

Village of Franklin Park, Illinois
Comprehensive Annual Financial Report
For the Year Ended April 30, 2012



VILLAGE OF FRANKLIN PARK, ILLINOIS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended April 30, 2012

Prepared By:
Finance Department
Ron Heller – Comptroller

VILLAGE OF FRANKLIN PARK, ILLINOIS
Year Ended April 30, 2012

CONTENTS

INTRODUCTORY SECTION (UNAUDITED)

Letter of Transmittal	i
Organizational Chart	v
Principal Officials	vi
Certificate of Achievement for Excellence in Financial Reporting	vii

FINANCIAL SECTION:

Independent Auditors' Report	1
------------------------------------	---

REQUIRED SUPPLEMENTARY INFORMATION

Management's Discussion and Analysis	3
--	---

Basic Financial Statements

Government-Wide Financial Statements:

Statement of Net Assets	16
Statement of Activities	17

Fund Financial Statements:

Balance Sheet – Governmental Funds	18
Reconciliation of Governmental Funds Balance Sheet to Statement of Net Assets	19
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Net Assets - Proprietary Funds	22
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	23
Statement of Cash Flows – Proprietary Funds	24
Statement of Fiduciary Net Assets	25
Statement of Changes in Fiduciary Net Assets	26
Notes to Financial Statements	27

VILLAGE OF FRANKLIN PARK, ILLINOIS
Year Ended April 30, 2012

CONTENTS

FINANCIAL SECTION (Continued):

REQUIRED SUPPLEMENTARY INFORMATION:

Budgetary Comparison Schedule:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – General Corporate Fund	62
Notes to Required Supplementary Information	63
Schedules of Funding Progress	64
Schedules of Employer Contributions	65

Supplemental Information

Budgetary Comparison Schedule:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Corporate Bond and Interest Fund	66
Budgetary Comparison Schedule:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Police Station Fund	67
Combining Balance Sheet – Nonmajor Governmental Funds	68
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	69
Combining Balance Sheet – Nonmajor Special Revenue Funds	70
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	72
Budgetary Comparison Schedule:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – 911 Emergency Surcharge Tax Fund	74
Budgetary Comparison Schedule:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – MFT Fund	75
Budgetary Comparison Schedule:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – West Mannheim Redeveloping Area TIF Fund	76
Budgetary Comparison Schedule:	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Belmont/River TIF Fund	77

VILLAGE OF FRANKLIN PARK, ILLINOIS
Year Ended April 30, 2012

CONTENTS

FINANCIAL SECTION (Continued):

Budgetary Comparison Schedule: Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Mannheim/Grand TIF Fund	78
Budgetary Comparison Schedule: Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Downtown Franklin Avenue TIF Fund	79
Combining Balance Sheet – Nonmajor Debt Service Funds	80
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Funds	81
Budgetary Comparison Schedule: Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Life/Fitness Reebie Storage TIF Fund	82
Budgetary Comparison Schedule: Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – O’Hare East Industrial TIF Fund	83
Budgetary Comparison Schedule: Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Resurrection TIF Fund	84
Combining Balance Sheet – Nonmajor Capital Project Funds	85
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	86
Combining Statement of Fiduciary Net Assets – Fiduciary Funds	87
Combining Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	88
Schedule Changes in Assets and Liabilities – Agency Funds	89
Independent Accountants’ Report on Compliance	90

VILLAGE OF FRANKLIN PARK, ILLINOIS
Year Ended April 30, 2012

CONTENTS

STATISTICAL SECTION (UNAUDITED)

Statement of Net Assets by Component – Last Nine Fiscal Years	91
Changes in Net Assets – Last Nine Fiscal Years	92
Governmental Fund Balances – Last Ten Fiscal Years	96
Changes in Fund Balance – Last Ten Fiscal Years	97
Assessed Value and Actual Value of Taxable Property – Last Ten Calendar (Tax) Years	99
Property Tax Rates – All Direct and Overlapping Governments – Last Ten Calendar (Tax) Years	100
Principal Tax Payers – Calendar (Tax) Years 2011 and 2001	102
Property Tax Levies and Collections – Last Ten Fiscal Years	103
Sales Tax Receipt Analysis by Sector – Last Ten Calendar Years	104
Direct and Overlapping Sales Tax Rates – Last Ten Fiscal Years	105
Ratio of General Obligation Bonded Debt to Equalized Assessed Valuation and General Obligation Bonded Debt per Capita – Last Ten Fiscal Years	106
Schedule of Bonded Debt Retirement	107
Schedule of Direct and Overlapping Debt	108
Debt Limit	109
Demographics	110
Major Employers Located Within Village Limits	111
Operating Information and Indicators	112
Capital Asset Statistics	113
Personnel Statistics	114

INTRODUCTORY SECTION



VILLAGE OF FRANKLIN PARK
RONALD I. HELLER, COMPTROLLER

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October 31, 2012

To the Mayor, Village Board and Citizens of Franklin Park:

State law requires that every general purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This *Comprehensive Annual Financial Report* ("CAFR") is published to comply with this requirement for the fiscal year ended April 30, 2012.

This is the Village's second CAFR and, like its predecessor, is being submitted to the *Government Finance Officers Association of the United States and Canada* ("GFOA") for consideration under its prestigious *Certificate of Achievement for Excellence in Financial Reporting* program. We were both pleased and gratified to have earned this award with our first CAFR. Simply put, it means that we have achieved ".....the highest standards in government accounting and financial reporting."

This CAFR consists of three major sections:

- **Introductory:** This contains a listing of principal Village officials, an organization chart and this letter of transmittal.
- **Financial:** This section contains the auditor's opinion, Management's Discussion and Analysis, the Village's general financial statements and required supplementary information.
- **Statistical:** This section is composed of easily readable tables concerning the Village's recent financial trends, revenue and debt capacity and historical demographic and operating statistics.

It should be noted that this CAFR consists of management's representations concerning the Village's finances, and management assumes full responsibility for its completeness, accuracy and reliability.

To assure a reasonable basis for making these representations, the Village has established a comprehensive internal control framework that is designed to both protect Village assets from theft, loss and/or misuse, and to retain sufficiently reliable information to allow for the preparation of its financial statements in accordance with *Generally Accepted Accounting Principles* ("GAAP").

With respect to these internal controls and the retention of information, the Village's goal is to provide reasonable, rather than absolute assurances that the financial statements are free of misstatements. This is based on the principle that the cost of internal controls should not exceed their intended benefits.

Crowe, Horwath LLP, independent certified public accountants, have issued an unqualified opinion on the Village's financial statements for the fiscal year ended April 30, 2012. Their opinion is presented at the beginning of this report's financial section.

Management's Discussion and Analysis ("MD&A") immediately follows the auditor's opinion and provides a narrative overview and analysis of the basic financial statements and complements this letter of transmittal. Thus this letter and MD&A should be read and considered together.

VILLAGE GOVERNMENT PROFILE

General Description

The Village of Franklin Park, incorporated in 1892, is located in western Cook County, approximately 15 miles northwest of Chicago's Loop. The village is bordered on the north by the Village of Schiller Park, and Chicago - O'Hare International Airport; on the east by the Village of River Grove and several Cook County Forest Preserve facilities; on the south by the Village of Melrose Park, the City of Northlake and portions of unincorporated Leyden Township; and to the west by the Village of Bensenville.

Form of Government

The Village operates under a Mayor/Village Board form of government in which the Village President, or Mayor, presides over a six member Board of Trustees. The Mayor and Board of Trustees determine the compensation of all the Village officers and employees, levy taxes, license businesses, appropriate funds, borrow money, and otherwise make all decisions relating to the finances and affairs of the Village.

The Mayor is also the Chief Executive Officer of the Village and possesses the power to appoint officers, and to veto ordinances, resolutions and any expenditure. The Village Clerk is the administrative official responsible for daily operations in the Village Hall. The Mayor, Village Clerk and Trustees are elected at large for four year-terms.

Village Services

The Village provides the following services: public safety (police and fire), highways and streets, sanitation, health and social services, public improvement, planning and zoning, and general administrative services. Police protection is provided by the Village's police department. Paramedic and fire protection is provided by the Village's fire department. The Village currently employs 131 full-time employees.

The Village owns and operates its water distribution and sanitary sewer collection system. Lake Michigan water is purchased from Chicago, while sanitary sewerage disposal service is provided by the Metropolitan Water Reclamation District of Greater Chicago. School facilities are provided by School District Nos. 81, 83, 84, 84½ and Community High School District No. 212. The majority of the Village is also served by Triton Community College District No. 504.

Budgeting

The annual appropriation ordinance is the legal document under which Village resources are generated and expended. This document is based on an annual budget, which is developed at the department level, reviewed by administration and then becomes the subject of public hearings by the full Board and/or its Finance Committee. Once the budget has been developed, the appropriation ordinance is derived from it and voted upon by the Board in open session. It is the budget, however, that Village administration uses as a principal management tool and standard by which to measure departmental performance.

ECONOMIC AND FINANCIAL NEXUS

Economic Base

Owing to its proximity to Chicago – O’Hare International Airport and the presence of one of the nation’s largest rail freight yards, the Village has long been an important industrial center; traditionally ranked the fourth largest in Illinois. Indeed, over the past ten years, industrial property has accounted for an average 60.2% of the Village’s Equalized Assessed Value (“EAV”). Notably, the village is the only place on earth where Baby Ruth and Butterfinger candy bars are manufactured.

Economic Condition

Despite the presence of this inherent and powerful economic engine, or, perhaps because of it, the Village is subject to economic cyclicalities and has been affected in no small way by the current economic downturn.

As an essentially blue collar community, the Village is subjected to the more or less natural ups and downs of the national, regional and local economies. In fact, over the 2009-2011 period, Franklin Park’s unemployment rate has averaged 13.9%, and its per capita and household incomes have declined by 2.8% and 5.7%, respectively.

Finally, the Village’s tax base has contracted by a total of 24.5% over the three most recent tax years. This, combined with Cook County’s phasing out of the homeowner’s exemption and re-allocating the relative proportions of the tax base so as to more heavily tax residential properties, has placed an enormous amount of pressure on our citizens.

Village Finances

Despite the poor economy, its effect on our residents and its constraints on economically sensitive revenues such as sales and income taxes and building permits, in FY12 the Village grew its general fund balance to \$4.7 million, or 20.1% of general fund expenditures; this after achieving, in FY11, a positive general fund balance for the first time since FY04.

Though facing significant challenges, the Village’s financial picture has indeed improved over the past three years. These gains are due to a number of actions taken by the new administration since assuming office at FY09 yearend. These include revenue enhancement (such as refuse collection, vehicle registration and the non-abatement of three property tax levies), and expenditure reductions (mostly in payroll and benefits), which were instituted as well.

Additionally, a new financial management team was charged with clarifying the village’s financial position, assuring its continued liquidity, developing a budget based on realistic cash flow projections and ultimately achieving financial stability.

Having accomplished these goals, management has now turned its attention to the Village’s considerable infrastructure needs. Village roads are in need of repair, water system components, particularly several storage facilities, must be renewed, and large portions of both the Village’s storm and sanitary sewer systems are in need of replacement. These needs are both pressing and costly and the Village has begun working on a strategy to meet them while preserving its financial stability.

THE FUTURE

Overall, it is expected that the village's financial health will continue to improve over the next several years despite the serious headwinds mentioned above. Though it is not clear when the economy will fully recover, Village management anticipates that the economy will remain sluggish for the foreseeable future.

When combined with its lack of home rule powers, revenue projections for at least the next three fiscal years remain constrained. Thus, the responsible management of Village expenditures is as important as ever, if not more so.

It is within this context that those responsible for the Village's direction believe the new paradigm for municipal government lies somewhere between doing *more* with less and doing *less* with less. Accordingly, Village administration and the Board of Trustees are focused not only on cost saving measures, but also on the proper and appropriate role of Village government with an eye toward distilling services down to an optimal array.

ACKNOWLEDGEMENTS

The preparation of this report, indeed, the substantive results achieved in FY12 would not have been possible without the dedication, cooperation and assistance provided by all Village personnel.

Deserving of special note, particularly in the preparation of this document are Deputy Comptroller Cynthia Perez, Health and Human Resources Director Lisa Anthony, Fire Chief Steve Iovinelli, Police Chief Michael Witz, Utilities Commissioner Joseph Lauro, Community Development Director Jeff Eder, Village Clerk Tommy Thomson and IT Director Dennis Wagner. Additionally, consultant Rob Romo and financial intern Thomas Gols were invaluable in this process.

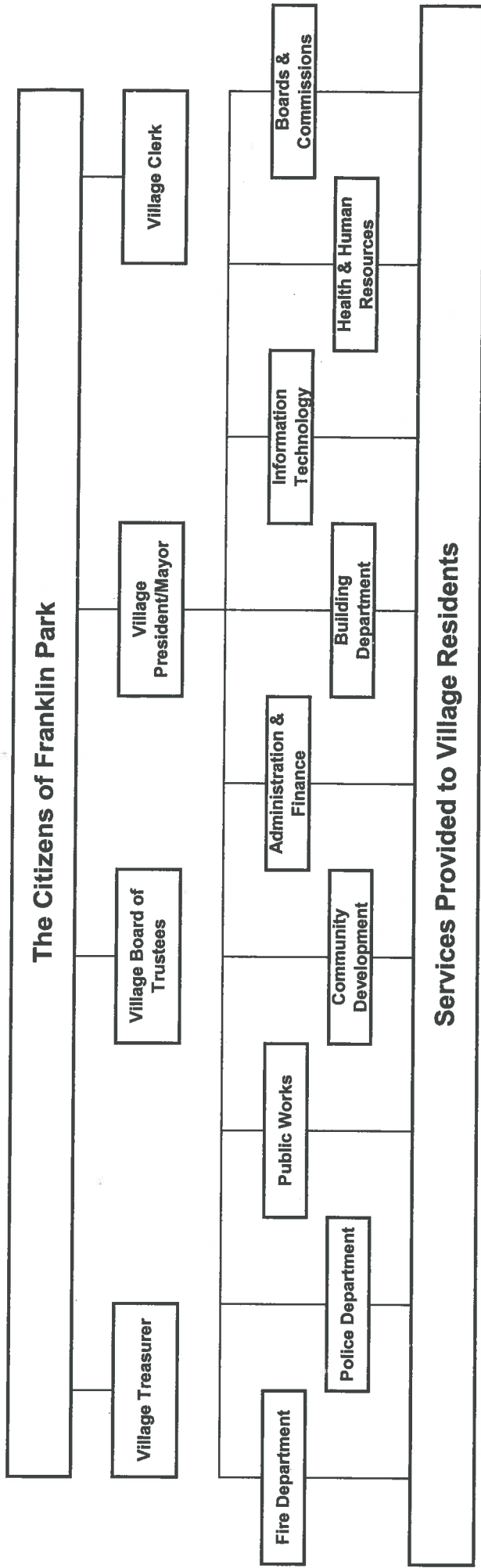
Finally, the financial results achieved this past year would not have been possible without the leadership of Village President Barrett Pedersen and the Village Trustees who collectively have chosen a direction that has allowed these achievements.

Respectfully submitted



Ronald I. Heller
Village Comptroller

Village of Franklin Park, Illinois
Organizational Chart



PRINCIPAL OFFICIALS

VILLAGE OF FRANKLIN PARK, ILLINOIS

Fiscal Year Ended April 30, 2012

BOARD OF TRUSTEES

<u>Name</u>	<u>Position</u>	<u>Term Ends</u>
Barrett F. Pedersen	President	2013
Tommy Thomson	Clerk	2013
Tom Brimie	Trustee	2013
John Johnson	Trustee	2013
Cheryl McLean	Trustee	2015
Randy Petersen	Trustee	2015
Rosalba Rodriguez	Trustee	2013
Bill Ruhl	Trustee	2015

VILLAGE DEPARTMENT HEADS

Lisa Anthony	Health Department
Jeff Eder	Community Development/Building Department
Ron Heller	Administration and Finance Department
Steve Lovinelli	Fire Chief
Joe Lauro	Public Works Department
Dennis Wagner	Information Technology
Michael Witz	Chief of Police

OFFICIAL ISSUING REPORT

Ron Heller	Comptroller
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DIVISION ISSUING REPORT

Administration and Finance Department

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Franklin Park
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

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FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Honorable President
and Members of the Board of Trustees
Village of Franklin Park, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Franklin Park, Illinois, (Village), as of and for the year ended April 30, 2012 which collectively comprise the Village's financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Police Pension Fund or the Firefighters' Pension Fund, which represents 100 percent and 100 percent, respectively, of the assets and revenues of the Pension Trust Funds for the year then ended. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Police Pension Fund and the Firefighters' Pension Fund is based solely on the reports of the other auditors.

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 and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village as of April 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In February 2009, the GASB released Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This statement is effective for fiscal periods beginning after June 15, 2010. The Village has implemented this statement retrospectively as of their fiscal year ended April 30, 2012. The statement addresses the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions as well as establishing fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of funding progress, schedules of employer contributions, and budgetary comparison schedule as listed on the table of contents be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Government Accounting Standards Board (GASB) who considers it to be an essential part of financial

reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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 Villages financial statements. The accompanying supplemental information as listed on the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The supplemental 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 supplemental information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and statistical section in the table of contents have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Crowe Horwath LLP

Oak Brook, Illinois
October 31, 2012

VILLAGE OF FRANKLIN PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

As management of the Village of Franklin Park ("Village"), we are pleased to provide readers of the Village's financial statements this Management Discussion and Analysis ("MD&A"), a narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2012. As the MD&A is designed to focus on that year's activities, resulting changes and currently known facts, it should be read in conjunction with the Village's financial statements. Comparative analysis with respect to the prior fiscal year is provided so that the reader may better discern the Village's financial dynamics.

FINANCIAL HIGHLIGHTS

Among the more noteworthy changes to emerge from the FY12 audit are the following:

At the entity-wide level of analysis:

- Assets employed in governmental activities declined \$2.1 million, while liabilities increased \$8.5 million, resulting in a decrease in net assets of \$10.6 million.
- Both revenues and expenditures supporting governmental activities decreased from FY11; the former by \$14.9 million and the latter by \$1.1 million.
- Assets employed in business-type activities increased \$2.7 million as liabilities decreased \$6.9 million. As a result, net business-type assets increased \$9.6 million.
- Business-type activity revenues increased \$11.4 million from FY11 while expenditures increased \$382 thousand.
- Total Village assets increased \$678 thousand from FY11, and total liabilities increased \$1.6 million. As a result, total net assets decreased \$951 thousand.
- Total Village revenue decreased \$3.4 million and total expenditures declined \$703 thousand.

These results are discussed further below. Meanwhile, at the fund level:

- General fund assets decreased by \$72 thousand while liabilities declined \$1.8 million, resulting in a \$1.7 million increase in fund balance.
- Total governmental funds' assets decreased \$4.5 million while liabilities declined \$3.6 million. As a result, governmental fund balances decreased \$916 thousand.
- General fund revenues declined \$1.7 million from FY11 levels, expenditures declined by \$11 thousand and other sources decreased \$4.4 million.
- Total governmental fund revenues decreased \$3.0 million from FY11 levels, while expenditures grew by \$3.8 million and other sources declined by \$1.4 million.
- Proprietary funds' assets increased by \$2.8 million, while liabilities decreased by \$6.9 million. As a result, the net assets for proprietary funds grew \$9.6 million.
- Proprietary fund operating revenues declined \$343 thousand from FY11 while operating expenses grew by \$495 thousand, resulting in an operating loss of \$319 thousand. Net transfers of \$10.7 million resulted in the Village's proprietary funds showing an increase in net assets of \$9.6 million.

These results are also described in more detail further below.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements, which are comprised of three components: (1) government-wide financial statements, (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.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business. The statement of net assets presents information on all of the Village's assets and liabilities, with the difference

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The statement of activities presents information 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.

Governmental Activities reflect the Village's basic services, including administration, public safety and highways and streets. Property taxes, shared state taxes and local utility taxes finance the majority of these services. Business-Type Activities reflect private sector type operations, where the fee for service typically covers all or most of the cost of operations.

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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds 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.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains 21 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund. Information from the Village's thirteen other governmental funds is combined into a single column presentation. Individual fund information for these non-major governmental funds is provided elsewhere in the report.

The Village maintains five types of proprietary, or enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water, sanitary sewer, garbage collection and commuter parking operations. Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the water, sanitary sewer, garbage collection and commuter parking funds, all of which are considered to be major funds of the Village. The Village also maintains an internal service fund, which is considered a proprietary fund.

Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government-wide financial statements because

VILLAGE OF FRANKLIN PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is similar to that used by proprietary funds.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the basic financial statements this report also includes certain required supplementary information related to budgetary information and the Village's progress in funding its obligation to provide pension benefits to its employees. Non-major fund information can be found immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

NON-ROUTINE ITEMS

As preface, it should be noted there are several items that significantly impacted the Village's FY12 financial statements. Two were purely accounting in nature and did *not* affect its overall financial position and two were transactional in nature and *did* impact the Village's financial status.

Accounting Items

The Village transferred \$5.0 million in accumulated, non-abated property tax revenues from the bond and interest fund to the sewer fund. These tax revenues have been used, since FY 2010, to meet debt service on the Village's 2004B bond issue, which the sewer fund had previously paid from system-generated revenues. Thus, the transfer simply reimbursed the sewer fund for the three last years' debt service expense.

Additionally, the Village closed out several dormant bank accounts which had previously held commingled funds. This effectively reallocated \$8.0 million as shown in the table immediately below, and resulted in a net transfer of \$5.7 million in assets from governmental to business funds.

As a result, there was a net general ledger transfer approximating \$10.7 million from the governmental to the business segment.

<u>Fund</u>	<u>Transfer Out</u>	<u>Transfer In</u>
911	\$ 19,938	\$ -
Garbage	-	1,615,355
General	-	1,042,182
West Mannheim Residential Area TIF	105,093	-
Belmont/River TIF	12,181	-
Life Fitness TIF	1,104,651	-
Motor Fuel Tax	2,080,360	-
Grand/Mannheim TIF	1,184,313	-
SSA #4	313,589	-
Grand Avenue Underpass	2,194,239	-
Water	-	3,488,656
Sewer	-	638,277
Waveland/Mannheim TIF	513,384	-
O'Hare TIF	351,370	-
Commuter Parking Lot	82,066	-
Downtown Franklin Ave TIF	-	392,945
Resurrection TIF	-	624,708
Bond & Interest	-	159,061
	<u>\$ 7,961,184</u>	<u>\$ 7,961,184</u>

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

Transactional Items

Also during the year, the Village issued \$10.0 million in alternate revenue, general obligation debt for the construction of a new police station, began that construction and acquired both related and unrelated capital assets.

STATEMENT OF NET ASSETS

The following table presents the condensed *Statement of Net Assets* (in millions) at April 30, 2012, with comparisons to April 30, 2011:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>FY11</u>	<u>FY12</u>	<u>FY11</u>	<u>FY12</u>	<u>FY11</u>	<u>FY12</u>
<u>Assets:</u>						
Current assets	\$28.7	\$23.9	\$1.9	\$5.3	\$30.6	\$29.2
Non-current, non-capital assets	1.5	1.9	0.1	0.1	1.6	2.0
<u>Capital assets</u>	<u>40.9</u>	<u>43.2</u>	<u>37.7</u>	<u>37.1</u>	<u>78.6</u>	<u>80.3</u>
<u>Total Assets</u>	<u>\$71.1</u>	<u>\$69.0</u>	<u>\$39.7</u>	<u>\$42.5</u>	<u>\$110.8</u>	<u>\$111.5</u>
<u>Liabilities:</u>						
Current liabilities	\$16.7	\$13.4	\$9.6	\$4.8	\$26.3	\$18.2
<u>Non-current liabilities</u>	<u>35.2</u>	<u>46.9</u>	<u>21.0</u>	<u>18.9</u>	<u>56.2</u>	<u>65.8</u>
<u>Total Liabilities</u>	<u>51.9</u>	<u>60.3</u>	<u>30.6</u>	<u>23.7</u>	<u>82.5</u>	<u>84.0</u>
<u>Net Assets:</u>						
Invested in capital assets, net,	13.0	11.8	16.2	17.4	29.1	29.2
Restricted	10.9	3.8	0.0	0.0	10.9	3.8
<u>Unrestricted</u>	<u>(4.7)</u>	<u>(6.9)</u>	<u>(7.1)</u>	<u>1.3</u>	<u>(11.7)</u>	<u>(5.6)</u>
<u>Total Net Assets</u>	<u>\$19.2</u>	<u>\$8.7</u>	<u>\$9.1</u>	<u>\$18.7</u>	<u>\$28.3</u>	<u>\$27.4</u>

Total Village assets increased \$678 thousand, or 0.6%, and total Village liabilities increased \$1.6 million, or 2.0%. Accordingly, total net assets declined by \$951 thousand. Assets employed in governmental activities decreased by \$2.1 million, principally due to a \$4.8 million decrease in current assets and a \$2.8 million increase in non-current assets.

The decrease in current assets was due to several factors. First, the Village paid down its revolving line of credit of \$1.0 million. Second, its governmental funds' fund balance declined by \$917 thousand. Third, the net effect of the several non-routine items discussed earlier reduced cash by \$500 thousand. Finally, a reduction in payables of \$897 thousand reduced cash balances as well.

The increase of \$2.8 million in non-current assets is largely the result of the police station construction project, which added \$3.9 million in capital assets not being depreciated. This was partially offset by a net decline of \$1.5 million in depreciating capital assets due to \$1.7 million in additional depreciation. Finally an increase in unamortized bond costs of \$447 thousand contributed to the overall increase.

Governmental activities' liabilities increased \$8.4 million due almost exclusively to the issuance of \$10.0 million of alternate revenue, general obligation bonds for construction of the police station. There were other changes in liabilities as well, including the previously-mentioned \$0.9 million decrease in payables, which was almost entirely offset by a \$1.6 million increase in the net OPEB liability. As a result of all this, governmental activities' net assets declined by \$10.6 million.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

Assets employed in business-type activities increased \$2.7 million largely on a \$3.3 million increase in cash, as operating losses of \$4.2 million and \$3.2 million net cash used in capital and related financing activities largely offset the previously-discussed transfer of \$10.7 million to the business segment. Depreciating capital assets decreased \$575 thousand to round out the segment's asset changes.

Business-type liabilities dropped \$6.9 million, primarily on the \$5.2 million reduction of the segments' cash overdraft liability, made possible by the non routine items discussed earlier, and a decrease in bonds, leases and loans payable totaling \$2.2 million due to the normal course of amortizing these debts. Offsetting these were increases in accounts payable (\$237 thousand) and net OPEB obligation (\$120 thousand). Accordingly, business-type net assets increased by \$9.6 million.

STATEMENT OF ACTIVITIES

The following table presents the condensed *Statement of Activities* (in millions) at April 30, 2012, with comparisons to April 30, 2011.

	Governmental		Business-type		Total	
	Activities		Activities		Primary	
	FY11	FY12	FY11	FY12	FY11	FY12
<u>Revenues</u>						
Program Revenues:						
Charges for Services						
General government	\$1.4	\$1.2	\$0.0	\$0.0	\$1.4	\$1.2
Public safety	1.6	1.7	0.0	0.0	1.6	1.7
Community Development	0.0	0.0	0.0	0.0	0.0	0.0
Building department	0.6	0.7	0.0	0.0	0.6	0.7
Water	0.0	0.0	4.4	4.3	4.4	4.3
Sewer	0.0	0.0	2.4	2.3	2.4	2.3
Garbage	0.0	0.0	1.5	1.3	1.5	1.3
Commuter parking lot	0.0	0.0	0.1	0.1	0.1	0.1
Operating grants/contributions	0.5	0.6	0.0	0.1	0.5	0.7
Capital grants/contributions	1.1	0.4	0.0	0.0	1.1	0.4
General Revenues:						
Property taxes	18.8	16.4	0.0	0.0	18.8	16.4
Other taxes	8.3	8.2	0.0	0.0	8.3	8.2
Other	<u>1.0</u>	<u>0.8</u>	<u>0.0</u>	<u>0.0</u>	<u>1.1</u>	<u>0.8</u>
Total Revenues	33.3	30.2	8.3	8.1	41.6	38.2
<u>Expenses</u>						
General government	6.4	5.8	0.0	0.0	6.4	5.8
Public safety	14.7	15.9	0.0	0.0	14.7	15.9
Highways and streets	6.5	3.9	0.0	0.0	6.5	3.9
Public health	0.3	0.3	0.0	0.0	0.3	0.3
Community development	0.8	1.2	0.0	0.0	0.8	1.2
Building department	1.0	1.3	0.0	0.0	1.0	1.3
Interest on long term debt	1.4	1.7	0.0	0.0	1.4	1.7
Water	0.0	0.0	4.7	5.2	4.7	5.2
Sewer	0.0	0.0	2.3	2.5	2.3	2.5
Garbage	0.0	0.0	1.7	1.4	1.7	1.4
Commuter parking lot	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Expenses	31.1	30.1	8.7	9.1	39.9	39.2

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

Change in Net Assets Before Transfers	\$2.2	\$0.1	\$(0.4)	\$(1.1)	\$1.7	\$(1.0)
Transfers In (Out)	1.0	(10.7)	(1.0)	10.7	0.0	0.0
Change in Net Assets After Transfers	<u>\$3.2</u>	<u>(\$10.6)</u>	<u>(\$1.4)</u>	<u>\$9.6</u>	<u>\$1.7</u>	<u>(\$1.0)</u>

Revenues from governmental activities declined from FY11 levels by \$3.1 million, or 9.4%. This resulted from a variety of factors, including a decrease of \$2.3 million (12.5%) in property taxes as the 109.2% collection rate of FY 11 dropped to 99.5%, and a decline in grant revenues, which slipped by \$497 thousand. It is notable that governmental charges for services remained essentially flat, as a \$160 thousand (11.4%) decrease in general government charges was largely offset by a \$128 thousand (20.8%) increase in building department charges.

