

VILLAGE OF NORRIDGE, ILLINOIS

BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED APRIL 30, 2014

VILLAGE OF NORRIDGE

BASIC FINANCIAL STATEMENTS

FISCAL YEAR ENDED APRIL 30, 2014

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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, 2014, 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, based on our audit, 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 Norridge, Illinois, as of April 30, 2014 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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Norridge, Illinois' basic financial statements. Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 6 and page 42 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 31, 2014
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, 2014 and 2013 follows:

VILLAGE OF NORRIDGE NET ASSETS						
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Assets						
Cash and investments	\$ 4,343,054	\$ 4,460,358	\$ 1,160,954	\$ 929,752	\$ 5,504,008	\$ 5,390,110
Receivables	1,074,765	1,029,420	159,135	218,276	1,233,900	1,247,696
Other assets	102,971	97,600	156,854	84,075	259,825	181,675
Capital assets	<u>12,931,992</u>	<u>13,400,041</u>	<u>3,661,053</u>	<u>3,874,467</u>	<u>16,593,045</u>	<u>17,274,508</u>
Total Assets	<u>\$ 18,452,782</u>	<u>\$ 18,987,419</u>	<u>\$ 5,137,996</u>	<u>\$ 5,106,570</u>	<u>\$ 23,590,778</u>	<u>\$ 24,093,989</u>
Liabilities						
Current liabilities	\$ 327,498	\$ 286,986	\$ 128,542	\$ 143,091	\$ 456,040	\$ 430,077
Non-current liabilities	1,900,655	1,720,309	152,046	79,267	2,052,701	1,799,576
Current debt	-	-	147,441	135,955	147,441	135,955
Non-current debt	-	-	<u>747,107</u>	<u>894,773</u>	<u>747,107</u>	<u>894,773</u>
Total Liabilities	<u>\$ 2,228,153</u>	<u>\$ 2,007,295</u>	<u>\$ 1,175,136</u>	<u>\$ 1,253,086</u>	<u>\$ 3,403,289</u>	<u>\$ 3,260,381</u>
Net Assets:						
Invested in capital assets, net of related debt	\$ 12,931,992	\$ 13,400,041	\$ 2,656,747	\$ 2,734,205	\$ 15,588,739	\$ 16,134,246
Restricted	1,937,928	1,896,056	-	-	1,937,928	1,896,056
Unassigned	<u>1,354,709</u>	<u>1,684,027</u>	<u>1,306,113</u>	<u>1,119,279</u>	<u>2,660,822</u>	<u>2,803,306</u>
Total Net Assets	<u>\$ 16,224,629</u>	<u>\$ 16,980,124</u>	<u>\$ 3,962,860</u>	<u>\$ 3,853,484</u>	<u>\$ 20,187,489</u>	<u>\$ 20,833,608</u>

Governmental Activities

Assets:

Cash and investments increased \$117,304 over the prior year and net capital assets decreased \$468,049 mainly from depreciation.

Liabilities:

The increase in non-current liabilities can be attributed to the increase in compensated absences payable and other postemployment benefit obligation.

Business-Type Activities

Assets:

Total assets increased by \$31,426. This increase is comprised mainly of an increase in cash of \$231,202 and a decrease in net capital assets due to depreciation expense.

Liabilities:

During the fiscal year ended April 30, 2014, the Water Fund started to repay the State of Illinois EPA water supply loan that originated in the prior fiscal year. In addition, the Water Fund continued to repay the State of Illinois EPA loan that originated in fiscal year ended April 30, 2004. Total principal paid on the two loans amounted to \$136,180.

The statement of Net Assets can be found on page 7 of this report.

VILLAGE OF NORRIDGE
MANAGEMENT'S DISCUSSION AND ANALYSIS

Village as a Whole

Government-wide Financial Statements

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	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
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Unassigned	<u>1,354,709</u>	<u>1,684,027</u>	<u>1,306,113</u>	<u>1,119,279</u>	<u>2,660,822</u>	<u>2,803,306</u>
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The statement of Net Assets can be found on page 8 of this report.

VILLAGE OF NORRIDGE
MANAGEMENT'S DISCUSSION AND ANALYSIS

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 fiscal year ended April 30, 2005. Continued monitoring of the water usage has enabled the Village to eliminate leaks in the water supply lines and minimize water waste.

The Statement of Changes in Net Assets for the Water Fund can be found on page 14 of this report.

Net assets increased by \$109,376 during the fiscal year ended April 30, 2014.

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.

General Fund revenues were less than the budget by \$269,720. Sales tax and home rule sales tax revenue were more than the budget by \$126,347 and \$150,541 respectively.

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

Capital Assets

At April 30, 2014 the Village had \$17 million invested in capital assets, net of accumulated depreciation including police equipment, buildings, roads, and water and sewer lines.

