

Village of Addison Illinois



Comprehensive Annual Financial Report YEAR ENDED APRIL 30, 2012

PREPARED BY DEPARTMENT OF FINANCE
Roseanne M. Benson
Finance Director / Treasurer



VILLAGE OF ADDISON, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**For the Year Ended
April 30, 2012**

Prepared by Finance Department

**Roseanne M. Benson
Finance Director/Treasurer**

**Claire A. Guinto
Assistant Finance Director**

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**VILLAGE ^{OF} ADDISON
ILLINOIS**

Introductory Section

Village of Addison

Elected Officials



Village of Addison Board of Trustees

Front row left to right: Trustee Richard Veenstra, Mayor Lorenz Hartwig, Village Clerk Lucille Zucchero
Back row left to right: Trustee Joseph McDermott, Trustee Harold Theodore, Trustee Sylvia Layne, Trustee Thomas Hundley, Trustee William Lynch.

VILLAGE OF ADDISON, ILLINOIS

PRINCIPAL OFFICIALS

April 30, 2012

Village Manager

Assistant Village Manager/Director Community Development

Joseph E. Block Jr.

John N. Berley

Finance Director/Treasurer

Chief of Police

Public Works Director

Community Relations Director

Director of Personnel / Risk Management

Roseanne M. Benson

Timothy Hayden

Mitchell Patterson

Donald A. Weiss

Donald Pinson

Attorney

Barry L. Moss

Audit Committee, Member

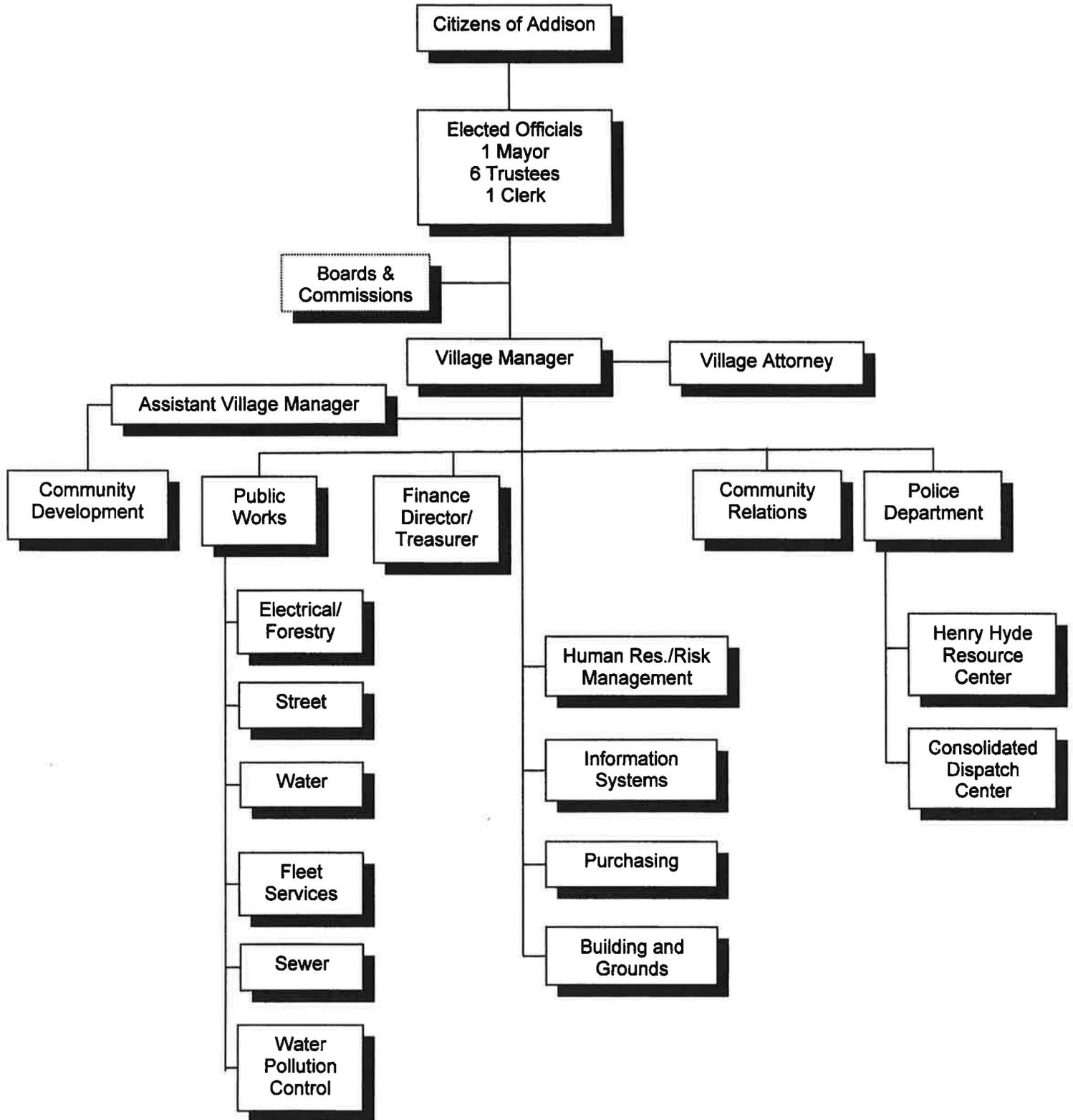
Audit Committee, Member

Donald McComb

Maria Cesario DeNicolò

VILLAGE OF ADDISON

Organizational Structure



Achievement for Excellence in Financial Reporting

Presented to

Village of Addison Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
April 30, 2011

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



Linda C. Danison

President

Jeffrey R. Emery

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Addison, Illinois for its Comprehensive Annual Financial Report for the fiscal year ended April 30, 2011. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.



Village of Addison

FINANCE DEPARTMENT

August 22, 2012

The Honorable Lorenz Hartwig, Mayor
Members of the Village Board of Trustees
Village Clerk Zucchero
Citizens of the Village of Addison, Illinois

Ladies and Gentlemen:

The Comprehensive Annual Financial Report (CAFR) of the Village of Addison for the fiscal year ended April 30, 2012, is herein submitted as required by state statute. State statute requires an audit shall be made by a licensed public accountant, annually, and shall cover the immediately preceding fiscal year and shall be filed with the Comptroller within six months after the close of the fiscal year.

This report consists of management's representations concerning the finances of the Village of Addison. Consequently, management assumes full responsibility for the completeness and reliability of all of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not outweigh their benefits, the Village of Addison's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village of Addison's financial statements have been audited by Sikich, LLP, a firm of licensed certified public accountants. They have issued an unqualified ("clean") opinion on the Village of Addison's financial statements for the fiscal year ended April 30, 2012. The independent auditor's report is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government. The Village of Addison is rich in heritage, its history dating back to the years when the territory was inhabited by the Algonquin Indians. The first settlers arrived in 1833 and the community was incorporated on August 18, 1884. Located approximately 20 miles west of Chicago, in the county of DuPage, the Village occupies a land area of approximately 9.0 square miles and had a 2010 population of 35,942. The Village has a variety of housing options from rental units to single family homes. Prior to the recent housing slump, the average value of a single family home has ranged from \$300,000, to more than \$600,000. However, the recent housing slump and increase in foreclosed properties has negatively impacted that range. As the economy recovers, we anticipate housing stock values will rebound as well.

The Village of Addison is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council. See Note 3a in the notes to financial statements regarding the property tax levy and corresponding receivable.

The Village of Addison operates under a Mayor-Council Manager form of government. Addison is a home-rule municipal corporation governed by the Mayor and six trustees, who are elected on a non-partisan basis to serve four-year overlapping terms. The Village Manager is appointed by the Village Board and serves as the Chief Administrative

Officer. The Village Board is responsible for establishing Village policy, which, in turn, is implemented on a day-to-day basis by the Village Manager and Village staff.

The Village of Addison provides a full range of governmental services. Specifically, the Village provides police protection, water and sewer utilities, construction and maintenance of roadways and infrastructure, engineering, code enforcement, planning, zoning, finance and general administrative services. In addition, the Village operates a cable television station which televises Village Board meetings, special community events, community information bulletins and free movies as part of their broadcast schedule. Fire protection is provided by the Addison Fire Protection District #1 which is a separate entity and taxing body.

The Village also reconfigured and built out its police radio communications area to create the Addison Consolidated Dispatch Center (ACDC). The center provides dispatch services to neighboring communities. The Village of Bensenville was the first community to contract with the ACDC for dispatch services. The Emergency Telephone System Board provided funding to update the radio console system and replace radios for sworn personnel. The upgrade allows for interoperability between many agencies and solves area wide radio frequency issues. The Village purchased additional radios for non-sworn staff and received a Starcom grant for 5 radios, in anticipation of the consolidation. DU-COMM (DuPage Public Safety Communications) is also providing some additional funding to assist in the consolidation. The Village of Bloomingdale is also under contract with the ACDC and is expected to be fully serviced by mid FY 2013.

The Village's Park District, School Districts and Public Library, which are separate governmental entities, provide a wealth of services. Addison is served by a highly ranked public school system anchored by Addison Trail High School. Addison is also home to DeVry University. This west suburban location offers B.S. degrees in several categories of technology, including computer science, electrical engineering and information management. DeVry also added an affiliation with the Chamberlain College of Nursing in 2008.

The Addison Park District, in addition to other facilities, operates the Family Aquatic Center, which is a national award winning outdoor water park offering a variety of water-related fun for the whole family. The Park District also manages 2 community centers, one of which includes a senior leisure center and the other an indoor pool and workout gym in addition to 24 park sites. Links & Tees was named one of the top 100 practice range facilities in the North America, for the fourth consecutive year, by Golf Range Magazine. The facility includes a nine-hole golf course, a miniature golf course, an outdoor driving range and putting green and an indoor golf dome, which includes a driving range, and putting and chipping areas.

The Addison Public Library opened their new building in July 2008. It is a 56,000 s.f. state of the art facility utilizing several aspects of green engineering including a green roof. The new library has seen an increase in the number of circulated items and the number of patrons using the facility. The Library recently collaborated with High School District #88 to open Perks and Possibilities Café. The café is a joint venture between the library and DuPage High School District 88. The café's operators are students from the Transitions Program and their advisors. This program helps cognitively disabled students, ages 19-21, learn life skills, obtain job training in a community setting, and transition to life after District 88. The old library building was remodeled and is occupied by DuPage High School District #88 for use as administrative offices and living classroom space for the Transitions Program.

The Village has evaluated other governmental services to determine whether they should be included in the Village's reporting entity. Excluded from the reporting entity are the various school districts, fire protection district, park district and township which fall within the Village's boundaries, but which do not meet the criteria for inclusion as set forth by Generally Accepted Accounting Principles (GAAP). The Addison Public Library, however, is shown as part of the reporting entity as a discretely presented component unit. The Public Library's financial data is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the Village. The Public Library's Board is elected by the voters of the Village. The Public Library may not issue bonded debt without the Village's approval, and its property taxes are levied by the Village on behalf of the Library.

The annual budget serves as the foundation for the Village of Addison's financial planning and control. The budget process begins in November and culminates with passage by the board before the end of the current fiscal year, April 30 and takes effect on May 1. The approved budget document serves as the basis of the Appropriations Ordinance which sets the legal spending limits of the Village. In November of each year, the Village Manager and the Finance Director

distribute the budget calendar and instructions to Department Heads. Departmental requests are then reviewed at the staff level. The Village Manager and Finance Director will then propose a balanced baseline budget and proposed new programs for consideration by the Finance and Policy Committee of the Village Board. The Committee then considers the proposed budget and approves final spending levels. The Committee formally considers the budget in April after holding a public hearing and recommends final approval to the Village Board. The Village Board then approves the budget prior to April 30. The new budget takes effect May 1. The approved budget is prepared by fund, function (e.g. public safety), and department (e.g., police). Department heads may make transfers of appropriations within a department. Transfers of appropriations between departments, however, require the special approval of the Village Board. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and the motor fuel tax fund, this comparison is presented as part of the Required Supplementary Information. For governmental funds, with appropriated annual budgets, this comparison is presented in the Combining and Individual Fund Financial Statements and Schedules subsection of this report.

In addition, the Village mandates extensive budgeting controls. The objective of these controls is to ensure compliance with legal provisions embodied in the adoption of the annual appropriations ordinance (budget) by the Village's governing body. The annual budget covers activities of the general, special revenue, debt service, capital projects, enterprise, internal service and pension trust funds. All budget authorizations lapse at year end, and incomplete projects are usually rebudgeted for in the subsequent fiscal year. The level of budgetary control (i.e. the level at which expenditures cannot legally exceed the budgeted amount) is at the fund level. As one method of accomplishing budgetary control, the Village reports encumbrances, if any, as reservations of fund balance since they do not constitute expenditures or liabilities. As demonstrated by the statements and schedules included in the financial section of the report, the Village continues to meet its responsibilities for sound financial management.

Local economy. The Village of Addison has a diversified commercial and retail base, as well as a substantial number of small and medium sized manufacturing companies. The Village is home to the largest industrial park in DuPage County and the fourth largest in Illinois, with 1,200 acres of industrial park, 800 acres of which are sheltered (with structures). Over the years the Village has experienced steady growth and is now in an enviable position to maintain a high level of development due to available land and a desirable location. Long-term revenue trends show steady growth with sales tax and state income tax being the primary revenue sources for the Village. However, as the economy has declined so have our primary revenues sources.

The Village of Addison's strategic location has the advantage of being easily accessible from every direction. Four State highways penetrate and cross its boundaries including Route 20 (Lake Street), Route 53 (Rohlwing Road), Route 64 (North Avenue), and Route 83 (Robert Kingery Highway). Lake Street, the main street through the Village boasts over 30,000 cars traveling on a daily basis. Interstate I-290, the North-South Tollway I-355 and the Tri-State Tollway I-294 provide easy vehicular access to Addison. The Chicago Loop and Midway Airport are 35 minutes away; O'Hare International Airport is a 20 minute drive. Rail commuters can use METRA's Milwaukee District West Line station in Wood Dale, or the Union Pacific West Line in Villa Park, and may expect a 35 to 48 minute trip to the Loop. Two PACE bus routes were added to the Village in the summer of 2008 which now allows residents to go to a local shopping mall, and transfer to other bus routes within the county.

With a central location in the metropolitan area, Addison has attracted several regional distribution facilities, the largest being the United Parcel Service Distribution Center, which employs over 2,900 people. The Village is also the site of the international headquarters and expanded warehouse facilities for The Pampered Chef, a supplier of high-end kitchen utilities. The 43 acre site includes a 600,000 square foot warehouse and an 180,000 square foot office building.

The Lake Street Business and Entertainment Corridor is home to several commercial properties including a membership shopping club, national electronics and office supply stores, hotel, movie theatre complex, drugstores, and several restaurants ranging from fast food and coffee shops to elegant steakhouse dining. The development of this corridor was accomplished thru the use of various village incentives and private developers. The addition of a Caputo's grocery store (specializing in Italian, Mexican, Polish and Middle Eastern items) and Jimenez grocery provide specialty grocery shopping for our ethnically diverse community and surrounding communities.

During Fiscal 2012, the Village saw several major developments, including:

- Panera Bread renovated a vacant restaurant in our Lake Street Business and Entertainment Corridor on the west end of town.
- The start of construction on a 35,000 s.f. building by Elmhurst Hospital to replace the current facility. The project is expected to cost just under \$20 million. The plan includes the capability of expanding 15,000 s.f. in the future. The construction will be completed in early Fiscal 2013
- The vacant Denny's restaurant building in an out lot in front of the Wal-Mart store was purchased and was demolished. The new structure will house a Panda Express, Chipotle Restaurant, Game Stop, and Sports Clip which will open early FY 2013. One additional business can be added to this site.
- A local construction and pipe supply company purchased a 250,000 s.f. property that had been vacant for several years. A multi-million dollar renovation updated the property and the company moved from its 75,000 s.f. existing property in 2012.
- The State of Illinois began widening Route 53, (Rohlwing Road) from Army Trail Road north thru Addison and Itasca to Highway 19 – Irving Park Road. This project will widen the road from 2 lanes to 5 including a center turn lane. As part of this project the Village will be responsible for the cost of moving/reconstruction of the water main, sidewalks and street lighting. A traffic signal will be installed at the Wal-Mart entrance to mediate traffic issues. This project will continue into FY 2014.
- The Village received a grant from CMAP (Chicago Metropolitan Agency for Planning) to update the Village's Comprehensive Plan. The plan was over 20 years old, however, due to the cost involved the Village has not been able to update it. The CMAP grant provided staff to interview employees, residents, and commercial and industrial representatives to assemble the items that are most important and will be included in the Comprehensive Plan. The plan will be completed mid FY 2013.
- The completion of a sidewalk connecting Addison with the City of Wood Dale co-funding provided from the City of Wood Dale.
- The expansion of the Sam's Club which includes an additional 25,000 s.f. of retail space and the addition of a gas station was started. It is expected to be completed mid Fiscal 2013.

During the next year, the Village will see major developments including:

- The continued annexation of properties along Lake Street when appropriate.
- The Elmhurst Hospital Health Center/Immediate Care facility will be completed. The facility will include Elmhurst Memorial Elmhurst Clinic doctors with a variety of specialties and occupational health, clinical laboratory and radiology services..
- The addition of a frozen yogurt store and a South American cuisine restaurant will occupy vacant units in our Lake Street Business and Entertainment Corridor on the west end of town. It is anticipated they will be open mid to late FY 2013.
- A fastener sorting corporation specializing in black oxide, passivation, phosphating, and dip spin coatings will undertake a multi-million dollar expansion including additional square footage and high end equipment. This project is expected to be completed in the next year.
- The State of Illinois continues the widening of Route 53, (Rohlwing Road) from Army Trail Road north thru Addison and Itasca to Highway 19 – Irving Park Road. The project began in FY 2012 and is expected to be completed in FY 2014.

Several new annexations and development of existing parcels from single-family homesites, commercial parcels, and major industrial buildings ranging in size to over 100,000 square feet have been ongoing in recent years. This trend is slowing in response to the overall economic condition. New home construction in the Village has slowed in conjunction with the national trend. Local builders have built numerous upscale homes in the recent past as a result of in-fills and teardowns, ranging in price from \$500,000 to \$1 million. Townhomes and condos have been constructed in the Village with prices starting at \$250,000 on up. Although we have seen private land acquisitions in recent years, several developments have been put on hold until the economy recovers.

The Village government has actively promoted the Village to prospective business owners, and has constructed an extensive streetscape beautification project along the Lake Street Corridor. Other development promotions utilized by the Village include tax increment financing (TIF) incentives, the creation of a business district qualifying this area for various state grants and loans, and sales tax sharing arrangements used as a development incentive.

The Village completed a feasibility study for the establishment of a Town Center in the commercial area located north of Lake Street and west of Addison Road (the eastern section of the Village). The Town Center would redevelop this large and important commercial area of the Village and serve as a community focal point. The Village approved the plan and established it as a TIF district during FY 2007. The Town Center will have mixed use buildings, with commercial operations on the street level and residential on the upper floors.

In addition to the commercial and residential growth, the various local governmental units, business community, and service clubs have been active participants in maintaining the vitality of the Village. Through a strong sense of community and a high rate of volunteerism, numerous community activities are hosted each year. Some of these annual events include, The Mayor's Community Charity Ball, the Police/Fire Merit Review Awards, the Holiday Tree Lighting Ceremony, the Tuesday night Concerts in the Park series, the Thursday night Car and Bike show and Addison by the Slice. These events attract a multitude of people from the Village and surrounding communities to downtown Addison.

Long-term financial planning. The Village, during the annual budget process, projects general operational expenditures over a three year period and capital expenditures over a five year period. This enables the Village to determine the best use of resources both currently and in future years. In addition, the Village leverages its cash outflow by applying for federal and state grants, and replaces water and sewer related infrastructure when there are any county or state road reconstruction projects. Joining other agencies for road construction projects not only gives the Village the ability to accomplish more with less, it also decreases the inconvenience to residents as their street is only torn up once. The Village has utilized General Obligation Bonds to fund some of the larger projects. However, this source is used only upon careful consideration by the board. In addition to judicious issuance of new General Obligation Bonds, the Village has taken advantage of dropping interest rates to refund, or refinance current debt as it becomes available. This process provides cost savings to the Village and its residents over the remaining life of the bond. The Village is proud of its AAA rating by Fitch and AA+ rating by Standard and Poors.

Relevant financial policies. The Village's financial policy requires the maintenance of a minimum of 3 months cash balance in all operating funds. The Village has been successful in maintaining this level of balances. In addition, the maintenance of a scheduled replacement program for capital projects and equipment is achieved by the establishment of an Equipment Replacement Fund, dedicated to providing for the replacement of all vehicles and related capital equipment.

Major initiatives. The coming year will see continued road improvements, including our participation in the Route 53 expansion. The Addison Consolidated Dispatch Center will continue to solicit additional communities to provide dispatches services to.

Awards and Acknowledgements. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Addison for its Comprehensive Annual Financial Report for the fiscal year ended April 30, 2011. This was the twenty seventh consecutive year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual

financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the Village of Addison has also received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget. In order to qualify for the Distinguished Budget Presentation Award, the Village's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

Acknowledgments. The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department, especially Assistant Finance Director, Claire Guinto and Rita Kruse, Assistant to the Finance Director. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report. The dedicated department heads, supervisors and employees of the Village who have worked hard to keep expenses down, were instrumental in our positive financial results this year. They continue to provide services to our residents with limited resources and unique solutions. They are the ones that "make" the numbers work. In addition, I would like to acknowledge the Mayor and the Board of Trustees and the Village Manager for their leadership and support in planning and conducting the financial affairs of the Village in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in cursive script that reads "Roseanne M. Benson".

Roseanne M. Benson, CPA
Finance Director/Treasurer

**VILLAGE ^{OF} ADDISON
ILLINOIS**

Financial Section

INDEPENDENT AUDITOR'S REPORT



1415 W. Diehl Road, Suite 400 • Naperville, IL 60563

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the Board of Trustees
Village of Addison, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Addison, Illinois, as of and for the year ended April 30, 2012, which collectively comprise the Village of Addison, Illinois' basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Village of Addison, Illinois' management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Addison, Illinois, as of April 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards 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.

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

A handwritten signature in black ink, appearing to read "Sibich LLP". The signature is written in a cursive, flowing style with a horizontal line above the letters.

Naperville, Illinois
August 22, 2012

**VILLAGE ^{OF} ADDISON
ILLINOIS**

Management's Discussion and Analysis

VILLAGE OF ADDISON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2012

This section of the Village of Addison's (the "Village") Comprehensive Annual Financial Report (CAFR) presents Management's Discussion and Analysis (MD&A) of the Village's financial activities during the fiscal year ended April 30, 2012. It is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the subsequent years' challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Transmittal Letter which can be found on pages v-xi of this report.

Financial Highlights

- The assets of the Village of Addison exceeded its liabilities at the close of the most recent fiscal year by \$167,737,728 (*net assets*). Of this amount, \$12,509,437 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The Village's total net assets increased by \$2,064,699 or 1.25% during the fiscal year ending April 30, 2012. Governmental net assets increased \$3,082,094 or 2.92% primarily due to an increase in Infrastructure of \$5,298,355 from the completion of road projects, offset by a decrease in Construction in Progress of \$2,527,417. Business-type net assets decreased \$1,017,395 or 1.69% primarily due to the results of operations.
- As of the close of the current fiscal year, the Village of Addison's governmental funds reported combined ending fund balances of \$12,335,074, an increase of \$512,430 or 4.33% in comparison with the prior year. This increase is primarily due to an increase in Unrestricted/Unassigned TIF #1 Fund Balance of \$1,164,429 offset by a \$551,301 decrease in Non-Major & Public Building Funds. Approximately 49% of the total fund balance amount, \$6,051,661, is *available for spending* at the government's discretion (*unrestricted, unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the assigned and unassigned components of the fund balance) for the General Fund was \$7,387,902 or 28.55% of General Fund expenditures. This exceeds the Village's target of 25%.
- The Village of Addison's total long term liabilities decreased by \$1,799,812, 4.60% during the current fiscal year. The decrease is caused by decreases in Long Term Debt of \$2,278,985, offset by increases in Compensated Absences of \$289,523, Other Post-Employment Benefits (OPEB) of \$168,443 and Net Pension Obligation (NPO) of \$21,207.

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the Village of Addison's basic financial statements. The Village of Addison's basic financial statements comprise three components: 1) government-wide financials, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The Government-Wide Financial Statements beginning on page 3 are designed to provide readers with a broad overview of the Village of Addison's finances, in a manner similar to a private-sector business.

VILLAGE OF ADDISON, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The Statement of Net Assets (page 3) presents information on all of the Village's assets and liabilities, with the difference between the two reported as *net assets*. The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village of Addison is improving or deteriorating.

The Statement of Activities (pages 4 to 5) presents information showing how the Village's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave) and is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the Village's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities.

Both of the government-wide financial statements distinguish functions of the Village of Addison that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Village of Addison include general government, public safety (police), community development, highways and streets, and interest. The business-type activities of the Village of Addison include the Waterworks and Sewerage fund.

The government-wide financial statements (pages 3 to 5) include not only the Village of Addison itself (*known as the primary government*) but also a legally separate public library for which the Village of Addison is financially accountable. Financial information for the Library, a *component unit*, is reported separately from the financial information presented for the primary government itself.

The Governmental Activities reflect the Village's basic services, including police, public works, highways and streets, community development, and general administration. Property taxes, shared state sales taxes, local telecommunications taxes, shared state income taxes, and home rule sales taxes, finance the majority of these activities. The Business-Type Activities reflect private sector-type operations (Waterworks and Sewerage Fund), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and

VILLAGE OF ADDISON, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Village maintains 15 individual governmental funds; 4 major funds and 11 nonmajor funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Motor Fuel Tax Fund, Debt Service Fund, and the Green Oaks/Army Trail TIF #1 Fund, all of which are considered to be major funds. Data from the other eleven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual appropriated budget for its general fund. Budgetary comparison schedules have been provided for the general fund and the motor fuel tax fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found beginning on page 6 of this report.

Proprietary Funds. The Village of Addison maintains two different types of proprietary funds. *Enterprise Funds* are used to report the same functions presented in Business-Type Activities in the Government-Wide Financial Statements. The Village has only one enterprise fund, the Waterworks and Sewerage Fund. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for its central garage operations, management information systems and equipment replacement. All Internal Service Funds serve governmental rather than business-type functions and have been included with Governmental Activities in the Government-Wide Financial Statements.

Proprietary Fund Financial Statements (pages 13 to 17) provide the same type of information as the Government-Wide Financial Statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Fund which is considered a major fund of the Village and is presented in a separate column in the Fund Financial Statements. Conversely, all three Internal Service Funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements. Individual fund data for the Internal Service Funds is provided in the form of combining statements presented elsewhere in the report.

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Village of Addison's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found beginning on page 18 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The notes to financial statements can be found immediately following the Basic Financial Statements section of this report beginning on page 20.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* including the general fund and motor fuel tax fund budgetary schedules and data concerning the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found immediately following the notes to the financial statements beginning on page 59.

The combining and individual fund financial statements referred to earlier in connection with major governmental funds are presented immediately following the required supplementary information beginning on page 65. The combining and individual fund financial statements for nonmajor governmental, enterprise, and internal service funds are presented immediately following, beginning on page 81.

**VILLAGE OF ADDISON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Village of Addison, assets exceeded liabilities by \$167,737,728, as of April 30, 2012.

By far the largest portion of the Village of Addison's net assets 89.35% reflects its investment in capital assets (e.g. land, buildings, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The Village of Addison uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Addison's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Village of Addison's Net Assets					
	Governmental Activities		Business-Type Activities		Total Primary Governmental	
	2012	2011	2012	2011	2012	2011
Assets						
Current and other assets	\$ 27,562,655	\$ 26,934,788	\$ 6,387,802	\$ 6,214,872	\$ 33,950,457	\$ 33,149,660
Capital Assets	126,261,184	125,482,206	56,011,112	57,317,695	182,272,296	182,799,901
Total Assets	153,823,839	152,416,994	62,398,914	63,532,567	216,222,753	215,949,561
Liabilities						
Current Liabilities	13,471,152	13,568,472	1,224,652	1,184,706	14,695,804	14,753,178
Non-current Liabilities	31,738,930	33,316,859	2,050,291	2,206,495	33,789,221	35,523,354
Total Liabilities	45,210,082	46,885,331	3,274,943	3,391,201	48,485,025	50,276,532
Net Assets:						
Invested in Cap assets, net of debt	95,291,795	90,905,306	54,573,479	55,720,105	149,865,274	146,625,411
Restricted *	3,908,191	3,507,608	1,454,790	1,454,610	5,362,981	3,274,579
Unrestricted *	9,413,771	11,118,749	3,095,702	2,966,651	12,509,473	15,773,039
Total Net Assets	\$108,613,757	\$105,531,663	\$59,123,971	\$60,141,366	\$167,737,728	\$165,673,029

* Restricted and Unrestricted Net Assets for Fiscal 2011 were restated to reflect the change in Net Assets due to the implementation of GASB 54.

Invested In Capital Assets, Net Of Related Debt

The following table shows the calculation of Invested in Capital Assets, Net of Debt.

GOVERNMENTAL ACTIVITIES

Capital Assets	\$ 126,261,184
Less: Outstanding Debt	
GOB Series 2004 (General Fund Portion)	\$ 193,452
GOB Series 2004 (ERF Portion)	147,855
GOB Series 2006 A, Refunding	2,945,000
GOB Series 2006 C Library Building (Village Asset)	6,900,000
GOB Series 2007 Library Building (Village Asset)	6,100,000
GOB Series 2008 Refunding	4,955,000
GOB Series 2010 Taxable – Driscoll Property (Village Asset)	3,440,000
GOB Series 2011 Refunding	2,835,000
GOB Series 2012 Refunding (General Fund Portion)	1,541,815
GOB Series 2012 Refunding (ERF Portion)	1,178,405
IEPA Loan	196,177
Net unamortized premium/discount/gain/losses	536,685
	<u>(30,969,389)</u>
Invested In Capital Assets, Net Of Related Debt	<u>\$ 95,291,795</u>

(See independent auditor's report)

**VILLAGE OF ADDISON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Invested in Capital Assets, Net of Related Debt (continued)

BUSINESS-TYPE ACTIVITIES

Capital Assets		\$ 56,011,112
Less: Outstanding Debt - GOB Series 2004 (Water Portion)	\$ 158,693	
Outstanding Debt - GOB Series 2012 (Water Portion)	1,264,780	
Net unamortized premium/discount/gain/losses	14,160	
		<u>(1,437,633)</u>
Invested In Capital Assets, Net Of Related Debt		<u>\$ 54,573,479</u>

For more detailed information see the Statement of Net Assets on page 3.