Expenditures for governmental activities declined as well, by \$1.1 million, or 3.5%. Two expenditure categories dropped by a combined total of \$3.2 million, and five categories increased by a total of \$2.2 million.

General government expenditures declined \$688 thousand, or 10.7% due to a variety of factors, beginning with the GASB 34 capitalization of \$2.6 million in capital additions. Offsets to this included the addition of \$601 thousand in collateral general fund costs associated with the construction of the police station, an increase of \$520 thousand to demolish a fire damaged hotel in one of the Village's TIF's, a \$510 thousand increase in health insurance costs due to an adverse shift in claims experience and a \$119 thousand increase in workers compensation costs, also due to an adverse change in claims experience.

Highway and street expenditures declined \$2.6 million, or 40.0%, largely due to a \$2.0 million decrease in infrastructure depreciation expense as more of the Village's streets and storm sewers continue to become fully depreciated. Additionally, \$498 thousand in FY11 projects were not replaced by comparably-valued FY12 projects, and the Village purchased \$113 thousand less in salt due to the relatively mild winter.

Before the \$10.7 million transfer discussed earlier, governmental net assets remained essentially flat while business-type net assets declined \$1.1 million. Post-transfer, governmental net assets declined \$10.6 million and business-type assets increased \$9.6 million.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

GOVERNMENTAL FUNDS

The following table presents the condensed *Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance* (in millions) at April 30, 2012, with comparisons to April 30, 2011.

VILLAGE OF FRANKLIN PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

	General Corporate Fund		Other Governmental Funds		Total Governmental Funds	
	FY11	FY12	FY11	FY12	FY11	FY12
Revenues						
Property taxes	\$12.0	\$11.3	\$6.7	\$5.1	\$18.7	\$16.4
Other taxes.	7.7	7.7	0.6	0.5	8.3	8.2
Licenses, permits, fees	1.3	1.5	0.0	0.0	1.3	1.5
Grants	1.8	0.8	0.0	0.3	1.8	1.1
Other revenue	0.9	0.7	0.0	0.1	0.9	0.8
Fines and forfeitures	0.7	0.6	0.0	0.1	0.7	0.7
Investment income	0.0	0.0	0.0	0.0	0.0	0.0
<u>Charges for services</u>	<u>1.1</u>	<u>1.2</u>	<u>0.3</u>	<u>0.3</u>	<u>1.4</u>	<u>1.5</u>
Total revenues	25.5	23.8	7.7	6.4	33.2	30.2
Expenditures						
General government	5.5	6.2	0.6	1.1	6.1	7.3
Public safety	11.9	12.2	0.4	0.4	12.3	12.6
Highways and streets	2.3	1.7	0.2	0.1	2.5	1.8
Public health	0.3	0.3	0.0	0.0	0.3	0.3
Community development	0.4	0.6	0.4	0.6	0.8	1.2
Building department	0.8	0.7	0.0	0.0	0.8	0.7
Debt service	0.1	0.1	1.8	2.0	1.9	2.1
<u>Capital outlay</u>	<u>2.4</u>	<u>1.8</u>	<u>0.0</u>	<u>3.3</u>	<u>2.5</u>	<u>5.0</u>
Total Expenditures	23.6	23.5	3.6	7.4	27.2	30.9
Excess (deficiency) of revenues over (under) expenditures	1.9	0.2	4.1	(1.0)	6.0	(0.7)
Other sources (uses), net	<u>5.8</u>	<u>1.4</u>	<u>(4.6)</u>	<u>(1.6)</u>	<u>1.2</u>	<u>(0.2)</u>
Change in fund balance	<u>\$7.7</u>	<u>\$1.7</u>	<u>(\$0.5)</u>	<u>(\$2.6)</u>	<u>\$7.2</u>	<u>(\$0.9)</u>

Governmental fund revenues declined \$3.0 million (9.1%) from FY11 levels; \$1.7 million (6.8%) in the general fund and \$1.3 million (16.5%) in other governmental funds, including the major funds. Governmental fund expenditures, however, increased by \$3.8 million, virtually all of it in other than the general fund, which declined by \$11 thousand.

In the general fund, the largest single general fund revenue component to decrease was grant revenue (\$1.0 million, 57.5%). The general fund also experienced revenue shortfalls in fines and forfeitures (\$62 thousand, or 9.1%) as well as in several tax categories: property, sales, personal property replacement and local use.

General fund property tax revenues fell \$721 thousand (6.0%), largely as a function of the change in the state multiplier and Cook County's apparent collection rate, discussed earlier. Sales tax revenues fell \$202 thousand (10.0%), primarily as a result of the loss of a K-Mart store, and personal property replacement and local use tax revenues fell \$92 thousand (11.8%) and \$8 thousand (2.9%), respectively

Other governmental fund revenues also dropped, principally because of a reduction of an additional \$1.6 million (23.6%) in property tax revenues. In addition to the previously-mentioned lower collection rate, a major portion of this change was the way property tax revenues were allocated to the bond and interest fund, which resulted in \$1.0 million less in FY12.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

Additionally, there was a net drop of \$570 thousand in TIF property tax revenues due to the decrease in the state multiplier and new assessment formulas which had the effect of reducing the assessed valuations of commercial and industrial properties more than residential properties.

General fund expenditures remained essentially flat at \$23.5 million, though there were some significant shifts in expenditure categories.

- General government operating expenditures increased by \$758 thousand, or 13.8% largely due to health insurance and workers compensation expenditures, which grew by \$510 thousand (35.8%) and \$119 thousand (12.9%), respectively.

The significant growth in health insurance expenditures was caused by a shift in the Village's insurance claims experience, which accounted for \$408 thousand. The actual *contractual* difference amounts to about \$200 thousand annually.

- Public safety expenditures grew by \$287 thousand (2.4%), primarily due to an apparent increase of \$254 thousand in payments to Norcomm, the Village's emergency dispatch provider. This was distorted, however, by the reversal of an accrual of three months' fees in FY11 which did not re-occur in FY12. The actual increase in monthly fees results in an annual increment of \$30 thousand.
- Street and highway expenditures declined by \$564 thousand as two FY11 projects totaling \$498 thousand were not replaced with comparably valued new projects. Additional savings were achieved in reduced overtime expenditures (\$51 thousand, 68.8%) due to the relatively mild winter.
- Public health expenditures increased \$15 thousand, or 5.8%, due, in part, to a \$22 thousand increase in overtime necessitated by a personnel shortage. This was partially offset by a decrease in expenditures for snow plowing due, once again, to the relatively mild winter.
- Community development expenditures increased \$188 thousand, which included \$75 thousand related to an Energy Efficiency and Conservation Block Grant and \$122 thousand in incremental engineering costs as the Village planned its FY 2013 road paving and replacement program.
- Building department expenditures declined by \$68 thousand (8.7%), the exact amount of the decrease in the costs maintaining municipal property, although as noted below, general fund capital outlay *did* include \$375 thousand for roof replacement.
- General fund capital expenditures declined by \$643 thousand to \$1.8 million. Notable FY12 capital expenditures included \$601 thousand associated with the construction of the new police station, \$375 thousand to replace the roof at the Village's fleet maintenance facility and \$117 thousand for the purchase of new vehicles.

Other governmental fund expenditures, including the major funds of bond and interest and police station, increased \$3.8 million due to the commencement of construction on the new police station, which accounted for \$3.2 million of this amount. An additional \$520 thousand was spent on the previously-mentioned demolition of a fire damaged hotel in one of the Village's TIF's and \$1.9 million on principal and interest for the Village's long-term debt.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

PROPRIETARY FUNDS

The following table presents the condensed *Statement of Revenues, Expenditures and Changes in Fund Net Assets* for the Village's proprietary funds (in millions) at April 30, 2012, with comparisons to 2011.

<u>Operating Revenues</u>	<u>Water Fund</u>		<u>Sewer Fund</u>		<u>Garbage Fund</u>		<u>Parking Fund</u>		<u>Total</u>	
	<u>FY11</u>	<u>FY12</u>	<u>FY11</u>	<u>FY12</u>	<u>FY11</u>	<u>FY12</u>	<u>FY11</u>	<u>FY12</u>	<u>FY11</u>	<u>FY12</u>
Charges for services	\$4.4	\$4.3	\$2.4	\$2.3	\$1.5	\$1.3	\$0.1	\$0.1	\$8.3	\$8.0
Other revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total operating revenues	4.4	4.3	2.4	2.3	1.5	1.3	0.1	0.1	8.3	8.0
<u>Operating Expenses</u>										
Administration	1.0	0.9	0.5	0.5	0.3	0.0	0.0	0.0	1.9	1.5
Water purchases	2.4	2.6	0.0	0.0	0.0	0.0	0.0	0.0	2.4	2.6
Repairs and maintenance	0.5	0.6	0.2	0.4	0.0	0.1	0.0	0.0	0.7	1.1
Supplies and services	0.2	0.6	0.2	0.1	1.3	1.3	0.0	0.0	1.7	2.1
Depreciation	0.5	0.5	0.6	0.6	0.0	0.0	0.0	0.0	1.1	1.1
Total operating expense	4.7	5.2	1.4	1.7	1.7	1.4	0.0	0.0	7.8	8.3
Operating income (loss)	(0.3)	(0.8)	1.0	0.6	(0.2)	(0.1)	0.1	0.0	0.5	(0.3)
<u>Non-Operating Revenues (Expenses)</u>										
Interest expense	(0.0)	(0.0)	(0.9)	(0.8)	0.0	0.0	0.0	0.0	(0.9)	(0.8)
Other, net	(0.8)	3.6	(0.1)	5.7	(0.1)	1.6	0.0	(0.0)	(1.0)	10.8
Total non-operating revenues (expense)	(0.8)	3.6	(1.0)	4.9	(0.1)	1.6	0.0	0.0	(1.9)	9.9
Net income (loss)	(1.1)	2.7	(0.0)	5.4	(0.4)	1.5	0.1	(0.0)	(1.4)	9.6
Net assets	\$6.2	\$8.9	\$4.7	\$10.1	(\$1.9)	(\$0.4)	\$0.2	\$0.1	\$9.1	\$18.8

Taken together, proprietary fund operating revenues declined by \$343 thousand from FY11 and operating expenses increased by \$495 thousand, resulting in an operating loss of \$319 thousand; a swing of \$838 thousand from FY11's gain of \$519 thousand. Non-operating revenues, however, benefitted from the previously mentioned closing of dormant accounts with the net transfer of \$10.7 million, which increased net assets to \$18.7 million.

At the individual fund level, operating results showed declines in the three main funds' (i.e., water, sewer and garbage) revenues and an increase in two of these funds' expenses.

In the water fund, the relatively wet summer caused a drop of some \$93 thousand (2.1%) in charges for services and an overall decline of \$102 thousand (2.3%) in operating revenue. Meanwhile, operating expenses increased \$466 thousand (9.9%), as several expense categories increased significantly. These included painting one of the Village's water tanks (\$143 thousand), the reclassification of pump house electricity costs that resulted in an increase of \$104 thousand and increased engineering expense (\$99 thousand). Finally, the Village's cost for water increased \$152 thousand, largely because the City of Chicago, its supplier, increased the price 25% on January 1, 2012. The Village, however, did not pass this increase along until April, which contributed to the utility's FY12 losses.

With respect to the sewer fund, charges for service and total operating revenues fell \$94 thousand (4.0%); this would be expected, given that sewer revenue is a function of water usage. Repair and maintenance expenses increased by \$227 thousand (113.5%), reflecting the increased cost of maintaining an aging system in serious need of replacement and repair.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

Additionally, associated engineering fees increased \$96 thousand (211.3%) and overtime increased \$22 thousand (127.1%).

Garbage fund revenues declined by \$145 thousand, or 10.0% as the Village offered free garbage pickup to seniors. The cost of services provided the Village by its scavenger decreased \$6 thousand, or 0.5% after contract renewal during the fiscal year. Finally, the commuter parking lot fund saw a revenue decrease of \$1 thousand and an increase in maintenance costs of \$7 thousand, due to the cost of restriping the lots.

GENERAL FUND BUDGETARY HIGHLIGHTS

The following table reflects the condensed *General Fund Budgetary Comparison Schedule* (in millions):

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<u>Revenues</u>			
Property Taxes	\$11.5	\$11.3	(\$0.2)
Other Taxes	8.0	7.7	(0.3)
Licenses, Permits, Fees	1.4	1.5	0.2
Fines & Forfeitures	1.1	0.6	(0.4)
Charges for Services	0.9	1.2	0.2
<u>Other Revenue</u>	<u>1.3</u>	<u>1.5</u>	<u>0.2</u>
Total	\$24.1	\$23.8	(\$0.3)
<u>Expenditures</u>			
General Government	\$5.7	\$6.2	(\$0.5)
Public Safety	13.1	12.2	1.0
Highway & Street	2.3	1.7	0.6
Public Health	0.3	0.3	(0.0)
Community Development	0.6	0.6	0.0
Building	0.9	0.7	0.1
Debt Service	0.1	0.1	(0.0)
<u>Capital</u>	<u>0.8</u>	<u>1.8</u>	<u>(1.0)</u>
Total	\$23.8	\$23.5	\$0.3
Excess (Deficiency) of Revenues Over (Under) Expenditures	0.3	0.2	(0.0)
Other Sources (Uses), Net	0.0	1.4	1.4
Change in Fund Balance	<u>\$0.3</u>	<u>\$1.7</u>	<u>\$1.4</u>

Actual revenues fell short of budget by \$271 thousand while actual expenditures came in under budget by \$265 thousand. Taken together, this resulted in an overall negative budget variance approximating \$5 thousand. Net transfers (primarily from the dormant commingled account closings mentioned earlier), capital lease and asset sale proceeds accounted for an addition of \$1.4 million, producing a positive variance and change in fund balance of \$1.4 million.

On the revenue side, property taxes came in at a weaker rate than anticipated, falling short of budget by \$183 thousand (1.6%). Other under budget revenue sources included sales and income taxes, which fell short by \$403 thousand (18.1%) and \$85 thousand (5.2%), respectively and fines and forfeitures, which missed by \$436 thousand (41.2%). These were offset by positive variances in utility taxes (\$226 thousand, 7.3%), licenses, permits and fees (\$158 thousand,

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

11.6%), grant revenue (\$257 thousand, 49.5%) and charges for services (\$217 thousand, 23.2%).

On the expenditure side, significant positive variances occurred in public safety (\$959 thousand, 7.3%), highways and streets (\$627 thousand, 27.1%) and building (\$148 thousand, 17.1%). Significant negative variances occurred in general government (\$536 thousand, 9.4%) and capital outlay (\$952 thousand, 116.0%).

CAPITAL ASSET AND DEBT ADMINISTRATION

At April 30, 2012, the Village had capital asset investments as follows:

CAPITAL ASSETS

Governmental Activities
Change in Capital Assets
(in millions)

	<u>Balance at May 1, 2011</u>	<u>Net Additions (Deletions)</u>	<u>Balance at April 30, 2012</u>
<u>Non-Depreciable Assets:</u>			
Land/CIP	\$10.3	\$3.9	\$14.2
<u>Depreciable Assets:</u>			
Infrastructure	128.7	0.0	128.7
Buildings/Improvements	5.8	0.4	6.2
Vehicles/Equipment	6.3	(0.3)	6.0
<u>Accumulated Depreciation</u>	<u>(110.3)</u>	<u>(1.6)</u>	<u>(111.9)</u>
Net Capital Assets	\$40.9	\$2.3	\$43.2

Assets deployed for governmental activities increased \$2.3 million, as \$2.2 million in depreciation expense was offset by the addition of \$2.1 million in land and \$1.8 million in police station construction in progress.

Business-Type Activities
Change in Capital Assets
(in millions)

	<u>Balance at May 1, 2011</u>	<u>Net Additions (Deletions)</u>	<u>Balance at April 30, 2012</u>
<u>Non-Depreciable Assets:</u>			
Land/CIP	\$0.3	(\$0.1)	\$0.2
<u>Depreciable Assets:</u>			
Water/Sewer System	49.3	0.1	49.4
Storage Reservoir/Pump	5.3	0.4	5.7
Buildings/Improvements	2.1	0.0	2.1
Vehicles/Equipment	2.9	0.1	2.9
<u>Accumulated Depreciation</u>	<u>(22.1)</u>	<u>(1.1)</u>	<u>(23.2)</u>
Totals	\$37.7	(\$0.6)	\$37.1

Business-type capital assets declined by \$647 thousand, as \$1.1 million in depreciation expense more than offset \$540 thousand in additions, primarily for new pumping equipment.

For more detailed information, see Note 4 to the Notes to the Financial Statements.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

DEBT ADMINISTRATION

At April 30, 2012, the Village had outstanding \$59,618,310 in long-term debt, down \$415,526 from FY11. The Village's current debt is allocated as follows:

<u>Item</u>	<u>Governmental</u>	<u>Business</u>
G.O. Refunding Bonds of 2003	\$ 80,000	\$ -
G.O. Alternate Revenue Bonds of 2004A	6,215,000	-
G.O. Alternate Revenue Bonds of 2004B	-	14,515,000
G.O. Alternate Revenue Bonds of 2005A	3,690,000	-
G.O. Alternate Revenue Bonds of 2006	9,460,000	-
G.O. Alternate Revenue Bonds of 2007	7,230,000	-
G.O. Alternate Revenue Bonds of 2011	9,975,000	-
Deferred Premium (Discount), Net	893,115	1,014,448
Loans Payable	-	4,815,398
Leases Payable	902,201	328,016
Compensated Absences	1,064,194	42,359
Net Pension Obligation	2,825,661	-
Net Other Post Employment Benefits	<u>6,044,785</u>	<u>514,150</u>
Totals	<u>\$ 48,379,956</u>	<u>\$ 21,299,371</u>

During fiscal 2012, the Village had net additions to governmental debt totaling \$11.8 million and net reductions of \$1.9 million on the business side. The components of these changes are as follows:

<u>Item</u>	<u>Governmental</u>	<u>Business</u>	<u>Total</u>
Net change in bonded debt	\$9,785,671	(\$1,104,725)	\$8,680,946
Net change in leases/loans payable	269,998	(861,727)	(591,729)
Net change in employee-related debt ⁽¹⁾	<u>1,786,256</u>	<u>115,544</u>	<u>1,901,800</u>
Totals	<u>\$11,841,925</u>	<u>(\$1,850,908)</u>	<u>\$9,991,017</u>

For more detailed information, see Note 5 to the Notes to the Financial Statements.

ECONOMIC FACTORS

With almost two thirds of its tax base comprised of industrial property, the Village is the fourth largest manufacturing center in the state. This, combined with its essentially blue collar character makes the Village highly susceptible to economic cyclicalities. It is not surprising then to note that the current economic environment has had important effects on the Village.

Building permits and sales and income taxes, perhaps the three most economically sensitive sources of Village revenue, suggest a slightly improving economic picture. Building permits were up about 20%, but remain at slightly more than half their FY09 levels. Income tax revenues increased, albeit anemically, for the second year in a row, but are close to FY09 levels. Finally, sales taxes continued their slide, though this was largely due to the closure of a major Village retailer. However, we suspect this may have masked an improving scenario. In FY12, this was set against the backdrop of a relatively mild, yet not insignificant 1.7% increase in the consumer price index.

At this writing, management anticipates that the current sluggish economic climate will persist over the coming year or more, though it is also anticipated that revenue declines may well have

¹ Compensated absences, net pension and net OPEB obligations

VILLAGE OF FRANKLIN PARK, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2012

slowed, and possibly reversed. Unfortunately, the state's financial plight, which imparts a significant level of uncertainty to the Village's financial fortunes, and the effective "jobless" nature of the recovery, will continue to affect our residents' financial stability

All that having been said, the Village's manufacturing character is a strength as well as weakness. In addition, its location adjacent to O'Hare International Airport and proximity to one of the largest rail yards in the nation will allow it to recover more quickly once the economic recovery begins to gain steam. Further, ongoing development at O'Hare holds several benefits for the Village, including a new toll way interchange that could provide a significant boost to economic development activities.

FURTHER INFORMATION

This financial report is designed to provide our residents, vendors, investors and creditors with a general overview of the Village's finances. Questions concerning this report or requests for additional financial information should be directed to the Office of the Comptroller, Village of Franklin Park, 9500 Belmont Avenue, Franklin Park, IL 60131.

The Village of Franklin Park's police and fire pension funds issue separate financial statements that can be obtained by contacting the Office of the Treasurer, at the above address.

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VILLAGE OF FRANKLIN PARK, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2012

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current			
Cash	\$ 10,981,384	\$ 3,490,126	\$ 14,471,510
Investments	2,392,161	-	2,392,161
Property taxes receivable	7,238,485	-	7,238,485
Accrued Interest	334	-	334
Accounts receivable	2,419,049	994,878	3,413,927
Grant receivable	107,432	-	107,432
Prepaid items	496,818	-	496,818
Other assets	1,015,780	-	1,015,780
Internal balances	(775,608)	775,608	-
Non-current			
Assets held for resale	837,320	-	837,320
Unamortized bond costs	1,072,470	133,461	1,205,931
Capital assets not being depreciated	14,214,631	185,000	14,399,631
Capital assets being depreciated, net	28,994,781	36,872,290	65,867,071
Total assets	68,995,037	42,451,363	111,446,400
Liabilities			
Current			
Cash overdraft liability	1,176,636	1,051,017	2,227,653
Accounts payable	2,341,234	1,161,676	3,502,910
Accrued payroll	363,840	27,105	390,945
Accrued interest payable	730,321	277,975	1,008,296
Unearned property tax revenue	6,722,576	-	6,722,576
Other unearned revenue	233,042	-	233,042
Due to pension funds	37,550	-	37,550
Due to agency funds	351,450	-	351,450
Deposits payable	11,000	-	11,000
Compensated absences payable	554,113	42,359	596,472
Current portion - bonds payable	680,000	1,085,000	1,765,000
Current portion - leases payable	204,502	328,016	532,518
Current portion - loans payable	-	871,361	871,361
Non-current			
Compensated absences payable	510,081	-	510,081
Bonds payable	36,863,115	14,444,448	51,307,563
Leases payable	697,699	-	697,699
Loans payable	-	3,944,037	3,944,037
Net pension obligation	2,825,661	-	2,825,661
Net OPEB obligation	6,044,785	514,150	6,558,935
Total liabilities	60,347,605	23,747,144	84,094,749
Net assets			
Invested in capital assets, net of related debt	11,757,677	17,398,876	29,156,553
Restricted assets			
Highways and streets	43,126	-	43,126
TIF development	1,823,861	-	1,823,861
Debt service	1,932,440	-	1,932,440
Unrestricted	(6,909,672)	1,305,343	(5,604,329)
Total net assets	\$ 8,647,432	\$ 18,704,219	\$ 27,351,651

See accompanying notes to financial statements.

VILLAGE OF FRANKLIN PARK, ILLINOIS

STATEMENT OF ACTIVITIES
Year Ended April 30, 2012

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary government							
Governmental activities							
General government	\$ 5,750,635	\$ 1,245,000	\$ 182,452	\$ -	\$ (4,323,183)	\$ -	\$ (4,323,183)
Public safety	15,890,927	1,685,651	361,908	-	(13,843,368)	-	(13,843,368)
Highway and street	3,925,578	-	-	217,300	(3,708,278)	-	(3,708,278)
Public health	296,695	-	-	-	(296,695)	-	(296,695)
Community development	1,174,033	21,520	99,384	182,359	(870,770)	-	(870,770)
Building department	1,324,691	744,387	-	-	(580,304)	-	(580,304)
Interest on long-term debt	1,705,253	-	-	-	(1,705,253)	-	(1,705,253)
Total government activities	30,067,812	3,696,558	643,744	399,659	(25,327,851)	-	(25,327,851)
Business-type activities							
Water	5,183,861	4,332,873	78,399	-	\$ -	\$ (772,589)	(772,589)
Sewer	2,495,388	2,264,922	-	-	(230,466)	-	(230,466)
Garbage	1,427,903	1,309,180	-	-	(118,723)	-	(118,723)
Commuter parking lot	17,958	62,131	-	-	44,173	-	44,173
Total business-type activities	9,125,110	7,969,106	78,399	-	(1,077,605)	(1,077,605)	(1,077,605)
Total primary government	\$ 39,192,922	\$ 11,665,664	\$ 722,143	\$ 399,659	(25,327,851)	(1,077,605)	(26,405,456)
General revenues							
Taxes							
Property taxes, levied for general purposes					16,423,457	-	16,423,457
Public service taxes							
Sales tax					1,822,068	-	1,822,068
Income tax					1,564,958	-	1,564,958
Utility tax					3,326,161	-	3,326,161
Other taxes					1,468,160	-	1,468,160
Unrestricted investment earnings					11,550	4,292	15,842
Transfers					(10,687,072)	10,687,072	-
Gain on sale of capital assets					81,129	-	81,129
Miscellaneous revenues					749,602	2,815	752,417
Total general revenues					14,760,013	10,694,179	25,454,192
Change in net assets					(10,567,838)	9,616,574	(951,264)
Net assets - beginning					19,215,270	9,087,645	28,302,915
Net assets - ending					\$ 8,647,432	\$ 18,704,219	\$ 27,351,651

See accompanying notes to financial statements.

