

CITY OF BEARDSTOWN, ILLINOIS

ANNUAL FINANCIAL REPORT

April 30, 2016

CITY OF BEARDSTOWN, ILLINOIS

TABLE OF CONTENTS

PAGE

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report 1-2

FINANCIAL STATEMENTS

Statement of Net Position - Modified Cash Basis 3

Statement of Activities - Modified Cash Basis 4

Statement of Assets, Liabilities & Fund Balance
Modified Cash Basis - Governmental Funds 5

Statement of Revenues Received, Expenditures Disbursed,
and Changes in Fund Balances- Modified Cash Basis - Governmental Funds 6-7

Statement of Net Position - Modified Cash Basis
Proprietary Funds 8

Statement of Cash Receipts, Cash
Disbursements, and Changes in Net Position - Modified Cash Basis
Proprietary Funds 9-10

Statement of Cash Flows - - Modified Cash Basis - Proprietary Funds 11

Statement of Net Position - Fiduciary Fund - Pension Trust Funds
Modified Cash Basis 12

Statement of Changes in Net Position - Fiduciary Fund - Pension Trust Funds
Modified Cash Basis 13

Statement of Cash Receipts, Cash Disbursements, and Changes in
Fund Balances- Modified Cash Basis - General Fund - Budget and Actual 14-19

Statement of Cash Receipts, Cash Disbursements, and Changes in
Fund Balance-Modified Cash Basis-Budget & Actual
Major Special Revenue Fund - Tax Increment Financing Fund 20

NOTES TO FINANCIAL STATEMENTS 21-70

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress 71-73

CITY OF BEARDSTOWN, ILLINOIS

TABLE OF CONTENTS

	PAGE
OTHER SUPPLEMENTARY INFORMATION	
Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards	74-75
Combining Statement of Assets, Liabilities & Fund Balance Modified Cash Basis - Nonmajor Governmental Funds	76-78
Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Balances- Modified Cash Basis - Nonmajor Governmental Funds	79-81
Combining Statement of Assets, Liabilities & Fund Balance - Modified Cash Basis - Special Revenue Funds	82-84
Combining Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Balances - Modified Cash Basis-Special Revenue Funds	85-87
Combining Statement of Assets, Liabilities & Fund Balance - Modified Cash Basis - Cemetery Funds	88
Combining Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Balances- Modified Cash Basis Cemetery Funds - Budget and Actual	89-90
Combining Statement of Assets, Liabilities & Net Position - Modified Cash Basis Waterworks Funds	91-92
Sewer System Funds	93-94
Combining Statement of Assets, Liabilities & Net Position - Modified Cash Basis - Proprietary Funds	95
Supplemental Statement of Revenue Collected, Expenses Paid, and Changes in Net Position - Modified Cash Basis Waterworks Funds	96-97
Sewer System Funds	98-99
Combining Statement of Revenue Collected, Expenses Paid, and Changes in Net Position- Modified Cash Basis Proprietary Funds	100-101

CITY OF BEARDSTOWN, ILLINOIS

TABLE OF CONTENTS

PAGE

Statement of Cash Receipts, Cash Disbursements,
and Changes in Fund Balance - Modified Cash Basis - Budget & Actual

Civil Defense Fund	102
Municipal Band Fund	103
Ambulance Fund	104
Motor Fuel Tax Fund	105
Workmen's Compensation Insurance Fund	106
Social Security Tax Fund	107
Illinois Municipal Retirement Fund	108
Revolving Loan Fund	109
Drug Program Fund	110
Tourism Fund	111
DUI Equipment Fund	112
Police Vehicle Fund	113
Canine Fund	114
Christmas Basket Fund	115
Project Tiger Pride	116
Garbage Surplus Fund	117
DCEO Grant	118

Statement of Cash Receipts, Cash Disbursements,
and Changes in Fund Balance - Modified Cash Basis - Budget & Actual

Police Pension Fund	119
Firefighters' Pension Fund	120

COMPONENT UNITS DISCRETELY PRESENTED:

Lincoln Courtroom & Museum	121
Combining Statement of Assets, Liabilities & Fund Balance - Modified Cash Basis Beardstown Public Library	122
Combining Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Balance - Modified Cash Basis Beardstown Public Library	123-124
Combining Statement of Assets, Liabilities & Fund Balance - Modified Cash Basis All Component Units	125
Combining Statement of Cash Receipts, Cash Disbursements and Changes in Fund Balance - Modified Cash Basis All Component Units	126

CITY OF BEARDSTOWN, ILLINOIS

TABLE OF CONTENTS

PAGE

ADDITIONAL SUPPLEMENTARY INFORMATION

Schedule of Assessed Valuation, Rates, & Extensions	127
Schedule of Insurance Policies in Force	128-131
Schedule of Sewerage System User Fees	132
Schedule of Waterworks System User Fees	133

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of City Council
City of Beardstown, Illinois

Report on the Financial Statements

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 City of Beardstown, Illinois, as of and for the year ended April 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified-cash basis of accounting as described in Note A; This includes determining that the modified-cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the modified-cash basis financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Beardstown, Illinois, as of April 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with the modified-cash basis of accounting as described in Note A.

Other Matters

Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified-cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedule of funding progress on page 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Beardstown, Illinois' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2016, on our consideration of the City of Beardstown, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Beardstown, Illinois' internal control over financial reporting and compliance.

Myers & Myers CPA'S, Ltd.

Beardstown, Illinois
September 19, 2016

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
April 30, 2016

	Primary Government		Total	Component Units
	Governmental Activities	Business-Type Activities		
ASSETS				
Cash	\$ 2,036,813	\$ 1,379,703	\$ 3,416,516	\$ 81,685
Investments	257,059	153,005	410,064	171,042
Due from governmental entities				
Notes Receivable	279,533		279,533	-
Property, plant and equipment - net of accumulated depreciation	-	13,830,398	13,830,398	1,143,101
Internal balances	-		-	
Deferred Outflows of Resources:				
Bond Issue Costs - net of accumulated amortization	-	183,009	183,009	-
Total Deferred Outflows of Resources	-	158,501	158,501	-
Total Assets	2,573,405	15,546,115	18,119,520	1,395,828
LIABILITIES				
Due to governmental entities	-		-	-
Noncurrent liabilities:				
Due within one year	-	419,498	419,498	-
Due in more than one year	-	5,521,817	5,521,817	-
Total Liabilities	-	5,941,315	5,941,315	-
NET POSITION				
Invested in Capital Assets, net of related debt	-	7,889,083	7,889,083	1,143,101
Restricted	1,766,330	1,715,717	4,289,122	252,727
Unrestricted	807,075	-	807,075	-
Total Net Position	\$ 2,573,405	\$ 9,604,800	\$ 12,178,205	\$ 1,395,828