Capital Assets at Year-end

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
Land	\$ 1,310,667	\$ -	\$ 1,310,667
Buildings	6,969,065	-	6,969,065
Equipment	4,033,967	2,779,816	6,813,783
Infrastructure	<u>11,733,189</u>	<u>5,678,059</u>	<u>17,411,248</u>
Subtotal	\$ 24,046,888	\$ 8,457,875	\$ 32,504,763
Accumulated depreciation	<u>10,646,847</u>	<u>4,796,822</u>	<u>15,443,669</u>
Capital assets, net	<u>\$ 13,400,041</u>	<u>\$ 3,661,053</u>	<u>\$ 17,061,094</u>

Debt Outstanding

At year-end, the Village had \$894,548 in bonds and loans outstanding versus \$1,030,728 in the prior year, and decrease of \$136,180. During the fiscal year ended April 30, 2013, the Village Board authorized a loan agreement with the Illinois Environmental Protection Agency. The loan proceeds of \$353,540 were used to upgrade the Lawrence Avenue (East) water main.

Debt Outstanding at Year-end

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
Illinois EPA loans	<u>\$ -</u>	<u>\$ 894,548</u>	<u>\$ 894,548</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 relatively 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 a decrease 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, 2014

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 2,371,393	\$ 960,954	\$ 3,332,347
Investments	1,971,661	200,000	2,171,661
Interest receivable	563	80	643
Taxes receivable	1,003,455	-	1,003,455
Accounts receivable	70,747	159,055	229,802
Inventories	-	4,808	4,808
Total Current Assets	<u>\$ 5,417,819</u>	<u>\$ 1,324,897</u>	<u>\$ 6,742,716</u>
Restricted Assets:			
Cash and cash equivalents	\$ 102,971	\$ 152,046	\$ 255,017
Total Restricted Assets	<u>\$ 102,971</u>	<u>\$ 152,046</u>	<u>\$ 255,017</u>
Other Assets:			
Land	\$ 1,310,667	\$ -	\$ 1,310,667
Other capital assets, net of depreciation	11,621,325	3,661,053	15,282,378
Total Other Assets	<u>\$ 12,931,992</u>	<u>\$ 3,661,053</u>	<u>\$ 16,593,045</u>
TOTAL ASSETS	<u>\$ 18,452,782</u>	<u>\$ 5,137,996</u>	<u>\$ 23,590,778</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 82,941	\$ 128,542	\$ 211,483
Note payable, current	-	147,441	147,441
Compensated absences payable	244,557	-	244,557
Total Current Liabilities	<u>\$ 327,498</u>	<u>\$ 275,983</u>	<u>\$ 603,481</u>
Liabilities payable from restricted assets	<u>\$ 102,971</u>	<u>\$ 152,046</u>	<u>\$ 255,017</u>
Non-current liabilities			
Compensated absences payable	\$ 298,625	\$ -	\$ 298,625
Notes payable, non-current	-	747,107	747,107
Net Pension Obligation	519,075	-	519,075
Other Postemployment Benefit Obligation	979,984	-	979,984
Total Non-current Liabilities	<u>\$ 1,797,684</u>	<u>\$ 747,107</u>	<u>\$ 2,544,791</u>
TOTAL LIABILITIES	<u>\$ 2,228,153</u>	<u>\$ 1,175,136</u>	<u>\$ 3,403,289</u>
NET ASSETS			
Invested in capital assets, net of related debt	\$ 12,931,992	\$ 2,656,747	\$ 15,588,739
Restricted - Highways and Streets	1,926,413	-	1,926,413
Restricted - Public Safety	11,515	-	11,515
Unassigned	1,354,709	1,306,113	2,660,822
TOTAL NET ASSETS	<u>\$ 16,224,629</u>	<u>\$ 3,962,860</u>	<u>\$ 20,187,489</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, 2014

	Program Revenues				Net Expense/Revenue		
	Expenses	Charges for Services	Fines and Forfeitures	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
General government	\$ 2,570,278	\$ 729,058	\$ 32,024	\$ 31,250	(\$ 1,777,946)	\$ -	(\$ 1,777,946)
Public safety	7,990,821	210,712	352,824	-	(7,427,285)	-	(7,427,285)
Public works							
Street Department	2,390,936	-	-	15,090	(2,375,846)	-	(2,375,846)
Sanitation	1,027,361	-	-	-	(1,027,361)	-	(1,027,361)
Village Properties	1,796,243	-	-	-	(1,796,243)	-	(1,796,243)
Total Governmental Activities	<u>\$ 15,775,639</u>	<u>\$ 939,770</u>	<u>\$ 384,848</u>	<u>\$ 46,340</u>	<u>(\$ 14,404,681)</u>	<u>\$ -</u>	<u>(\$ 14,404,681)</u>
Business-Type Activities							
Water and Sewer	\$ 2,638,336	\$ 2,746,742	\$ -	\$ -	\$ -	\$ 108,406	\$ 108,406
	<u>\$ 18,413,975</u>	<u>\$ 3,686,512</u>	<u>\$ 384,848</u>	<u>\$ 46,340</u>	<u>(\$ 14,404,681)</u>	<u>\$ 108,406</u>	<u>(\$ 14,296,275)</u>