VILLAGE OF FRANKLIN PARK, ILLINOIS

GOVERNMENTAL FUNDS
BALANCE SHEET
April 30, 2012

	Major Funds				Total
	General Corporate Fund	Corporate Bond and Interest Fund	Police Station Fund	Nonmajor Governmental Funds	
Assets					
Cash	\$ 2,842,423	\$ 566,589	\$ 6,299,633	\$ 1,496,967	\$ 11,205,612
Investments	-	293,543	-	2,098,618	2,392,161
Property taxes receivable	5,660,580	1,577,905	-	-	7,238,485
Accrued interest	-	-	-	330	330
Accounts receivable	2,383,458	-	-	35,591	2,419,049
Grant receivable	-	-	-	107,432	107,432
Prepaid items	496,818	-	-	-	496,818
Other assets	1,015,780	-	-	-	1,015,780
Interfund receivables	1,379,713	78,842	105,454	2,003,945	3,567,954
Total assets	\$ 13,778,772	\$ 2,516,879	\$ 6,405,087	\$ 5,742,883	\$ 28,443,621
Liabilities and fund balances					
Liabilities					
Cash overdraft liability	\$ -	\$ -	\$ -	\$ 1,176,636	\$ 1,176,636
Accounts payable	476,633	-	177,026	1,671,191	2,324,850
Accrued payroll	357,730	-	-	113	357,843
Compensated absences payable	554,113	-	-	-	554,113
Deferred property tax revenue	5,228,643	1,493,933	-	-	6,722,576
Other deferred revenue	602,392	-	-	-	602,392
Deposits payable	11,000	-	-	-	11,000
Due to pension funds	37,550	-	-	-	37,550
Due to agency funds	351,450	-	-	-	351,450
Interfund payables	1,426,451	-	-	2,969,997	4,396,448
Total liabilities	9,045,962	1,493,933	177,026	5,817,937	16,534,858
Fund balances					
Nonspendable					
Prepaid items	496,818	-	-	-	496,818
Restricted					
Public safety	-	-	-	485,509	485,509
Highway and streets	-	-	-	43,126	43,126
TIF development	-	-	-	1,823,861	1,823,861
Debt service	-	1,022,946	-	909,494	1,932,440
Capital projects	-	-	6,228,061	-	6,228,061
Assigned					
Public safety	-	-	-	157,179	157,179
Unassigned	4,235,992	-	-	(3,494,223)	741,769
Total fund balances	4,732,810	1,022,946	6,228,061	(75,054)	11,908,763
Total liabilities and fund balances	\$ 13,778,772	\$ 2,516,879	\$ 6,405,087	\$ 5,742,883	\$ 28,443,621

VILLAGE OF FRANKLIN PARK, ILLINOIS

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO STATEMENT OF NET ASSETS
April 30, 2012

Total fund balances - governmental funds \$ 11,908,763

Amounts reported for governmental activities in the net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:

Capital assets	155,143,371	
Accumulated depreciation	<u>(111,933,959)</u>	
Net capital assets		43,209,412

Some assets reported in governmental funds do not increase fund balance because the assets are not "available" to pay for current period expenditures. These assets (i.e., receivables) may be offset by deferred liabilities in the governmental funds. However, these assets may increase net assets in the statement of net assets. They consist of:

State and local taxes	369,350	
Assets held for resale	<u>837,320</u>	
		1,206,670

Interest on long-term debt is not accrued in the governmental funds but rather recognized when due: (730,321)

Costs related to the issuance of long-term debt are recorded as expenditures when incurred in governmental funds, but are capitalized and amortized over the life of the debt issue in the statement of net assets. 1,072,470

Balance sheet items from the Village's internal service fund are allocated to the governmental and business type activities for the government-wide statements (193,719)

Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities consist of :

Bonds payable	(37,543,115)	
Leases payable	(902,201)	
Compensated absences payable	(510,081)	
Net pension obligation	(2,825,661)	
Net OPEB obligation	<u>(6,044,785)</u>	
Total long-term liabilities		<u>(47,825,843)</u>

Net assets of governmental activities \$ 8,647,432

VILLAGE OF FRANKLIN PARK, ILLINOIS

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Year Ended April 30, 2012

	Major Funds				Total
	General Corporate Fund	Corporate Bond and Interest Fund	Police Station Fund	Nonmajor Governmental Funds	
Revenues					
Property taxes	\$ 11,302,477	\$ 3,180,382	\$ -	\$ 1,940,598	\$ 16,423,457
Sales taxes	1,822,068	-	-	-	1,822,068
Income taxes	1,564,958	-	-	-	1,564,958
Utility taxes	3,326,161	-	-	-	3,326,161
Other taxes	970,051	-	-	504,519	1,474,570
Licenses, permits and fees	1,520,581	-	-	-	1,520,581
Grant revenue	776,648	-	-	266,755	1,043,403
Other revenue	744,509	-	135,016	330	879,855
Fines and forfeitures	622,952	-	-	87,526	710,478
Investment income	4,020	55	4,504	2,971	11,550
Charges for services	1,153,915	-	-	311,584	1,465,499
Total revenues	23,808,340	3,180,437	139,520	3,114,283	30,242,580
Expenditures					
Current					
General government	6,238,340	5,003	21,845	1,089,769	7,354,957
Public safety	12,189,339	-	-	383,491	12,572,830
Highway and street	1,688,135	-	-	145,066	1,833,201
Public health	270,011	-	-	-	270,011
Community development	550,891	-	-	583,740	1,134,631
Building department	717,285	-	-	-	717,285
Debt service					
Principal	-	580,000	-	-	580,000
Interest and other charges	97,742	1,376,036	-	-	1,473,778
Capital outlay	1,773,836	-	3,191,074	63,681	5,028,591
Total expenditures	23,525,579	1,961,039	3,212,919	2,265,747	30,965,284
Excess (deficiency) of revenues over (under) expenditures	282,761	1,219,398	(3,073,399)	848,536	(722,704)
Other financing sources (uses)					
Transfers in	1,795,524	1,300,046	-	1,724,802	4,820,372
Transfers out	(852,167)	(5,026,850)	(600,949)	(9,027,478)	(15,507,444)
Proceeds from bonds	-	-	9,975,000	-	9,975,000
Bond premium	-	-	504,324	-	504,324
Bond issuance costs	-	-	(482,352)	-	(482,352)
Proceeds from capital lease	414,856	-	-	-	414,856
Proceeds from sale of capital assets	81,129	-	-	-	81,129
Total other financing sources (uses)	1,439,342	(3,726,804)	9,396,023	(7,302,676)	(194,115)
Net changes in fund balances	1,722,103	(2,507,406)	6,322,624	(6,454,140)	(916,819)
Fund balances at beginning of year	3,010,707	3,530,352	(94,563)	6,379,086	12,825,582
Fund balances at end of year	\$ 4,732,810	\$ 1,022,946	\$ 6,228,061	\$ (75,054)	\$ 11,908,763

See accompanying notes to financial statements.

VILLAGE OF FRANKLIN PARK, ILLINOIS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
Year Ended April 30, 2012

Net change in fund balances - total governmental funds \$ (916,819)

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

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

Capital outlay	4,506,046	
Depreciation	<u>(2,175,288)</u>	
Capital outlay in excess of depreciation		2,330,758

Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Similarly, the issuance of long-term debt is recognized as an "other financing source" in the fund statements but increases the long-term liability in the statement of net assets.

Principal retirement - bonds	580,000	
Principal retirement - leases	144,858	
Proceeds from bonds	(9,975,000)	
Bond premium	(504,324)	
Bond issuance costs	482,352	
Proceeds from capital leases	<u>(414,856)</u>	
		(9,686,970)

Some revenues were not collected within sixty days of year end and were not considered "available" to pay for current year expenditures. These amounts are therefore deferred in the funds statements but recognized in the government-wide statements. The change from prior year is:

(136,663)

Revenues and expenditures for the internal service fund are not shown on the governmental fund statements. For the government wide statements, these revenues and expenditures are allocated to the governmental and business type activities

(29,613)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.

Amortization of deferred bond issuance costs, premium and discount	78,239	
Change in compensated absences payable	(46,733)	
Change in net pension obligation	(235,962)	
Change in net OPEB obligation	(1,614,361)	
Change in accrued interest on debt	<u>(309,714)</u>	
Total expenses of non-current resources		<u>(2,128,531)</u>

Change in net assets of governmental activities \$ (10,567,838)

VILLAGE OF FRANKLIN PARK, ILLINOIS

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 April 30, 2012

	Major Funds			Nonmajor Funds			Internal Service	
	Water Fund	Sewer Fund	Garbage Fund	Commuter Parking Lot Fund	Total	Fleet Maintenance Fund		
Assets								
Current assets:								
Cash	\$ 863,647	\$ 2,477,699	\$ -	\$ 148,780	\$ 3,490,126	\$ -		
Accounts receivable	290,673	325,327	378,878	-	994,878	4		
Interfund receivable	1,051,360	139,063	473,012	-	1,663,435	-		
Total current assets	2,205,680	2,942,089	851,890	148,780	6,148,439	4		
Noncurrent assets:								
Unamortized bond costs	-	133,461	-	-	133,461	-		
Capital assets, not being depreciated	150,000	35,000	-	-	185,000	-		
Capital assets, net of accumulated depreciation	8,706,176	28,166,114	-	-	36,872,290	-		
Total noncurrent assets	8,856,176	28,334,575	-	-	37,190,751	-		
Total assets	11,061,856	31,276,664	851,890	148,780	43,339,190	4		
Liabilities								
Current liabilities:								
Cash overdraft liability	-	-	1,051,017	-	1,051,017	224,228		
Accounts payable	700,009	234,002	227,665	-	1,161,676	16,384		
Accrued payroll	18,461	4,176	4,468	-	27,105	5,997		
Compensated absences payable	21,179	21,180	-	-	42,359	-		
Accrued interest payable	2,521	275,454	-	-	277,975	-		
Interfunds payable	825,000	-	-	9,941	834,941	-		
Current portion - bonds payable	-	1,085,000	-	-	1,085,000	-		
Current portion - loans payable	328,016	871,361	-	-	1,199,377	-		
Current portion - leases payable	-	-	-	-	-	-		
Total current liabilities	1,895,186	2,491,173	1,283,150	9,941	5,679,450	246,609		
Noncurrent liabilities:								
Noncurrent portion - bonds payable	-	14,444,448	-	-	14,444,448	-		
Noncurrent portion - loans payable	-	3,944,037	-	-	3,944,037	-		
Net OPEB obligation	257,075	257,075	-	-	514,150	-		
Total noncurrent liabilities	257,075	18,645,560	-	-	18,902,635	-		
Total liabilities	2,152,261	21,136,733	1,283,150	9,941	24,582,085	246,609		
Net assets								
Invested in capital assets,								
Net of related debt	8,528,160	8,870,716	-	-	17,398,876	-		
Unrestricted	381,435	1,269,215	(431,260)	138,839	1,358,229	(246,605)		
Total net assets	\$ 8,909,595	\$ 10,139,931	\$ (431,260)	\$ 138,839	\$ 18,757,105	\$ (246,605)		
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds								
(52,886)								
Net assets of business-type activities \$ 18,704,219								

See accompanying notes to financial statements.

VILLAGE OF FRANKLIN PARK, ILLINOIS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
 PROPRIETARY FUNDS
 Year Ended April 30, 2012

	Major Funds		Nonmajor Funds		Total	Internal Service
	Water Fund	Sewer Fund	Garbage Fund	Commuter Parking Lot Fund		Fleet Maintenance Fund
Operating revenues						
Charges for services	\$ 4,332,873	\$ 2,264,922	\$ 1,309,180	\$ 62,131	\$ 7,969,106	\$ 521,011
Other revenue	2,815	-	-	-	2,815	-
Total operating revenues	<u>4,335,688</u>	<u>2,264,922</u>	<u>1,309,180</u>	<u>62,131</u>	<u>7,971,921</u>	<u>521,011</u>
Operating expenses						
Administration	877,715	542,492	40,654	9,295	1,470,156	230,145
Water purchases	2,561,906	-	-	-	2,561,906	-
Repairs & maintenance	556,264	426,200	65,108	8,663	1,056,235	-
Supplies & services	629,213	139,630	1,318,608	-	2,087,451	331,548
Depreciation	545,362	569,552	-	-	1,114,914	-
Total operating expenses	<u>5,170,460</u>	<u>1,677,874</u>	<u>1,424,370</u>	<u>17,958</u>	<u>8,290,662</u>	<u>561,693</u>
Operating income (loss)	<u>(834,772)</u>	<u>587,048</u>	<u>(115,190)</u>	<u>44,173</u>	<u>(318,741)</u>	<u>(40,682)</u>
Non-operating revenues (expenses)						
Grant revenue	78,399	-	-	-	78,399	-
Investment income	3,991	-	-	301	4,292	-
Interest expense	(10,199)	(813,180)	-	-	(823,379)	-
Total non-operating revenues (expenses)	<u>72,191</u>	<u>(813,180)</u>	<u>-</u>	<u>301</u>	<u>(740,688)</u>	<u>-</u>
Income before transfers	<u>(762,581)</u>	<u>(226,132)</u>	<u>(115,190)</u>	<u>44,474</u>	<u>(1,059,429)</u>	<u>(40,682)</u>
Transfers						
Transfer in	3,488,656	5,665,127	1,615,355	-	10,769,138	-
Transfer out	-	-	-	(82,066)	(82,066)	-
Total transfers	<u>3,488,656</u>	<u>5,665,127</u>	<u>1,615,355</u>	<u>(82,066)</u>	<u>10,687,072</u>	<u>-</u>
Net income (loss)	2,726,075	5,438,995	1,500,165	(37,592)	9,627,643	(40,682)
Net assets at beginning of year	<u>6,183,520</u>	<u>4,700,936</u>	<u>(1,931,425)</u>	<u>176,431</u>	<u>9,129,462</u>	<u>(205,923)</u>
Net assets at end of year	<u>\$ 8,909,595</u>	<u>\$ 10,139,931</u>	<u>\$ (431,260)</u>	<u>\$ 138,839</u>	<u>\$ 18,757,105</u>	<u>\$ (246,605)</u>
Reconciliation of the statement of revenues, expenses, and changes in fund net assets - proprietary funds to the statement of activities						
					Net Income (loss) per above	\$ 9,627,643
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						(11,069)
Change in net assets of business-type activities						\$ 9,616,574

VILLAGE OF FRANKLIN PARK, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 Year Ended April 30, 2012

	Major Funds		Nonmajor Funds		Total Enterprise Funds	Internal Service Fleet Maintenance Fund
	Water Fund	Sewer Fund	Garbage Fund	Commuter Parking Lot Fund		
Cash flows provided (used) by operating activities						
Receipts from customers	\$ 4,415,777	\$ 2,290,443	\$ 1,156,485	\$ 62,131	\$ 7,924,836	\$ 521,011
Payments to suppliers	(6,298,537)	(2,686,173)	(2,170,939)	(17,958)	(11,173,607)	(292,031)
Payments to employees	(534,956)	(249,349)	(127,889)	-	(912,194)	(228,980)
Net cash provided (used) by operating activities	(2,417,716)	(645,079)	(1,142,343)	44,173	(4,160,965)	-
Cash flows provided (used) by non-capital and related financing activities						
Grants	78,399	-	-	-	78,399	-
Interfund borrowing	126,706	280,937	(473,012)	9,941	(55,428)	-
Interfund transfers	3,488,656	5,665,127	1,615,355	(82,066)	10,687,072	-
Net cash provided (used) by non-capital and related financing activities	3,693,761	5,946,064	1,142,343	(72,125)	10,710,043	-
Cash flows used by capital and related financing activities						
Principal paid on capital asset acquisition debt	(15,615)	(1,876,112)	-	-	(1,891,727)	-
Interest paid on capital asset acquisition debt	(10,199)	(903,988)	-	-	(914,187)	-
Purchases of capital assets	(390,575)	(43,186)	-	-	(433,761)	-
Net cash used by capital and related financing activities	(416,389)	(2,823,286)	-	-	(3,239,675)	-
Cash flows provided by investing activities						
Interest	3,991	-	-	301	4,292	-
Net cash provided by investing activities	3,991	-	-	301	4,292	-
Net increase in cash and cash equivalents	863,647	2,477,699	-	(27,651)	3,313,695	-
Balances - beginning of the year	-	-	-	176,431	176,431	-
Balances - end of year	\$ 863,647	\$ 2,477,699	\$ -	\$ 148,780	\$ 3,490,126	\$ -
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ (834,772)	\$ 587,048	\$ (115,190)	\$ 44,173	\$ (318,741)	\$ (40,682)
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation expense	545,362	569,552	-	-	1,114,914	-
Change in assets and liabilities:						
Decrease (increase) receivables, net	80,089	25,521	(152,695)	-	(47,085)	-
(Decrease) increase accounts payable	(2,269,174)	(1,883,193)	(874,930)	-	(5,027,297)	39,557
(Decrease) increase accrued payroll	3,007	(1,779)	472	-	1,700	1,125
(Decrease) increase compensated absences	(2,266)	(2,266)	-	-	(4,532)	-
(Decrease) increase OPEB obligation	60,038	60,038	-	-	120,076	-
Net cash provided (used) by operating activities	\$ (2,417,716)	\$ (645,079)	\$ (1,142,343)	\$ 44,173	\$ (4,160,965)	\$ -
Supplemental disclosures of non-cash transactions						
Purchases of capital assets	\$ (106,498)	\$ -	\$ -	\$ -	\$ (106,498)	\$ -
Change in net OPEB obligation	60,038	60,038	-	-	120,076	-

See accompanying notes to financial statements.

VILLAGE OF FRANKLIN PARK, ILLINOIS

STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 April 30, 2012

	Pension Trust Funds	Agency Funds
Assets		
Cash	\$ 72,763	\$ -
Investments:		
Certificates of deposit	5,912,571	-
US government and agency obligations	7,647,397	-
Corporate bonds	5,539,852	-
Insurance contracts	12,788,505	-
Equity securities	1,851,384	-
Equity mutual funds	4,150,632	-
Money market mutual funds	3,001,807	-
Accrued interest receivable	127,944	-
Other receivable	-	419
Due from village	37,550	351,450
Prepays	2,788	-
Total assets	<u>41,133,193</u>	<u>\$ 351,869</u>
Liabilities		
Accounts payable	12,100	\$ -
Deposits payable	-	351,869
Total liabilities	<u>12,100</u>	<u>\$ 351,869</u>
Net assets		
Held in trust for pension benefits and other purposes	<u>41,121,093</u>	
Total net assets	<u>\$ 41,121,093</u>	

See accompanying notes to financial statements.

VILLAGE OF FRANKLIN PARK, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 Year Ended April 30, 2012

	<u>Pension Trust Funds</u>
Additions	
Contributions	
Employer	\$ 2,743,994
Plan members	<u>621,661</u>
Total contributions	<u>3,365,655</u>
Net investment earnings	<u>982,211</u>
Total additions	<u>4,347,866</u>
Deductions	
Benefits	4,130,579
Administrative expenses	<u>91,436</u>
Total deductions	<u>4,222,015</u>
Change in net assets	125,851
Net assets - beginning of year	<u>40,995,242</u>
Net assets - end of year	<u>\$ 41,121,093</u>

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of Franklin Park, Illinois ("Village") have been prepared in conformity with accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the Village's significant accounting policies.

Reporting Entity and Its Services: The Village is a municipal corporation governed by an elected board. The Village has adopted the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity under which these financial statements include all organizations, activities, functions and component units for which the Village is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the Village's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Village.

In conformity with accounting principles generally accepted in the United States of America, the financial statements of the Police Pension Plan, Firefighter's Pension Plan and Foreign Fire Insurance Premium Tax Fund have been included in the financial reporting entity as blended component units.

Police Pension Plan – The Village's police department employees participate in the Police Pension Plan ("Police Pension Plan"). The Police Pension Plan functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the President, one elected pension beneficiary, and two elected police employees constitute the pension board. The Village is obligated to fund all Police Pension Plan costs based on actuarial valuations. The nature of the Police Pension Plan dictates the Village's financial accountability. The Village appoints a voting majority of the component unit's board and the pension fund has the possibility of imposing a financial burden on the Village. The State of Illinois is authorized to establish benefit levels and the government is authorized to approve the actuarial assumptions used in the determination of contribution levels. Separately issued financial statements for the Police Pension Plan can be obtained from the Village by contacting the Village Controller.

Firefighter's Pension Plan – The Village's fire department employees participate in the Firefighter's Pension Plan ("Firefighter's Pension Plan"). The Firefighter's Pension Plan functions for the benefit of these employees and is governed by a nine-member pension board. The Village's President, Treasurer, Clerk, Attorney, and Fire Chief, one elected pension beneficiary, and three elected fire employees constitute the pension board. The Village is obligated to fund all Firefighter's Pension Plan costs based on actuarial valuations. The nature of the Plan dictates the Village's financial accountability. The Village appoints a voting majority of the component unit's board and the pension fund has the possibility of imposing a financial burden on the Village. The State of Illinois is authorized to establish benefit levels and the government is authorized to approve the actuarial assumptions used in the determination of contribution levels. Separately issued financial statements for the Firefighter's Pension Plan can be obtained from the Village by contacting the Village Controller.

Foreign Fire Insurance Premium Tax Fund – The Foreign Fire Insurance Premium Tax Fund was established to account for the fire department's allocable foreign fire insurance tax revenue. This revenue is provided to the fire department as an inducement to assist neighboring communities in emergency situations. The fund is governed by a board that includes members of the Board of Trustees and fire department personnel, all of which are elected by the members of the fire department. The fund is included within the Village's reporting entity as a special revenue fund.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation: The Village's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information. The government-wide focus is more on the sustainability of the Village as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

Government-wide Financial Statements – The statement of net assets and the statement of activities display information about the Village as a whole. In the government-wide statement of net assets, both the governmental and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for fiduciary activities. For the most part, the effect of interfund activity has been removed from these 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 government-wide statement of activities reflects both the direct expenses and net cost of each function of the Village's governmental activities and business-like activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Village, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the Village.

Fund Financial Statements – The financial transactions of the Village are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as nonmajor funds. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Measurement Focus and Basis of Accounting:

Government-Wide Financial Statements – The government-wide financial statements and fund financial statements for proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statements of net assets and the operating statements present increases (revenues) and decreases (expenses) in total net assets. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Village has reported three categories of program revenues in the statement of activities (1) charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the Village's general revenues. For identifying the function to which a program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the statement of net assets to remove the "grossing-up" effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables and advances. Similarly, operating transfers between funds have been eliminated in the statement of activities. Amounts reported in the governmental funds as receivable from or payable to fiduciary funds have been reclassified in the statement of net assets as accounts receivable or payable to external parties.

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the Village considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. In fiscal year 2012, the Village elected to recognize 12 months of revenue for state income taxes despite the collection of revenues past the 60 day availability period due to delayed payment from the Illinois Department of Revenue. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, property taxes, sales taxes and income taxes. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary funds separate all activity into two categories: operating and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses entail all other activity not included in operating revenues and expenses. Non-operating revenues and expenses include capital and noncapital financing activities and investing activities.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Village's policy to apply restricted resources first, then unrestricted resources as needed.

Differences occur from the manner in which the governmental activities and the government-wide financial statements are prepared due to the inclusion of capital asset and long-term debt activity. Governmental fund financial statements, therefore, includes a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Village reports the following major governmental funds:

General Corporate Fund – The General Corporate Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

Corporate Bond and Interest Fund – This debt service fund is used to account for resources utilized for payment of principal and interest of the Village's long term debt.

Police Station Fund – This capital project fund is used to account for resources utilized for payment of construction and related costs for the Village's planned new police station.

Proprietary Funds

Proprietary Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the Village Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Village reports the following major proprietary funds:

Water Fund – The Water Fund accounts for the operating activities of the Village's water utilities services.

Sewer Fund – The Sewer Fund accounts for the operating activities of the Village's sewer utilities services.

Garbage Fund – The Garbage Fund accounts for the operating activities of the Village's refuse utilities services.

Commuter Parking Lot Fund – The Commuter Parking Lot fund accounts for the operating activities of the Village's parking lot activities.

Internal Service Fund

Internal service funds account for fleet maintenance services provided to other departments of the Village on a cost reimbursement basis.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the Village's own programs. Fiduciary funds report assets held by the Village in a trustee capacity.

The Village has two pension trust funds that account for the Police Pension Plan and the Firefighter's Pension Plan.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds

In addition to the major funds mentioned above, the Village uses the following governmental fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Funds – Debt Service Funds are used to account for the accumulation of resources for and the payment of, general long-term debt principal, interest and related costs

Capital Projects Fund – The Capital Projects Fund is used to account for the Village's purchase or construction of major capital facilities, which are not financed by other funds.

Interfund Loans: Noncurrent portions of long-term interfund loans receivable are equally offset by a fund balance reserve account which indicates that they do not constitute "available spendable resources" since they are not a component of net current assets. During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "interfund receivables/payables" on the Governmental and Proprietary Fund balance sheets. Any residual balances between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with a cost of \$10,000 or more and a useful life of more than one year. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation of all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	40 years
Infrastructure	20-75 years
Water and sewer system	10-75 years
Vehicles and equipment	5-10 years

Investments: Investments consist of certificates of deposit, treasury obligations, insurance contracts and equity securities held by broker-dealers for the Police Pension Plan and Fire Pension Plan with original maturities greater than three months. Investments are stated at fair value in accordance with GASB 31. Fair values for the Illinois Funds are the same as the value of the pool shares. State statute requires these funds to comply with the Illinois Public Funds Investment Act.

Inventory: Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory is recorded on the basis of a physical count. Immaterial inventories at year end are not reported on the balance sheet.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Claims and Judgments: Liabilities resulting from claims and judgments, if any, have been reflected in the financial statements in accordance with accounting principles generally accepted in the United States of America.

Property Tax Revenue Recognition: Property taxes attach as an enforceable lien on January 1. They are levied in December (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1 and August 1 and are payable in two installments, on or about March 1 and September 1. The County collects such taxes and remits them periodically. Property tax revenues are recognized when they become both measurable and available, in accordance with the Government Accounting Standards Board. "Measurable" means that amounts can be reasonably determined within the current period. "Available" means that amounts are due and collectible within the current period or soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. Property taxes levied in the current year which are not collected at year end and are not used to pay liabilities of the current period do not meet the "available" criterion and are reported as deferred revenue in the fund financial statements.

Property taxes receivable are initially recorded at the gross levy less an allowance for uncollectible taxes. Taxes receivable and/or the allowance are adjusted periodically to reflect taxes receivable at their estimated realizable value. Property taxes receivable which are delinquent more than one year have been fully reserved. The allowance for uncollectible property taxes is equal to 3% of the tax levy as recommended by the County Clerk, except in the case of bond levies for which the allowance is equal to 5% of the tax levy as is recommended by the County Clerk.

Accumulated Unpaid Compensated Absences: In the event of termination or retirement, employees are reimbursed for accumulated sick and vacation time. Village employees are allotted sick and vacation time on a calendar year basis. Any unused vacation time as of December 31 is lost on January 1 of the following year. Police and Fire department and employees are paid out for unused sick and vacation time upon termination of employment or retirement per standing union contracts. Non-union Village employees are paid out for 25% of unused sick time and 100% of unused vacation time. As such, the total liability as of the fiscal year end is \$1,106,553.

Cash and Cash Equivalents: Cash and cash equivalents represent cash on hand, cash deposited in interest-bearing and non-interest bearing checking accounts, treasury obligations and investments in certificates of deposit with original maturities of three months or less. For the purposes of the Statement of Cash Flows, the Village considers all highly liquid investments with an original maturity date of three months or less when purchased to be cash equivalents.

Deferred/Unearned Revenue: The Village reports deferred and unearned revenues on its financial statements. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Unearned revenues arise when resources are received by the Village 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 revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for deferred and unearned revenue is removed from the balance sheet or statement of net assets and revenue is recognized.

Accounting For Proprietary Fund Activities: The Village has chosen the option to apply all applicable GASB pronouncements and all FASB Statements and Interpretations, Accounting Principles Board (APB) Opinions and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements, to the proprietary fund activities. Guidance after November 30, 1989 has been implemented.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates: Management has made a number of estimates and assumptions relating to the reporting of assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

Assets Held for Resale: The Village has purchased several pieces of real property within the Village with the intent of reselling the property to developers for future redevelopment. These property sales are not anticipated to occur within the next fiscal year. As such, they are classified as a noncurrent asset in the Government-wide statements valued at cost. The carrying amount as of April 30, 2012 was \$837,320.

NOTE 2 – NET ASSETS AND FUND BALANCES

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition construction or improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

In order to comply with the Governmental Accounting Standard Board's (GASB) Statement No. 54, Fund Balance Reporting and Government Fund Type Definitions, the fund balance section of the balance sheet of the governmental funds has been modified from prior years. Previously, the fund balance section focused on whether these resources were available for spending. It also distinguished the unreserved fund balance from the reserved fund balance. In order to show compliance with GASB Statement No. 54, however, the components of the new fund balance include the following line items:

- a. Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact
- b. Restricted fund balance is externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation
- c. Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the Village, the Board of Trustees is the highest level of decision making. As of April 30, 2012, the Village does not have any commitments of fund balance.
- d. Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the Board of Trustees designated for that purpose. The intended use is established by an official designated for that purpose. The Board of Trustees has not designated any members of management for this purpose.
- e. Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance.

The implementation of these new components is intended to decrease confusion and help serve the needs of the financial statement users.

If there is an expenditure incurred for purposes for which both restricted and unrestricted fund balance is available, the Village will consider restricted fund balance to have been spent before unrestricted fund balance. Further, if there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the Village will consider committed fund

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 April 30, 2012

NOTE 2 – NET ASSETS AND FUND BALANCES (Continued)

balance to be spent before assigned fund balance, and consider assigned fund balance to be spent before unassigned fund balance.

The Village does not have a minimum fund balance policy.

The following funds had deficit fund balances at April 30, 2012:

<u>Fund</u>	<u>Amount</u>
Downtown Franklin Avenue TIF Fund	\$ 1,877,003
Waveland/Mannheim TIF Fund	531,436
O'Hare East Industrial TIF Fund	250,493
Resurrection TIF Fund	824,818
Special Service Area #4 Fund	10,473
Garbage Fund	431,260
Fleet Maintenance Fund	246,605

The Village plans to recover these deficits by using future revenues and through transfers of cash from other Village operating funds.

NOTE 3 - CASH AND INVESTMENTS

Permitted Deposits and Investments: Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Public Treasurer's Investment Pool. The Pension Trust Funds may also invest in certain non-U.S. obligations, mortgages, veteran's loans, life insurance company contracts, money market mutual funds and common and preferred stocks. Pension funds with net assets of \$2.5 million or more may invest up to 45% of plan net assets in separate accounts of life insurance companies and mutual funds. In addition, pension funds with net assets of at least \$5 million that have appointed an investment advisor may invest up to 45% of the plan's net assets in common and preferred stocks that meet specific restrictions. Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does not operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Fund's share price, the price for which the investment could be sold. The shares do not mature.

Cash: The carrying amount of cash, excluding the Pension Trust Funds, was \$6,137,584 at April 30, 2012, while the bank balances were \$6,657,157. All account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000, or collateralized with securities of the U.S government or with letters of credit issued by the Federal Home Loan Bank held in the Village's name by financial institutions acting as the Village's agent.

Investments (Excluding Pension Trust Fund): The following schedule reports the fair values for the Village's investments at April 30, 2012. All investments mature in less than one year:

<u>Investment Types</u>	<u>Fair Value</u>
Money market mutual fund	\$ 2,392,161
Treasurer Illinois Funds	6,106,273
Total investments	<u>\$ 8,498,434</u>

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 3 - CASH AND INVESTMENTS (Continued)

Interest Rate Risk – The Village limits its exposure to interest rate risk by structuring its portfolio so that it does not investing any operating funds in any debt instruments other than U.S. Agencies and Illinois Funds.