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDING APRIL 30, 2016

Functions/Programs	Program Revenue			Net Revenue (Expense) & Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	
Primary Government							
Governmental Activities							
General Government	\$1,182,131	\$32,037	\$0	\$0	(\$1,150,094)	\$0	\$0 (\$1,150,094)
Public Safety	1,802,649	60,309	0	0	(1,742,340)	0	(1,742,340)
Public Services	436,651	650,514	0	112,246	326,109	0	326,109
Community Development	493,073	0	0	0	(493,073)	0	(493,073)
Public Works	1,081,307	0	0	0	(1,081,307)	0	(1,081,307)
Retirement Benefits	251,836	0	0	0	(251,836)	0	(251,836)
Culture & Recreation	83,400	0	0	0	(83,400)	0	(83,400)
Total Governmental Activities	5,331,047	742,860	0	112,246	(4,475,941)	0	(4,475,941)
Business-type Activities							
Sewerage	424,761	337,324	0	76,602	0	(10,835)	(10,835)
Water Distribution	776,273	1,214,517	0	0	0	438,244	438,244
Total Business-type Activities	1,201,034	1,551,841	0	76,602	0	427,409	427,409
Total Primary Government	6,532,081	2,294,701	0	188,848	(4,475,941)	427,409	(4,048,532)
Component Units							
All	112,102	8,431	52,694	0	0	0	(50,977)
Total Component Units	\$112,102	\$8,431	\$52,694	\$0	0	0	(50,977)
General Revenues							
Sales & Use Taxes					1,746,212	0	1,746,212
Property Taxes					1,295,985	0	1,295,985
Income Taxes					811,452	0	811,452
Other Taxes					102,046	0	102,046
Interest on Investments					12,697	3,005	15,702
Other					314,643	0	314,643
Total General Revenues					4,283,035	3,005	4,286,040
Change in net assets					(192,906)	430,414	237,508
Net Transfer In (Out)					214,148	(214,148)	0
Error Correction					5,238	(59,414)	(54,176)
Net Position, beginning					2,546,925	9,447,948	11,994,873
Net Position, ending					\$2,573,405	\$9,604,800	\$12,178,205
							\$1,395,828

The Notes to Financial Statements are an integral part of these financial statements.

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF ASSETS, LIABILITIES & FUND BALANCE
 MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
 April 30, 2016

	GENERAL	TAX INCREMENTAL FINANCING	OTHER NON-MAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash	\$ 807,075	\$523,321	\$706,417	2,036,813
Investment in Certificates of Deposit	-	-	\$257,059	257,059
Notes Receivable	-	-	\$279,533	279,533
Total Assets	\$ 807,075	523,321	1,243,009	2,573,405

LIABILITIES AND FUND BALANCES

LIABILITIES	\$ -	\$ -	\$ -	\$ -
FUND BALANCES				
Nonspendable:				
Long Term Receivables	-	-	\$279,533	279,533
Restricted for:				
Capital Projects	-	-	\$104,283	104,283
Special Revenue Funds	-	523,321	\$629,646	1,152,967
Assigned:				
General Government Expenditures	-	-	\$229,547	229,547
Committed:				
Unassigned:				
General Fund	807,075	-	-	807,075
Total Fund Balances	807,075	523,321	1,243,009	2,573,405
Total Liabilities and Fund Balances	\$ 807,075	\$ 523,321	\$ 1,243,009	\$ 2,573,405

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
FOR THE YEAR ENDING APRIL 30, 2016

	GENERAL	TAX INCREMENT FINANCING	OTHER NON-MAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES RECEIVED				
Real Estate Tax, including penalty and interest and Road & Bridge Tax	\$55,689			\$1,021,716
Real Estate Tax, Police Pension	161,919	\$539,412	426,615	161,919
Real Estate Tax, Firefighters' Pension	84,453			84,453
Fees for Sewer Billing Services	22,000			22,000
Municipal Sales Tax	840,203			840,203
State Income Tax	653,803			653,803
Utility Tax	603,490			603,490
Use Tax	140,911			140,911
Illinois Replacement Tax	157,649			157,649
Traffic & Ordinance Fines	47,159			47,159
Franchise Tax - Telephone and Cable TV	34,571			34,571
Motor Fuel Tax			161,608	161,608
Hotel Tax			12,515	12,515
Video Gaming Tax	46,721			46,721
Fees, Materials, & Services	11,962			11,962
Interest Income	1,243	804	364,180	376,142
Licenses & Permits	17,896		10,650	12,697
Reimbursements & Miscellaneous	136,080	3,737	152,145	17,896
Rent	8,542			291,962
Grants	22,681			8,542
Garbage Fees	0			22,681
Golden Age Center Rent	36,028		257,971	257,971
Fire Department:				36,028
Real Estate Tax, including penalty and interest	27,897			27,897
Rural Fire Association	8,000			8,000
Foreign Fire Insurance Tax	8,239			8,239
Grants and Donations	0		76,218	76,218
Sr Citizen Meals	5,150			5,150
TOTAL REVENUES RECEIVED	\$3,132,286	\$543,953	\$1,461,902	\$5,138,141

Continued on next page

The Notes to Financial Statements are an integral part of these financial statements.

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
FOR THE YEAR ENDING APRIL 30, 2016

	GENERAL	TAX INCREMENT FINANCING	OTHER NON-MAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
EXPENDITURES DISBURSED:				
Current:				
General Government				
Legislative, Executive and Administrative	\$1,038,120		1,685	1,039,805
Public Building Maintenance & Operations	118,479			118,479
Public Safety				
Fire	348,124			348,124
Police	939,476		15,106	954,582
Public Services:				
Ambulance				
Municipal Airport	76,675		499,943	499,943
Cemetery Operations				76,675
Garbage Billing Services			180,049	180,049
Culture & Recreation			256,602	256,602
Municipal Band				
Public Works				0
Streets and Sidewalks	568,707		394,121	962,828
Community & Economic Development				
Public Improvements		423,639		493,073
Tourism Promotion			6,725	6,725
Retirement Benefits				
IMRF				
Social Security			123,426	123,426
Workers' Compensation Insurance			128,410	128,410
TOTAL EXPENDITURES DISBURSED	3,089,581	423,639	1,817,827	5,331,047
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	42,705	120,314	(355,925)	(192,906)
OTHER FINANCIAL SOURCES (USES)				
Transfers In	214,148		147,249	361,397
Transfers Out	(138,849)		(8,400)	(147,249)
Total Other Financial Sources (Uses)	75,299		138,849	214,148
NET CHANGE IN FUND BALANCES	118,004	120,314	(217,076)	21,242
Correction of Error			5,238	5,238
FUND BALANCES AT BEGINNING OF YEAR	689,071	403,007	1,454,847	2,546,925
FUND BALANCES AT END OF YEAR	\$807,075	\$523,321	\$1,243,009	\$2,573,405

The Notes to Financial Statements are an integral part of these financial statements.

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF NET POSITION - MODIFIED CASH BASIS
 PROPRIETARY FUNDS
 April 30, 2016

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	SEWER	WATER- WORKS	TOTALS
ASSETS			
Current Assets			
Cash	361,693	1,018,010	\$ 1,379,703
Invested in Certificates of Deposit	46,005	107,000	153,005
Total Current Assets	407,698	1,125,010	1,532,708
Property, Plant & Equipment	5,955,054	12,628,649	18,583,703
Less: Accumulated Depreciation	(2,135,741)	(2,617,564)	(4,753,305)
Net Property, Plant & Equipment	3,819,313	10,011,085	13,830,398
Other Assets			
Bond Issue Costs	107,921	75,088	183,009
Total Other Assets	107,921	75,088	183,009
Total Assets	\$4,334,932	\$11,211,183	\$15,546,115
LIABILITIES			
Current Liabilities			
Current Portion of Long Term Debt	70,000	349,498	419,498
Total Current Liabilities	70,000	349,498	419,498
Long Term Liabilities			
Revenue Bonds Payable	815,000	4,706,817	5,521,817
Total Long Term Liabilities	815,000	4,706,817	5,521,817
Total Liabilities	885,000	5,056,315	5,941,315
NET POSITION			
Invested in capital assets, net of related debt	2,934,313	4,954,770	7,889,083
Restricted	515,619	1,200,098	1,715,717
Total Net Position	\$3,449,932	\$6,154,868	\$9,604,800

The Notes to Financial Statements are an integral part of these financial statements.

