary Net Position	(9,600)
Plan Net Position - Beginning	<u>11,351,571</u>
Plan Net Position - Ending	<u><u>11,341,971</u></u>
Employer's Net Pension Liability	<u><u>\$ 2,025,635</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.8%
Covered-Employee Payroll	\$ 1,870,630
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	108.3%

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2016**

	2015	2016
Total Pension Liability		
Service Cost	\$ 1,091,089	378,988
Interest	1,974,029	3,695,364
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience	-	(1,321,990)
Change of Assumptions	-	(15,284,390)
Benefit Payments, Including Refunds of Member Contributions	(1,685,250)	(1,728,605)
Net Change in Total Pension Liability	1,379,868	(14,260,633)
Total Pension Liability - Beginning	48,755,961	50,135,829
Total Pension Liability - Ending	50,135,829	35,875,196
Plan Fiduciary Net Position		
Contributions - Employer	\$ 1,092,005	1,192,086
Contributions - Members	238,590	240,847
Other Income	-	50
Net Investment Income	988,376	(226,323)
Benefit Payments, Including Refunds of Member Contributions	(1,685,250)	(1,728,605)
Administrative Expense	(9,381)	(25,081)
Net Change in Plan Fiduciary Net Position	624,340	(547,026)
Plan Net Position - Beginning	14,896,020	15,520,360
Plan Net Position - Ending	15,520,360	14,973,334
Employer's Net Pension Liability	\$ 34,615,469	20,901,862
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	31.0%	41.7%
Covered-Employee Payroll	\$ 2,455,335	2,491,162
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	1409.8%	839.0%

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2016**

	2015	2016
Total Pension Liability		
Service Cost	\$ 697,066	217,973
Interest	1,307,767	2,528,527
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience	-	(1,486,482)
Change of Assumptions	-	(11,481,575)
Benefit Payments, Including Refunds of Member Contributions	(965,430)	(1,005,207)
Net Change in Total Pension Liability	1,039,403	(11,226,764)
Total Pension Liability - Beginning	33,176,894	34,216,297
Total Pension Liability - Ending	34,216,297	22,989,533
Plan Fiduciary Net Position		
Contributions - Employer	\$ 723,859	879,775
Contributions - Members	129,847	121,473
Net Investment Income	530,847	87,349
Benefit Payments, Including Refunds of Member Contributions	(965,430)	(1,005,207)
Administrative Expense	(11,268)	(12,142)
Net Change in Plan Fiduciary Net Position	407,855	71,248
Plan Net Position - Beginning	7,871,492	8,279,347
Plan Net Position - Ending	8,279,347	8,350,595
Employer's Net Pension Liability	\$ 25,936,950	14,638,938
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	24.2%	36.3%
Covered-Employee Payroll	\$ 1,356,536	1,298,088
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	1912.0%	1127.7%

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Investment Returns
April 30, 2016**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	7.65%
2016	4.60%

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information

Schedule of Investment Returns

April 30, 2016

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	7.24%
2016	1.18%

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 5,642,000	\$ 5,642,000	\$ 5,695,923
Licenses and Permits	959,250	959,250	1,156,574
Intergovernmental	6,429,770	6,429,770	6,713,305
Charges for Services	1,058,150	1,058,150	1,074,081
Fines and Forfeits	2,117,500	2,117,500	2,068,250
Investment Earnings	35,100	35,100	30,183
Miscellaneous	39,550	39,550	32,192
Total Revenues	<u>16,281,320</u>	<u>16,281,320</u>	<u>16,770,508</u>
Expenditures			
General Government	1,102,200	941,550	862,662
Public Safety	11,702,690	11,847,190	11,592,585
Culture and Recreation	1,149,610	1,195,360	1,163,943
Public Works	1,405,628	1,307,178	1,267,715
Building, Health and Zoning	279,550	269,300	242,661
Total Expenditures	<u>15,639,678</u>	<u>15,560,578</u>	<u>15,129,566</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>641,642</u>	<u>720,742</u>	<u>1,640,942</u>
Other Financing Sources (Uses)			
Disposal of Capital Assets	-	-	14,085
Transfers Out	(1,049,500)	(1,191,000)	(1,191,000)
	<u>(1,049,500)</u>	<u>(1,191,000)</u>	<u>(1,176,915)</u>
Net Change in Fund Balance	<u>\$ (407,858)</u>	<u>\$ (470,258)</u>	464,027
Fund Balance - Beginning			<u>4,468,965</u>
Fund Balance - Ending			<u>\$ 4,932,992</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, a major 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

