

VILLAGE OF NORRIDGE, ILLINOIS

BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED APRIL 30, 2011

VILLAGE OF NORRIDGE

BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED APRIL 30, 2011

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INDEPENDENT AUDITORS' REPORT

President and Board of Trustees  
of the Village of Norridge  
4000 North Olcott Avenue  
Norridge, IL 60706

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 Norridge, Illinois, as of and for the year ended April 30, 2011, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Norridge, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 2 through 5 and page 39 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Respectfully submitted,

*Frank J. Baker & Company, Ltd.*

Frank J. Baker & Company, Ltd.  
Certified Public Accountants

October 21, 2011  
Des Plaines, Illinois

VILLAGE OF NORRIDGE  
MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis is intended to be an easily readable analysis of the Village of Norridge (Village) financial activities based on currently known facts, decisions or conditions. This analysis focuses on current year activities and should be read in conjunction with the financial statements that follow.

Report Layout

Besides the Management's Discussion and Analysis (MD&A), the report consists of government-wide statements, fund financial statements, notes to the financial statements, and supplementary information. The first several statements are highly condensed and present a government-wide view of the Village's finances. Within this view, all Village operations are categorized and reported as either governmental or business-type activities. Governmental activities include basic services such as police, inspection, public works, and general government administration. These government-wide statements are designed to be more corporate-like in that all activities are consolidated into a total for the Village.

Basic Financial Statements

The Statement of Net Assets focuses on resources available for future operations. In simple terms, this statement presents a snap-shot view of the assets the community owns, the liabilities it owes and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts. For the first time, governmental activities reflect capital assets including infrastructure and long-term liabilities. Business-type activities have long reported capital assets and long-term liabilities.

The Statement of Activities focuses gross and net costs of village programs and the extent to which such programs rely upon general tax and other revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.

Fund financial statements focus separately on major governmental funds and proprietary funds. Governmental fund statements follow the more traditional presentation of financial statements. The Village's major governmental funds are presented in their own columns and the only non-major fund, the Special Revenue Fund - Wireless 911 Fund is identified and reported in a separate column. A budgetary comparison is presented for the General Fund and the Special Revenue Fund - Motor Fuel Tax which are the only funds for which a budget is legally adopted. Statements for the Village's proprietary fund follow the governmental funds and include net assets, revenue, expenses and changes in net assets, and cash flow. The last set of statements is the Fiduciary Funds which include the Police Pension Fund.

The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the Village's financial condition.

Completing the financial section of the report are schedules on capital assets and other financial schedules. Finally, is the statistical section which presents trend information and demographics.

VILLAGE OF NORRIDGE  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**Village as a Whole**

Government-wide Financial Statements

A condensed version of the Statement of Net Assets at April 30, 2011 and 2010 follows:

	VILLAGE OF NORRIDGE					
	NET ASSETS					
	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>Assets</b>						
Cash and investments	\$ 3,426,254	\$ 2,737,883	\$ 523,571	\$ 424,862	\$ 3,949,825	\$ 3,162,745
Receivables	809,077	699,175	147,280	154,248	956,357	853,423
Other assets	155,800	151,200	75,523	75,173	231,323	226,373
Capital assets	<u>14,656,033</u>	<u>15,386,884</u>	<u>3,829,709</u>	<u>3,996,185</u>	<u>18,485,742</u>	<u>19,383,069</u>
<b>Total Assets</b>	<b><u>\$ 19,047,164</u></b>	<b><u>\$ 18,975,142</u></b>	<b><u>\$ 4,576,083</u></b>	<b><u>\$ 4,650,468</u></b>	<b><u>\$ 23,623,247</u></b>	<b><u>\$ 23,625,610</u></b>
<b>Liabilities</b>						
Current liabilities	\$ 218,586	\$ 180,266	\$ 96,536	\$ 122,027	\$ 315,122	\$ 302,293
Non-current liabilities	1,560,528	770,954	70,715	70,365	1,631,243	841,319
Current debt	-	-	121,714	118,254	121,714	118,254
Non-current debt	<u>-</u>	<u>-</u>	<u>802,464</u>	<u>924,178</u>	<u>802,464</u>	<u>924,178</u>
<b>Total Liabilities</b>	<b><u>\$ 1,779,114</u></b>	<b><u>\$ 951,220</u></b>	<b><u>\$ 1,091,429</u></b>	<b><u>\$ 1,234,824</u></b>	<b><u>\$ 2,870,543</u></b>	<b><u>\$ 2,186,044</u></b>
<b>Net Assets:</b>						
Invested in capital assets, net of related debt	\$ 14,656,033	\$ 15,386,884	\$ 2,905,529	\$ 2,953,752	\$ 17,561,562	\$ 18,340,636
Unrestricted	<u>2,612,017</u>	<u>2,637,038</u>	<u>579,125</u>	<u>461,892</u>	<u>3,191,142</u>	<u>3,098,930</u>
<b>Total Net Assets</b>	<b><u>\$ 17,268,050</u></b>	<b><u>\$ 18,023,922</u></b>	<b><u>\$ 3,484,654</u></b>	<b><u>\$ 3,415,644</u></b>	<b><u>\$ 20,752,704</u></b>	<b><u>\$ 21,439,566</u></b>

VILLAGE OF NORRIDGE  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**Village as a Whole**

Government-wide Financial Statements - Continued

A condensed version of the Statement of Activities at April 30, 2011 and 2010 follows:

VILLAGE OF NORRIDGE CHANGES IN NET ASSETS						
	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program Revenues:						
Charges for services	\$ 909,552	\$ 825,031	\$ 2,048,260	\$ 1,926,967	\$ 2,957,812	\$ 2,751,998
Fines and forfeitures	337,683	367,707	-	-	337,683	367,707
Operating grants and contributions	1,425,494	161,166	-	-	1,425,494	161,166
General Revenues:						
Home Rule sales tax	4,396,884	4,193,041	-	-	4,396,884	4,193,041
State sales tax	4,329,691	4,104,732	-	-	4,329,691	4,104,732
State income tax	1,247,770	942,237	-	-	1,247,770	942,237
Real estate taxes	805,245	-	-	-	805,245	-
Telecommunications tax	483,093	466,482	-	-	483,093	466,482
Motor fuel tax	433,758	365,495	-	-	433,758	365,495
Other intergovernmental revenue	200,833	216,484	-	-	200,833	216,484
Gasoline tax	252,857	243,625	-	-	252,857	243,625
Franchise fees	124,291	119,004	-	-	124,291	119,004
Investment income	17,968	63,459	853	8,303	18,821	71,762
Other	9,784	9,563	-	-	9,784	9,563
Total Revenues	<u>\$ 14,974,90</u>	<u>\$ 12,078,02</u>	<u>\$ 2,049,113</u>	<u>\$ 1,935,270</u>	<u>\$ 17,024,01</u>	<u>\$ 14,013,29</u>
Expenses						
General government	\$ 2,601,790	\$ 2,731,779	\$ -	\$ -	\$ 2,601,790	\$ 2,731,779
Public safety	7,867,421	6,518,448	-	-	7,867,421	6,518,448
Public works						
Street	2,722,399	1,844,498	-	-	2,722,399	1,844,498
Sanitation	975,934	948,123	-	-	975,934	948,123
Village properties	1,563,231	1,464,913	-	-	1,563,231	1,464,913
Water	-	-	1,950,673	1,915,921	1,950,673	1,915,921
Debt service - interest	-	-	29,430	32,792	29,430	32,792
Total Expenses	<u>\$ 15,730,77</u>	<u>\$ 13,507,76</u>	<u>\$ 1,980,103</u>	<u>\$ 1,948,713</u>	<u>\$ 17,710,87</u>	<u>\$ 15,456,47</u>
Change in net assets	(\$ 755,872)	(\$ 1,429,735)	\$ 69,010	(\$ 13,443)	(\$ 686,862)	(\$ 1,443,178)
Net assets - beginning of year	<u>18,023,92</u>	<u>19,453,65</u>	<u>3,415,644</u>	<u>3,429,087</u>	<u>21,439,56</u>	<u>22,882,74</u>
Net assets - end of year	<u>\$ 17,268,05</u>	<u>\$ 18,023,92</u>	<u>\$ 3,484,654</u>	<u>\$ 3,415,644</u>	<u>\$ 20,752,70</u>	<u>\$ 21,439,56</u>

Governmental activities

Governmental expenses increased over the prior year. The increases in the public safety category were due to increases in salaries, health care benefits, and pension expense. The increase in the category of Public works-streets is due to an increase in street repairs and improvements.

Business-type activities

The Water Fund had an operating income for the year. The Village continues to see efficiencies from the water meter replacement program that was completed during the year ended April 30, 2005.

VILLAGE OF NORRIDGE  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**Financial Analysis of the Village's General Fund**

The General Fund is the Village's primary operating fund. It supports a majority of the day-to-day services delivered to residents and businesses. The fund balance of the General Fund increased by \$1,194,959 during the year ended April 30, 2011.

General Fund revenues were more than the budget by \$540,968. Sales tax and home rule sales tax revenue were \$228,779 and \$196,884 respectively. Real estate tax revenue was less than the budgeted amount due to the second installment of the levy being received after April 30, 2011.

Expenditures in all areas of general government came in below budget for the year.

Capital Assets

At April 30, 2011 the Village had \$20 million invested in capital assets, net of accumulated depreciation including police equipment, buildings, roads, and water and sewer lines.

Capital Assets at Year-end

	Governmental Activities	Business-type Activities	Totals
Land	\$ 1,310,667	\$ -	\$ 1,310,667
Buildings	6,969,065	-	6,969,065
Equipment	3,883,296	2,779,816	6,663,112
Infrastruture	<u>11,654,975</u>	<u>5,218,448</u>	<u>16,873,423</u>
Subtotal	\$ 23,818,003	\$ 7,998,264	\$ 31,816,267
Accumulated depreciation	<u>9,161,970</u>	<u>4,168,555</u>	<u>13,330,525</u>
Capital assets, net	<u>\$ 14,656,033</u>	<u>\$ 3,829,709</u>	<u>\$ 18,485,742</u>

Debt Outstanding

At year-end, the Village had \$924,178 in bonds and loans outstanding versus \$1,042,432 last year, a decrease of \$118,254.

Debt Outstanding at Year-end

	Governmental Activities	Business-type Activities	Totals
Illinois EPA loan	<u>\$ -</u>	<u>\$ 924,178</u>	<u>\$ 924,178</u>

More detailed information on the Village's long-term liabilities is presented in the notes to the financial statements.

**Economic Factors and Next Year's Budgets**

As expected, overall revenues, particularly sales tax revenue remain flat and have not returned to pre-2008 levels. The current economic and financial environments have created challenges for the Village. The Village routinely puts aside resources to deal with swings in the economy and to plan for future improvements within the Village.

The Police Pension Plan has experienced an increase in its unfunded accrued liability. The Village is committed to properly funding its pension obligations.

Financial Contact

The Village's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the Village's finances and to demonstrate the Village's accountability. If you have questions about the report or need additional financial information, please contact the Village's Treasurer at 4000 N. Olcott Avenue, Norridge, Illinois 60706.

VILLAGE OF NORRIDGE  
STATEMENT OF NET ASSETS  
AS OF APRIL 30, 2011

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 1,715,041	\$ 323,571	\$ 2,038,612
Investments	1,711,213	200,000	1,911,213
Interest receivable	1,298	221	1,519
Taxes receivable	679,282	-	679,282
Accounts receivable	56,760	124,868	181,628
Grants receivable	93,928	-	93,928
Internal balances	( 22,191)	22,191	-
Inventories	-	4,808	4,808
Total Current Assets	<u>\$ 4,235,331</u>	<u>\$ 675,659</u>	<u>\$ 4,910,990</u>
Restricted Assets:			
Cash and cash equivalents	\$ 155,800	\$ 70,715	\$ 226,515
Investments	-	-	-
Total Restricted Assets	<u>\$ 155,800</u>	<u>\$ 70,715</u>	<u>\$ 226,515</u>
Other Assets:			
Land	\$ 1,310,667	\$ -	\$ 1,310,667
Other capital assets, net of depreciation	13,345,366	3,829,709	17,175,075
Total Other Assets	<u>\$ 14,656,033</u>	<u>\$ 3,829,709</u>	<u>\$ 18,485,742</u>
<b>TOTAL ASSETS</b>	<u>\$ 19,047,164</u>	<u>\$ 4,576,083</u>	<u>\$ 23,623,247</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ -	\$ 96,536	\$ 96,536
Note payable, current	-	121,714	121,714
Compensated absences payable	218,586	-	218,586
Total Current Liabilities	<u>\$ 218,586</u>	<u>\$ 218,250</u>	<u>\$ 436,836</u>
Liabilities payable from restricted assets	<u>\$ 155,800</u>	<u>\$ 70,715</u>	<u>\$ 226,515</u>
Non-current liabilities			
Compensated absences payable	\$ 209,790	\$ -	\$ 209,790
Notes payable, non-current	-	802,464	802,464
Net Pension Obligation	810,478	-	810,478
Other Postemployment Benefit Obligation	384,460	-	384,460
Total Non-current Liabilities	<u>\$ 1,404,728</u>	<u>\$ 802,464</u>	<u>\$ 2,207,192</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 1,779,114</u>	<u>\$ 1,091,429</u>	<u>\$ 2,870,543</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	\$ 14,656,033	\$ 2,905,529	\$ 17,561,562
Restricted for Debt Service	-	-	-
Investment in general fixed assets	-	-	-
Unrestricted	2,612,017	579,125	3,191,142
<b>TOTAL NET ASSETS</b>	<u>\$ 17,268,050</u>	<u>\$ 3,484,654</u>	<u>\$ 20,752,704</u>