An additional portion of the Village of Addison's net assets 3.20% represent resources that are subject to restrictions on how they may be used. The remaining balance of unrestricted net assets 7.46% may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Village of Addison is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior year.

The Village's total net assets increased by \$2,064,699 or 1.25% during the fiscal year ending April 30, 2012. Governmental net assets increased \$3,082,094 or 2.92% primarily due to an increase in Infrastructure of \$5,298,355 from the completion of road projects, offset by a decrease in Construction in Progress of \$2,527,417. Business-type net assets decreased \$1,017,395 or (1.69)% primarily due to the results of operations.

Governmental activities. Governmental activities increased net assets of the Village by \$3,082,094 while business-type activities decreased net assets by \$1,017,395 for a net increase in the Village of Addison's net assets \$2,064,699. Key elements of these changes are as follows:

	Village of Addison's Changes in Net Assets					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Revenues						
Program Revenues						
Charges for Services	\$ 3,982,586	\$ 3,946,194	\$ 11,731,849	\$ 10,942,530	\$ 15,714,435	\$ 14,888,724
Operating Grants	1,226,672	1,391,543	10,152	72,890	1,236,824	1,464,433
Capital Grants	357,094	220,882	0	0	357,094	220,882
General Revenues						
Property & Replacement Taxes	8,675,564	8,292,689	0	0	8,675,564	8,292,689
Sales & Home Rule Sales Taxes	13,223,895	11,955,023	0	0	13,223,895	11,955,023
Telecommunications Tax	1,708,571	1,655,861	0	0	1,708,571	1,655,861
Other Taxes & Shared Revenues	3,993,716	3,909,144	0	0	3,993,716	3,909,144
Other Revenue	197,921	160,792	5,019	8,221	202,940	169,013
Total Revenues	33,366,019	31,532,128	11,747,020	11,023,641	45,113,039	42,555,769
Expenses						
General Government	4,633,830	4,385,166	0	0	4,633,830	4,385,166
Public Safety	15,906,663	13,990,764	0	0	15,906,663	13,990,764
Community Development	2,684,987	2,551,924	0	0	2,684,987	2,551,924
Highways and Streets	5,338,610	5,297,660	0	0	5,338,610	5,297,660
Interest & fiscal charges	1,352,565	1,180,854	0	0	1,352,565	1,180,854
Waterworks and Sewerage	0	0	13,131,685	12,464,598	13,131,685	12,464,598
Total Expenses	29,916,655	27,406,368	13,131,685	12,464,598	43,048,340	39,870,966
Changes in Net Assets before Transfers						
Transfers	3,449,364	2,090,623	(1,384,665)	(1,440,957)	2,064,699	2,684,803
Transfers	(367,270)	(813,497)	367,270	217,730	0	0
Change in Net Assets	<u>3,082,094</u>	<u>1,277,126</u>	<u>(1,017,395)</u>	<u>(1,223,227)</u>	<u>2,064,699</u>	<u>2,684,803</u>
Beginning Net Assets	105,531,663	100,346,507	60,141,366	61,364,593	165,673,029	162,988,226
Ending Net Assets	\$ 108,613,757	\$ 105,531,663	\$59,123,971	\$ 60,141,366	\$ 167,737,728	\$165,673,029

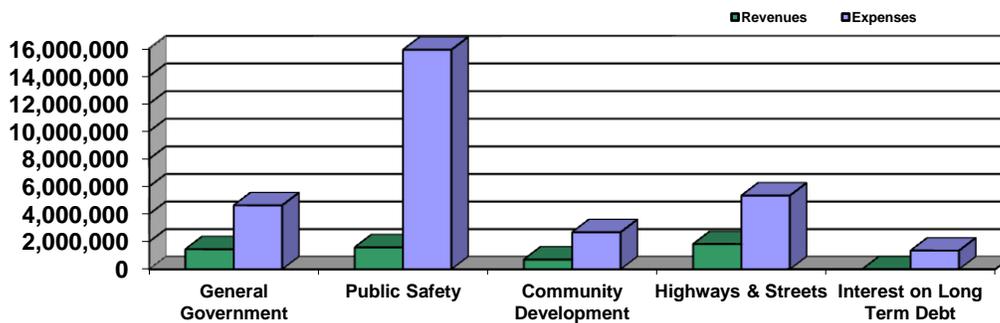
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**VILLAGE OF ADDISON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

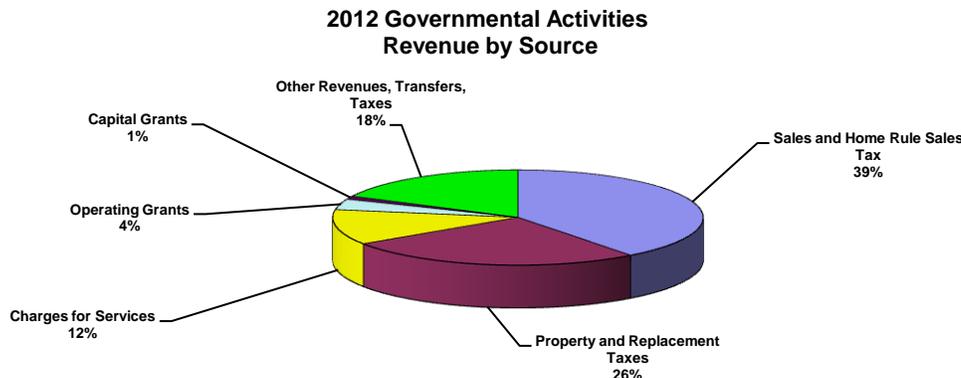
Total Governmental Revenues increased \$1,833,891. Sales and Home Rule Sales Taxes posted the biggest increase of \$1,268,872 or 10.6%. Of the increase, \$490,790 is due to a .25% increase in the Home Rule Sales Tax that became effective 1/1/12. The remainder is due to a slight recovery from the economic downturn. The composition of the Village's sales tax base, which includes a shopping club grocery store and the renovation of a national chain store to include grocery sales contributed to the increase. Property and replacement taxes also posted an increase of \$382,875 or 4.6%. The increase is attributable to a \$359,599 or 20.6% increase in the Police Pension property tax, a \$240,178 or 34.7% increase for debt service offset by decreases of \$72,683 or (2.2%) in the General Fund property tax and net decreases of \$139,632 or (7.1%) in the four TIF districts' property taxes. Telecommunications taxes increased by \$52,710 or 3.2%

Operating grants decreased \$164,871 due to a decrease in Motor Fuel Tax revenues from the State of \$26,803, flooding reimbursement from FEMA of \$58,844 in FY 11 which did not occur in FY 12, Starcom grant of \$26,305 in FY 11 which did not occur in FY 12 and reductions in reimbursement from DUMEG, Department Of Justice and various grants for police programs of \$52,919.

Program Revenues and Expenses – Governmental Activities



Revenues by Source – Governmental Activities



For the fiscal year ended April 30, 2012, total revenues from Governmental Activities, excluding transfers, totaled \$33,366,019. Program revenues which include charges for services, capital grants and operating grants provided 17% of total revenues. The remaining 83% is from general revenues. Sales tax and home rule sales tax continue to be the Village's largest revenue source coming in at \$13,223,895 and representing 40% of total Governmental Activity revenue. Property and replacement tax revenues of \$8,675,564 represent 26% while other revenues, transfers and taxes (primarily telecommunications tax, local use tax, and real estate transfer tax) and other revenues total \$5,900,208 which represents 17% of the total Governmental Activity revenue.

The Village increased its property tax revenues from \$8,292,689 in Fiscal Year 2011 to \$8,675,564 in Fiscal Year 2012, an increase of \$382,875 or 4.6%. The increase is primarily due to an increase in the Police Pension Fund Taxes

(See independent auditor's report)

**VILLAGE OF ADDISON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

of \$359,599 or 20.6% over the prior year's levy. The Village experienced a decrease in its equalized assessed valuation (EAV) from \$1,393,968,767 for the 2009 property tax year to \$1,273,532,895 for the 2010 property tax year, a decrease of \$120,435,875 or (8.64)%.

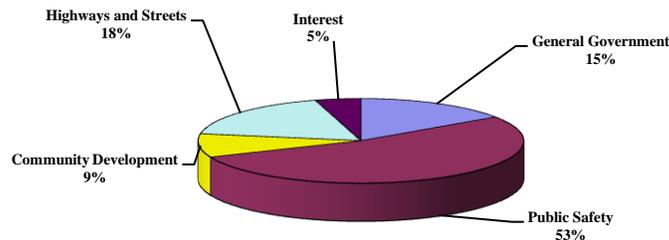
<u>Equalized Assessed Valuation</u>							<u>TOTAL EAV GROWTH</u>	
<u>Levy Year</u>	<u>Fiscal Year</u>	<u>Assessed Valuation</u>	<u>State Equalization Factor</u>	<u>Equalized Assessed Valuation</u>	<u>EAV Growth</u>	<u>% Incr</u>	<u>New Growth/Annex.</u>	<u>Other Growth **</u>
2005	2007	1,176,478,657	1.0000	1,176,478,657	76,861,085	6.99%	14,369,610	62,491,475
2006	2008	1,268,025,008	1.0000	1,268,025,008	91,546,351	7.78%	16,736,540	74,809,811
2007	2009	1,323,632,286	1.0000	1,323,632,286	55,607,278	4.39%	13,118,850	42,488,428
2008	2010	1,404,323,987	1.0000	1,404,323,987	80,691,701	6.10%	12,173,610	68,518,091
2009	2011	1,393,968,767	1.0000	1,393,968,767	(10,355,220)	(0.74)%	0	(10,355,220)
2010	2012	1,273,532,892	1.0000	1,273,532,892	(120,435,875)	(8.64)%	2,143,580	(122,579,455)

**Other Growth includes reassessments (quadrennial/sale of property), remodeling, and increases or decreases in the state multiplier and EAV calculations in general.

Please see Note 3 in the Notes to Financial Statements for discussion of the property tax levy. A 10 year comparison of EAV and Property Tax levies can be found in the Statistical Section of this report.

Expenses:

**2012 Governmental Activities
Expenses by Function**



For the fiscal year ended April 30, 2012, expenses from Governmental Activities totaled \$29,916,655, or an increase from FY 2011 of \$2,510,287 (9.16%). The increase in expenses is primarily due to increases in General Government (\$248,664), Community Development (\$133,063), Highways and Streets (\$40,950) and Interest and Fees (\$171,711) and Public Safety of (\$1,915,899). The increases include payroll costs of \$1,651,059, capital outlay of \$613,300 and increases in compensated absences of \$298,343. The majority of the Governmental Activities expenses come from the General Fund. A more in-depth discussion of the General Fund results follows on page MD & A- 9.

Business-Type Activities

Business-type activities decreased the Village of Addison's net assets by \$1,017,395. This decrease is primarily due to an operating loss of \$1,389,684 offset by transfers in from other funds of \$367,270 and investment income of \$5,019.

(See independent auditor's report)

**VILLAGE OF ADDISON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Revenues:

Charges for services increased \$789,319 or 7.2% over FY 2011 primarily due to an 8.3% increase in water and sewer rates of \$749,542, increases in Annexations/Tap on Fees of \$30,011, recapture and storm water exemption fees of \$11,263. These increases are offset by a net decrease of \$1,497 in combined other fees. The total of all classes of consumption experienced a .82% decrease in FY2012, as noted below.

Comparison of Consumption (in 000 gallons)

	<u>FY 2012</u>	<u>FY 2011</u>	<u>% Change</u>
Residential	489,743	499,599	(1.97)%
Commercial	126,462	128,404	(1.51)%
Industrial	196,573	193,450	1.61%
Apartments	262,176	262,377	(0.08)%
	<u>1,074,954</u>	<u>1,083,830</u>	<u>(0.82)%</u>

The Village is a member of the Du Page Water Commission (DPWC), which purchases Lake Michigan water from Chicago and distributes it to its members and charges them according to usage. The Village passed a 5 year rate plan that expires in FY 2013. The five year plan is based on projected usage and charges from the DPWC. Any unforeseen changes in rates, increases or decreases, from the DPWC have been adjustments to the five year plan. The City of Chicago announced in 2011 they would be increasing their rate to the DPWC by 90% over four years. The first rate increase, 25%, became effective January 1, 2012. The DPWC has, accordingly, increased their rates to their members and the Village has also increased its rates accordingly.

Non-operating revenue decreased \$60,657 primarily due to \$22,028 in reimbursements from FEMA in FY 2011 that did not reoccur in FY 2012, and a decrease in the Com Ed Reimbursement of \$40,710 for the use of generators during peak electric activity offset by a net decrease in Interest Expense and Investment income of \$2,081.

Expenses:

Operating expenses from all Business-Type Activities increased \$672,370. This increase is primarily attributed to increases in Personal Services of \$28,260, Services and Charges of \$481,997 (\$404,269 increase in charge for water purchases, \$80,233 in Technical and Consulting, \$64,422 in IRMA and \$18,994 in Waste Disposal offset by a decrease in Gas and Electric, \$87,648), Charges for Internal Services of \$80,261, Depreciation of \$169,602. These increases are offset by decreases in Supplies and Materials, \$38,351, Net Capital Outlay, \$49,399, and Interest Expense of \$4,891.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

As noted earlier, the Village of Addison uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds The focus of the Village of Addison's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village of Addison's financing requirements. In particular, unrestricted/unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At April 30, 2012 the Governmental Funds (as presented on page 7) reported a combined ending fund balance of \$12,335,074 which is a 4.33% increase from the beginning of the year balance of \$11,822,644. Of the total fund balance, \$7,387,902 is unrestricted/unassigned fund balance in the general fund indicating availability for continuing

(See independent auditor's report)

**VILLAGE OF ADDISON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Village services. An additional \$973,202 is unrestricted, assigned for capital projects Funds and \$6,399 is unrestricted, assigned for specific purpose. An unrestricted/unassigned (deficit) of (\$1,010,735) combines all the non-major funds unrestricted/unassigned (deficit) fund balances. However, the deficit balance is due to the advance of funds from the General Fund to the TIF #3 fund of \$1,010,735. An additional unrestricted/unassigned (deficit) of \$325,506 is for the advance of funds from the Redevelopment Fund to the Green Oaks/Army Trail TIF #1. The advances are appearing as unrestricted/unassigned (deficit) in the TIF #1 and TIF #3 funds, whereas they appear as nonspendable in the Redevelopment Fund and General Fund respectively. Restricted fund balance of \$3,908,191 includes \$1,952,671 for economic development, \$469,842 for streets and highways, \$165,971 for public safety, and \$1,319,707 for debt service. A total of \$1,395,621 is nonspendable fund balance and includes \$4,995 for prepaid items, \$1,336,181 for advances to other funds, and \$54,445 for notes receivable.

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. The total fund balance of the General Fund decreased by \$276,908 in Fiscal 2012 compared to a \$656,697 increase in Fiscal 2011. This is a \$933,605 or 142.2% decrease in results from operations from Fiscal 2011. Revenues increased by \$1,141,355 or 4.7% from the prior year and expenditures increased by \$2,202,897 or 9.31% as follows:

General Fund Revenue Comparison

	2012	2011	\$ Increase (Decrease)	% Increase (Decrease)
Taxes	\$18,070,169	\$17,167,755	\$ 902,414	5.26%
Licenses and Permits	1,795,005	1,604,254	190,751	11.89%
Intergovernmental	3,227,091	3,015,538	211,553	7.02%
Charge for Services	512,920	366,669	146,251	39.89%
Fine and Forfeits	1,120,990	1,521,816	(400,826)	(26.34)%
Investment Income	13,357	19,664	(6,307)	(32.07)%
Miscellaneous	677,612	580,093	97,519	16.81%
	<u>\$25,417,144</u>	<u>\$24,275,789</u>	<u>\$ 1,141,355</u>	<u>4.70%</u>

The largest increase in revenues came from a \$902,414 or 5.26% increase in taxes. The increase in taxes is primarily due to a \$606,403 increase in sales and sales tax increment taxes, and a \$359,599 increase in police pension property tax, offset by a decrease of \$72,683 in general fund property taxes.

General Fund Expenditure Comparison

	FY 2012	FY 2011	\$ Increase (Decrease)	% Increase (Decrease)
Personal Services	\$19,311,061	\$ 17,660,002	\$1,651,059	9.35%
Supplies & Materials	788,962	774,706	14,256	1.84%
Services & Charges	3,152,413	3,084,786	67,627	2.19%
Capital Outlay	405,989	66,527	339,462	510.26%
Transfer to Internal Service Funds	2,215,627	2,085,134	130,493	6.26%
	<u>\$25,874,052</u>	<u>\$ 23,671,155</u>	<u>\$2,202,897</u>	<u>9.31%</u>

The largest increase of \$1,651,059 is in Personal Services. The Village settled the police union contract, after a two year wage freeze. As is the Village's policy, the increases agreed to in that contract were also given to the non bargaining unit staff. Due to the settlement, approximately \$556,000 was paid in retroactive payments. Other increases include health insurance (\$289,057), overtime, (\$127,527), operational wages (\$219,117 which includes added staff for the consolidated dispatch center), contribution to IMRF (\$83,146) and an increase in the police pension fund contribution (\$359,599). The \$339,462 increase in capital outlay is primarily due to the renovation and build out of the communications area for the Addison Consolidated Dispatch Center.

The increase in Transfer to Internal Service Funds is primarily due to increases in covered costs such as fuel and computer related expenditures.

(See independent auditor's report)

VILLAGE OF ADDISON, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The Motor Fuel Tax fund receives funds from motor fuel taxes collected by the state. The distribution is based upon population. These funds are to be used for the construction and maintenance of highways. The \$453,743 increase in revenues is attributed to the addition of a .25% home rule sales tax effective January 1, 2012, \$490,790, offset by decreases in funds received from the State of \$26,806, decreases in local grants of \$9,635, and decreases in investment income of \$606. Total expenditures increased by \$1,205,890 over total FY 2011 expenditures, primarily due to increases in the Street maintenance program, \$603,094; Fullerton Road, \$249,555; Route 53, \$390,195 and Oak Meadows Drive, \$180,000, offset by lower expenditures for Mill Rd/Army Trail, \$163,506 and Addison Road \$53,448.

The Redevelopment fund initially advanced funds to the Green Oaks/Army Trail TIF #1 fund (a major fund) and the Michael Lane TIF #2 fund (a nonmajor fund) with the intention that repayment would be made with the incremental property taxes collected over and above the costs associated with the TIF funds. Fiscal 2004 was the last year of substantial expenditures in the TIF #1 fund. However \$22,054 of TIF #1 monies were used for a portion of the Mill Road/Army Trail road project that fell within the boundaries of the TIF district. Future incremental property tax receipts from TIF #1 will be used to repay the Redevelopment fund. The advance to TIF #1 is shown as a liability in the TIF #1 fund and an asset in the Redevelopment fund.

The Green Oaks/Army Trail TIF #1 fund repaid the Redevelopment Fund \$1,164,429 which in effect decreased the negative fund balance accordingly. The payment was made with property tax increment revenues and investment income. It is expected that future property tax increment revenues will continue to payoff the liability before the expiration of the TIF #1 district.

The Debt Service fund receives property tax receipts and a .25% home rule sales tax in addition to transfers from other funds. The Debt Service fund also transfers excess sales tax receipts to other funds. The increase in fund balance of \$251,969 in FY 2012 compared to the increase of \$225,941 in FY 2011, is due to increased revenues \$319,201 (\$240,178 from property tax for the 2010 bond issue, Home Rule Sales Tax Increment of \$85,800 offset by decreases in other revenue sources of \$6,777). Principal and interest expenditures increased \$316,116. The net effect of issuing a refunding bond is an increase in fund balance of \$22,050.

Proprietary Funds. The Village of Addison's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Water and Sewerage Fund at the end of the year amounted to \$3,095,702 whereas unrestricted net assets of the Internal Service Funds were \$4,656,531.

At April 30, 2012 the Water and Sewerage Fund (as presented on page 15) total net assets decreased by \$1,017,395 or 1.69%. The Internal Service Funds total net assets increased by \$275,929 or 6.16%. The increase in the internal service funds is primarily due to the difference between the annual charge to departments for use of equipment in the equipment replacement fund and the expenditures for the purchase of new equipment

GENERAL FUND BUDGETARY HIGHLIGHTS

Due to the economic downturn in Fiscal 2010 the Village took measures to decrease its expenditures as revenues were in the slump. One of the measures taken in FY 2010 was a Voluntary Separation Incentive Plan (VSIP) which allowed employees to leave with an incentive. The 2010 plan generated 5 vacant positions that were not filled. In FY 2011, the Village again offered a VSIP which generated an additional 5 vacancies which remain unfilled. The effects of both VSIP plans can be seen in FY 2012 results and as we move forward in FY 2013. The majority of the positions vacated remain unfilled. In addition, the Village suspended all summer part-time help in FY 2011 and that continues today.

**VILLAGE OF ADDISON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

General Fund Budgetary Highlights

	Original Budget	Final Budget	Actual
Revenues	\$24,990,100	\$ 24,990,100	\$ 25,417,144
Expenditures	<u>25,624,100</u>	<u>26,171,300</u>	<u>25,874,052</u>
Excess of Revenues over Expenditures	(634,000)	(1,181,200)	(456,908)
Other Financing Sources (Uses)	<u>180,000</u>	<u>180,000</u>	<u>180,000</u>
Net Changes in Fund Balance	<u>\$ (454,000)</u>	<u>\$(1,001,200)</u>	<u>\$ (276,908)</u>

General Fund actual revenues were \$1,011,289 more than the original, and final budgeted amounts. Most revenue categories posted results better than budgeted as follows:

General Fund Revenues Comparison

	Original Budget	Final Budget	Actual	Change from Final Budget
Taxes	\$17,771,800	\$17,771,800	\$18,070,169	\$ 298,369
Licenses, Permits & Fees	1,701,500	1,701,500	1,795,005	93,505
Intergovernmental	2,900,000	2,900,000	3,227,091	327,091
Charges For Services	743,200	743,200	512,920	(230,280)
Fines & Forfeitures	1,258,900	1,258,900	1,120,990	(137,910)
Investment Income	21,200	21,200	13,357	(7,843)
Miscellaneous	<u>593,500</u>	<u>593,500</u>	<u>677,612</u>	<u>84,112</u>
Total Revenues	<u>\$24,990,100</u>	<u>\$24,990,100</u>	<u>\$25,417,144</u>	<u>\$ 427,044</u>

General Fund actual expenditures were \$297,248 less than the final budgeted amount. This includes decreases in Supplies and Materials of \$114,579 (primarily street supplies, \$37,685, other various operating supplies of \$63,107); Services and Charges, \$349,384 (\$65,418 in gas and electric, \$136,732 in repairs and maintenance, IRMA insurance of \$47,135, \$18,097 in legal fees, \$22,439 in printing and publication) Capital Outlay \$297,911 (build out of the ACDC was not completed) and charge for internal services of \$2,373. The decreases are offset by an increase in personnel costs of \$466,999 which is primarily due to the settlement of the police union contract and related retroactive pay in addition to increase in health insurance.

CAPITAL ASSETS

The Village's investment in capital assets for its Governmental and Business-Type Activities as of April 30, 2012, amounts to \$182,272,296. The investment in capital assets includes land, buildings and structures, equipment, improvements other than buildings, infrastructure, and construction in progress. This amount represents a net decrease (including additions and deductions) of \$527,605. Detailed information regarding the change in capital assets for Governmental and Business-Type Activities can be found in Note 4 of the notes to financial statements.

The Governmental Activities net capital assets increased from last year by \$778,978. The Business-Type Activities net capital assets decreased by \$1,306,583 primarily due to an increase in depreciation.

(See independent auditor's report)

VILLAGE OF ADDISON, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

DEBT OUTSTANDING

The Village currently has seven general obligation bond series, one taxable general obligation series and one Illinois EPA loan series outstanding. \$31,660,000 of general obligation bonds and \$196,177 of Illinois EPA loans are outstanding at April 30, 2012.

The Village, under its home rule authority, does not have a legal debt limit. The Village issued a \$3,985,000 General Obligation Bond in FY 2012. At that time, Fitch Ratings reaffirmed the Village's AAA rating and Standard & Poor's reaffirmed the Village's AA+ rating. Additional information of the Village's long-term debt can be found in Note 6 in the notes to financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Village's 2011 Equalized Assessed Valuation (EAV) was comprised of 59% residential, 9% commercial, 31% industrial, and less than 1% of farm and railroad properties. The property tax revenue derived from the residential, commercial, and industrial properties has been stable. However as the housing market has experienced a downturn we are beginning to see the affect that downturn has on our EAV. State revenues, including income taxes posted slight increases, however, due to the State's dire financial stress, payments for Income Tax have been delayed. Investment income decreased due to lower interest rates and invested balances. Sales tax and home rule sales tax revenues rebounded slightly in FY2012. The Village's sales tax base does not have a large number of high end luxury stores and car dealerships that are usually impacted in times of economic downturn. The mix of business types limited the decrease in sales taxes, the last couple years, that some other communities have experienced.

The Fiscal Year 2013 budget includes a 1.21% increase in property tax revenues. All tax revenues were budgeted with minimal increase, as the economic downturn is slowly turning. Sales taxes in the first two months of FY 2013 have shown a decrease of approximately 1% compared to a 2% increase in FY 2012 for the same 2 months. This still does not cover the 17% decrease between FY 09 and FY10. The Village is cautiously optimistic this slight downward trend will reverse itself. Several new food and service businesses have moved into town which should provide some additional sales tax revenue. Conversely, income taxes are posting a 14% increase in the first five months of FY 2013. However, the State of Illinois has delayed payment of Income Taxes due to the Village. As of 4/30/12 the State, which normally had a 1 month lag is now three months behind from notification (voucher) to payment.

The Village, in the past has provided a COLA increase for all employees on November 1. During FY 2010 it became apparent that increase would not be prudent. The Village froze wages and that continued into FY 2012. The police patrol contract expired October 31, 2009 and a settlement was agreed to in September, 2011 Since the contract settlement was delayed two years, the contract will expire November 1, 2012, mid Fiscal 2013. The Village and union representatives met and have settled the contract prior to its expiration. As with the prior settlement, the rate adjustments were passed on to all Village staff. The Village continues to be cautious with the FY 2013 budget and although some signs point to an economic upturn, unknowns such as health care rate increases and continued delayed payments from the State, require us to continue to keep a close eye on expenditures. It is anticipated that the Village will be able to maintain a 25% minimum fund balance in FY 2013. As the budget process for FY 2014 begins, the Village will have to address increases in health care costs, and determine to what extent and how fast the economic recovery will impact the Village in both revenue streams and expenditures.

The five-year water and sewer rate plan that was adopted with the FY 2009 budget is still in effect. Further explanation of the plan can be found on page MDA-8.

The Village Board approved the 2007-2012 Strategic Plan, which includes development of the Town Center. Due to the downturn in the real estate sector, development has been stalled, although several developers are beginning to show an interest in that area of town. Operational budgeted expenditures included minimal increases for salary adjustments and health and liability insurance costs. The budget will be adjusted for the changes incurred with the new police contract. The budget includes some capital projects programs including the completion of the police Communications area which will provide consolidated dispatch services to surrounding communities, water main work and sidewalk/streetlight installation on Route 53/Rohlwing Road in which the State is the lead contractor on the road improvements; various other road improvements, and various water main/sewer system replacements. In FY

**VILLAGE OF ADDISON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

2005, the Village received a road analysis indicating the overall condition of the Village roadways and a suggested maintenance program. The Fiscal 2013 Motor Fuel Tax budget includes \$2,258,900 in street maintenance projects to maintain a proper condition level.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Roseanne M. Benson, Finance Director/Treasurer, Village of Addison, 1 Friendship Plaza, Addison, Illinois 60101.