General Revenues:

Taxes:			
Home Rule Sales tax		\$ 4,651,207	\$ 4,651,207
State Sales tax		4,591,512	4,591,512
State Income tax		1,419,985	1,419,985
Real Estate tax		918,703	918,703
Telecommunications tax		464,849	464,849
Intergovernmental revenue		1,140,475	1,140,475
Gasoline tax		245,359	245,359
Franchise fees		153,409	153,409
Investment income		13,220	14,190
Miscellaneous		50,467	50,467
Total General Revenues		<u>\$ 13,649,186</u>	<u>\$ 13,650,156</u>
Change in net assets		(\$ 755,495)	(\$ 646,119)
Net Assets at Beginning of Year, as Reported		<u>16,980,124</u>	<u>20,833,608</u>
Net Assets at End of Year		<u>\$ 16,224,629</u>	<u>\$ 20,187,489</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, 2014

	<u>General</u>	<u>Special Revenue Fund Motor Fuel Tax</u>	<u>Non-major Governmental Funds</u>	<u>Totals</u>
ASSETS				
Cash and cash equivalents	\$ 685,079	\$ 1,674,799	\$ 11,515	\$ 2,371,393
Investments	1,720,047	251,614	-	1,971,661
Interest receivable	563	-	-	563
Taxes receivable	1,003,455	-	-	1,003,455
Accounts receivable	70,747	-	-	70,747
Grants receivable	-	-	-	-
Restricted assets	102,971	-	-	102,971
TOTAL ASSETS	<u>\$ 3,582,862</u>	<u>\$ 1,926,413</u>	<u>\$ 11,515</u>	<u>\$ 5,520,790</u>
LIABILITIES				
Accounts payable	\$ 82,941	\$ -	\$ -	\$ 82,941
Interfund payable	-	-	-	-
Liabilities payable from restricted assets	102,971	-	-	102,971
TOTAL LIABILITIES	<u>\$ 185,912</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 185,912</u>
FUND BALANCES				
Unreserved, reported in:				
General fund	\$ 3,396,950	\$ -	\$ -	\$ 3,396,950
Special revenue funds	-	1,926,413	11,515	1,937,928
Debt service funds	-	-	-	-
TOTAL FUND BALANCES	<u>\$ 3,396,950</u>	<u>\$ 1,926,413</u>	<u>\$ 11,515</u>	<u>\$ 5,334,878</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,582,862</u>	<u>\$ 1,926,413</u>	<u>\$ 11,515</u>	<u>\$ 5,520,790</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, 2014

Fund Balances of Governmental Funds		\$ 5,334,878
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	\$ 24,086,637	
Accumulated depreciation	<u>11,154,645</u>	
Total Capital Assets, net		12,931,992
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.	(519,075)
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.	(979,984)
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	(<u>543,182)</u>
Net assets of governmental activities		<u>\$ 16,224,629</u>

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
FOR THE YEAR ENDED APRIL 30, 2014

	<u>General</u>	<u>Special Revenue</u>	<u>Total Governmental Funds</u>
REVENUES			
Taxes	\$ 6,280,118	\$ -	\$ 6,280,118
Licenses and permits	639,573	-	639,573
Intergovernmental	6,188,057	1,010,255	7,198,312
Charges for services	376,019	-	376,019
Fines and forfeitures	353,008	-	353,008
Miscellaneous	170,096	3,018	173,114
TOTAL REVENUES	<u>\$ 14,006,871</u>	<u>\$ 1,013,273</u>	<u>\$ 15,020,144</u>
EXPENDITURES			
Current:			
General government	\$ 2,387,868	\$ -	\$ 2,387,868
Public safety	7,677,833	147,147	7,824,980
Highway and streets	1,380,646	824,254	2,204,900
Sanitation	1,027,361	-	1,027,361
Village properties	1,656,243	-	1,656,243
TOTAL EXPENDITURES	<u>\$ 14,129,951</u>	<u>\$ 971,401</u>	<u>\$ 15,101,352</u>
Excess (deficiency) of revenues over (under) expenditures	(<u>\$ 123,080</u>)	<u>\$ 41,872</u>	(<u>\$ 81,208</u>)
Other Financing Sources (Uses)			
Transfers In	\$ -	\$ -	\$ -
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Change in Fund Balances	(<u>\$ 123,080</u>)	<u>\$ 41,872</u>	(<u>\$ 81,208</u>)
FUND BALANCE, BEGINNING OF YEAR	3,520,030	1,896,056	5,416,086
FUND BALANCE, END OF YEAR	<u>\$ 3,396,950</u>	<u>\$ 1,937,928</u>	<u>\$ 5,334,878</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, 2014