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



VILLAGE OF NORRIDGE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED APRIL 30, 2011

	Program Revenues				Net Expense/Revenue		
	Expenses	Charges for Services	Fines and Forfeitures	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
General government	\$ 2,601,790	\$ 767,823	\$ 18,378	\$ 67,017	(\$ 1,748,572)	\$ -	(\$ 1,748,572)
Public safety	7,867,421	141,729	319,305	95,798	( 7,310,589)	-	( 7,310,589)
Public works							
Street Department	2,722,399	-	-	1,262,679	( 1,459,720)	-	( 1,459,720)
Sanitation	975,934	-	-	-	( 975,934)	-	( 975,934)
Village Properties	1,563,231	-	-	-	( 1,563,231)	-	( 1,563,231)
Total Governmental Activities	<u>\$ 15,730,775</u>	<u>\$ 909,552</u>	<u>\$ 337,683</u>	<u>\$ 1,425,494</u>	<u>(\$ 13,058,046)</u>	<u>\$ -</u>	<u>(\$ 13,058,046)</u>
<b>Business-Type Activities</b>							
Water and Sewer	\$ 1,980,103	\$ 2,048,260	\$ -	\$ -	\$ -	\$ 68,157	\$ 68,157
	<u>\$ 17,710,878</u>	<u>\$ 2,957,812</u>	<u>\$ 337,683</u>	<u>\$ 1,425,494</u>	<u>(\$ 13,058,046)</u>	<u>\$ 68,157</u>	<u>(\$ 12,989,889)</u>

**General Revenues:**

<b>Taxes:</b>			
Home Rule Sales tax		\$ 4,396,884	\$ 4,396,884
State Sales tax		4,329,691	4,329,691
State Income tax		1,247,770	1,247,770
Real Estate tax		805,245	805,245
Telecommunications tax		483,093	483,093
Intergovernmental revenue		634,591	634,591
Gasoline tax		252,857	252,857
Franchise fees		124,291	124,291
Investment income		17,968	18,821
Miscellaneous		9,784	9,784
Total General Revenues		<u>\$ 12,302,174</u>	<u>\$ 12,303,027</u>
Change in net assets		(\$ 755,872)	(\$ 686,862)
Net Assets at Beginning of Year, as Reported		<u>18,023,922</u>	<u>21,439,566</u>
Net Assets at End of Year		<u>\$ 17,268,050</u>	<u>\$ 20,752,704</u>

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

VILLAGE OF NORRIDGE  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF APRIL 30, 2011

	<u>Special Revenue Fund</u>			<u>Totals</u>
	<u>General</u>	<u>Motor Fuel Tax</u>	<u>Non-major Governmental Funds</u>	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,422,821	\$ 262,362	\$ 29,858	\$ 1,715,041
Investments	1,711,213	-	-	1,711,213
Interest receivable	1,298	-	-	1,298
Taxes receivable	679,282	-	-	679,282
Accounts receivable	56,760	-	-	56,760
Grants receivable	93,928	-	-	93,928
Restricted assets	155,800	-	-	155,800
<b>TOTAL ASSETS</b>	<u>\$ 4,121,102</u>	<u>\$ 262,362</u>	<u>\$ 29,858</u>	<u>\$ 4,413,322</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Interfund payable	22,191	-	-	22,191
Liabilities payable from restricted assets	155,800	-	-	155,800
<b>TOTAL LIABILITIES</b>	<u>\$ 177,991</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 177,991</u>
<b>FUND BALANCES</b>				
Unreserved, reported in:				
General fund	\$ 3,943,111	\$ -	\$ -	\$ 3,943,111
Special revenue funds	-	262,362	29,858	292,220
Debt service funds	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>\$ 3,943,111</u>	<u>\$ 262,362</u>	<u>\$ 29,858</u>	<u>\$ 4,235,331</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 4,121,102</u>	<u>\$ 262,362</u>	<u>\$ 29,858</u>	<u>\$ 4,413,322</u>

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

VILLAGE OF NORRIDGE  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS  
AS OF APRIL 30, 2011

Fund Balances of Governmental Funds		\$ 4,235,331
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets, net of accumulated depreciation used in governmental activities are not financial resources and therefore are not reported in the funds:		
Capital assets	\$ 23,818,003	
Accumulated depreciation	9,161,970	
Total Capital Assets, net	14,656,033	
Net Pension Obligation is reported in the statement of net assets but is not a current financial resource and therefore is not reported in governmental funds.	(	810,478)
Net OPEB Obligation is reported in the statement of net assets but is not a current financial resource and therefore is not reported in governmental funds.	(	384,460)
Some liabilities reported in the statement of net assets do not require the use of current financial resource and therefore are not reported as liabilities in governmental funds. These activities consist of:		
Compensated Absences Payable	(	428,376)
Net assets of governmental activities		\$ 17,268,050

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

VILLAGE OF NORRIDGE  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUND  
AS OF APRIL 30, 2011

	<u>General</u>	<u>Special Revenue</u>	<u>Totals Governmental Funds</u>
<b>REVENUES</b>			
Taxes	\$ 5,938,079	\$ -	\$ 5,938,079
Licenses and permits	574,156	-	574,156
Intergovernmental	7,134,220	503,326	7,637,546
Charges for services	278,204	-	278,204
Fines and forfeitures	308,209	-	308,209
Miscellaneous	237,962	747	238,709
<b>TOTAL REVENUES</b>	<u>\$ 14,470,830</u>	<u>\$ 504,073</u>	<u>\$ 14,974,903</u>
<b>EXPENDITURES</b>			
Current:			
General government	\$ 2,312,784	\$ -	\$ 2,312,784
Public safety	6,819,859	105,695	6,925,554
Highway and streets	1,807,166	731,961	2,539,127
Sanitation	975,934	-	975,934
Village properties	1,423,231	-	1,423,231
Miscellaneous	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>\$ 13,338,974</u>	<u>\$ 837,656</u>	<u>\$ 14,176,630</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 1,131,856	(\$ 333,583)	\$ 798,273
Other Financing Sources (Uses)			
Transfers In	\$ 63,103	\$ -	\$ 63,103
Transfers Out	-	( 63,103)	( 63,103)
	<u>\$ 63,103</u>	<u>(\$ 63,103)</u>	<u>\$ -</u>
Net Change in Fund Balances	\$ 1,194,959	(\$ 396,686)	\$ 798,273
FUND BALANCE, BEGINNING OF YEAR	2,748,152	688,906	3,437,058
FUND BALANCE, END OF YEAR	<u>\$ 3,943,111</u>	<u>\$ 292,220</u>	<u>\$ 4,235,331</u>