**VILLAGE ^{OF} ADDISON
ILLINOIS**

Basic Financial Statements

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Addison Public Library
ASSETS				
Cash and investments	\$ 13,339,551	\$ 3,817,756	\$ 17,157,307	\$ 8,217,228
Restricted cash and investments	-	30,000	30,000	
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	8,123,348	-	8,123,348	4,275,016
Accounts	1,180	2,473,542	2,474,722	-
Accrued interest	4	-	4	-
Other	79,667	-	79,667	-
Prepaid expenses	4,995	-	4,995	800
Inventory	68,122	36,233	104,355	-
Notes receivable	54,445	-	54,445	-
Due from other governments	5,413,045	-	5,413,045	-
Deferred charges	478,298	30,271	508,569	-
Capital assets, not being depreciated	58,611,383	5,175,752	63,787,135	-
Capital assets, being depreciated (net of accumulated depreciation)	67,649,801	50,835,360	118,485,161	1,998,640
Total assets	153,823,839	62,398,914	216,222,753	14,491,684
LIABILITIES				
Accounts payable	491,642	401,360	893,002	94,454
Accrued payroll	608,757	170,210	778,967	39,304
Accrued interest	477,771	21,732	499,503	-
Unearned revenues	8,257,348	-	8,257,348	4,275,016
Retainage payable	44,791	-	44,791	-
Other liabilities	523,595	169,625	693,220	-
Noncurrent liabilities				
Due within one year	3,067,248	461,725	3,528,973	-
Due in more than one year	31,738,930	2,050,291	33,789,221	1,819
Total liabilities	45,210,082	3,274,943	48,485,025	4,410,593
NET ASSETS				
Invested in capital assets, net of related debt	95,291,795	54,573,479	149,865,274	1,998,640
Restricted for				
Special Service Area #1	-	30,000	30,000	-
Economic development	1,952,671	-	1,952,671	-
Highways and streets	469,842	-	469,842	-
Public safety	165,971	-	165,971	-
Debt service	1,319,707	-	1,319,707	-
Wastewater and sewer treatment	-	1,424,790	1,424,790	-
Library	-	-	-	3,562,958
Unrestricted	9,413,771	3,095,702	12,509,473	4,519,493
TOTAL NET ASSETS	\$ 108,613,757	\$ 59,123,971	\$ 167,737,728	\$ 10,081,091

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2012

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants	Capital Grants
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 4,633,830	\$ 1,438,307	\$ 15,235	\$ -
Public safety	15,906,663	1,251,599	122,153	211,396
Community development	2,684,987	592,805	-	112,140
Highways and streets	5,338,610	699,875	1,089,284	33,558
Interest and fiscal charges	1,352,565	-	-	-
Total governmental activities	29,916,655	3,982,586	1,226,672	357,094
Business-Type Activities				
Water and sewerage	13,131,685	11,731,849	10,152	-
Total business-type activities	13,131,685	11,731,849	10,152	-
TOTAL PRIMARY GOVERNMENT	\$ 43,048,340	\$ 15,714,435	\$ 1,236,824	\$ 357,094
COMPONENT UNIT				
Addison Public Library	\$ 3,069,609	\$ 63,684	\$ 54,521	\$ -

Net (Expense) Revenue and Change in Net Assets				
Primary Government				Component Unit
Governmental Activities	Business-Type Activities	Total	Addison Public Library	
\$ (3,180,288)	\$ -	\$ (3,180,288)	\$ -	
(14,321,515)	-	(14,321,515)	-	
(1,980,042)	-	(1,980,042)	-	
(3,515,893)	-	(3,515,893)	-	
(1,352,565)	-	(1,352,565)	-	
(24,350,303)	-	(24,350,303)	-	
-	(1,389,684)	(1,389,684)	-	
-	(1,389,684)	(1,389,684)	-	
(24,350,303)	(1,389,684)	(25,739,987)	-	
-	-	-	(2,951,404)	
General Revenues				
Taxes				
Property and replacement	8,675,564	-	8,675,564	4,139,943
Sales	7,881,310	-	7,881,310	-
Home rule sales	5,342,585	-	5,342,585	-
Telecommunications	1,708,571	-	1,708,571	-
Other	984,240	-	984,240	-
Shared income taxes	3,009,476	-	3,009,476	-
Investment income	17,666	5,019	22,685	13,135
Miscellaneous	180,255	-	180,255	12,138
Transfers	(367,270)	367,270	-	-
Total	27,432,397	372,289	27,804,686	4,165,216
CHANGE IN NET ASSETS	3,082,094	(1,017,395)	2,064,699	1,213,812
NET ASSETS, MAY 1	105,531,663	60,141,366	165,673,029	8,867,279
NET ASSETS, APRIL 30	\$ 108,613,757	\$ 59,123,971	\$ 167,737,728	\$ 10,081,091

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2012

	General	Motor Fuel Tax	Debt Service
ASSETS			
Cash and investments	\$ 4,548,089	\$ 259,256	\$ 945,652
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	5,830,028	-	945,915
Accrued interest	4	-	-
Accounts	-	-	-
Other	79,667	-	-
Notes receivable	54,445	-	-
Due from other governments	4,213,267	445,774	374,055
Prepaid items	4,995	-	-
Due from other funds	34,657	-	-
Advances to other funds	1,010,705	-	-
TOTAL ASSETS	\$ 15,775,857	\$ 705,030	\$ 2,265,622
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 251,748	\$ 190,397	\$ -
Accrued payroll	578,439	-	-
Deferred revenues	5,964,028	-	945,915
Retainage payable	-	44,791	-
Due to other funds	-	-	-
Advances from other funds	-	-	-
Other liabilities	523,595	-	-
Total liabilities	7,317,810	235,188	945,915
FUND BALANCES			
Nonspendable in form			
Prepaid items	4,995	-	-
Advances to other funds	1,010,705	-	-
Notes receivable	54,445	-	-
Restricted for			
Economic development	-	-	-
Public safety	-	-	-
Highways and streets	-	469,842	-
Debt service	-	-	1,319,707
Unrestricted			
Assigned for capital projects	-	-	-
Assigned for specific purpose	-	-	-
Unassigned (deficit)	7,387,902	-	-
Total fund balances (deficit)	8,458,047	469,842	1,319,707
TOTAL LIABILITIES AND FUND BALANCES	\$ 15,775,857	\$ 705,030	\$ 2,265,622

Green Oaks/ Army Trail		
TIF #1	Nonmajor	Total
\$ -	\$ 2,785,711	\$ 8,538,708
964,469	382,936	8,123,348
-	-	4
-	1,180	1,180
-	-	79,667
-	-	54,445
-	379,949	5,413,045
-	-	4,995
-	-	34,657
-	325,476	1,336,181
<u>\$ 964,469</u>	<u>\$ 3,875,252</u>	<u>\$ 23,586,230</u>
\$ 30	\$ 33,970	\$ 476,145
-	-	578,439
964,469	382,936	8,257,348
-	-	44,791
-	34,657	34,657
325,476	1,010,705	1,336,181
-	-	523,595
<u>1,289,975</u>	<u>1,462,268</u>	<u>11,251,156</u>
-	-	4,995
-	325,476	1,336,181
-	-	54,445
-	1,952,671	1,952,671
-	165,971	165,971
-	-	469,842
-	-	1,319,707
-	973,202	973,202
-	6,399	6,399
(325,506)	(1,010,735)	6,051,661
<u>(325,506)</u>	<u>2,412,984</u>	<u>12,335,074</u>
<u>\$ 964,469</u>	<u>\$ 3,875,252</u>	<u>\$ 23,586,230</u>

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET ASSETS

April 30, 2012

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 12,335,074
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	126,261,184
Less internal service funds' capital assets	(2,309,009)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
General obligation bonds	(30,236,527)
Less internal service funds' portion	1,326,260
Unamortized premium on general obligation bonds	(750,303)
Less internal service funds' portion	76,487
Unamortized loss on refunding	166,176
Less internal service funds' portion	(63,294)
Unamortized discount on general obligation bonds	47,443
IEPA loan	(196,177)
Compensated absences	(3,005,666)
Less internal service funds' portion	173,308
Net other postemployment benefits obligation	(76,507)
Less internal service funds' portion	1,267
Certain costs associated with the issuance of long-term debt are shown as deferred charges on the statement of net assets and amortized over the life of the bonds	
Unamortized bond issuance costs	478,298
Less internal service funds' portion	(28,203)
Accrued interest on long-term liabilities is not due and payable in the current period and, therefore, is not reported in governmental funds	(477,771)
Less internal service funds' portion	20,247
Net pension obligations are not recorded in governmental funds but are recorded in the statement of net assets	(754,617)
The net assets of the internal service funds are included in the governmental activities in the statement of net assets	<u>5,626,087</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 108,613,757</u></u>

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2012

	General	Motor Fuel Tax	Debt Service
REVENUES			
Taxes	\$ 18,070,169	\$ 490,790	\$ 2,597,018
Licenses and permits	1,795,005	-	-
Intergovernmental	3,227,091	1,089,284	-
Charges for services	512,920	-	-
Fines and forfeits	1,120,990	-	-
Investment income	13,357	46	470
Miscellaneous	677,612	-	468
Total revenues	<u>25,417,144</u>	<u>1,580,120</u>	<u>2,597,956</u>
EXPENDITURES			
Current			
General government	3,854,076	-	-
Public safety	15,233,236	-	-
Community development	2,634,368	-	-
Highways and streets	4,152,372	2,399,629	-
Capital outlay	-	-	-
Debt service			
Principal retirement	-	-	1,994,686
Interest and fiscal charges	-	-	1,353,654
Total expenditures	<u>25,874,052</u>	<u>2,399,629</u>	<u>3,348,340</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(456,908)</u>	<u>(819,509)</u>	<u>(750,384)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	180,000	743,750	1,400,000
Transfers (out)	-	-	(419,701)
Issuance of refunding bonds	-	-	4,376,797
Payment to escrow agent	-	-	(4,665,177)
Premium on issuance of bonds	-	-	310,434
Total other financing sources (uses)	<u>180,000</u>	<u>743,750</u>	<u>1,002,353</u>
NET CHANGE IN FUND BALANCES	<u>(276,908)</u>	<u>(75,759)</u>	<u>251,969</u>
FUND BALANCES (DEFICIT), MAY 1	<u>8,734,955</u>	<u>545,601</u>	<u>1,067,738</u>
FUND BALANCES (DEFICIT), APRIL 30	<u>\$ 8,458,047</u>	<u>\$ 469,842</u>	<u>\$ 1,319,707</u>

Green Oaks/ Army Trail		
TIF #1	Nonmajor	Total
\$ 1,186,783	\$ 2,247,510	\$ 24,592,270
-	-	1,795,005
-	300,594	4,616,969
-	-	512,920
-	-	1,120,990
6	3,787	17,666
-	32,119	710,199
<u>1,186,789</u>	<u>2,584,010</u>	<u>33,366,019</u>
306	61,705	3,916,087
-	138,512	15,371,748
-	-	2,634,368
-	-	6,552,001
22,054	461,344	483,398
-	-	1,994,686
-	-	1,353,654
<u>22,360</u>	<u>661,561</u>	<u>32,305,942</u>
<u>1,164,429</u>	<u>1,922,449</u>	<u>1,060,077</u>
-	-	2,323,750
-	(2,473,750)	(2,893,451)
-	-	4,376,797
-	-	(4,665,177)
-	-	310,434
<u>-</u>	<u>(2,473,750)</u>	<u>(547,647)</u>
1,164,429	(551,301)	512,430
<u>(1,489,935)</u>	<u>2,964,285</u>	<u>11,822,644</u>
<u>\$ (325,506)</u>	<u>\$ 2,412,984</u>	<u>\$ 12,335,074</u>

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2012

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 512,430
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	3,834,000
Less amount applicable to internal service funds	(671,881)
Depreciation is shown as a functional expense in governmental activities on the statement of activities	(2,985,578)
Less amount applicable to internal service funds	693,480
The loss on disposal of capital assets is shown as an increase in expense on the statement of activities	(69,444)
Less amount applicable to internal service funds	6,860
The increase in the net pension obligation of the police pension is shown as an increase of expense on the statement of activities	(168,443)
Long-term liabilities:	
The issuance of bonds and the related costs are shown on the fund financial statements as other financing sources (uses) and current expenditures, but are recorded as long-term liabilities and deferred charges on the government-wide statements	
Issuance of bonds	(5,555,220)
Less amount applicable to internal service funds	1,178,423
Payment to escrow agent	5,914,785
Less amount applicable to internal service funds	(1,249,608)
Premium on issuance of bonds	(386,921)
Less amount applicable to internal service funds	76,487
Loss on refunding	146,105
Less amount applicable to internal service funds	(63,294)
Issuance costs	135,774
Less amount applicable to internal service funds	(28,203)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	
General obligation bonds	2,835,720
Less amount applicable to internal service funds	(1,345,498)
IEPA loan	382,038
The unamortized premium on bonds is shown as an increase of principal outstanding on the statement of net assets and amortized over the life of the bonds	45,714
The unamortized accounting loss on refunding is shown as a reduction of principal outstanding on the statement of net assets and amortized over the life of the bonds	(17,627)
The unamortized accounting gain on refunding is shown as an increase of principal outstanding on the statement of net assets and amortized over the life of the bonds	18,402

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES (Continued)

For the Year Ended April 30, 2012

Long-term liabilities: (Continued)

The unamortized discount on bonds issued in prior years is shown as a decrease of principal outstanding on the statement of net assets and amortized over the life of the bonds	\$ (14,361)
Less amount applicable to internal service funds	4,852
The unamortized discount on bonds issued in prior years is shown as a decrease of principal outstanding on the statement of net assets and amortized over the life of the bonds	(4,852)
Less amount applicable to internal service funds	4,852
Bond issuance costs are shown as interest and fiscal charges in governmental funds but as a deferred charge on the statement of net assets and amortized over the life of the bonds	(50,775)
Less amount applicable to internal service funds	(12,865)
The change in accrued interest is shown as a change in the interest expense on the statement of activities	(40,207)
The increase in the compensated absences liability is shown as a functional expense on the statement of activities	(316,648)
Less amount applicable to internal service funds	16,008
The increase in the net other postemployment benefits obligation is shown as a functional expense on the statement of activities	(18,686)
Less amount applicable to internal service funds	346
The change in net assets in internal service funds is shown as a governmental activity on the statement of activities	<u>275,929</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 3,082,094</u>

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS

April 30, 2012

	Business-Type Activities <u>Waterworks and Sewerage</u>	Governmental Activities <u>Internal Service</u>
CURRENT ASSETS		
Cash and investments	\$ 3,817,756	\$ 4,800,843
Receivables		
Accounts - billed	897,147	-
Accounts - unbilled	1,576,395	-
Inventory	36,233	68,122
	<u>6,327,531</u>	<u>4,868,965</u>
Total current assets		
NONCURRENT ASSETS		
Deferred charges	<u>30,271</u>	<u>28,203</u>
Restricted assets		
Restricted cash and investments - Special Service Area #1	<u>30,000</u>	-
Total restricted assets	<u>30,000</u>	-
Capital assets not being depreciated		
Land	1,129,911	-
Construction in progress	<u>4,045,841</u>	-
Total capital assets not being depreciated	<u>5,175,752</u>	-
Capital assets being depreciated		
Land improvements	81,977,951	-
Equipment and vehicles	3,100,401	6,168,488
Office equipment	<u>8,729</u>	<u>439,272</u>
Subtotal	85,087,081	6,607,760
Less accumulated depreciation	<u>(34,251,721)</u>	<u>(4,298,751)</u>
Net capital assets being depreciated	<u>50,835,360</u>	<u>2,309,009</u>
Total capital assets	<u>56,011,112</u>	<u>2,309,009</u>
Total noncurrent assets	<u>56,071,383</u>	<u>2,337,212</u>
Total assets	<u>62,398,914</u>	<u>7,206,177</u>

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF NET ASSETS (Continued)
 PROPRIETARY FUNDS

April 30, 2012

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT LIABILITIES		
Accounts payable	\$ 394,537	\$ 15,497
Retainage payable	6,823	-
Accrued payroll	170,210	30,318
Accrued interest payable	21,732	20,247
Compensated absences	301,262	51,151
General obligation bonds payable	158,693	147,855
Unamortized premium on bonds payable	10,262	9,561
Unamortized loss on refunding	(8,492)	(7,912)
Other liabilities	169,625	-
Total current liabilities	1,224,652	266,717
NONCURRENT LIABILITIES		
Compensated absences payable	764,897	122,157
Net other postemployment benefits obligation	8,224	1,267
General obligation bonds payable	1,264,780	1,178,405
Unamortized premium on bonds payable	71,831	66,926
Unamortized loss on refunding	(59,441)	(55,382)
Total noncurrent liabilities	2,050,291	1,313,373
Total liabilities	3,274,943	1,580,090
NET ASSETS		
Invested in capital assets, net of related debt	54,573,479	969,556
Restricted for Special Service Area #1	30,000	-
Restricted for wastewater and sewer treatment	1,424,790	-
Unrestricted	3,095,702	4,656,531
TOTAL NET ASSETS	\$ 59,123,971	\$ 5,626,087

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS

For the Year Ended April 30, 2012

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
OPERATING REVENUES		
Charges for services	\$ 11,731,849	\$ 2,838,093
Other	-	160,201
Total operating revenues	<u>11,731,849</u>	<u>2,998,294</u>
OPERATING EXPENSES		
Operations	-	2,238,208
Water	5,757,322	-
Sewer	1,815,061	-
Water pollution control	3,636,364	-
Depreciation	1,859,507	693,480
Total operating expenses	<u>13,068,254</u>	<u>2,931,688</u>
OPERATING INCOME (LOSS)	<u>(1,336,405)</u>	<u>66,606</u>
NONOPERATING REVENUES (EXPENSES)		
Investment income	5,019	4,812
ComEd reimbursement	10,152	-
Interest expense	(63,431)	(59,098)
Gain on sale of capital assets	-	61,178
Total nonoperating revenues (expenses)	<u>(48,260)</u>	<u>6,892</u>
CHANGE IN NET ASSETS BEFORE TRANSFERS	<u>(1,384,665)</u>	<u>73,498</u>
TRANSFERS		
Transfers in	<u>367,270</u>	<u>202,431</u>
Total transfers	<u>367,270</u>	<u>202,431</u>
CHANGE IN NET ASSETS	(1,017,395)	275,929
NET ASSETS, MAY 1	<u>60,141,366</u>	<u>5,350,158</u>
NET ASSETS, APRIL 30	<u>\$ 59,123,971</u>	<u>\$ 5,626,087</u>

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS

For the Year Ended April 30, 2012

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 11,545,559	\$ -
Receipts (payments) from internal services transactions	-	2,838,093
Receipts from other sources	-	162,866
Payments to suppliers	(5,529,380)	(1,168,131)
Payments to employees	(5,660,692)	(1,052,154)
	<u>355,487</u>	<u>780,674</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers in	<u>367,270</u>	<u>202,431</u>
	<u>367,270</u>	<u>202,431</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	(556,198)	(671,921)
Proceeds from sale of capital assets	-	70,783
Intergovernmental proceeds	10,152	-
Principal paid on bonds	(1,444,103)	(1,345,480)
Proceeds from the issuance of bonds	1,264,780	1,178,405
Interest paid on bonds	(63,338)	(60,981)
	<u>(788,707)</u>	<u>(829,194)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	<u>5,019</u>	<u>4,812</u>
	<u>5,019</u>	<u>4,812</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(60,931)	158,723
CASH AND CASH EQUIVALENTS, MAY 1	<u>973,946</u>	<u>4,642,120</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u>\$ 913,015</u>	<u>\$ 4,800,843</u>

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
 PROPRIETARY FUNDS

For the Year Ended April 30, 2012

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ (1,336,405)	\$ 66,606
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation	1,859,507	693,480
Changes in assets and liabilities		
Receivables	(186,290)	2,665
Inventory	(27,044)	(8,637)
Accounts payable	68,575	5,375
Accrued payroll	1,748	4,830
Compensated absences payable	(27,125)	16,008
Net other postemployment benefits obligation	2,521	347
NET CASH FROM OPERATING ACTIVITIES	\$ 355,487	\$ 780,674
CASH AND INVESTMENTS		
Cash and cash equivalents	\$ 883,015	\$ 4,800,843
Restricted cash and investments	30,000	-
Investments	2,934,741	-
TOTAL CASH AND INVESTMENTS	\$ 3,847,756	\$ 4,800,843
NONCASH TRANSACTIONS		
None	\$ -	\$ -
TOTAL NONCASH TRANSACTIONS	\$ -	\$ -

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

April 30, 2012

	Police Pension Trust	Agency
ASSETS		
Cash and cash equivalents	\$ 164,831	\$ 14,704
Investments, at fair value		
U.S. agency securities	7,764,435	-
Municipal bonds	2,584,561	-
Corporate bonds	5,705,747	-
Negotiable CDs	400,560	-
Money market mutual funds	1,656,485	-
Mutual funds	13,837,193	-
Receivables		
Property taxes	-	73,200
Accrued interest	150,678	-
	<u>32,264,490</u>	<u>\$ 87,904</u>
LIABILITIES		
Funds held for others	-	87,904
	<u>-</u>	<u>\$ 87,904</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS		
	<u>\$ 32,264,490</u>	

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
POLICE PENSION TRUST FUND

For the Year Ended April 30, 2012

ADDITIONS

Contributions - employer	
Property taxes transferred from General Fund	\$ 2,102,168
Contributions - plan members	<u>523,856</u>
Total contributions	<u>2,626,024</u>

Investment income

Net appreciation (depreciation) in fair value of investments	(1,614,153)
Interest earned on investments	<u>825,534</u>

 Total investment income (788,619)

Less investment expense (33,232)

 Net investment income (821,851)

 Total additions 1,804,173

DEDUCTIONS

Benefits and refunds	2,316,220
Administration	51,447
Office supplies	<u>49</u>

 Total deductions 2,367,716

NET INCREASE (DECREASE) (563,543)

NET ASSETS HELD IN TRUST FOR
PENSION BENEFITS

 May 1 32,828,033

 April 30 \$ 32,264,490

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

April 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Addison, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Financial Reporting Entity

The Village is a municipal corporation governed by a seven-member Board consisting of six trustees and the mayor. As required by generally accepted accounting principles, these financial statements present the Village and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Village's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the Village. Each blended and discretely presented component unit has an April 30 year end.

The Village's financial statements include a pension trust fund.

Police Pension Employees Retirement System

The Village's 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 Mayor, one elected pension beneficiary, and two elected active police employees constitute the Pension Board. The Village and PPERS participants are obligated to fund all 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 possesses many of the characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees, and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Financial Reporting Entity (Continued)

Discretely Presented Component Unit

The Addison Public Library (the Library) is governed by the Addison Public Library Board of Trustees and provides services to residents, generally within the geographic boundaries of the Village. The Library Board of Trustees selects management staff, establishes budgets, and otherwise directs the affairs of the Library. The Library Board of Trustees cannot issue general obligation bonds on its own behalf and such bonds cannot be issued in the Library's name alone. The Library is funded by property taxes levied by the Village on behalf of the Library. Based upon the above criteria, the Library is considered a discretely presented component unit of the Village for purposes of these financial statements.

Complete financial statements for the Village's discretely presented component unit may be obtained at the entity's administrative office.

Addison Public Library
4 Friendship Plaza
Addison, Illinois 60101

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain village functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for all or most of a village's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of capital assets (capital projects funds), the servicing of general long-term debt (debt service fund), and the management of funds held in trust that can be used for governmental services (permanent fund). The general fund is used to account for all activities of the general government not accounted for in some other fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds). Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds*, the Village has chosen to apply all GASB pronouncements as well as those FASB pronouncements issued on or before November 30, 1989 to account for enterprise funds.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. The Village utilizes pension trust funds and an agency fund which are generally used to account for assets that the Village holds in fiduciary capacity or on behalf of others as their agent.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statements of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity, other than interfund services provided and used, has been eliminated from these financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The Motor Fuel Tax Fund is used to account for maintenance of village owned streets, repavement, and street lights. Financing is provided by the Village's share of state motor fuel allotments and other village financing sources. The Village has elected to report this fund as major.

The Debt Service Fund accounts for the resources for the payment of principal and interest on the Village's general obligation debt.

The Green Oaks/Army Trail TIF #1 Fund accounts for the proceeds of specific tax allocations to finance the redevelopment of this area.

The Village reports the following major proprietary funds:

The Waterworks and Sewerage Fund accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, billing, and collection.

The Village reports the following internal service funds:

Internal service funds account for operations that provide services to other departments or agencies of the Village, or to other governments, on a cost-reimbursement basis. The Fleet Services Fund accounts for the costs of operating a maintenance facility for automotive equipment used by other village departments. Actual cost includes depreciation on the machinery and equipment used to provide the service. The Information Systems Fund accounts for the costs of running the Village's management information system. The Equipment Replacement Fund accounts for the purchase and replacement of the Village's vehicles.

The Village reports the following fiduciary funds:

Police Pension Trust Fund as a fiduciary fund to account for the Police Pension Fund.

Special Service Area #1 as an agency fund to account for assets held on behalf of third parties and that do not involve the measurement of operating results.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and pension trust fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred.

Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Nonoperating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunications taxes which use a 90-day period and income tax which uses a 120-day period. The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Sales taxes owed to the state at year end, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Income and motor fuel taxes and fines collected and held by the state or county at year end on behalf of the Village also are recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**d. Measurement Focus, Basis of Accounting, and Basis of Presentation
(Continued)**

The Village reports unearned/deferred revenue on its financial statements. Unearned/deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned/deferred revenues also arise when resources are received by the government before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both the revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for unearned/deferred revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Village investments with a maturity of one year or less when purchased are stated at cost or amortized cost. Village investments with a maturity greater than one year and all pension fund investments are stated at fair value in accordance with GASB Statement No. 31.

Illinois Funds, a money market mutual fund created by the Illinois State Legislature and controlled by the Illinois State Treasurer is reported at a \$1 per share value, which equals the Village's fair value in the pool.

f. Interfund Receivables/Payables

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

g. Inventories

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Prepaid Items/Expenses

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

i. Capital Assets

Capital assets, which include property, plant, equipment, intangibles (software and easements), and infrastructure assets (e.g., roads, bridges, storm water), 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, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and structures	20-50
Equipment, vehicles, and software	4-20
Infrastructure	20-60
Public improvements	50-60

j. Compensated Absences

Vested or accumulated vacation and sick leave are reported as an expenditure and a fund liability of the governmental fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation or sick leave of proprietary funds and governmental activities are recorded as an expense and liability of those funds as the benefits accrue to employees.

Employees accrue one day sick time per month up to 12 per year. Sick time can be accumulated over the tenure of employment and is “bought back” upon leaving the Village using a percentage scale based on years of service. Vacation time is accumulated annually and is expected to be used the following year. Carryover for three months is allowed pending approval by the Village Manager.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Obligations

In the government-wide financial statements and proprietary funds 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 funds financial statements. Bond premiums and discounts and gains (losses) on refundings, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount and gains (losses) on refundings. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

l. Fund Balances/Net Assets

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision making authority. Formal actions include resolutions and ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village's Manager and the Finance Director. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

The Village has established a fund balance reserve policy for its general fund. The policy targets a minimum fund balance to be maintained in the general fund equivalent to 25% of the budgeted expenditures in the fund. Any fund balance in the general fund in excess of the 25% can be assigned a specific purpose or to cover projected deficits in the following budget year.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned funds and then unassigned funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Fund Balances/Net Assets (Continued)

In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. Invested in capital assets, net of related debt represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets.

None of the restricted net assets or restricted fund balance resulted from enabling legislation adopted by the Village.

m. Interfund Transactions

Interfund services are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

n. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

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

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants' fair value), and Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The Village's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and rate of return.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral at 105% for all bank balances in excess of federal depository insurance, with the collateral held by the Village, an independent third party, or the Federal Reserve Bank of Chicago.

Investments

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2012:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
IMET	\$ 1,993,910	\$ -	\$ 1,993,910	\$ -	\$ -
TOTAL	\$ 1,993,910	\$ -	\$ 1,993,910	\$ -	\$ -

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk by primarily investing in external investment pools. Illinois Funds and IMET are rated AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. The Village's investment policy does not address this risk. To limit its exposure, the Village requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third party custodian and evidenced by safekeeping receipts and a written custodial agreement. Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village's investment policy requires diversification of investments to avoid unreasonable risk. No financial institution shall hold more than 50% of the Village's investment portfolio, exclusive of any securities held in Illinois Funds and IMET.

b. Police Pension Fund Deposits and Investments

The Police Pension Fund's investment policy authorizes the Police Pension Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township, or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock, Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value), and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Fund Deposits and Investments (Continued)

It is the policy of the Police Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the cash flow demands of the Police Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and rate of return.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Police Pension Fund’s deposits may not be returned to it. The Police Pension Fund’s investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the independent third party or the Federal Reserve Bank of Chicago, and evidenced by safekeeping receipts.

Investments

The following table presents the investments and maturities of the Police Pension Fund’s debt securities as of April 30, 2012:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
Corporate bonds	\$ 5,705,747	\$ -	\$ 2,593,094	\$ 2,880,699	\$ 231,954
GNMA	2,570,945	-	-	1,287,155	1,283,790
FHLB	2,053,683	-	2,053,683	-	-
FFCB	1,578,870	-	1,578,870	-	-
FHLMC	3,775	-	-	-	3,775
FNMA	1,557,162	-	6,662	8,237	1,542,263
Municipal bonds	2,584,561	-	735,106	1,287,528	561,927
Negotiable CDs	400,560	299,498	101,062	-	-
TOTAL	\$ 16,455,303	\$ 299,498	\$ 7,068,477	\$ 5,463,619	\$ 3,623,709

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Fund Deposits and Investments (Continued)

Investments (Continued)

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Police Pension Fund limits its exposure to credit risk by primarily investing U.S. Treasury obligations and other obligations which are rated AAA or better by a national rating agency. Additionally, it is the policy of the Police Pension Fund to invest in municipal bonds that are rated investment grade or better. The U.S. agency obligations (GNMA, FHLB, FHLMC, FFCB, and FNMA) are rated A- to AAA. The money market mutual funds and Illinois Funds are rated AAA. The negotiable CDs are rated AAA and the municipal bonds are rated AA+ to AAA. These ratings are all in compliance with the Fund's investment policy.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Police Pension Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party custodian and evidenced by safekeeping receipts. Illinois Funds is not subject to custodial credit risk.

The fund specifically prohibits investments in the following investment vehicles: Short selling, margin transactions, transactions involving futures or options contracts, reverse repurchase agreements, repurchase agreements, borrowing or lending of cash or securities, derivatives, collateralized mortgage obligations, and commercial paper.

Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of its investments invested in one type of investment. The Police Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk but does not establish specific maximum portfolio percentages. Min, Target, and Max percentages are as follows:

	Min	Target	Max
Cash	2%	3%	5%
Fixed Income	38%	42%	75%
Equities	20%	55%	60%
Equity sub-set guidelines	Min	Target	Max
Domestic Equities	30%	75%	100%
International Equities	0%	15%	50%
Real Estate	0%	10%	20%

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Fund Deposits and Investments (Continued)

Investments (Continued)

At April 30, 2012, the Police Pension Fund had greater than 5% of its investments invested in Corporate Bonds, GNMA's, FHLB's, Municipal Bonds, and Money Market Mutual Funds. This is in accordance with its investment policy.

3. RECEIVABLES - TAXES

a. Property Taxes

Property taxes for 2011 attach as an enforceable lien on January 1, 2011, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2012, and are payable in two installments, on or about June 1, 2012 and September 1, 2012. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience. As the 2011 tax levy is intended to fund expenditures for the 2011-2012 fiscal year, these taxes are deferred as of April 30, 2012.