Net change in Fund Balances - Total governmental funds (\$ 81,208)

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 Compensated Absences	(56,048)
Decrease in Net Pension Obligation	62,572
(Increase) in Net OPEB Obligation	(212,762)

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	71,339
Depreciation	(<u>539,388</u>)

Change in Net Assets of Governmental Activities (\$ 755,495)

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

VILLAGE OF NORRIDGE
STATEMENT OF NET ASSETS
PROPRIETARY FUND
APRIL 30, 2014

	<u>Water Utilities</u>
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 960,954
Investments	200,000
Accounts receivable	159,055
Interest receivable	80
Inventory	4,808
Total Current Assets	\$ 1,324,897
Restricted Assets:	
Cash and cash equivalents	\$ 152,046
Total Restricted Assets	\$ 152,046
Non-current Assets:	
Capital assets	
Other capital assets, net of accumulated depreciation	\$ 3,661,053
Total Non-Current Assets	\$ 3,661,053
Total Assets	\$ 5,137,996
LIABILITIES	
Current Liabilities	
Accounts payable	\$ 128,542
Loan payable, current portion	147,441
Total Current Liabilities	\$ 275,983
Liabilities Payable from Restricted Assets	
Deposits	\$ 152,046
Total Liabilities Payable from Restricted Assets	\$ 152,046
Non-current Liabilities	
Loans payable, non-current	\$ 747,107
Total Liabilities	\$ 1,175,136
NET POSITION	
Invested in capital assets, net of related debt	\$ 2,656,747
Unrestricted	1,306,113
Total Net Position	\$ 3,962,860

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

VILLAGE OF NORRIDGE
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUND
FOR THE YEAR ENDED APRIL 30, 2014

OPERATING REVENUES	
Charges for services	
Water charges	\$ 2,401,062
Permits and fees	215,824
Other	9,012
Total operating revenues	<u>\$ 2,625,898</u>
OPERATING EXPENSES	
Administration and Maintenance	\$ 2,398,702
Depreciation	213,413
Total operating expenses	<u>\$ 2,612,115</u>
OPERATING INCOME	<u>\$ 13,783</u>
NONOPERATING REVENUES (EXPENSES)	
Interest income	\$ 970
Interest expense on notes and loans payable	(26,221)
Rental income	120,844
Total nonoperating expenses	<u>\$ 95,593</u>
Change in net position	\$ 109,376
Net position, beginning of year	<u>3,853,484</u>
Net position, end of year	<u><u>\$ 3,962,860</u></u>

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

VILLAGE OF NORRIDGE
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED APRIL 30, 2014

	<u>Amount</u>
Cash flows from operating activities	
Receipts from Customers and Users	\$ 2,735,607
Payments to Suppliers	(2,020,730)
Payments to Employees	(373,750)
Net cash provided (used) by operating activities	\$ 341,127
Cash flows from capital and related financing activities	
Principal paid on debt	(\$ 136,180)
Interest paid on debt	(22,800)
Rental income	120,844
Net cash (used) provided by capital and related financing activities	(\$ 38,136)
Cash flows from investing activities	
Investment income received	\$ 990
Net cash provided by investing activities	\$ 990
Net increase in cash and cash equivalents	\$ 303,981
Cash and cash equivalents at beginning of year	809,019
Cash and cash equivalents at end of year	\$ 1,113,000
Reconciliation of Operating Income to Net Cash	
Provided (Used) by Operating Activities	
Operating Income	\$ 13,783
Adjustments to Reconcile Operating Income	
to Net Cash Provided by	
(Used in) Operating Activities	
Depreciation	213,413
(Increase) Decrease in Current Assets	131,900
Increase (Decrease) in Current Liabilities	(17,969)
Net Cash Provided by Operating Activities	\$ 341,127

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, 2014

	<u>Pension Trust Fund</u>
ASSETS	
Cash and cash equivalents	\$ 1,145,420
Receivables:	
Interest and dividends	82,306
Total current assets	<u>\$ 1,227,726</u>
Investments	
U.S. Government Obligations	\$ 4,579,079
Corporate Stocks	11,727,645
Mutual Funds	5,293,467
Corporate Bonds	585,707
Certificates of deposit	250,000
Total investments	<u>\$ 22,435,898</u>
Total assets	<u>\$ 23,663,624</u>
LIABILITIES	
Accounts payable	\$ 52,067
Total liabilities	<u>\$ 52,067</u>
NET POSITION	
Held in trust for pension benefits	<u>\$ 23,611,557</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, 2014