Credit Risk – The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Agencies and Illinois Funds. The United States Agencies are implicitly guaranteed by the United States Government. Illinois Funds are rated AAAM by Standard & Poor's.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village limits its exposure to custodial credit risk by utilizing independent, third-party intuitions, selected by the Village, to act as custodians for its securities and collateral. The Village's investments are fully collateralized as of April 30, 2012.

Concentration of Credit Risk – The Village limits the amount the Village may invest in any one issuer, with no more than 50% of the funds may be invested in a single institution. More than 5% of the Village's investments are in Amalgamated Bank money market mutual fund, Wells Fargo money market mutual fund and Illinois Funds. These investments are 16%, 12% and 72%, respectively, of the Village's investments. The concentration of investments in Illinois Funds is a violation of the Village's investment policy.

Cash – Police Pension Plan: At April 30, 2012, the Police Pension Plan's carrying amount of cash was \$16,397 while the bank balances were \$16,397. The FDIC insures bank balances up to \$250,000. As of April 30, 2012, all of the bank balance was collateralized with securities of the U.S. government held in the Police Pension Plan's name by a financial institution acting as the Police Pension Plan's agent.

Certificates of Deposit – Police Pension Plan: Certificates of Deposit amounted to \$5,912,571 at April 30, 2012. In accordance with Police Pension Plan policy, certificates of deposit of \$5,851,422 were collateralized with securities of the U.S. Government. \$61,149 of certificates of deposit were uncollateralized. All investment collateral is held in safekeeping in the Police Pension Plan's name by financial institutions acting as the Police Pension Plan agent. Collateral is priced to market semi-monthly and monitored regularly with additional collateral requested as necessary.

Investments – Police Pension Plan: The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Police Pension Plan's investments at April 30, 2012:

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 3 - CASH AND INVESTMENTS (Continued)

Investment Type	Fair Value	Investment Maturities			
		Less than One Year	One to Five Years	Six to Ten Years	Greater than Ten Years
U.S. Agencies	\$ 1,076,989	\$ -	\$ 419,562	\$ -	\$ 657,427
U.S. Treasury Notes	845,344	-	268,670	576,674	-
Money Market Mutual Funds	1,984,397	1,984,397	-	-	-
Corporate Bonds	1,575,062	51,193	1,156,614	367,255	-
Total	5,481,792	\$ 2,035,590	\$ 1,844,846	\$ 943,929	\$ 657,427

Investments Not Sensitive to

Interest Rate Risk:

Mutual Funds 861,195

Life Insurance Annuities 7,204,787

Total Investments \$ 13,547,774

Interest Rate Risk – The Police Pension Plan’s formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Police Pension Plan helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Police Pension Plan’s investment policy established criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The investments in the securities of U.S Agencies were all rated triple by Standard & Poor’s or by Moody’s Investors Services. The Police Pension Plan’s investment policy also prescribes the “prudent person” rule. Unrated investments are listed below:

Investment	Par Value	Interest Rate	Maturity Date
Federal National Mortgage Association	\$ 98,131	3.000%	1/1/2027

Certain Corporate Bonds are guaranteed under the Federal Deposit Insurance Corporation’s Temporary Liquidity Guarantee Program and are backed by the full faith and credit of United States. The details of the FDIC guarantee are provided in the FDIC’s regulations, 12 CR Part 370. The expiration date of the FDIC’s guarantee is the earlier of the maturity date of the debt or December 31, 2012.

Custodial Credit Risk – For an investment, this is the risk that, in the event of the failure of the counterparty, the Police Pension Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Mutual funds are not subject to custodial credit risk disclosures. Although not required by the Police Pension Plan’s investment policy, the Police Pension Plan limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Police Pension Plan, to act as custodian for its securities and collateral.

Concentration of Credit Risk – The Police Pension Plan places no limit on the amount it may invest in any one issuer. More than 5% of the Police Pension Plan’s investments are in Scudder Gateway Insurance Contract, SunLife Insurance Contract and Jackson National Life Insurance Contracts. These investments are 10%, 7%, and 6%, respectively, of the Police Pension Plan’s total investments.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 3 - CASH AND INVESTMENTS (Continued)

Cash – Firefighter’s Pension Plan: At April 30, 2012, the Firefighter’s Pension Plan’s carrying amount of cash was \$56,366 while the bank balances were \$35,739. The FDIC insures bank balances up to \$250,000. As of April 30, 2012, all of the bank balance was collateralized with securities of the U.S. government held in the Firefighter’s Pension Plan’s name by a financial institution acting as the Firefighter’s Pension Plan’s agent.

Investments – Firefighter’s Pension Plan: The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Firefighter’s Pension Plan’s investments at April 30, 2012:

Investment Type	Fair Value	Investment Maturities			
		Less than One Year	One to Five Years	Six to Ten Years	Greater than Ten Years
U.S. Treasury Notes	\$ 1,868,792	\$ 469,867	\$ 289,417	\$ 1,109,508	\$ -
U.S. Agencies	3,856,272	-	945,358	534,021	2,376,893
Money Market Mutual Funds	1,017,410	1,017,410	-	-	-
Corporate Bonds	3,964,790	30,265	1,715,891	1,735,640	482,994
Total	10,707,264	\$ 1,517,542	\$ 2,950,666	\$ 3,379,169	\$ 2,859,887

Investments Not Sensitive to

Interest Rate Risk:	
Equity Securities	\$ 1,851,384
Mutual Funds	3,289,437
Life Insurance Annuities	5,583,718
Total Investments	\$ 21,431,803

Interest Rate Risk – The Firefighter’s Pension Plan’s formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Firefighter’s Pension Plan helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Firefighter’s Pension Plan’s investment policy established criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The investments in the securities of U.S Agencies were all rated triple by Standard & Poor’s or by Moody’s Investors Services. The Firefighter’s Pension Plan’s investment policy also prescribes the “prudent person” rule. Unrated investments are listed below:

Investment	Par Value	Interest Rate	Maturity Date
Federal Home Loan Mortgage Corporation	\$ 1,610	7.000%	9/1/2035
Federal Home Loan Mortgage Corporation	866	7.000%	2/1/2032
Federal National Mortgage Association	40,462	5.750%	8/25/2034
Federal National Mortgage Association	8,371	7.500%	7/1/2029
Federal National Mortgage Association	7,512	7.000%	6/1/2032
Federal National Mortgage Association	4,082	7.000%	10/1/2029

Certain Corporate Bonds are guaranteed under the Federal Deposit Insurance Corporation’s Temporary Liquidity Guarantee Program and are backed by the full faith and credit of United States. The details of the FDIC guarantee are provided in the FDIC’s regulations, 12 CR Part 370. The expiration date of the FDIC’s guarantee is the earlier of the maturity date of the debt or December 31, 2012.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 April 30, 2012

NOTE 3 - CASH AND INVESTMENTS (Continued)

Custodial Credit Risk – For an investment, this is the risk that, in the event of the failure of the counterparty, the Firefighter’s Pension Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Mutual funds are not subject to custodial credit risk disclosures. The Firefighter’s Pension Plan limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Firefighter’s Pension Plan, to act as custodian for its securities and collateral.

Concentration of Credit Risk – The Firefighter’s Pension Plan has a stated target that 55% of the portfolio be in fixed income securities, 40% in equities and 5% in real estate. More than 5% of the Firefighter’s Pension Plan’s investments are in Pridex Wishire Insurance Contract, Principal Life Insurance Contract, Artisan International Fund and Vanguard Total International Stock Index Fund. These investments are 20%, 6%, 6% and 6%, respectively, of the Firefighter’s Pension Plan’s total investments.

Reconciliation to Financial Statements:

Cash and investments per financial statements:

Statement of net assets	
Cash	\$ 14,471,510
Investments	2,392,161
Cash overdraft liability	(2,227,653)
Statement of fiduciary net assets	
Pension trust funds	
Cash	72,763
Certificates of deposit	5,912,571
US government and agency obligations	7,647,397
Corporate bonds	5,539,852
Insurance contracts	12,788,505
Equity securities	1,851,384
Equity mutual funds	4,150,632
Money market mutual funds	3,001,807
Total	<u>\$ 55,600,929</u>

Cash and investments per footnote:

Cash	\$ 6,137,584
Investments	8,498,434
Cash – Police Pension Plan	16,397
Certificate of deposits – Police Pension Plan	5,912,571
Investments – Police Pension Plan	13,547,774
Cash – Firefighter’s Pension Plan	56,366
Investments – Firefighter’s Pension Plan	21,431,803
Total	<u>\$ 55,600,929</u>

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 4 - CAPITAL ASSETS

A summary of changes in the Village's Governmental Activities capital assets for the period May 1, 2011 through April 30, 2012 follows:

	<u>Balance at May 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at April 30, 2012</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 10,340,098	\$ 2,115,168	\$ -	\$ 12,455,266
Construction in progress	-	1,759,365	-	1,759,365
Total capital assets being not depreciated	<u>10,340,098</u>	<u>3,874,533</u>	<u>-</u>	<u>14,214,631</u>
Capital assets being depreciated:				
Infrastructure	128,743,106	-	-	128,743,106
Buildings and improvements	5,798,988	368,025	-	6,167,013
Vehicles and equipment	6,275,306	263,488	(520,173)	6,018,621
Subtotal	<u>140,817,400</u>	<u>631,513</u>	<u>(520,173)</u>	<u>140,928,740</u>
Less accumulated depreciation:				
Infrastructure	(102,004,128)	(1,678,600)	-	(103,682,728)
Buildings and improvements	(3,185,057)	(132,896)	-	(3,317,953)
Vehicles and equipment	(5,089,659)	(363,792)	520,173	(4,933,278)
Total accumulated depreciation	<u>(110,278,844)</u>	<u>(2,175,288)</u>	<u>520,173</u>	<u>(111,933,959)</u>
Total capital assets being depreciated, net	<u>30,538,556</u>	<u>(1,543,775)</u>	<u>-</u>	<u>28,994,781</u>
Governmental activities capital assets, net	<u>\$ 40,878,654</u>	<u>\$ 2,330,758</u>	<u>\$ -</u>	<u>\$ 43,209,412</u>

Depreciation expenses for the Village's Governmental Activities were charged to the following functions:

General government	\$ 126,178
Public safety	229,822
Highway and street	1,819,288
Total	<u>\$ 2,175,288</u>

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 4 - CAPITAL ASSETS (Continued)

A summary of changes in the Village's Business-Type Activities capital assets for the period May 1, 2011 through April 30, 2012 follows:

	<u>Balance at May 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at April 30, 2012</u>
Business-Type activities:				
Capital assets not being depreciated:				
Land	\$ 185,000	\$ -	\$ -	\$ 185,000
Construction in progress	<u>71,998</u>	<u>-</u>	<u>(71,998)</u>	<u>-</u>
Total capital assets being not depreciated	<u>256,998</u>	<u>-</u>	<u>(71,998)</u>	<u>185,000</u>
Capital assets being depreciated:				
Water and sewer system	49,294,404	75,015	-	49,369,419
Storage reservoir/pump	5,283,453	403,490	-	5,686,943
Buildings and improvements	2,109,296	-	-	2,109,296
Vehicles and equipment	<u>2,854,288</u>	<u>61,754</u>	<u>-</u>	<u>2,916,042</u>
Subtotal	<u>59,541,441</u>	<u>540,259</u>	<u>-</u>	<u>60,081,700</u>
Less accumulated depreciation:				
Water and sewer system	(15,977,648)	(825,853)	-	(16,803,501)
Storage reservoir/pump	(2,618,667)	(161,348)	-	(2,780,015)
Buildings and improvements	(916,261)	(52,544)	-	(968,805)
Vehicles and equipment	<u>(2,581,920)</u>	<u>(75,169)</u>	<u>-</u>	<u>(2,657,089)</u>
Total accumulated depreciation	<u>(22,094,496)</u>	<u>(1,114,914)</u>	<u>-</u>	<u>(23,209,410)</u>
Total capital assets being depreciated, net	<u>37,446,945</u>	<u>(574,655)</u>	<u>-</u>	<u>36,872,290</u>
Business-Type activities capital assets, net	<u>\$ 37,703,943</u>	<u>\$ (574,655)</u>	<u>\$ (71,998)</u>	<u>\$ 37,057,290</u>

Depreciation expenses for the Village's Business-Type Activities were charged to the following functions:

Water	\$ 545,362
Sewer	<u>569,552</u>
Total	<u>\$ 1,114,914</u>

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 5 - LONG-TERM DEBT

A summary of the changes in the Village's long term debt is summarized below.

Governmental Activities:

	Balance Beginning of Year	Additions	Deletions	Balance End of Year	Due Within One Year
G.O. Refunding – 2003	\$ 160,000	\$ -	\$ (80,000)	\$ 80,000	\$ 80,000
G.O. Alt. Rev. – 2004A	6,215,000	-	-	6,215,000	-
G.O. Alt. Rev. – 2005A	3,830,000	-	(140,000)	3,690,000	145,000
G.O. Alt. Rev. – 2006	9,500,000	-	(40,000)	9,460,000	40,000
G.O. Alt. Rev. – 2007	7,550,000	-	(320,000)	7,230,000	415,000
G.O. Alt. Rev. – 2011	-	9,975,000	-	9,975,000	-
Plus deferred premium	740,957	504,324	(122,104)	1,123,177	-
Less deferred discount	<u>(238,513)</u>	-	<u>8,451</u>	<u>(230,062)</u>	-
Total G.O. Bonds	27,757,444	10,479,324	(693,653)	37,543,115	680,000
Leases payable	632,203	414,856	(144,858)	902,201	204,502
Compensated absences	1,128,261	650,894	(714,961)	1,064,194	554,113
Net pension obligation	2,589,699	235,962	-	2,825,661	-
Net OPEB obligation	4,430,424	1,614,361	-	6,044,785	-
Total	<u>\$ 36,538,031</u>	<u>\$ 13,395,397</u>	<u>\$ (1,553,472)</u>	<u>\$ 48,379,956</u>	<u>\$ 1,438,615</u>

Business-Type Activities:

	Balance Beginning of Year	Additions	Deletions	Balance End of Year	Due Within One Year
G.O. Alt. Rev. – 2004B	\$ 15,545,000	\$ -	\$(1,030,000)	\$ 14,515,000	\$ 1,085,000
Plus deferred premium	<u>1,089,173</u>	-	<u>(74,725)</u>	<u>1,014,448</u>	-
Total G.O. Bonds	16,634,173	-	(1,104,725)	15,529,448	1,085,000
Leases payable	343,631	-	(15,615)	328,016	328,016
Loans payable	5,661,510	-	(846,112)	4,815,398	871,361
Compensated absences	46,891	34,756	(39,288)	42,359	42,359
Net OPEB obligation	<u>394,074</u>	<u>120,076</u>	-	<u>514,150</u>	-
Total	<u>\$ 23,080,279</u>	<u>\$ 154,832</u>	<u>\$ (2,005,740)</u>	<u>\$ 21,229,371</u>	<u>\$ 2,326,736</u>

General Obligation Refunding Bonds, Series 2003 – On September 15, 2003, the Village Board authorized the issuance of \$650,000 General Obligation Refunding Bonds, Series 2003, dated October 1, 2003. The bonds were issued to refund in advance of their respective maturities \$600,000 in aggregate principal amount of the Village's Corporate Purpose Bonds Series 1992 and pay costs associated with the issuance of the Bonds and redemption of such refunded bonds. Interest payments are paid in equal semi-annually installments on the 1st of January and July and are to be repaid out the Corporate Bond and Interest Fund. The principal and interest payments to maturity at July 1, 2012 are as follows:

Fiscal Year	Principal	Interest	Total	Rate
2013	\$ 80,000	\$ 3,440	\$ 83,440	4.30%
Total	<u>\$ 80,000</u>	<u>\$ 3,440</u>	<u>\$ 83,440</u>	

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 5 - LONG-TERM DEBT (Continued)

General Obligation Alternate Revenue Bonds, Series 2004A – The Village Board authorized the issuance of \$14,865,000 General Obligation Bonds (Alternate Revenue Source), Series 2004A, dated February 4, 2004. The bonds were issued to provide funds to finance certain capital improvements in the Village and to pay the costs of issuance of the Series 2004A Bonds. A portion of the Project is expected to provide relief from traffic congestion and delay caused by the at-grade crossing of two railroads with a main Village Street. \$8,650,000 of these bonds was refunded by the issuance of General Obligation Refunding Bonds (Alternative Revenue Source), Series 2006. Interest payments are paid in equal semi-annually installments on the 1st of January and July and are to be repaid of out the Corporate Bond and Interest Fund. The principal and interest payments to maturity at July 1, 2034 are as follows:

Fiscal Year	Principal	Interest	Total	Rate
2013	\$ -	\$ 310,750	\$ 310,750	5.00%
2014	-	310,750	310,750	5.00%
2015	-	310,750	310,750	5.00%
2016	-	310,750	310,750	5.00%
2017	-	310,750	310,750	5.00%
2018	-	310,750	310,750	5.00%
2019	-	310,750	310,750	5.00%
2020	-	310,750	310,750	5.00%
2021	-	310,750	310,750	5.00%
2022	-	310,750	310,750	5.00%
2023	-	310,750	310,750	5.00%
2024	-	310,750	310,750	5.00%
2025	-	310,750	310,750	5.00%
2026	-	310,750	310,750	5.00%
2027	-	310,750	310,750	5.00%
2028	-	310,750	310,750	5.00%
2029	-	310,750	310,750	5.00%
2030	-	310,750	310,750	5.00%
2031	240,000	304,750	544,750	5.00%
2032	1,385,000	264,125	1,649,125	5.00%
2033	1,455,000	193,125	1,648,125	5.00%
2034	1,530,000	118,500	1,648,500	5.00%
2035	<u>1,605,000</u>	<u>40,125</u>	<u>1,645,125</u>	5.00%
Total	<u>\$ 6,215,000</u>	<u>\$ 6,514,125</u>	<u>\$ 12,729,125</u>	

General Obligation Alternate Revenue Bonds, Series 2005A – The Village Board authorized the issuance of \$4,165,000 General Obligation Bonds (Alternate Revenue Source), Series 2005A, dated January 1, 2005. The bonds were issued to provide funds for certain land acquisition and site preparation costs within the Downtown Franklin Avenue TIF, to fund certain capitalized interest on the bonds, and to fund certain costs associated with the issuance of the bonds. Interest payments are paid in equal semi-annually installments on the 1st of January and July and are to be repaid of out the Corporate Bond and Interest Fund using resources from the TIF funds. The principal and interest payments to maturity at July 1, 2024 are as follows:

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 5 – LONG-TERM DEBT (Continued)

Fiscal Year	Principal	Interest	Total	Rate
2013	\$ 145,000	\$ 183,998	\$ 328,998	5.00%
2014	180,000	177,328	357,328	4.60%
2015	190,000	170,848	360,848	3.60%
2016	195,000	163,818	358,818	3.70%
2017	240,000	156,310	396,310	3.85%
2018	250,000	146,950	396,950	3.90%
2019	260,000	136,950	396,950	4.00%
2020	310,000	122,650	432,650	4.00%
2021	325,000	105,600	430,600	4.00%
2022	340,000	87,725	427,725	4.00%
2023	400,000	69,025	469,025	4.20%
2024	415,000	47,025	462,025	4.20%
2025	440,000	12,100	452,100	4.30%
Total	<u>\$ 3,690,000</u>	<u>\$ 1,580,327</u>	<u>\$ 5,270,327</u>	

General Obligation Alternate Revenue Bonds, Series 2006 – The Village Board authorized the issuance of \$9,500,000 General Obligation Bonds (Alternative Revenue Source), Series 2006. The bonds were issued to refund in advance of their respective maturities \$8,650,000 in aggregate principal of the Village’s General Obligation Bonds, (Alternative Revenue Source), Series 2004A and pay costs of \$850,000 associated with the issuance of the Bonds and redemption of such refunded bonds. Interest payments are paid in equal semi-annually installments on the 1st of January and July and are to be repaid out of the Corporate Bond and Interest Fund. The principal and interest payments to maturity at July 1, 2030 are as follows:

Fiscal Year	Principal	Interest	Total	Rate
2013	\$ 40,000	\$ 377,600	\$ 417,600	4.00%
2014	45,000	375,900	420,900	4.00%
2015	45,000	374,100	419,100	4.00%
2016	50,000	372,200	422,200	4.00%
2017	50,000	370,200	420,200	4.00%
2018	50,000	368,200	418,200	4.00%
2019	55,000	366,100	421,100	4.00%
2020	55,000	363,900	418,900	4.00%
2021	60,000	361,600	421,600	4.00%
2022	60,000	359,200	419,200	4.00%
2023	65,000	356,700	421,700	4.00%
2024	985,000	335,700	1,320,700	4.00%
2025	1,030,000	295,400	1,325,400	4.00%
2026	1,070,000	253,400	1,323,400	4.00%
2027	1,110,000	209,800	1,319,800	4.00%
2028	1,160,000	164,400	1,324,400	4.00%
2029	1,205,000	117,100	1,322,100	4.00%
2030	1,255,000	67,900	1,322,900	4.00%
2031	1,070,000	21,400	1,091,400	4.00%
Total	<u>\$ 9,460,000</u>	<u>\$ 5,510,800</u>	<u>\$ 14,970,800</u>	

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 5 - LONG-TERM DEBT (Continued)

General Obligation Alternate Revenue Bonds, Series 2007 – The Village Board authorized the issuance of \$8,155,000 General Obligation Bonds (Alternative Revenue Source), Series 2007. The bonds were issued to assist the Village in upgrading and/or expanding the Franklin Park Mall located within the Grand-Mannheim TIF District, and the West Mannheim Residential TIF District and the Resurrection TIF District (collectively the "TIF Districts"); to fund certain capitalized interest on the Bonds; to fund in part a Debt Service Reserve Fund; and to fund certain costs associated with the issuance of the Bonds. Interest payments are paid in equal semi-annually installments on the 1st of January and July and are to be repaid of out the Corporate Bond and Interest Fund using resources from the TIF Districts. The principal and interest payments to maturity at January 1, 2023 are as follows:

Fiscal Year	Principal	Interest	Total	Rate
2013	\$ 415,000	\$ 332,170	\$ 747,170	4.05%
2014	435,000	315,363	750,363	4.10%
2015	450,000	297,528	747,528	4.20%
2016	555,000	278,626	833,626	5.50%
2017	580,000	248,101	828,101	4.40%
2018	610,000	222,583	832,583	4.45%
2019	725,000	195,436	920,436	4.50%
2020	760,000	162,813	922,813	4.60%
2021	795,000	127,853	922,853	4.70%
2022	930,000	90,488	1,020,488	4.75%
2023	975,000	46,313	1,021,313	4.75%
Total	<u>\$ 7,230,000</u>	<u>\$ 2,317,274</u>	<u>\$ 9,547,274</u>	

General Obligation Alternate Revenue Bonds, Series 2011 – The Village Board authorized the issuance of \$9,975,000 General Obligation Bonds (Alternative Revenue Source), Series 2011. The bonds were issued to pay for costs associated with the purchase and construction of the Police Station and other capital projects. Interest payments are paid in equal semi-annual installments on the 1st of January and July and are to be repaid of out the Corporate Bond and Interest Fund. The principal and interest payments to maturity at July 1, 2030 are as follows:

Fiscal Year	Principal	Interest	Total	Rate
2013	\$ -	\$ 527,337	\$ 527,337	4.00%
2014	-	527,337	527,337	4.00%
2015	405,000	519,237	924,237	4.00%
2016	425,000	502,637	927,637	4.00%
2017	440,000	487,537	927,537	3.00%
2018	455,000	474,112	929,112	3.00%
2019	470,000	459,356	929,356	3.38%
2020	475,000	442,519	917,519	3.75%
2021	500,000	423,613	923,613	4.00%
2022	520,000	403,212	923,212	4.00%
2023	540,000	375,937	915,937	6.25%
2024	575,000	341,094	916,094	6.25%
2025	610,000	304,062	914,062	6.25%
2026	650,000	264,688	914,688	6.25%
2027	690,000	222,813	912,813	6.25%
2028	735,000	178,281	913,281	6.25%
2029	780,000	130,937	910,937	6.25%
2030	825,000	80,781	905,781	6.25%
2031	880,000	27,500	907,500	6.25%
Total	<u>\$ 9,975,000</u>	<u>\$ 6,469,990</u>	<u>\$ 16,667,990</u>	

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 April 30, 2012

NOTE 5 – LONG-TERM DEBT (Continued)

Capital Lease – The Village leases equipment through various leases with lease terms through February 2020. The capitalized cost of \$2,027,279 less accumulated depreciation of \$850,398 is included in vehicles and equipment in the accompanying financial statements. Depreciation expense for this equipment for the year ended April 30, 2012 was \$250,361. Remaining principal and interest payments are as follows:

Fiscal Year	Principal	Interest	Total Debt Service
2013	\$ 532,518	\$ 41,198	\$ 573,716
2014	202,847	27,943	230,790
2015	204,160	19,470	223,630
2016	108,160	11,510	119,670
2017	70,089	6,735	76,824
2018	59,271	3,973	63,244
2019	27,949	1,295	29,244
2020	<u>25,223</u>	<u>365</u>	<u>25,588</u>
	<u>\$ 1,230,217</u>	<u>\$ 112,489</u>	<u>\$ 1,342,706</u>

General Obligation Alternate Revenue Bonds, Series 2004B – The Village Board authorized the issuance of \$20,135,000 General Obligation Refunding Bonds Alternative Revenue Source), Series 2004B, dated April 1, 2004. The bonds were issued to refund a portion of the Village's outstanding General Obligation Alternate Revenue Source Bonds, Series 1993, and to pay the costs of issuance of the 2004B Bonds. Bonds maturing on or after July 1, 2014 are callable at the option of the Village on any date on or after January 1, 2014, at a price of par plus accrued interest. Interest payments are paid in equal semi-annually installments on the 1st of January and July and are to be repaid of out the Corporate Bond and Interest Fund. The principal and interest payments to maturity at July 1, 2022 are as follows:

Fiscal Year	Principal	Interest	Total	Rate
2013	\$ 1,085,000	\$ 698,625	\$ 1,783,625	5.00%
2014	1,135,000	643,125	1,778,125	5.00%
2015	1,190,000	585,000	1,775,000	5.00%
2016	1,250,000	524,000	1,774,000	5.00%
2017	1,315,000	459,875	1,774,875	5.00%
2018	1,380,000	392,500	1,772,500	5.00%
2019	1,450,000	321,750	1,771,750	5.00%
2020	1,520,000	247,500	1,767,500	5.00%
2021	1,590,000	169,750	1,759,750	5.00%
2022	1,675,000	88,125	1,763,125	5.00%
2023	<u>925,000</u>	<u>23,125</u>	<u>948,125</u>	5.00%
Total	<u>\$ 14,515,000</u>	<u>\$ 4,153,375</u>	<u>\$ 18,668,375</u>	

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 April 30, 2012

NOTE 5 – LONG-TERM DEBT (Continued)

Illinois Environmental Protection Agency Loan – L17-0848 – The Village Board has entered into an agreement with the Illinois Environmental Protection Agency to establish a line of credit for up to \$2,634,735 for the completion of the Village's water sewer project. The loan will be for twenty years and will bear interest at 3.36%. Payments on the loan commenced on January 1, 1995 and are to be repaid of out the Sewer Fund. The principal and interest payments to maturity at July 1, 2014 are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2013	\$ 177,360	\$ 13,802	\$ 191,162
2014	183,369	7,792	191,161
2015	<u>94,001</u>	<u>1,579</u>	<u>95,580</u>
	<u>\$ 454,730</u>	<u>\$ 23,173</u>	<u>\$ 477,903</u>

Illinois Environmental Protection Agency Loan – L17-0924 – The Village Board has entered into an agreement with the Illinois Environmental Protection Agency to establish a line of credit for up to \$4,553,800 for the completion of the Village's water sewer project. The loan will be for twenty years and will bear interest at 2.82%. Payments on this loan commenced on February 24, 1995 and are to be repaid of out the Sewer Fund. The principal and interest payments to maturity at September 15, 2016 are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2013	\$ 277,896	\$ 35,048	\$ 312,944
2014	285,774	27,170	312,944
2015	293,875	19,069	312,944
2016	302,205	10,739	312,944
2017	<u>154,300</u>	<u>2,173</u>	<u>156,473</u>
	<u>\$ 1,314,050</u>	<u>\$ 94,199</u>	<u>\$ 1,408,249</u>

Illinois Environmental Protection Agency Loan – L17-0925 – The Village Board has entered into an agreement with the Illinois Environmental Protection Agency to establish a line of credit for up to \$3,523,912 for the completion of the Village's water sewer project. The loan will be for twenty years and will bear interest at 3.15%. Payments on this loan commenced on November 7, 1997 and are to be repaid of out the Sewer Fund. The principal and interest payments to maturity at May 15, 2017 are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2013	\$ 211,269	\$ 37,665	\$ 248,934
2014	217,977	30,958	248,935
2015	224,897	24,037	248,934
2016	232,037	16,897	248,934
2017	239,406	9,531	248,937
2018	<u>122,537</u>	<u>1,930</u>	<u>124,467</u>
	<u>\$ 1,248,123</u>	<u>\$ 121,018</u>	<u>\$ 1,369,141</u>

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 5 – LONG-TERM DEBT (Continued)

Illinois Environmental Protection Agency Loan – L17-1161 – The Village Board has entered into an agreement with the Illinois Environmental Protection Agency to establish a line of credit for up to \$3,683,905 for the completion of the Village’s water sewer project. The loan will be for twenty years and will bear interest at 2.63%. Payments on this loan commenced on June 1, 2001 and are to be repaid out of the Sewer Fund. The principal and interest payments to maturity at December 1, 2019 are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2013	\$ 204,836	\$ 45,874	\$ 250,710
2014	210,247	40,463	250,710
2015	215,801	34,909	250,710
2016	221,504	29,206	250,710
2017	227,356	23,354	250,710
2018	233,364	17,346	250,710
2019	239,529	11,181	250,710
2020	<u>245,858</u>	<u>4,852</u>	<u>250,710</u>
	<u>\$ 1,798,495</u>	<u>\$ 207,185</u>	<u>\$ 2,005,680</u>

Legal Debt Margin: The Village is subject to a legal debt margin of 8.625% of equalized assessed value of property in the Village. As of April 30, 2012, the equalized assessed valuation of the Village is \$843,178,937 and the legal debt margin is \$72,724,183. The Village is in compliance with this requirement.