The 2012 tax levy, which attached as an enforceable lien on property as of January 1, 2012, has not been recorded as a receivable as of April 30, 2012 as the tax has not yet been levied by the Village and will not be levied until December 2012 and, therefore, the levy is not measurable at April 30, 2012.

b. Due from Other Governments

The following receivables are included in due from other governments on the statement of net assets:

GOVERNMENTAL ACTIVITIES	
Sales tax	\$ 1,850,297
Home rule sales tax	1,496,219
Simplified telecommunications tax	482,411
Income tax	1,101,887
Local use tax	131,293
Motor fuel tax	71,719
Police dispatch	272,738
Other taxes	<u>6,481</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u><u>\$ 5,413,045</u></u>

VILLAGE OF ADDISON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2012 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 15,962,759	\$ 28,414	\$ -	\$ 15,991,173
Land rights of way	38,174,273	-	-	38,174,273
Construction in progress	6,973,354	2,855,305	5,382,722	4,445,937
Total capital assets not being depreciated	61,110,386	2,883,719	5,382,722	58,611,383
Capital assets being depreciated				
Buildings and structures	38,861,882	229,348	50,000	39,041,230
Equipment and vehicles	8,199,900	805,320	306,344	8,698,876
Infrastructure	60,746,144	5,298,335	-	66,044,479
Total capital assets being depreciated	107,807,926	6,333,003	356,344	113,784,585
Less accumulated depreciation for				
Buildings and structures	5,510,096	833,158	-	6,343,254
Equipment and vehicles	5,605,880	780,277	286,900	6,099,257
Infrastructure	32,320,130	1,372,143	-	33,692,273
Total accumulated depreciation	43,436,106	2,985,578	286,900	46,134,784
Total capital assets being depreciated, net	64,371,820	3,347,425	69,444	67,649,801
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET				
	<u>\$ 125,482,206</u>	<u>\$ 6,231,144</u>	<u>\$ 5,452,166</u>	<u>\$ 126,261,184</u>

Depreciation expense was charged to functions/programs of the governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
General government	\$ 969,493
Public safety	310,689
Community development	53,587
Highways and streets, including depreciation of general infrastructure assets	<u>1,651,809</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 2,985,578</u>

VILLAGE OF ADDISON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 1,129,911	\$ -	\$ -	\$ 1,129,911
Construction in progress	3,741,992	552,924	249,075	4,045,841
Total capital assets not being depreciated	4,871,903	552,924	249,075	5,175,752
Capital assets being depreciated				
Public improvements	81,763,752	214,199	-	81,977,951
Equipment and vehicles	3,085,429	34,876	11,175	3,109,130
Total capital assets being depreciated	84,849,181	249,075	11,175	85,087,081
Less accumulated depreciation for				
Public improvements	31,368,977	1,594,665	-	32,963,642
Equipment and vehicles	1,034,412	264,842	11,175	1,288,079
Total accumulated depreciation	32,403,389	1,859,507	11,175	34,251,721
Total capital assets being depreciated, net	52,445,792	(1,610,432)	-	50,835,360
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 57,317,695	\$ (1,057,508)	\$ 249,075	\$ 56,011,112

5. 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; employee health; natural disasters; and injuries to the Village's employees.

The Village has purchased insurance from private insurance companies. Risks covered include medical, dental, and other. Premiums have been displayed as expenditures/expenses in appropriate funds. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current or the three prior years.

Intergovernmental Risk Management Agency (IRMA)

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in northeastern Illinois that have formed an association under the Illinois Intergovernmental Cooperations Statute to pool their risk management needs. IRMA administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extension risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

VILLAGE OF ADDISON, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

5. RISK MANAGEMENT (Continued)

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the bylaws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village is aware of no additional contributions due to IRMA as of April 30, 2012.

6. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for general government activities. In addition, general obligation bonds have been issued to refund general obligation bonds.

General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

	Fund Debt Retired by	Balances May 1	Issuances	Reductions	Balances April 30	Due Within One Year
\$4,685,000 2002 General Obligation Refunding Bonds are due in annual installments (beginning December 15, 2003) ranging from \$30,000 to \$520,000 with interest from 1.90% to 4.30%. The call date is December 15, 2012 and the last payment is due December 15, 2017.	Debt Service	\$ 3,350,000	\$ -	\$ 3,350,000	\$ -	\$ -
\$7,500,000 2004 General Obligation Bonds are due in annual installments (beginning December 15, 2005) ranging from \$260,000 to \$650,000 with interest from 3.00% to 4.30%. The call date is December 15, 2012 and the last payment is due December 15, 2019.	Debt Service	1,953,869	-	1,760,417	193,452	193,452
	Water	1,602,796	-	1,444,103	158,693	158,693
	Equipment Replacement	1,493,335	-	1,345,480	147,855	147,855

VILLAGE OF ADDISON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

	Fund Debt Retired by	Balances May 1	Issuances	Reductions	Balances April 30	Due Within One Year
\$3,075,000 General Obligation Refunding Bond, Series 2006A, are due in annual installments (beginning December 15, 2011) ranging from \$130,000 to \$260,000 with interest at 3.70% to 4.50%. The call date is December 15, 2016. The last payment is due December 15, 2026.	Debt Service	\$ 3,075,000	\$ -	\$ 130,000	\$ 2,945,000	\$ 150,000
\$2,375,000 Taxable General Obligation Refunding Bonds, Series 2006B, are due in annual installments (beginning December 5, 2007) ranging from \$210,000 to \$600,000 with interest at 5.25% to 5.30%. These bonds are not subject to redemption prior to maturity. The last payment is due December 15, 2011.	Debt Service	520,000	-	520,000	-	-
\$6,900,000 General Obligation Bonds, Series 2006C, are due in annual installments (beginning December 15, 2012) ranging from \$280,000 to \$675,000 with interest at 3.85% to 3.95%. The call date is December 15, 2015. The last payment is due December 15, 2026.	Debt Service	6,900,000	-	-	6,900,000	280,000
\$6,100,000 General Obligation Bonds, Series 2007, are due in annual installments (beginning December 15, 2012) ranging from \$245,000 to \$590,000 with interest at 3.875% to 3.95%. The call date is December 15, 2015. The last payment is due December 15, 2026.	Debt Service	6,100,000	-	-	6,100,000	245,000
\$6,015,000 General Obligation Refunding Bonds, Series 2008, are due in annual installments (beginning December 15, 2009 through December 15, 2020) ranging from \$265,000 to \$1,010,000 with interest at 3.25% to 5.00%.	Debt Service	5,290,000	-	335,000	4,955,000	325,000
\$3,500,000 Taxable General Obligation Bonds, Series 2010, are due in annual installments (beginning December 15, 2012 through December 15, 2030) ranging from \$60,000 to \$275,000 with interest at 2.05% to 5.30%.	Debt Service	3,500,000	-	60,000	3,440,000	125,000
\$2,835,000 General Obligation Refunding Bonds, Series 2011, are due in annual installments (beginning December 15, 2012 through December 15, 2017) ranging from \$405,000 to \$510,000 with interest at 2.00% to 4.00%.	Debt Service	-	2,835,000	-	2,835,000	405,000

VILLAGE OF ADDISON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

	Fund Debt Retired by	Balances May 1	Issuances	Reductions	Balances April 30	Due Within One Year
\$3,985,000 General Obligation Refunding Bonds, Series 2012, are due in annual installments (beginning December 15, 2013 through December 15, 2019) ranging from \$530,000 to \$615,000 with interest at 2.00% to 3.00%.	Debt Service	\$ -	\$ 1,541,815	\$ -	\$ 1,541,815	\$ -
	Water	-	1,264,780	-	1,264,780	-
	Equipment Replacement	-	1,178,405	-	1,178,405	-
TOTAL GENERAL OBLIGATION BONDS		\$ 33,785,000	\$ 6,820,000	\$ 8,945,000	\$ 31,660,000	\$ 2,030,000

b. Loan Payable - Governmental Activities

	Fund Debt Retired by	Balances May 1	Issuances	Reductions	Balances April 30	Due Within One Year
State of Illinois loan - \$5,525,717 Illinois Environmental Protection Agency loan due in equal semi-annual installments of \$199,699 including interest at 3.59%. The last payment date is May 30, 2012. This obligation is to be retired by sales tax revenue.	Debt Service	\$ 578,215	\$ -	\$ 382,038	\$ 196,177	\$ 196,177

c. Compensated Absences - Governmental Activities

	Funded by	Balances May 1	Increases	Reductions	Balances April 30	Due Within One Year
Compensated absences	General	\$ 2,531,718	\$ 1,174,974	\$ 874,334	\$ 2,832,358	\$ 877,800
Compensated absences	Internal Service	157,300	66,057	50,049	173,308	51,151
TOTAL COMPENSATED ABSENCES		\$ 2,689,018	\$ 1,241,031	\$ 924,383	\$ 3,005,666	\$ 928,951

d. Compensated Absences - Business-Type Activities

	Funded by	Balances May 1	Increases	Reductions	Balances April 30	Due Within One Year
Compensated absences	Waterworks and Sewerage	\$ 1,093,283	\$ 309,604	\$ 336,728	\$ 1,066,159	\$ 301,262
TOTAL COMPENSATED ABSENCES		\$ 1,093,283	\$ 309,604	\$ 336,728	\$ 1,066,159	\$ 301,262

VILLAGE OF ADDISON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. **LONG-TERM DEBT (Continued)**

e. Debt Service Requirements to Maturity

Fiscal Year Ending April 30,	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2013	\$ 1,871,307	\$ 1,266,234	\$ 3,137,541	\$ 158,693	\$ 80,858	\$ 239,551
2014	1,981,786	1,097,277	3,079,063	168,214	32,595	200,809
2015	2,058,612	1,041,067	3,099,679	171,388	29,231	200,619
2016	2,150,438	975,940	3,126,378	174,562	25,803	200,365
2017	2,249,090	902,083	3,151,173	180,910	20,567	201,477
2018-2022	11,010,294	3,126,578	14,136,872	569,706	28,660	598,366
2023-2027	7,905,000	1,266,067	9,171,067	-	-	-
2028-2032	1,010,000	137,801	1,147,801	-	-	-
TOTAL	\$ 30,236,527	\$ 9,813,047	\$ 40,049,574	\$ 1,423,473	\$ 217,714	\$ 1,641,187

Fiscal Year Ending April 30,	Governmental Activities		
	Illinois EPA Loan		
	Principal	Interest	Total
2013	\$ 196,177	\$ 3,521	\$ 199,698
TOTAL	\$ 196,177	\$ 3,521	\$ 199,698

f. Changes in Long-Term Debt

The following is a summary of changes in long-term liabilities for the year ended April 30, 2012:

	Balances May 1	Issuances/ Increases	Reductions	Balances April 30	Due Within One Year
GOVERNMENTAL ACTIVITIES					
General obligation bonds payable	\$ 32,182,204	\$ 5,555,220	\$ 7,500,897	\$ 30,236,527	\$ 1,871,307
Unamortized discount on bonds	(61,803)	-	(14,360)	(47,443)	(3,163)
Unamortized loss on refunding of bonds	(37,698)	(146,105)	(17,627)	(166,176)	(20,493)
Unamortized gain on refunding of bonds	18,402	-	18,402	-	-
Unamortized premium on bonds	409,096	386,921	45,714	750,303	94,469

VILLAGE OF ADDISON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

f. Changes in Long-Term Debt (Continued)

	Balances May 1	Issuances/ Increases	Reductions	Balances April 30	Due Within One Year
GOVERNMENTAL ACTIVITIES (Continued)					
IEPA loan payable	\$ 578,215	\$ -	\$ 382,038	\$ 196,177	\$ 196,177
Compensated absences payable - governmental activities	2,689,018	1,241,031	924,383	3,005,666	928,951
Net pension obligation*	586,174	168,443	-	754,617	-
Net other postemployment benefits obligation*	57,821	18,686	-	76,507	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 36,421,429	\$ 7,224,196	\$ 8,839,447	\$ 34,806,178	\$ 3,067,248

*The net pension obligation and net other postemployment benefits obligation are retired by the General Fund.

	Balances May 1	Issuances/ Increases	Reductions	Balances April 30	Due Within One Year
BUSINESS-TYPE ACTIVITIES					
General obligation bonds payable	\$ 1,602,796	\$ 1,264,780	\$ 1,444,103	\$ 1,423,473	\$ 158,693
Unamortized discount on bonds	(5,206)	-	(5,206)	-	-
Unamortized premium on bonds	-	82,093	-	82,093	10,262
Unamortized loss on refunding of bonds	-	(67,933)	-	(67,933)	(8,492)
Compensated absences payable - proprietary funds	1,093,284	309,604	336,729	1,066,159	301,262
Net other postemployment benefits obligation	5,703	2,521	-	8,224	-
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 2,696,577	\$ 1,591,065	\$ 1,775,626	\$ 2,512,016	\$ 461,725

6. LONG-TERM DEBT (Continued)

g. Legal Debt Margin

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property ... (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: ... indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum ... shall not be included in the foregoing percentage amounts.”

To date, the General Assembly has set no limits for home rule municipalities.

h. Other Nonobligation Type Bonded Debt

Industrial Revenue Bonds

The Village has issued a total of \$53,110,000 of Industrial Revenue Bonds under the terms of its ordinance 0-74-8 dated March 18, 1974. The amount outstanding is undeterminable as of April 30, 2012.

The total amount of bonds issued by any village agency is limited by federal and state statute. Interest paid to institutions lending these funds is considered tax-exempt under current federal law. The Village is not obligated for the payment of principal and interest on the bonds and is not involved in any way with the servicing of the debt instruments. Neither the liability for the bonds or any activity therewith is reflected in the funds of the Village.

Special Service Area Debt

Special Service Area Bonds outstanding as of the date of this report totaled \$220,000. These bonds are not an obligation of the Village and are secured by the levy of an annual tax on the real property within the special service area. The Village is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the tax, and forwarding the collections to bondholders.

6. LONG-TERM DEBT (Continued)

i. Refunding - General Obligation Bonds

On September 6, 2011, the Village issued \$2,835,000 General Obligation Refunding Bonds, Series 2011, to advance refund a portion of the 2002 General Obligation Refunding Bonds. The proceeds of the 2011 Bonds were placed in an irrevocable trust to provide for the call date payment on December 15, 2012 on the old bonds. Accordingly, the trust account assets and liability for the refunded bonds are not included in the financial statements. The debt service payment scheduled for December 15, 2012 of the 2002 Bonds was not refunded and therefore is shown as a liability in the financial statements. As a result of the refunding, the Village achieved a cash flow savings of \$265,034 and an economic gain on refunding of \$214,684. The 2002 bonds were called on December 15, 2011 and note remained outstanding at April 30, 2012.

On April 2, 2012, the Village issued \$3,985,000 General Obligation Refunding Bonds, Series 2012, to advance refund a portion of the 2004A General Obligation Refunding Bonds. The proceeds of the 2012 Bonds were placed in an irrevocable trust to provide for the call date payment on December 15, 2012 on the old bonds outstanding at April 30, 2012 in the amount of \$4,065,000.. Accordingly, the trust account assets and liability for the refunded bonds are not included in the financial statements. The debt service payment scheduled for December 15, 2012 of the 2004A Bonds was not refunded and therefore is shown as a liability in the financial statements. As a result of the refunding, the Village achieved a cash flow savings of \$419,702 and an economic gain on refunding of \$356,323.

j. Pledged Future Revenues

The amount of pledges remaining at April 30, 2012 is as follows:

Debt Issue	Pledged Revenue Source	Pledge Remaining	Commitment End Date
Illinois EPA Loan	Incremental sales taxes	\$ 199,698	May 30, 2012

A comparison of the pledges collected and the related principal and interest expenditures for fiscal year 2012 is as follows:

Debt Issue	Pledged Revenue Source	Pledged Revenue	Principal and Interest Paid	Estimated % of Revenue Pledged
Illinois EPA Loan	Incremental sales taxes	\$ 1,617,265	\$ 399,397	24.70%

7. INDIVIDUAL FUND DISCLOSURES

a. Advance From/To Other Funds

Advance from/to other funds at April 30, 2012 consisted of the following:

Fund	Advance From	Advance To
General	\$ -	\$ 1,010,705
Green Oaks/Army Trail TIF #1	325,476	-
Nonmajor Governmental	1,010,705	325,476
TOTAL	\$ 1,336,181	\$ 1,336,181

The purposes of the advance from/to other funds are as follows:

- \$325,476 advanced to the Green Oaks/Army Trail TIF #1 Fund from the Nonmajor Governmental Funds (Redevelopment Fund) for funding of the Green Oaks Center Core Apartment Complex.
- \$1,010,705 advanced to the Town Center TIF #3 Fund from the General Fund for funding the purchase of land within the TIF.

b. Transfers

Interfund transfers during the year ended April 30, 2012 consisted of the following:

Fund	Transfers In	Transfers Out
General	\$ 180,000	\$ -
Motor Fuel Tax	743,750	-
Debt Service	1,400,000	419,701
Waterworks and Sewerage	367,270	-
Internal Service	202,431	-
Nonmajor Governmental	-	2,473,750
TOTAL	\$ 2,893,451	\$ 2,893,451

The purpose of significant transfers is as follows:

- \$1,400,000 transferred from the Public Building Fund (nonmajor governmental) for the principal and interest payments in the Debt Service Fund.

7. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Transfers (Continued)

- \$743,750 transferred from the Redevelopment Fund (\$700,000), a nonmajor governmental fund, and Capital Projects Fund (\$43,750), a nonmajor governmental fund, to the Motor Fuel Tax Fund for road construction and additional maintenance paid out of the Motor Fuel Tax Fund.
- \$419,701 transferred from the Debt Service Fund in the amounts of \$217,270 and \$202,431 to the Waterworks and Sewerage and Equipment Replacement Funds, respectively. This amount was to fund the debt service payments related to the 2004 General Obligation bonds, and related 2012 General Obligation refunding bonds, reported in these funds.
- \$150,000 transferred from the Public Building Fund, a nonmajor governmental fund, to the Waterworks and Sewerage Fund for capital expenses.
- \$180,000 transferred from the Redevelopment Fund, a nonmajor governmental fund, to the General Fund to cover planned expenditures in this fund.

c. Deficit Fund Balances/Net Assets of Individual Funds

The following funds had a deficit in fund balance/net assets as of the date of this report.

Capital Projects	
Green Oaks/Army Trail TIF #1	\$ 325,506
Town Center TIF #3	1,010,735
Internal Service	
Fleet Services	36,782
Information Systems	54,310

8. COMMITMENTS

DuPage Water Commission

The Village has committed to purchase water from the DuPage Water Commission (the Commission). The Village expects to pay the following minimum amounts based on the Commission's debt service requirements:

Fiscal Year Ending April 30,	Amount
2013	\$ 728,251
2014	728,241

These amounts have been calculated using the Village's current allocation percentage of 4.0833%. In future years, this allocation percentage will be subject to change.

9. CONTINGENT LIABILITIES

a. Litigation

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

b. Grants

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

c. DuPage Water Commission

The Village's water supply agreement with the Commission provides that each customer is liable for its proportionate share of any costs arising from defaults in payment obligations by other customers.

9. CONTINGENT LIABILITIES (Continued)

d. Economic Incentives

The Village has entered into several agreements with local developers to rebate a portion of certain taxes derived from the operation of their businesses over a designated time period based on certain productivity criteria. The Village has a total potential commitment to all developers of \$4,720,557 payable in quarterly, semiannual, or annual payments through 2020. \$3,346,975 has been rebated as of April 30, 2012 and an additional \$35,093.38 was payable as of April 30, 2012.

10. DEFERRED COMPENSATION PLAN

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all village employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the sole benefit of participants and beneficiaries. It is the opinion of the Village's legal counsel that the Village has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. Since amounts held in trust are for the exclusive benefit of all participants, the Village does not maintain the assets on the financial statements.

a. Plan Description

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

b. Benefits Provided

The Village provides pre and post-Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Village's two retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Village's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At April 30, 2011 (latest information available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	15
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>221</u>
 TOTAL	 <u><u>236</u></u>
 Participating employers	 <u>1</u>

d. Funding Policy

The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the Plan until retirement.

e. Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the last three years was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2010	\$ 68,490	\$ 47,915	69.96%	\$ 42,665
April 30, 2011	68,639	47,780	69.61%	63,524
April 30, 2012	68,987	47,780	69.26%	84,731

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

The net OPEB obligation as of April 30, 2012 was calculated as follows:

Annual required contribution	\$ 67,930
Interest on net OPEB obligation	3,170
Adjustment to annual required contribution	<u>(2,113)</u>
Annual OPEB cost	68,987
Contributions made	<u>47,780</u>
Increase in net OPEB obligation	21,207
Net OPEB obligation, beginning of year	<u>63,524</u>
NET OPEB OBLIGATION, END OF YEAR	<u>\$ 84,731</u>

Funded Status and Funding Progress: The funded status of the Plan as of April 30, 2011 (latest information available) was as follows:

Actuarial accrued liability (AAL)	\$ 2,734,988
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	2,734,988
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 15,819,429
UAAL as a percentage of covered payroll	17.29%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost 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 financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

In the April 30, 2011 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included no investment rate of return and an initial healthcare cost trend rate of 8.0% with an ultimate healthcare inflation rate of 6.0%. Both rates include a 3.0% inflation assumption and 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 a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2011 was 30 years.

12. EMPLOYEE RETIREMENT SYSTEMS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for both plans are governed by ILCS and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

a. Plan Descriptions

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended December 31, 2011 was 13.37% of covered payroll.

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan. 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. The Village accounts for the plan as a pension trust fund. At April 30, 2012, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	46
Terminated employees entitled to benefits but not yet receiving them	12
Current employees	
Vested	41
Nonvested	27
	<hr/>
TOTAL	<u>126</u>

The Police Pension Plan provides retirement benefits through two tiers of 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.

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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.

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary and the administrative costs. Effective January 1, 2011, the Village has until the year 2040 to fund 90% the past service costs for the Police Pension Plan. For the year ended April 30, 2012, the Village's contribution was 39.77% of covered payroll.

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 when due pursuant to formal commitments as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

Method Used to Value Investments

Investments are reported at fair value. Investment income is recognized as earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Administrative Costs

Administrative costs for the Police Pension Plan are financed primarily through investment earnings.

c. Significant Investments

The following are significant investments in any one organization that represent 5.00% or more of plan net assets for the Police Pension Plan. Information for IMRF is not available.

Investment/Organization	Amount
IShares Russell Midcap	\$ 2,361,463
IShares S&P 500 Growth	1,997,456

d. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension
Actuarial valuation date	December 31, 2009	April 30, 2011
Actuarial cost method	Entry-age Normal	Entry-age Normal
Asset valuation method	5 Year Smoothed Market	5 Year Smoothed Market
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll
Amortization period	30 Years, Open	30 Years, Closed

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

d. Annual Pension Costs

	Illinois Municipal Retirement	Police Pension
Significant actuarial assumptions		
a) Rate of return on present and future assets	7.50% Compounded Annually	7.00% Compounded Annually
b) Projected salary increase - attributable to inflation	4.00% Compounded Annually	4.50% Compounded Annually
c) Additional projected salary increases - seniority/merit	.40% to 10.00%	1.12% to 4.86%
d) Postretirement benefit increases	3.00%	3.00%

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

	Fiscal Years Ended April 30,	Illinois Municipal Retirement	Police Pension
Annual pension cost (APC)	2010	\$ 1,409,546	\$ 1,733,443
	2011	1,606,686	1,925,588
	2012	1,670,937	2,270,529
Actual contribution	2010	\$ 1,409,546	\$ 1,233,451
	2011	1,606,686	1,742,209
	2012	1,670,937	2,102,086
Percentage of APC contributed	2010	100.00%	71.16%
	2011	100.00%	90.48%
	2012	100.00%	92.58%
NPO (asset)	2010	\$ -	\$ 402,795
	2011	-	586,174
	2012	-	754,617

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

d. Annual Pension Costs (Continued)

The NPO (asset) as of April 30, 2012 has been calculated as follows:

	<u>Police Pension</u>
Annual required contribution	\$ 2,256,458
Interest on net pension obligation	41,032
Adjustment to annual required contribution	<u>(26,961)</u>
Annual pension cost	2,270,529
Contributions made	<u>(2,102,086)</u>
Increase in net pension obligation	168,443
Net pension obligation, beginning of year	<u>586,174</u>
NET PENSION OBLIGATION, END OF YEAR	<u>\$ 754,617</u>

The funded status and funding progress of the plans as of December 31, 2011 and April 30, 2012, respectively, were as follows. The actuarial assumptions used to determine the funded status of the Police Pension Plan are the same actuarial assumptions used to determine the employer APC of the plan as disclosed in Note 12.d.

	<u>Illinois Municipal Retirement*</u>	<u>Police Pension</u>
Actuarial accrued liability (AAL)	\$ 45,120,947	\$ 53,815,066
Actuarial value of plan assets	33,764,076	34,389,439
Unfunded actuarial accrued liability (UAAL)	11,356,871	19,425,627
Funded ratio (actuarial value of plan assets/AAL)	74.83%	63.90%
Covered payroll (active plan members)	\$ 12,496,420	\$ 5,286,129
UAAL as a percentage of covered payroll	90.88%	367.48%

* Includes both the Village and the Library.

See the schedules of funding progress in the required supplementary information immediately following the notes to financial statements for additional information related to the funded status of the plans.

13. COMPONENT UNIT - ADDISON PUBLIC LIBRARY

a. Financial Information

Financial statements for the Addison Public Library (the Library), including government-wide and fund financial statements, are available in the Library's separately audited financial statements as of April 30, 2012 which can be obtained from the Library's administrative offices located at 4 Friendship Plaza, Addison, Illinois 60101.

b. Deposits and Investments

The Library maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as "cash and investments."

Deposits and Investments

The Library's investment policy authorizes the Library to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value), and Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The Library's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

It is the policy of the Library to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Library and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, legality, safety of principal, liquidity, and rate of return.

13. COMPONENT UNIT - ADDISON PUBLIC LIBRARY (Continued)

b. Deposits and Investments (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Library's deposits may not be returned to it. The Library's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the Library, an independent third party, and evidenced by a safekeeping agreement.

Investments

The following table presents the investments and maturities of the Library's debt securities as of April 30, 2012:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
IMET	\$ 156,641	\$ -	\$ 156,641	\$ -	\$ -
TOTAL	\$ 156,641	\$ -	\$ 156,641	\$ -	\$ -

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Library limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Library limits its exposure to credit risk by primarily investing in external investment pools. Illinois Funds and IMET are rated AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in possession of an outside party. The Library's investment policy does not address this risk. Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Library has a high percentage of its investments invested in one type of investment. The Library's investment policy requires diversification of investments to avoid unreasonable risk. No financial institution shall hold investments greater than 50% of its capital stock and surplus.

13. COMPONENT UNIT - ADDISON PUBLIC LIBRARY (Continued)

c. Receivables

Property taxes for the 2011 levy year attach as an enforceable lien on January 1, 2011, on property values assessed as of the same date. Taxes are levied by December of the same year by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued on or about May 1, 2012, and are payable in two installments, on or about June 1, 2012 and September 1, 2012. The County collects such taxes and remits them periodically.

The Library recognizes the property tax revenues when they become both measurable and available in the fiscal year that the tax levy is intended to finance. Therefore, the entire 2011 tax levy has been recorded as deferred revenue on the balance sheet.

The 2012 tax levy, which attached as an enforceable lien on property as of January 1, 2012, has not been recorded as a receivable as of April 30, 2012 as the tax has not yet been levied by the Library and will not be levied until December 2012 and, therefore, the levy is not measurable at April 30, 2012.

d. Capital Assets

Capital asset activity for the year ended April 30, 2012 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
None	\$ -	\$ -	\$ -	\$ -
Total capital assets not being depreciated	-	-	-	-
Capital assets being depreciated				
Building improvements	68,508	-	-	68,508
Operating equipment	1,769,911	414,758	348,394	1,836,275
Office equipment	1,088,566	282,337	37,255	1,333,648
Total capital assets being depreciated	2,926,985	697,095	385,649	3,238,431
Less accumulated depreciation for				
Building improvements	51,633	1,912	-	53,545
Operating equipment	701,355	353,980	348,394	706,941
Office equipment	446,581	63,099	30,375	479,305
Total accumulated depreciation	1,199,569	418,991	378,769	1,239,791
Total capital assets being depreciated, net	1,727,416	278,104	6,880	1,998,640
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 1,727,416	\$ 278,104	\$ 6,880	\$ 1,998,640

13. COMPONENT UNIT - ADDISON PUBLIC LIBRARY (Continued)

d. Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the governmental activities as follows:

GOVERNMENTAL ACTIVITIES		
Culture and recreation		<u>\$ 418,991</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES		<u><u>\$ 418,991</u></u>

e. Long-Term Debt

The following is a summary of changes in long-term liabilities for the year ended April 30, 2012:

Changes in Long-Term Debt

	Balances May 1	Issuances/ Increases	Reductions	Balances April 30	Due Within One Year
Net other postemployment benefits obligation	\$ 1,333	\$ 486	\$ -	\$ 1,819	\$ -
TOTAL	<u>\$ 1,333</u>	<u>\$ 486</u>	<u>\$ -</u>	<u>\$ 1,819</u>	<u>\$ -</u>

The net other postemployment benefits obligation is retired by the Library's General Fund.