	<u>Pension Trust Fund</u>
ADDITIONS:	
Contributions:	
Employer	\$ 918,703
Plan members	<u>323,382</u>
Total contributions	<u>\$ 1,242,085</u>
Investment income:	
Net appreciation in fair value of investments	\$ 1,471,249
Interest and dividend income	<u>581,026</u>
Total investment income	<u>\$ 2,052,275</u>
Less investment expenses	<u>128,535</u>
Net investment income	<u>\$ 1,923,740</u>
Total additions	<u>\$ 3,165,825</u>
DEDUCTIONS:	
Benefits	\$ 1,616,830
Administrative expenses	<u>18,280</u>
Total deductions	<u>\$ 1,635,110</u>
Change in net assets	\$ 1,530,715
Net assets held in trust for pension benefits	
Beginning of year	<u>22,080,842</u>
End of year	<u>\$ 23,611,557</u>

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

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

1. 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, 2014

1. 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.

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

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

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

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

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) changes 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.

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

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.

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 on 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.

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

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.

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.

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)

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.

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.

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES AND EQUITY (Continued)

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 \$10,000 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.

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.

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES AND EQUITY (Continued)

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. 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.

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 and monitored throughout the year on a cash basis.

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

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 \$7,078,466 and the bank balances were \$7,663,183. The carrying amount is categorized as follows:

Amount insured by the FDIC	\$ 1,777,293
Amount collateralized with securities held by the pledging financial institutions' agent held in the Village's name	4,095,689
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>1,790,201</u>
Total Carrying Amount	<u>\$ 7,663,183</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, 2014.

Concentration of Credit Risk

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

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. 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 up to 40% of the net assets of the pension fund as stated in its most current Department of Insurance annual report, with an additional 10% (maximum) allowed to be invested in equities through a mutual fund or separate account of a life insurance company.

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

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

A. DEPOSITS AND INVESTMENTS (Continued)

2. PENSION TRUST FUND'S INVESTMENTS (Continued)

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	\$ 2,145,593	\$ -	\$ 2,145,593	\$ -	\$ -
Federal Farm Credit Bank	1,053,354	412,536	587,833	52,985	-
Federal Home Loan Bank	820,342	-	820,342	-	-
FNMA	436,286	-	436,286	-	-
Tennessee Valley Authority	109,193	-	109,193	-	-
GNMA	14,312	-	1,279	-	13,033
Municipal Bonds	585,707	132,556	249,187	103,040	100,924
Certificates of Deposit	250,000	250,000	-	-	-
Total	\$ 5,414,787	\$ 795,092	\$ 4,349,713	\$ 156,025	\$ 113,957

Investments Not Subject to Interest Rate Risk:

Corporate Stocks	11,727,645
Mutual Equity Funds	5,293,466
Total Investments	<u>\$ 22,435,898</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 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 Fund's intent is to hold the bonds until they recover.

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

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

A. DEPOSITS AND INVESTMENTS (Continued)

2. PENSION TRUST FUND'S INVESTMENTS (Continued)

Credit Risk (Continued)

Credit ratings for the Pension Trust Fund's investments in debt securities at April 30, 2014 (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%	10%
Federal Farm Credit Bank	AAA	100%	4%
Federal Home Loan Bank	AAA	100%	4%
FNMA	AAA	100%	2%
Tennessee Valley Authority	AAA	100%	1%
GNMA	not available	100%	0%
Municipal Bonds	AAA-A	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, 2014.

B. PROPERTY TAXES

Property taxes are recognized when they are received. The 2013 property taxes attach as an enforceable lien on January 1, 2013. They were levied in December, 2013 by passage of a tax levy ordinance. Tax bills are prepared by the county and issued on or about February 1, 2014 and are due in two installments, on March 1, 2014 and on August 1, 2014. The county collects such taxes and remits them periodically.

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

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

C. CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended April 30, 2014 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	4,033,967	80,250	40,501	4,073,716
Infrastructure	11,733,189	-	-	11,733,189
Total Capital Assets	<u>\$ 24,046,888</u>	<u>\$ 80,250</u>	<u>\$ 40,501</u>	<u>\$ 24,086,637</u>
Accumulated Depreciation				
Buildings	\$ 1,904,364	\$ 139,381	\$ -	\$ 2,043,745
Equipment	3,711,562	127,459	31,590	3,807,431
Infrastructure	5,030,921	272,548	-	5,303,469
Total accumulated depreciation	<u>\$ 10,646,847</u>	<u>\$ 539,388</u>	<u>\$ 31,590</u>	<u>\$ 11,154,645</u>
Governmental activities capital assets, net	<u>\$ 13,400,041</u>	<u>(\$ 459,138)</u>	<u>\$ 8,911</u>	<u>\$ 12,931,992</u>

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

General government	\$ 69,690
Public safety	157,412
Public works - Street Department	172,286
Village properties	140,000
Net	<u>\$ 539,388</u>

A summary of proprietary fund type property, plant, and equipment at April 30, 2014 follows:

	<u>Enterprise</u>
Combined waterworks and sewerage system	\$ 5,678,059
Machinery and equipment	22,375
Furniture and fixtures	452,923
Water meters	2,304,518
Total	<u>\$ 8,457,875</u>
Less: Accumulated depreciation	4,796,822
Net	<u>\$ 3,661,053</u>

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

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.