Debt Covenants: The Village is subject to disclosure covenants for its general obligation bonds. These covenants include disclosure of annual financial information 210 days after fiscal year ended. Noncompliance could result in the bondholders filing legal action against the Village compelling the Village to complete its filings. The Village completed the fiscal year 2011 filing in October 2011.

NOTE 6 - SHORT-TERM DEBT

The Village took out a line of credit on October 4, 2009 for \$2,000,000 at an interest rate of 4.00%. The Village drew down \$2,000,000 on this line of credit on October 31, 2009. An additional \$500,000 was added during 2012 bring the total available amount to be drawn down to \$2,500,000. The Line of Credit was extended during the year and is scheduled expire on February 13, 2013. A total of \$88,867 of interest was paid during the year ended April 30, 2012. A summary of the short-term debt activity is as follows:

<u>Balance 5/1/2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 4/30/2012</u>
<u>\$ 1,000,000</u>	<u>\$ 1,500,000</u>	<u>\$ (2,500,000)</u>	<u>\$ -</u>

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 7 - NONCOMMITMENT DEBT

Tax increment financing notes outstanding as of April 30, 2012 total \$17,572,035. These notes are not an obligation of the Village and are secured by the levy of real estate taxes on certain property within the tax increment financing areas. The Village is not liable for repayment but acts as an agent for the property owners in levying the property taxes and forwarding collections to note holders. A summary of non-commitment is as follows:

Life Fitness District/Reebie Storage and Moving Co. Redeveloping Project

\$2,400,000 note issued August 5, 2002, bearing interest at 9%. Principal balance as of April 30, 2012 is \$1,693,492 plus unpaid accrued interest of \$215,135 for a total amount due of \$1,908,627. On August 5, 2002, the Redevelopment Agreement and the note was amended. The new note amount of \$2,400,000 replaced the original note in the amount of \$1,200,000 issued August 4, 1998, bearing interest at 9%, which was canceled by the Village. The final due date of the note is December 31, 2015. At that time, all unpaid principal and interest due on the note shall be forfeited by the note holder.

O'Hare East Industrial Complex Redevelopment Project

\$8,200,000 note issued November 1, 2000 bearing interest at 10%. Principal balance as of April 30, 2012 is \$8,200,000 plus accrued interest of \$7,463,408 for a total amount due of \$15,663,408. The final due date of the note is December 31, 2024. At that time, all unpaid principal and interest due on the note shall be forfeited by the note holder.

NOTE 8 - INTERFUNDS AND TRANSFERS

The General Corporate Fund loaned \$1,257,172 and \$111,705 to the Downtown Franklin Avenue TIF Fund and Mannheim/Grand TIF Fund to cover TIF costs during periods of cash shortfalls in the TIF Funds. The Mannheim/Grand TIF Fund loaned \$1,121,383 to the Resurrection TIF Fund for the costs of a land acquisition within the boundaries of both TIFs. The Life Fitness/Reebie TIF Fund borrowed \$825,000 from the Water Fund to cover TIF costs. The Downtown Franklin TIF borrowed \$400,000 from the Water Fund to cover TIF costs. The Garbage Fund borrowed \$473,012 from the General Corporate Fund to cover operating costs. Finally, the General Corporate Fund borrowed \$690,392 and \$139,063 from the Water Fund and Sewer Fund, respectively, to cover operating costs.

The transfers include payment to the Corporate Bond and Interest from the TIF funds for scheduled debt service of \$1,140,985, \$600,949 to the General Corporate Fund from the Police Station fund for non-Police Station capital costs, payment to the Sewer Fund from the Corporate Bond and Interest Fund of unabated taxes restricted for debt service payments of \$5,026,850, and closures of the IMRF Fund, Unclaimed Rebates Fund, Emergency Services and Disaster Agency Fund, and Seymour Avenue Fund to the General Corporate Fund of \$554,756.

In the prior fiscal year, the Village transferred one of its cash accounts to a new bank. The Village had commingled this account across the various funds in prior years. For the current year, the Village transferred cash to repay the various funds and remove the residual effects of the commingling of the cash from the financial statements. This resulted in transfers into the General fund of \$1,042,182 as well as transfers into the Garbage Fund, Water Fund, Sewer Fund and Corporate Bond and Interest Fund of \$1,615,355, \$3,488,656, \$638,277, and \$159,061, respectively.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 April 30, 2012

NOTE 8 - INTERFUNDS AND TRANSFERS (Continued)

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
General Corporate		
Police Station	\$ -	\$ 105,454
Nonmajor Governmental	1,369,772	57,562
Water	-	651,360
Sewer	-	139,063
Garbage	-	473,012
Commuter Parking Lot	<u>9,941</u>	<u>-</u>
Total General Corporate	<u>1,379,713</u>	<u>1,426,451</u>
Corporate Bond and Interest		
Nonmajor Governmental	<u>78,842</u>	<u>-</u>
Total Corporate Bond and Interest	<u>78,842</u>	<u>-</u>
Police Station		
General Corporate	<u>105,454</u>	<u>-</u>
Total Police Station	<u>105,454</u>	<u>-</u>
Nonmajor Governmental		
General Corporate	57,562	1,369,772
Corporate Bond and Interest	-	78,842
Nonmajor Governmental	1,121,383	1,121,383
Water	<u>825,000</u>	<u>400,000</u>
Total Nonmajor Governmental	<u>2,003,945</u>	<u>2,969,997</u>
Water		
General Corporate	651,360	-
Nonmajor Governmental	<u>400,000</u>	<u>825,000</u>
Total Water	<u>1,051,360</u>	<u>825,000</u>
Sewer		
General Corporate	<u>139,063</u>	<u>-</u>
Total Sewer	<u>139,063</u>	<u>-</u>
Garbage		
General Corporate	<u>473,012</u>	<u>-</u>
Total Garbage	<u>473,012</u>	<u>-</u>
Commuter Parking Lot		
General Corporate	<u>-</u>	<u>9,941</u>
Total Commuter Parking Lot	<u>-</u>	<u>9,941</u>
Total	<u>\$ 5,270,421</u>	<u>\$ 5,270,421</u>

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 8 - INTERFUNDS AND TRANSFERS (Continued)

	<u>Transfers In</u>	<u>Transfers Out</u>
General Corporate		
Corporate Bond and Interest	\$ -	\$ 145,018
Police Station	600,949	-
Nonmajor Governmental	1,112,509	707,149
Commuter Parking Lot	82,066	-
Total General Corporate	<u>1,795,524</u>	<u>852,167</u>
Corporate Bond and Interest		
General Corporate	145,018	-
Nonmajor Governmental	1,155,028	-
Sewer	-	5,026,850
Total Corporate Bond and Interest	<u>1,300,046</u>	<u>5,026,850</u>
Police Station		
General Corporate	-	600,949
Total Police Station	<u>-</u>	<u>600,949</u>
Nonmajor Governmental		
General Corporate	707,149	1,112,509
Corporate Bond and Interest	-	1,155,028
Nonmajor Governmental	1,017,653	1,017,653
Water	-	3,488,656
Sewer	-	638,277
Garbage	-	1,615,355
Total Nonmajor Governmental	<u>1,724,802</u>	<u>9,027,478</u>
Water		
Nonmajor Governmental	<u>3,488,656</u>	-
Total Water	<u>3,488,656</u>	-
Sewer		
Corporate Bond and Interest	5,026,850	-
Nonmajor Governmental	<u>638,277</u>	-
Total Sewer	<u>5,665,127</u>	-
Garbage		
Nonmajor Governmental	<u>1,615,355</u>	-
Total Garbage	<u>1,615,355</u>	-
Commuter Parking Lot		
General Corporate	-	82,066
Total Commuter Parking Lot	<u>-</u>	<u>82,066</u>
Total	<u>\$ 15,589,510</u>	<u>\$ 15,589,510</u>

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 April 30, 2012

NOTE 9 - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund – Regular Plan

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

Funding Policy: As set by statute, the Village's Regular plan members are required to contribute 4.5% of their annual covered salary. The statute requires the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer rate for calendar year 2011 was 11.16% of payroll. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

For December 31, 2011, the Village's annual pension cost of \$330,827 was equal to the Village's required and actual contributions. Trend Information is listed below:

<u>Year Ending</u>	<u>Annual Pension Cost</u>	<u>Percent Contributed</u>	<u>Net Pension Obligation</u>
December 31, 2011	\$ 330,827	100%	\$ -
December 31, 2010	348,067	100%	-
December 31, 2009	169,047	100%	-

The required contribution for 2011 was determined as part of the December 31, 2009 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The Village's Regular plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress: As of December 31, 2011, the most recent actuarial valuation date, the Regular plan was 55.06 percent funded. The actuarial accrued liability for benefits was \$7,020,173 and the actuarial value of assets was \$3,865,203, resulting in an underfunded actuarial accrued liability (UAAL) of \$3,154,970. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$2,964,396 and the ratio of the UAAL to the covered payroll was 106 percent.

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

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 April 30, 2012

NOTE 9 - DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund – Sheriff's Law Enforcement Personnel

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

Funding Policy: As set by statute, the Village's Sheriff's Law Enforcement Personnel plan members are required to contribute 7.5% of their annual covered salary. The statute requires the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2011 used by the employer was 0% of annual covered payroll. The employer annual required contribution rate for calendar year 2011 was 12.88% of payroll. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

For December 31, 2011, the Village's actual contributions for pension cost for the Sheriff's Law Enforcement Personnel were \$0. Its required contribution for calendar year 2011 was \$0. Trend information is listed below:

<u>Year Ending</u>	<u>Annual Pension Cost</u>	<u>Percent Contributed</u>	<u>Net Pension Obligation</u>
December 31, 2011	\$ -	N/A	\$ -
December 31, 2010	6,372	95%	-
December 31, 2009	6,048	100%	-

The required contribution for 2011 was determined as part of the December 31, 2009 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The Village's plan's overfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress: As of December 31, 2011, the most recent actuarial valuation date, the Sheriff's Law Enforcement Personnel plan was 0 percent funded. The actuarial accrued liability for benefits was \$0 and the actuarial value of assets was \$36,762, resulting in an overfunded actuarial accrued liability (UAAL) of \$36,762. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$0. Because the plan is overfunded, there is no ratio of the UAAL to the covered payroll.

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

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 9 - DEFINED BENEFIT PENSION PLAN (Continued)

Police Pension Plan

Plan Description: Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits, as well as the employee and employer contributions levels, are governed by Illinois Compiled Statutes (40 ILCS 5/3) and may be amended by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The Police Pension Plan issues its own stand-alone financial report. The publicly available report that includes financial statements and other required information for the Police Pension Plan may be obtained by writing the Village.

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 1/2 of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Covered Employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5 % of final average salary for each year of service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum salary cap increases each year thereafter. The monthly benefit of a police officer hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3% or 1/2 of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

At April 30, 2011 (the most recent information available), the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to but not yet Receiving Benefits	45
Current Employees Vested and Nonvested	<u>41</u>
	<u>86</u>

Summary of Significant Accounting Policies and Plan Asset Matters:

Basis of Accounting – The financial statements are prepared using the accrual basis of accounting. Employees and employer contributions are recognized as revenue in the period in which employee services are performed.

Method Used to Value Investments – Fixed-income securities are reported at fair value. Short-term investments are reported at fair value. Investment income is recognized when earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the trade date. Insurance contracts are valued at contract value. Fair values are derived from published sources.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 9 - DEFINED BENEFIT PENSION PLAN (Continued)

Contributions – Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. By the year 2040 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded.

Related-Party Transactions – There were no securities of the Village or related parties included in the Plan's assets.

Annual Pension Cost and Net Pension Obligation (NPO): The Village's annual pension cost for the current year and related information is as follows:

<i>Contribution rates:</i>	
Village, Plan Members	43.08%, 9.91%
Annual Pension Cost	\$1,544,115
Contributions Made	\$1,342,545
Actuarial Valuation Date	April 30, 2011
Actuarial Cost Method	Entry Age
Amortization Period	Level Percentage of Pay, Closed
Remaining Amortization Period	30 Years
Asset Valuation Method	Market
<i>Actuarial Assumptions</i>	
Investment Rate of Return	7.00%
Projected Salary Increases	5.50%
Inflation	3.00%
Cost of Living Adjustments	3.00%

The amount of the pension liability is as follows:

Annual Required Contribution	\$ 1,511,580
Interest on Net Pension Obligation	89,831
Adjustment to Annual Required Contribution	<u>(57,296)</u>
Annual Pension Cost	1,544,115
Actual Contributions	<u>1,342,545</u>
Increase in Net Pension Obligation	201,570
Net Pension Obligation as of April 30, 2011	<u>1,283,299</u>
Net Pension Obligation as of April 30, 2012	<u>\$ 1,484,869</u>

Trend Information – Employer annual required contributions (ARC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the ARC and the contributions actually made.

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost</u>	<u>Percent Contributed</u>	<u>Net Pension Obligation</u>
April 30, 2012	\$ 1,544,115	86.9%	\$ 1,484,869
April 30, 2011	1,390,042	99.9%	1,283,299
April 30, 2010	1,390,042	69.4%	1,281,790

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 9 - DEFINED BENEFIT PENSION PLAN (Continued)

Funded Status and Funding Progress: As of April 30, 2011, the most recent actuarial valuation date, the Police Pension Plan was 45.0 percent funded. The actuarial accrued liability for benefits was \$45,019,454 and the actuarial value of assets was \$20,266,531, resulting in an underfunded actuarial accrued liability (UAAL) of \$24,752,923. The covered payroll for 2011 (annual payroll of active employees covered by the plan) was \$3,223,128 and the ratio of the UAAL to the covered payroll was 768 percent. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Firefighter's Pension Plan

Plan Description: Fire sworn personnel are covered by the Firefighter's Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits, as well as the employee and employer contributions levels, are governed by Illinois Compiled Statutes (40 ILCS 5/3) and may be amended by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The Firefighter's Pension Plan issues its own stand-alone financial report. The publicly available report that includes financial statements and other required information for the Firefighter's Pension Plan may be obtained by writing the Village.

The Firefighter's Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 1/2 of the monthly salary attached to the rank held at the date of retirement. The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% of such salary. Covered Employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a firefighter hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a firefighter hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3% or 1/2 of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

At April 30, 2011 (the latest information available), the Firefighter's Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to but not yet Receiving Benefits	45
Current Employees Vested and Nonvested	<u>38</u>
	<u>83</u>

Summary of Significant Accounting Policies and Plan Asset Matters:

Basis of Accounting – The financial statements are prepared using the accrual basis of accounting. Employees and employer contributions are recognized as revenue in the period in which employee services are performed.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 9 - DEFINED BENEFIT PENSION PLAN (Continued)

Method Used to Value Investments – Fixed-income securities are reported at fair value. Short-term investments are reported at fair value. Investment income is recognized when earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the trade date. Insurance contracts are valued at contract value. Fair values are derived from published sources.

Contributions – Covered employees are required to contribute 9.455% of their base salary to the Firefighter's 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. Effective January, 1, 2011, the Village's contributions must accumulate to the point where the past service cost for the Firefighter's Pension Plan is 90% funded, by the year 2040.

Related-Party Transactions – There were no securities of the Village or related parties included in the Plan's assets.

Annual Pension Cost and Net Pension Obligation (NPO): The Village's annual pension cost for the current year and related information is as follows:

Contribution rates:	
Village, Plan Members	50.01%, 9.91%
Annual Pension Cost	\$1,435,841
Contributions Made	\$1,401,449
Actuarial Valuation Date	April 30, 2011
Actuarial Cost Method	Entry Age
Amortization Period	Level Percentage of Pay, Closed
Remaining Amortization Period	30 Years
Asset Valuation Method	Market
Actuarial Assumptions	
Investment Rate of Return	7.00%
Projected Salary Increases	5.50%
Inflation	3.00%
Cost of Living Adjustments	3.00%

The amount of the pension liability is as follows:

Annual Required Contribution	\$ 1,402,721
Interest on Net Pension Obligation	91,448
Adjustment to Annual Required Contribution	<u>(58,328)</u>
Annual Pension Cost	1,435,841
Actual Contributions	<u>1,401,449</u>
Increase in Net Pension Obligation	34,392
Net Pension Obligation as of April 30, 2011	<u>1,306,400</u>
Net Pension Obligation as of April 30, 2012	<u><u>\$ 1,340,792</u></u>

Trend Information – Employer annual required contributions (ARC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the ARC and the contributions actually made.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 9 - DEFINED BENEFIT PENSION PLAN (Continued)

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost</u>	<u>Percent Contributed</u>	<u>Net Pension Obligation</u>
April 30, 2012	\$ 1,435,841	97.6%	\$ 1,340,792
April 30, 2011	1,613,067	86.7%	1,306,400
April 30, 2010	1,470,273	68.8%	1,091,712

Funded Status and Funding Progress: As of April 30, 2011, the most recent actuarial valuation date, the Firefighter's Pension Plan was 51.3 percent funded. The actuarial accrued liability for benefits was \$40,573,761 and the actuarial value of assets was \$20,814,877, resulting in an underfunded actuarial accrued liability (UAAL) of \$19,758,884. The covered payroll for 2011 (annual payroll of active employees covered by the plan) was \$2,796,067 and the ratio of the UAAL to the covered payroll was 707 percent. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 10 - 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; natural disasters; and injuries to the Village's employees. The Village's exposure has not exceeded insurance coverage for the past three years. These risks are provided for through insurance from private insurance companies. In addition, the Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village attorney the resolution of these matters will not have a material adverse effect on the financial statements of the Village.

NOTE 11 - TAX INCREMENT REVENUES PLEDGED

The Village has pledged a portion of future property tax revenues to repay property tax increment bonds issued to finance the refurbishing of various properties in the Village's TIF Districts. The bonds are payable solely from the incremental property taxes generated by increased development in the refurbished districts and include the Village's non-commitment debt. Incremental property taxes were projected to produce 100 percent of the debt service requirements over the life of the bonds. For the current year, principal and interest paid and total incremental property tax revenues were \$1,278,467 and \$1,918,593, respectively.

NOTE 12 - POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description: The Village provides full health care insurance for its eligible retired employees until age 65. Employees under IMRF must be at least 55 years old, have at least 8 years of credited service and no longer work in a position that qualifies for participation in IMRF. For Police Pension Plan and Firefighter's Pension Plan members, employees must at least 50 years old and have at least 20 years of credited service.

Funding Policy: Funding is provided by the Village on a pay-as-you-go basis. The Village is reimbursed by retirees for the Village's contribution on their behalf. The Village's contribution on behalf of the employees to the insurance provider was \$382,196 for 2012.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 April 30, 2012

NOTE 12 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

At April 30, 2011 (the most recent information available), the membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to but not yet Receiving Benefits	46
Current Employees Vested and Nonvested	<u>137</u>
	<u>183</u>

Annual OPEB Cost and Net OPEB Obligation: The Village's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the *actuarial cost method*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The following table shows the components of the Village's annual OPEB cost for 2012, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation:

Annual Required Contribution	\$ 2,181,584
Interest on OPEB	92,703
Adjustment to Annual Required Contribution	<u>(157,654)</u>
Annual OPEB Cost	2,116,633
Contributions	<u>382,196</u>
Increase (Decrease) in OPEB	1,734,437
OPEB at April 30, 2011	<u>4,824,498</u>
OPEB at April 30, 2012	<u>\$ 6,558,935</u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the three preceding years were as follows:

Year Ending	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net OPEB Obligation
4/30/2012	\$ 2,116,633	18.1%	\$ 6,558,935
4/30/2011	2,181,584	17.5%	4,824,498
4/30/2010	1,925,151	21.5%	3,090,062

Funded Status and Funding Progress: As of April 30, 2012, the plan was unfunded. The actuarial accrued liability for benefits was \$22,505,725 as of April 30, 2011 (the latest information available). 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 the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 12 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

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 the 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 the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2011 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 3% investment rate of return, a 3% inflation rate and an annual healthcare cost trend rate of 4.40% - 28.98% initially, reduced by decrements to an ultimate rate of 5.00% - 8.00%. There was no actuarial value of assets of the retiree healthcare account as of April 30, 2011. The UAAL is being amortized as a level dollar percentage of projected payroll on a 30 year open basis.

NOTE 13 – NEW ACCOUNTING PRONOUNCEMENTS

In November 2010, the GASB issued Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*. The Statement improves financial reporting by addressing issues related to service concession arrangements, which are arrangements between a transferor (government) and an operator (governmental or non-governmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. This statement is effective for the Village's fiscal year ended April 30, 2013. The Village has considered the impacts of implementing this Statement and has determined that the implementation will not have a significant effect on its financial statements.

In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus*. The Statement improves financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues. This Statement is effective for the Village's fiscal year ended April 30, 2014, with earlier application encouraged. Management has not determined what impact, if any, this Statement may have on its financial statements

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The Statement incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: (1) Financial Accounting Standards Board (FASB) Statements and Interpretations; (2) Accounting Principles Board Opinions; and (3) Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This Statement is effective for the Village's fiscal year ended April 30, 2013 with earlier application encouraged. The Village has considered the impacts of implementing this Statement and has determined that the implementation will not have a significant effect on its financial statements.

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 13 - NEW ACCOUNTING PRONOUNCEMENTS (Continued)

In June 2011, the GASB issued GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the net residual amount of the other elements). This Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. This Statement also amends certain provisions of GASB Statement No. 34, *Basic Financial Statements -- and Management's Discussion and Analysis -- for State and Local Governments*, and related pronouncements to reflect the residual measure in the statement of financial position as net position, rather than net assets. This Statement is effective for the Village's fiscal year ended April 30, 2013 with earlier application encouraged. The Village has considered the impacts of implementing this Statement and has determined that the implementation will not have a significant effect on its financial statements.

In June 2011, the GASB issued GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions* (an amendment of GASB Statement No. 53). This Statement clarifies that when certain conditions are met, the use of hedge accounting should not be terminated. When all of the conditions specified by the Statement exist, the GASB believes that the hedging relationship continues and hedge accounting should continue to be applied. This Statement is effective for the Village's fiscal year ended April 30, 2013, with earlier application encouraged. The Village has considered the impacts of implementing this Statement and has determined that the implementation will not have a significant effect on its financial statements.

In March 2012, the GASB issued GASB Statement 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations. The provisions of this Statement are effective for the Village's fiscal year ended April 30, 2014, with earlier application being encouraged. Management has not determined what impact, if any, this Statement may have on its financial statements

In March 2012, the GASB issued GASB Statement 66, *Technical Corrections – 2012, an amendment of GASB Statements No. 10 and No. 62*. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement amends Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. As a result, governments should base their decisions about fund type classification on the nature of the activity to be reported, as required in Statement 54 and Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. This Statement also amends Statement 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straightline basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. These changes clarify how to apply

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 13 - NEW ACCOUNTING PRONOUNCEMENTS (Continued)

Statement No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, and result in guidance that is consistent with the requirements in Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, respectively. The provisions of this Statement are effective for the Village's fiscal year ended April 30, 2014, with earlier application being encouraged. Management has not determined what impact, if any, this Statement may have on its financial statements

In June 2012, the GASB issued Statement 67, *Financial Reporting for Pension Plans*. This Statement replaces the requirements of Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* and Statement 50 as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. The Statement builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. Statement 67 enhances note disclosures and RSI for both defined benefit and defined contribution pension plans. Statement 67 also requires the presentation of new information about annual money-weighted rates of return in the notes to the financial statements and in 10-year RSI schedules. The provisions of this Statement are effective for the Village's Pension Funds fiscal year ending April 30, 2015. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions*. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* and Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. Statement 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI). The provisions of this Statement are effective for the Village's financial year ending April 30, 2016. Management has not determined what impact, if any, this GASB statement might have on its financial statements.

NOTE 14 – COMMITMENTS

The Village entered into construction agreements totaling approximately \$15.9 million for various capital improvements, including the construction of a new police station. Engineering, design and initial construction costs were capitalized as construction in progress during FY12 with construction planned to continue in the subsequent fiscal year.

VILLAGE OF FRANKLIN PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL CORPORATE FUND
 Year Ended April 30, 2012

	Original & Final Budget	Actual	Variance Over (Under)
Revenues			
Property taxes	\$ 11,485,566	\$ 11,302,477	\$ (183,089)
Sales taxes	2,225,000	1,822,068	(402,932)
Income taxes	1,650,000	1,564,958	(85,042)
Utility taxes	3,100,000	3,326,161	226,161
Other taxes	977,749	970,051	(7,698)
Licenses, permits and fees	1,363,000	1,520,581	157,581
Grant revenue	519,446	776,648	257,202
Other revenue	760,240	744,509	(15,731)
Fines and forfeitures	1,059,400	622,952	(436,448)
Investment income	2,500	4,020	1,520
Charges for services	936,419	1,153,915	217,496
Total revenues	<u>24,079,320</u>	<u>23,808,340</u>	<u>(270,980)</u>
Expenditures			
Current			
General government	5,702,253	6,238,340	536,087
Public safety	13,148,348	12,189,339	(959,009)
Highway and street	2,315,498	1,688,135	(627,363)
Public health	263,772	270,011	6,239
Community development	590,405	550,891	(39,514)
Building department	864,873	717,285	(147,588)
Debt service			
Interest and other charges	85,000	97,742	12,742
Capital outlay	821,388	1,773,836	952,448
Total expenditures	<u>23,791,537</u>	<u>23,525,579</u>	<u>(265,958)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>287,783</u>	<u>282,761</u>	<u>(5,022)</u>
Other financing sources (uses)			
Transfers in	-	1,795,524	1,795,524
Transfers out	-	(852,167)	(852,167)
Proceeds from capital lease	-	414,856	414,856
Proceeds from the sale of fixed assets	-	81,129	81,129
Total other financing sources (uses)	<u>-</u>	<u>1,439,342</u>	<u>1,439,342</u>
Net changes in fund balances	<u>\$ 287,783</u>	<u>1,722,103</u>	<u>\$ 1,434,320</u>
Fund balances at beginning of year		<u>3,010,707</u>	
Fund balances at end of year		<u>\$ 4,732,810</u>	

VILLAGE OF FRANKLIN PARK, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
April 30, 2012

NOTE 1 - BUDGET AND BUDGETARY ACCOUNTING

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

- The Finance Department submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- Budget hearings are conducted.
- The budget is legally enacted through passage of an ordinance.
- Budgets are adopted for all funds with the exception of the following funds:
 - Foreign Fire Insurance Premium Fund
 - Police Department 1505 Fund
 - IMRF Fund
 - Unclaimed Rebates Fund
 - Emergency Services and Disaster Agency Fund
 - GARRA Alternate Refunding Bonds Series 2004A Fund
 - Waveland Mannheim TIF Fund
 - Seymour Avenue Capital Projects Fund
 - Special Service Area #4 Fund
- The budget may be amended by the Board of Trustees. The budget was not amended this year.
- Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

The level of control (level at which expenditures may not exceed budget/ appropriations) is the Fund. Budget/Appropriations lapse at year end.