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

VILLAGE OF NORRIDGE  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE  
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
FOR THE YEAR ENDED APRIL 30, 2011

Net change in Fund Balances - Total governmental funds \$ 798,273

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

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported in the governmental funds

Increase in Compensated Absences	( 32,361 )
Increase in Net Pension Obligation	( 601,212 )
Increase in Net OPEB Obligation	( 189,721 )

Governmental funds report capital outlay as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets

Capital outlay	187,123
Depreciation	( <u>917,974</u> )

Change in Net Assets of Governmental Activities ( \$ 755,872 )

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

VILLAGE OF NORRIDGE  
STATEMENT OF NET ASSETS  
PROPRIETARY FUND  
APRIL 30, 2011

	<u>Water Utilities</u>
<b>ASSETS</b>	
Current Assets:	
Cash and cash equivalents	\$ 323,571
Investments	200,000
Accounts receivable	124,868
Interest receivable	221
Interfund receivable	22,191
Inventory	4,808
Total Current Assets	\$ 675,659
Restricted Assets:	
Cash and cash equivalents	\$ 70,715
Total Restricted Assets	\$ 70,715
Non-current Assets:	
Capital assets	
Other capital assets, net of accumulated depreciation	\$ 3,829,709
Total Non-Current Assets	\$ 3,829,709
<b>TOTAL ASSETS</b>	<b>\$ 4,576,083</b>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts payable	\$ 96,536
Loan payable, current portion	121,714
Total Current Liabilities	\$ 218,250
Liabilities Payable from Restricted Assets	
Deposits	\$ 70,715
Total Liabilities Payable from Restricted Assets	\$ 70,715
Non-current Liabilities	
Loans payable, non-current	\$ 802,464
Total Liabilities	\$ 1,091,429
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	\$ 2,905,529
Contributed capital	106,118
Unrestricted	473,007
Total Net Assets	<b>\$ 3,484,654</b>

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

VILLAGE OF NORRIDGE  
STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN NET ASSETS  
PROPRIETARY FUND  
FOR THE YEAR ENDED APRIL 30, 2011

OPERATING REVENUES

Charges for services

Water charges \$ 1,941,528

Permits and fees 106,732

Total operating revenues \$ 2,048,260

OPERATING EXPENSES

Administration and Maintenance \$ 1,748,895

Depreciation 201,778

Total operating expenses \$ 1,950,673

OPERATING INCOME (LOSS)

\$ 97,587

NONOPERATING REVENUES (EXPENSES)

Interest income \$ 853

Interest expense on notes and loans payable (29,430)

Total nonoperating expenses (\$ 28,577)

Net Income

\$ 69,010

Retained earnings, beginning

3,415,644

Retained earnings, ending

\$ 3,484,654

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

VILLAGE OF NORRIDGE  
STATEMENT OF CASH FLOWS  
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS  
PROPRIETARY FUND  
FOR THE YEAR ENDED APRIL 30, 2011

	<u>Amount</u>
Cash flows from operating activities	
Receipts from Customers and Users	\$ 2,055,710
Payments to Suppliers	( 1,447,147)
Payments to Employees	( 327,239)
Net cash (used) provided by operating activities	\$ 281,324
Cash flows from capital and related financing activities	
Purchase of capital assets	(\$ 35,301)
Principal paid on debt	( 118,254)
Interest paid on debt	( 29,430)
Net cash (used) provided by capital and related financing activities	(\$ 182,985)
Cash flows from investing activities	
Investment income received	\$ 721
Net cash provided by investing activities	\$ 721
Net increase in cash and cash equivalents	\$ 99,060
Cash and cash equivalents at beginning of year	295,226
Cash and cash equivalents at end of year	\$ 394,286
Reconciliation of Operating Income to Net Cash	
Provided (Used) by Operating Activities	
Operating Income	\$ 97,587
Adjustments to Reconcile Operating Income	
to Net Cash Provided by	
(Used in) Operating Activities	
Depreciation	201,778
(Increase) Decrease in Current Assets	7,450
Increase (Decrease) in Current Liabilities	( 25,491)
Net Cash Provided by Operating Activities	\$ 281,324

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



VILLAGE OF NORRIDGE  
STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS  
APRIL 30, 2011

	<u>Pension Trust Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,377,601
Receivables:	
Interest and dividends	117,788
Prepaid expenses	7,634
Total current assets	<u>\$ 1,503,023</u>
Investments	
U.S. Government Obligations	\$ 6,878,439
Corporate Stocks	6,841,858
Mutual Funds	3,297,965
Corporate Bonds	559,616
Certificates of deposit	455,000
Total investments	<u>\$ 18,032,878</u>
Total assets	<u>\$ 19,535,901</u>
LIABILITIES - None	<u>\$ -</u>
Total liabilities	<u>\$ -</u>
Net assets held in trust for pension benefits	<u><u>\$ 19,535,901</u></u>

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

VILLAGE OF NORRIDGE  
STATEMENT OF CHANGES  
IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED APRIL 30, 2011

	<u>Pension Trust Fund</u>
<b>ADDITIONS:</b>	
Contributions:	
Employer	\$ 805,245
Plan members	<u>275,451</u>
Total contributions	<u>\$ 1,080,696</u>
Investment income:	
Net appreciation in fair value of investments	\$ 1,457,800
Interest and dividend income	<u>519,233</u>
Total investment income	\$ 1,977,033
Less investment expenses	<u>83,343</u>
Net investment income	<u>\$ 1,893,690</u>
Total additions	<u>\$ 2,974,386</u>
<b>DEDUCTIONS:</b>	
Benefits	\$ 1,283,981
Administrative expenses	<u>17,369</u>
Total deductions	<u>\$ 1,301,350</u>
Change in net assets	\$ 1,673,036
Net assets held in trust for pension benefits	
Beginning of year	<u>17,862,865</u>
End of year	<u><u>\$ 19,535,901</u></u>

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

VILLAGE OF NORRIDGE

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2011

1. NATURE OF OPERATIONS, REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Norridge, Illinois, was incorporated December 4, 1948 and became a home-rule municipality by referendum on May 1, 1973. The Village is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village provides a broad range of services to citizens, including general government, public safety, building code enforcement, engineering, street maintenance, street lighting, water and sewer utilities, and general administrative services.