On August 22, 2012, the Village Board authorized 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 water supply system.

The Village was approved to borrow up to \$526,627 with an annual interest rate of 2.295%. The loan term is 20 years with semiannual payments starting on January 23, 2014. The Village borrowed a total of \$485,197. The State of Illinois forgave \$131,657 of the loan amount pursuant to the principal forgiveness provisions contained in the Loan Rules.

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

Year Ending April 30	2003 Illinois EPA Water Supply Loan		2012 Illinois EPA Water Supply Loan		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 132,714	\$ 14,970	\$ 14,271	\$ 7,871	\$ 146,985	\$ 22,841
2016	136,598	11,086	14,601	7,542	151,199	18,628
2017	140,595	7,089	14,938	7,205	155,533	14,294
2018	138,340	2,975	15,283	6,860	153,623	9,835
2019	-	-	15,635	6,508	15,635	6,508
2020	-	-	15,996	6,147	15,996	6,147
2021	-	-	16,365	5,777	16,365	5,777
2022	-	-	16,743	5,400	16,743	5,400
2023	-	-	17,130	5,013	17,130	5,013
2024	-	-	17,525	4,617	17,525	4,617
2025	-	-	17,929	4,213	17,929	4,213
2026	-	-	18,343	3,800	18,343	3,800
2027	-	-	18,767	3,376	18,767	3,376
2028	-	-	19,200	2,943	19,200	2,943
2029	-	-	19,643	2,500	19,643	2,500
2030	-	-	20,096	2,046	20,096	2,046
2031	-	-	20,560	1,582	20,560	1,582
2032	-	-	21,035	1,108	21,035	1,108
2033	-	-	21,520	622	21,520	622
2034	-	-	10,946	125	10,946	125
	<u>\$ 548,247</u>	<u>\$ 36,120</u>	<u>\$ 346,526</u>	<u>\$ 85,255</u>	<u>\$ 894,773</u>	<u>\$ 121,375</u>

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

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

D. LONG-TERM DEBT (Continued)

Summary - The following is a summary of long-term debt transactions of the Village for the year ended April 30, 2014:

	<u>Balance</u> 4/30/2013	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 4/30/2014	<u>Amount due</u> <u>in One Year</u>
Governmental Activities:					
Compensated Absences	\$ 487,134	\$ 244,557	\$ 188,509	\$ 543,182	\$ 244,557
Net Pension Obligation	581,647	1,826	64,398	519,075	-
Other Postemployment Benefit Obligations	767,222	212,762	-	979,984	-
	<u>\$ 1,836,003</u>	<u>\$ 459,145</u>	<u>\$ 252,907</u>	<u>\$ 2,042,241</u>	<u>\$ 244,557</u>
Enterprise Fund					
Illinois EPA Loan - 2003	\$ 677,188	\$ -	\$ 128,941	\$ 548,247	\$ 132,714
Illinois EPA Loan - 2012	353,540	-	7,239	346,301	14,727
	<u>\$ 1,030,728</u>	<u>\$ -</u>	<u>\$ 136,180</u>	<u>\$ 894,548</u>	<u>\$ 147,441</u>
	<u>\$ 2,866,731</u>	<u>\$ 459,145</u>	<u>\$ 389,087</u>	<u>\$ 2,936,789</u>	<u>\$ 391,998</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.

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.

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

4. OTHER INFORMATION (Continued)

C. EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

Illinois Municipal Retirement Fund (Continued)

B. Funding Policy

As set by statute, Regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2013 used by the employer was 11.72 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2012 was 11.85 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 2013, the Village's actual contributions for pension cost for the Regular plan were \$361,659. Its required contribution for calendar year 2013 was \$362,117.

Three-Year Trend Information for the Regular Plan			
Actual Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/14	\$ 361,659	100%	(\$ 23,002)
4/30/13	365,344	88%	(22,544)
4/30/12	329,189	107%	27,686

The required contribution for 2013 was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, 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% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of your regular 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 at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30-year basis.

Funded Status and Funding Progress. As of December 31, 2013, the most recent actuarial valuation date, the Regular plan was 81.55 percent funded. The actuarial accrued liability for benefits was \$8,427,525 and the actuarial value of assets was \$6,872,461, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,555,064. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$3,102,129 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.