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
MODIFIED CASH BASIS - PROPRIETARY FUNDS
FOR THE YEAR ENDING APRIL 30, 2016

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	SEWER	WATER- WORKS	TOTALS
Operating Revenues Received			
Current Use Charges	\$ 332,264	\$ 1,134,730	\$ 1,466,994
Tap & Turn on Fees	600	15,502	16,102
Late Payment Fees	-	54,899	54,899
Materials & Services	4,460	9,386	13,846
Total Operating Revenues Received	337,324	1,214,517	1,551,841
Operating Expenses Paid			
Wages	59,536	150,250	209,786
Building Maintenance	-	25,995	25,995
Filter/Well Maintenance	-	4,152	4,152
Fire Hydrant Maintenance	36,796	3,967	40,763
Vehicle Maintenance	-	4,211	4,211
Equipment/Plant Maintenance	20,062	8,157	28,219
Utility Maintenance	-	11,011	11,011
Water Tower Maintenance	-	3,070	3,070
Engineering	28,616	1,824	30,440
Administrative	4,348	5,551	9,899
Telecommunications	342	2,301	2,643
Advertising	-	1,086	1,086
Dues and Memberships	-	3,512	3,512
Travel and Education	-	592	592
Utilities	2,898	27,897	30,795
Water Testing	-	5,933	5,933
Street Materials	7,628	5,028	12,656
Materials and Supplies	21,859	46,704	68,563
Gas and Oil	9,089	9,789	18,878
Chemicals	-	30,331	30,331
New Equipment	-	25,644	25,644
Leased Equipment	23,340	7,981	31,321
Building Lease	12,000	12,000	24,000
FICA Tax	4,383	10,000	14,383
Workers' Compensation Insurance	3,089	11,825	14,914
IMRF	6,571	15,019	21,590
State Unemployment Tax	1,200	2,687	3,887
Health Insurance	14,113	32,860	46,973
Depreciation & Amortization	128,280	276,171	415,527
Other Costs	475	8,875	9,350
Total Operating Expenses Paid	384,625	754,423	1,150,124
Income (Loss) from Operations	\$ (51,337)	\$ 453,054	\$ 401,717

Continued on next page

The Notes to Financial Statements are an integral part of these financial statements.

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
MODIFIED CASH BASIS - PROPRIETARY FUNDS
FOR THE YEAR ENDING APRIL 30, 2016

Continued from previous page

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	SEWER	WATER- WORKS	TOTALS
Income (Loss) from Operations	\$ (51,337)	\$ 453,054	\$ 401,717
Non-Operating Revenues Received (Expenses Paid)			
Interest Income	909	2,096	3,005
Grants	76,602	-	76,602
Interest Expense	(40,136)	(21,850)	(50,910)
Total Non-Operating Revenues Received (Expenses Paid)	41,411	(12,714)	28,697
Income (Loss) Before Operating Transfers	(9,926)	440,340	430,414
Operating Transfers			
Operating Transfers In	394,322	1,141,641	1,535,963
Operating Transfers Out	(394,322)	(1,355,789)	(1,750,111)
Total Operating Transfers	-	(214,148)	(214,148)
Net Income (Loss)	(9,926)	226,192	216,266
Prior Period Correction	(2,253)	(57,161)	(59,414)
Net Position:			
Beginning of Year	3,462,111	5,985,837	9,447,948
End of Year	\$ 3,449,932	\$ 6,154,868	\$ 9,604,800

The Notes to Financial Statements are an integral part of these financial statements.

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF CASH FLOWS
MODIFIED CASH BASIS - PROPRIETARY FUNDS
FOR THE YEAR ENDING APRIL 30, 2016

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	SEWER	WATER- WORKS	TOTALS
Cash Flows from Operating Activities:			
Receipts from customers and users	\$ 337,324	\$ 1,214,517	\$ 1,551,841
Payments to suppliers	(196,809)	(328,001)	(524,810)
Payments to employees	(59,536)	(150,250)	(209,786)
Net Cash Provided (Used) by Operating Activities	80,979	736,266	817,245
Cash Flows from Noncapital Financing Activities:			
Transfers to the General Fund	-	(214,148)	(214,148)
Net Cash Flow from Noncapital Financing Activities	-	(214,148)	(214,148)
Cash Flows from Capital and Related Financing Activities:			
Repayment of Revenue Bonds	(60,000)	(344,498)	(404,498)
Revenue Bonds Defeased	(760,000)	(305,000)	(1,065,000)
Acquisition and construction of capital assets	(119,064)	(40,000)	(159,064)
Proceeds from redemption of certificate of deposit	87,121	-	87,121
Proceeds from refunding bonds	827,899	336,171	1,164,070
Proceeds from refunding bonds placed in escrow	(26,788)	(10,998)	(37,786)
Costs incurred to issue refunding bonds	(41,111)	(20,173)	(61,284)
Grants	76,602	-	76,602
Interest Paid	(36,100)	(14,810)	(50,910)
Net Cash Provided (Used) by Capital and Related Financing Activities	(51,441)	(399,308)	(450,749)
Cash Flows from Investing Activities:			
Receipts of Interest Income	909	2,096	3,005
Net Cash Provided (Used) by Investing Activities	909	2,096	3,005
Net (Decrease) in Cash	30,447	124,906	155,353
Cash and Cash Equivalents, Beginning	331,246	893,104	1,224,350
Cash and Cash Equivalents, Ending	\$ 361,693	\$ 1,018,010	\$ 1,379,703
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED) IN OPERATING ACTIVITIES			
Operating Income	(\$47,301)	\$460,094	\$412,793
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation & Amortization	\$128,280	276,171	\$404,451
Net Cash Provided (Used) by Operating Activities	\$80,979	\$736,265	\$817,244

The Notes to Financial Statements are an integral part of these financial statements.

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF NET POSITION - FIDUCIARY FUND - PENSION TRUST FUNDS
 MODIFIED CASH BASIS
 FOR THE YEAR ENDING APRIL 30, 2016

	POLICE	FIREFIGHTERS'	TOTAL
ASSETS			
Cash and Cash Equivalents	\$ 100,624	\$ 133,306	\$ 233,930
Investments:			
Money Market Accounts	42,814	16,672	59,486
Mutual Funds	171,468	96,435	267,903
U. S. Government Obligations	492,538	329,578	822,116
U. S. Agency Obligations	181,588	103,321	284,909
Corporate Bonds	417,073	270,734	687,807
Accounts Receivable - Interest	6,719	4,527	11,246
TOTAL ASSETS	1,412,824	954,573	2,367,397
LIABILITIES			
TOTAL LIABILITIES	-	-	-
NET POSITION			
Assets Held in Trust for Pension Benefits	1,412,824	954,573	2,367,397
TOTAL NET POSITION AND LIABILITIES	\$ 1,412,824	\$ 954,573	\$ 2,367,397

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUND - PENSION TRUST FUNDS
MODIFIED CASH BASIS
FOR THE YEAR ENDING APRIL 30, 2016

	POLICE	FIREFIGHTERS'	TOTAL
ADDITIONS			
Contributions			
Employer	\$ 161,919	\$ 84,453	\$246,372
Employee	23,387	14,531	37,918
Total Contributions	<u>185,306</u>	<u>98,984</u>	<u>284,290</u>
Investment Earnings			
Interest	14,405	8,878	23,283
Dividends	8,919	5,034	13,953
Advisory Fees	(9,611)	(6,865)	(16,476)
Realized and Unrealized Appreciation in Fair Value of Instruments	(5,617)	(999)	(6,616)
Total Investment Earnings	<u>8,096</u>	<u>6,048</u>	<u>14,144</u>
TOTAL ADDITIONS	<u>193,402</u>	<u>105,032</u>	<u>298,434</u>
DEDUCTIONS			
Pension Benefits	150,529	40,542	191,071
Separation Payments	7,605	-	7,605
Administrative Expenses	7,356	6,535	13,891
TOTAL DEDUCTIONS	<u>165,490</u>	<u>47,077</u>	<u>212,567</u>
NET INCREASE IN NET POSITION	<u>27,912</u>	<u>57,955</u>	<u>85,867</u>
NET POSITION, BEGINNING OF YEAR	<u>1,384,912</u>	<u>896,618</u>	<u>2,281,530</u>
NET POSITION, END OF YEAR	<u>1,412,824</u>	<u>954,573</u>	<u>2,367,397</u>

The Notes to Financial Statements are an integral part of these financial statements.