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

A. REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Norridge
Blended Component Units:	Police Pension Employees Retirement System

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

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

Blended Component Unit

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

## VILLAGE OF NORRIDGE

### NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2011

#### 1. NATURE OF OPERATIONS, REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### B. BASIS OF PRESENTATION

###### Government-wide and Fund Financial 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, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's waterworks and sewerage activities are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The Village's net assets are reported in three parts: invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The Village first utilizes restricted resources to finance qualifying activities.

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 (sales and use taxes, income taxes, property taxes, intergovernmental revenue, fines, permits, and charges for services, 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, 2) fines and forfeitures, and 3) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (sales and use taxes, state income tax, property tax, and certain intergovernmental revenues).

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

###### Fund Financial Statements

The financial transactions of the village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

Non-major funds by category are summarized into a single column. GASB Statement No. 34 set forth minimum criteria (percentage of assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

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

VILLAGE OF NORRIDGE  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2011

1. NATURE OF OPERATIONS, REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

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 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

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

Special Revenue Funds

This type of fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund, the Motor Fuel Tax Fund, and one non-major special revenue fund. The Motor Fuel Tax Fund accounts for the motor fuel taxes received from the State of Illinois and expenditures that are legally restricted for specified purposes.

**Proprietary Funds**

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

Enterprise Funds

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity is (a) 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 proprietary fund, the Water Fund, which accounts for the activities of the water and sewer operations. The Village operates the water distribution and sanitary sewer system.

**Fiduciary Funds**

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

Pension Trust Funds

Pension Trust funds are used to account for assets held in a trustee capacity by the Village for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's police force.

VILLAGE OF NORRIDGE  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2011

1. NATURE OF OPERATIONS, REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. 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.

Measurement Focus

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

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

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

Basis of Accounting

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. A sixty day availability period is used for revenue recognition for governmental fund revenues. The Village’s property taxes are levied for the Police Pension Fund and are deposited directly in the Pension Fund’s checking account. The property taxes are not recognized until received. 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 and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

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 funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

VILLAGE OF NORRIDGE

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2011

1. NATURE OF OPERATIONS, REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES AND EQUITY

1. Deposits and Investments

The Village's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

States statutes authorize the Village to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and the State Treasurer's Investment Pool.

Investments are stated at cost or amortized cost, except for investments, in the Police Pension Trust Fund and the deferred compensation agency fund, which are reported at market value.

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

3. Inventories and Prepaid Items

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the Enterprise Fund consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are purchased.

4. Restricted Assets

General Fund - Amounts listed as restricted assets under the General Fund represent deposits made by contractors to the Village. These deposits are held by the Village to ensure that the contractors repair any damage done to Village streets.

Enterprise Fund - Amounts listed as restricted assets represent commercial customer deposits made when water service is set up.

5. Capital Assets

Capital assets, which include property, plant equipment, and infrastructure assets (e.g. roads, sidewalks, street lights, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial cost of at least \$5,000 and an estimated useful life in excess of three years. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value as of the date of the donation.

The costs of normal maintenance and repairs that do not add to the value or capacity of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

VILLAGE OF NORRIDGE

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2011

1. NATURE OF OPERATIONS, REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES AND EQUITY (Continued)

5. Capital Assets (Continued)

Depreciation on exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Assets. A composite depreciation rate is used for infrastructure assets. Depreciation on the remaining capital assets is provided on the straightline basis over the following estimated useful lives:

Buildings	25-50 years
Improvements other than Buildings	15-50 years
Water Distribution System	40 years
Sewer Collection System	40 years
Machinery and Equipment	3-10 years
Vehicles	3-15 years
Infrastructure	20-80 years

6. Compensated Absences

It is the Village's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. No liability is reported for unpaid accumulated sick leave. Vacation pay is accrued when incurred in proprietary funds and reported as a fund liability. Vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it.

7. Long-term Obligations

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

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

8. Fund Equity

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

9. Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.



VILLAGE OF NORRIDGE

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2011

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETS AND BUDGETARY ACCOUNTING

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

1. Prior to July 31, the President submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the prior May 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at the Village Hall to obtain taxpayer comments.
3. Prior to July 31, the budget is legally enacted through passage of an ordinance.
4. Formal budgetary integration is employed as a management control device during the year for the General Fund. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.
5. Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP).

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. DEPOSITS AND INVESTMENTS

1. DEPOSITS

At year end, the carrying amounts of the Village's deposits with financial institutions were \$6,008,341 and the bank balances were \$6,573,220. The bank balance is categorized as follows:

Amount insured by the FDIC	\$ 4,459,651
Amount collateralized with securities held by the pledging financial institutions' agent held in the Village's name	414,791
Amount collateralized with securities held by the pledging financial institution, or its trust department, or its agent but not in the Village's name	<u>1,698,778</u>
Total Bank Balances	<u><u>\$ 6,573,220</u></u>

Custodial Credit Risk: For an investment, custodial credit risk 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. The Village is fully collateralized as of April 30, 2011.

Concentration of Credit Risk

The Village places no limit on the amount the Village may invest in any one issuer.

VILLAGE OF NORRIDGE  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2011

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

A. DEPOSITS AND INVESTMENTS (Continued)

2. PENSION TRUST FUND'S INVESTMENTS

The deposits and investments of the Pension Trust Fund are held separately from those of other Village's funds and are invested by the Pension Trust Fund board. State statutes authorize the Pension Trust 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 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 federally chartered 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 agencies or instrumentalities of the federal government; interest-bearing bonds of the State of Illinois; pooled interest-bearing accounts managed by the Illinois Public Treasurer's Investment Pool in accordance with the Deposit of State Moneys Act, 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 of the money market mutual fund is limited to specified restrictions; general accounts of life insurance; and pension funds that are not to exceed 10% of the pension fund's net assets and 35% of the market value of the pension fund's net present assets stated in its most recent annual report. In addition, pension funds with net assets of at least \$5 million that have appointed an investment advisor may through that investment advisor invest a portion of its assets in common and preferred stocks that meet specific restrictions.

CASH AND INVESTMENTS

At year end, the Pension Trust Fund had the following investments and maturities using the segmented time methodology.