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

4. OTHER INFORMATION (Continued)

C. EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

Police Pension Plan

A. Plan Description

The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. There are currently 39 members contributing to the Plan and 26 retirees or beneficiaries receiving benefits, and 3 deferred retiree entitled to future benefits. The Pension Plan provides retirement benefits as well as death and disability benefits.

The following is a summary of the Village of Norridge Police Pension Plan as provided for in Illinois Compiled Statutes (ILCS):

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% 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 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten 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 officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% 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 officer 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 3.00% or ½ of the change in the Consumer Price Index for the preceding calendar year.

B. Funding Policy

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, or transferred to a new police pension fund with another municipality. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. By the year 2040 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded.

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

4. OTHER INFORMATION (Continued)

C. EMPLOYEE RETIREMENT SYSTEMS AND PLANS (Continued)

Police Pension Plan (Continued)

C. 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.

Significant Investments

Investments that represent 5% or more of net assets available for benefits are:

Mutual Funds and Exchange Traded Funds	
Ishares Barclays	
Intermediate Government/Credit Bond Fund	\$ 1,989,540
American Funds	
Europacific Growth Fund Class A	1,603,523

Related Party Transactions

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

D. Annual Pension Cost and Net Pension Obligation

The pension liability for the Police Pension Plan as of April 30, 2014 is as follows:

	<u>Police Pension</u>
	<u>Plan</u>
Annual Required Contribution	\$ 1,023,355
Interest on Net Pension Obligation	42,453
Adjustment to Annual Required Contribution	(25,666)
Annual Pension Cost	1,040,142
Actual Contribution	<u>1,104,540</u>
Increase (Decrease) in the NPO	(64,398)
NPO - Beginning of Year	<u>606,475</u>
NPO - End of Year	<u>\$ 542,077</u>

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

4. OTHER INFORMATION (Continued)

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.

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	\$	308,796
Interest on net OPEB obligation		30,689
Adjustment to annual required contribution		(25,574)
Annual OPEB cost (expense)	\$	313,911
Contributions made		(101,149)
Increase in net OPEB obligation	\$	212,762
Net OPEB obligation-beginning of year		767,222
Net OPEB obligation-end of year	\$	<u>979,984</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 2014 and the two preceding fiscal years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
4/30/12	\$ 293,590	34.5	\$ 576,901
4/30/13	291,470	34.7	767,222
4/30/14	313,911	32.2	979,984

VILLAGE OF NORRIDGE
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

4. OTHER INFORMATION (Continued)

D. OTHER POST-EMPLOYMENT BENEFITS (Continued)

D. Funded Status and Funding Progress

As of April 30, 2014, the actuarial accrued liability for benefits was \$3,538,349, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$6,067,071, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 58.3 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, 2014 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4.0% 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 4.0% 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, 2014 was 30 years.

VILLAGE OF NORRIDGE

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND
FOR THE FISCAL YEAR ENDED APRIL 30, 2014

<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>
12/31/2007	\$ 6,357,740	\$ 6,138,321	(\$ 219,419)	103.57%	\$ 2,713,517	0.00%
12/31/2008	6,105,608	6,818,745	713,137	89.54	2,855,500	24.97
12/31/2009	5,462,205	6,457,868	995,663	84.58	2,951,168	33.74
12/31/2010	5,714,402	7,179,134	1,464,732	79.60	2,923,230	50.11
12/31/2011	5,913,051	7,632,408	1,719,357	77.47	3,063,947	56.12
12/31/2012	6,319,562	8,091,766	1,772,204	78.10	3,168,594	55.93
12/31/2013	6,872,461	8,427,525	1,555,064	81.55	3,102,129	50.13

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$8,064,740. On a market basis, the funded ratio would be 95.70%.

VILLAGE OF NORRIDGE

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND
FOR THE FISCAL YEAR ENDED APRIL 30, 2014

<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>
4/30/2007	\$ 16,419,109	\$ 26,660,379	\$ 10,241,270	61.59%	\$ 2,740,745	373.67%
4/30/2008	16,701,458	28,142,477	11,441,019	59.35	2,848,065	401.71
4/30/2009	15,599,239	29,666,977	14,067,738	52.58	2,832,909	496.58
4/30/2010	17,862,864	31,153,234	13,290,370	57.34	2,767,453	480.24
4/30/2011	19,535,900	32,546,049	13,010,149	60.03	2,837,362	458.53
4/30/2012	20,581,303	34,643,079	14,061,776	59.41	3,037,490	462.94
4/30/2013	22,080,843	36,417,232	14,336,389	60.63	3,221,942	444.96

VILLAGE OF NORRIDGE

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT BENEFITS PLAN
FOR THE FISCAL YEAR ENDED APRIL 30, 2014

<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>
4/30/2008	\$ NA	\$ NA	\$ NA	NA %	\$ NA	NA%
4/30/2009	NA	NA	NA	NA	NA	NA
4/30/2010	-	3,535,820	3,535,820	-	5,121,368	69.04
4/30/2011	NA	NA	NA	NA	NA	NA
4/30/2012	NA	NA	NA	NA	NA	NA
4/30/2013	NA	3,538,349	3,538,349	NA	6,067,071	58.30
4/30/2014	NA	NA	NA	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. 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, 2014