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 debt certificate 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 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
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Taxes			
Property	\$ 522,000	\$ 522,000	\$ 492,475
Non-Home Rule Sales	4,000,000	4,000,000	4,047,596
Simplified Municipal Telecommunications	180,000	180,000	169,603
Utility	400,000	400,000	375,374
Places for Eating	435,000	435,000	478,437
Video Gaming	105,000	105,000	132,438
	<u>5,642,000</u>	<u>5,642,000</u>	<u>5,695,923</u>
Licenses and Permits			
Liquor Licenses	75,000	75,000	112,722
Vehicle Licenses	160,000	160,000	157,615
Business Licenses	235,000	235,000	232,334
Television Franchise Fee	105,000	105,000	116,951
Telephone Franchise Fee	9,000	9,000	9,208
Amusement Taxes	52,000	52,000	88,441
Building Permits	225,000	225,000	342,038
Electrical Permits	10,000	10,000	10,796
Contractor Registration	70,000	70,000	66,725
Other Licenses and Permits	18,250	18,250	19,744
	<u>959,250</u>	<u>959,250</u>	<u>1,156,574</u>
Intergovernmental			
Municipal Sales	5,575,000	5,575,000	5,696,582
State Income	600,000	600,000	711,052
Local Use	100,000	100,000	154,814
Personal Property Replacement	40,000	40,000	40,611
Fire and Police Training Reimbursement	1,000	1,000	600
Grants			
Badge	16,425	16,425	16,426
Other	72,345	72,345	68,265
IDOT Street Maintenance Reimbursement	25,000	25,000	24,955
	<u>6,429,770</u>	<u>6,429,770</u>	<u>6,713,305</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Charges for Services			
Recreation Fees	\$ 557,600	\$ 557,600	\$ 634,859
Ambulance Fees	250,000	250,000	178,513
Advertising-Bus Shelter	25,000	25,000	21,877
Elevator Inspections	30,000	30,000	31,680
Pre-Sale Inspections	35,000	35,000	39,135
Sign Inspections	48,000	48,000	50,645
Security Alarm Connections	32,000	32,000	32,733
Fire Inspections	45,000	45,000	47,507
Health Inspections	17,000	17,000	18,900
Other Charges for Services	18,550	18,550	18,232
	<u>1,058,150</u>	<u>1,058,150</u>	<u>1,074,081</u>
Fines and Forfeitures			
Circuit Court Fines	35,000	35,000	47,868
Drug Seizure/Forfeit Assets	2,500	2,500	4,299
Parking and Compliance Fines	255,000	255,000	358,251
Red Light Violations	1,700,000	1,700,000	1,516,457
Administrative Tow Fines	115,000	115,000	135,750
False Alarm Fines	10,000	10,000	5,625
	<u>2,117,500</u>	<u>2,117,500</u>	<u>2,068,250</u>
Investment Earnings	<u>35,100</u>	<u>35,100</u>	<u>30,183</u>
Miscellaneous			
Donations	25,000	25,000	13,025
Reimbursements	7,100	7,100	11,780
Miscellaneous	7,450	7,450	7,387
	<u>39,550</u>	<u>39,550</u>	<u>32,192</u>
Total Revenues	<u>\$ 16,281,320</u>	<u>\$ 16,281,320</u>	<u>\$ 16,770,508</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
General Government			
Legislative			
Salaries - Elected Officials	\$ 45,600	\$ 45,600	\$ 45,600
Payroll Taxes and Benefits	28,750	28,750	28,420
Employee Expenditures	17,250	11,500	9,323
General Liability Insurance	2,000	2,000	900
Other Professional and Outside Services	49,000	29,000	27,991
Civic and Recreational Programs	3,500	5,000	4,744
Operational Costs	3,200	3,300	2,030
Equipment Operation and Maintenance	7,000	3,500	1,581
Equipment and Furniture	2,500	2,000	753
	<u>158,800</u>	<u>130,650</u>	<u>121,342</u>
Civil Service Commission			
Employee Expenditures	1,500	1,500	1,216
Other Professional and Outside Services	13,950	13,450	11,104
Operational Costs	450	450	-
	<u>15,900</u>	<u>15,400</u>	<u>12,320</u>
General Administration			
Salaries and Wages	395,000	395,000	392,412
Overtime Pay	6,500	6,500	5,108
Part-Time and Temporary Wages	56,500	56,500	52,523
Payroll Taxes and Benefits	274,000	274,000	261,529
Employee Expenditures	16,500	14,500	10,850
General Liability Insurance	7,500	3,500	2,853
Audit Fees	21,500	23,500	22,870
Other Professional and Outside Services	231,250	143,750	128,365
Civic and Recreational Programs	4,000	1,500	1,437
Operational Costs	51,000	47,000	35,281
Building Maintenance and Utilities	64,000	52,000	45,547
Equipment Operation and Maintenance	42,250	27,750	24,602
Equipment and Furniture	43,000	35,500	31,123
Allocation to Other Departments and to Enterprise Fund	(285,500)	(285,500)	(285,500)
	<u>927,500</u>	<u>795,500</u>	<u>729,000</u>
Total General Government	<u>1,102,200</u>	<u>941,550</u>	<u>862,662</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Public Safety			
Police Protection			
Salaries and Wages	\$ 3,282,500	\$ 3,135,500	\$ 3,146,203
Overtime Pay	287,000	237,000	194,472
Part-Time and Temporary Wages	74,000	114,000	68,182
Payroll Taxes and Benefits	2,725,154	2,847,654	2,832,105
Employee Expenditures	85,000	80,000	54,863
Professional and Outside Services	128,000	123,500	113,678
Civic and Recreational Programs	500	500	295
Operational Costs	89,000	89,500	77,935
Building Maintenance and Utilities	128,500	132,500	125,325
Equipment Operation and Maintenance	127,500	118,500	110,265
Equipment and Furniture	146,000	146,000	141,320
Grants	16,425	16,425	10,295
Allocation from General Administration	140,000	140,000	140,000
	<u>7,229,579</u>	<u>7,181,079</u>	<u>7,014,938</u>
Fire and Emergency Services			
Salaries and Wages	768,000	1,378,000	1,333,244
Overtime Pay	185,000	464,000	455,028
Payroll Taxes and Benefits	1,512,966	1,589,966	1,587,548
Employee Expenditures	41,450	30,450	25,639
Professional and Outside Services	1,528,050	764,050	751,341
Operational Costs	62,900	72,900	69,125
Building Maintenance and Utilities	72,750	61,250	58,172
Equipment Operation and Maintenance	98,000	109,000	104,959
Equipment and Furniture	68,995	60,995	57,157
Grants	47,500	48,000	47,934
Allocation from General Administration	87,500	87,500	87,500
	<u>4,473,111</u>	<u>4,666,111</u>	<u>4,577,647</u>
Total Public Safety	<u>11,702,690</u>	<u>11,847,190</u>	<u>11,592,585</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Culture and Recreation			
Administration			
Salaries and Wages	\$ 221,750	\$ 211,250	\$ 208,312
Overtime Pay	5,500	1,500	941
Part-Time and Temporary Wages	139,500	158,000	156,815
Payroll Taxes and Benefits	201,460	198,960	194,945
Employee Expenditures	10,700	7,900	7,930
Professional and Outside Services	81,600	97,600	90,795
Civic and Recreational Programs	276,400	293,000	286,068
Operational Costs	68,700	87,950	84,258
Building Maintenance and Utilities	48,500	46,950	44,697
Equipment Operation and Maintenance	20,500	23,750	22,817
Equipment and Furniture	61,500	55,000	52,865
Allocation from General Administration	13,500	13,500	13,500
Total Culture and Recreation	1,149,610	1,195,360	1,163,943
Public Works			
Administration			
Salaries and Wages	335,310	330,310	331,586
Overtime Pay	49,500	36,000	32,754
Part-Time and Temporary Wages	53,900	51,900	48,370
Payroll Taxes and Benefits	243,730	240,730	235,293
Employee Expenditures	13,750	13,750	12,691
Professional and Outside Services	49,675	34,675	30,441
Civic and Recreational Programs	550	550	550
Operational Costs	10,963	16,713	13,926
Building Maintenance and Utilities	112,475	105,275	103,878
Equipment Operation and Maintenance	58,175	49,175	41,559
Recurring Infrastructure Maintenance	446,400	395,900	386,972
Equipment and Furniture	11,125	12,125	9,620
Allocation from General Administration	20,075	20,075	20,075
Total Public Works	1,405,628	1,307,178	1,267,715

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Building, Health and Zoning Administration			
Part-Time and Temporary Wages	\$ 66,000	\$ 66,000	\$ 51,910
Payroll Taxes and Benefits	60,200	60,200	58,047
Employee Expenditures	500	500	135
Professional and Outside Services	134,550	124,300	117,824
Operational Costs	3,300	3,300	1,655
Equipment Operation and Maintenance	500	500	-
Equipment and Furniture	6,500	6,500	5,090
Allocation from General Administration	8,000	8,000	8,000
	<hr/>	<hr/>	<hr/>
Total Buildings	279,550	269,300	242,661
	<hr/>	<hr/>	<hr/>
Total Expenditures	<u>\$ 15,639,678</u>	<u>\$ 15,560,578</u>	<u>\$ 15,129,566</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Debt Service Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ -	\$ -	\$ -
Expenditures			
Debt Service			
Principal Retirement	510,000	510,000	510,000
Interest and Fiscal Charges	230,035	230,035	229,923
Total Expenditures	740,035	740,035	739,923
Excess (Deficiency) of Revenues Over (Under) Expenditures	(740,035)	(740,035)	(739,923)
Other Financing Sources			
Transfers In	741,000	741,000	741,000
Net Change in Fund Balance	\$ 965	\$ 965	1,077
Fund Balance - Beginning			2,461
Fund Balance - Ending			\$ 3,538

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grants	\$ 225,250	\$ 225,250	\$ 52,752
Expenditures			
Capital Outlay	254,500	186,000	191,759
Debt Service			
Principal Retirement	247,500	247,500	247,500
Interest and Fiscal Charges	31,450	31,450	31,375
Total Expenditures	533,450	464,950	470,634
Excess (Deficiency) of Revenues Over (Under) Expenditures	(308,200)	(239,700)	(417,882)
Other Financing Sources			
Transfers In	308,500	308,500	450,000
Net Change in Fund Balance	\$ 300	\$ 68,800	32,118
Fund Balance - Beginning			470,620
Fund Balance - Ending			\$ 502,738

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

April 30, 2016

See Following Page

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

April 30, 2016

	<u>Motor Fuel Tax</u>
ASSETS	
Cash and Investments	\$ -
Receivables - Net of Allowances	
Accounts	15,184
Due from Other Funds	10,092
Due from Other Governments	<u>181,777</u>
 Total Assets	 <u><u>\$ 207,053</u></u>
LIABILITIES	
 Accounts Payable	 <u>\$ 10,684</u>
FUND BALANCES	
 Restricted	 196,369
Committed	<u>-</u>
Total Fund Balances	<u>196,369</u>
 Total Liabilities and Fund Balances	 <u><u>\$ 207,053</u></u>