Investment Type	Fair Value	Investment Maturities			
		Less than One Year	One to Five Years	Six to Ten Years	Greater Than Ten Years
U.S. Investment Securities	\$ 3,315,191	\$ 926,876	\$ 1,158,491	\$ 1,229,824	\$ -
Federal Farm Credit Bank	1,439,041	100,585	1,280,169	58,287	-
Federal Home Loan Bank	1,204,966	-	1,035,795	169,171	-
FNMA	771,162	-	543,980	227,182	-
Tennessee Valley Authority	113,046	-	55,114	57,932	-
GNMA	35,033	-	4,252	30,781	-
Corporate Bonds	559,616	559,616	-	-	-
Total	\$ 7,438,055	\$ 1,587,077	\$ 4,077,801	\$ 1,773,177	\$ -
Investments Not Subject to Interest Rate Risk:					
Corporate Stocks	6,841,858				
Mutual Equity Funds	3,297,965				
Total Investments	\$ 17,577,878				

VILLAGE OF NORRIDGE  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2011

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

A. DEPOSITS AND INVESTMENTS (Continued)

2. PENSION TRUST FUND'S INVESTMENTS (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Pension Trust Fund does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Pension Trust Fund investment policy requires that the Board take into account several factors influencing the Fund's ability to withstand short and intermediate-term fluctuations in the value of the Fund's investments. Among these are the Fund's actuarial position, limited near-term liquidity requirements, and balance of contributions and disbursements. The policy also recognizes a prudent level of risk must be assumed in order to achieve the Fund's longer-term investment objectives.

Also, one of the U.S. Treasury Department's objectives for conservatorships is to protect bondholders. As such, declines in fair value below cost for investments in Fannie Mae bonds (that is, debt securities) may be treated as temporary. At the end the District's intent is to hold the bonds until they recover.

Credit ratings for the Pension Trust Fund's investments in debt securities at April 30, 2011 (investments in U.S. Treasuries are not considered to have credit risk) are as follows:

<u>Investment Type</u>	<u>Credit Ratings</u>	<u>Percentage of Investment</u>	<u>Percentage of Total Investments</u>
U.S. Investment Securities	\$ AAA	100%	19%
Federal Farm Credit Bank	AAA	100%	8%
Federal Home Loan Bank	AAA	100%	7%
FNMA	AAA	100%	4%
Tennessee Valley Authority	AAA	100%	1%
GNMA	not available	100%	5%
Corporate Bonds	AAA	100%	3%

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Pension Trust Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Pension Trust Fund does not have a formal investment policy for reducing custodial credit risk. As listed above, more than 5 percent of the Pension Trust Fund's investments are in U.S. Investment Securities, FFBCB, FHLB, Corporate Stocks and mutual funds.

Concentration of Credit Risk

This is the risk of loss attributed to the magnitude of the Pension Trust Fund's investment in a single issuer. The Pension Trust Fund does not have a formal written policy on the risk of loss attributed to the investment of a single issuer. The Pension Trust Fund had investments that were covered by SIPC insurance as of April 30, 2011.

VILLAGE OF NORRIDGE  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2011

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

B. PROPERTY TAXES

Property taxes are recognized when they are received. The 2010 property taxes attach as an enforceable lien on January 1, 2010. They were levied in December, 2010 by passage of a tax levy ordinance. Tax bills are prepared by the county and issued on or about February 1, 2011 and are due in two installments, on April 1, 2011 and on November 1, 2011. The county collects such taxes and remits them periodically. The property tax revenue in the financial statements represents approximately 45% of the 2010 levy.

C. CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended April 30, 2011 was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Land	\$ 1,310,667	\$ -	\$ -	\$ 1,310,667
Depreciable capital assets:				
Buildings	6,969,065	-	-	6,969,065
Equipment	3,714,872	187,123	18,699	3,883,296
Infrastructure	<u>11,654,975</u>	<u>-</u>	<u>-</u>	<u>11,654,975</u>
Total Capital Assets	<u>\$ 23,649,579</u>	<u>\$ 187,123</u>	<u>\$ 18,699</u>	<u>\$ 23,818,003</u>
Accumulated Depreciation				
Buildings	\$ 1,486,221	\$ 139,381	\$ -	\$ 1,625,602
Equipment	2,560,068	497,955	7,480	3,050,543
Infrastructure	<u>4,216,406</u>	<u>269,419</u>	<u>-</u>	<u>4,485,825</u>
Total accumulated depreciation	<u>\$ 8,262,695</u>	<u>\$ 906,755</u>	<u>\$ 7,480</u>	<u>\$ 9,161,970</u>
Governmental activities capital assets, net	<u>\$ 15,386,884</u>	<u>(\$ 719,632)</u>	<u>(\$ 11,219)</u>	<u>\$ 14,656,033</u>

Depreciation expense was charged to the following functions in the Statement of Activities:

General government	\$ 153,464
Public safety	444,351
Public works - Street Department	180,159
Village properties	140,000
Net	<u>\$ 917,974</u>

A summary of proprietary fund type property, plant, and equipment at April 30, 2011 follows:

	<u>Enterprise</u>
Combined waterworks and sewerage system	\$ 5,218,448
Machinery and equipment	452,923
Furniture and fixtures	22,375
Water meters	<u>2,304,518</u>
Total	\$ 7,998,264
Less: Accumulated depreciation	<u>4,168,555</u>
Net	<u>\$ 3,829,709</u>

VILLAGE OF NORRIDGE  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2011

3. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

D. LONG-TERM DEBT

Enterprise Fund Long-Term Debt - On April 25, 2003 the Village entered into a loan agreement with the Illinois Environmental Protection Agency through the State's Illinois Public Water Supply Loan Program. The loan proceeds are being used to upgrade the current water meter system including the replacement of existing water meters and the installation of new remote registers and a new meter reading system.

The Village was approved to borrow up to \$1,952,667 with an annual interest rate of 2.905%. The loan term is 15 years with semiannual payments starting upon the completion of the project. The Village borrowed a total of \$1,785,376.

Annual debt service requirements to maturity for the Illinois EPA loan are as follows:

<u>Year Ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 121,714	\$ 25,970	\$ 147,684
2013	125,276	22,408	147,684
2014	128,941	18,743	147,684
2015	132,714	14,970	147,684
2016-2018	415,533	21,150	436,683
Total	<u>\$ 924,178</u>	<u>\$ 103,241</u>	<u>\$ 1,027,419</u>

Summary - The following is a summary of long-term debt transactions of the Village for the year ended April 30, 2011:

	<u>Balance 4/30/2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 4/30/2011</u>	<u>Amount due in One Year</u>
Governmental Activities:					
Compensated Absences	\$ 396,015	\$ 218,586	\$ 186,225	\$ 428,376	\$ 218,586
Net Pension Obligation	209,266	601,212	-	810,478	-
Other Postemployment Benefit Obligations	194,739	189,721	-	384,460	-
	<u>\$ 800,020</u>	<u>\$ 1,009,519</u>	<u>\$ 186,225</u>	<u>\$ 1,623,314</u>	<u>\$ 218,586</u>
Enterprise Fund					
Illinois EPA Loan	\$ 1,042,432	\$ -	\$ 118,254	\$ 924,178	\$ 121,714
	<u>\$ 1,842,452</u>	<u>\$ 1,009,519</u>	<u>\$ 304,479</u>	<u>\$ 2,547,492</u>	<u>\$ 340,300</u>

4. OTHER INFORMATION

A. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries insurance. There has been no significant decrease in the insurance coverage over the past year.