The following funds had an excess of actual budgetary expenditures/expenses over budget for the year ended April 30, 2012:

<u>Fund</u>	<u>Amount</u>
Mannheim/Grant TIF Fund	\$ 189,430
Resurrection TIF Fund	247,590

VILLAGE OF FRANKLIN PARK, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF FUNDING PROGRESS
 April 30, 2012

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Unfunded (Overfunded) AAL (2) - (1)	(4) Funded Ratio (1) / (2)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) AAL as a Percentage of Covered Payroll (3) / (5)
ILLINOIS MUNICIPAL RETIREMENT FUND - REGULAR						
12/31/2011	\$ 3,865,203	\$ 7,020,173	\$ 3,154,970	55.1%	\$ 2,964,396	106.4%
12/31/2010	4,673,833	7,060,024	2,386,191	66.2%	3,026,668	78.8%
12/31/2009	7,679,559	9,345,809	1,666,250	82.2%	3,219,952	51.7%
ILLINOIS MUNICIPAL RETIREMENT FUND - SHERIFF'S LAW ENFORCEMENT PERSONNEL						
12/31/2010	\$ 36,762	\$ -	\$(36,762)	0.0%	\$ -	0.0%
12/31/2009	38,765	-	\$(38,765)	0.0%	43,111	-89.9%
12/31/2008	61,109	24,797	\$(36,312)	246.4%	43,111	-84.2%
POLICE PENSION FUND						
4/30/2011	\$ 20,266,531	\$ 45,019,454	\$ 24,752,923	45.0%	\$ 3,223,128	768.0%
4/30/2010	19,004,820	40,191,355	21,186,535	47.3%	3,119,156	679.2%
4/30/2008	19,370,974	37,894,385	18,523,411	51.1%	3,280,940	564.6%
FIREFIGHTER'S PENSION FUND						
4/30/2011	\$ 20,814,877	\$ 40,573,761	\$ 19,758,884	51.3%	\$ 2,796,067	706.7%
4/30/2010	19,173,156	39,371,275	20,198,119	48.7%	2,964,084	681.4%
4/30/2009	17,458,475	38,257,435	20,798,960	45.6%	3,015,057	689.8%
OTHER POST EMPLOYMENT BENEFITS						
4/30/2011	\$ -	\$ 22,505,725	\$ 22,505,725	0.0%	\$ 8,983,591	250.5%
4/30/2009	-	18,816,415	18,816,415	0.0%	9,153,019	205.6%

Note: Information as of 4/30/09 for the Police Pension Fund not available.

Note: Information as of 4/30/10 for the Other Post Employment Benefits not available.

VILLAGE OF FRANKLIN PARK ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF EMPLOYER CONTRIBUTIONS
 April 30, 2012

Year Ended	Employer Contributions	Annual Required Contribution	Percent Contributed	Net Pension Obligation
ILLINOIS MUNICIPAL RETIREMENT FUND - REGULAR				
12/31/2011	\$ 330,827	\$ 330,827	100%	\$ -
12/31/2010	348,067	348,067	100%	-
12/31/2009	169,047	169,047	100%	-
ILLINOIS MUNICIPAL RETIREMENT FUND - SHERIFF'S LAW ENFORCEMENT PERSONNEL				
12/31/2010	\$ -	\$ -	0%	\$ -
12/31/2009	6,053	6,372	95%	-
12/31/2008	6,048	6,048	100%	-
POLICE PENSION FUND				
4/30/2012	\$ 1,342,545	\$ 1,511,580	88.82%	\$ 1,484,869
4/30/2011	1,388,533	1,390,042	99.89%	1,283,299
4/30/2010	964,382	1,390,042	69.38%	1,281,790
FIREFIGHTER'S PENSION FUND				
4/30/2012	\$ 1,401,449	\$ 1,402,721	99.91%	\$ 1,340,792
4/30/2011	1,398,379	1,613,067	86.69%	1,306,400
4/30/2010	1,033,165	1,470,273	70.27%	1,091,712
OTHER POST EMPLOYMENT BENEFITS				
4/30/2012	\$ 382,196	\$ 2,181,584	17.52%	\$ 6,558,935
4/30/2011	382,196	2,181,584	17.52%	4,824,498
4/30/2010	413,082	1,925,151	21.46%	3,090,062

VILLAGE OF FRANKLIN PARK, ILLINOIS

BUDGETARY COMPARISON SCHEDULE
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 CORPORATE BOND AND INTEREST FUND
 Year Ended April 30, 2012

	Original & Final Budget	Actual	Variance Over (Under)
Revenues			
Property taxes	\$ 3,199,776	\$ 3,180,382	\$ (19,394)
Investment income	-	55	55
Total revenues	<u>3,199,776</u>	<u>3,180,437</u>	<u>(19,339)</u>
Expenditures			
Current			
General government	7,000	5,003	(1,997)
Principal	120,000	580,000	460,000
Interest and other charges	3,018,260	1,376,036	(1,642,224)
Total expenditures	<u>3,145,260</u>	<u>1,961,039</u>	<u>(1,184,221)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>54,516</u>	<u>1,219,398</u>	<u>1,164,882</u>
Other financing sources (uses)			
Transfers in	-	1,300,046	1,300,046
Transfers out	-	(5,026,850)	(5,026,850)
Total other financing sources (uses)	<u>-</u>	<u>(3,726,804)</u>	<u>(3,726,804)</u>
Net changes in fund balances	<u>\$ 54,516</u>	<u>(2,507,406)</u>	<u>\$ (2,561,922)</u>
Fund balances at beginning of year		<u>3,530,352</u>	
Fund balances at end of year		<u>\$ 1,022,946</u>	

VILLAGE OF FRANKLIN PARK, ILLINOIS

BUDGETARY COMPARISON SCHEDULE
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 POLICE STATION FUND
 Year Ended April 30, 2012

	Original & Final Budget	Actual	Variance Over (Under)
Revenues			
Other revenue	\$ -	\$ 135,016	\$ 135,016
Investment income	-	4,504	4,504
Total revenues	<u>-</u>	<u>139,520</u>	<u>139,520</u>
Expenditures			
Current			
General government	20,000	21,845	1,845
Capital outlay	<u>9,980,000</u>	<u>3,191,074</u>	<u>(6,788,926)</u>
Total expenditures	<u>10,000,000</u>	<u>3,212,919</u>	<u>(6,787,081)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,000,000)</u>	<u>(3,073,399)</u>	<u>6,926,601</u>
Other financing sources (uses)			
Transfers out	-	(600,949)	(600,949)
Proceeds from bonds	10,000,000	9,975,000	(25,000)
Bond premium	-	504,324	504,324
Bond issuance costs	-	<u>(482,352)</u>	<u>(482,352)</u>
Total other financing sources (uses)	<u>10,000,000</u>	<u>9,396,023</u>	<u>(603,977)</u>
Net changes in fund balances	<u>\$ -</u>	6,322,624	<u>\$ 6,322,624</u>
Fund balances at beginning of year		<u>(94,563)</u>	
Fund balances at end of year		<u>\$ 6,228,061</u>	

VILLAGE OF FRANKLIN PARK, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
April 30, 2012

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
Assets				
Cash	\$ 986,950	\$ 510,017	\$ -	\$ 1,496,967
Investments	1,287,243	811,375	-	2,098,618
Accrued interest	330	-	-	330
Accounts receivable	35,591	-	-	35,591
Grant receivable	107,432	-	-	107,432
Interfund receivable	1,178,945	825,000	-	2,003,945
Total assets	\$ 3,596,491	\$ 2,146,392	\$ -	\$ 5,742,883
Liabilities and fund balances				
Liabilities				
Cash overdraft liability	\$ 662,039	\$ 514,597	\$ -	\$ 1,176,636
Accounts payable	453,948	1,206,770	10,473	1,671,191
Accrued payroll	113	-	-	113
Interfund payables	1,847,719	1,122,278	-	2,969,997
Total liabilities	2,963,819	2,843,645	10,473	5,817,937
Fund balances				
Restricted				
Public safety	485,509	-	-	485,509
Highway and streets	43,126	-	-	43,126
TIF development	1,823,861	-	-	1,823,861
Debt service	-	909,494	-	909,494
Assigned				
Public safety	157,179	-	-	157,179
Unassigned	(1,877,003)	(1,606,747)	(10,473)	(3,494,223)
Total fund balances	632,672	(697,253)	(10,473)	(75,054)
Total liabilities and fund balances	\$ 3,596,491	\$ 2,146,392	\$ -	\$ 5,742,883

VILLAGE OF FRANKLIN PARK, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year Ended April 30, 2012

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
Revenues				
Property taxes	\$ 1,175,332	\$ 765,266	\$ -	\$ 1,940,598
Other taxes	504,519	-	-	504,519
Grant revenue	266,755	-	-	266,755
Other revenue	330	-	-	330
Fines and forfeitures	87,526	-	-	87,526
Investment income	2,799	172	-	2,971
Charges for services	311,584	-	-	311,584
Total revenues	<u>2,348,845</u>	<u>765,438</u>	<u>-</u>	<u>3,114,283</u>
Expenditures				
Current				
General government	833,385	256,384	-	1,089,769
Public safety	383,491	-	-	383,491
Highway and street	145,066	-	-	145,066
Community development	251,705	321,562	10,473	583,740
Capital outlay	63,681	-	-	63,681
Total expenditures	<u>1,677,328</u>	<u>577,946</u>	<u>10,473</u>	<u>2,265,747</u>
Excess (deficiency) of revenues over (under) expenditures	<u>671,517</u>	<u>187,492</u>	<u>(10,473)</u>	<u>848,536</u>
Other financing sources				
Transfers in	441,826	624,708	658,268	1,724,802
Transfers out	(6,744,484)	(1,969,405)	(313,589)	(9,027,478)
Total other financing sources	<u>(6,302,658)</u>	<u>(1,344,697)</u>	<u>344,679</u>	<u>(7,302,676)</u>
Net changes in fund balances	<u>(5,631,141)</u>	<u>(1,157,205)</u>	<u>334,206</u>	<u>(6,454,140)</u>
Fund balances at beginning of year	<u>6,263,813</u>	<u>459,952</u>	<u>(344,679)</u>	<u>6,379,086</u>
Fund balances at end of year	<u>\$ 632,672</u>	<u>\$ (697,253)</u>	<u>\$ (10,473)</u>	<u>\$ (75,054)</u>

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VILLAGE OF FRANKLIN PARK, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
April 30, 2012

	<u>Foreign Fire Insurance Premium Fund</u>	<u>Police Department 1505 Fund</u>	<u>911 Emergency Surcharge Tax Fund</u>	<u>IMRF Fund</u>	<u>MFT Fund</u>
Assets					
Cash	\$ 64,582	\$ 420,597	\$ 157,292	\$ -	\$ 38,658
Investments	-	-	-	-	-
Accrued interest	330	-	-	-	-
Accounts receivable	-	-	-	-	35,591
Grant receivable	-	-	-	-	-
Interfund receivables	-	-	-	-	-
Total assets	\$ 64,912	\$ 420,597	\$ 157,292	\$ -	\$ 74,249
Liabilities and fund balances					
Liabilities					
Cash overdraft liability	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	31,123
Accrued payroll	-	-	113	-	-
Interfund payables	-	-	-	-	-
Total liabilities	-	-	113	-	31,123
Fund balances					
Restricted					
Public safety	64,912	420,597	-	-	-
Highway and streets	-	-	-	-	43,126
TIF development	-	-	-	-	-
Assigned					
Public safety	-	-	157,179	-	-
Unassigned	-	-	-	-	-
Total fund balances	64,912	420,597	157,179	-	43,126
Total liabilities and fund balances	\$ 64,912	\$ 420,597	\$ 157,292	\$ -	\$ 74,249

<u>Unclaimed Rebates Fund</u>	<u>Emergency Services and Disaster Agency Fund</u>	<u>GARRA Alternate Source Refunding Bonds Series 2004A Fund</u>	<u>West Mannheim Redeveloping Area TIF Fund</u>	<u>Belmont/ River TIF Fund</u>	<u>Mannheim/ Grand TIF Fund</u>	<u>Downtown Franklin Avenue TIF Fund</u>	<u>Total</u>
\$ -	\$ -	\$ 88,097	\$ -	\$ 217,724	\$ -	\$ -	\$ 986,950
-	-	-	825,792	-	461,451	-	1,287,243
-	-	-	-	-	-	-	330
-	-	-	-	-	-	-	35,591
-	-	-	-	-	-	107,432	107,432
-	-	-	57,562	-	1,121,383	-	1,178,945
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,097</u>	<u>\$ 883,354</u>	<u>\$ 217,724</u>	<u>\$ 1,582,834</u>	<u>\$ 107,432</u>	<u>\$ 3,596,491</u>
\$ -	\$ -	\$ -	\$ 479,144	\$ -	\$ 42,429	\$ 140,466	\$ 662,039
-	-	88,097	660	530	225,583	107,955	453,948
-	-	-	-	-	-	-	113
-	-	-	-	-	111,705	1,736,014	1,847,719
-	-	88,097	479,804	530	379,717	1,984,435	2,963,819
-	-	-	-	-	-	-	485,509
-	-	-	-	-	-	-	43,126
-	-	-	403,550	217,194	1,203,117	-	1,823,861
-	-	-	-	-	-	-	157,179
-	-	-	-	-	-	(1,877,003)	(1,877,003)
-	-	-	403,550	217,194	1,203,117	(1,877,003)	632,672
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,097</u>	<u>\$ 883,354</u>	<u>\$ 217,724</u>	<u>\$ 1,582,834</u>	<u>\$ 107,432</u>	<u>\$ 3,596,491</u>

VILLAGE OF FRANKLIN PARK, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 Year Ended April 30, 2012

	Foreign Fire Insurance Premium Fund	Police Department 1505 Fund	911 Emergency Surcharge Tax Fund	IMRF Fund	MFT Fund
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	47,616	-	-	-	456,903
Grant revenue	-	-	-	-	84,396
Other revenue	330	-	-	-	-
Fines and forfeitures	-	87,526	-	-	-
Investment income	353	16	365	-	464
Charges for services	-	-	311,584	-	-
Total revenues	48,299	87,542	311,949	-	541,763
Expenditures					
Current					
General government	-	-	-	-	-
Public safety	27,531	66,603	289,357	-	-
Highway and street	-	-	-	-	145,066
Community development	-	-	-	-	-
Capital outlay	18,307	45,374	-	-	-
Total expenditures	45,838	111,977	289,357	-	145,066
Excess (deficiency) of revenues over (under) expenditures	2,461	(24,435)	22,592	-	396,697
Other financing sources (uses)					
Transfers in	-	-	-	48,881	-
Transfers out	-	-	(19,938)	-	(2,080,360)
Total other financing sources	-	-	(19,938)	48,881	(2,080,360)
Net changes in fund balances	2,461	(24,435)	2,654	48,881	(1,683,663)
Fund balances at beginning of year	62,451	445,032	154,525	(48,881)	1,726,789
Fund balances at end of year	\$ 64,912	\$ 420,597	\$ 157,179	\$ -	\$ 43,126

Unclaimed Rebates Fund	Emergency Services and Disaster Agency Fund	GARRA Alternate Source Refunding Bonds Series 2004A Fund	West Mannheim Redeveloping Area TIF Fund	Belmont/ River TIF Fund	Mannheim/ Grand TIF Fund	Downtown Franklin Avenue TIF Fund	Total
\$ -	\$ -	\$ -	\$ 863,799	\$ 22,005	\$ -	\$ 289,528	\$ 1,175,332
-	-	-	-	-	-	-	504,519
-	-	-	-	-	-	182,359	266,755
-	-	-	-	-	-	-	330
-	-	-	1,405	-	41	-	87,526
-	-	-	-	-	-	155	2,799
-	-	-	-	-	-	-	311,584
-	-	-	865,204	22,005	41	472,042	2,348,845
-	-	-	522,275	3,450	225,060	82,600	833,385
-	-	-	-	-	-	-	383,491
-	-	-	-	-	-	-	145,066
-	-	-	45,303	31,640	4,370	170,392	251,705
-	-	-	-	-	-	-	63,681
-	-	-	567,578	35,090	229,430	252,992	1,677,328
-	-	-	297,626	(13,085)	(229,389)	219,050	671,517
-	-	-	-	-	-	392,945	441,826
(144,634)	(7,759)	(2,194,239)	(770,063)	(12,181)	(1,184,313)	(330,997)	(6,744,484)
(144,634)	(7,759)	(2,194,239)	(770,063)	(12,181)	(1,184,313)	61,948	(6,302,658)
(144,634)	(7,759)	(2,194,239)	(472,437)	(25,266)	(1,413,702)	280,998	(5,631,141)
144,634	7,759	2,194,239	875,987	242,460	2,616,819	(2,158,001)	6,263,813
\$ -	\$ -	\$ -	\$ 403,550	\$ 217,194	\$ 1,203,117	\$ (1,877,003)	\$ 632,672

VILLAGE OF FRANKLIN PARK, ILLINOIS

BUDGETARY COMPARISON SCHEDULE
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 911 EMERGENCY SURCHARGE TAX FUND
 Year Ended April 30, 2012

	Original & Final Budget	Actual	Variance Over (Under)
Revenues			
Investment income	\$ 1,275	\$ 365	\$ (910)
Charges for services	<u>250,000</u>	<u>311,584</u>	<u>61,584</u>
Total revenues	<u>251,275</u>	<u>311,949</u>	<u>60,674</u>
Expenditures			
Current			
Public safety	<u>341,609</u>	<u>289,357</u>	<u>(52,252)</u>
Total expenditures	<u>341,609</u>	<u>289,357</u>	<u>(52,252)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(90,334)</u>	<u>22,592</u>	<u>112,926</u>
Other financing sources (uses)			
Transfers out	<u>-</u>	<u>(19,938)</u>	<u>(19,938)</u>
Total other financing sources (uses)	<u>-</u>	<u>(19,938)</u>	<u>(19,938)</u>
Net changes in fund balances	<u>\$ (90,334)</u>	2,654	<u>\$ 92,988</u>
Fund balances at beginning of year		<u>154,525</u>	
Fund balances at end of year		<u>\$ 157,179</u>	

VILLAGE OF FRANKLIN PARK, ILLINOIS
 BUDGETARY COMPARISON SCHEDULE
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 MFT FUND
 Year Ended April 30, 2012

	Original & Final Budget	Actual	Variance Over (Under)
Revenues			
Other taxes	\$ 435,409	\$ 456,903	\$ 21,494
Grant revenue	74,019	84,396	10,377
Investment income	5,000	464	(4,536)
Total revenues	<u>514,428</u>	<u>541,763</u>	<u>27,335</u>
Expenditures			
Current			
Highway and street	<u>250,000</u>	<u>145,066</u>	<u>(104,934)</u>
Total expenditures	<u>250,000</u>	<u>145,066</u>	<u>(104,934)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>264,428</u>	<u>396,697</u>	<u>132,269</u>
Other financing sources (uses)			
Transfers out	-	(2,080,360)	(2,080,360)
Total other financing sources (uses)	<u>-</u>	<u>(2,080,360)</u>	<u>(2,080,360)</u>
Net changes in fund balances	<u>\$ 264,428</u>	<u>(1,683,663)</u>	<u>\$ (1,948,091)</u>
Fund balances at beginning of year		<u>1,726,789</u>	
Fund balances at end of year		<u>\$ 43,126</u>	

VILLAGE OF FRANKLIN PARK, ILLINOIS

BUDGETARY COMPARISON SCHEDULE
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 WEST MANNHEIM REDEVELOPING AREA TIF FUND
 Year Ended April 30, 2012

	Original & Final Budget	Actual	Variance Over (Under)
Revenues			
Property taxes	\$ 750,000	\$ 863,799	\$ 113,799
Investment income	-	1,405	1,405
Total revenues	<u>750,000</u>	<u>865,204</u>	<u>115,204</u>
Expenditures			
Current			
General government	530,000	522,275	(7,725)
Community development	712,060	45,303	(666,757)
Total expenditures	<u>1,242,060</u>	<u>567,578</u>	<u>(674,482)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(492,060)</u>	<u>297,626</u>	<u>789,686</u>
Other financing sources (uses)			
Transfers out	-	(770,063)	(770,063)
Total other financing sources (uses)	<u>-</u>	<u>(770,063)</u>	<u>(770,063)</u>
Net changes in fund balances	<u>\$ (492,060)</u>	<u>(472,437)</u>	<u>\$ 19,623</u>
Fund balances at beginning of year		<u>875,987</u>	
Fund balances at end of year		<u>\$ 403,550</u>	

VILLAGE OF FRANKLIN PARK, ILLINOIS

BUDGETARY COMPARISON SCHEDULE
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 BELMONT/RIVER TIF FUND
 Year Ended April 30, 2012

	Original & Final Budget	Actual	Variance Over (Under)
Revenues			
Property taxes	\$ 10,000	\$ 22,005	\$ 12,005
Total revenues	<u>10,000</u>	<u>22,005</u>	<u>12,005</u>
Expenditures			
Current			
General government	1,000	3,450	2,450
Community development	<u>51,500</u>	<u>31,640</u>	<u>(19,860)</u>
Total expenditures	<u>52,500</u>	<u>35,090</u>	<u>(17,410)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(42,500)</u>	<u>(13,085)</u>	<u>29,415</u>
Other financing sources (uses)			
Transfers out	<u>-</u>	<u>(12,181)</u>	<u>(12,181)</u>
Total other financing sources (uses)	<u>-</u>	<u>(12,181)</u>	<u>(12,181)</u>
Net changes in fund balances	<u>\$ (42,500)</u>	<u>(25,266)</u>	<u>\$ 17,234</u>
Fund balances at beginning of year		<u>242,460</u>	
Fund balances at end of year		<u>\$ 217,194</u>	

VILLAGE OF FRANKLIN PARK, ILLINOIS

BUDGETARY COMPARISON SCHEDULE
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 MANNHEIM/GRAND TIF FUND
 Year Ended April 30, 2012

	Original & Final Budget	Actual	Variance Over (Under)
Revenues			
Investment income	\$ -	\$ 41	\$ 41
Total revenues	<u>-</u>	<u>41</u>	<u>41</u>
Expenditures			
Current			
General government	20,000	225,060	205,060
Community development	<u>20,000</u>	<u>4,370</u>	<u>(15,630)</u>
Total expenditures	<u>40,000</u>	<u>229,430</u>	<u>189,430</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40,000)</u>	<u>(229,389)</u>	<u>(189,389)</u>
Other financing sources (uses)			
Transfers out	-	(1,184,313)	(1,184,313)
Total other financing sources (uses)	<u>-</u>	<u>(1,184,313)</u>	<u>(1,184,313)</u>
Net changes in fund balances	<u>\$ (40,000)</u>	(1,413,702)	<u>\$ (1,373,702)</u>
Fund balances at beginning of year		<u>2,616,819</u>	
Fund balances at end of year		<u>\$ 1,203,117</u>	

VILLAGE OF FRANKLIN PARK, ILLINOIS

BUDGETARY COMPARISON SCHEDULE
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 DOWNTOWN FRANKLIN AVENUE TIF FUND
 Year Ended April 30, 2012

	Original & Final Budget	Actual	Variance Over (Under)
Revenues			
Property taxes	\$ 385,000	\$ 289,528	\$ (95,472)
Grant revenue	-	182,359	182,359
Investment income	-	155	155
Total revenues	<u>385,000</u>	<u>472,042</u>	<u>87,042</u>
Expenditures			
Current			
General government	15,000	82,600	67,600
Community development	350,998	170,392	(180,606)
Total expenditures	<u>365,998</u>	<u>252,992</u>	<u>(113,006)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>19,002</u>	<u>219,050</u>	<u>200,048</u>
Other financing sources (uses)			
Transfers in	-	392,945	392,945
Transfers out	-	(330,997)	(330,997)
Total other financing sources (uses)	<u>-</u>	<u>61,948</u>	<u>61,948</u>
Net changes in fund balances	<u>\$ 19,002</u>	280,998	<u>\$ 261,996</u>
Fund balances at beginning of year		<u>(2,158,001)</u>	
Fund balances at end of year		<u>\$ (1,877,003)</u>	

VILLAGE OF FRANKLIN PARK, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
April 30, 2012

	Life/Fitness Reebie Storage TIF Fund	Waveland/ Mannheim TIF Fund	O'Hare East Industrial TIF Fund	Resurrection TIF Fund	Total
Assets					
Cash	\$ 85,017	\$ 425,000	-	\$ -	\$ 510,017
Investments	-	-	-	811,375	811,375
Interfund receivable	825,000	-	-	-	825,000
Total assets	\$ 910,017	\$ 425,000	\$ -	\$ 811,375	\$ 2,146,392
Liabilities and fund balances					
Liabilities					
Cash overdraft liability	\$ -	\$ -	\$ 244,304	\$ 270,293	\$ 514,597
Accounts payable	523	956,436	6,189	243,622	1,206,770
Interfund payables	-	-	-	1,122,278	1,122,278
Total liabilities	523	956,436	250,493	1,636,193	2,843,645
Fund balances					
Restricted	909,494	-	-	-	909,494
Debt service	-	(531,436)	(250,493)	(824,818)	(1,606,747)
Unassigned	909,494	(531,436)	(250,493)	(824,818)	(697,253)
Total fund balances	910,017	425,000	-	811,375	2,146,392
Total liabilities and fund balances					

VILLAGE OF FRANKLIN PARK, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
Year Ended April 30, 2012

	Life/Fitness Reebie Storage TIF Fund	Waveland/ Mannheim TIF Fund	O'Hare East Industrial TIF Fund	Resurrection TIF Fund	Total
Revenues					
Property taxes	\$ 765,266	\$ -	\$ -	\$ -	\$ 765,266
Investment income	152	-	-	20	172
Total revenues	<u>765,418</u>	<u>-</u>	<u>-</u>	<u>20</u>	<u>765,438</u>
Expenditures					
Current					
General government	800	-	6,465	249,119	256,384
Community development	289,111	18,052	4,928	9,471	321,562
Total expenditures	<u>289,911</u>	<u>18,052</u>	<u>11,393</u>	<u>258,590</u>	<u>577,946</u>
Excess (deficiency) of revenues over (under) expenditures	<u>475,507</u>	<u>(18,052)</u>	<u>(11,393)</u>	<u>(258,570)</u>	<u>187,492</u>
Other financing sources					
Transfers in	-	-	-	624,708	624,708
Transfers out	(1,104,651)	(513,384)	(351,370)	-	(1,969,405)
Total other financing sources	<u>(1,104,651)</u>	<u>(513,384)</u>	<u>(351,370)</u>	<u>624,708</u>	<u>(1,344,697)</u>
Net changes in fund balances	<u>(629,144)</u>	<u>(531,436)</u>	<u>(362,763)</u>	<u>366,138</u>	<u>(1,157,205)</u>
Fund balances at beginning of year	<u>1,538,638</u>	<u>-</u>	<u>112,270</u>	<u>(1,190,956)</u>	<u>459,952</u>
Fund balances at end of year	<u>\$ 909,494</u>	<u>\$ (531,436)</u>	<u>\$ (250,493)</u>	<u>\$ (824,818)</u>	<u>\$ (697,253)</u>

VILLAGE OF FRANKLIN PARK, ILLINOIS

BUDGETARY COMPARISON SCHEDULE
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 LIFE/FITNESS REEBIE STORAGE TIF FUND
 Year Ended April 30, 2012

	Original & Final Budget	Actual	Variance Over (Under)
Revenues			
Property taxes	\$ 700,000	\$ 765,266	\$ 65,266
Investment income	-	152	152
Total revenues	<u>700,000</u>	<u>765,418</u>	<u>65,418</u>
Expenditures			
Current			
General government	7,000	800	(6,200)
Community development	550,500	289,111	(261,389)
Total expenditures	<u>557,500</u>	<u>289,911</u>	<u>(267,589)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>142,500</u>	<u>475,507</u>	<u>333,007</u>
Other financing sources (uses)			
Transfers out	-	(1,104,651)	(1,104,651)
Total other financing sources (uses)	<u>-</u>	<u>(1,104,651)</u>	<u>(1,104,651)</u>
Net changes in fund balances	<u>\$ 142,500</u>	<u>(629,144)</u>	<u>\$ (771,644)</u>
Fund balances at beginning of year		<u>1,538,638</u>	
Fund balances at end of year		<u>\$ 909,494</u>	

VILLAGE OF FRANKLIN PARK, ILLINOIS

BUDGETARY COMPARISON SCHEDULE
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 O'HARE EAST INDUSTRIAL TIF FUND
 Year Ended April 30, 2012

	Original & Final Budget	Actual	Variance Over (Under)
Revenues			
Property taxes	\$ 20,000	\$ -	\$ (20,000)
Total revenues	<u>20,000</u>	<u>-</u>	<u>(20,000)</u>
Expenditures			
Current			
General government	4,500	6,465	1,965
Community development	<u>15,500</u>	<u>4,928</u>	<u>(10,572)</u>
Total expenditures	<u>20,000</u>	<u>11,393</u>	<u>(8,607)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(11,393)</u>	<u>(11,393)</u>
Other financing sources (uses)			
Transfers out	<u>-</u>	<u>(351,370)</u>	<u>(351,370)</u>
Total other financing sources (uses)	<u>-</u>	<u>(351,370)</u>	<u>(351,370)</u>
Net changes in fund balances	<u>\$ -</u>	<u>(362,763)</u>	<u>\$ (362,763)</u>
Fund balances at beginning of year		<u>112,270</u>	
Fund balances at end of year		<u>\$ (250,493)</u>	

VILLAGE OF FRANKLIN PARK, ILLINOIS

BUDGETARY COMPARISON SCHEDULE
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 RESURRECTION TIF FUND
 Year Ended April 30, 2012