**VILLAGE ^{OF} ADDISON
ILLINOIS**

Required Supplementary Information

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 17,771,800	\$ 17,771,800	\$ 18,070,169
Licenses and permits	1,701,500	1,701,500	1,795,005
Intergovernmental	2,900,000	2,900,000	3,227,091
Charges for services	743,200	743,200	512,920
Fines and forfeits	1,258,900	1,258,900	1,120,990
Investment income	21,200	21,200	13,357
Miscellaneous	593,500	593,500	677,612
Total revenues	24,990,100	24,990,100	25,417,144
EXPENDITURES			
Current			
General government	3,651,100	3,761,100	3,854,076
Public safety	14,783,500	15,220,700	15,233,236
Community development	2,658,800	2,658,800	2,634,368
Highways and streets	4,530,700	4,530,700	4,152,372
Total expenditures	25,624,100	26,171,300	25,874,052
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(634,000)	(1,181,200)	(456,908)
OTHER FINANCING SOURCES (USES)			
Transfers in	180,000	180,000	180,000
Total other financing sources (uses)	180,000	180,000	180,000
NET CHANGE IN FUND BALANCE	\$ (454,000)	\$ (1,001,200)	(276,908)
FUND BALANCE, MAY 1			8,734,955
FUND BALANCE, APRIL 30			\$ 8,458,047

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
REVENUES			
Sales tax increment	\$ -	\$ -	\$ 490,790
Intergovernmental			
Motor fuel tax allotments	955,000	955,000	1,089,284
Other	30,300	30,300	-
Investment income	-	-	46
 Total revenues	 985,300	 985,300	 1,580,120
EXPENDITURES			
Highways and streets			
Street maintenance program	1,408,600	1,408,600	1,575,694
Addison Road resurfacing	133,500	133,500	-
Mill Street/Army Trail	43,200	43,200	1,747
Fullerton Road intersection	148,400	148,400	-
Fullerton Road	120,900	120,900	251,993
Grace Street resurfacing	5,200	5,200	-
Route 53 resurfacing	-	390,200	390,195
Oak meadows drive	180,000	180,000	180,000
 Total expenditures	 2,039,800	 2,430,000	 2,399,629
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 (1,054,500)	 (1,444,700)	 (819,509)
OTHER FINANCING SOURCES (USES)			
Transfers in	775,000	775,000	743,750
 Total other financing sources (uses)	 775,000	 775,000	 743,750
 NET CHANGE IN FUND BALANCE	 \$ (279,500)	 \$ (669,700)	 (75,759)
 FUND BALANCE, MAY 1			 545,601
 FUND BALANCE, APRIL 30			 \$ 469,842

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2012

Schedule of Funding Progress

Actuarial Valuation Date December 31,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2006	\$ 29,383,219	\$ 33,254,835	88.36%	\$ 3,871,616	\$ 10,562,867	36.65%
2007	32,457,832	35,894,987	90.42%	3,437,155	11,094,363	30.98%
2008	30,181,852	39,127,123	77.14%	8,945,271	11,817,768	75.69%
2009	31,414,867	42,267,125	74.32%	10,852,258	12,585,580	86.23%
2010	33,691,186	42,552,900	79.17%	8,861,714	11,951,485	74.15%
2011	33,764,076	45,120,947	74.83%	11,356,871	12,496,420	90.88%

Schedule of Employer Contributions

Fiscal Year April 30,	Annual Required Contribution (ARC)	Contribution Made	Contribution Made as a Percentage of Annual Required Contribution
2007	\$ 1,285,837	\$ 1,285,837	100.00%
2008	1,333,044	1,333,044	100.00%
2009	1,384,414	1,384,414	100.00%
2010	1,409,546	1,409,546	100.00%
2011	1,606,686	1,606,686	100.00%
2012	1,670,937	1,670,937	100.00%

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
POLICE PENSION FUND

April 30, 2012

Schedule of Funding Progress

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2006	\$ 30,288,209	\$ 34,898,147	86.79%	\$ 4,609,938	\$ 4,355,319	105.85%
2007	32,278,230	38,158,704	84.59%	5,880,474	4,663,360	126.10%
2008	33,978,585	41,303,427	82.27%	7,324,842	4,962,030	147.62%
2009	29,994,136	44,128,778	67.97%	14,134,642	5,195,494	272.06%
2010	31,986,208	47,596,538	67.20%	15,610,330	5,131,828	304.19%
2011	34,389,439	53,815,066	63.90%	19,425,627	5,286,129	367.48%

Schedule of Employer Contributions

Fiscal Year April 30,	Annual Required Contribution (ARC)	Contribution Made	Contribution Made as a Percentage of Annual Required Contribution
2007	\$ 806,937	\$ 880,165	109.07%
2008	938,617	897,659	95.64%
2009	1,120,706	1,036,233	92.52%
2010	1,733,443	1,233,451	71.16%
2011	1,928,127	1,742,209	90.36%
2012	2,256,458	2,102,086	93.16%

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFITS PLAN

April 30, 2012

Schedule of Funding Progress

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2009	\$ -	\$ 1,443,398	\$ -	\$ 1,443,398	\$ 16,449,236	8.77%
2010	N/A	N/A	N/A	N/A	N/A	N/A
2011	-	2,734,988	-	2,734,988	15,819,429	17.29%
2012	N/A	N/A	N/A	N/A	N/A	N/A

Schedule of Employer Contributions

Fiscal Year April 30,	Annual Required Contribution (ARC)	Contribution Made	Contribution Made as a Percentage of Annual Required Contribution
2009	\$ 70,002	\$ 47,912	68.44%
2010	68,121	47,915	70.34%
2011	67,930	47,780	70.34%
2012	67,930	47,780	70.34%

N/A - Information is not available as no actuarial valuation was performed as of this date.
Actuarial valuations are only required on a biennial basis.

GASB No. 45 was implemented for the Village's year ended April 30, 2009; therefore, prior year information is not available.

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2012

Budgets

Budgets (appropriations) are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General Fund, Waterworks and Sewerage Fund, Motor Fuel Tax Fund, Community Days Fund, Capital Projects Fund, Redevelopment Fund, Public Building Fund, Green Oaks/Army Trail TIF #1 Fund, Michael Lane TIF #2 Fund, Town Center TIF #3 Fund, Fleet Services Fund, Information Systems Fund, Equipment Replacement Fund, Police Pension Fund, and Debt Service Fund.

The Village follows these procedures in establishing its appropriation ordinance:

The Appropriation Ordinance is prepared in tentative form by the Finance Director and is made available for public inspection at least ten days prior to final Board action. A public hearing is held on the tentative Appropriation Ordinance to obtain taxpayer comments.

The Village Board of Trustees, by a two-thirds vote, may change or modify the Appropriation Ordinance. No revision of the ordinance shall be made increasing total fund expenditures in the event funds are not available to effectuate the purpose of the revision. The Appropriation Ordinance controls the legal spending limits for the Village.

All appropriations lapse at year end. Expenditures may not legally exceed appropriations (including all changes and modifications as discussed above) at the fund level. The financial schedules report appropriation amounts in the columns titled original budget and final budget.

The operational budget is the management control for spending and is less than, or equal to, the amounts appropriated. The Village Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund are done through approval of the Village Board of Trustees and are supported by additional appropriations as needed.

Operational budgets are adopted on a modified accrual basis of accounting for all governmental fund types and on an accrual basis for proprietary and fiduciary funds. Budgets have been adopted for all proprietary fund types, the Police Pension Fund, General, Debt Service, Capital Projects, and certain Special Revenue Funds. Budgets for Enterprise Funds do not provide for depreciation. Capital improvements are budgeted as expenses.

All budgets are prepared based on the annual fiscal year of the Village.

Budget amounts are as originally adopted or as amended by the Village Board of Trustees.

The actual expenditures of the Redevelopment Fund exceeded the final budget by \$3,957.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

**VILLAGE ^{OF} ADDISON
ILLINOIS**

Major Governmental Funds

MAJOR GOVERNMENTAL FUNDS

General Fund

The chief operating fund of the Village which accounts for all activities of the general government except for those required to be accounted for in another fund.

Debt Service Fund

General Debt Service - to accumulate monies for the payment of the Village's 2002, 2004A, 2005, 2006A, 2006B, and 2008 Refunding Bonds; the 2004, 2006C, 2007, and 2010 General Obligation Bonds; and the Illinois Environmental Protection Agency Loan.

Capital Projects Funds

Green Oaks/Army Trail TIF #1 Fund - to account for the proceeds of specific tax allocations to finance the redevelopment of these areas.

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
TAXES			
Property taxes			
General	\$ 3,211,000	\$ 3,211,000	\$ 3,236,631
Property taxes prior year	-	-	841
Police pension	2,084,900	2,084,900	2,101,803
Road and bridges	394,500	394,500	409,160
Replacement taxes general	140,000	140,000	130,348
Telecommunications tax	1,734,000	1,734,000	1,708,571
Retailers occupation tax	7,623,000	7,623,000	7,881,310
Sales tax increment	1,593,900	1,593,900	1,617,265
Local use tax	459,000	459,000	538,951
Real estate transfer tax	330,000	330,000	215,091
Auto rental tax	1,500	1,500	3,290
Room tax	200,000	200,000	226,908
Total taxes	17,771,800	17,771,800	18,070,169
LICENSES, PERMITS, AND FEES			
Vehicle license	460,000	460,000	457,668
Business license	239,700	239,700	232,164
Liquor-bar licenses	105,000	105,000	102,032
Multiple dwelling license	280,000	280,000	231,295
Building permits	132,600	132,600	199,564
Building and zoning sub fee	3,500	3,500	2,660
Planning development fees	22,000	22,000	31,260
Development review fee	5,000	5,000	1,845
Cable T.V. franchise	371,200	371,200	375,167
Annexations/tap-on fees	1,000	1,000	6,541
Alarm permit fee	14,000	14,000	13,605
Solicitor's fees	500	500	635
Sex offenders registration fee	-	-	470
Business license background fee	10,000	10,000	9,695
Fire plan review	8,000	8,000	10,764
Plumbing inspection fees	29,000	29,000	28,433
Review and inspection fees	20,000	20,000	90,907
Other	-	-	300
Total licenses, permits, and fees	1,701,500	1,701,500	1,795,005
INTERGOVERNMENTAL			
Illinois state income tax	2,900,000	2,900,000	3,009,476
DuPage County ETSB Grant	-	-	204,242
State of Illinois - grants - police training reimbursement	-	-	469
State of Illinois - grants - Illinois arts council	-	-	2,500
Police department reimbursement - DOJ overtime and crime prevention	-	-	10,404
Total intergovernmental	2,900,000	2,900,000	3,227,091

(This schedule is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
CHARGES FOR SERVICES			
Refuse collection	\$ 234,600	\$ 234,600	\$ 241,869
Brush pick-up	105,000	105,000	108,520
Bail bonds	25,500	25,500	19,365
Police dispatch center	378,100	378,100	142,866
Other charges	-	-	300
Total charges for services	743,200	743,200	512,920
FINES AND FORFEITS			
Police fines	408,000	408,000	419,364
Parking fines	280,500	280,500	228,868
Court fee traffic violation	45,900	45,900	38,535
Overweight truck fines	71,400	71,400	28,418
Administrative adjudication	20,000	20,000	20,410
Red light camera enforcement	180,000	180,000	153,696
Animal impounding	600	600	925
Vehicle impound fee	202,500	202,500	175,610
Truck permit fee	20,000	20,000	13,339
FTA warrant fee	-	-	5,595
Other	30,000	30,000	36,230
Total fines and forfeits	1,258,900	1,258,900	1,120,990
INVESTMENT INCOME			
Investment income	20,000	20,000	13,343
Interest - property tax	200	200	14
Interest - loans	1,000	1,000	-
Total investment income	21,200	21,200	13,357
MISCELLANEOUS			
Insurance claims	50,000	50,000	53,349
Reimbursements - engineering	1,000	1,000	-
Reimbursements - unused claims	-	-	7,150
School liaison program	100,000	100,000	146,282
Sales of maps and publications	1,500	1,500	362
Sales of postage stamps	-	-	1,106
Police reports	6,000	6,000	5,997
Public safety	25,000	25,000	64,107
Rental and concessions	337,600	337,600	336,955
Contributions/donations	800	800	5,795
Cash short/over	100	100	(88)
Other	71,500	71,500	56,597
Total miscellaneous	593,500	593,500	677,612
TOTAL REVENUES	\$ 24,990,100	\$ 24,990,100	\$ 25,417,144

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT			
Administrative department	\$ 1,899,400	\$ 1,984,400	\$ 2,080,743
Board and commissions department	19,500	44,500	41,447
Finance department	538,000	538,000	543,870
Community relations	644,600	644,600	673,988
Building and grounds	549,600	549,600	514,028
Total general government	3,651,100	3,761,100	3,854,076
 PUBLIC SAFETY			
Police department	13,322,700	13,759,900	13,633,816
Henry Hyde Resource Center	240,200	240,200	253,337
Consolidated dispatch center	1,220,600	1,220,600	1,346,083
Total public safety	14,783,500	15,220,700	15,233,236
 COMMUNITY DEVELOPMENT			
	2,658,800	2,658,800	2,634,368
 HIGHWAYS AND STREETS			
Electrical and forestry	1,948,900	1,948,900	1,817,882
Streets	2,581,800	2,581,800	2,334,490
Total highways and streets	4,530,700	4,530,700	4,152,372
 TOTAL EXPENDITURES			
	\$ 25,624,100	\$ 26,171,300	\$ 25,874,052

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT			
Administrative department			
Personal services			
Salaries and wages			
Salaries administrative	\$ 235,000	\$ 235,000	\$ 249,349
Wages clerical	149,400	149,400	149,161
Overtime	3,400	3,400	1,038
Part-time	103,200	103,200	113,940
Contribution to IMRF	66,300	66,300	76,006
Social security	44,200	44,200	39,982
Health insurance	102,300	102,300	103,484
Unemployment compensation	10,000	10,000	12,305
Elected officials	41,000	41,000	44,216
Sick pay	12,500	12,500	7,783
Other pay	6,400	6,400	26,412
Life insurance	2,600	2,600	1,336
Total personal services	<u>776,300</u>	<u>776,300</u>	<u>825,012</u>
Services and charges			
Professional services			
Accounting and auditing	1,500	1,500	1,531
Legal	375,000	400,000	392,307
Technical and consulting	900	900	-
Communications, telephone, and postage	14,500	14,500	13,123
Copy reproductions	5,000	5,000	1,297
Public relations	44,000	104,000	115,499
Printing and publications	5,400	5,400	3,093
IRMA insurance	18,700	18,700	20,885
Conferences and training	4,000	4,000	12,414
Repairs and maintenance	2,500	2,500	703
Dues and subscriptions	40,600	40,600	39,700
Economic development incentive	457,500	457,500	502,161
Other	3,000	3,000	5,780
Total services and charges	<u>972,600</u>	<u>1,057,600</u>	<u>1,108,493</u>
Supplies and materials			
Office supplies	3,000	3,000	3,370
Other operating supplies	5,000	5,000	2,297
Total supplies and materials	<u>8,000</u>	<u>8,000</u>	<u>5,667</u>
Charges for internal services			
IS services	142,500	142,500	141,571
Total charges for internal services	<u>142,500</u>	<u>142,500</u>	<u>141,571</u>
Total administrative department	<u>1,899,400</u>	<u>1,984,400</u>	<u>2,080,743</u>

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Board and commissions department			
Cultural arts commission	\$ -	\$ -	\$ 2,802
Historical commission	-	-	1,156
Blood bank commission	1,500	1,500	1,365
Senior citizens commissions	16,500	16,500	16,535
Police commission	1,500	26,500	19,589
	<hr/>		
Total board and commissions department	19,500	44,500	41,447
Finance department			
Personal services			
Salaries and wages			
Salaries administrative	185,900	185,900	196,014
Wages clerical	64,300	64,300	62,308
Overtime	2,000	2,000	206
Part-time	29,000	29,000	26,009
Contribution to IMRF	39,400	39,400	40,681
Social security	22,300	22,300	21,966
Health insurance	43,800	43,800	46,471
Sick pay	4,500	4,500	2,517
Other pay	6,500	6,500	16,648
Life insurance	1,700	1,700	1,040
	<hr/>		
Total personal services	399,400	399,400	413,860
Services and charges			
Professional fees			
Accounting and auditing	2,100	2,100	2,473
Data processing	13,100	13,100	8,581
Technical and consulting	2,900	2,900	10,500
Communications, telephone, and postage	5,800	5,800	4,818
Copy reproductions	3,200	3,200	1,860
Real estate taxes	1,000	1,000	928
Printing and publication	9,000	9,000	3,717
IRMA insurance	7,700	7,700	6,140
Conferences and training	3,500	3,500	1,921
Repairs and maintenance	1,500	1,500	960
Rental equipment	700	700	513
Dues and subscriptions	1,500	1,500	1,839
Bank charges	13,000	13,000	14,141
Other	500	500	455
	<hr/>		
Total services and charges	65,500	65,500	58,846
Supplies and materials			
Office supplies	3,200	3,200	2,900
Postage stamps	2,000	2,000	1,760
Other operating supplies	1,000	1,000	52
	<hr/>		
Total supplies and materials	6,200	6,200	4,712

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Finance department (Continued)			
Charges for internal services			
IS services	\$ 66,900	\$ 66,900	\$ 66,452
Total charges for internal services	66,900	66,900	66,452
Total finance department	538,000	538,000	543,870
Community relations			
Personal services			
Salaries and wages			
Salaries administrative	323,600	323,600	337,444
Part-time	25,000	25,000	28,103
Contribution to IMRF	49,300	49,300	54,309
Social security	27,600	27,600	30,868
Health insurance	69,100	69,100	70,028
Sick pay	8,000	8,000	9,198
Other pay	3,000	3,000	21,812
Life insurance	1,000	1,000	752
Total personal services	506,600	506,600	552,514
Services and charges			
Professional fees			
Accounting and auditing	1,400	1,400	1,429
Technical and consulting	10,000	10,000	9,348
Communications, telephone, and postage	6,000	6,000	6,338
Copy reproduction	1,000	1,000	141
Public relations	30,000	30,000	21,230
Printing and publications	2,800	2,800	85
IRMA insurance	8,600	8,600	7,360
Conferences and training	500	500	807
Public utilities	2,000	2,000	1,233
Repairs and maintenance	20,000	11,000	10,713
Dues and subscriptions	2,500	2,500	1,878
Other	1,000	1,000	560
Total services and charges	85,800	76,800	61,122
Supplies and materials			
Office supplies	1,500	1,500	1,198
Video, recording, and editing supplies	33,000	42,000	41,077
Total supplies and materials	34,500	43,500	42,275
Charges for internal services			
Fleet services	1,800	1,800	2,231
IS services	14,500	14,500	14,446
Equipment replacement	1,400	1,400	1,400
Total charges for internal services	17,700	17,700	18,077
Total community relations	644,600	644,600	673,988

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Building and grounds			
Personal services			
Salaries and wages			
Salaries administrative	\$ 87,000	\$ 87,000	\$ 90,107
Wages operational	60,000	60,000	62,319
Overtime	7,000	7,000	3,674
Part-time	17,000	17,000	17,662
Contribution to IMRF	24,300	24,300	25,497
Social security	13,700	13,700	14,521
Health insurance	47,300	47,300	48,182
Sick pay	4,500	4,500	5,507
Other pay	3,000	3,000	10,093
Life insurance	600	600	416
Total personal services	264,400	264,400	277,978
Services and charges			
Professional fees			
Accounting and auditing	1,100	1,100	1,123
Medical	100	100	178
Communications, telephone, and postage	1,000	1,000	1,042
Printing and publications	200	200	60
IRMA insurance	9,700	9,700	7,347
Public utility gas-heat	32,000	32,000	20,970
Repairs and maintenance	172,100	172,100	156,497
Dues and subscriptions	-	-	15
Other	2,400	2,400	1,728
Total services and charges	218,600	218,600	188,960
Supplies and materials			
Office supplies	400	400	59
Cleaning supplies	500	500	129
Clothing supplies	1,500	1,500	1,026
Motor fuel and lubricants	4,000	4,000	-
Public grounds materials and supplies	3,000	3,000	1,854
Building materials and supplies	25,000	25,000	19,512
Other operating supplies	4,000	4,000	1,988
Total supplies and materials	38,400	38,400	24,568
Charges for internal services			
Fleet services	8,400	8,400	2,754
IS services	8,700	8,700	8,668
Equipment replacement	11,100	11,100	11,100
Total charges for internal services	28,200	28,200	22,522
Total building and grounds	549,600	549,600	514,028
TOTAL GENERAL GOVERNMENT	\$ 3,651,100	\$ 3,761,100	\$ 3,854,076

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
PUBLIC SAFETY			
Police department			
Personal services			
Salaries and wages			
Salaries administrative	\$ 1,637,500	\$ 1,637,500	\$ 1,516,383
Wages clerical	439,400	439,400	396,332
Wages operational	3,834,700	3,834,700	3,997,303
Overtime	775,000	775,000	772,832
Holiday pay	85,000	85,000	94,717
Part-time	238,200	238,200	111,886
Contribution to IMRF	104,500	104,500	132,547
Social security	556,300	556,300	547,497
Health insurance	1,228,600	1,228,600	1,295,186
Sick pay	81,000	81,000	100,849
Other pay	130,000	130,000	366,661
Life insurance	8,500	8,500	5,772
Pension benefits	2,084,900	2,084,900	2,101,803
Total personal services	11,203,600	11,203,600	11,439,768
Services and charges			
Professional fees			
Accounting and auditing	7,300	7,300	7,449
Architectural	-	-	1,260
Legal	67,000	67,000	66,338
Data processing	28,800	28,800	18,268
Medical	-	-	231
Technical and consulting	86,900	86,900	60,840
Communications, telephone, and postage	54,600	54,600	64,059
Copy reproduction	10,500	10,500	9,106
Public relations	1,000	1,000	600
Investigative	10,000	10,000	8,829
Printing and publications	13,500	13,500	8,489
IRMA insurance	383,300	383,300	306,110
Conferences and training	31,000	31,000	45,429
Public utilities gas-heat	4,000	4,000	549
Repairs and maintenance	20,200	20,200	16,432
Rental equipment	500	500	-
Dues and subscriptions	11,000	11,000	8,917
Other	16,000	16,000	12,625
Total services and charges	745,600	745,600	635,531
Supplies and materials			
Office supplies	11,000	11,000	9,352
Clothing supplies	57,700	57,700	53,600
Other operating supplies	66,600	66,600	50,614
Total supplies and materials	135,300	135,300	113,566

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Police department (Continued)			
Capital outlay			
Office equipment	\$ 200,000	\$ 270,000	\$ 264,442
Equipment	11,400	378,600	141,547
Total capital outlay	211,400	648,600	405,989
Charges for internal services			
Fleet services	518,400	518,400	532,596
IS services	305,400	305,400	303,366
Equipment replacement	203,000	203,000	203,000
Total charges for internal services	1,026,800	1,026,800	1,038,962
Total police department	13,322,700	13,759,900	13,633,816
Henry Hyde Resource Center			
Personal services			
Salaries and wages			
Salaries administrative	74,400	74,400	77,243
Part-time	40,200	40,200	40,643
Clerical	-	-	142
Contribution to IMRF	15,900	15,900	16,687
Social security	8,800	8,800	9,470
Health insurance	22,200	22,200	22,353
Other pay	-	-	5,548
Life insurance	200	200	208
Total personal services	161,700	161,700	172,294
Services and charges			
Professional fees			
Accounting	600	600	612
Data processing	1,000	1,000	-
Communications, telephone, and postage	2,400	2,400	2,867
Copy reproduction	600	600	722
Printing and publications	200	200	120
IRMA insurance	6,000	6,000	5,120
Dues and subscriptions	-	-	15
Other	1,000	1,000	10,192
Total services and charges	11,800	11,800	19,648
Supplies and materials			
Office supplies	1,500	1,500	174
Clothing supplies	500	500	-
Other operating supplies	9,400	9,400	6,326
Total supplies and materials	11,400	11,400	6,500

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Henry Hyde Resource Center (Continued)			
Charges for internal services			
IS services	\$ 55,300	\$ 55,300	\$ 54,895
Total charges for internal services	55,300	55,300	54,895
Total Henry Hyde Resource Center	240,200	240,200	253,337
Consolidated dispatch center			
Personal services			
Salaries and wages			
Salaries administrative	69,800	69,800	81,159
Wages operational	674,500	674,500	651,473
Overtime	35,000	35,000	138,538
Holiday pay	35,000	35,000	20,132
Part-time	36,400	36,400	-
Sick pay	-	-	6,564
Contribution to IMRF	107,700	107,700	124,923
Social security	59,700	59,700	71,462
Health insurance	165,700	165,700	153,146
Other pay	-	-	34,060
Life insurance	3,000	3,000	1,524
Total personal services	1,186,800	1,186,800	1,282,981
Services and charges			
Professional fees			
Medical	800	800	1,811
Data processing	700	700	681
Technical consulting	4,600	4,600	2,268
Communications, telephone, and postage	-	-	16
Copy reproduction	500	500	-
Printing and publications	200	200	403
IRMA insurance	-	-	26,690
Conferences and training	1,800	1,800	102
Repairs and maintenance	14,400	14,400	16,725
Dues and subscriptions	200	200	-
Other	300	300	684
Total services and charges	23,500	23,500	49,380
Supplies and materials			
Office supplies	500	500	4,169
Clothing supplies	6,400	6,400	4,535
Other operating supplies	3,400	3,400	5,018
Total supplies and materials	10,300	10,300	13,722
Total consolidated dispatch center	1,220,600	1,220,600	1,346,083
TOTAL PUBLIC SAFETY	\$ 14,783,500	\$ 15,220,700	\$ 15,233,236

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
COMMUNITY DEVELOPMENT			
Personal services			
Salaries and wages			
Salaries administrative	\$ 634,500	\$ 634,500	\$ 614,724
Wages clerical	191,800	191,800	187,870
Wages operational	716,500	716,500	743,118
Overtime	20,700	20,700	10,639
Contribution to IMRF	221,200	221,200	226,064
Social security	123,000	123,000	126,219
Health insurance	312,200	312,200	298,575
Sick pay	34,000	34,000	34,287
Other pay	10,000	10,000	81,522
Life insurance	5,000	5,000	3,932
	<u>2,268,900</u>	<u>2,268,900</u>	<u>2,326,950</u>
Total personal services			
Services and charges			
Professional fees			
Accounting and auditing	2,900	2,900	2,959
Architectural	35,000	35,000	16,178
Legal	12,000	12,000	2,258
Data processing	500	500	275
Medical	-	-	87
Technical consulting	50,000	50,000	50,254
Communications, telephone, and postage	17,500	17,500	12,904
Copy reproduction	3,000	3,000	2,083
Printing and publications	18,600	18,600	7,223
IRMA insurance	34,500	34,500	28,850
Conferences and training	4,500	4,500	5,377
Repairs and maintenance	3,400	3,400	1,072
Rental equipment	500	500	-
Dues and subscriptions	4,200	4,200	4,939
Other	54,000	54,000	25,188
	<u>240,600</u>	<u>240,600</u>	<u>159,647</u>
Total services and charges			
Supplies and materials			
Office supplies	4,000	4,000	3,276
Clothing supplies	1,100	1,100	1,029
Other operating supplies	3,000	3,000	1,663
	<u>8,100</u>	<u>8,100</u>	<u>5,968</u>
Total supplies and materials			
Charges for internal services			
Fleet services	29,400	29,400	30,649
IS services	93,100	93,100	92,454
Equipment replacement	18,700	18,700	18,700
	<u>141,200</u>	<u>141,200</u>	<u>141,803</u>
Total charges for internal services			
TOTAL COMMUNITY DEVELOPMENT	<u>\$ 2,658,800</u>	<u>\$ 2,658,800</u>	<u>\$ 2,634,368</u>

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
HIGHWAYS AND STREETS			
Electrical and forestry department			
Personal services			
Salaries and wages			
Salaries administrative	\$ 149,600	\$ 149,600	\$ 175,596
Wages clerical	35,600	35,600	34,396
Wages operational	362,900	362,900	369,657
Overtime	26,000	26,000	2,115
Contribution to IMRF	80,000	80,000	85,410
Social security	44,800	44,800	46,171
Health insurance	116,600	116,600	124,203
Sick pay	5,500	5,500	3,909
Other pay	5,000	5,000	31,727
Life insurance	2,200	2,200	1,664
	<hr/>	<hr/>	<hr/>
Total personal services	828,200	828,200	874,848
Services and charges			
Professional fees			
Accounting and auditing	1,400	1,400	1,429
Medical	1,800	1,800	1,073
Technical and consulting	105,000	105,000	105,000
Communications, telephone, and postage	5,700	5,700	6,266
Copy reproduction	500	500	417
Mosquito control	82,500	82,500	69,248
Printing and publications	1,100	1,100	584
IRMA insurance	61,200	61,200	66,349
Conferences and training	5,800	5,800	5,187
Public utilities gas-heat	28,800	28,800	15,501
Public utilities electric-light	160,000	160,000	118,485
Solid waste disposal	4,000	4,000	3,988
Repairs and maintenance	377,100	377,100	263,721
Rental equipment	1,200	1,200	-
Dues and subscriptions	1,700	1,700	1,450
Other	700	700	386
	<hr/>	<hr/>	<hr/>
Total services and charges	838,500	838,500	659,084
Supplies and materials			
Office supplies	1,000	1,000	418
Cleaning supplies	1,600	1,600	-
Clothing supplies	7,200	7,200	6,487
Motor fuel and lubricants	-	-	133
Street	22,000	22,000	15,294
Public grounds materials and supplies	24,200	24,200	24,496
Other operating supplies	23,400	23,400	21,240
	<hr/>	<hr/>	<hr/>
Total supplies and materials	79,400	79,400	68,068

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
HIGHWAYS AND STREETS (Continued)			
Electrical and forestry department (Continued)			
Charges for internal services			
Fleet services	\$ 110,400	\$ 110,400	\$ 123,504
IS services	5,800	5,800	5,778
Equipment replacement	86,600	86,600	86,600
Total charges for internal services	202,800	202,800	215,882
Total electrical and forestry department	1,948,900	1,948,900	1,817,882
Streets			
Personal services			
Salaries and wages			
Salaries administrative	149,600	149,600	175,611
Wages clerical	36,200	36,200	34,468
Wages operational	586,500	586,500	519,992
Overtime	100,000	100,000	32,149
Contribution to IMRF	123,000	123,000	110,909
Social security	68,600	68,600	60,053
Health insurance	156,200	156,200	158,278
Sick pay	19,000	19,000	11,774
Other pay	4,700	4,700	38,128
Life insurance	3,000	3,000	2,132
Total personal services	1,246,800	1,246,800	1,143,494
Services and charges			
Professional fees			
Accounting and auditing	1,300	1,300	1,327
Data processing	8,000	8,000	10,984
Medical	1,800	1,800	761
Communications, telephone, and postage	9,500	9,500	9,355
Copy reproduction	500	500	481
Printing and publications	4,500	4,500	4,270
IRMA insurance	62,400	62,400	70,114
Conferences and training	-	-	15
Solid waste disposal	19,100	19,100	10,995
Repairs and maintenance	65,000	65,000	60,918
Rental equipment	4,300	4,300	-
Dues and subscriptions	200	200	258
Other	4,400	4,400	2,980
Total services and charges	181,000	181,000	172,458
Supplies and materials			
Office supplies	800	800	379
Cleaning supplies	500	500	-
Clothing supplies	7,700	7,700	4,879
Chemicals	10,000	10,000	7,109
Street	513,100	513,100	482,121
Public grounds material and supplies	2,000	2,000	-
Other operating supplies	28,000	28,000	8,587
Total supplies and materials	562,100	562,100	503,075

(This schedule is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
HIGHWAYS AND STREETS (Continued)			
Streets (Continued)			
Charges for internal services			
Fleet services	\$ 352,400	\$ 352,400	\$ 276,182
IS services	32,000	32,000	31,781
Equipment replacement	207,500	207,500	207,500
Total charges for internal services	591,900	591,900	515,463
Total streets	2,581,800	2,581,800	2,334,490
TOTAL HIGHWAYS AND STREETS	<u>\$ 4,530,700</u>	<u>\$ 4,530,700</u>	<u>\$ 4,152,372</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property	\$ 923,600	\$ 923,600	\$ 931,469
Replacement	35,500	35,500	48,284
Sales tax increment	1,593,900	1,593,900	1,617,265
Investment income	1,000	1,000	470
Miscellaneous	-	-	468
	<hr/>		
Total revenues	2,554,000	2,554,000	2,597,956
	<hr/>		
EXPENDITURES			
Debt service			
Principal retirement	2,292,037	2,292,037	1,994,686
Interest and fiscal charges	1,433,732	1,516,732	1,353,654
	<hr/>		
Total expenditures	3,725,769	3,808,769	3,348,340
	<hr/>		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,171,769)	(1,254,769)	(750,384)
	<hr/>		
OTHER FINANCING SOURCES (USES)			
Transfers in	1,400,000	1,400,000	1,400,000
Transfers (out)	-	-	(419,701)
Issuance of refunding bonds	-	-	4,376,797
Payment to escrow agent	-	-	(4,665,177)
Premium on issuance of bonds	-	-	310,434
	<hr/>		
Total other financing sources (uses)	1,400,000	1,400,000	1,002,353
	<hr/>		
NET CHANGE IN FUND BALANCE	\$ 228,231	\$ 145,231	251,969
	<hr/>		
FUND BALANCE, MAY 1			1,067,738
	<hr/>		
FUND BALANCE, APRIL 30			\$ 1,319,707
	<hr/>		

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GREEN OAKS/ARMY TRAIL TIF #1 FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 1,200,000	\$ 1,200,000	\$ 1,186,783
Investment income	-	-	6
Total revenues	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,186,789</u>
EXPENDITURES			
Current			
General government			
Services and charges	300	300	306
Capital outlay	655,000	755,000	22,054
Total expenditures	<u>655,300</u>	<u>755,300</u>	<u>22,360</u>
NET CHANGE IN FUND BALANCE	<u>\$ 544,700</u>	<u>\$ 444,700</u>	1,164,429
FUND BALANCE (DEFICIT), MAY 1			<u>(1,489,935)</u>
FUND BALANCE (DEFICIT), APRIL 30			<u>\$ (325,506)</u>

(See independent auditor's report.)