B. COMMITMENTS AND CONTINGENT LIABILITIES

The Village is a defendant in various lawsuits. The ultimate resolution of these matters is not ascertainable at this time. No provision has been made in the financial statements related to these claims.

VILLAGE OF NORRIDGE

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2011

4. OTHER INFORMATION (Continued)

C. EMPLOYEE RETIREMENT SYSTEMS AND PLANS

Illinois Municipal Retirement Fund

A. Plan Description

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

B. Funding Policy

As set by statute, Regular plan members are required to contribute 4.50% of their annual covered salary. The statutes requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2010 was 8.80 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2010 was 9.97 percent. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

C. Annual Pension Cost

For 2010, the Village's actual contributions for pension cost for the Regular plan were \$257,244. Its required contribution for calendar year 2010 was \$291,446.

Three-Year Trend Information for the Regular Plan

<u>Actual Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
12/31/10	\$ 291,446	88%	\$ 34,202
12/31/09	236,093	100%	0
12/31/08	235,008	100%	0

The required contribution for 2010 was determined as part of the December 31, 2008, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2008, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of IMRF plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open 30-year basis.

## VILLAGE OF NORRIDGE

### NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2011

#### 4. OTHER INFORMATION (Continued)

##### C. EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

###### Illinois Municipal Retirement Fund (Continued)

*Funded Status and Funding Progress.* As of December 31, 2010, the most recent actuarial valuation date, the Regular plan was 79.60 percent funded. The actuarial accrued liability for benefits was \$7,179,134 and the actuarial value of assets was \$5,714,402, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,464,732. The covered payroll (annual payroll of active employees covered by the plan) was \$2,923,230 and the ratio of the UAAL to the covered payroll was 50 percent.

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

###### Police Pension Trust Fund

###### A. Plan Description

The Village contributes to the Village of Norridge Police Pension Fund (Plan), a defined benefit single-employer public employee retirement system covering substantially all professional members of the police force employed by the Village of Norridge. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. There are currently 35 members contributing to the Plan and 24 retirees or beneficiaries receiving benefits.

Covered police employees attaining the age of 50 or more with 20 years of creditable service are entitled to receive retirement benefits. Police employees are entitled to a yearly pension equal to ½ of the salary attached to the rank held on such police force on the last day of service, or for 1 year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of such service over 20 years, up to 30 years, to a maximum limit of 75% of such salary.

Police officers with at least 8 years but less than 20 years of creditable service, may retire at or after age 60 to a pension of 2.5% of the salary attached to the rank held on the last day of service by the officer for each year of creditable service. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least age 55, by 3% of the original pension and an additional 3% in January of each year thereafter. The plan also provides disability pensions.

###### B. Summary of Significant Accounting Policies and Plan Asset Matters

###### Basis of Accounting

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

###### Method Used to Value Investments

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

VILLAGE OF NORRIDGE

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2011

4. OTHER INFORMATION (Continued)

C. EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

Police Pension Trust Fund (Continued)

B. Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Significant Investments

There are no significant investments that represent 5% or more of net assets available for benefits.

Related Party Transactions

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

C. Contributions and Reserves

As a condition of participation, police officers are required by ILCS to contribute 9.91% of their base salary to the Plan. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost of the Police Pension Plan is fully funded.

D. Annual Pension Cost and Net Pension Obligation

The pension liability for the Police Pension Plan as of April 30, 2011 is as follows:

	<u>Police Pension Plan</u>
Annual Required Contribution	\$ 1,102,862
Interest on Net Pension Obligation	15,695
Adjustment to Annual Required Contribution	<u>( 11,547)</u>
Annual Pension Cost	1,107,010
Actual Contribution	<u>540,000</u>
Increase (Decrease) in the NPO	567,010
NPO - Beginning of Year	<u>209,266</u>
NPO - End of Year	<u><u>\$ 776,276</u></u>

D. OTHER POST-EMPLOYMENT BENEFITS

A. Plan Description

In addition to providing the pension benefits described, the Village provides post-employment health care insurance benefits (OPEB) for its eligible retired employees through the Village group health insurance plan, which covers both active and retired members. 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 contract. 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 governmental and business-type activities.

The Village provides pre Medicare post-employment health insurance to retirees, their spouses, and dependents who were enrolled in one of the Village's healthcare plans at the time of the employees' retirement.



VILLAGE OF NORRIDGE  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2011

4. OTHER INFORMATION (Continued)

D. OTHER POST-EMPLOYMENT BENEFITS (Continued)

B. Funding Policy

The Village contributes 75 percent of the cost of current-year HMO premiums for eligible retired plan members. The retiree is responsible for 100% of the cost of any spouse and/or dependent coverage.

C. Annual OPEB Cost and Net OPEB Obligation

The Village's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*. The Village has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement 45 for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following tables shows the components of the Village's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation to the Retiree Health Plan:

Annual required contribution	\$	287,624
Interest on net OPEB obligation		9,737
Adjustment to annual required contribution	(	<u>6,491)</u>
Annual OPEB cost (expense)	\$	290,870
Contributions made	(	<u>101,149)</u>
Increase in net OPEB obligation	\$	189,721
Net OPEB obligation-beginning of year		<u>194,739</u>
Net OPEB obligation-end of year	\$	<u><u>384,460</u></u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2011 and the two preceding fiscal years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
4/30/09	\$ NA	NA	\$ NA
4/30/10	295,888	34.2%	194,739
4/30/11	290,870	34.8%	384,460

VILLAGE OF NORRIDGE

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2011

4. OTHER INFORMATION (Continued)

D. OTHER POST-EMPLOYMENT BENEFITS (Continued)

D. Funded Status and Funding Progress

As of April 30, 2011, the actuarial accrued liability for benefits was \$3,535,820, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$5,121,368, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 69.4 percent.

The projection of future benefit payments for an ongoing plan involves 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 trend. Amounts determined regarding the funded status of the plan and the annual required 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 about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*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 methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2010 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate of return and an initial healthcare trend rate of 8.0% with an ultimate healthcare inflation rate of 6.0%, a 3.0% price inflation assumption, a 5.0% wage inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2011 was 29 years.