Refuse	911 Telephone Services	Foreign Fire Insurance	Totals
\$ -	\$ -	\$ 9,944	\$ 9,944
135,986	30,953	-	182,123
280,857	106,319	-	397,268
-	-	-	181,777
<u>\$ 416,843</u>	<u>\$ 137,272</u>	<u>\$ 9,944</u>	<u>\$ 771,112</u>
\$ 94,733	\$ 960	\$ -	\$ 106,377
-	136,312	9,944	342,625
322,110	-	-	322,110
<u>322,110</u>	<u>136,312</u>	<u>9,944</u>	<u>664,735</u>
<u>\$ 416,843</u>	<u>\$ 137,272</u>	<u>\$ 9,944</u>	<u>\$ 771,112</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2016**

	<u>Motor Fuel Tax</u>
Revenues	
Taxes	\$ -
Intergovernmental	185,094
Charges for Services	-
Investment Earnings	-
Total Revenues	<u>185,094</u>
Expenditures	
Public Safety	-
Public Works	75,406
Sanitation	-
Capital Outlay	-
Total Expenditures	<u>75,406</u>
Net Change in Fund Balances	109,688
Fund Balances - Beginning	<u>86,681</u>
Fund Balances - Ending	<u>\$ 196,369</u>

Refuse	911 Telephone Service	Foreign Fire Insurance	Totals
\$ -	\$ -	\$ 8,837	\$ 8,837
-	-	-	185,094
600,797	85,403	-	686,200
-	-	1	1
600,797	85,403	8,838	880,132
-	71,691	6,753	78,444
-	-	-	75,406
545,557	-	-	545,557
-	36,172	-	36,172
545,557	107,863	6,753	735,579
55,240	(22,460)	2,085	144,553
266,870	158,772	7,859	520,182
\$ 322,110	\$ 136,312	\$ 9,944	\$ 664,735

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 145,000	\$ 145,000	\$ 170,662
Grants	10,330	10,330	14,432
Total Revenues	<u>155,330</u>	<u>155,330</u>	<u>185,094</u>
Expenditures			
Public Works			
Legal Notices	500	500	-
Maintenance and Improvements of Infrastructure	1,169,846	1,169,846	75,406
Total Expenditures	<u>1,170,346</u>	<u>1,170,346</u>	<u>75,406</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,015,016)	(1,015,016)	109,688
Other Financing Sources			
Debt Issuance	<u>1,000,000</u>	<u>1,000,000</u>	-
Net Change in Fund Balance	<u>\$ (15,016)</u>	<u>\$ (15,016)</u>	109,688
Fund Balance - Beginning			<u>86,681</u>
Fund Balance - Ending			<u>\$ 196,369</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Refuse - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Refuse Fees	\$ 585,000	\$ 585,000	\$ 600,797
Expenditures			
Sanitation			
Refuse Disposal Charges	535,500	546,500	545,557
Refuse Bags	1,000	-	-
Total Expenditures	536,500	546,500	545,557
Net Change in Fund Balance	\$ 48,500	\$ 38,500	55,240
Fund Balance - Beginning			266,870
Fund Balance - Ending			\$ 322,110

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

911 Telephone Surcharge - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2016

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
911 Fees	\$ 80,000	\$ 80,000	\$ 85,403
Expenditures			
Public Safety			
Telephone	15,000	15,000	5,809
Equipment Operation and Maintenance	74,500	74,500	65,882
Capital Outlay	49,804	49,804	36,172
Total Expenditures	139,304	139,304	107,863
Excess (Deficiency) of Revenues Over (Under) Expenditures	(59,304)	(59,304)	(22,460)
Other Financing (Uses)			
Transfers Out	-	-	-
Net Change in Fund Balance	\$ (59,304)	\$ (59,304)	(22,460)
Fund Balance - Beginning			158,772
Fund Balance - Ending			\$ 136,312

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Water - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 2,861,500	\$ 2,861,500	\$ 2,965,980
Operating Expenses			
Operations			
Cost of Water Purchases	1,457,000	1,442,750	1,244,350
Salaries and Benefits	608,810	590,810	580,141
Contractual Services	69,287	69,287	40,921
Supplies and Materials	41,475	47,975	46,733
Repairs and Maintenance	421,500	429,250	250,350
Capital Outlay	16,375	16,375	5,454
Allocated Costs and Administrative Charge by the General Fund	16,425	16,425	16,425
Depreciation	185,000	185,000	129,613
Total Operating Expenses	2,815,872	2,797,872	2,313,987
Operating Income	45,628	63,628	651,993
Nonoperating Revenues (Expenses)			
Other Income	100,000	100,000	105,140
Interest and Fiscal Charges	(33,775)	(33,775)	(33,739)
	66,225	66,225	71,401
Change in Net Position	\$ 111,853	\$ 129,853	723,394
Net Position - Beginning			1,321,708
Net Position - Ending			\$ 2,045,102

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Health Insurance - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 2,275,000	\$ 2,275,000	\$ 2,275,000
Employee Contributions	140,000	140,000	136,724
Retiree Contributions	65,000	65,000	87,730
Total Operating Revenues	<u>2,480,000</u>	<u>2,480,000</u>	<u>2,499,454</u>
Operating Expenses			
Administration			
Administrative Fees	3,500	600	578
Operations			
Term and Reinsurer Premiums	<u>2,475,000</u>	<u>2,492,000</u>	<u>2,494,152</u>
Total Operating Expenses	<u>2,478,500</u>	<u>2,492,600</u>	<u>2,494,730</u>
Change in Net Position	<u>\$ 1,500</u>	<u>\$ (12,600)</u>	4,724
Net Position - Beginning			<u>64,626</u>
Net Position - Ending			<u>\$ 69,350</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Pension Trust Funds

**Combining Statement of Fiduciary Net Position
April 30, 2016**

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 1,095,217	\$ 739,764	\$ 1,834,981
Investments			
U.S. Government and Agency Obligations	3,850,550	3,565,975	7,416,525
Mutual Funds	5,859,955	3,193,304	9,053,259
Common Stock	3,271,244	-	3,271,244
Corporate Bonds	826,043	188,972	1,015,015
Municipal Bonds	-	621,992	621,992
Receivables			
Accrued Interest	47,660	30,518	78,178
Other	19,282	9,655	28,937
Due from Other Funds	3,383	130	3,513
Prepays	-	285	285
NET POSITION			
Net Position Restricted for Pensions	<u>\$ 14,973,334</u>	<u>\$ 8,350,595</u>	<u>\$ 23,323,929</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Pension Trust Funds

**Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2016**

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 1,192,086	\$ 879,775	\$ 2,071,861
Contributions - Employee	240,847	121,473	362,320
Miscellaneous	50	-	50
Total Contributions	<u>1,432,983</u>	<u>1,001,248</u>	<u>2,434,231</u>
Investment Income			
Interest Earned	475,003	265,524	740,527
Net Change in Fair Value	(637,744)	(159,428)	(797,172)
	(162,741)	106,096	(56,645)
Less Investment Expenses	(63,582)	(18,747)	(82,329)
Net Investment Income	<u>(226,323)</u>	<u>87,349</u>	<u>(138,974)</u>
Total Additions	<u>1,206,660</u>	<u>1,088,597</u>	<u>2,295,257</u>
Deductions			
Administration	25,081	12,142	37,223
Benefits and Refunds	1,728,605	1,005,207	2,733,812
Total Deductions	<u>1,753,686</u>	<u>1,017,349</u>	<u>2,771,035</u>
Change in Fiduciary Net Position	(547,026)	71,248	(475,778)
Net Position - Beginning	<u>15,520,360</u>	<u>8,279,347</u>	<u>23,799,707</u>
Net Position - Ending	<u>\$ 14,973,334</u>	<u>\$ 8,350,595</u>	<u>\$ 23,323,929</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Police Pension - Pension Trust Fund

**Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 1,071,049	\$ 1,071,049	\$ 1,192,086
Contributions - Employee	225,000	225,000	240,847
Miscellaneous	-	-	50
Total Contributions	<u>1,296,049</u>	<u>1,296,049</u>	<u>1,432,983</u>
Investment Income			
Interest Earned	690,800	690,800	475,003
Net Change in Fair Value	600,000	600,000	(637,744)
	<u>1,290,800</u>	<u>1,290,800</u>	<u>(162,741)</u>
Less Investment Expenses	(60,000)	(65,000)	(63,582)
Net Investment Income	<u>1,230,800</u>	<u>1,225,800</u>	<u>(226,323)</u>
Total Additions	<u>2,526,849</u>	<u>2,521,849</u>	<u>1,206,660</u>
Deductions			
Administration	24,500	27,000	25,081
Benefits and Refunds	1,686,000	1,747,000	1,728,605
Total Deductions	<u>1,710,500</u>	<u>1,774,000</u>	<u>1,753,686</u>
Change in Fiduciary Net Position	<u>\$ 816,349</u>	<u>\$ 747,849</u>	(547,026)
Net Position - Beginning			<u>15,520,360</u>
Net Position - Ending			<u>\$ 14,973,334</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Firefighters' Pension - Pension Trust Fund

**Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 814,381	\$ 814,381	\$ 879,775
Contributions - Employee	140,000	140,000	121,473
Total Contributions	<u>954,381</u>	<u>954,381</u>	<u>1,001,248</u>
Investment Income			
Interest Earned	205,100	205,100	265,524
Net Change in Fair Value	<u>350,000</u>	<u>350,000</u>	<u>(159,428)</u>
	555,100	555,100	106,096
Less Investment Expenses	<u>(25,000)</u>	<u>(25,000)</u>	<u>(18,747)</u>
Net Investment Income	<u>530,100</u>	<u>530,100</u>	<u>87,349</u>
Total Additions	<u>1,484,481</u>	<u>1,484,481</u>	<u>1,088,597</u>
Deductions			
Administration	18,000	18,000	12,142
Benefits and Refunds	<u>1,003,000</u>	<u>1,003,000</u>	<u>1,005,207</u>
Total Deductions	<u>1,021,000</u>	<u>1,021,000</u>	<u>1,017,349</u>
Change in Fiduciary Net Position	<u>\$ 463,481</u>	<u>\$ 463,481</u>	71,248
Net Position - Beginning			<u>8,279,347</u>
Net Position - Ending			<u>\$ 8,350,595</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 Position by Component - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

See Following Page

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Net Position by Component - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

	2007	2008	2009
Governmental Activities			
Net Investment in Capital Assets	\$ 3,718,136	\$ 9,961,081	\$ 10,478,625
Restricted	7,091	28,150	92,424
Unrestricted	(1,821,956)	(3,217,263)	(4,671,772)
Total Governmental Activities Net Position	1,903,271	6,771,968	5,899,277
Business-Type Activities			
Net Investment in Capital Assets	2,314,473	2,854,958	2,750,110
Unrestricted	339,326	293,824	161,399
Total Business-Type Activities Net Position	2,653,799	3,148,782	2,911,509
Primary Government			
Net Investment in Capital Assets	6,032,609	12,816,039	13,228,735
Restricted	7,091	28,150	92,424
Unrestricted	(1,482,630)	(2,923,439)	(4,510,373)
Total Primary Government Net Position	\$ 4,557,070	\$ 9,920,750	\$ 8,810,786

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
\$ 11,316,087	\$ 11,662,320	\$ 11,593,104	\$ 11,031,873	\$ 11,447,688	\$ 14,956,409	\$ 14,986,200
92,489	92,553	1,152,230	1,402,484	1,124,040	260,821	351,976
(7,660,322)	(9,468,432)	(10,216,632)	(16,489,310)	(19,746,335)	(21,022,227)	(68,517,575)
3,748,254	2,286,441	2,528,702	(4,054,953)	(7,174,607)	(5,804,997)	(53,179,399)
2,645,262	2,540,888	2,436,514	2,266,511	2,136,898	2,007,284	1,877,671
(140,328)	(325,590)	(606,500)	(817,143)	(1,018,983)	(685,576)	167,431
2,504,934	2,215,298	1,830,014	1,449,368	1,117,915	1,321,708	2,045,102
13,961,349	14,203,208	14,029,618	13,298,384	13,584,586	16,963,693	16,863,871
92,489	92,553	1,152,230	1,402,484	1,124,040	260,821	351,976
(7,800,650)	(9,794,022)	(10,823,132)	(17,306,453)	(20,765,318)	(21,707,803)	(68,350,144)
\$ 6,253,188	\$ 4,501,739	\$ 4,358,716	\$ (2,605,585)	\$ (6,056,692)	\$ (4,483,289)	\$ (51,134,297)

VILLAGE OF NORTH RIVERSIDE,

Changes in Net Position - Last Ten Fiscal Years
April 30, 2016 (Unaudited)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental Activities										
General Government	\$ 799,955	\$ 749,882	\$ 1,007,171	\$ 1,324,340	\$ 979,149	\$ 1,277,436	\$ 1,216,785	\$ 1,585,614	\$ 2,964,587	\$ 2,236,721
Public Safety	10,178,859	9,128,660	9,867,851	10,551,760	11,332,637	10,015,909	10,380,229	12,583,176	11,902,114	10,905,466
Culture and Recreation	1,019,260	1,062,851	1,077,333	884,433	757,686	892,684	913,354	987,321	1,093,865	1,194,312
Public Works	1,564,512	2,176,159	1,543,731	1,432,162	1,144,736	1,078,364	1,187,974	1,413,364	1,281,392	1,442,855
Building, Health and Zoning	200,188	204,748	236,287	234,340	241,274	165,990	7,158,249	328,464	276,155	242,661
Sanitation	496,988	523,425	551,511	554,573	576,065	591,076	533,646	493,025	516,043	545,557
Interest on Long-Term Debt	122,294	122,853	127,453	113,524	124,237	164,788	123,850	281,161	269,959	254,452
Total Governmental Activities Expenses	14,382,056	13,968,578	14,411,337	15,095,132	15,155,784	14,186,247	21,514,087	17,672,125	18,304,115	16,822,024
Business-Type Activities										
Water	1,480,059	1,548,506	1,875,025	1,725,325	1,840,708	1,909,306	2,045,712	2,311,431	2,481,109	2,347,726
Total Primary Government Expenses	15,862,115	15,517,084	16,286,362	16,820,457	16,996,492	16,095,553	23,559,799	19,983,556	20,785,224	19,169,750
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	342,055	418,369	479,203	606,321	597,757	658,846	636,819	736,180	755,477	777,124
Public Safety	549,575	548,364	556,555	646,186	803,549	768,988	836,824	1,032,451	2,789,126	2,413,006
Culture and Recreation	461,889	464,293	504,745	461,603	431,294	546,346	477,278	476,565	654,639	634,859
Public Works	18,791	59,604	20,268	20,974	21,723	22,387	23,072	23,714	24,313	24,955
Building, Health and Zoning	436,463	514,436	280,197	380,691	413,897	312,867	349,197	767,408	607,542	559,919
Sanitation	271,992	346,842	355,519	352,821	549,947	571,648	578,510	597,700	598,122	600,797
Capital Grants/Contributions	143,090	100,601	329,851	436,361	137,217	143,572	881,843	241,642	2,368,845	151,875
Total Governmental Activities Program Revenues	2,223,855	2,452,509	2,526,338	2,904,957	2,955,384	3,024,654	3,783,543	3,875,660	7,798,064	5,162,535
Business-Type Activities										
Charges for Services										
Water	1,190,152	1,301,838	1,303,445	1,253,713	1,485,365	1,457,288	1,597,262	1,911,058	2,612,216	2,965,980
Capital Grants/Contributions	48,000	-	-	-	-	-	-	-	-	-
Total Business-Type Activities Program Revenues	1,238,152	1,301,838	1,303,445	1,253,713	1,485,365	1,457,288	1,597,262	1,911,058	2,612,216	2,965,980
Total Primary Government Program Revenues	\$ 3,462,007	\$ 3,754,347	\$ 3,829,783	\$ 4,158,670	\$ 4,440,749	\$ 4,481,942	\$ 5,380,805	\$ 5,786,718	\$ 10,410,280	\$ 8,128,515