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Annual Required Contribution</u>	<u>Percent Contributed</u>
4/30/2008	\$ 238,789	\$ 238,789	100.00 %
4/30/2009	235,008	235,008	100.00
4/30/2010	236,093	236,093	100.00
4/30/2011	270,310	277,486	97.41
4/30/2012	308,677	329,036	93.81
4/30/2013	415,574	364,752	113.93
4/30/2014	362,117	362,117	100.00

VILLAGE OF NORRIDGE

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND
FOR THE FISCAL YEAR ENDED APRIL 30, 2014

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Annual Required Contribution</u>	<u>Percent Contributed</u>
4/30/2008	\$ 480,000	\$ NA	NA %
4/30/2009	480,000	594,760	80.70
4/30/2010	540,000	1,102,862	48.96
4/30/2011	805,245	1,093,162	73.66
4/30/2012	1,457,015	953,676	152.78
4/30/2013	1,104,540	1,023,355	107.93

NA - Not available.

VILLAGE OF NORRIDGE

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFITS PLAN
FOR THE FISCAL YEAR ENDED APRIL 30, 2014

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Annual Required Contribution</u>	<u>Percent Contributed</u>
4/30/2008	\$ NA	\$ NA	NA%
4/30/2009	NA	NA	NA
4/30/2010	101,149	295,888	34.18
4/30/2011	101,149	287,624	35.17
4/30/2012	101,149	287,624	35.17
4/30/2013	101,149	287,624	35.17
4/30/2014	101,149	308,796	32.76

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, 2014

	Budget			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
Budgetary fund balance, May 1, 2013	\$ 2,738,500	\$ 2,738,500	\$ 3,520,030	\$ 781,530
Resources (inflows):				
Sales Tax	4,210,000	4,210,000	4,336,347	126,347
Home Rule Sales Tax	4,500,000	4,500,000	4,650,541	150,541
Real Estate Tax Levy	996,591	996,591	918,703	(77,888)
State Income Tax	1,300,000	1,300,000	1,409,041	109,041
Fines and forfeitures	380,000	380,000	352,808	(27,192)
Licenses and permits	595,000	595,000	639,573	44,573
Gas Tax	250,000	250,000	245,359	(4,641)
State Use Tax	215,000	215,000	248,758	33,758
Wireless Tax	500,000	500,000	464,849	(35,151)
Other Intergovernmental	725,000	725,000	176,560	(548,440)
Investment Income	10,000	10,000	8,953	(1,047)
Franchise fees	100,000	100,000	150,445	50,445
Charges for services	195,000	195,000	220,977	25,253
Miscellaneous	300,000	300,000	160,615	(139,385)
Transfers from other funds	2,326,400	2,326,400	-	(2,326,400)
Amounts available for appropriation	\$ 19,341,491	\$ 19,341,491	\$ 17,502,835	(\$ 1,838,656)
Charges to appropriations (outflows):				
General government	\$ 2,748,480	\$ 2,748,480	\$ 2,388,972	\$ 359,508
Public safety:				
Police	8,020,588	8,020,588	7,684,279	336,309
Public works:				
Public works/Street Department	2,648,410	2,648,410	1,336,256	1,312,154
Garbage/recycling	1,115,000	1,115,000	1,027,361	87,639
Village properties	1,882,000	1,882,000	1,682,577	199,423
Total charges to appropriations	\$ 16,414,478	\$ 16,414,478	\$ 14,119,445	\$ 2,295,033
Budgetary fund balance, April 30, 2014	\$ 2,927,013	\$ 2,927,013	\$ 3,383,390	\$ 456,377
Reconciliation of Budgetary (Cash Basis) and GAAP fund balance:				
Budgetary Fund Balance, Cash basis			\$ 3,383,390	
Revenue accruals			23,154	
Expenditure accruals			(9,594)	
Budgetary Fund Balance, GAAP basis			\$ 3,396,950	

VILLAGE OF NORRIDGE

ASSESSED VALUATIONS, RATES, EXTENSIONS, COLLECTIONS

	Levy Year				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Assessed Valuation	\$ 398,787,745	\$ 474,939,283	\$ 514,875,459	\$ 570,866,979	\$ 605,623,730
Tax Rate per \$100	0.257	0.207	0.219	0.199	0.092
Tax Extension	1,028,872	983,124	1,127,577	1,136,025	557,174
Collections	513,911	964,778	1,106,305	1,127,722	545,897
Percentage Collection	49.95%	98.13%	98.11%	99.27%	97.98%