VILLAGE OF NORRIDGE

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
FOR THE FISCAL YEAR ENDED APRIL 30, 2011

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Percent</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/2010	\$ 5,714,402	\$ 7,179,134	\$1,464,732	79.60%	\$ 2,923,230	50.11%
12/31/2009	5,462,205	6,457,868	995,663	84.58	2,951,168	33.74
12/31/2008	6,105,608	6,818,745	713,137	89.54	2,855,500	24.97
12/31/2007	6,357,740	6,138,321	( 219,419)	103.57	2,713,517	0.00
12/31/2006	5,562,198	5,455,260	( 106,938)	101.96	2,523,810	0.00
12/31/2005	4,958,099	5,028,321	70,222	98.60	2,388,991	2.94

On a market value basis, the actuarial value of assets as of December 31, 2010 is \$6,083,408. On a market basis, the funded ratio would be 84.74%.

VILLAGE OF NORRIDGE

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS

POLICE PENSION FUND

FOR THE FISCAL YEAR ENDED APRIL 30, 2011

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) -Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
4/30/2010	\$ 17,236,275	\$ 32,304,645	\$ 15,068,370	53.36%	\$ 2,767,453	544.48%
4/30/2009	15,599,239	29,666,977	14,067,738	52.58	2,832,909	496.58
4/30/2008	NA	NA	NA	NA	2,848,065	NA
4/30/2007	NA	NA	NA	NA	2,740,745	NA
4/30/2006	15,898,068	22,975,601	7,077,533	69.2	2,617,441	270.40
4/30/2005	NA	NA	NA	NA	2,512,909	NA
4/30/2004	NA	NA	NA	NA	2,502,060	NA
4/30/2003	NA	NA	NA	NA	2,339,106	NA

The Village did not have an actuarial valuation prepared on an annual basis. For the years that an actuarial valuation was not prepared, the Village used the "Actuarially Determined Tax Levy" report prepared by the Illinois Department of Insurance to determine the employer contribution.

NA - Not available.

VILLAGE OF NORRIDGE

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
OTHER POSTEMPLOYMENT BENEFIT BENEFITS PLAN  
FOR THE FISCAL YEAR ENDED APRIL 30, 2011

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) -Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
4/30/2011	\$ NA	\$ NA	\$ NA	NA %	\$ NA	NA %
4/30/2010	-	3,535,820	3,535,820	0.0	5,121,368	69.04
4/30/2009	NA	NA	NA	NA	NA	NA
4/30/2008	NA	NA	NA	NA	NA	NA
4/30/2007	NA	NA	NA	NA	NA	NA
4/30/2006	NA	NA	NA	NA	NA	NA

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2011. Information for prior years is not available. The Village is required to have the actuarial valuation performed triennially.

NA - Not available.

VILLAGE OF NORRIDGE

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
FOR THE FISCAL YEAR ENDED APRIL 30, 2011

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Annual Required Contribution</u>	<u>Percent Contributed</u>
12/31/2010	\$ 257,244	\$ 291,446	88.00 %
12/31/2009	236,093	236,093	100.00
12/31/2008	235,008	235,008	100.00
12/31/2007	238,789	238,789	100.00
12/31/2006	223,862	223,862	100.00
12/31/2005	192,792	192,792	100.00

VILLAGE OF NORRIDGE

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND  
FOR THE FISCAL YEAR ENDED APRIL 30, 2011

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Annual Required Contribution</u>	<u>Percent Contributed</u>
4/30/2011	\$ 805,245	\$ NA	NA%
4/30/2010	540,000	1,107,010	48.78
4/30/2009	480,000	596,746	80.44
4/30/2008	480,000	NA	NA
4/30/2007	380,000	NA	NA
4/30/2006	360,000	452,520	79.55

NA - Not available.

VILLAGE OF NORRIDGE

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS

FOR THE FISCAL YEAR ENDED APRIL 30, 2011

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Annual Required Contribution</u>	<u>Percent Contributed</u>
4/30/2011	\$ 101,149	\$ 287,624	35.17%
4/30/2010	101,149	295,888	34.18
4/30/2009	NA	NA	NA
4/30/2008	NA	NA	NA
4/30/2007	NA	NA	NA
4/30/2006	NA	NA	NA

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2010. Information for prior years is not available.

NA - Not available.



VILLAGE OF NORRIDGE

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND  
YEAR ENDED APRIL 30, 2011

	<u>Budget</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Positive (Negative)
Budgetary fund balance, May 1, 2011	\$ 2,100,000	\$ 2,100,000	\$ 3,693,768	\$ 1,593,768
Resources (inflows):				
Sales Tax	3,900,000	3,900,000	4,128,779	228,779
Home Rule Sales Tax	4,200,000	4,200,000	4,396,884	196,884
Real Estate Tax Levy	1,102,862	1,102,862	805,245	( 297,617)
State Income Tax	950,000	950,000	1,247,770	297,770
Fines and forfeitures	380,000	380,000	308,209	( 71,791)
Licenses and permits	455,000	455,000	574,156	119,156
Gas Tax	270,000	270,000	252,857	( 17,143)
State Use Tax	170,000	170,000	200,912	30,912
Wireless Tax	470,000	470,000	483,093	13,093
Other Intergovernmental	1,402,000	1,402,000	1,556,759	154,759
Investment Income	40,000	40,000	17,221	( 22,779)
Franchise fees	120,000	120,000	124,291	4,291
Charges for services	70,000	70,000	153,913	83,913
Miscellaneous	400,000	400,000	220,741	( 179,259)
Transfers from other funds	<u>1,000,000</u>	<u>1,000,000</u>	<u>63,103</u>	<u>( 936,897)</u>
Amounts available for appropriation	<u>\$ 17,029,862</u>	<u>\$ 17,029,862</u>	<u>\$ 18,227,701</u>	<u>\$ 1,197,839</u>
Charges to appropriations (outflows):				
General government	\$ 2,672,897	\$ 2,672,897	\$ 2,312,784	\$ 360,113
Public safety:				
Police	7,963,968	7,963,968	6,819,859	1,144,109
Public works:				
Public works/Street Department	2,858,883	2,858,883	1,807,166	1,051,717
Garbage/recycling	1,010,000	1,010,000	975,934	34,066
Village properties	<u>1,656,702</u>	<u>1,656,702</u>	<u>1,423,231</u>	<u>233,471</u>
Total charges to appropriations	<u>\$ 16,162,450</u>	<u>\$ 16,162,450</u>	<u>\$ 13,338,974</u>	<u>\$ 2,823,476</u>
Budgetary fund balance, April 30, 2011	<u>\$ 867,412</u>	<u>\$ 867,412</u>	<u>\$ 4,888,727</u>	<u>\$ 4,021,315</u>