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (Expense) Revenue										
Governmental Activities	\$ (11,516,069)	\$ (11,884,999)	\$ (12,190,175)	\$ (12,200,400)	\$ (11,161,593)	\$ (17,730,544)	\$ (13,796,465)	\$ (10,506,051)	\$ (10,506,051)	\$ (11,659,489)
Business-Type Activities	(246,668)	(571,580)	(471,612)	(355,343)	(452,018)	(448,450)	(400,373)	131,107	131,107	618,254
Total Primary Government	(11,762,737)	(12,456,579)	(12,661,787)	(12,555,743)	(11,613,611)	(18,178,994)	(14,196,838)	(10,374,944)	(10,374,944)	(11,041,235)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	732,459	667,968	751,010	639,711	705,687	722,279	459,764	453,025	496,314	492,475
Telecommunication	252,293	245,772	245,420	220,939	208,729	212,123	201,534	187,517	179,228	169,603
Utility	462,531	478,032	475,054	426,631	434,339	408,113	405,838	431,987	420,790	375,374
Non-Home Rule Sales	3,521,803	3,775,596	3,524,856	3,352,281	3,507,859	3,668,243	3,476,166	3,383,016	3,786,622	4,047,596
Other	5,169	6,870	4,614	4,351	5,608	351,580	344,004	401,946	516,343	619,712
Intergovernmental - Unrestricted										
Municipal Sales	4,685,539	4,635,045	4,525,605	4,340,430	4,597,503	4,811,158	4,684,289	4,640,574	5,329,549	5,696,582
Income Tax	563,688	615,787	609,376	531,186	521,441	543,676	601,284	650,160	653,420	711,052
Replacement Tax	44,459	50,706	46,428	41,096	45,680	41,208	40,856	46,755	45,605	40,611
Local Use Tax	86,055	94,590	94,377	79,534	96,598	97,339	107,072	117,058	137,612	154,814
Other Taxes	197,904	190,420	178,188	285,677	452,062	196,240	190,339	193,761	221,600	170,662
Investment Earnings	67,880	46,803	32,188	1,459	1,953	3,750	23,178	33,169	12,791	30,184
Miscellaneous	147,905	179,108	525,192	115,857	161,128	348,145	612,565	137,843	75,787	32,192
Total Governmental Activities	10,767,685	10,986,697	11,012,308	10,039,152	10,738,587	11,403,854	11,146,889	10,676,811	11,875,661	12,540,857
Business-Type Activities										
Miscellaneous	94,161	96,318	334,307	65,037	65,707	66,734	67,804	68,920	72,686	105,140
Total Primary Government	10,861,846	11,083,015	11,346,615	10,104,189	10,804,294	11,470,588	11,214,693	10,745,731	11,948,347	12,645,997
Changes in Net Position										
Governmental Activities	(748,384)	(898,302)	(1,177,867)	(2,161,248)	(423,006)	(6,326,690)	(2,649,576)	170,760	1,369,610	881,368
Business-Type Activities	(152,507)	(475,262)	(137,305)	(290,306)	(386,311)	(381,716)	(332,569)	200,027	203,793	723,394
Total Primary Government	\$ (900,891)	\$ (1,373,564)	\$ (1,315,172)	\$ (2,451,554)	\$ (809,317)	\$ (6,708,406)	\$ (2,982,145)	\$ 370,787	\$ 1,573,403	\$ 1,604,762

Data Source: Village Records

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Fund Balances of Governmental Funds - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

	2007	2008	2009	2010
General Fund				
Reserved	\$ 29,686	\$ 136,681	\$ 154,015	\$ 628,376
Unreserved	870,738	1,773,026	1,697,313	2,697,191
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Unassigned	-	-	-	-
Total General Fund	<u>900,424</u>	<u>1,909,707</u>	<u>1,851,328</u>	<u>3,325,567</u>
All Other Governmental Funds				
Reserved	23,679	28,919	4,403	-
Unreserved, Reported in:				
Special Revenues Funds	684,403	599,417	620,816	612,921
Debt Service Funds	-	-	-	(29,199)
Capital Projects Funds	(671,691)	(699,351)	(650,765)	(633,884)
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Total All Other Governmental Funds	<u>36,391</u>	<u>(71,015)</u>	<u>(25,546)</u>	<u>(50,162)</u>
Total All Other Governmental Funds	<u>\$ 936,815</u>	<u>\$ 1,838,692</u>	<u>\$ 1,825,782</u>	<u>\$ 3,275,405</u>

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

Data Source: Village Records

2011	2012	2013	2014	2015	2016
\$ 194,682	\$ -	\$ -	\$ -	\$ -	\$ -
3,345,430	-	-	-	-	-
-	66,315	65,181	76,267	130,040	146,414
-	93,164	70,481	8,377	5,048	9,351
-	4,078,671	4,390,231	4,168,837	4,333,877	4,777,227
3,540,112	4,238,150	4,525,893	4,253,481	4,468,965	4,932,992
15,175	-	-	-	-	-
734,017	-	-	-	-	-
(5,156)	-	-	-	-	-
(170,847)	-	-	-	-	-
-	48,160	-	-	-	-
-	1,059,066	1,332,003	1,115,663	255,773	346,163
-	35,252	80,116	184,791	266,870	322,110
-	84,885	159,878	161,584	470,620	502,738
573,189	1,227,363	1,571,997	1,462,038	993,263	1,171,011
\$ 4,113,301	\$ 5,465,513	\$ 6,097,890	\$ 5,715,519	\$ 5,462,228	\$ 6,104,003

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**General Governmental Revenues by Source - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Source	2007	2008	2009	2010
Taxes				
Non-Home Rule Sales	\$ 3,521,803	\$ 3,775,596	\$ 3,524,856	\$ 3,352,281
Real Estate	737,628	674,838	755,624	639,711
Other	714,824	723,804	720,474	651,921
Licenses and Permits	664,505	809,112	635,864	863,930
Intergovernmental				
Sales	4,685,539	4,635,045	4,525,605	4,340,430
Other	1,057,857	1,127,015	1,302,416	1,413,580
Charges for Services	1,152,008	1,291,911	1,327,915	1,337,038
Fines and Forfeits	241,591	175,974	188,512	227,902
Investment Income	67,857	46,803	32,188	1,459
Miscellaneous	147,928	179,108	525,192	115,857
Total	<u>\$ 12,991,540</u>	<u>\$ 13,439,206</u>	<u>\$ 13,538,646</u>	<u>\$ 12,944,109</u>