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS GENERAL FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDING APRIL 30, 2016

CASH RECEIPTS	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
Real Estate Tax, including penalty and interest and Road & Bridge Tax	\$ 54,919	\$ 54,919	\$ 55,689	770
Real Estate Tax - Police Pension	162,530	162,530	161,919	(611)
Real Estate Tax - Firefighters' Pension	84,770	84,770	84,453	(317)
Fees for Sewer Billing Services	24,000	24,000	22,000	(2,000)
Municipal Sales Tax	830,000	830,000	840,203	10,203
State Income Tax	598,830	598,830	653,803	54,973
Utility Tax	680,000	680,000	603,490	(76,510)
Use Tax	108,989	108,989	140,911	31,922
Illinois Replacement Tax	115,000	115,000	157,649	42,649
Traffic & Ordinance Fines	57,500	57,500	47,159	(10,341)
Franchise Tax - Telephone and Cable TV	32,500	32,500	34,571	2,071
Fees, Materials, & Services	6,000	6,000	11,962	5,962
Interest Income	1,000	1,000	1,243	243
Licenses & Permits	16,000	16,000	17,896	1,896
Video Gaming Tax	35,000	35,000	46,721	11,721
Reimbursements & Miscellaneous	141,000	141,000	136,080	(4,920)
Grants	-	-	22,681	22,681
Rent	6,000	6,000	8,542	2,542
Airport Grants	1,022,730	1,022,730	-	(1,022,730)
Airport Hangar Rent	4,000	4,000	-	(4,000)
Senior Citizen Meals	-	-	5,150	5,150
Health Insurance Reimbursements from other funds	-	-	36,028	36,028
Fire Department:				
Real Estate Tax, including penalty and interest	28,000	28,000	27,897	(103)
Rural Fire Association	6,500	6,500	8,000	1,500
Foreign Fire Insurance Tax	7,000	7,000	8,239	1,239
Fire Department Grants	600,000	600,000	-	(600,000)
Total Revenues	4,622,268	4,622,268	3,132,286	(1,489,982)
CASH DISBURSEMENTS				
Wages & Salaries:				
Mayor & Liquor Commissioner	19,000	19,000	18,090	(910)
Aldermen	33,000	33,000	29,120	(3,880)
City Clerk & Collector	54,619	54,619	54,619	-
City Treasurer	3,552	3,552	3,552	-
Clerical, including Vacation/Sick Pay	33,000	33,000	33,020	20
Zoning Administrator	15,000	15,000	13,125	(1,875)
Mayor/Economic Development Secretary	17,600	17,600	32,473	14,873
Total Wages & Salaries	175,771	175,771	183,999	8,228

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS GENERAL FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDING APRIL 30, 2016

Continued from previous page

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
Administrative	\$21,000	\$21,000	\$9,356	\$ (11,644)
Legal Expenses	40,000	40,000	28,455	(11,545)
Audit & Accounting	24,000	24,000	21,025	(2,975)
Equipment Maintenance	5,000	5,000	2,086	(2,914)
Health Insurance - Net	455,000	455,000	408,699	(46,301)
Liability Insurance	125,000	125,000	106,769	(18,231)
Animal Control Contract	32,207	32,207	32,207	-
Medical Fees	4,000	4,000	1,662	(2,338)
Walmart Sales Tax Increment Payout	100,000	100,000	91,666	(8,334)
New and Leased Equipment	10,000	10,000	3,648	(6,352)
HRA Claim Fund	-	-	25,467	25,467
Public Relations	13,000	13,000	7,508	(5,492)
State Unemployment Tax	52,000	52,000	46,879	(5,121)
Telecommunications	6,000	6,000	5,632	(368)
Materials & Supplies	15,000	15,000	11,923	(3,077)
Travel & Education	10,000	10,000	888	(9,112)
Advertising (Legal)	4,500	4,500	2,254	(2,246)
Demolition Expenses	40,000	40,000	28,097	(11,903)
Refunds	-	-	433	433
Dues & Memberships	9,000	9,000	7,489	(1,511)
Life Insurance	15,000	15,000	11,978	(3,022)
Contingency Fund	30,000	30,000	-	(30,000)
Total General & Administrative	1,010,707	1,010,707	854,121	(156,586)
Total General Government	\$ 1,186,478	\$ 1,186,478	\$ 1,038,120	(148,358)

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
 AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS GENERAL FUND - BUDGET AND ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

Continued from previous page

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
Police Department				
Salaries & Wages:				
Police Chief	\$56,934	\$56,934	\$60,670	3,736
Patrolmen	450,000	450,000	442,121	(7,879)
Administrative Assistant	13,020	13,020	18,987	5,967
Translator	1,500	1,500	490	(1,010)
Total Salaries & Wages	521,454	521,454	522,268	814
General & Administrative:				
Utilities	10,000	10,000	6,367	(3,633)
Contribution to Police Pension	162,530	162,530	161,919	(611)
Uniforms & Equipment	20,000	20,000	19,958	(42)
Telecommunications	25,000	25,000	18,898	(6,102)
Repairs & Maintenance to Building & Equipment	40,000	40,000	45,670	5,670
Education & Travel	15,000	15,000	7,633	(7,367)
Contract Dispatching Services	68,000	68,000	67,778	(222)
Police and Fire Commission Operating Expenses	5,600	5,600	3,979	(1,621)
Gasoline & Oil	40,000	40,000	13,314	(26,686)
Advertising & Legal	500	500	83	(417)
Administration	1,500	1,500	1,007	(493)
Supplies	15,000	15,000	13,188	(1,812)
Bond Payment Reimbursements	-	-	5,372	5,372
New Equipment/Vehicles	30,000	30,000	30,122	122
Leased Equipment	46,050	46,050	19,807	(26,243)
Contingency	41,000	41,000	-	(41,000)
Dues, Memberships, Agreements	4,000	4,000	2,113	(1,887)
Total General & Administrative	524,180	524,180	417,208	(106,972)
Total Police Department	\$ 1,045,634	\$ 1,045,634	\$ 939,476	(106,158)

Continued on next page

The Notes to Financial Statements are an integral part of these financial statements.