**VILLAGE ^{OF} ADDISON
ILLINOIS**

Nonmajor Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

Police Grant Fund - to account for the proceeds related to U.S. Department of Justice grants.

Federal and State Controlled Substance Funds - to account for the proceeds related to federal and state seizure activities.

DUI Fund - to account for the proceeds of DUI fines in the Village and related activities funded by these proceeds.

Community Days Fund - to account for the proceeds from and expenditures related to the operations of the Community Days Festival.

Nonmajor Capital Projects Funds

Capital Projects Fund - to account for the construction costs of various nonwater related capital projects. Financing is provided by developers' contributions, state and federal grants, and transfers from the General Fund.

Redevelopment Fund - to account for the construction costs of various properties in redevelopment projects. Financing is provided chiefly from the 1995 and 1997 General Obligation Bonds, grants, and miscellaneous revenues.

Michael Lane TIF #2 Fund - to account for the proceeds of specific tax allocations to finance the redevelopment of these areas.

Town Center TIF #3 Fund - to account for the proceeds of specific tax allocations to finance the redevelopment of these areas.

Fullerton TIF #4 Fund - to account for the proceeds of specific tax allocations to finance the redevelopment of these areas.

Public Building Fund - to account for the proceeds of the 1996 and 1998 General Obligation Bond issues and the construction of a new Public Works facility and the construction/renovation of the Village Hall facility.

VILLAGE OF ADDISON, ILLINOIS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS

April 30, 2012

	Special Revenue	Capital Projects	Total
ASSETS			
Cash and investments	\$ 171,706	\$ 2,614,005	\$ 2,785,711
Receivables (net, where applicable, of allowances for uncollectibles)			
Accounts	1,180	-	1,180
Property taxes	-	382,936	382,936
Advances to other funds	-	325,476	325,476
Due from other governments	5,894	374,055	379,949
TOTAL ASSETS	<u>\$ 178,780</u>	<u>\$ 3,696,472</u>	<u>\$ 3,875,252</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 6,410	\$ 27,560	\$ 33,970
Deferred revenues	-	382,936	382,936
Due to other funds	-	34,657	34,657
Advances from other funds	-	1,010,705	1,010,705
Total liabilities	<u>6,410</u>	<u>1,455,858</u>	<u>1,462,268</u>
FUND BALANCES			
Nonspendable in form - advances to other funds	-	325,476	325,476
Restricted for economic development	-	1,952,671	1,952,671
Restricted for public safety	165,971	-	165,971
Unrestricted			
Assigned for capital projects	-	973,202	973,202
Assigned for specific purpose	6,399	-	6,399
Unassigned (deficit)	-	(1,010,735)	(1,010,735)
Total fund balances	<u>172,370</u>	<u>2,240,614</u>	<u>2,412,984</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 178,780</u>	<u>\$ 3,696,472</u>	<u>\$ 3,875,252</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2012

	Special Revenue	Capital Projects	Total
REVENUES			
Taxes	\$ -	\$ 2,247,510	\$ 2,247,510
Intergovernmental	102,349	198,245	300,594
Investment income	128	3,659	3,787
Miscellaneous	5,297	26,822	32,119
Total revenues	107,774	2,476,236	2,584,010
EXPENDITURES			
Current			
General government	3,367	58,338	61,705
Public safety	138,512	-	138,512
Capital outlay	4,620	456,724	461,344
Total expenditures	146,499	515,062	661,561
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(38,725)	1,961,174	1,922,449
OTHER FINANCING SOURCES (USES)			
Transfers (out)	-	(2,473,750)	(2,473,750)
Total other financing sources (uses)	-	(2,473,750)	(2,473,750)
NET CHANGE IN FUND BALANCES	(38,725)	(512,576)	(551,301)
FUND BALANCES, MAY 1	211,095	2,753,190	2,964,285
FUND BALANCES, APRIL 30	\$ 172,370	\$ 2,240,614	\$ 2,412,984

(See independent auditor's report.)

NONMAJOR SPECIAL REVENUE FUNDS

Police Grant Fund - to account for the proceeds related to U.S. Department of Justice grants.

Federal and State Controlled Substance Funds - to account for the proceeds related to federal and state seizure activities.

DUI Fund - to account for the proceeds of DUI fines in the Village and related activities funded by these proceeds.

Community Days Fund - to account for the proceeds from and expenditures related to the operations of the Community Days Festival.

VILLAGE OF ADDISON, ILLINOIS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS

April 30, 2012

	Police Grant	State Controlled Substance
ASSETS		
Cash and investments	\$ 31,465	\$ 19,321
Accounts receivable	-	-
Due from other governments	5,894	-
	\$ 37,359	\$ 19,321
TOTAL ASSETS	\$ 37,359	\$ 19,321
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 607	\$ -
	607	-
Total liabilities	607	-
FUND BALANCES		
Restricted for public safety	36,752	19,321
Assigned for specific purpose	-	-
	36,752	19,321
Total fund balances	36,752	19,321
TOTAL LIABILITIES AND FUND BALANCES	\$ 37,359	\$ 19,321

Federal Controlled Substance	DUI	Community Days	Totals
\$ 64,845	\$ 49,676	\$ 6,399	\$ 171,706
-	1,180	-	1,180
-	-	-	5,894
<u>\$ 64,845</u>	<u>\$ 50,856</u>	<u>\$ 6,399</u>	<u>\$ 178,780</u>
\$ 4,378	\$ 1,425	\$ -	\$ 6,410
<u>4,378</u>	<u>1,425</u>	<u>-</u>	<u>6,410</u>
60,467	49,431	-	165,971
-	-	6,399	6,399
<u>60,467</u>	<u>49,431</u>	<u>6,399</u>	<u>172,370</u>
\$ 64,845	\$ 50,856	\$ 6,399	\$ 178,780

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2012

	Police Grant	State Controlled Substance
REVENUES		
Intergovernmental	\$ 78,818	\$ 2,160
Investment income	22	13
Miscellaneous	-	-
Total revenues	<u>78,840</u>	<u>2,173</u>
EXPENDITURES		
Current		
General government	-	-
Public safety	81,576	3,317
Capital outlay	-	-
Total expenditures	<u>81,576</u>	<u>3,317</u>
NET CHANGE IN FUND BALANCES	(2,736)	(1,144)
FUND BALANCES, MAY 1	<u>39,488</u>	<u>20,465</u>
FUND BALANCES, APRIL 30	<u>\$ 36,752</u>	<u>\$ 19,321</u>

Federal Controlled Substance	DUI	Community Days	Totals
\$ -	\$ 21,371	\$ -	\$ 102,349
59	30	4	128
-	-	5,297	5,297
59	21,401	5,301	107,774
-	-	3,367	3,367
46,521	7,098	-	138,512
4,620	-	-	4,620
51,141	7,098	3,367	146,499
(51,082)	14,303	1,934	(38,725)
111,549	35,128	4,465	211,095
\$ 60,467	\$ 49,431	\$ 6,399	\$ 172,370

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DAYS FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ -	\$ -	\$ 4
Miscellaneous	8,000	8,000	5,297
Total revenues	<u>8,000</u>	<u>8,000</u>	<u>5,301</u>
EXPENDITURES			
General government			
Supplies and materials	2,000	2,000	3,367
Total expenditures	<u>2,000</u>	<u>2,000</u>	<u>3,367</u>
NET CHANGE IN FUND BALANCE	<u>\$ 6,000</u>	<u>\$ 6,000</u>	1,934
FUND BALANCE, MAY 1			<u>4,465</u>
FUND BALANCE, APRIL 30			<u>\$ 6,399</u>

(See independent auditor's report.)

NONMAJOR CAPITAL PROJECTS FUNDS

Capital Projects Fund - to account for the construction costs of various nonwater related capital projects. Financing is provided by developers' contributions, state and federal grants, and transfers from the General Fund.

Redevelopment Fund - to account for the construction costs of various properties in redevelopment projects. Financing is provided chiefly from the 1995 and 1997 General Obligation Bonds, grants, and miscellaneous revenues.

Michael Lane TIF #2 Fund - to account for the proceeds of specific tax allocations to finance the redevelopment of these areas.

Town Center TIF #3 Fund - to account for the proceeds of specific tax allocations to finance the redevelopment of these areas.

Fullerton TIF #4 Fund - to account for the proceeds of specific tax allocations to finance the redevelopment of these areas.

Public Building Fund - to account for the proceeds of the 1996 and 1998 General Obligation Bond issues and the construction of a new Public Works facility and the construction/renovation of the Village Hall facility.

VILLAGE OF ADDISON, ILLINOIS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS

April 30, 2012

	Capital Projects	Redevelopment
ASSETS		
Cash and investments	\$ 41,943	\$ 619,361
Receivables (net, where applicable, of allowances for uncollectibles)		
Property taxes	-	-
Advances to other funds	-	325,476
Due from other governments	-	-
TOTAL ASSETS	\$ 41,943	\$ 944,837
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ -	\$ -
Deferred revenues	-	-
Due to other funds	-	-
Advances from other funds	-	-
Total liabilities	-	-
FUND BALANCES		
Nonspendable in form - advances to other funds	-	325,476
Restricted for economic development	-	-
Unrestricted		
Assigned for capital projects	41,943	619,361
Unassigned (deficit)	-	-
Total fund balances (deficit)	41,943	944,837
TOTAL LIABILITIES AND FUND BALANCES	\$ 41,943	\$ 944,837

Michael Lane TIF #2	Town Center TIF #3	Fullerton TIF #4	Public Building	Totals
\$ 1,946,034	\$ -	\$ 6,667	\$ -	\$ 2,614,005
337,850	45,086	-	-	382,936
-	-	-	-	325,476
-	-	-	374,055	374,055
<u>\$ 2,283,884</u>	<u>\$ 45,086</u>	<u>\$ 6,667</u>	<u>\$ 374,055</u>	<u>\$ 3,696,472</u>
\$ 30	\$ 30	\$ -	\$ 27,500	\$ 27,560
337,850	45,086	-	-	382,936
-	-	-	34,657	34,657
-	1,010,705	-	-	1,010,705
<u>337,880</u>	<u>1,055,821</u>	<u>-</u>	<u>62,157</u>	<u>1,455,858</u>
-	-	-	-	325,476
1,946,004	-	6,667	-	1,952,671
-	-	-	311,898	973,202
-	(1,010,735)	-	-	(1,010,735)
<u>1,946,004</u>	<u>(1,010,735)</u>	<u>6,667</u>	<u>311,898</u>	<u>2,240,614</u>
<u>\$ 2,283,884</u>	<u>\$ 45,086</u>	<u>\$ 6,667</u>	<u>\$ 374,055</u>	<u>\$ 3,696,472</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS

For the Year Ended April 30, 2012

	Capital Projects	Redevelopment
REVENUES		
Taxes		
Property taxes	\$ -	\$ -
Intergovernmental		
Grants	140,474	-
Investment income	30	979
Miscellaneous	26,822	-
	<hr/>	<hr/>
Total revenues	167,326	979
	<hr/>	<hr/>
EXPENDITURES		
General government		
Services and charges	-	-
Capital outlay	87,625	171,936
	<hr/>	<hr/>
Total expenditures	87,625	171,936
	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	79,701	(170,957)
	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)		
Transfers (out)	(43,750)	(700,000)
	<hr/>	<hr/>
Total other financing sources (uses)	(43,750)	(700,000)
	<hr/>	<hr/>
NET CHANGE IN FUND BALANCES	35,951	(870,957)
	<hr/>	<hr/>
FUND BALANCES (DEFICIT), MAY 1	5,992	1,815,794
	<hr/>	<hr/>
FUND BALANCES (DEFICIT), APRIL 30	\$ 41,943	\$ 944,837
	<hr/> <hr/>	<hr/> <hr/>

Michael Lane TIF #2	Town Center TIF #3	Fullerton TIF #4	Public Building	Totals
\$ 590,385	\$ 39,510	\$ 350	\$ 1,617,265	\$ 2,247,510
-	-	-	57,771	198,245
3,204	(682)	5	123	3,659
-	-	-	-	26,822
593,589	38,828	355	1,675,159	2,476,236
3,032	55,306	-	-	58,338
-	4,452	-	192,711	456,724
3,032	59,758	-	192,711	515,062
590,557	(20,930)	355	1,482,448	1,961,174
-	-	-	(1,730,000)	(2,473,750)
-	-	-	(1,730,000)	(2,473,750)
590,557	(20,930)	355	(247,552)	(512,576)
1,355,447	(989,805)	6,312	559,450	2,753,190
\$ 1,946,004	\$ (1,010,735)	\$ 6,667	\$ 311,898	\$ 2,240,614

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
Grants	\$ 121,800	\$ 121,800	\$ 140,474
Investment income	-	-	30
Miscellaneous income	20,000	20,000	26,822
Total revenues	<u>141,800</u>	<u>141,800</u>	<u>167,326</u>
EXPENDITURES			
Capital outlay	138,900	138,900	87,625
Total expenditures	<u>138,900</u>	<u>138,900</u>	<u>87,625</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,900</u>	<u>2,900</u>	<u>79,701</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(75,000)	(75,000)	(43,750)
Total other financing sources (uses)	<u>(75,000)</u>	<u>(75,000)</u>	<u>(43,750)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (72,100)</u></u>	<u><u>\$ (72,100)</u></u>	35,951
FUND BALANCE, MAY 1			<u>5,992</u>
FUND BALANCE, APRIL 30			<u><u>\$ 41,943</u></u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
REDEVELOPMENT FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ -	\$ -	\$ 979
Total revenues	-	-	979
EXPENDITURES			
Capital outlay	150,000	167,000	171,936
Total expenditures	150,000	167,000	171,936
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(150,000)</u>	<u>(167,000)</u>	<u>(170,957)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(700,000)	(700,000)	(700,000)
Total other financing sources (uses)	(700,000)	(700,000)	(700,000)
NET CHANGE IN FUND BALANCE	<u>\$ (850,000)</u>	<u>\$ (867,000)</u>	(870,957)
FUND BALANCE, MAY 1			<u>1,815,794</u>
FUND BALANCE, APRIL 30			<u>\$ 944,837</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MICHAEL LANE TIF #2 FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 628,800	\$ 628,800	\$ 590,385
Investment income	1,800	1,800	3,204
Total revenues	<u>630,600</u>	<u>630,600</u>	<u>593,589</u>
EXPENDITURES			
General government			
Services and charges	<u>130,300</u>	<u>130,300</u>	<u>3,032</u>
Total expenditures	<u>130,300</u>	<u>130,300</u>	<u>3,032</u>
NET CHANGE IN FUND BALANCE	<u>\$ 500,300</u>	<u>\$ 500,300</u>	590,557
FUND BALANCE, MAY 1			<u>1,355,447</u>
FUND BALANCE, APRIL 30			<u>\$ 1,946,004</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TOWN CENTER TIF #3 FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 107,700	\$ 107,700	\$ 39,510
Investment income	-	-	(682)
Total revenues	<u>107,700</u>	<u>107,700</u>	<u>38,828</u>
EXPENDITURES			
General government			
Services and charges	55,300	55,300	55,306
Capital outlay	-	4,500	4,452
Total expenditures	<u>55,300</u>	<u>59,800</u>	<u>59,758</u>
NET CHANGE IN FUND BALANCE	<u>\$ 52,400</u>	<u>\$ 47,900</u>	(20,930)
FUND BALANCE (DEFICIT), MAY 1			<u>(989,805)</u>
FUND BALANCE (DEFICIT), APRIL 30			<u>\$ (1,010,735)</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FULLERTON TIF #4 FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 2,000	\$ 2,000	\$ 350
Investment income	-	-	5
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>355</u>
EXPENDITURES			
None	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ 2,000</u></u>	<u><u>\$ 2,000</u></u>	355
FUND BALANCE, MAY 1			<u>6,312</u>
FUND BALANCE, APRIL 30			<u><u>\$ 6,667</u></u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PUBLIC BUILDING FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
REVENUES			
Sales tax increment	\$ 1,593,900	\$ 1,593,900	\$ 1,617,265
Intergovernmental	-	-	57,771
Investment income	-	-	123
Total revenues	1,593,900	1,593,900	1,675,159
EXPENDITURES			
Capital outlay	225,700	310,100	192,711
Total expenditures	225,700	310,100	192,711
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,368,200	1,283,800	1,482,448
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(1,730,000)	(1,730,000)	(1,730,000)
Total other financing sources (uses)	(1,730,000)	(1,730,000)	(1,730,000)
NET CHANGE IN FUND BALANCE	\$ (361,800)	\$ (446,200)	(247,552)
FUND BALANCE, MAY 1			559,450
FUND BALANCE, APRIL 30			\$ 311,898

(See independent auditor's report.)

**VILLAGE ^{OF} ADDISON
ILLINOIS**

Major Enterprise Funds

MAJOR ENTERPRISE FUND

Waterworks and Sewerage Fund - to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, billing, and collection.

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Water and sewer charges	\$ 11,298,800	\$ 11,298,800	\$ 11,595,893
Water from construction	100	100	150
Meter charges	5,000	5,000	9,783
Sewer pollution surcharge	35,000	35,000	34,574
Storm water exemption	5,000	5,000	6,311
Lab fees	1,500	1,500	3,882
Annexation/tap-on fees	15,000	15,000	37,066
BMP fee	1,000	1,000	-
Water turn-on fees	10,000	10,000	9,650
Other charges	25,000	25,000	34,540
	<u>11,396,400</u>	<u>11,396,400</u>	<u>11,731,849</u>
OPERATING EXPENSES			
Water	5,894,200	6,382,000	5,757,322
Sewer	2,087,100	2,094,800	1,815,061
Water pollution control	3,615,600	3,618,100	3,636,364
Depreciation	-	-	1,859,507
	<u>11,596,900</u>	<u>12,094,900</u>	<u>13,068,254</u>
OPERATING INCOME (LOSS)	<u>(200,500)</u>	<u>(698,500)</u>	<u>(1,336,405)</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	8,000	8,000	5,019
ComEd reimbursement	-	-	10,152
Interest expense	-	-	(63,431)
	<u>8,000</u>	<u>8,000</u>	<u>(48,260)</u>
NET INCOME (LOSS) BEFORE TRANSFERS	(192,500)	(690,500)	(1,384,665)
TRANSFERS IN	<u>150,000</u>	<u>150,000</u>	<u>367,270</u>
CHANGE IN NET ASSETS	<u>\$ (42,500)</u>	<u>\$ (540,500)</u>	<u>(1,017,395)</u>
NET ASSETS, MAY 1			<u>60,141,366</u>
NET ASSETS, APRIL 30			<u>\$ 59,123,971</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -
BUDGET AND ACTUAL
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
WATER			
Personal services			
Salaries and wages			
Salaries administrative	\$ 267,300	\$ 267,300	\$ 329,100
Elected officials	6,000	6,000	6,318
Wages - clerical	126,200	126,200	133,709
Wages - operational	692,500	692,500	703,228
Overtime	65,000	65,000	58,348
Holiday pay	2,400	2,400	-
Part-time	19,900	19,900	19,193
IMRF	164,600	164,600	177,319
Social security	92,300	92,300	96,781
Health insurance and OPEB	270,700	270,700	281,517
Sick pay	19,000	19,000	16,990
Life insurance	3,100	3,100	2,336
Other pay	7,200	7,200	61,888
Total personal services	<u>1,736,200</u>	<u>1,736,200</u>	<u>1,886,727</u>
Services and charges			
Professional fees			
Accounting and audit	5,400	5,400	5,511
Data processing	36,000	36,000	34,476
Medical	4,000	4,000	825
Technical and consulting	49,500	49,500	40,795
Communications			
Postage	27,800	27,800	32,764
Telephone	11,500	11,500	13,933
Copy reproduction	900	900	416
Printing and publications	12,300	12,300	7,376
IRMA insurance	139,400	150,000	148,745
Conferences and training	6,100	6,100	3,459
Public utilities gas, heat	7,500	7,500	4,558
Public utilities electrical equipment	60,000	60,000	55,788
Public utility services	2,857,400	3,228,100	3,108,554
Waste disposal	18,500	18,500	13,615
Repairs and maintenance	56,100	56,100	34,392
Rental equipment	1,300	1,300	258
Dues and subscriptions	2,300	2,300	1,992
Bank fees	19,000	19,000	20,774
Other	1,000	1,000	182
Total services and charges	<u>3,316,000</u>	<u>3,697,300</u>	<u>3,528,413</u>
Supplies and materials			
Office supplies	1,300	1,300	397
Cleaning supplies	800	800	-
Clothing supplies	7,500	7,500	7,167
Motor fuel lubricants	500	500	-
Chemicals	3,500	3,500	2,541

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -
 BUDGET AND ACTUAL (Continued)
 WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
WATER (Continued)			
Supplies and materials (Continued)			
Public grounds materials/supplies	\$ 27,500	\$ 27,500	\$ 27,725
Water meters/hydrants	8,500	7,100	3,771
Other operating supplies	52,000	52,000	42,704
Total supplies and materials	101,600	100,200	84,305
Capital outlay			
Equipment	6,000	6,000	4,481
Water meters	24,000	25,400	(2,223)
Mill and Army Trail improvement	-	15,000	11,294
Watermain replacement	23,000	23,000	21,683
Automatic meter read	-	35,000	34,876
Grace Street resurfacing	98,200	98,200	-
Route 53 resurfacing	200,000	250,000	249,469
Water tower work	7,500	7,500	3,540
Fullerton Avenue watermain	140,600	140,600	75,809
Total capital outlay	499,300	600,700	398,929
Less items capitalized	-	-	(393,131)
Charges for internal services			
Fleet services	116,800	123,300	127,998
IS services	32,000	32,000	31,781
Equipment replacement	92,300	92,300	92,300
Total charges for internal services	241,100	247,600	252,079
Total water before depreciation	5,894,200	6,382,000	5,757,322
Depreciation	-	-	918,780
Total water	5,894,200	6,382,000	6,676,102
SEWER			
Personal services			
Salaries and wages			
Salaries administrative	284,900	284,900	346,871
Elected officials	6,000	6,000	6,318
Wages - clerical	112,000	112,000	54,661
Wages - operational	488,200	488,200	361,684
Overtime	57,000	57,000	24,035
Part-time temporary	19,800	19,800	19,199
IMRF	135,600	135,600	123,711
Social security	75,000	75,000	67,458
Health insurance and OPEB	220,500	220,500	209,798

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -
 BUDGET AND ACTUAL (Continued)
 WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
SEWER (Continued)			
Personal services (Continued)			
Sick pay	\$ 15,300	\$ 15,300	\$ 9,156
Life insurance	3,000	3,000	752
Other pay	6,000	6,000	43,582
Total personal services	1,423,300	1,423,300	1,267,225
Services and charges			
Professional fees			
Accounting and audit	1,400	1,400	1,429
Medical	600	600	848
Data processing	75,000	75,000	739
Communications			
Postage	800	800	293
Telephone	15,000	15,000	18,039
Copy reproduction	400	400	143
Printing and publications	2,500	2,500	637
IRMA insurance	51,700	51,700	51,761
Public relations	-	-	73
Public utilities	68,800	68,800	57,639
Waste disposal	11,000	11,000	9,610
Repairs and maintenance	118,500	118,500	115,303
Rental equipment	6,600	6,600	2,920
Other	500	500	2,094
Total services and charges	352,800	352,800	261,528
Supplies and materials			
Office supplies	1,300	1,300	1,161
Cleaning supplies	1,700	1,700	971
Clothing supplies	4,300	4,300	3,651
Motor fuel lubricants	4,400	4,400	1,725
Chemicals	500	500	-
Public grounds materials/supplies	500	500	-
Building materials/supplies	600	600	646
Other operating supplies	47,500	47,500	30,734
Total supplies and materials	60,800	60,800	38,888
Capital outlay			
Replace storm sewer	-	-	825
Total capital outlay	-	-	825
Less items capitalized	-	-	(825)

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -
 BUDGET AND ACTUAL (Continued)
 WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
SEWER (Continued)			
Charges for internal services			
Fleet services	\$ 137,900	\$ 145,600	\$ 135,185
IS services	17,400	17,400	17,335
Equipment replacement	94,900	94,900	94,900
Total charges for internal services	250,200	257,900	247,420
Total sewer before depreciation	2,087,100	2,094,800	1,815,061
Depreciation	-	-	330,175
Total sewer	2,087,100	2,094,800	2,145,236
WATER POLLUTION CONTROL			
Personal services			
Salaries and wages			
Salaries administrative	508,100	508,100	514,783
Elected officials	6,000	6,000	6,318
Wages - clerical	112,000	112,000	68,712
Wages - operational	772,100	772,100	985,203
Overtime	27,200	27,200	19,686
Holiday pay	3,800	3,800	-
Part-time temporary	34,700	34,700	34,960
IMRF	206,200	206,200	240,070
Social security	116,700	116,700	134,435
Health insurance and OPEB	313,000	313,000	353,061
Sick pay	41,000	41,000	33,332
Life insurance	3,800	3,800	3,160
Other pay	14,000	14,000	90,164
Total personal services	2,158,600	2,158,600	2,483,884
Services and charges			
Professional fees			
Accounting and audit	2,400	2,400	2,449
Medical	1,000	1,000	687
Technical and consulting	104,000	104,000	97,525
Communications			
Postage	2,000	2,000	411
Telephone	15,000	15,000	16,619
Copy reproduction	1,500	1,500	642
Printing and publications	3,200	3,200	898
IRMA insurance	88,500	88,500	84,322
Public utilities gas, heat	49,500	49,500	40,810
Public utilities electrical equipment	440,000	440,000	400,160

(This schedule is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -
 BUDGET AND ACTUAL (Continued)
 WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
WATER POLLUTION CONTROL (Continued)			
Services and charges (Continued)			
Waste disposal	\$ 165,000	\$ 165,000	\$ 141,530
Repairs and maintenance	73,500	73,500	55,118
Rental equipment	3,000	3,000	2,602
Dues and subscriptions	500	500	293
Permit fee payments	68,500	68,500	68,500
Other	200	200	138
Total services and charges	1,017,800	1,017,800	912,704
Supplies and materials			
Office supplies	1,700	1,700	1,554
Cleaning supplies	4,200	4,200	3,469
Clothing supplies	10,900	10,900	9,846
Motor fuel lubricants	3,200	3,200	3,594
Chemicals	73,100	73,100	58,393
Public grounds materials/supplies	1,500	1,500	516
Building materials/supplies	5,000	5,000	3,683
Other operating supplies	67,600	67,600	60,378
Total supplies and materials	167,200	167,200	141,433
Capital outlay			
Roof repairs	162,000	162,000	158,968
Total capital outlay	162,000	162,000	158,968
Less items capitalized	-	-	(158,968)
Charges for internal services			
Fleet services	44,100	46,600	32,727
IS services	49,400	49,400	49,116
Equipment replacement	16,500	16,500	16,500
Total charges for internal services	110,000	112,500	98,343
Total water pollution control before depreciation	3,615,600	3,618,100	3,636,364
Depreciation	-	-	610,552
Total water pollution control	3,615,600	3,618,100	4,246,916
TOTAL EXPENSES	\$ 11,596,900	\$ 12,094,900	\$ 13,068,254

(See independent auditor's report.)

**VILLAGE ^{OF} ADDISON
ILLINOIS**

Internal Service Funds

INTERNAL SERVICE FUNDS

Fleet Services Fund - to account for the costs of operating a maintenance facility for automotive equipment used by other village departments. Actual cost includes depreciation on the machinery and equipment used to provide the service.

Information Systems Fund - to account for the costs of running the Village's information system.

Equipment Replacement Fund - to account for the costs of purchasing and maintaining the Village's vehicles.