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

Data Source: Village Records

	2011	2012	2013	2014	2015	2016
\$	3,507,859	\$ 3,668,243	\$ 3,476,166	\$ 3,383,016	\$ 3,786,622	\$ 4,047,596
	705,687	722,279	458,959	453,025	496,314	492,475
	648,676	971,816	952,181	1,021,450	1,116,361	1,164,689
	872,195	803,319	807,313	1,285,701	1,172,285	1,156,574
	4,597,503	4,811,158	4,684,289	4,640,574	5,329,549	5,696,582
	1,295,877	1,050,598	1,356,724	1,283,176	1,978,800	1,254,569
	1,556,090	1,679,429	1,678,852	1,689,208	1,874,028	1,772,956
	347,003	369,771	388,668	625,309	2,356,515	2,068,250
	1,953	3,750	23,178	33,169	12,791	30,184
	161,128	348,145	612,565	137,843	75,787	19,517
\$	<u>13,693,971</u>	<u>\$ 14,428,508</u>	<u>\$ 14,438,895</u>	<u>\$ 14,552,471</u>	<u>\$ 18,199,052</u>	<u>\$ 17,703,392</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**General Governmental Expenditures by Function - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Function	2007	2008	2009	2010
General Government	\$ 567,108	\$ 619,319	\$ 701,924	\$ 668,033
Public Safety				
Police Protection	5,627,357	5,537,232	5,252,367	5,172,062
Fire and Emergency Service	3,470,379	3,489,785	3,170,040	3,239,436
Emergency 911 Service	67,400	38,507	42,932	36,646
Culture and Recreation	965,689	1,045,290	1,059,772	866,143
Public Works	1,179,085	1,470,629	1,536,775	1,409,129
Building, Health and Zoning	200,188	204,748	236,287	234,340
Sanitation	496,988	523,425	551,511	554,573
Capital Outlay	620,761	967,283	485,000	600,432
Debt Service				
Principal	338,913	506,309	834,042	797,329
Interest and Fiscal Charges	111,763	123,544	133,477	111,695
Total	\$ 13,645,631	\$ 14,526,071	\$ 14,004,127	\$ 13,689,818

Data Source: Village Records

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

	2011	2012	2013	2014	2015	2016
\$	541,527	\$ 746,511	\$ 757,802	\$ 802,151	\$ 969,666	\$ 862,662
	5,091,546	5,668,462	5,694,632	6,201,360	6,754,074	7,014,938
	3,057,098	3,356,084	3,357,715	3,675,757	4,475,446	4,577,647
	59,424	74,396	59,854	60,663	79,549	78,444
	739,858	859,427	896,845	968,753	1,070,057	1,163,943
	1,132,430	1,171,240	1,343,574	1,564,304	2,069,630	1,343,121
	241,274	165,990	7,158,249	328,464	276,155	242,661
	576,065	591,076	533,646	493,025	516,043	545,557
	1,254	23,824	221,107	170,305	1,232,080	227,931
	887,840	1,965,184	525,937	457,500	737,500	757,500
	128,509	148,647	92,157	223,100	276,143	261,298
\$	12,456,825	\$ 14,770,841	\$ 20,641,518	\$ 14,945,382	\$ 18,456,343	\$ 17,075,702

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

	2007	2008	2009	2010
Taxes				
Non-Home Rule Sales	\$ 3,521,803	\$ 3,775,596	\$ 3,524,856	\$ 3,352,281
Real Estate	737,628	674,838	755,624	639,711
Utility	714,824	723,804	720,474	651,921
Licenses and Permits	664,505	809,112	635,864	863,930
Intergovernmental				
Sales	4,685,539	4,635,045	4,525,605	4,340,430
Other	1,057,857	1,127,015	1,302,416	1,413,580
Charges for Services	1,152,008	1,291,911	1,327,915	1,337,038
Fines and Forfeits	241,591	175,974	188,512	227,902
Investment Earnings	67,857	46,803	32,188	1,459
Miscellaneous	147,928	179,108	525,192	115,857
Total Revenues	12,991,540	13,439,206	13,538,646	12,944,109
Expenditures				
General Government	567,108	619,319	701,924	668,033
Public Safety	9,165,136	9,065,524	8,465,339	8,448,144
Culture and Recreation	965,689	1,045,290	1,059,772	866,143
Public Works	1,179,085	1,470,629	1,536,775	1,409,129
Building, Health and Zoning	200,188	204,748	236,287	234,340
Sanitation	496,988	523,425	551,511	554,573
Capital Outlay	620,761	967,283	485,000	600,432
Debt Service				
Principal	338,913	506,309	834,042	797,329
Interest and Fiscal Charges	111,763	123,544	133,477	111,695
Total Expenditures	13,645,631	14,526,071	14,004,127	13,689,818
Excess of Revenues Over (Under) Expenditures	(654,091)	(1,086,865)	(465,481)	(745,709)
Other Financing Sources (Uses)				
Debt Issuance	830,716	1,110,407	454,351	2,185,242
Payment to Escrow Agent	-	-	-	-
Transfers In	433,000	1,550,025	927,000	902,000
Transfers Out	(433,000)	(681,000)	(927,000)	(902,000)
Disposal of Capital Assets	1,500	9,310	(1,780)	10,090
Total Other Financing Sources (Uses)	832,216	1,988,742	452,571	2,195,332
Net Change in Fund Balances	\$ 178,125	\$ 901,877	\$ (12,910)	\$ 1,449,623
Debt Service as a Percentage of Noncapital Expenditures	3.38%	4.45%	7.22%	6.99%

Data Source: Village Records

	2011	2012	2013	2014	2015	2016
\$	3,507,859	\$ 3,668,243	\$ 3,476,166	\$ 3,383,016	\$ 3,786,622	\$ 4,047,596
	705,687	722,279	458,959	453,025	496,314	492,475
	648,676	971,816	952,181	1,021,450	1,116,361	1,164,689
	872,195	803,319	807,313	1,285,701	1,172,285	1,156,574
	4,597,503	4,811,158	4,684,289	4,640,574	5,329,549	5,696,582
	1,295,877	1,050,598	1,356,724	1,283,176	1,978,800	1,254,569
	1,556,090	1,679,429	1,678,852	1,689,208	1,874,028	1,772,956
	347,003	369,771	388,668	625,309	2,356,515	2,068,250
	1,953	3,750	23,178	33,169	12,791	30,184
	161,128	348,145	612,565	137,843	75,787	19,517
	13,693,971	14,428,508	14,438,895	14,552,471	18,199,052	17,703,392
	541,527	746,511	757,802	802,151	969,666	862,662
	8,208,068	9,098,942	9,112,201	9,937,780	11,309,069	11,671,029
	739,858	859,427	896,845	968,753	1,070,057	1,163,943
	1,132,430	1,171,240	1,343,574	1,564,304	2,069,630	1,343,121
	241,274	165,990	7,158,249	328,464	276,155	242,661
	576,065	591,076	533,646	493,025	516,043	545,557
	1,254	23,824	221,107	170,305	1,232,080	227,931
	887,840	1,965,184	525,937	457,500	737,500	757,500
	128,509	148,647	92,157	223,100	276,143	261,298
	12,456,825	14,770,841	20,641,518	14,945,382	18,456,343	17,075,702
	1,237,146	(342,333)	(6,202,623)	(392,911)	(257,291)	627,690
	-	2,535,000	6,835,000	-	-	-
	-	(865,000)	-	-	-	-
	1,260,000	720,000	500,000	465,000	1,480,000	1,191,000
	(1,660,000)	(720,000)	(500,000)	(465,000)	(1,480,000)	(1,191,000)
	750	24,545	-	10,540	4,000	14,085
	(399,250)	1,694,545	6,835,000	10,540	4,000	14,085
\$	837,896	\$ 1,352,212	\$ 632,377	\$ (382,371)	\$ (253,291)	\$ 641,775
	8.23%	14.50%	3.14%	4.69%	6.84%	6.08%

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Taxable Sales by Category - Last Ten Calendar Years
April 30, 2016 (Unaudited)**

Calendar Year	2006	2007	2008	2009
General Merchandise	\$ 1,855,391	\$ 1,948,730	\$ 1,784,605	\$ 1,619,733
Food	527,106	484,381	744,835	744,947
Drinking and Eating Places	387,006	448,147	530,126	517,003
Apparel	1,209,416	1,376,449	1,276,829	1,167,799
Furniture and H.H. and Radio	707,516	851,705	756,544	681,960
Automobile and Filling Stations	639,808	628,827	573,515	653,682
Drugs and Misc. Retail	971,916	1,093,605	1,031,907	982,584
Agriculture and All Others	1,335,217	1,595,821	1,414,161	1,267,566
Combined Categories	29,323	29,210	60,029	61,781
Total	\$ 7,662,699	\$ 8,456,875	\$ 8,172,551	\$ 7,697,055
Number of Payers	359	365	339	325
Village Direct Rate (Municipal and Non-Home Rule Sales Tax)	2.00%	2.00%	2.00%	2.00%