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS GENERAL FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDING APRIL 30, 2016

Continued from previous page

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
Building & Grounds				
Custodian Wages	\$ 60,000	\$ 60,000	\$ 61,081	\$ 1,081
City Parks	3,500	3,500	3,978	478
Building & Grounds Maintenance	21,000	21,000	25,062	4,062
Golden Age Center Utilities, Telecommunications, Maint, Misc	13,000	13,000	8,703	(4,297)
Utilities	11,000	11,000	9,759	(1,241)
Supplies	6,000	6,000	6,294	294
City Farm	19,000	19,000	2,276	(16,724)
New Equipment	3,300	3,300	348	(2,952)
Contingency	7,000	7,000	*	(7,000)
Equipment Maintenance	1,000	1,000	978	(22)
Total Building & Grounds	144,800	144,800	118,479	(26,321)
Streets & Alleys Department				
Salaries & Wages:				
Director of Public Works	58,882	58,882	58,762	(120)
Street Workers	331,900	331,900	296,313	(35,587)
Total Salaries & Wages	390,782	390,782	355,075	(35,707)
Operating Costs:				
Equipment Maintenance	50,000	50,000	35,921	(14,079)
Building Maintenance	5,000	5,000	2,211	(2,789)
Telecommunications	6,000	6,000	3,751	(2,249)
Utilities	10,000	10,000	6,049	(3,951)
Street Materials	12,000	12,000	9,409	(2,591)
Snow Removal & Salt	7,500	7,500	8,078	578
Gas & Oil	45,000	45,000	16,330	(28,670)
Tree & Stump Removal	5,000	5,000	6,330	1,330
Street Lights	40,000	40,000	49,737	9,737
Traffic Signs	2,500	2,500	3,190	690
	\$	\$	\$	\$

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS GENERAL FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDING APRIL 30, 2016

Continued from previous page

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
Contingency	\$ 35,000	\$ 35,000	\$ -	(35,000)
Rent of Equipment and Buildings	73,000	73,000	43,763	(29,237)
New Equipment	20,000	20,000	5,247	(14,753)
Travel and Training	1,500	1,500	72	(1,428)
Supplies and Materials	30,000	30,000	22,644	(7,356)
Advertising	1,000	1,000	-	(1,000)
Roadway Improvement Grant	90,847	90,847	-	(90,847)
Miscellaneous	250	250	-	(250)
Sidewalk Program	4,800	4,800	900	(3,900)
Total Operating Costs	439,397	439,397	213,632	(222,265)
Total Streets & Alleys Department Airport	830,179	830,179	568,707	(257,972)
Contract Labor - Mowing	5,000	5,000	1,959	(3,041)
Materials & Supplies	2,000	2,000	55	(1,945)
Contingency	3,000	3,000	-	(3,000)
Liability Insurance	-	-	3,020	3,020
Utilities	6,000	6,000	2,731	(3,269)
Building and Grounds Maintenance	5,000	5,000	16,381	11,381
Grant Expenditures	57,000	57,000	52,529	(4,471)
Capital Projects	1,054,000	1,054,000	-	(1,054,000)
Miscellaneous	250	250	-	(250)
Total Airport	1,132,250	1,132,250	76,675	(1,055,575)
Fire Department				
Salaries & Wages:				
Fire Chief	53,871	53,871	53,767	(104)
Firefighter Wages	131,841	131,841	131,496	(345)
Volunteer Wages	26,000	26,000	18,617	(7,383)
Total Salaries & Wages	211,712	211,712	203,880	(7,832)
Operating Costs:				
Station Maintenance	10,000	10,000	3,172	(6,828)
Contribution to Firefighters' Pension	84,770	84,770	84,453	(317)
Fire Equipment Maintenance	10,000	10,000	9,653	(347)
Uniforms & Gear	10,000	10,000	1,376	(8,624)
Telecommunications	7,000	7,000	5,533	(1,467)
Dues & Memberships	1,000	1,000	553	(447)
Utilities	10,000	10,000	6,247	(3,753)
Gasoline & Oil	4,000	4,000	1,862	(2,138)
Materials & Supplies	18,000	18,000	19,240	1,240
Contingency	40,000	40,000	\$ -	(40,000)

The Notes to Financial Statements are an integral part of these financial statements.

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
 AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS GENERAL FUND - BUDGET AND ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

Continued from previous page

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
Grant Expenditures for Capital Projects	\$150,000	\$150,000	\$0	(\$150,000)
Equipment Leases	-	-	11,175	11,175
Travel and Training	5,000	5,000	85	(4,915)
New Equipment	81,357	81,357	800	(80,557)
Miscellaneous	2,000	2,000	95	(1,905)
Total Operating Costs	<u>433,127</u>	<u>433,127</u>	<u>144,244</u>	<u>(288,883)</u>
Total Fire Department	<u>644,839</u>	<u>644,839</u>	<u>348,124</u>	<u>(296,715)</u>
Total Cash Disbursements	<u>4,984,180</u>	<u>4,984,180</u>	<u>3,089,581</u>	<u>(1,891,099)</u>
Excess of Cash Receipts Over (Under) Cash Disbursements before Transfers	<u>(361,912)</u>	<u>(361,912)</u>	<u>42,705</u>	<u>404,617</u>
Operating Transfers:				
Transfer In			214,148	214,148
Transfers Out	<u>(161,231)</u>	<u>(161,231)</u>	<u>(138,849)</u>	<u>22,382</u>
Total Operating Transfers	<u>(161,231)</u>	<u>(161,231)</u>	<u>75,299</u>	<u>236,530</u>
Excess of Cash Receipts Over (Under) Cash Disbursements & Transfers	<u>\$(523,143)</u>	<u>\$(523,143)</u>	<u>118,004</u>	<u>641,147</u>
Fund Balance, Beginning			<u>689,071</u>	
Fund Balance, Ending			<u>\$ 807,075</u>	

The Notes to Financial Statements are an integral part of these financial statements.

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
MAJOR SPECIAL REVENUE FUND - TAX INCREMENT FINANCING FUND
FOR THE YEAR ENDING APRIL 30, 2016

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
TAX INCREMENT FINANCING FUND				
CASH RECEIPTS				
Real Estate Tax - TIF #1	\$ 544,500	\$ 544,500	\$ 539,412	\$ (5,088)
Reimbursements	-	-	3,737	3,737
Interest Income	500	500	804	304
Total Cash Receipts	<u>545,000</u>	<u>545,000</u>	<u>543,953</u>	<u>(1,047)</u>
CASH DISBURSEMENTS				
Water and Sewer Improvement Grants	80,000	80,000	-	(80,000)
Developer Inducements	180,000	180,000	137,576	(42,424)
Building Renovation Program	100,000	100,000	44,961	(55,039)
CUSD 15 Improvements	70,000	70,000	70,000	-
Marina Projects	150,000	150,000	12,395	(137,605)
Main Street Program	20,000	20,000	12,218	(7,782)
Public Library	20,000	20,000	20,000	-
Building Demolition	119,000	119,000	-	(119,000)
Wages & Benefits	21,100	21,100	19,478	(1,622)
Jennings Parking Lot Grant	10,000	10,000	9,314	(686)
Professional Fees	20,000	20,000	20,804	804
Dues & Memberships	550	550	550	-
City Owned Property Improvements:	150,857	150,857	76,343	(74,514)
Travel & Telecommunications	6,000	6,000	-	(6,000)
Total Cash Disbursements	<u>947,507</u>	<u>947,507</u>	<u>423,639</u>	<u>(523,868)</u>

Excess of Cash Receipts Over (Under) Cash Disbursements	<u>\$ (402,507)</u>	<u>\$ (402,507)</u>	<u>\$ 120,314</u>	<u>\$ 522,821</u>
Fund Balance, Beginning			<u>403,007</u>	
Fund Balance, Ending			<u>\$ 523,321</u>	

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

The City of Beardstown, Illinois (The "City") was incorporated in 1829, under the provisions of the State of Illinois. The City operates under an Aldermanic form of government and provides the following services as authorized by its charter: public safety (police, fire and ambulance), streets, public improvements, planning and zoning, and general administrative services. Other services include water and sewer operations.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1) Basis of Presentation and Accounting

The accounting and reporting framework and the more significant accounting principles and practices of the City are discussed in subsequent sections of this Note. The remainder of the Notes is organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended April 30, 2016.