	Original & Final Budget	Actual	Variance Over (Under)
Revenues			
Investment income	\$ -	\$ 20	\$ 20
Total revenues	<u>-</u>	<u>20</u>	<u>20</u>
Expenditures			
Current			
General government	4,000	249,119	245,119
Community development	<u>7,000</u>	<u>9,471</u>	<u>2,471</u>
Total expenditures	<u>11,000</u>	<u>258,590</u>	<u>247,590</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,000)</u>	<u>(258,570)</u>	<u>(247,570)</u>
Other financing sources (uses)			
Transfers in	-	<u>624,708</u>	<u>624,708</u>
Total other financing sources (uses)	<u>-</u>	<u>624,708</u>	<u>624,708</u>
Net changes in fund balances	<u>\$ (11,000)</u>	366,138	<u>\$ 377,138</u>
Fund balances at beginning of year		<u>(1,190,956)</u>	
Fund balances at end of year		<u>\$ (824,818)</u>	

VILLAGE OF FRANKLIN PARK, ILLINOIS

COMBINING BALANCE SHEET
 NONMAJOR CAPITAL FUNDS
 April 30, 2012

	Seymour Avenue Capital Projects Fund	Special Service Area #4 Fund	Total
Assets			
Cash	\$ -	\$ -	\$ -
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities and fund balances			
Liabilities			
Accounts payable	\$ -	\$ 10,473	\$ 10,473
Total liabilities	<u>-</u>	<u>10,473</u>	<u>10,473</u>
Fund balances			
Unassigned	-	(10,473)	(10,473)
Total fund balances	<u>-</u>	<u>(10,473)</u>	<u>(10,473)</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VILLAGE OF FRANKLIN PARK, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
Year Ended April 30, 2012

	Seymour Avenue Capital Projects Fund	Special Service Area #4 Fund	Total
Revenues	\$ -	\$ -	\$ -
Expenditures			
Current			
Community development	-	10,473	10,473
Total expenditures	<u>-</u>	<u>10,473</u>	<u>10,473</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(10,473)</u>	<u>(10,473)</u>
Other financing sources (uses)			
Transfers in	658,268	-	658,268
Transfers out	-	(313,589)	(313,589)
Total other financing sources (uses)	<u>658,268</u>	<u>(313,589)</u>	<u>344,679</u>
Net changes in fund balances	<u>658,268</u>	<u>(324,062)</u>	<u>334,206</u>
Fund balances at beginning of year	<u>(658,268)</u>	<u>313,589</u>	<u>(344,679)</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ (10,473)</u>	<u>\$ (10,473)</u>

VILLAGE OF FRANKLIN PARK, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

April 30, 2012

	Pension Trust Funds			Agency Funds		
	Police Pension Fund	Firefighter's Pension Fund	Total	Village Escrow Fund	Special Assessment Fund	Total
Assets						
Cash	\$ 16,397	\$ 56,366	\$ 72,763	\$ -	\$ -	\$ -
Investments:						
Certificates of deposit	5,912,571	-	5,912,571	-	-	-
US government and agency obligations	1,922,333	5,725,064	7,647,397	-	-	-
Corporate bonds	1,575,062	3,964,790	5,539,852	-	-	-
Insurance contracts	7,204,787	5,583,718	12,788,505	-	-	-
Equity securities	-	1,851,384	1,851,384	-	-	-
Equity mutual funds	861,195	3,289,437	4,150,632	-	-	-
Money market mutual funds	1,984,397	1,017,410	3,001,807	-	-	-
Accrued interest receivable	50,479	77,465	127,944	-	-	-
Other receivable	-	-	-	-	419	419
Due from village	17,652	19,898	37,550	19,961	331,489	351,450
Prepays	1,771	1,017	2,788	-	-	-
Total assets	<u>19,546,644</u>	<u>21,586,549</u>	<u>41,133,193</u>	<u>19,961</u>	<u>331,908</u>	<u>351,869</u>
	\$	\$	\$	\$	\$	\$
Liabilities						
Accounts payable	5,335	6,765	12,100	-	-	-
Deposits payable	-	-	-	19,961	331,908	351,869
Total liabilities	<u>5,335</u>	<u>6,765</u>	<u>12,100</u>	<u>19,961</u>	<u>331,908</u>	<u>351,869</u>
	\$	\$	\$	\$	\$	\$
Net assets						
Held in trust for pension benefits and other purposes	19,541,309	21,579,784	41,121,093	-	-	-
Total net assets	<u>\$ 19,541,309</u>	<u>\$ 21,579,784</u>	<u>\$ 41,121,093</u>	<u>\$ 19,961</u>	<u>\$ 331,908</u>	<u>\$ 351,869</u>

VILLAGE OF FRANKLIN PARK, ILLINOIS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 Year Ended April 30, 2012

	Police Pension Fund	Firefighter's Pension Fund	Total
Additions			
Contributions			
Employer	\$ 1,342,545	\$ 1,401,449	\$ 2,743,994
Plan members	<u>330,480</u>	<u>291,181</u>	<u>621,661</u>
Total contributions	<u>1,673,025</u>	<u>1,692,630</u>	<u>3,365,655</u>
Net investment earnings	<u>(218,044)</u>	<u>1,200,255</u>	<u>982,211</u>
Total additions	<u>1,454,981</u>	<u>2,892,885</u>	<u>4,347,866</u>
Deductions			
Benefits	2,141,937	1,988,642	4,130,579
Administrative expenses	<u>38,266</u>	<u>53,170</u>	<u>91,436</u>
Total deductions	<u>2,180,203</u>	<u>2,041,812</u>	<u>4,222,015</u>
Change in net assets	(725,222)	851,073	125,851
Net assets - beginning of year	<u>20,266,531</u>	<u>20,728,711</u>	<u>40,995,242</u>
Net assets - end of year	<u>\$ 19,541,309</u>	<u>\$ 21,579,784</u>	<u>\$ 41,121,093</u>

VILLAGE OF FRANKLIN PARK, ILLINOIS

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended April 30, 2012

	Balance May 1, 2011	Additions	Deletions	Balance April 30, 2012
Village Escrow Fund				
Assets				
Cash	\$ 19,961	\$ -	\$ (19,961)	\$ -
Due from village	-	19,961	-	19,961
Total assets	\$ 19,961	\$ 19,961	\$ (19,961)	\$ 19,961
Liabilities				
Deposits payable	\$ 19,961	\$ -	\$ -	\$ 19,961
Total liabilities	\$ 19,961	\$ -	\$ -	\$ 19,961
Special Assessment Fund				
Assets				
Cash	\$ 331,489	\$ -	\$ (331,489)	\$ -
Other receivable	419	-	-	419
Due from village	-	331,489	-	331,489
Total assets	\$ 331,908	\$ 331,489	\$ (331,489)	\$ 331,908
Liabilities				
Deposits payable	\$ 331,908	\$ -	\$ -	\$ 331,908
Total liabilities	\$ 331,908	\$ -	\$ -	\$ 331,908

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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE

To the Honorable President
and Members of the Board of Trustees
Village of Franklin Park, Illinois

We have examined the Village of Franklin Park, Illinois', (Village's) compliance with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act during the year ended April 30, 2012. Management is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and accordingly, included examining, on a test basis, evidence about the Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of the Village's compliance with specified requirements.

In our opinion, the Village complied in all material respects, with the aforementioned requirements for the year ended April 30, 2012.


Crowe Horwath LLP

Oak Brook, Illinois
October 31, 2012

STATISTICAL SECTION

The Village of Franklin Park, Illinois presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the Village's overall financial health.

		Tables
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.	1-4
Revenue Capacity	These schedules present information to help the reader assess the Village's significant revenue sources.	3-10
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.	11-14
Demographics and Economic Information	These schedules offer demographic and economic indicators to help the reader understand the environment within the Village's financial activities take place.	15-16
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.	17-19

VILLAGE OF FRANKLIN PARK, ILLINOIS
STATEMENT OF NET ASSETS BY COMPONENT
Last Nine Fiscal Years*

	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities									
Invested in capital assets, net of related debt	\$ 16,483,743	\$ 14,701,902	\$ 17,261,013	\$ 19,206,616	\$ 61,325,754	\$ 19,588,142	\$ 15,082,839	\$ 12,991,451	\$ 11,757,677
Restricted	14,274,330	14,283,236	13,882,114	12,375,428	11,321,795	7,684,461	7,834,608	10,891,171	3,799,427
Unrestricted	(10,066,328)	(13,683,883)	(16,381,808)	(21,022,797)	(27,106,796)	(6,101,927)	(8,443,822)	(4,667,352)	(6,909,672)
TOTAL GOVERNMENTAL ACTIVITIES NET ASSETS	\$ 20,691,745	\$ 15,301,255	\$ 14,761,319	\$ 10,559,247	\$ 45,540,753	\$ 21,170,676	\$ 14,473,625	\$ 19,215,270	\$ 8,647,432
Business-type activities									
Invested in capital assets, net of related debt	\$ 4,947,892	\$ 7,224,022	\$ 8,019,305	\$ 9,551,252	\$ 11,046,893	\$ 12,389,459	\$ 15,183,634	\$ 16,153,802	\$ 17,398,876
Unrestricted	4,434,414	3,239,941	5,394,736	3,952,294	5,801,193	1,120,905	(3,081,806)	(7,066,157)	1,305,343
TOTAL BUSINESS-TYPE ACTIVITIES NET ASSETS	\$ 9,382,306	\$ 10,463,963	\$ 13,414,041	\$ 13,503,546	\$ 16,848,086	\$ 13,510,364	\$ 12,101,828	\$ 9,087,645	\$ 18,704,219
Primary government									
Invested in capital assets, net of related debt	\$ 21,431,635	\$ 21,925,924	\$ 25,280,318	\$ 28,757,868	\$ 72,372,647	\$ 31,977,601	\$ 30,266,473	\$ 29,145,253	\$ 29,156,553
Restricted	14,274,330	14,283,236	13,882,114	12,375,428	11,321,795	7,684,461	7,834,608	10,891,171	3,799,427
Unrestricted	(5,631,914)	(10,443,942)	(10,987,072)	(17,070,503)	(21,305,603)	(4,981,022)	(11,525,628)	(11,733,509)	(5,604,329)
TOTAL PRIMARY GOVERNMENT	\$ 30,074,051	\$ 25,765,218	\$ 28,175,360	\$ 24,062,793	\$ 62,388,839	\$ 34,681,040	\$ 26,575,453	\$ 28,302,915	\$ 27,351,651

*The Entity-Wide reporting provisions of GASB 34 were not adopted until fiscal 2004

Source: Village records

VILLAGE OF FRANKLIN PARK, ILLINOIS
CHANGES IN NET ASSETS
Last Nine Fiscal Years*

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012
GOVERNMENTAL ACTIVITIES									
Program revenues									
Charges for services	\$ 502,751	\$ 418,575	\$ -	\$ -	\$ -	\$ 1,218,505	\$ 897,771	\$ 1,405,288	\$ 1,245,000
General government	59,393	140,687	510,064	587,716	471,531	1,514,648	2,276,909	1,642,993	1,685,651
Public safety	-	-	-	-	-	810	514,558	-	-
Public health	-	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	25,550	22,828	12,530	21,520
Building department	-	-	-	-	-	1,284,125	686,919	616,082	744,387
Operating grants	-	-	-	-	-	172,272	216,352	457,595	643,744
Capital grants	1,662,330	5,439,305	1,001,949	188,208	454,417	3,418,615	209,896	1,082,446	399,659
General revenues	10,622,280	10,727,149	11,544,823	12,672,760	12,071,971	12,809,050	14,859,858	18,752,446	16,423,457
Property taxes	-	-	-	-	-	109	-	-	81,129
Gain on sale of fixed assets	-	-	-	-	-	863,428	628,491	775,309	683,801
Replacement	463,149	527,878	681,136	881,243	3,097,488	2,645,880	2,403,228	2,023,821	1,822,068
Sales	1,965,246	1,859,000	2,068,191	2,920,751	3,585,827	2,317,939	2,073,897	3,117,429	3,326,161
Utility	3,678,809	3,684,771	3,849,358	3,514,449	2,024,807	1,679,644	1,474,908	1,510,967	1,564,958
Income	1,176,139	1,418,566	1,339,730	1,619,459	102,819	127,202	38,784	7,807	9,118
Hotel/Motel	104,435	117,139	110,946	147,476	588,765	507,159	491,004	591,569	456,903
Motor Fuel	556,038	563,707	561,913	562,239	237,097	85,658	8,996	6,931	11,550
Investment	163,746	691,302	303,948	468,003	4,179,633	1,145,311	607,818	1,023,630	749,602
Miscellaneous	1,366,295	3,924,432	3,679,621	4,313,766	514,649	1,879,467	1,299,815	279,561	318,338
Other	4,429,519	337,640	732,013	362,507	(1,623,850)	-	-	1,024,992	(10,687,072)
Transfers	-	-	(1,625,850)	(1,624,550)	26,568,582	31,588,871	28,712,032	34,331,396	19,499,974
Total revenues	26,750,130	29,850,151	24,757,842	26,614,027	26,568,582	31,588,871	28,712,032	34,331,396	19,499,974
Expenses									
General government	6,173,346	11,054,573	8,958,315	9,387,994	10,763,153	6,509,784	6,860,507	6,438,478	5,750,635
Public safety	11,245,991	11,565,461	10,977,811	12,312,699	11,930,231	14,826,648	14,836,168	14,706,048	15,890,927
Highway and street	7,808,221	8,831,506	3,697,522	5,043,274	8,305,525	17,334,095	7,812,070	6,486,425	3,925,578
Public health	-	-	-	-	-	1,733,755	1,827,272	281,856	296,695
Community development	-	-	-	-	-	1,777,725	2,272,932	841,746	1,174,033
Building department	-	-	-	-	-	992,053	998,682	1,020,662	1,324,691
Interest on long-term debt	1,058,012	1,140,499	2,091,943	4,072,132	2,877,136	707,371	1,518,439	1,378,233	1,705,253
Transfers	-	1,414,116	-	-	-	-	-	-	-
Total expenses	(26,285,570)	(34,006,155)	(25,725,591)	(30,816,099)	(33,876,045)	(43,881,431)	(36,126,070)	(31,153,448)	(30,067,812)
INCREASE (DECREASE) IN NET ASSETS	\$ 464,560	\$ (4,156,004)	\$ (967,749)	\$ (4,202,072)	\$ (7,307,463)	\$ (12,292,560)	\$ (7,414,038)	\$ 3,177,948	\$ (10,567,838)

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
 CHANGES IN NET ASSETS
 Last Nine Fiscal Years*

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012
BUSINESS-TYPE ACTIVITIES									
Program Revenues									
Charges for Services	\$ 5,739,978	\$ 6,050,875	\$ 6,948,842	\$ 5,830,298	\$ 7,153,652	\$ -	\$ -	\$ -	\$ -
Water	-	-	-	-	-	4,448,697	4,028,559	4,425,761	4,332,873
Sewer	-	-	-	-	-	2,525,090	2,141,395	2,358,732	2,264,922
Commuter parking lot	-	-	-	-	-	31,386	53,717	63,255	62,131
Garbage	-	-	-	-	-	-	-	1,454,099	1,309,180
Operating grants	-	-	-	-	-	-	-	-	78,399
Capital grants	-	-	-	-	565,305	500,000	30,204	-	-
General Revenue	-	-	-	-	-	-	-	-	-
Unrestricted investment earnings	-	-	-	-	-	29,339	8,255	2,498	4,292
Gain on sale of fixed assets	-	-	-	-	-	3,922	-	-	-
Investment	87,319	82,243	77,035	8,331	241,440	-	-	-	-
Transfers	-	1,414,116	1,625,850	1,624,550	1,623,850	-	-	(1,024,992)	10,687,072
Other	-	-	-	-	-	6,322	8,289	13,123	2,815
Total revenues	<u>5,827,297</u>	<u>7,547,234</u>	<u>8,651,727</u>	<u>7,463,179</u>	<u>9,584,247</u>	<u>7,544,756</u>	<u>6,270,419</u>	<u>7,292,476</u>	<u>18,741,684</u>
Expenses									
Water	-	-	-	-	-	5,516,858	5,294,989	4,738,227	5,183,861
Sewer	-	-	-	-	-	3,218,477	2,374,980	2,296,739	2,495,388
Commuter parking lot	-	-	-	-	-	8,778	8,986	13,805	17,958
Garbage	-	-	-	-	-	-	-	1,694,191	1,427,903
Enterprise	11,172,420	6,465,577	6,946,966	7,373,674	6,657,868	-	-	-	-
Total expenses	<u>(11,172,420)</u>	<u>(6,465,577)</u>	<u>(6,946,966)</u>	<u>(7,373,674)</u>	<u>(6,657,868)</u>	<u>(8,744,113)</u>	<u>(7,678,955)</u>	<u>(8,742,962)</u>	<u>(9,125,110)</u>
INCREASE (DECREASE) IN NET ASSETS	\$ (5,345,123)	\$ 1,081,657	\$ 1,704,761	\$ 89,505	\$ 2,926,379	\$ (1,199,357)	\$ (1,408,536)	\$ (1,450,486)	\$ 9,616,574

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
CHANGES IN NET ASSETS
Last Nine Fiscal Years*

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012
TOTAL NET ASSETS									
Program revenues	\$ 502,751	\$ 418,575	\$ 510,064	\$ 587,716	\$ 471,531	\$ 1,218,505	\$ 897,771	\$ 1,405,288	\$ 1,245,000
Charges for services	59,393	140,687	-	-	-	1,514,648	2,276,909	1,642,993	1,685,651
General government	-	-	-	-	-	810	514,558	-	-
Public safety	-	-	-	-	-	-	22,828	12,530	21,520
Public health	-	-	-	-	-	25,550	686,919	616,082	744,387
Community development	-	-	-	-	-	4,448,697	4,028,559	4,425,761	4,332,873
Building department	-	-	-	-	-	2,525,090	2,141,395	2,358,732	2,264,922
Water	-	-	-	-	-	31,386	53,717	63,255	62,131
Sewer	-	-	-	-	-	-	-	1,454,099	1,309,180
Commuter parking lot	-	-	-	-	-	-	-	-	-
Garbage	5,739,978	6,050,875	6,948,842	5,830,298	7,153,652	-	-	-	-
Enterprise	-	-	-	-	-	172,272	216,352	457,595	722,143
Operating grants	-	-	-	-	-	3,918,615	240,100	1,082,446	399,659
Capital grants	1,662,330	5,439,305	1,001,949	188,208	1,019,722	-	-	-	-
General Revenues									
Property taxes	10,622,280	10,727,149	11,544,823	12,672,760	12,071,971	12,809,050	14,859,858	18,752,446	16,423,457
Replacement	463,149	527,878	681,136	881,243	863,428	756,927	628,491	775,309	683,801
Sales	1,965,246	1,859,000	2,068,191	2,920,751	3,097,488	2,645,880	2,403,228	2,023,821	1,822,068
Utility	3,678,809	3,684,771	3,849,358	3,514,449	3,585,827	2,317,939	2,073,897	3,117,429	3,326,161
Income	1,176,139	1,418,566	1,339,730	1,619,459	2,024,807	1,679,644	1,474,908	1,510,967	1,564,958
Hotels/Motel	104,435	117,139	110,946	147,476	102,819	127,202	38,784	7,807	9,118
Motor Fuel	556,038	563,707	561,913	562,239	588,765	507,159	491,004	591,569	456,903
Investment	251,065	773,545	380,983	476,334	478,537	85,658	8,996	6,931	11,550
Unrestricted investment earnings	-	-	-	-	-	29,339	8,255	2,498	4,292
Gain on sale of fixed assets	-	-	-	-	-	4,031	-	-	81,129
Other	4,429,519	337,640	732,013	362,507	514,649	1,885,789	1,308,104	292,684	321,153
Miscellaneous	1,366,295	3,924,432	3,679,621	4,313,766	4,179,633	1,145,311	607,818	1,023,630	749,602
Transfers	-	1,414,116	-	-	-	-	-	-	-
Total revenues	32,577,427	37,397,385	33,409,569	34,077,206	36,152,829	39,133,627	34,982,451	41,623,872	38,241,658
General Expenses									
General government	6,173,346	11,054,573	8,958,315	9,387,994	10,763,153	6,509,784	6,860,507	6,438,478	5,750,635
Public safety	11,245,991	11,565,461	10,977,811	12,312,699	11,930,231	14,826,648	14,836,168	14,706,048	15,890,927
Highway and street	7,808,221	8,831,506	3,697,522	5,043,274	8,305,525	17,334,095	7,812,070	6,486,425	3,925,578
Public Health	-	-	-	-	-	1,733,755	1,827,272	281,856	296,695
Community development	-	-	-	-	-	1,777,725	2,272,932	841,746	1,174,033
Building department	-	-	-	-	-	992,053	998,682	1,020,662	1,324,691
Interest-on long term debt	1,058,012	1,140,499	2,091,943	4,072,132	2,877,136	707,371	1,518,439	1,378,233	1,705,253
Water	-	-	-	-	-	5,516,858	5,294,989	4,738,227	5,183,861
Sewer	-	-	-	-	-	3,218,477	2,374,980	2,296,739	2,495,388
Commuter parking lot	-	-	-	-	-	8,778	8,986	13,805	17,958
Garbage	-	-	-	-	-	-	-	1,694,191	1,427,903
Enterprise	11,172,420	6,465,577	6,946,966	7,373,674	6,657,868	-	-	-	-
Transfers	-	1,414,116	-	-	-	-	-	-	-
Total expenses	37,457,990	40,471,732	32,672,557	38,189,773	40,533,913	52,625,544	43,805,025	39,896,410	39,192,922

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
 CHANGES IN NET ASSETS
 Last Nine Fiscal Years*

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012
INCREASE(DECREASE) IN NET ASSETS	\$ (4,880,563)	\$ (3,074,347)	\$ 737,012	\$ (4,112,567)	\$ (4,381,084)	\$ (13,491,917)	\$ (8,822,574)	\$ 1,727,462	\$ (951,264)
NET (EXPENSE) REVENUE									
Governmental Activities	\$ 464,560	\$ (4,156,004)	\$ (967,749)	\$ (4,202,072)	\$ (7,307,463)	\$ (12,292,560)	\$ (7,414,038)	\$ 3,177,948	\$ (10,567,838)
Business Type Activities	(5,345,123)	1,081,657	1,704,761	89,505	2,926,379	(1,199,357)	(1,408,536)	(1,450,486)	9,616,574
TOTAL NET (EXPENSE) REVENUE	\$ (4,880,563)	\$ (3,074,347)	\$ 737,012	\$ (4,112,567)	\$ (4,381,084)	\$ (13,491,917)	\$ (8,822,574)	\$ 1,727,462	\$ (951,264)

*The Entity-Wide reporting provisions of GASB 34 were not adopted until fiscal 2004. Source: Village records.

VILLAGE OF FRANKLIN PARK, ILLINOIS
 GOVERNMENTAL FUND BALANCES
 Last Ten Fiscal Years

Fiscal Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
GENERAL FUND										
Nonspendable	\$ 2,111,119	-	-	-	-	-	-	-	-	\$ 496,818
Reserved	910,615	2,189,420	(1,186,656)	(3,346,433)	(4,667,829)	(3,968,008)	568,500	680,205	1,365,205	-
Unreserved/Unassigned	\$ 3,021,734	\$ 2,189,420	\$ (1,186,656)	\$ (3,346,433)	\$ (4,667,829)	\$ (3,968,008)	\$ (5,393,376)	\$ (4,760,469)	\$ 3,010,707	\$ 4,235,992
SUBTOTAL, GENERAL FUND										
% Change from prior year	-56.21%	-27.54%	-154.20%	-182.01%	-39.49%	14.99%	-35.92%	11.73%	163.24%	57.20%
ALL OTHER GOVERNMENT FUNDS										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	10,512,997
Assigned	-	-	-	-	-	-	-	-	-	157,179
Reserved	1,758,438	1,786,874	1,799,112	2,188,536	1,484,413	736,094	9,155,459	10,697,361	13,820,910	-
Unreserved, reported in										
Working Cash Fund	-	-	-	-	-	-	3,827,869	3,909,350	-	-
GARRA Bonds Series 2004A	-	12,173,867	12,170,535	11,379,989	10,577,426	10,272,112	-	-	-	-
Nonmajor Governmental Funds	65,870	3,296,791	8,474,178	7,429,493	5,185,108	6,967,832	(3,969,602)	(5,864,787)	(4,006,035)	-
Unassigned	-	-	-	-	-	-	-	-	-	(3,494,223)
SUBTOTAL, ALL OTHER GOVERNMENTAL FUNDS	\$ 1,824,308	\$ 17,257,532	\$ 22,443,825	\$ 20,998,018	\$ 17,246,947	\$ 17,976,038	\$ 9,013,726	\$ 8,741,924	\$ 9,814,875	\$ 7,175,953
% Change from prior year	-67.98%	845.98%	30.05%	-6.44%	-17.86%	4.23%	-49.86%	-3.02%	12.27%	-26.89%
TOTAL GOVERNMENTAL FUNDS	\$ 4,846,042	\$ 19,446,952	\$ 21,257,169	\$ 17,651,585	\$ 12,579,118	\$ 14,008,030	\$ 3,620,350	\$ 3,961,455	\$ 12,825,582	\$ 11,908,763
% Change from prior year	-61.53%	301.30%	9.31%	-16.96%	-28.74%	11.36%	-74.16%	9.97%	222.13%	-7.15%

Source: Village records

VILLAGE OF FRANKLIN PARK, ILLINOIS
CHANGES IN FUND BALANCES
Last Ten Fiscal Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
REVENUES										
Property taxes	\$ 16,793,486	\$ 10,622,280	\$ 10,727,149	\$ 11,544,823	\$ 12,672,760	\$ 12,071,971	\$ 12,809,050	\$ 14,859,858	18,752,446	16,423,457
Sales taxes	-	-	-	-	-	-	2,645,880	2,403,228	2,023,821	1,822,088
Income taxes	-	-	-	-	-	-	1,679,644	1,474,908	1,510,967	1,564,958
Utility taxes	-	-	-	-	-	-	2,317,939	2,073,897	3,117,429	3,326,161
Other taxes	553,728	4,202,330	4,236,348	4,458,929	4,162,321	4,246,953	2,809,000	2,488,715	1,709,620	1,474,570
Licenses, permits and fees	1,067,470	934,175	1,015,377	1,254,868	2,034,139	1,268,940	1,905,453	1,255,180	1,295,823	1,520,581
Grant revenue	-	-	-	-	-	-	3,590,887	426,248	1,826,606	1,043,403
Other revenue	5,673,369	-	-	-	-	-	1,145,311	607,818	893,377	879,855
Fines and forfeitures	-	432,120	447,588	370,265	515,155	682,778	614,158	1,398,471	734,603	710,478
Investment income	168,053	163,746	337,640	303,948	468,003	237,097	85,658	8,996	6,931	11,550
Charges for services	-	562,144	559,262	510,064	587,716	471,531	1,524,027	1,745,334	1,359,902	1,465,499
Intergovernmental	-	4,401,245	4,626,015	4,884,388	6,235,875	6,906,299	-	-	-	-
Fees, reimbursements, grants and misc	-	5,432,090	7,900,772	3,016,253	1,735,794	2,503,047	-	-	-	-
Total revenues	24,256,106	26,750,130	29,850,151	26,343,538	28,411,763	28,388,616	31,127,007	28,742,653	33,231,525	30,242,580
EXPENDITURES										
General government	6,499,343	11,130,439	9,079,826	11,132,434	11,580,026	10,677,279	5,777,737	6,289,821	6,121,843	7,354,957
Public safety	8,471,041	11,276,893	11,583,081	11,524,671	12,431,294	11,878,536	12,559,651	12,466,444	12,334,899	12,572,830
Highway and street	4,812,424	7,622,298	8,694,873	3,582,940	4,916,324	2,932,432	10,820,932	2,175,441	2,501,434	1,833,201
Public Health	1,254,086	-	-	-	-	-	1,713,128	1,805,671	255,172	270,011
Community development	-	-	-	-	-	-	1,757,058	2,946,157	800,946	1,134,631
Building department	-	-	-	-	-	-	869,230	858,240	785,341	717,285
Other	1,388,216	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Principal	-	599,991	488,160	98,880	116,552	698,807	170,000	470,000	520,000	580,000
Interest and other charges	-	1,058,012	1,259,067	1,984,346	2,815,484	1,536,317	1,311,237	1,501,710	1,368,737	1,473,778
Capital outlay	7,017,013	-	-	-	-	-	4,913,958	1,093,348	2,462,715	5,028,591
Total expenditures	29,442,123	31,687,633	31,105,007	28,323,271	31,859,680	27,723,371	39,892,931	29,606,832	27,151,087	30,965,284
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(5,186,017)</u>	<u>(4,937,503)</u>	<u>(1,254,856)</u>	<u>(1,979,733)</u>	<u>(3,447,917)</u>	<u>665,245</u>	<u>(8,765,924)</u>	<u>(864,179)</u>	<u>6,080,438</u>	<u>(722,704)</u>

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
 CHANGES IN FUND BALANCES
 Last Ten Fiscal Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
OTHER FINANCING SOURCES (USES)										
Bond proceeds	\$ -	\$ 15,388,472	\$ 4,468,882	\$ -	\$ -	\$ 8,155,000	\$ -	\$ -	\$ -	\$ 9,975,000
Bond premium	-	-	-	-	-	54,690	-	-	-	504,324
Bond issuance costs	-	-	-	-	-	(285,158)	-	-	-	(482,352)
Proceeds from capital lease	-	-	-	-	-	-	267,271	92,889	175,000	414,856
Proceeds from sale of fixed assets	-	-	-	-	-	-	109	415,408	6,620,322	81,129
Transfers in	-	-	-	-	-	-	-	1,659,872	(5,595,330)	4,820,372
Transfers out	(2,904,743)	-	(1,414,117)	(1,625,850)	(1,624,550)	(1,623,850)	-	(1,659,872)	-	(15,507,444)
Transfers of assets held for resale	-	-	-	-	-	-	(837,320)	-	-	-
Total other financing sources (uses)	(2,904,743)	15,388,472	3,054,765	(1,625,850)	(1,624,550)	6,300,682	(569,940)	508,297	1,199,992	(194,115)
Special Items	-	-	-	-	-	-	-	-	-	-
Purchase of property	-	-	-	-	-	(5,537,015)	-	-	-	-
NET CHANGES IN FUND BALANCES	(8,090,760)	10,450,959	1,799,909	(3,605,583)	(5,072,467)	1,428,912	(9,335,864)	(355,882)	7,280,430	(916,819)
FUND BALANCES, BEGINNING OF YEAR, RESTATED	11,178,364	8,995,983	19,457,259	21,257,168	17,651,585	12,579,118	12,956,214	4,337,337	5,545,152	12,825,582
FUND BALANCES, END OF YEAR	\$ 3,087,604	\$ 19,446,952	\$ 21,257,168	\$ 17,651,585	\$ 12,579,118	\$ 14,008,030	\$ 3,620,350	\$ 3,981,455	\$ 12,825,582	\$ 11,908,763
CAPITAL EXPENDITURES	-	-	-	-	-	-	(4,231,846)	(2,248,169)	(1,542,724)	(4,506,046)
RATIO OF TOTAL DEBT SERVICE EXPENDITURES TO NONCAPITAL EXPENDITURES	-	5.52	5.95	7.94	10.14	8.77	4.33	7.77	7.96	8.42

Notes: Most major tax revenues were aggregated under one line item, "Taxes," in the 2003 audit.
 Property tax revenues were presented as such from 2004 through 2008, with the balance of other tax revenues presented under "Other Taxes."
 The Garbage Fund was reclassified from a special revenue fund to an enterprise fund in FY11.