Notes:

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

The Village's direct rate includes both the municipal portion of the state sales tax rate and the Village's non-home rule sales tax rate. The Village receives 1% of the state's sales tax rate of 6.25%. In July 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

2010	2011	2012	2013	2014	2015
\$ 1,661,894	\$ 1,650,237	\$ 1,591,299	\$ 1,551,841	\$ 1,470,674	\$ 1,583,249
786,036	798,022	779,392	744,899	770,775	750,837
546,664	570,836	596,707	597,173	642,699	767,829
1,226,354	1,338,814	1,363,273	1,443,420	1,363,331	1,376,825
763,418	685,361	788,403	758,504	693,628	791,990
647,944	766,966	783,039	892,160	1,986,878	2,273,039
1,000,845	986,477	1,089,848	1,202,688	1,189,206	1,356,152
1,259,683	1,369,135	1,258,586	453,317	497,660	569,942
108,156	113,178	142,391	149,120	161,091	181,841
\$ 8,000,994	\$ 8,279,026	\$ 8,392,938	\$ 7,793,122	\$ 8,775,942	\$ 9,651,705
323	344	318	333	320	372
2.00%	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, 2016 (Unaudited)**

Fiscal Year	State Rate	RTA Rate	County Home Rule Rate	Village Non-Home Rule Rate	Total Sales Tax Rate	% Distributed to Village
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%
2012	6.25%	1.00%	1.00%	1.00%	9.25%	2.00%
2013	6.25%	1.00%	0.75%	1.00%	9.00%	2.00%
2014	6.25%	1.00%	0.75%	1.00%	9.00%	2.00%
2015	6.25%	1.00%	0.75%	1.00%	9.00%	2.00%
2016	6.25%	1.00%	0.75%	1.00%	9.00%	2.00%

Notes:

The Village's direct rate includes both the municipal portion of the state sales tax rate and the Village's non-home rule sales tax rate. The Village receives 1% of the state's sales tax rate of 6.25%. In July 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 Tax Levy Years
April 30, 2016 (Unaudited)**

See Following Page

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
April 30, 2016 (Unaudited)**

Tax Levy Year	Residential Property	Farm
2006	\$ 114,686,462	\$ -
2007	120,756,636	-
2008	133,505,907	-
2009	141,924,360	-
2010	148,996,135	-
2011	121,262,620	-
2012	111,222,217	-
2013	106,005,011	-
2014	107,285,906	-
2015	104,551,121	-

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

Commercial Property	Industrial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
\$ 190,925,532	\$ 17,015,571	\$ 322,627,565	\$ 81,397	\$ 321,967,944	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
162,686,644	15,545,073	327,227,852	193,992	327,421,844	0.2311
138,488,974	12,353,885	272,105,479	175,858	272,281,337	0.1860
128,568,020	11,585,474	251,375,711	215,225	251,590,936	0.2010
121,741,650	7,953,910	235,700,571	120,904	235,821,475	0.2150
128,234,401	-	235,520,307	163,553	235,683,860	0.2230
124,898,995	-	229,450,116	177,609	229,627,725	0.2330

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Village of North Riverside				
General Rate	0.1564	0.1483	0.1348	0.1536
Debt Service Rate	0.0775	0.0741	0.0677	0.0774
Total Direct Tax Rate	<u>0.2339</u>	<u>0.2224</u>	<u>0.2025</u>	<u>0.2310</u>
Overlapping Rates				
School Districts	4.9400	4.7810	4.5880	4.6860
County	0.5620	0.5110	0.4660	0.4640
Other	0.8300	0.8020	0.7620	0.8170
Total Direct and Overlapping Tax Rate	<u>6.5659</u>	<u>6.3164</u>	<u>6.0185</u>	<u>6.1980</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.

2011	2012	2013	2014	2015	2016
0.1550	0.1860	0.2010	0.2150	0.2230	0.2330
0.0761	0.0000	0.0000	0.0000	0.0000	0.0000
0.2311	0.1860	0.2010	0.2150	0.2230	0.2330
4.8370	5.8910	6.4740	6.9020	7.2260	7.4850
0.4740	0.5450	0.5940	0.6600	0.6370	0.6550
0.8520	1.0400	1.1690	1.2740	1.2940	1.1580
6.3941	7.6620	8.4380	9.0510	9.3800	9.5310

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2016 (Unaudited)**

Taxpayer	2016			2007		
	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. \$	16,477,790	1	7.18%	\$ 25,402,822	1	9.70%
Tower Real Estate	7,013,778	2	3.05%	8,360,000	2	3.19%
IG Riverside LLC	3,012,978	3	1.31%			
Costco	2,489,290	4	1.08%			
JC Penney Company	2,028,579	5	0.88%	6,755,965	3	2.58%
Sears	1,658,149	6	0.72%	5,345,748	4	2.04%
Carson Pirie Scott	1,624,950	7	0.71%	5,317,197	5	2.03%
Mark IV Realty	1,250,000	8	0.54%			
7222 Cermak LLC	1,214,999	9	0.53%	3,013,928	7	1.15%
Riverside Golf Club	1,124,451	10	0.49%			
Riverside Association East				4,775,836	6	1.82%
Edward Don & Company				2,576,558	8	0.98%
Joe Rizza Ford				1,827,122	9	0.70%
S.M. Property Management				1,595,811	10	0.61%
	<u>\$ 37,894,964</u>		<u>16.50%</u>	<u>\$ 64,970,987</u>		<u>24.80%</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, 2016 (Unaudited)**

Fiscal Year	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
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%	314,543	703,283	92.64%
2011	2010	756,344	395,952	52.35%	325,655	721,607	95.41%
2012	2011	506,443	366,421	72.35%	90,900	457,321	90.30%
2013	2012	505,698	223,640	44.22%	227,669	451,309	89.24%
2014	2013	507,016	263,392	51.95%	230,262	493,654	97.36%
2015	2014	525,575	245,350	46.68%	248,286	493,636	93.92%
2016	2015	535,033	277,372	51.84%	-	277,372	51.84%

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, 2016 (Unaudited)**

Fiscal Year	Governmental Activities		
	General Obligation Bonds	General Obligation Loans	Notes Payable
2007	\$ 1,560,000	\$ -	\$ -
2008	1,400,000	750,000	-
2009	1,230,000	507,740	-
2010	1,050,000	257,474	2,000,000
2011	865,000	-	1,800,000
2012	-	-	-
2013	-	-	-
2014	-	-	-
2015	-	-	-
2016	-	-	-

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.