Beginning with the fiscal year ending April 30, 2005, the Governmental Accounting Standards Board Statement (GASBS) No. 34 requires the City's basic financial statements to be presented on the full accrual basis of accounting and to conform to accounting principles generally accepted in the United States of America. The City's reporting entity needs to apply all relevant Governmental Accounting Standards Board (GASB) pronouncements, applicable Financial Accounting Standards Board (FASB) pronouncements, and applicable Accounting Principles Board (APB) opinions, unless these pronouncements conflict with or contradict GASB pronouncements. The accrual basis of accounting is the only basis of accounting that conforms with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. Also, the accrual basis of accounting generally includes the reclassification or elimination of internal activity (between or within funds).

GASBS No. 34 also requires the City to account for its transactions on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the statements of net position. Net position (i.e. total assets net total liabilities) is segregated into invested in capital assets, net of related debt; restricted for debt service; and unrestricted components.

The City has elected not to conform to the requirements of GASBS No. 34. Although the format of the financial statements still coincides with this pronouncement, the City does not present its basic financial statements on the full accrual basis of accounting, nor does the City account for its transactions on a flow of economic resources measurement focus.

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

The Governmental and Proprietary funds of the City are maintained on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under the modified cash basis of accounting, revenues are recognized when received, not earned; expenditures are recognized when paid, not incurred. Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into governmental activities column of the government-wide financial statements.

Fiduciary Funds use the modified accrual basis of accounting but do not have a measurement focus and therefore report only assets. Revenues are recorded when received except that interest income on bonds is accrued. Expenses are recorded when a liability is paid. Investments are reported at fair value.

2) Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund 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 demonstrates the degree to which the direct expenses of a functional category or activity are offset by program revenues. Direct expenses are those that are clearly identifiable with specific function or activity. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost (by function or business-type activity) is normally covered by general revenue (property taxes, interest income, etc.).

Separate fund based financial statements are provided for governmental funds and business-type activities. Major individual governmental funds are reported as separate columns in the fund financial statements. The major governmental funds are the general fund and tax increment financing. The major business-type activities are the City's waterworks and sewer system operations. GASBS No. 34 sets the minimum criteria (percentage of assets, liabilities, revenues or expenditures of either fund category for the governmental funds) for the determination of major funds. The nonmajor funds are

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

combined in a column in the fund financial statements. The nonmajor funds are detailed in the combining section of the statements.

The major governmental funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund is the primary operating fund of the City and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds

Major Special Revenue Funds:

Tax Increment Financing Fund

The Tax Increment Financing Fund accounts for the receipts and disbursements of the City's three Tax Increment Financing District. The Districts main source of revenue is based upon the increase in the equalized assessed valuation of real estate located within the boundaries of each District. Expenditures from this fund are used to improve public properties and private property to induce economic activity.

The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

3. Measurement Focus/Basis of Accounting

The funds of the City, including all fund types and component units are maintained on a basis of cash receipts and cash disbursements. The accompanying financial statements have been prepared on the cash basis of accounting. Governmental generally accepted accounting principles require that all funds except enterprise funds be accounted for under the modified accrual basis. Under the modified accrual basis, revenue should be recorded when it is both measurable and available to finance current expenditures of the funds. Expenditures should be recorded at the time in which they are incurred. The City has not accounted for infrastructure assets for governmental activities and does not include these in the financial statements. The City does not include debt and other long-term liabilities incurred by governmental activities in the financial statements.

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

The enterprise funds should be reported under the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred. The statements do not purport to present financial position and results of operations in accordance with governmental generally accepted accounting principles. However, the fixed assets of the waterworks and sewerage systems have been capitalized and depreciation of fixed assets used in water and sewer operations has been included in the financial statements. Long term bonded indebtedness is included in the financial statements of the waterworks and sewerage system funds.

The pension trust funds are reported on a modified cash basis. Investments are reported at fair market value and interest is accrued on all bonds. Expenses are recorded when paid, not when the liability is incurred. The City has opted to report both pension trust funds separately with a total column, rather than combining the pension trust funds into one single column as required by standards.

4. The Reporting Entity

The City, for financial reporting purposes, includes all funds and account groups relevant to the operation of the City. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the City.

The financial statements of the City include those of separately administered organizations that are controlled by or dependent on the City. Control or dependence is determined on the basis of budget adoption, taxing authority, fund and appointment of the respective governing board. All funds of the City and component units share the same fiscal year ending of April 30.

Based on the foregoing criteria, the financial statements of the following organizations are discretely presented in the accompanying financial statements:

Beardstown Public Library - The City Council appoints the Library Board, approves the budget and levies taxes. The financial statements of the Beardstown Public Library are included in the supplemental information section of this report.

Beardstown Museum, Inc. is a non-for-profit corporation organized to promote and operate the museum and Lincoln Courtroom located at 101 West Third Street in Beardstown. The Board of Directors are appointed by and the budget is approved by the City Council. The entity's financial statements are included in the supplemental information section of this report.

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

5. Fund Accounting

The accounts of the City are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing cash receipts and cash disbursements journals. This information is analyzed and organized to provide a set of self-balancing accounts which are comprised of each fund's assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and for individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in these financial statements, into four generic fund types and three broad fund categories as follows:

GOVERNMENTAL FUND TYPES

General Fund

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

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes.

PROPRIETARY FUND TYPES

Business-Type Funds

Business-type funds are used to account for operations that are (a) 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 governing body 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 City reports two business-type funds:

- a) The Waterworks fund accounts which accounts for the operation of the city-owned waterworks treatment plant and distribution system.
- b) The Sewerage fund accounts which account for the operation of the city-owned sewer system. The City does not operating the wastewater treatment plant.

**CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016**

FIDUCIARY FUND TYPES

Trust Funds

Fiduciary fund types are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The following are the City's fiduciary fund types:

- a) The Police Pension Fund accounts for the assets of the Police Pension, accounting for and managing the assets necessary to provide pension and disability benefits to the City's police officers as prescribed by Illinois statutes.
- b) The Firefighters' Pension Fund accounts for the assets of the Firefighter's Pension, accounting for and managing the assets necessary to provide pension and disability benefits to the City's firefighters' as prescribed by Illinois statutes.

4. PROPERTY, PLANT AND EQUIPMENT AND LONG TERM LIABILITIES

The accounting and reporting treatment applied to property, plant, and equipment and long-term liabilities associated with a fund are determined by its measurement focus. All governmental fund types are accounted for on a spending "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

It is the City's policy to expense the purchase of property, plant and equipment by all governmental type funds. Therefore, a general fixed assets account group is not maintained as required by governmental generally accepted accounting principles.

The City does not record mortgages or capital lease liabilities incurred for the purchase of property, plant, and equipment by all governmental type funds. Payments by governmental fund types on mortgages and capital leases are expensed when paid. The City has adopted the accounting policy of not capitalizing "infrastructure" general fixed assets (road, curbs and gutter, streets and sidewalks, and similar assets that are

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

immovable in nature and of value only to the City).

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components.

Expenditures for water and sewer system improvements have been capitalized and includes the cost of improvements made since 1966. Additionally, interest expense incurred during the construction period are capitalized. Expenditures for water and sewer system improvements are included in the enterprise balance sheet. Water and sewer system improvements are depreciated on the straight line basis over an estimated useful life of 40 to 50 years. Depreciation begins the first day of the fiscal year after the improvements are completed. There was no interest capitalization during the fiscal year. Total interest paid and expensed during the year by the Waterworks System was \$14,810 and \$36,100 was paid by the Sewerage System. The City does not budget for depreciation expense for enterprise funds. This should be taken into account when analyzing management's ability to accurately budget expenditures and operate within that budget.

5. ACCRUED COMPENSATED ABSENCES

Accrued compensated absences have not been included in the financial statements. The effects of this omission cannot be reasonably estimated.