VILLAGE OF ADDISON, ILLINOIS
 COMBINING STATEMENT OF NET ASSETS
 INTERNAL SERVICE FUNDS

April 30, 2012

	Fleet Services	Information Systems	Equipment Replacement	Totals
CURRENT ASSETS				
Cash and investments	\$ -	\$ -	\$ 4,800,843	\$ 4,800,843
Inventory	68,122	-	-	68,122
Total current assets	68,122	-	4,800,843	4,868,965
NONCURRENT ASSETS				
Deferred charges	-	-	28,203	28,203
Capital assets				
Machinery and equipment	105,913	-	6,062,575	6,168,488
Office equipment	-	439,272	-	439,272
Accumulated depreciation	(83,274)	(400,735)	(3,814,742)	(4,298,751)
Net capital assets	22,639	38,537	2,247,833	2,309,009
Total noncurrent assets	22,639	38,537	2,276,036	2,337,212
Total assets	90,761	38,537	7,076,879	7,206,177
CURRENT LIABILITIES				
Accounts payable	3,947	11,550	-	15,497
Accrued payroll	18,385	11,933	-	30,318
Accrued interest payable	-	-	20,247	20,247
Compensated absences	26,104	25,047	-	51,151
General obligation bonds payable	-	-	147,855	147,855
Unamortized premium on bonds	-	-	9,561	9,561
Unamortized loss on refunding	-	-	(7,912)	(7,912)
Total current liabilities	48,436	48,530	169,751	266,717
LONG-TERM LIABILITIES				
Compensated absences	78,375	43,782	-	122,157
Net other postemployment benefits obligation	732	535	-	1,267
General obligation bonds payable	-	-	1,178,405	1,178,405
Unamortized premium on bonds	-	-	66,926	66,926
Unamortized loss on refunding	-	-	(55,382)	(55,382)
Total long-term liabilities	79,107	44,317	1,189,949	1,313,373
Total liabilities	127,543	92,847	1,359,700	1,580,090
NET ASSETS				
Invested in capital assets, net of related debt	22,639	38,537	908,380	969,556
Unrestricted (deficit)	(59,421)	(92,847)	4,808,799	4,656,531
TOTAL NET ASSETS (DEFICIT)	\$ (36,782)	\$ (54,310)	\$ 5,717,179	\$ 5,626,087

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2012

	Fleet Services	Information Systems	Equipment Replacement	Totals
OPERATING REVENUES				
Charges for services	\$ 1,263,826	\$ 837,867	\$ 736,400	\$ 2,838,093
Other revenue	144,382	-	15,819	160,201
Total operating revenues	1,408,208	837,867	752,219	2,998,294
OPERATING EXPENSES				
Personnel services	596,610	476,729	-	1,073,339
Services and charges	118,054	292,680	-	410,734
Supplies and materials	682,159	31,668	-	713,827
Capital outlay	-	36,899	3,409	40,308
Total operating expenses excluding depreciation	1,396,823	837,976	3,409	2,238,208
OPERATING INCOME BEFORE DEPRECIATION	11,385	(109)	748,810	760,086
DEPRECIATION	3,947	31,414	658,119	693,480
OPERATING INCOME	7,438	(31,523)	90,691	66,606
NONOPERATING REVENUES (EXPENSES)				
Investment income	-	-	4,812	4,812
Interest expense	-	-	(59,098)	(59,098)
Gain on sale of capital assets	-	-	61,178	61,178
Total nonoperating revenues (expenses)	-	-	6,892	6,892
NET INCOME BEFORE TRANSFERS	7,438	(31,523)	97,583	73,498
TRANSFERS IN	-	-	202,431	202,431
CHANGE IN NET ASSETS	7,438	(31,523)	300,014	275,929
NET ASSETS (DEFICIT), MAY 1	(44,220)	(22,787)	5,417,165	5,350,158
NET ASSETS (DEFICIT), APRIL 30	\$ (36,782)	\$ (54,310)	\$ 5,717,179	\$ 5,626,087

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2012

	Fleet Services	Information Systems	Equipment Replacement	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from internal services transactions	\$ 1,263,826	\$ 837,867	\$ 736,400	\$ 2,838,093
Receipts from other sources	146,950	97	15,819	162,866
Payments to suppliers	(808,558)	(355,894)	(3,679)	(1,168,131)
Payments to employees	(586,328)	(465,826)	-	(1,052,154)
Net cash from operating activities	15,890	16,244	748,540	780,674
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	-	-	202,431	202,431
Net cash from noncapital financing activities	-	-	202,431	202,431
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(15,890)	(16,244)	(639,787)	(671,921)
Proceeds from disposal of property	-	-	70,783	70,783
Principal paid on bonds	-	-	(1,345,480)	(1,345,480)
Proceeds from the issuance of bonds	-	-	1,178,405	1,178,405
Interest paid on bonds	-	-	(60,981)	(60,981)
Net cash from capital and related financing activities	(15,890)	(16,244)	(797,060)	(829,194)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	-	-	4,812	4,812
Net cash from investing activities	-	-	4,812	4,812
NET INCREASE IN CASH AND CASH EQUIVALENTS				
CASH AND CASH EQUIVALENTS, MAY 1	-	-	4,642,120	4,642,120
CASH AND CASH EQUIVALENTS, APRIL 30	\$ -	\$ -	\$ 4,800,843	\$ 4,800,843

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (Continued)
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2012

	Fleet Services	Information Systems	Equipment Replacement	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 7,438	\$ (31,523)	\$ 90,691	\$ 66,606
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	3,947	31,414	658,119	693,480
Inventory	(8,637)	-	-	(8,637)
Accounts receivable	2,568	97	-	2,665
Accounts payable	292	5,353	(270)	5,375
Accrued payroll	2,873	1,957	-	4,830
Compensated absences payable	7,199	8,809	-	16,008
Net other postemployment benefits obligation	210	137	-	347
NET CASH FROM OPERATING ACTIVITIES	\$ 15,890	\$ 16,244	\$ 748,540	\$ 780,674
CASH AND INVESTMENTS				
Cash and cash equivalents	\$ -	\$ -	\$ 4,800,843	\$ 4,800,843
TOTAL CASH AND INVESTMENTS	\$ -	\$ -	\$ 4,800,843	\$ 4,800,843
NONCASH TRANSACTIONS				
None	\$ -	\$ -	\$ -	\$ -
TOTAL NONCASH TRANSACTIONS	\$ -	\$ -	\$ -	\$ -

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL
FLEET SERVICES FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Personal services			
Salaries and wages			
Salaries administrative	\$ 88,600	\$ 88,600	\$ 91,803
Wages clerical	50,600	50,600	57,035
Wages operational	224,100	224,100	228,129
Overtime	26,000	26,000	10,432
Other pay	3,500	3,500	23,086
IMRF contributions	54,600	54,600	55,944
Social security	30,200	30,200	31,618
Health insurance and OPEB	84,300	84,300	88,428
Sick pay	6,500	6,500	9,511
Life insurance	1,100	1,100	624
	<hr/>		
Total personal services	569,500	569,500	596,610
<hr/>			
Services and charges			
Professional fees			
Data processing	1,100	1,100	1,595
Medical	1,300	1,300	217
Communications			
Postage and express	200	200	41
Telephone	1,000	1,000	869
Copy reproduction	400	400	567
Repairs and maintenance	40,200	40,200	36,692
IRMA insurance	31,300	31,300	33,100
Conferences and training	1,200	1,200	613
Heat, light, gas, and waste disposal	900	900	1,037
Dues and subscriptions	400	4,600	5,515
Printing and publication	300	300	218
IS services	20,400	20,400	20,224
Equipment replacement	4,400	4,400	4,400
Other services and charges	7,400	15,000	12,966
	<hr/>		
Total services and charges	110,500	122,300	118,054
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(This schedule is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL (Continued)
 FLEET SERVICES FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
OPERATING EXPENSES (Continued)			
Supplies and materials			
Office supplies	\$ 800	\$ 800	\$ 1,058
Fuel	455,000	478,000	475,834
Clothing supplies	2,700	2,700	2,042
Motor vehicles material and supplies	153,200	163,200	173,969
Other materials and supplies	27,900	39,900	29,256
Total supplies and materials	<u>639,600</u>	<u>684,600</u>	<u>682,159</u>
Capital outlay			
Equipment	-	16,000	15,890
Less items capitalized	-	-	(15,890)
Net capital outlay	<u>-</u>	<u>16,000</u>	<u>-</u>
Total operating expenses	1,319,600	1,392,400	1,396,823
Depreciation	-	-	3,947
TOTAL EXPENSES	<u><u>\$ 1,319,600</u></u>	<u><u>\$ 1,392,400</u></u>	<u><u>\$ 1,400,770</u></u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL
INFORMATION SYSTEMS FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Personal services			
Salaries and wages			
Salaries administrative	\$ 315,000	\$ 315,000	\$ 320,185
Other pay	7,900	7,900	22,089
IMRF contributions	44,200	44,200	44,628
Social security	25,100	25,100	24,509
Health insurance and OPEB	62,600	62,600	62,818
Sick pay	5,000	5,000	1,876
Life insurance	900	900	624
	<hr/>		
Total personal services	460,700	460,700	476,729
	<hr/>		
Services and charges			
Professional fees			
Data processing	152,900	152,900	130,593
Medical	1,000	1,000	-
Communications			
Telephone	61,500	61,500	70,853
Postage	200	200	-
Copy reproduction	200	200	684
Repairs and maintenance	36,100	36,100	31,963
Technical and consulting	30,100	43,000	48,689
IRMA insurance	11,100	11,100	9,760
Dues and subscriptions	700	700	-
Printing and publication	400	400	-
Conferences	-	-	79
Other services and charges	-	-	59
	<hr/>		
Total services and charges	294,200	307,100	292,680
	<hr/>		

(This schedule is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL (Continued)
 INFORMATION SYSTEMS FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
OPERATING EXPENSES (Continued)			
Supplies and materials			
Office supplies	\$ 500	\$ 500	\$ 2,424
Other operating supplies	18,500	18,500	29,244
Total supplies and materials	19,000	19,000	31,668
Capital outlay			
Equipment	69,500	69,500	53,143
Total capital outlay	69,500	69,500	53,143
Less items capitalized	-	-	(16,244)
Net capital outlay	69,500	69,500	36,899
Total operating expenses	843,400	856,300	837,976
Depreciation	-	-	31,414
TOTAL EXPENSES	\$ 843,400	\$ 856,300	\$ 869,390

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL
EQUIPMENT REPLACEMENT FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Capital outlay			
Equipment - police	\$ 175,000	\$ 242,000	\$ 243,997
Equipment - streets	145,000	151,100	151,192
Equipment - water	110,000	110,000	103,240
Equipment - sewer	124,000	124,000	124,485
Equipment - central garage	-	25,000	20,242
Total capital outlay	554,000	652,100	643,156
Less items capitalized	-	-	(639,747)
Net capital outlay	554,000	652,100	3,409
Total operating expenses	554,000	652,100	3,409
Depreciation	-	-	658,119
TOTAL EXPENSES	\$ 554,000	\$ 652,100	\$ 661,528

(See independent auditor's report.)

**VILLAGE ^{OF} ADDISON
ILLINOIS**

Fiduciary Funds

FIDUCIARY FUNDS

Police Pension Trust Fund - to account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law, by a special tax levy, and by allocation of personal property replacement tax. Total taxes to be levied are determined by annual actuarial study.

Agency Fund - to account for assets held by the Village as an agent for individual, private organizations, other governments, bondholders, and/or other funds, as indicated.

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF CHANGES IN NET ASSETS -
BUDGET AND ACTUAL
POLICE PENSION TRUST FUND

For the Year Ended April 30, 2012

	Original Budget	Final Budget	Actual
ADDITIONS			
Contributions - employer			
Property taxes transferred from General Fund	\$ 2,084,900	\$ 2,084,900	\$ 2,102,168
Contributions - plan members	515,000	515,000	523,856
Total contributions	<u>2,599,900</u>	<u>2,599,900</u>	<u>2,626,024</u>
Investment income			
Net appreciation (depreciation) in fair value of investments	1,000,000	1,000,000	(1,614,153)
Interest earned on investments	900,000	900,000	825,534
Total investment income	1,900,000	1,900,000	(788,619)
Less investment expense	<u>(35,000)</u>	<u>(35,000)</u>	<u>(33,232)</u>
Net investment income	<u>1,865,000</u>	<u>1,865,000</u>	<u>(821,851)</u>
Total additions	<u>4,464,900</u>	<u>4,464,900</u>	<u>1,804,173</u>
DEDUCTIONS			
Benefits and refunds	2,216,100	2,216,100	2,316,220
Administration	51,800	51,800	51,447
Legal	500	500	-
Office supplies	200	200	49
Total deductions	<u>2,268,600</u>	<u>2,268,600</u>	<u>2,367,716</u>
NET INCREASE (DECREASE)	<u>\$ 2,196,300</u>	<u>\$ 2,196,300</u>	(563,543)
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS			
May 1			<u>32,828,033</u>
April 30			<u>\$ 32,264,490</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND

For the Year Ended April 30, 2012

	Balances			Balances
	May 1	Additions	Deductions	April 30
Special Service Area #1				
ASSETS				
Cash and investments	\$ 14,048	\$ 66,870	\$ 66,214	\$ 14,704
Property taxes receivable	72,390	149,246	148,436	73,200
TOTAL ASSETS	\$ 86,438	\$ 216,116	\$ 214,650	\$ 87,904
LIABILITIES				
Funds held for others	\$ 86,438	\$ 216,116	\$ 214,650	\$ 87,904

(See independent auditor's report.)

**VILLAGE ^{OF} ADDISON
ILLINOIS**

Other Supplementary Schedules

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF INSURANCE IN FORCE

April 30, 2012

Insured	Description of Coverage	Amount of Coverage	Expiration Date of Policy
Village of Addison	General Liability	\$ 10,000,000	12/31/2012
	Police Professional Liability	10,000,000	12/31/2012
	Employee Benefits Liability	10,000,000	12/31/2012
	Automobile Liability	10,000,000	12/31/2012
	Uninsured/Underinsured Motorist	500,000	12/31/2012
	Public Officials' Liability	10,000,000	12/31/2012
	Workers' Compensation	30,000,000	12/31/2012
	Employer's Liability	1,000,000	12/31/2012
	Property Damage	250,000,000	12/31/2012
	Boiler/Machinery	50,000,000	12/31/2012
	Crime and Fidelity	5,000,000	12/31/2012
	Public Officials' Bond	Statutory	12/31/2012

Note: Coverage above is provided by Intergovernmental Risk Management Agency (IRMA). The IRMA self-insured loss fund provides aggregate maximum limits of \$6,000,000 per member for all lines of coverage.

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND ISSUES

April 30, 2012

	2004 Bond Issue	2006A Refunding Bond Issue
Date of Issue	June 1, 2004	October 1, 2006
Issuance Amount	\$7,500,000	\$3,075,000
Interest Rate	3.0% to 4.3%	3.7% to 4.5%
Principal Due	December 15	December 15
Interest Dates	June 15 and December 15	June 15 and December 15
Date of Maturity	December 15, 2019	December 15, 2026

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	2004 Bond Issue		2006A Refunding Bond Issue	
	Principal	Interest	Principal	Interest
2013	\$ 500,000	\$ 182,588	\$ 150,000	\$ 121,862
2014	-	-	160,000	116,313
2015	-	-	160,000	110,312
2016	-	-	165,000	104,313
2017	-	-	165,000	96,888
2018	-	-	175,000	89,462
2019	-	-	180,000	81,588
2020	-	-	190,000	73,487
2021	-	-	200,000	65,888
2022	-	-	210,000	57,887
2023	-	-	215,000	49,278
2024	-	-	225,000	40,462
2025	-	-	240,000	31,125
2026	-	-	250,000	21,165
2027	-	-	260,000	10,790
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
	<u>\$ 500,000</u>	<u>\$ 182,588</u>	<u>\$ 2,945,000</u>	<u>\$ 1,070,820</u>

2006C Bond Issue	2007 Bond Issue	2008 Refunding Bond Issue
December 15, 2006	December 15, 2006	June 19, 2008
\$6,900,000	\$6,100,000	\$6,015,000
3.85% to 3.95%	3.875% to 3.95%	3.25% to 5.00%
December 15	December 15	December 15
June 15 and December 15	June 15 and December 15	June 15 and December 15
December 15, 2026	December 15, 2026	December 15, 2020

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

2006C Bond Issue		2007 Bond Issue		2008 Bond Issue	
Principal	Interest	Principal	Interest	Principal	Interest
\$ 280,000	\$ 268,128	\$ 245,000	\$ 237,894	\$ 325,000	\$ 222,325
300,000	257,347	260,000	228,400	265,000	210,950
320,000	245,798	285,000	218,325	300,000	201,675
345,000	233,477	305,000	207,281	340,000	190,800
370,000	220,195	330,000	195,462	385,000	178,050
400,000	205,950	345,000	182,675	435,000	162,650
420,000	190,550	375,000	169,306	920,000	145,250
450,000	174,380	395,000	154,775	975,000	99,250
475,000	157,055	425,000	139,468	1,010,000	50,500
505,000	138,768	450,000	123,000	-	-
540,000	119,325	480,000	105,562	-	-
575,000	98,265	510,000	86,843	-	-
605,000	75,840	540,000	66,952	-	-
640,000	51,942	565,000	45,623	-	-
675,000	26,663	590,000	23,305	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 6,900,000</u>	<u>\$ 2,463,683</u>	<u>\$ 6,100,000</u>	<u>\$ 2,184,871</u>	<u>\$ 4,955,000</u>	<u>\$ 1,461,450</u>

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS (Continued)
GENERAL OBLIGATION BOND ISSUES

April 30, 2012

	2010 Bond Issue	2011 Refunding Bond Issue
Date of Issue	July 30, 2010	September 6, 2011
Issuance Amount	\$3,500,000	\$2,835,000
Interest Rate	2.05% to 5.30%	2.00% to 4.00%
Principal Due	December 15	December 15
Interest Dates	June 15 and December 15	June 15 and December 15
Date of Maturity	December 15, 2030	December 15, 2017

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	2010 Bond Issue		2011 Refunding Bond Issue	
	Principal	Interest	Principal	Interest
2013	\$ 125,000	\$ 138,338	\$ 405,000	\$ 103,782
2014	125,000	136,962	510,000	77,200
2015	130,000	135,088	495,000	67,000
2016	135,000	132,422	485,000	52,150
2017	140,000	129,655	470,000	37,600
2018	145,000	125,945	470,000	18,800
2019	150,000	122,102	-	-
2020	155,000	117,528	-	-
2021	160,000	112,258	-	-
2022	170,000	106,416	-	-
2023	180,000	99,532	-	-
2024	190,000	92,241	-	-
2025	195,000	83,218	-	-
2026	210,000	73,956	-	-
2027	220,000	63,980	-	-
2028	230,000	53,530	-	-
2029	245,000	41,340	-	-
2030	260,000	28,356	-	-
2031	275,000	14,575	-	-
	<u>\$ 3,440,000</u>	<u>\$ 1,807,442</u>	<u>\$ 2,835,000</u>	<u>\$ 356,532</u>

2012 Refunding Bond Issue

September 6, 2011
 \$3,985,000
 2.00% to 3.00%
 December 15
 June 15 and December 15
 December 15, 2019

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

2012 Refunding Bond Issue		Totals	
Principal	Interest	Principal	Interest
\$ -	\$ 72,175	\$ 2,030,000	\$ 1,347,092
530,000	102,700	2,150,000	1,129,872
540,000	92,100	2,230,000	1,070,298
550,000	81,300	2,325,000	1,001,743
570,000	64,800	2,430,000	922,650
580,000	47,700	2,550,000	833,182
600,000	30,300	2,645,000	739,096
615,000	12,300	2,780,000	631,720
-	-	2,270,000	525,169
-	-	1,335,000	426,071
-	-	1,415,000	373,697
-	-	1,500,000	317,811
-	-	1,580,000	257,135
-	-	1,665,000	192,686
-	-	1,745,000	124,738
-	-	230,000	53,530
-	-	245,000	41,340
-	-	260,000	28,356
-	-	275,000	14,575
<u>\$ 3,985,000</u>	<u>\$ 503,375</u>	<u>\$ 31,660,000</u>	<u>\$ 10,030,761</u>

(See independent auditor's report.)

**VILLAGE ^{OF} ADDISON
ILLINOIS**

Statistical Section

STATISTICAL SECTION

This part of the Village of Addison, Illinois' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	120-127
Revenue Capacity	
These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax and property tax.	128-133
Debt Capacity	
These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	134-137
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	138-139
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	140-142

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Village of Addison, Illinois implemented GASB Statement 34 in 2004; schedules presenting government-wide information include information beginning in that year.

VILLAGE OF ADDISON, ILLINOIS

NET ASSETS BY COMPONENTS

Last Nine Fiscal Years

Fiscal Year	2004	2005	2006
GOVERNMENTAL ACTIVITIES			
Invested in capital assets			
net of related debt	\$ 61,252,738	\$ 68,527,299	\$ 78,543,124
Restricted	2,786,760	2,458,823	2,275,328
Unrestricted	6,029,002	7,339,458	5,827,369
TOTAL GOVERNMENTAL ACTIVITIES	\$ 70,068,500	\$ 78,325,580	\$ 86,645,821
BUSINESS-TYPE ACTIVITIES			
Invested in capital assets			
net of related debt	\$ 56,281,516	\$ 47,337,884	\$ 45,117,250
Restricted	2,188,775	1,247,987	1,294,612
Unrestricted	4,833,221	12,556,354	14,714,130
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 63,303,512	\$ 61,142,225	\$ 61,125,992
PRIMARY GOVERNMENT			
Invested in capital assets			
net of related debt	\$ 117,534,254	\$ 115,865,183	\$ 123,660,374
Restricted	4,975,535	3,706,810	3,569,940
Unrestricted	10,862,223	19,895,812	20,541,499
TOTAL PRIMARY GOVERNMENT	\$ 133,372,012	\$ 139,467,805	\$ 147,771,813

Data Source

Audited Financial Statements

2007	2008	2009	2010	2011	2012
\$ 78,279,927	\$ 84,783,835	\$ 88,445,318	\$ 90,552,397	\$ 92,393,790	\$ 95,291,795
14,119,418	5,018,880	2,243,060	1,529,784	1,819,969	3,908,191
498,165	8,614,792	9,658,129	9,541,452	11,317,904	9,413,771
<u>\$ 92,897,510</u>	<u>\$ 98,417,507</u>	<u>\$ 100,346,507</u>	<u>\$ 101,623,633</u>	<u>\$ 105,531,663</u>	<u>\$ 108,613,757</u>
\$ 55,259,610	\$ 56,304,357	\$ 57,293,575	\$ 56,799,642	\$ 55,720,105	\$ 54,573,479
1,368,081	1,427,224	1,444,834	1,452,430	1,454,610	1,454,790
3,515,975	4,116,745	3,417,229	3,112,521	2,966,651	3,095,702
<u>\$ 60,143,666</u>	<u>\$ 61,848,326</u>	<u>\$ 62,155,638</u>	<u>\$ 61,364,593</u>	<u>\$ 60,141,366</u>	<u>\$ 59,123,971</u>
\$ 133,539,537	\$ 141,088,192	\$ 145,738,893	\$ 147,352,039	\$ 148,113,895	\$ 149,865,274
15,487,499	6,446,104	3,687,894	2,982,214	3,274,579	5,362,981
4,014,140	12,731,537	13,075,358	12,653,973	14,284,555	12,509,473
<u>\$ 153,041,176</u>	<u>\$ 160,265,833</u>	<u>\$ 162,502,145</u>	<u>\$ 162,988,226</u>	<u>\$ 165,673,029</u>	<u>\$ 167,737,728</u>

VILLAGE OF ADDISON, ILLINOIS

CHANGE IN NET ASSETS

Last Nine Fiscal Years

Fiscal Year	2004	2005	2006
EXPENSES			
Governmental Activities			
General government	\$ 3,574,429	\$ 4,095,058	\$ 3,616,575
Public safety	9,459,924	9,498,145	10,680,567
Community development	1,934,083	2,075,567	2,336,957
Highways and streets	4,205,863	4,409,269	4,127,999
Interest and fiscal charges	1,050,404	1,025,270	937,532
Total governmental activities expenses	<u>20,224,703</u>	<u>21,103,309</u>	<u>21,699,630</u>
Business-Type Activities			
Water and sewer	<u>10,360,778</u>	<u>10,792,714</u>	<u>11,267,849</u>
Total business-type activities expenses	<u>10,360,778</u>	<u>10,792,714</u>	<u>11,267,849</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 30,585,481</u>	<u>\$ 31,896,023</u>	<u>\$ 32,967,479</u>
PROGRAM REVENUES			
Governmental Activities			
Charges for services			
General government	\$ 1,464,542	\$ 1,643,370	\$ 1,810,654
Public safety	300,122	401,704	519,025
Community development	165,909	222,225	304,518
Highways and streets	539,657	486,795	501,869
Operating grants and contributions	1,217,947	1,231,524	1,128,386
Capital grants and contributions	175,231	2,603,513	2,397,431
Total governmental activities program revenues	<u>3,863,408</u>	<u>6,589,131</u>	<u>6,661,883</u>
Business-Type Activities			
Charges for services			
Water and sewer	9,586,377	9,958,974	10,797,825
Operating grants and contributions	-	-	-
Capital grants and contributions	-	-	-
Total business-type activities program revenues	<u>9,586,377</u>	<u>9,958,974</u>	<u>10,797,825</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 13,449,785</u>	<u>\$ 16,548,105</u>	<u>\$ 17,459,708</u>
NET REVENUE (EXPENSE)			
Governmental activities	\$ (16,361,295)	\$ (14,514,178)	\$ (15,037,747)
Business-type activities	<u>(774,401)</u>	<u>(833,740)</u>	<u>(470,024)</u>
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	<u>\$ (17,135,696)</u>	<u>\$ (15,347,918)</u>	<u>\$ (15,507,771)</u>

2007	2008	2009	2010	2011	2012
\$ 5,952,874	\$ 4,774,951	\$ 5,125,037	\$ 4,640,073	\$ 4,385,166	\$ 4,633,830
11,509,751	13,141,287	13,892,079	14,071,718	13,990,764	15,906,663
2,606,931	2,742,465	2,579,381	2,561,749	2,551,924	2,684,987
3,935,690	5,099,502	5,795,740	5,594,481	5,297,660	5,338,610
1,070,470	1,422,629	1,339,726	1,261,761	1,180,854	1,352,565
25,075,716	27,180,834	28,731,963	28,129,782	27,406,368	29,916,655
11,288,187	11,290,155	11,983,183	11,935,224	12,464,598	13,131,685
11,288,187	11,290,155	11,983,183	11,935,224	12,464,598	13,131,685
\$ 36,363,903	\$ 38,470,989	\$ 40,715,146	\$ 40,065,006	\$ 39,870,966	\$ 43,048,340
\$ 1,511,755	\$ 1,129,632	\$ 1,266,980	\$ 1,280,491	\$ 1,391,243	\$ 1,438,307
585,370	880,067	1,099,943	1,396,365	1,388,763	1,251,599
621,185	623,636	581,175	621,422	418,380	592,805
657,481	648,062	670,850	691,821	747,808	699,875
1,193,774	1,206,995	1,320,313	1,111,016	1,391,543	1,226,672
1,294,749	111,936	468,282	285,253	220,882	357,094
5,864,314	4,600,328	5,407,543	5,386,368	5,558,619	5,566,352
9,820,363	10,138,634	10,271,842	10,310,792	10,942,530	11,731,849
-	1,945,748	72,565	1,001	72,890	10,152
-	-	173,228	-	-	-
9,820,363	12,084,382	10,517,635	10,311,793	11,015,420	11,742,001
\$ 15,684,677	\$ 16,684,710	\$ 15,925,178	\$ 15,698,161	\$ 16,574,039	\$ 17,308,353
\$ (19,211,402)	\$ (22,580,506)	\$ (23,324,420)	\$ (22,743,414)	\$ (21,847,749)	\$ (24,350,303)
(1,467,824)	794,227	(1,465,548)	(1,623,431)	(1,449,178)	(1,389,684)
\$ (20,679,226)	\$ (21,786,279)	\$ (24,789,968)	\$ (24,366,845)	\$ (23,296,927)	\$ (25,739,987)

VILLAGE OF ADDISON, ILLINOIS

CHANGE IN NET ASSETS (Continued)

Last Nine Fiscal Years

Fiscal Year	2004	2005	2006
GENERAL REVENUES AND OTHER			
CHANGES IN NET ASSETS			
Governmental Activities			
Taxes			
Property	\$ 5,363,860	\$ 5,819,941	\$ 6,213,602
Sales	5,606,401	5,915,484	6,597,219
Home rule sales	3,445,503	3,765,531	4,164,948
Telecommunications	300,262	1,473,772	1,710,328
Other	1,117,764	1,323,331	1,363,495
Shared income taxes	2,170,497	2,431,365	2,744,265
Investment earnings	129,334	232,187	572,714
Miscellaneous	323,879	336,705	209,010
Gain (loss) on disposal of capital assets	(787,768)	-	-
Transfers	-	1,365,824	(217,593)
Contributions	-	-	-
	17,669,732	22,664,140	23,357,988
Business-Type Activities			
Investment earnings	85,360	102,289	236,198
Miscellaneous	113,830	-	-
Gain on disposal of capital assets	1,785	-	-
Contributions	296,634	-	-
Transfers	-	(1,365,824)	217,593
	497,609	(1,263,535)	453,791
TOTAL PRIMARY GOVERNMENT	\$ 18,167,341	\$ 21,400,605	\$ 23,811,779
CHANGE IN NET ASSETS			
Governmental activities	\$ 1,308,437	\$ 8,149,962	\$ 8,320,241
Business-type activities	(276,792)	(2,097,275)	(16,233)
TOTAL PRIMARY GOVERNMENT	\$ 1,031,645	\$ 6,052,687	\$ 8,304,008

Data Source

Audited Financial Statements

	2007	2008	2009	2010	2011	2012
\$	6,573,629	\$ 7,030,357	\$ 7,349,056	\$ 7,816,366	\$ 8,292,689	\$ 8,675,564
	7,029,021	7,737,573	7,757,823	6,779,198	7,360,627	7,881,310
	4,546,161	4,988,190	4,970,300	4,259,065	4,594,396	5,342,585
	1,860,532	1,952,314	1,959,918	1,765,480	1,655,861	1,708,571
	1,368,319	1,278,613	1,056,915	940,038	1,028,587	984,240
	3,026,956	3,388,237	3,366,328	2,934,391	2,880,557	3,009,476
	842,750	942,216	178,179	50,053	26,075	17,666
	344,396	325,209	330,358	289,446	134,717	180,255
	-	-	-	-	-	-
	(215,425)	(214,695)	(1,715,457)	(813,497)	(217,730)	(367,270)
	196,151	672,489	-	-	-	-
	25,572,490	28,100,503	25,253,420	24,020,540	25,755,779	27,432,397
	270,073	252,665	57,403	18,889	8,221	5,019
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	443,073	-	-	-	-
	215,425	214,695	1,715,457	813,497	217,730	367,270
	485,498	910,433	1,772,860	832,386	225,951	372,289
\$	26,057,988	\$ 29,010,936	\$ 27,026,280	\$ 24,852,926	\$ 25,981,730	\$ 27,804,686
\$	6,361,088	\$ 5,519,997	\$ 1,929,000	\$ 1,277,126	\$ 3,908,030	\$ 3,082,094
	(982,326)	1,704,660	307,312	(791,045)	(1,223,227)	(1,017,395)
\$	5,378,762	\$ 7,224,657	\$ 2,236,312	\$ 486,081	\$ 2,684,803	\$ 2,064,699

VILLAGE OF ADDISON, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012*
GENERAL FUND										
Reserved	\$ 671,249	\$ 136,666	\$ 185,607	\$ 174,460	\$ 78,372	\$ 74,707	\$ 1,090,020	\$ 969,309	\$ 1,052,005	\$ -
Unreserved	4,938,646	6,424,189	7,045,767	8,818,172	9,751,058	7,469,355	7,499,398	7,108,949	7,682,950	-
Nonspendable in form										
Prepaid items	-	-	-	-	-	-	-	-	-	4,995
Advances to other funds	-	-	-	-	-	-	-	-	-	1,010,705
Notes receivable	-	-	-	-	-	-	-	-	-	54,445
Unrestricted										
Unassigned	-	-	-	-	-	-	-	-	-	7,387,902
TOTAL GENERAL FUND	\$ 5,609,895	\$ 6,560,855	\$ 7,231,374	\$ 8,992,632	\$ 9,829,430	\$ 7,544,062	\$ 8,589,418	\$ 8,078,258	\$ 8,734,955	\$ 8,458,047
ALL OTHER GOVERNMENTAL FUNDS										
Reserved	\$ 9,814,573	\$ 11,230,768	\$ 9,837,164	\$ 10,133,753	\$ 19,827,205	\$ 9,598,536	\$ 5,501,765	\$ 3,569,732	\$ 3,309,883	\$ -
Unreserved, reported in										
Special Revenue Funds	1,934,849	(18,435)	(102,568)	(9,111)	(10,107)	(1,537)	(1,428)	417	4,465	-
Capital Project Funds	(7,763,718)	(6,929,861)	(4,005,597)	(5,608,522)	(3,986,128)	(2,811,500)	(3,694,723)	(1,611,257)	(786,109)	-
Nonspendable in form - advances to other funds										
Restricted for	-	-	-	-	-	-	-	-	-	325,476
Economic development	-	-	-	-	-	-	-	-	-	1,952,671
Public safety	-	-	-	-	-	-	-	-	-	165,971
Highways and streets	-	-	-	-	-	-	-	-	-	469,842
Debt service	-	-	-	-	-	-	-	-	-	1,319,707
Unrestricted										
Assigned for capital projects	-	-	-	-	-	-	-	-	-	973,202
Assigned for specific purpose	-	-	-	-	-	-	-	-	-	6,399
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	(1,336,241)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 3,985,704	\$ 4,282,472	\$ 5,728,999	\$ 4,516,120	\$ 15,830,970	\$ 6,785,499	\$ 1,805,614	\$ 1,958,892	\$ 2,528,239	\$ 3,877,027

Data Source

Audited Financial Statements

* The Village implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2012.