Installment Contracts Payable	Debt Certificates	Business-Type Activities Debt Certificates	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
\$ 697,700	\$ -	\$ -	\$ 2,257,700	4.20%	\$ 337.57
802,832	-	-	2,952,832	5.40%	441.51
745,808	-	-	2,483,548	4.55%	371.34
563,987	-	-	3,871,461	7.09%	578.87
318,621	-	-	2,983,621	4.38%	447.19
153,437	2,535,000	1,050,000	3,738,437	5.49%	560.32
62,500	8,935,000	1,050,000	10,047,500	14.76%	1,505.92
50,000	8,490,000	1,050,000	9,590,000	14.08%	1,437.35
37,500	7,765,000	1,050,000	8,852,500	13.00%	1,326.81
25,000	7,020,000	1,050,000	8,095,000	11.89%	1,213.28

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, 2016 (Unaudited)**

Fiscal Year	Gross General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Totals	Percentage of Equalized Assessed Value (1)	Per Capita (2)
2007	\$ 2,257,700	\$ 23,679	\$ 2,234,021	0.69%	\$ 334.03
2008	2,483,548	721	2,482,827	0.73%	371.24
2009	3,871,461	4,403	3,867,058	1.03%	578.21
2010	2,983,621	-	2,983,621	0.91%	446.12
2011	3,738,437	-	3,738,437	1.14%	560.32
2012	-	-	-	0.00%	0.00
2013	-	-	-	0.00%	0.00
2014	-	-	-	0.00%	0.00
2015	-	-	-	0.00%	0.00
2016	-	-	-	0.00%	0.00

Data Source: Village Records

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

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

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Schedule of Direct and Overlapping Bonded Debt
April 30, 2016 (Unaudited)**

Governmental Unit	(1) Gross Debt	*Percentage to Debt Applicable to Village (2)	**Village's Share of Debt
Village of North Riverside	\$ 7,045,000	100.00%	\$ 7,045,000
Overlapping Bonded Debt			
Cook County (a)	3,313,286,750	0.17%	5,632,587
Cook County Forest Preserve District	165,330,000	0.17%	281,061
Water Reclamation District of Greater Chicago (a)	2,679,824,830	0.18%	4,823,685
School District 209	54,297,832	0.86%	466,961
Township High School District 208	44,195,000	29.61%	13,086,140
School District 91	-	5.22%	-
School District 94	4,290,000	54.30%	2,329,470
School District 96	-	33.40%	-
Community College District 504	46,835,000	3.08%	1,442,518
Village of North Riverside Public Library	-	100.00%	-
Subtotal Overlapping Bonded Debt	6,308,059,412		28,062,422
Total Direct and Overlapping Bonded Debt	\$ 6,315,104,412		\$ 35,107,422

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, 2016 (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 - 2015	<u>\$ 229,627,725</u>
Legal Debt Limit - 8.625% of Assessed Valuation	\$ 19,805,391
Amount of Debt Applicable to Debt Limit	
Debt Certificates of 2011A	1,050,000
Debt Certificates of 2011B	740,000
Debt Certificates of 2013	<u>6,280,000</u>
Legal Debt Margin	<u>\$ 11,735,391</u>

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years April 30, 2016 (Unaudited)

Fiscal Year	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2007	6,688	\$ 53,790	\$ 24,034	46.0	482	4.70%
2008	6,688	54,642	26,804	46.0	501	5.60%
2009	6,688	54,642	26,804	46.0	501	9.50%
2010	6,688	54,642	26,804	46.0	501	10.70%
2011	6,672	68,095	27,027	43.5	520	9.60%
2012	6,672	68,095	27,027	43.5	527	8.70%
2013	6,672	68,095	27,027	43.5	512	9.20%
2014	6,672	68,095	27,027	43.5	513	7.70%
2015	6,672	68,095	27,027	43.5	513	6.40%
2016	6,672	68,095	27,027	43.5	541	5.90%

Data Sources

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

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2016 (Unaudited)**

Employer	2016			2007		
	Employees	Rank	Percentage of Total Village Population	Employees	Rank	Percentage of Total Village Population
Tony's Finer Foods	210	1	3.15%	N/A	N/A	N/A
Costco Wholesale	180	2	2.70%	N/A	N/A	N/A
JC Penney Company	175	3	2.62%	N/A	N/A	N/A
Jewel-Osco	165	4	2.47%	N/A	N/A	N/A
Carson's	149	5	2.23%	N/A	N/A	N/A
Kohl's	120	6	1.80%	N/A	N/A	N/A
Sears	100	7	1.50%	N/A	N/A	N/A
Best Buy	90	8	1.35%	N/A	N/A	N/A
Joe Rizza Ford	82	9	1.23%	N/A	N/A	N/A
Burlington Coat Factory	69	10	1.03%	N/A	N/A	N/A
	<u>1,340</u>		<u>20.08%</u>	<u>N/A</u>		<u>N/A</u>

Data Source: Village Records

N/A: Not Available

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

See Following Page

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Function	2007	2008	2009	2010
General Government	5	5	5	5
Public Safety				
Police	36	37	37	38
Fire	19	19	19	19
Culture and Recreation	4	4	4	3
Public Works	8	8	8	8
Building, Health and Zoning	1	1	1	1
Total	73	74	74	74

Data Source: Village Records

2011	2012	2013	2014	2015	2016
5	4	4	4	4	4
34	33	34	36	35	33
17	17	17	16	15	14
3	3	3	4	4	4
8	8	9	9	8	8
-	-	-	-	-	-
67	65	67	69	66	63

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Function/Program	2007	2008	2009	2010
Public Works				
Forestry				
Number of Parkway Trees Planted	-	126	126	45
Number of Parkway Trees Trimmed	800	1100	1,100	1,100
Public Safety				
Fire (1)				
Number of Fire Calls	1,693	1,737	1,737	1,191
Number of EMS Calls	1,365	1,403	1,403	1,402
Number of Training Hours	6,613	6,215	6,215	6,527
ISO Rating	2	2	2	2
Police				
Part I Crime	858	862	862	620
Part II Crime	900	889	889	553
Calls for Service	13,475	20,625	20,625	21,694
State Tickets Issued	1,840	1,838	1,838	1,905
Compliance Tickets Issued	850	885	885	841
Parking Tickets Issued	2,093	3,162	3,162	2,373
Community Development				
Number of Building Permits Issued	955	853	853	746
Number of Building Inspections	1,586	1,347	1,347	830
Number of Food Service Inspections	315	284	284	128
Highways and Streets				
Sidewalk Replaced (Sq. Ft.)	-	1,835	1,835	1,500
Annual Resurfacing Program (\$)	338,000	215,000	215,000	-
Water and Sewer				
Water Main Breaks	5	16	16	15
Hydrants Flushed	370	370	370	370
Water Meters Read	9,700	9,705	9,705	9,705
Water Meter Service Requests	106	120	120	104
Water Meters Replaced	35	50	50	47
Total Distribution Pumpage (1,000 Gallons)	365,777	308,185	308,185	343,242
Average Daily Pumpage (1,000 Gallons)	937	844	844	940
Sanitary Sewer Repairs	9	12	12	14

Data Source: Village Records

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

2011	2012	2013	2014	2015	2016
45	47	33	39	27	35
1,100	1,250	600	550	750	700
1,026	940	1,048	1,055	953	1,108
1,335	1,201	1,333	1,171	1,287	1,300
7,057	6,221	3,844	4,318	3,482	3,358
2	3	3	3	3	3
651	651	651	659	693	605
581	581	581	604	707	265
22,780	22,780	22,780	17,560	19,946	20,769
2,000	2,000	1,769	2,507	2,108	2,110
885	885	1,319	2,008	2,626	2,632
2,495	2,495	3,269	2,965	3,900	3,898
850	785	785	635	698	678
629	593	593	844	923	899
32	125	125	211	113	116
2,400	3,850	3,425	6,750	3,575	4,000
-	100,000	190,000	200,000	200,000	-
18	16	23	18	31	23
370	370	370	370	370	370
9,705	9,705	9,700	9,700	9,700	9,700
120	120	2,300	5	20	25
47	40	2,300	12	10	25
372,414	382,295	332,482	301,492	286,211	255,458
1,020	1,047	911	826	784	700
17	9	29	40	10	22

VILLAGE OF NORTH RIVERSIDE, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
April 30, 2016 (Unaudited)**

Function/Program	2007	2008	2009	2010
Police				
Stations	1	1	1	1
Patrol Units	15	17	17	17
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

2011	2012	2013	2014	2015	2016
1	1	1	1	1	1
17	17	17	19	19	19
1	1	1	1	1	1
17.19	17.19	17.19	17.19	17.19	17.19
33.10	33.17	33.17	33.17	33.17	33.17
394	394	394	394	394	394
33.93	33.93	33.93	33.93	33.93	33.93
370	370	370	370	370	370
20.08	20.08	20.08	20.08	20.08	20.08
489	489	489	489	489	489