6. ESTIMATES

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

7. LONG-TERM OBLIGATIONS

Governmental accounting standards require that the government-wide financial statements and proprietary fund types in the fund financial statements, report long-term debt and other long-term obligations as liabilities in the applicable business-type activities or proprietary fund type statement of net assets. The City does not report long-

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

term debt and other long-term obligations of governmental fund types in the government-wide or fund financial statements. The City does report long-term debt in the statements of the proprietary waterworks and sewerage system funds. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

8. NET POSITION/FUND BALANCES

Government-wide and Proprietary Statements

Equity is classified as net position and displayed in three components:

1. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, leases or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted Net Position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted Net Position – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

The following restrictions on net position are reported on the Government-wide and Proprietary statements:

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

Net Position Restrictions:	Governmental Activities	Business-Type Activities
Fines received for use in cannabis and controlled substance law enforcement	\$ 10,822	\$ -
Fines received for use in alcohol related crimes	594	-
Fines received for new police vehicles	4,666	-
Billed to Citizens for Garbage Disposal Services	27,244	-
Ambulance Services	166,008	-
Hotel Tax for Tourism Promotion	19,069	-
Cemetery Operation, Maintenance, and Land Acquisition	305,396	-
Care of Police Canine	6,434	-
Beautification of City Areas	20,320	-
Grant Funds	5	-
Christmas Baskets for Citizens in Need	4,870	-
Motor Fuel Tax	104,283	-
Grant funds for Revolving Loans	435,364	-
Tax Increment Financing Projects	523,321	-
Property Tax Levy for:		-
Municipal Band	8,999	-
Civil Defense	5,462	-
Workmens Compensation Insurance	67,924	-
IMRF Pension Contribution	36,838	-
Social Security and Medicare Tax	18,711	-
Water System Operation, Debt Service and Improvements	-	1,200,098
Sewerage System Operation, Debt Service and Improvements	-	515,619
	<hr/>	<hr/>
Total Restrictions of Net Position	\$ 1,766,330	\$ 1,715,717

Fund Statements

Governmental fund equity is classified as fund balance. Governmental fund balances are classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the City Council through approval of resolutions. Assigned fund balances is a limitation imposed by a designee of the City Council. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories.

Proprietary fund net position are classified the same as in the government-wide

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

statements.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the policy of the City to generally consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City that committed amount would be reduced first, followed by assigned amounts, and then unassigned amounts. In both instances, when a proposed expenditure is made with specific balances identified as the source of the funding, that specific fund balance will be used.

Fund Balance Classifications	Capital	Special Revenue		Nonspendable	Totals
	Projects	Funds	Assigned		
Fines received for use in cannabis and controlled substance law enforcement	\$ -	\$ 10,822	\$ -		\$ 10,822
Fines received for use in alcohol related crimes	-	594	-		594
Fines received for new police vehicles	-	4,666	-		4,666
Billed to citizens for garbage disposal Services	-	-	27,244		27,244
Ambulance services	-	-	166,008		166,008
Hotel tax for tourism promotion	-	19,069	-		19,069
Cemetery operation, maintenance, and land acquisition	-	305,396	-		305,396
Care of police canine	-	-	6,434		6,434
Beautification of city	-	-	20,320		20,320
Grant funds	-	5	-		5
Christmas baskets for citizens in need	-	-	4,870		4,870
Motor Fuel Tax	104,283	-	-		104,283
Revolving loans in repayment	-	-	-	279,533	279,533
Grant funds available for revolving loans	-	155,831	-	-	155,831
Tax Increment Financing projects	-	523,321	-		523,321
Property Tax Levy for:					-
Municipal Band	8,999	8,999	-		17,998
Civil Defense	5,462	5,462	-		10,924
Workmens Compensation Insurance	67,924	67,924	-		135,848
IMRF Pension Contribution	36,838	36,838	-		73,676
Social Security and Medicare Tax	18,711	18,711	-		37,422
Water System operation, debt service and improvements	-	-	-		-
Sewerage System operation, debt service and improvements	-	-	-		-
Total Restrictions of Net Position	\$ 242,217	\$ 1,157,638	\$ 224,876	\$ 279,533	\$ 1,904,264

9. OPERATING REVENUES AND EXPENSES – PROPRIETARY FUNDS

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for services. Operating expenses include the cost of operations and maintenance, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

10. RESTRICTED ASSETS – Proprietary Fund Types

Restricted assets include cash and certificates of deposit of special purpose tax levies that are legally restricted as to their use, donor imposed restrictions, grant awards, and debt issuance requirements. In all instances where an expenditure is incurred, when both restricted and nonrestricted resources are available, the restricted resources are used first.

Proprietary Fund Types:

Waterworks:

Series 2016 A Bond and Interest	45,781
Water Improvement Grant	11
IEPA Loan 17-2563 Bond & Interest	223,861
Series 2004 Bond Reserve	170,886
Series 2004 Replacement & Extension	<u>33,319</u>
Total Waterworks:	<u>\$473,848</u>

Sewerage System

Series 2016 B Bond & Interest	102,922
Jr Lien Bond Reserve	88,170
Jr Lien Bond Depreciation	<u>47,579</u>
Total Sewerage System	<u>238,671</u>
Total Proprietary Fund Types	<u>\$ 712,519</u>

NOTE B. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables may exist at the end of the fiscal year. These are recorded in the appropriate fund statement of assets, liabilities, and fund balance arising from cash transactions. Interfund transfers are periodically made to eliminate the interfund receivable and payable.

NOTE C. STATEMENT OF CASH FLOWS

Cash equivalents for statement of cash flow purposes include only cash held in a checking account. Investments in Certificates of Deposit are not considered cash equivalents due to maturity dates in excess of ninety days.

NOTE D. CASH, CASH EQUIVALENTS, AND INVESTMENTS

The City maintains a cash pool that is available for use by all funds, except the Water Improvement Grant Fund and the Flood Prevention Fund. Each fund type's portion of

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

this pool is displayed on the combined balance sheet as cash, restricted cash or fund overdraft.

The Statutes authorize the City to invest in certificates of deposit, repurchase agreements, passbooks and other available bank investments provided that approved securities are pledged to secure those funds on deposit in an amount equal to the amount of those funds. In addition the City can invest in direct debt securities of the United States unless such an investment is expressly prohibited by law.

Investments made or redeemed in governmental and proprietary funds during the year consisted solely of certificates of deposit and NOW accounts held with local financial institutions. Investments held in the governmental and proprietary funds consist of certificates of deposit. These are carried at cost which includes any interest income reinvested.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. Deposits are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for accounts bearing interest at a rate greater than 0.5%.

At April 30, 2016 the carrying amount of the City's deposits (checking and certificates of deposit) was \$3,987,725 and the bank balance was \$4,131,547. \$463,717 of the bank balance was covered by federal depository insurance. The remaining balance of \$3,667,830 is covered by a \$4,000,000 irrevocable letter of credit issued by the Federal Home Loan Bank of Chicago securing deposits at West Central Bank. This irrevocable letter of credit is dated March 4, 2016 and expires September 6, 2016.

The City's deposits are categorized to give an indication of the level of risk assumed by the City at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and uncollateralized deposit.