VILLAGE OF ADDISON, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
REVENUES										
Taxes	\$ 16,436,199	\$ 18,004,287	\$ 20,729,424	\$ 22,793,857	\$ 24,404,618	\$ 26,375,284	\$ 26,460,341	\$ 24,494,538	\$ 25,812,717	\$ 24,592,270
Licenses and permits	2,078,118	1,657,181	1,818,941	1,969,461	1,637,797	1,678,261	1,707,139	1,760,064	1,604,254	1,795,005
Intergovernmental	2,338,212	1,381,365	3,842,815	3,335,177	2,511,595	178,088	1,663,175	1,373,959	1,546,257	4,616,969
Fines and forfeitures	353,824	363,027	413,242	509,617	1,088,704	927,901	428,404	357,542	369,759	512,920
Charges for services	127,057	157,794	184,878	209,837	229,048	360,437	1,132,905	1,450,426	1,521,816	1,120,990
Investment income	261,860	129,333	232,187	572,714	842,750	942,216	178,179	50,053	26,075	17,666
Miscellaneous	1,010,267	627,921	665,960	846,801	741,566	74,767	806,277	733,823	639,498	710,199
Total revenues	22,605,537	22,320,908	27,887,447	30,237,464	31,456,078	30,536,954	32,376,420	30,220,405	31,520,376	33,366,019
EXPENDITURES										
General government	2,822,614	3,080,068	3,875,597	3,201,148	3,858,774	4,536,415	4,293,793	3,852,310	3,652,333	3,916,087
Public safety	8,420,242	9,292,893	9,824,804	10,647,094	11,442,236	13,227,801	13,542,086	13,334,044	13,658,355	15,371,748
Highways and streets	3,473,451	3,984,619	7,648,358	5,816,539	6,786,416	6,473,217	2,503,725	2,480,479	2,495,592	2,634,368
Community development	1,800,055	1,981,748	2,123,735	2,296,848	2,619,131	2,685,190	7,384,831	6,422,741	5,204,543	6,552,001
Capital outlay	4,015,502	871,969	2,177,683	4,594,522	4,378,503	13,484,694	3,719,559	435,591	4,721,303	483,398
Debt service										
Principal	2,142,351	2,112,397	2,182,808	1,729,190	1,818,404	1,303,856	1,626,661	1,766,837	1,830,528	1,994,686
Interest	1,154,067	1,081,381	1,040,987	1,086,092	1,064,483	1,454,688	1,446,852	1,275,354	1,270,913	1,353,654
Total expenditures	23,828,282	22,405,075	28,883,972	29,371,433	31,967,947	43,165,861	34,517,507	29,567,356	32,833,567	32,305,942
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,222,745)	(84,167)	(996,525)	866,031	(511,869)	(12,628,907)	(2,141,087)	653,049	(1,313,191)	1,060,077
OTHER FINANCING SOURCES (USES)										
Transfers in	1,189,272	1,178,236	1,177,253	1,796,333	2,656,951	5,458,473	2,370,167	1,464,908	1,550,000	2,323,750
Transfers (out)	(1,186,772)	(1,178,236)	(1,177,253)	(2,216,659)	(3,073,089)	(5,873,201)	(4,286,367)	(2,481,203)	(1,970,591)	(2,893,451)
Bonds issued	4,565,872	-	5,401,785	3,065,000	18,450,000	-	6,015,000	-	3,500,000	4,376,797
Premium on bonds issued	-	-	57,429	61,306	32,730	-	393,393	-	-	310,434
Discount on bonds issued	-	-	(10,578)	-	(63,256)	-	-	-	-	-
Payment to escrow	(4,565,872)	-	(2,490,578)	(3,063,227)	(5,341,257)	-	(6,291,761)	-	-	(4,665,177)
Sale of capital assets	-	788,516	48,395	39,595	1,438	6,713	6,126	5,364	19,276	-
Total other financing sources (uses)	2,500	788,516	3,006,453	(317,652)	12,663,517	(408,015)	(1,793,442)	(1,010,931)	3,098,685	(547,647)
NET CHANGE IN FUND BALANCES	\$ (81,667)	\$ (208,009)	\$ 3,872,484	\$ (829,521)	\$ 34,610	\$ (13,036,922)	\$ (3,934,529)	\$ (357,882)	\$ 1,785,494	\$ 512,430
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	14.83%	12.07%	11.36%	10.45%	11.19%	10.12%	11.20%	11.27%	11.50%	11.49%

Data Source

Audited Financial Statements

VILLAGE OF ADDISON, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Farm/Railroad Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2002	\$ 543,726,976	\$ 87,369,430	\$ 304,277,450	\$ 237,041	\$ -	\$ 935,610,897	0.42	\$ 2,806,832,691	33.333%
2003	608,358,286	87,834,134	319,786,000	190,241	-	1,016,168,661	0.40	3,048,505,983	33.333%
2004	654,833,184	96,553,626	348,094,973	135,789	-	1,099,617,572	0.40	3,298,852,716	33.333%
2005	707,282,832	107,303,194	361,705,870	186,761	-	1,176,478,657	0.39	3,529,435,971	33.333%
2006	774,794,330	109,584,162	383,432,980	213,536	-	1,268,025,008	0.38	3,804,075,024	33.333%
2007	825,456,894	112,331,802	385,569,150	274,440	-	1,323,632,286	0.38	3,970,896,858	33.333%
2008	873,648,030	116,535,969	413,818,599	321,389	-	1,404,323,987	0.38	4,212,971,961	33.333%
2009	873,075,550	113,351,102	407,189,960	352,155	-	1,393,968,767	0.41	4,181,906,301	33.333%
2010	795,743,652	106,188,080	371,249,926	360,234	-	1,273,532,892	0.49	3,821,598,676	33.333%
2011	696,106,974	105,042,046	367,978,240	357,465	-	1,169,484,725	0.51	3,508,454,175	33.333%

Data Source

Office of the County Clerk

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

VILLAGE OF ADDISON, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
VILLAGE DIRECT RATES										
Village of Addison	0.42	0.40	0.40	0.39	0.38	0.38	0.38	0.41	0.49	0.55
Addison Public Library	0.26	0.25	0.25	0.25	0.27	0.28	0.28	0.28	0.32	0.37
Addison Park District	0.34	0.36	0.34	0.33	0.31	0.31	0.31	0.31	0.34	0.37
Addison Township	0.05	0.05	0.05	0.05	0.05	0.04	0.04	0.04	0.05	0.06
Addison Fire Prot Dist	0.73	0.71	0.68	0.67	0.66	0.66	0.65	0.66	0.74	0.83
TOTAL VILLAGE DIRECT RATES	1.80	1.77	1.71	1.68	1.67	1.67	1.66	1.70	1.95	2.18
OVERLAPPING RATES										
DuPage County	0.22	0.20	0.19	0.18	0.17	0.17	0.16	0.16	0.17	0.18
DuPage County For Presv	0.15	0.14	0.14	0.13	0.13	0.12	0.12	0.12	0.13	0.14
DuPage Airport Auth	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.01	0.02	0.02
Bloomington Township	0.08	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.08	0.08
Elmhurst Park Dist	0.46	0.32	0.32	0.31	0.31	0.30	0.27	0.28	0.31	0.34
53 Trails Est Park Dist	0.05	0.05	0.04	0.04	0.04	0.03	0.03	0.03	0.03	0.03
Itasca Fire Prot Dist	0.54	0.60	0.57	0.57	0.59	0.57	0.57	0.58	0.65	0.72
Grade Sch Dist 2	2.58	2.71	2.64	2.71	2.66	2.69	2.71	2.75	3.12	3.54
Grade Sch Dist 4	1.95	1.90	1.88	1.88	1.86	1.84	1.83	1.84	2.08	2.32
Grade Sch Dist 10	1.84	1.76	1.69	1.68	1.66	1.60	1.58	1.59	1.80	2.05
Grade Sch Dist 13	2.64	2.52	2.37	2.27	2.19	2.18	2.16	2.12	2.35	2.56
Grade Sch Dist 15	3.47	3.62	3.71	3.82	3.78	3.66	3.66	3.78	4.18	4.65
High Sch Dist No 87	1.92	1.86	1.77	1.72	1.72	1.66	1.65	1.67	1.84	2.02
High Sch Dist No 88	1.53	1.50	1.44	1.41	1.38	1.44	1.43	1.48	1.66	1.83
High Sch Dist No 100	1.52	1.51	1.45	1.42	1.39	1.39	1.39	1.40	1.62	1.81
High Sch Dist No 108	1.91	1.85	1.76	1.71	1.67	1.61	1.61	1.64	1.83	2.02
Unit Sch Dist No 205	3.79	3.59	3.41	3.64	3.53	3.36	3.27	3.32	3.73	4.13
Junior College No 502	0.22	0.21	0.20	0.19	0.19	0.19	0.19	0.21	0.23	0.25
Bloomington Park Dist	0.25	0.33	0.31	0.30	0.29	0.29	0.28	0.28	0.31	0.33
Bloomington Fire Dist	0.49	0.48	0.47	0.47	0.46	0.45	0.45	0.45	0.51	0.55
Bensenville Park Dist	0.33	0.35	0.33	0.33	0.33	0.33	0.33	0.31	0.36	0.41
Wood Dale Park Dist	0.34	0.37	0.36	0.35	0.32	0.32	0.31	0.30	0.35	0.40
TOTAL OVERLAPPING RATES	28.12	27.72	26.82	26.89	26.43	25.96	25.73	26.09	29.31	32.56

Data Source

Office of the County Clerk

VILLAGE OF ADDISON, ILLINOIS
 PRINCIPAL PROPERTY TAX PAYERS
 Current Year and Ten Years Ago

Taxpayer	2012			2002		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Pampered Chef	\$ 12,965,900	1	1.02%	\$ -		
880 S Rohlwing Rd LLC	6,170,620	2	0.48%	-		
SVF Swift Center LLC	5,277,370	3	0.41%	7,010,750	1	0.88%
Brookind Corporation	5,163,300	4	0.41%	-		
LPF Addison LLC	4,683,250	5	0.37%	-		
Riggs & Company	4,571,470	6	0.36%	-		
Multi Employer Property Tr	4,542,760	7	0.36%	-		
Devry	4,532,330	8	0.36%	-		
350 Rohlwing Road Investor	3,843,490	9	0.30%	-		
North Star Trust Co	3,703,930	10	0.29%	-		
Trammel Crowe Co	-			3,983,910	2	0.50%
Addison Green Meadows	-			3,093,430	3	0.39%
B & G Realty Inc	-			2,799,170	4	0.35%
Krack Corporation	-			2,482,170	5	0.31%
Glencourt Ltd Partners	-			2,350,710	6	0.29%
Lombard/Addison LLC	-			2,181,280	7	0.27%
Cary Company	-			1,857,100	8	0.23%
Tomey Jim	-			1,762,170	9	0.22%
Russell Stanley	-			1,608,430	10	0.20%
	<u>\$ 55,454,420</u>		<u>4.35%</u>	<u>\$ 29,129,120</u>		<u>3.64%</u>

NOTE:

Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. Information from nine years ago was not available.

Data Source

Office of the County Clerk

VILLAGE OF ADDISON, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Fiscal Year Collected	Tax Levied*	Collected within the Fiscal Year of the Levy		Noncurrent Distribution	Total Collections To Date	Percentage of Levy Collected To Date
			Amount	Percentage of Levy			
2001	2003	\$ 6,124,379	\$ 6,295,349	102.79%	\$ 857	\$ 6,296,206	102.81%
2002	2004	6,408,230	7,005,177	109.32%	1,026	7,006,203	109.33%
2003	2005	6,691,471	7,400,152	110.59%	15	7,400,167	110.59%
2004	2006	7,095,081	7,802,564	109.97%	11,347	7,813,911	110.13%
2005	2007	7,464,756	8,463,761	113.38%	554	8,464,315	113.39%
2006	2008	8,264,987	8,663,731	104.82%	57	8,663,788	104.83%
2007	2009	8,730,679	8,582,252	98.30%	2,824	8,585,076	98.33%
2008	2010	9,196,917	9,049,562	98.40%	597	9,050,159	98.40%
2009	2011	9,716,846	9,676,073	99.58%	122	9,676,195	99.58%
2010	2012	10,385,056	10,361,919	99.78%	840	10,362,759	99.79%

Data Source

Office of the County Clerk

Note 1: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

* Tax levied includes amounts for the Addison Public Library which is a discretely presented component unit. A discussion of a discretely presented component unit can be found on page 21 of the notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

TAXABLE SALES BY CATEGORY

Last Ten Calendar Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
MUNICIPAL TAXABLE SALES										
General merchandise	\$ 507,666	\$ 525,813	\$ 535,496	\$ 728,787	\$ 828,278	\$ 893,541	\$ 926,956	\$ 913,787	\$ 901,035	\$ 905,943
Food	477,780	537,000	549,622	521,924	478,568	474,844	480,122	453,625	443,929	493,144
Drinking and eating places	458,082	488,232	538,984	561,769	572,292	598,684	641,649	561,903	565,642	579,740
Apparel	56,530	63,424	59,648	54,200	53,948	53,629	49,643	41,129	42,927	178,607
Furniture & H.H. & radio	396,250	354,809	351,869	356,242	377,640	358,957	311,656	261,587	284,997	287,675
Lumber, building hardware	362,005	377,706	439,696	488,634	626,364	746,031	582,111	356,676	314,309	187,752
Automobile and filling stations	444,077	446,958	576,106	645,208	727,495	791,615	910,745	840,558	970,677	1,008,132
Drugs and miscellaneous retail	750,478	723,802	753,519	847,681	886,909	1,029,847	1,396,471	1,166,771	1,083,233	1,349,771
Agriculture and all others	1,516,414	1,557,603	1,500,517	1,728,252	1,920,353	2,155,713	2,410,835	2,013,621	2,344,066	2,591,093
Manufacturers	410,814	383,115	528,621	491,884	383,036	402,935	346,296	228,668	200,617	198,167
TOTAL	\$ 5,380,096	\$ 5,458,462	\$ 5,834,078	\$ 6,424,581	\$ 6,854,883	\$ 7,505,796	\$ 8,056,484	\$ 6,838,325	\$ 7,151,432	\$ 7,780,024
Village direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
HOME RULE TAXABLE SALES										
General merchandise	\$ 150,216	\$ 228,425	\$ 230,044	\$ 316,293	\$ 398,091	\$ 424,558	\$ 430,302	\$ 425,878	\$ 412,381	\$ 375,998
Food	62,801	116,158	117,077	105,280	97,330	94,634	94,422	84,487	92,297	100,906
Drinking and eating places	223,583	355,221	397,000	416,019	425,408	447,035	478,885	418,465	421,711	431,007
Apparel	28,264	47,150	44,722	40,798	40,462	40,222	37,232	30,848	32,174	92,740
Furniture & H.H. & radio	198,115	255,478	263,710	266,957	283,226	269,216	233,744	196,181	212,857	215,753
Lumber, building hardware	180,738	276,935	329,440	366,232	465,125	559,210	425,301	266,050	234,871	140,605
Automobile and filling stations	159,031	247,479	333,775	384,774	428,633	498,744	556,477	510,003	607,010	635,350
Drugs and miscellaneous retail	304,393	438,168	455,806	516,766	540,247	620,542	903,195	732,121	692,172	867,536
Agriculture and all others	750,782	1,087,215	1,067,057	1,246,228	1,398,236	1,558,972	1,715,716	1,437,296	1,629,671	1,815,570
Manufacturers	203,464	273,310	386,173	365,044	284,116	300,117	257,307	170,329	149,872	148,161
TOTAL	\$ 2,261,387	\$ 3,325,539	\$ 3,624,804	\$ 4,024,391	\$ 4,360,874	\$ 4,813,250	\$ 5,132,581	\$ 4,271,658	\$ 4,485,016	\$ 4,823,626
Village direct sales tax rate	0.50%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%

Note: Information as of a fiscal year basis is not available.

VILLAGE OF ADDISON, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	Village Direct Rate	DuPage County	DuPage Water Commission	Regional Transit Authority	State Rate	Total Sales Tax
2003	1.75%	0.25%	0.25%	0.25%	5.00%	7.50%
2004	1.75%	0.25%	0.25%	0.25%	5.00%	7.50%
2005	1.75%	0.25%	0.25%	0.25%	5.00%	7.50%
2006	1.75%	0.25%	0.25%	0.25%	5.00%	7.50%
2007	1.75%	0.25%	0.25%	0.25%	5.00%	7.50%
2008	1.75%	0.50%	0.25%	0.50%	5.00%	8.00%
2009	1.75%	0.50%	0.25%	0.50%	5.00%	8.00%
2010	1.75%	0.50%	0.25%	0.50%	5.00%	8.00%
2011	1.75%	0.50%	0.25%	0.50%	5.00%	8.00%
2012	1.75%	0.50%	0.25%	0.50%	5.00%	8.00%
Effective 1/1/12	2.00%	0.50%	0.25%	0.50%	5.00%	8.25%

Data Source

Village and County Records

VILLAGE OF ADDISON, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities	Total Primary Government	Percentage of Personal Income*	Per Capita*
	General	Loan Payable	General			
	Obligation Bonds		Obligation Bonds			
2003	\$ 23,110,000	\$ 3,190,983	\$ -	\$ 26,300,983	3.45%	\$ 732.33
2004	21,285,000	2,903,583	-	24,188,583	3.18%	673.51
2005	24,634,610	2,605,775	2,380,390	29,620,775	3.89%	824.77
2006	23,339,060	2,297,180	2,297,870	27,934,110	3.67%	773.44
2007	34,587,258	1,977,407	2,167,742	38,732,407	5.09%	1,078.48
2008	33,490,560	1,646,051	2,034,440	37,171,051	4.88%	1,006.09
2009	31,828,623	1,302,693	1,896,377	35,027,693	4.60%	948.08
2010	30,283,033	946,898	1,751,967	32,981,898	4.33%	892.80
2011	32,182,204	578,215	1,602,796	34,363,215	4.51%	930.19
2012	30,236,527	196,177	1,423,473	31,856,177	4.12%	862.33

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

* See the schedule of Demographic and Economic Information on page 138 for personal income and population data.

Personal income is the largest sole source income type, usually either property or sales tax. In the case of special districts, it may be fees.

VILLAGE OF ADDISON, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available		Tax Levy Year	Actual Taxable Value of Property*	Percentage of Estimated Actual Taxable Value of Property*		Per Capita
		In Debt Service Fund	Total			Value of	Value of	
2003	\$ 23,110,000	\$ 755,294	\$ 22,354,706	2001	\$2,563,560,297	0.87%	\$ 622.45	
2004	21,285,000	577,576	20,707,424	2002	2,806,832,691	0.74%	576.58	
2005	27,015,000	527,887	26,487,113	2003	3,048,505,983	0.87%	737.51	
2006	25,480,000	404,442	25,075,558	2004	3,298,852,716	0.76%	698.21	
2007	36,755,000	795,267	35,959,733	2005	3,529,996,254	1.02%	973.31	
2008	35,525,000	863,307	34,661,693	2006	3,804,479,388	0.91%	938.17	
2009	33,725,000	892,800	32,832,200	2007	3,970,896,858	0.83%	888.65	
2010	32,035,000	841,797	31,193,203	2008	4,212,971,961	0.74%	844.29	
2011	33,785,000	1,067,738	32,717,262	2009	4,181,906,301	0.78%	885.64	
2012	31,660,000	1,319,707	30,340,293	2010	3,821,598,676	0.79%	821.30	

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

* The EAV and Tax Levy year are two years behind the fiscal year. Taxes levied for 2001 are received in fiscal year 2003 and the calculations are computed accordingly. Taxes levied for 2010 are received in fiscal year 2012 and the calculations are computed accordingly.

VILLAGE OF ADDISON, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2012

Governmental unit	(1) Gross Bonded Debt	(2) Percentage Debt Applicable to the Village of Addison	(3) Village of Addison Share of Debt
Village of Addison	\$ 31,660,000	100.00%	\$ 31,660,000
DuPage County	297,895,000	3.43%	10,217,799
Addison Park District	24,830,035	95.01%	23,591,016
Bensenville Park District	9,822,190	1.14%	111,973
Bloomington Park District	6,708,740	1.55%	103,985
Elmhurst Park District	9,681,455	0.33%	31,949
Bloomington Fire District	2,299,010	0.09%	2,069
School District No. 2	38,611,922	1.23%	474,927
School District No. 4	20,355,000	81.76%	16,642,248
School District No. 13	3,925,000	2.72%	106,760
School District No. 15	6,345,000	25.61%	1,624,955
School District No. 205	128,628,882	0.32%	411,612
High School District No. 87	39,025,000	2.88%	1,123,920
High School District No. 88	117,480,000	33.31%	39,132,588
High School District No. 100	4,610,000	0.68%	31,348
High School District No. 108	52,170,000	0.76%	396,492
	<u>\$ 794,047,234</u>		<u>\$ 125,663,641</u>

(2) - Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

(3) - Amount in column (2) multiplied by amount in column (1).

Data Source

Office of the County Clerk

VILLAGE OF ADDISON, ILLINOIS
SCHEDULE OF LEGAL DEBT MARGIN

April 30, 2012

The Village is a home rule municipality.

Chapter 65. Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property....(2) if its population is more than 25,000 and less than 500,000 an aggregate of one per cent:....indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum....shall not be included in the foregoing percentage amounts."

VILLAGE OF ADDISON, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate
2003	35,914	\$ 761,412,714	\$ 21,201	7.20%
2004	35,914	761,412,714	21,201	6.00%
2005	35,914	761,412,714	21,201	6.80%
2006	35,914	883,663,970	24,605	4.90%
2007	35,914	883,663,970	24,605	4.70%
2008	36,946	925,053,948	25,038	5.40%
2009	36,946	925,053,948	25,038	5.40%
2010	36,942	924,953,796	25,038	5.40%
2011	36,942	924,953,796	25,038	9.90%
2012	36,942	924,953,796	25,038	9.90%

Data Source

2000 and 2010 U.S. Census Bureau of population and housing
Bureau of Labor Statistics
Village Records

VILLAGE OF ADDISON, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2012				2003			
Employer	Rank		% of Total Village Population	Employer	Rank		% of Total Village Population
United Parcel Service	1	2,914	7.89%	United Parcel Service	1	2,700	8.42%
Pampered Chef	2	788	2.13%	Pampered Chef	2	970	1.56%
Unisource	3	250	0.68%	Andrew Wireless Products	3	400	0.94%
Jewel Food Stores	4	250	0.68%	Gingis Formalwear, Inc	4	300	0.94%
Family Home Health Serv	5	250	0.68%	Krack Corporation	5	300	0.78%
Albin Carlson & Co	6	250	0.68%	Minuteman International	6	250	0.75%
Devry University Inc	7	230	0.62%	Rex Electric, Inc	7	250	0.62%
Banctec Inc	8	226	0.61%	Kraft. Inc	8	232	0.51%
Walmart Stores	9	220	0.60%	GBC Film Products	9	220	0.50%
ADT Security Services	10	205	0.55%	Little International, Inc	10	200	0.48%

Data Source

Village Records
Illinois Manufacturers Directory

VILLAGE OF ADDISON, ILLINOIS
FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	Authorized								Authorized	Filled	Authorized	Filled
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2011	2012	2012
GENERAL GOVERNMENT												
Administration	8.53	8.53	8.53	9.04	9.04	9.50	9.50	9.00	8.00	7.00	8.00	7.00
Board and Commissions	-	-	-	-	-	-	-	-	-	-	-	-
Finance	10.04	10.04	10.04	10.04	10.04	10.04	10.04	11.00	9.00	9.00	9.00	7.00
Community relations	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Building and grounds	5.48	5.48	2.48	2.48	2.48	2.48	2.50	2.00	2.00	2.00	2.00	2.00
Information services	2.00	2.00	2.00	3.00	4.00	4.00	4.00	4.00	4.00	3.00	4.00	3.00
PUBLIC SAFETY												
Police												
Officers	66.00	66.00	66.00	66.00	66.00	66.00	71.00	72.00	72.00	69.00	72.00	66.00
Civilians	33.00	33.00	33.00	33.00	33.00	33.00	28.00	30.00	29.00	28.00	15.00	15.00
Henry Hyde Resource Center	-	-	-	-	-	-	1.00	-	2.00	1.00	1.00	1.00
Consolidated dispatch	-	-	-	-	-	-	0.00	-	-	-	14.00	14.00
Community Development	22.00	22.00	22.27	22.27	22.27	23.00	23.00	23.00	24.00	22.00	24.00	21.00
Highways and Streets												
Electrical/forestry	10.00	10.25	10.25	10.25	10.25	10.25	10.25	9.00	9.00	8.00	9.00	8.00
Street	11.50	11.50	13.50	13.50	13.50	13.50	13.50	13.00	13.00	11.00	13.00	11.00
Fleet services	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Water and Sewer												
Water	12.27	12.27	12.27	13.27	13.27	13.27	13.21	11.00	11.00	11.00	11.00	11.00
Sewer	12.75	12.75	12.75	13.75	13.75	13.00	13.00	12.00	12.00	9.00	12.00	9.00
Water pollution control	21.73	21.73	21.73	20.73	20.73	20.73	20.73	19.00	19.00	18.00	19.00	18.00
TOTAL FULL-TIME EQUIVALENT EMPLOYEES												
	224.30	224.55	223.82	227.33	228.33	228.77	229.73	225.00	224.00	208.00	223.00	203.00

Note: Positions shown are authorized.

Data Source

Village budget office

VILLAGE OF ADDISON, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
PUBLIC SAFETY										
Police										
Calls responded to	20,930	20,807	25,561	25,851	27,688	27,627	30,947	28,763	28,141	26,381
Parking violations	8,422	7,594	9,066	6,444	5,639	9,015	9,129	8,045	8,468	5,876
Traffic violations	5,129	5,185	6,871	7,582	8,186	9,236	11,204	8,811	9,051	5,927
PUBLIC WORKS										
Hours of snow plowing	n/a	n/a	n/a	1,928	1,177	2,916	4,637	5,420	2,282	4,000
Sidewalk replaced (squares)	588	441	2,905	925	7,345	2,234	3,081	177	1,096	50
WATER										
Water main breaks	54	71	52	113	115	104	78	66	69	70
Average day demand (mgd)	3.985	3.985	3.650	3.930	3.980	3.625	3.627	3.400	3.315	3,315.000
Maximum day demand (mgd)	6.134	6.130	5.180	5.180	6.170	5.351	4.820	4.60	4.60	4.25
WASTEWATER										
Gallons treated (billions)	2.067	1.850	2.054	2.087	1.771	2.399	2.256	2.491	2.139	2,491
COMMUNITY DEVELOPMENT										
Number of permits issued	915	888	922	1,029	948	932	861	922	922	955
Code enforcement cases	n/a	599	554	444	557	564	479	365	393	673
Inspections conducted	4,616	4,468	3,352	6,618	5,832	5,110	4,236	4,138	4,138	4,029
FINANCE										
Number of real estate transfers	1,304	1,428	1,435	1,373	1,284	1,004	805	642	708	705
Vehicle stickers issued	17,644	21,013	18,053	18,567	18,015	22,423	20,169	23,075	24,103	24,103
Business licenses issued	1,356	1,424	1,468	1,321	1,450	1,462	1,457	1,430	1,457	1,467
Accounts payable checks issued	6,497	4,954	5,157	5,273	5,343	5,294	5,327	5,111	4,183	3,825

Data Source

Various Village departments

VILLAGE OF ADDISON, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
PUBLIC SAFETY										
Police										
Stations/Municipal Ctr	1	1	1	1	1	1	1	1	1	1
Patrol units-squad cars	35	35	35	43	43	42	42	43	45	45
PUBLIC WORKS										
Residential streets (miles)	96	96	96	96	96	96	96	96	96	96
Storm sewers (miles)	73	73	73	73	73	73	73	73	73	73
WATER AND WASTEWATER										
Water mains (miles)	162	166	166	167	169	170	170	170	170	170
Storage capacity (gallons)	9.6	9.6	9.6	9.6	9.1	9.1	9.1	9.5	9.5	9.5
Sanitary sewers (miles)	113	113	113	113	113	120	120	120	120	120

Data Source

Village's Comprehensive Annual Financial Report Statistical Section
 Various Village departments