Source: Village records

VILLAGE OF FRANKLIN PARK, ILLINOIS
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Calendar (Tax) Years

<u>Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Railroad Property</u>	<u>Total Taxable AV</u>	<u>Tax Rate</u>	<u>Estimated Actual Value</u>	<u>Annual Pct Change</u>
2002	180,432,801	73,623,815	455,928,229	5,443,854	715,428,699	1.225%	2,146,286,097	6.1%
2003	178,809,264	70,518,228	457,333,912	5,629,549	712,290,953	1.272%	2,136,872,859	-0.4%
2004	209,025,308	82,187,269	497,460,641	6,481,108	795,154,326	1.170%	2,385,462,978	11.6%
2005	223,247,581	82,585,695	519,344,639	5,903,783	831,081,698	1.160%	2,493,245,094	4.5%
2006	233,721,677	79,309,634	501,442,582	5,926,853	820,400,746	1.228%	2,461,202,238	-1.3%
2007	273,660,151	95,408,821	567,756,101	6,089,446	942,914,519	1.103%	2,828,743,557	14.9%
2008	305,501,332	96,198,068	587,404,217	7,306,346	996,409,963	1.095%	2,989,229,889	5.7%
2009	314,234,013	78,817,935	514,736,708	8,327,269	916,115,925	1.582%	2,748,347,775	-8.1%
2010	237,545,123	82,906,086	516,164,672	6,298,942	842,914,823	1.702%	2,528,744,469	-8.0%
2011	277,073,007	69,949,873	392,761,273	12,156,276	751,940,429	1.929%	2,255,821,287	-10.8%

Source: Cook County Clerk's Office

VILLAGE OF FRANKLIN PARK, ILLINOIS
PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Calendar (Tax) Years

Tax Levy Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Village Direct Rate										
Corporate	0.4146	0.4159	0.3912	0.3442	0.3338	0.2859	0.2922	0.3827	0.3619	0.4380
Bond & Interest	0.0136	0.0147	0.0114	0.0106	0.0111	0.0093	0.0091	0.3945	0.3909	0.4360
Garbage	0.1644	0.1609	0.1280	0.1390	0.1253	0.1089	0.1219	-	-	-
Police Pension	0.1411	0.1489	0.1218	0.1101	0.0924	0.0905	0.0880	0.1268	0.1431	0.1790
Fire Pension	0.1253	0.1322	0.1416	0.1286	0.1073	0.0921	0.0893	0.1286	0.1469	0.1690
IMRF	0.0013	0.0007	0.0008	0.0055	0.0072	0.0199	0.0176	-	-	-
Street & Bridge	0.0943	0.0951	0.0894	0.0761	0.0763	0.0653	0.0667	0.0960	0.1000	0.1000
Fire Protection	0.0705	0.0713	0.0650	0.0580	0.1437	0.1118	0.1133	0.1631	0.2132	0.3180
Police Protection	0.0705	0.0713	0.0650	0.0580	0.1437	0.1118	0.1133	0.1631	0.2147	0.2900
Civil Defense	0.0009	0.0004	0.0008	0.0007	0.0006	0.0005	0.0005	-	-	-
Social Security	0.0220	0.0231	0.0197	0.0408	0.0343	0.0201	0.0183	-	-	-
Auditing	0.0108	0.0103	0.0095	0.0061	0.0043	0.0053	0.0056	-	-	-
Liability Insurance	0.0432	0.0800	0.1074	0.1314	0.1102	0.1008	0.0880	0.1266	0.1307	-
Street Lighting	0.0353	0.0289	0.0064	0.0392	0.0273	0.0308	0.0351	-	-	-
Crossing Guards	0.0122	0.0126	0.0092	0.0080	0.0076	0.0057	0.0063	-	-	-
Working Cash	0.0041	0.0051	0.0026	0.0028	0.0029	0.0325	0.0156	-	-	-
CBOE Medicare	-	-	-	-	-	0.0118	0.0137	-	-	-
Total Direct Rate	1.2241	1.2714	1.1698	1.1591	1.2280	1.1030	1.0945	1.5814	1.7014	1.9300

(Continued)

VILLAGE OF FRANKLIN PARK, ILLINOIS
PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Calendar (Tax) Years

Tax Levy Year Overlapping Rates	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Consolidated Elections	-	0.029	-	0.014	-	0.012	-	0.021	-	0.025
Cook County Forest Preserve District	0.061	0.059	0.060	0.060	0.057	0.053	0.051	0.049	0.051	0.058
County of Cook	0.069	0.063	0.593	0.533	0.500	0.446	0.415	0.394	0.423	0.462
Suburban Cook County TB Sanitarium District	0.006	0.004	0.001	0.005	0.005	-	-	-	-	-
Leyden Township Road & Bridge	0.112	0.117	0.108	0.107	0.111	0.098	0.097	0.102	0.115	0.130
Leyden Township General Assistance	0.004	0.004	0.004	0.004	0.004	0.003	0.003	0.003	0.004	0.004
Leyden Township	0.075	0.080	0.074	0.074	0.077	0.068	0.067	0.071	0.081	0.093
Triton Community College District 504	0.257	0.269	0.259	0.233	0.240	0.224	0.212	0.214	0.225	0.267
Community High School District 212	1.654	2.199	2.030	2.004	2.093	1.868	1.869	1.989	2.223	2.509
School District 84	3.048	3.154	2.933	2.922	3.424	3.389	3.374	3.383	3.932	4.343
Metropolitan Water Reclamation District	0.371	0.361	0.347	0.315	0.284	0.263	0.252	0.261	0.274	0.320
Franklin Park Public Library	0.172	0.179	0.166	0.165	0.175	0.152	0.152	0.167	0.187	0.213
<u>Franklin Park Park District</u>	<u>0.417</u>	<u>0.451</u>	<u>0.418</u>	<u>0.407</u>	<u>0.423</u>	<u>0.377</u>	<u>0.373</u>	<u>0.403</u>	<u>0.438</u>	<u>0.499</u>
	7.470	8.240	8.163	8.002	8.621	8.056	7.960	8.638	9.654	10.853
	8.694	9.512	9.333	9.161	9.849	9.159	9.054	10.220	11.356	12.783

Note: Cook County changed the way it allocates property tax revenues in tax year 2009, ending distributions for IMRF, Civil Defense, Social Security, Auditing, Street Lighting, Crossing Guards, Working Cash and CBOE Medicare. The Garage levy was discontinued as a result of the Village having created an enterprise fund for this function. The Liability Insurance levy was discontinued by the County in tax year 2011.

Source: Cook County Clerk's Office

VILLAGE OF FRANKLIN PARK, ILLINOIS
 PRINCIPAL TAXPAYERS
 Calendar (Tax) Years 2011 and 2001

Tax Year 2011

<u>Taxpayer</u>	<u>Business/Service</u>	<u>Equalized Assessed Valuation</u>	<u>% of EAV</u>
Albertsons*	Grocery Store & Distribution Center (Jewel)	\$ 6,912,780	0.919%
Centerpoint Properties*	Real Estate Investments	6,446,321	0.857%
GRE Belmont LLC	Real Estate Investments	3,504,733	0.466%
United States Tobacco*	Tobacco Products	3,256,115	0.433%
Realty Associates Fund VIII	Real Estate Investments	2,418,713	0.322%
Nestle USA*	Candy Manufacturer	2,256,909	0.300%
Sloan Valve*	Flush Valve Manufacturer	2,190,983	0.291%
AM Castle & Company*	Metal Distribution/Processing	1,973,492	0.262%
Life Fitness	Fitness Equipment	1,950,105	0.259%
<u>Entropy Consortium</u>	<u>Real Estate Investments</u>	<u>1,381,010</u>	<u>0.184%</u>
		<u>\$ 32,291,161</u>	4.294%

Tax Year 2001

<u>Taxpayer</u>	<u>Business/Service</u>	<u>Equalized Assessed Valuation</u>	<u>% of EAV</u>
Centerpoint Properties*	Real Estate Investments	\$ 8,536,446	1.266%
Albertsons*	Grocery Store & Distribution Center (Jewel)	7,895,740	1.171%
Central Grocers Coop	Grocery Distribution	6,402,166	0.949%
United States Tobacco*	Tobacco Products	4,143,588	0.614%
Franklin Partners*	Real Estate Investments	3,539,734	0.525%
Nestle USA*	Candy Manufacturer	3,248,981	0.482%
Imperial Realty	Real Estate Investments	3,167,999	0.470%
AM Castle & Company*	Metal Distribution/Processing	3,122,543	0.463%
Sloan Valve*	Flush Valve Manufacturer	2,788,200	0.413%
<u>The Legacy Group</u>	<u>Real Estate Investments</u>	<u>2,021,277</u>	<u>0.300%</u>
		<u>\$ 44,866,674</u>	6.653%

*Denotes those taxpayers appearing on both 2001 and 2011 lists. 2002 taxpayer information not available

Source: Cook County Clerk's Office

VILLAGE OF FRANKLIN PARK, ILLINOIS
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Tax Levy Years</u>	<u>Net Tax Levy</u>	<u>Amount Collected in Fiscal Year</u>	<u>Percent of Levy Collected in Fiscal Year</u>
2003	2001-2002	8,764,002	8,605,204	98.19%
2004	2002-2003	9,060,341	8,988,185	99.20%
2005	2003-2004	9,303,306	9,155,455	98.41%
2006	2004-2005	9,640,548	9,596,451	99.54%
2007	2005-2006	10,074,521	10,135,551	100.61%
2008	2006-2007	10,400,347	10,140,492	97.50%
2009	2007-2008	10,910,689	10,200,891	93.49%
2010	2008-2009	14,476,701	11,611,899	80.21%
2011	2000-2010	14,346,410	15,664,822	109.19%
2012	2010-2011	14,679,093	14,599,691	99.46%

Note: The County adds a mandatory uncollectible allowance to all levies and included such collections in annual distributions. Thus, it is possible for collections to exceed 100% in a given fiscal year.

Collections by levy year subsequent to fiscal year end, total amount of collections to date per levy year and total collections to date per levy year as a percentage of the levy is not available.

Source: Cook County Clerk's Office

VILLAGE OF FRANKLIN PARK, ILLINOIS
 SALES TAX RECEIPT ANALYSIS BY SECTOR
 Last Ten Calendar Years

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Municipal Sales Tax	160,708	154,455	132,027	121,230	116,263	118,978	111,315	107,120	101,460	38,661
General Merchandise	400,587	354,958	331,400	344,072	345,713	347,827	342,977	305,796	293,895	270,598
Food	128,296	121,624	126,106	131,281	153,742	144,526	155,839	137,481	158,940	164,454
Drinking and Eating Places	-	-	5,960	7,178	8,857	11,614	10,119	10,152	10,725	7,168
Apparel	29,434	23,154	23,330	31,181	39,293	57,535	30,963	200,074	392,483	286,661
Furniture & H.H. & Radio	86,138	95,519	93,543	120,929	151,272	141,909	121,062	107,586	140,035	119,609
Lumber, Bldg. Hardware	254,961	396,398	347,353	364,016	656,042	882,801	660,003	367,812	298,049	286,720
Automotive & Filling Stations	220,309	205,374	197,147	226,813	236,786	250,925	374,365	354,649	239,827	63,067
Drugs & Misc. Retail	536,651	458,228	440,580	516,403	730,571	766,316	905,352	604,012	414,891	426,697
Agriculture & All Others	168,599	153,305	162,697	155,016	133,855	172,860	144,638	175,207	193,310	164,793
<u>Manufacturers</u>	\$1,985,683	\$1,963,016	\$1,860,143	\$2,018,118	\$2,572,394	\$2,895,290	\$2,856,633	\$2,369,889	\$2,243,613	\$1,828,428

Source: Illinois Department of Revenue

VILLAGE OF FRANKLIN PARK, ILLINOIS
 DIRECT AND OVERLAPPING SALES TAX RATES
 Last Ten Fiscal Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Direct										
Village of Franklin Park	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Overlapping										
State of Illinois	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
Cook County Home Rule	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	1.75%	1.75%	1.25%	1.00%
Regional Transportation Authority	0.75%	0.75%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.00%	1.00%
	7.75%	7.75%	7.75%	7.75%	7.75%	8.00%	9.00%	9.00%	8.50%	8.25%

Note: In Cook County, 0.25% of the State of Illinois' 6.25% sales tax is allocated to the Regional Transportation Authority.

Source: Illinois Department of Revenue and Regional Transportation Authority

VILLAGE OF FRANKLIN PARK, ILLINOIS
 RATIO OF GENERAL OBLIGATION BONDED DEBT TO EQUALIZED ASSESSED VALUATION
 AND GENERAL OBLIGATION BONDED DEBT PER CAPITA
 Last Ten Fiscal Years

Fiscal Year	Estimated Population	Equalized Assessed Valuation (EAV)	Governmental Activities General Obligation Bonded Debt	Business-Type Activities General Obligation Bonded Debt	Total General Obligation Bonded Debt	Illinois EPA Loans	Leases Payable	Net OPEB and Pension Obligations	Total Debt	Ratio of Total Debt to EAV	Total Personal Income	Total Debt to Personal Income
2003	19,360	\$ 715,428,699	\$ -	\$ -	22,410,000	\$ 11,328,039	\$ 131,166	\$ -	\$ 33,870,205	4.7%	\$ 357,855,915	9.5%
2004	19,213	712,290,953	-	-	36,345,000	10,547,698	100,838	-	46,993,536	6.6%	362,864,480	13.0%
2005	19,067	795,154,326	-	-	39,745,000	10,247,811	721,136	-	50,713,947	6.4%	367,756,033	13.8%
2006	18,920	831,081,888	-	-	38,980,000	9,538,431	604,674	-	49,123,105	5.9%	372,531,046	13.2%
2007	18,773	820,400,746	-	-	39,045,000	8,807,916	488,234	-	48,341,150	5.9%	377,189,120	12.8%
2008	18,626	942,914,519	-	-	46,385,000	8,055,631	502,871	-	54,943,502	5.8%	381,730,182	14.4%
2009	18,480	996,409,963	28,780,704	18,422,887	47,203,591	7,280,921	649,490	3,209,989	58,343,991	5.9%	386,135,606	15.1%
2010	18,333	916,115,925	28,294,525	17,545,260	45,839,785	6,483,112	1,102,840	6,608,089	60,033,836	6.6%	390,463,920	15.4%
2011	18,333	842,914,823	27,757,444	16,634,173	44,391,617	5,661,510	975,884	8,539,349	59,618,310	7.1%	387,357,957	15.4%
2012	18,333	751,940,429	36,650,000	14,515,000	51,165,000	4,815,398	1,230,217	10,491,149	67,701,764	9.0%	376,468,155	18.0%

Notes:
 General Obligation Bonds are net of amortizing premiums and discounts for 2009 thru 2011
 Net OPEB and Pension Obligations in FY2009, net OPEB, Pension and Compensated Absences in FY 2010 thru FY 2012
 The provisions of GASB 45 were implemented by the Village for Net OPEB in FY 2009

VILLAGE OF FRANKLIN PARK, ILLINOIS
 SCHEDULE OF BONDED DEBT RETIREMENT
 At April 30, 2012

<u>Payment Year</u>	<u>Amortization</u>	<u>Percent Retired</u>	
		<u>Annually</u>	<u>Cumulatively</u>
2012	\$ 1,765,000	3.45%	3.45%
2013	1,795,000	3.51%	6.96%
2014	2,280,000	4.46%	11.41%
2015	2,475,000	4.84%	16.25%
2016	2,625,000	5.13%	21.38%
2017	2,745,000	5.36%	26.75%
2018	2,960,000	5.79%	32.53%
2019	3,120,000	6.10%	38.63%
2020	3,270,000	6.39%	45.02%
2021	3,525,000	6.89%	51.91%
2022	2,905,000	5.68%	57.59%
2023	1,975,000	3.86%	61.45%
2024	2,080,000	4.07%	65.51%
2025	1,720,000	3.36%	68.88%
2026	1,800,000	3.52%	72.39%
2027	1,895,000	3.70%	76.10%
2028	1,985,000	3.88%	79.98%
2029	2,080,000	4.07%	84.04%
2030	2,190,000	4.28%	88.32%
2031	1,385,000	2.71%	91.03%
2032	1,455,000	2.84%	93.87%
2033	1,530,000	2.99%	96.86%
<u>2034</u>	<u>1,605,000</u>	<u>3.14%</u>	<u>100.00%</u>
	\$ 51,165,000		

Source: Village records

VILLAGE OF FRANKLIN PARK, ILLINOIS
 SCHEDULE OF DIRECT AND OVERLAPPING DEBT
 At August 15, 2012

<u>Government</u>	<u>General Obligation Bonded Debt</u>	<u>Percentage Applicable to the Village of Franklin Park</u>	<u>Village of Franklin Park Share of Debt</u>
<u>Direct Debt</u>			
<u>Village of Franklin Park</u>	\$ 51,165,000	100.00%	\$ 51,165,000
<u>Total Direct Debt</u>			<u>51,165,000</u>
<u>Overlapping Debt</u>			
Cook County	3,369,965,000	0.487%	16,411,730
School District 83	32,235,000	45.585%	14,694,325
Metropolitan Water Reclamation District	2,360,535,090	0.497%	11,731,859
School District 84	8,847,341	91.975%	8,137,342
High School District 212	15,875,000	33.672%	5,345,430
School District 81	25,386,406	8.562%	2,173,584
Franklin Park Park District	905,000	100.000%	905,000
Veterans Park District	8,970,000	14.652%	1,314,284
Cook County Forest Preserve District	94,885,000	0.487%	462,090
School District 84-5	4,790,000	5.677%	271,928
Bensenville Park District	6,355,780	3.125%	198,618
Northlake Public Library District	7,225,000	1.157%	83,593
<u>Leyden Township Fire Protection District</u>	<u>524,475</u>	<u>6.063%</u>	<u>31,799</u>
<u>Total Overlapping Debt</u>			<u>61,761,583</u>
Total Direct and Overlapping Debt			\$ <u>112,926,583</u>

Note: Information as of April 30, 2012 not available. Overlapping debt computed by taking the percentage of Village property in the overlapping District against the total area of the overlapping district.

Source: Cook County Clerk's Office

VILLAGE OF FRANKLIN PARK, ILLINOIS
DEBT LIMIT
At April 30, 2012

Tax Year 2011 Estimated Market Valuation	\$ 2,255,821,287
Tax Year 2011 Equalized Assessed Valuation	\$ 751,940,429
Debt Limit Percentage	<u>8.625%</u>
Current Debt Limit	<u>\$ 64,854,862</u>
Outstanding General Obligation Bonds	\$ 80,000
Outstanding Alternate Revenue Bonds*	<u>51,085,000</u>
Total Direct Debt	<u>\$ 51,165,000</u>
Debt Subject to Debt Limit	\$ 51,165,000
Debt Margin	<u>\$ 13,689,862</u>

*Alternate revenue bonds are normally excluded from statutory limits on indebtedness. However,

VILLAGE OF FRANKLIN PARK, ILLINOIS
 DEMOGRAPHIC STATISTICS
 Last Ten Calendar Years

Calendar Year	Estimated Population	Estimated Per Capita Income	School Enrollment	Annual Average Unemployment Rate	Estimated Median Household Income	Estimated Median Age	Estimated College Graduation %
2002	19,507	18,345	3,375	9.0%	49,138	34.3	11.8%
2003	19,360	18,743	3,388	9.2%	50,364	34.5	12.1%
2004	19,213	19,141	3,390	8.5%	51,589	34.7	12.3%
2005	19,067	19,538	3,345	8.2%	52,814	34.9	12.6%
2006	18,920	19,936	3,306	6.2%	54,039	35.1	12.8%
2007	18,773	20,334	3,311	6.9%	55,265	35.3	13.1%
2008	18,626	20,731	3,291	8.6%	56,490	35.5	13.3%
2009	18,480	21,129	3,259	13.8%	57,715	35.7	13.6%
2010	18,333	21,129	3,243	14.1%	57,715	35.7	13.6%
2011	18,333	20,535	3,173	13.7%	54,437	35.6	12.8%

Note:

Estimated Population based on "stepped down" census data for 2000 and 2010
 Estimated Per Capita Income, Estimated Median Household Income, Estimated Median Age, and Estimated College Graduate % based on American FactFinder data for 2000 and American Community Survey five year estimates for 2005-2009 transitioned from data end points of 2000 and 2009. 2010 census data for these categories not yet available.
 School Enrollment is based on Illinois School Districts 84 and 212

VILLAGE OF FRANKLIN PARK, ILLINOIS
 MAJOR EMPLOYERS LOCATED WITHIN VILLAGE LIMITS
 Calendar Years 2010 and 2001

2010

<u>Company</u>	<u>Business</u>	<u>Employment</u>
Hill Mechanical Group	Plumbing, piping and refrigeration contractors	900
Canadian Pacific Railway	Railroad yard	800
Sloan Valve Company	Flush valves, faucets, shower heads and had dryers	750
Nestle USA Confections & Snacks Division	Candy and confectionary	750
United Parcel Service	Courier service	600
Fresh Express Corporation	Produce processing	557
Transilwrap Company, Inc.	Plastic extrusion, coating and laminating film	550
Bretford, Inc.	Office furniture	500
DHL Global Forwarding	International Freight Consolidation	450
Life Fitness, Inc.	Fitness equipment	450

2001

<u>Company</u>	<u>Business</u>	<u>Employment</u>
ESNA Industrial	Bolts, nuts, rivets and washer	2,000
Ekco Houewares, Inc.	Non-electrical household products distribution	1,000
Nestle USA Confections & Snacks Division	Candy and confectionary	900
Canadian Pacific Railway	Railroad yard	850
Sloan Valve Company	Flush valves, faucets, shower heads and had dryers	750
Werner Company	Aluminum, fiberglass and wooden ladders	750
Bretford, Inc.	Office furniture	700
Transilwrap Company, Inc.	Plastic extrusion, coating and laminating film	700
Life Fitness, Inc.	Fitness equipment	600
Redi-Cut Foods, Inc.	Produce processing	600

2011 and 2002 information not available. % of employment not available.

Source: Illinois Manufacturers Directory and Illinois Services Directory

VILLAGE OF FRANKLIN PARK, ILLINOIS
 OPERATING INFORMATION AND INDICATORS
 Last Ten Calendar Years

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
FIRE PROTECTION										
Fire responses	149	212	160	184	203	203	156	130	116	115
Rescue/emergency responses	1,754	1,756	1,692	1,742	1,787	1,742	1,744	1,591	1,523	1,630
Other incidents	1,062	1,335	1,290	1,465	1,485	1,698	1,539	1,013	1,377	1,422
Injuries/fatalities	18	10	21	24	12	12	58	5	8	9
Mutual aid given	388	352	347	332	373	374	397	330	289	180
Mutual aid received	315	532	447	246	244	239	330	221	327	309
POLICE PROTECTION										
Parking violations	7,565	9,269	7,340	6,246	7,125	7,193	5,695	8,499	9,914	6,440
Traffic citations	5,404	5,358	5,832	5,565	4,680	3,668	4,027	4,528	3,422	2,287
Arrests	N/A	N/A	N/A	N/A	N/A	N/A	1,274	1,147	741	696
MUNICIPAL WATER SYSTEM										
Water/Sewer Customers, Residential	4,709	4,709	4,709	4,709	4,709	4,709	4,709	4,709	4,709	4,709
Water/Sewer Customers, Commercial/Industrial	112	112	112	112	112	112	112	112	112	1,112
Metered Fire Line Customers	184	184	184	184	184	184	184	184	184	184
Annual Water Main Breaks	39	87	104	105	70	76	101	86	46	52
Potable Water Pumped, Millions of Gallons	1,872.5	1,851.8	1,752.0	1,770.6	1,673.4	1,614.0	1,535.1	1,243.9	1,176.6	946.0

Note: Arrest data prior to 2008 not available

Source: Village records

VILLAGE OF FRANKLIN PARK, ILLINOIS
 CAPITAL ASSET STATISTICS
 Last Ten Calendar Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
FIRE PROTECTION										
Number of stations	3	3	3	3	3	3	3	3	3	3
Fire fighting vehicles	6	6	6	6	6	6	6	6	5	5
Ambulances	3	3	3	3	3	3	3	3	1	2
POLICE PROTECTION										
Number of stations	1	1	1	1	1	1	1	1	1	1
Vehicles	24	24	24	24	24	24	24	24	24	24
PUBLIC WORKS										
Streets, miles	75.0	75.0	75.0	75.0	75.0	74.2	74.2	74.8	75.0	75.0
Alleys, miles	18.9	18.9	18.9	18.9	18.9	18.9	18.9	18.9	18.9	18.9
Vehicles	31	31	29	30	28	26	24	25	27	28
MUNICIPAL WATER SYSTEM										
Sanitary sewer pipe, miles	35.5	35.5	35.5	35.5	35.5	35.5	35.5	35.5	35.5	35.5
CSO/storm sewer pipe, miles	65.5	65.5	65.5	65.5	65.5	65.5	65.5	65.5	65.5	65.5
Water mains, miles	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0
Pump stations	3	3	3	3	3	3	3	3	3	3
Water storage tanks	7	7	7	7	7	7	7	7	7	7
Water storage capacity, millions of gallons	15.7	15.7	15.7	15.7	15.7	15.7	15.7	15.7	15.7	15.7
Sanitary/storm lift stations	8	9	9	9	9	9	9	9	9	9
Number of fire hydrants	876	876	876	876	876	876	876	876	876	876
Vehicles	10	11	9	9	8	9	9	9	9	10
Other major equipment	15	14	14	15	17	16	16	18	18	17

Source: Village Records

VILLAGE OF FRANKLIN PARK, ILLINOIS
 FULL TIME EQUIVALENT EMPLOYEES
 Last Ten Calendar Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
FIRE PROTECTION										
Sworn personnel	46	46	46	46	46	46	46	44	42	38
Civilian personnel	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.5	0.5
POLICE PROTECTION										
Sworn personnel	53	53	53	53	52	51	51	49	49	43
Civilian personnel	7	7	7	7	7	7	6	5	5	2
PUBLIC WORKS										
Supervisory personnel	3	3	3	3	3	3	3	3	3	3
Non-supervisory personnel	15.0	16.0	16.0	16.0	14.0	15.0	13.0	11.5	10.5	9.0
MUNICIPAL WATER SYSTEM										
Supervisory personnel	3	3	3	3	3	3	3	3	3	3
Non-supervisory personnel	10	10	9	11	9	9	10	9	8	6

Source: Village Records