	Bank Carrying Value	Book Value
Category 1	\$4,131,547	\$3,987,725
Category 2	\$0	\$0
Category 3	\$0	\$0

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

Fiduciary Funds:

Authorized investments: The Police and Firefighters' Pension Funds may invest in any type of "investment instrument" permitted by Illinois law as described in Chapter 40 of the Illinois Compiled Statutes, *40 ILCS 5/1-113.1 through 113.4a*. Permitted "investment instruments" include, but are not limited to:

1. Interest bearing direct obligations of the United States of America.
2. Interest bearing obligations to the extent that they are fully guaranteed or insured as to payment of principal and interest by the United States of America.
3. Interest bearing bonds, notes, debentures, or other similar obligations of agencies of the United States of America. For the purposes of this Section, "agencies of the United States of America" includes: (i) the Federal National Mortgage Association and the Student Loan Marketing Association; (ii) federal land banks, federal intermediate credit banks, federal farm credit banks, and any other entity authorized to issue direct debt obligations of the United States of America under the Farm Credit Act of 1971 or amendments to that Act; (iii) federal home loan banks and the Federal Home Loan Mortgage Corporation; and (iv) any agency created by Act of Congress that is authorized to issue direct debt obligations of the United States of America.
4. Interest bearing savings accounts or certificates of deposit, issued by federally chartered banks or savings and loan associations, to the extent that the deposits are insured by agencies or instrumentalities of the federal government.
5. Interest bearing savings accounts or certificates of deposit, issued by State of Illinois chartered banks or savings and loan associations, to the extent that the deposits are insured by agencies or instrumentalities of the federal government.
6. Investments in credit unions, to the extent that the investments are insured by agencies or instrumentalities of the federal government.
7. Interest bearing bonds of the State of Illinois.
8. Pooled interest bearing accounts managed by the Illinois Public Treasurer's Investment Pool in accordance with the Deposit of State Moneys Act, interest bearing funds or pooled accounts of the Illinois Metropolitan Investment Funds, and interest bearing funds or pooled accounts managed, operated, and administered by banks, subsidiaries of banks, or subsidiaries of bank holding companies in accordance with the laws of the State of Illinois.

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

9. Interest bearing bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois.
10. Direct obligations of the State of Israel, subject to the conditions and limitations of item (5.1) of Section 1-113.
11. Money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies; provided that the portfolio of the money market mutual fund is limited to the following:
 - (i) Bonds, notes, certificates of indebtedness, treasury bills, or other securities that are guaranteed by the full faith and credit of the United States of America as to principal and interest;
 - (ii) Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies; and
 - (iii) Short term obligations of corporations organized in the United States with assets exceeding \$400,000,000, provided that (A) the obligations mature no later than 180 days from the date of purchase, (B) at the time of purchase, the obligations are rated by at least 2 standard national rating services at one of their 3 highest classifications, and (C) the obligations held by the mutual fund do not exceed 10% of the corporation's outstanding obligations.
12. General accounts of life insurance companies authorized to transact business in Illinois.
13. Any combination of the following, not to exceed 10% of the pension fund's net assets:
 - (i) Separate accounts that are managed by life insurance companies authorized to transact business in Illinois and are comprised of diversified portfolios consisting of common or preferred stocks, bonds, or money market instruments;
 - (ii) Separate accounts that are managed by insurance companies authorized to transact business in Illinois, and are comprised of real estate or loans upon real estate secured by first or second mortgages; and

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

(iii) Mutual funds that meet the following requirements:

(A) The mutual fund is managed by an investment company as defined and registered under the federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953;

(B) The mutual fund has been in operation for at least 5 years;

(C) The mutual fund has total net assets of \$250 million or more; and

(D) The mutual fund is comprised of diversified portfolios of common or preferred stocks, bonds, or money market instruments.

14. Corporate bonds managed through an investment advisor must meet all of the following requirements:

(i) The bonds must be rated as investment grade by one of the 2 largest rating services at the time of purchase.

(ii) If subsequently downgraded below investment grade, the bonds must be liquidated from the portfolio within 90 days after being downgraded by the manager.

Deposits:

Custodial credit risk: Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the Firefighters and Police Pension Fund's deposits may not be returned to it. The Firefighters and Police Pension Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, such flow-through FDIC insurance is available for the Firefighters and Police Pension Fund's deposits with financial institutions.

Investments:

Custodial credit risk: Custodial credit risk for investment is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' and Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. The Firefighters' and Police Pension Fund's investment policy does not specifically address custodial credit risk, except for the Firefighters' and Police Pension Fund's compliance with state statutes.

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

Interest rate risk: The risk that changes in interest rates will adversely affect the fair value of the investment. The Board of Trustees of the Beardstown Police and Firefighters' Funds recognize their ultimate responsibility for the value preservation and growth of the Fund's assets in its investment policies. The policies will minimize the risk that the market value of the securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for benefit payments, thereby avoiding the need to sell securities on the open market prior to maturity. The policies do not limit the maximum length of investments.

At April 30, 2016, the fiduciary funds investment balances were as follows:

Investment Type	FMV	MATURITY			
		Less than 1 year	1-5 Years	6-10 Years	More than 10 Years
Firefighters' Pension:					
U S Agency Obligations	\$ 103,321	\$ 71,293	\$ 32,028	\$ -	\$ -
U S Government Obligations	329,578	75,205	204,683	49,690	-
Corporate Bonds	270,734	75,634	157,427	37,674	-
Police Pension:					
U S Agency Obligations	181,588	131,544	50,044	-	-
U S Government Obligations	492,538	66,181	345,679	80,679	-
Corporate Bonds	417,073	120,645	229,423	67,005	-
Subject to Interest Rate Risk	1,794,832	\$ 540,502	\$ 1,019,284	\$ 235,048	\$ -
Firefighters' Pension:					
Money Market Mutual Funds	16,672				
Mutual Funds	96,435				
Police Pension:					
Money Market Mutual Funds	42,814				
Mutual Funds	171,468				
Total Investments	\$ 2,122,221				

Credit Risk: Generally, credit risk is the risk an issuer of an investment will not fulfill its obligation to the holder of the investment. This measured by the assigned rating by a nationally recognized statistical rating organization. The Police and Firefighters' Pension Plans investment policy does not specifically address credit risk for investments, except for corporate bonds and compliance with Illinois statutes. Corporate bonds must be rated as investment grade by one of the two largest rating agencies at the time of purchase.

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

Subsequently, if a domestic corporate bond security is downgraded below investment grade by one of the two largest rating agencies, the security must be liquidated from the portfolio within 90 days of the downgrade.

At April 30, 2016, the fiduciary funds investment balances were rated as follows:

Investment Type	FMV	Standard and Poor's Moody's				
		AAA	AA	A	BBB	Not Rated
Firefighters' Pension:						
U S Agency Obligations	\$ 103,321	\$ -	\$ 103,321	\$ -	\$ -	\$ -
U S Government Obligations	329,578	329,578	-	-	-	-
Corporate Bonds	270,734	-	100,208	155,219	15,307	-
Money Market Mutual Funds	16,672	-	-	-	-	16,672
Police Pension:						
U S Agency Obligations	181,588	-	181,588	-	-	-
U S Government Obligations	492,538	492,538	-	-	-	-
Corporate Bonds	417,073	-	120,831	265,628	30,614	-
Money Market Mutual Funds	42,814	-	-	-	-	42,814
Total Investments	\$ 1,854,318	\$ 822,116	\$ 505,948	\$ 420,847	\$ 45,921	\$ 59,486

Concentration of Credit Risk: The Police and Firefighters' Pension Fund bonds and equity investments are held in custodial accounts managed by Morgan Stanley. The investment policy of the Police and Firefighters' Pension Funds allows an allocation of ten percent in equity-type investments and 85 to 89% in fixed-income type investments and 1 to 5% in cash. Individual holdings must meet certain criteria outlined in the investment policies, and no individual holding may comprise more than 5 percent of equity holdings in total.

There were no investments (other than U. S. government and agencies' securities) in any one organization that represented 5 percent or more of net assets available for benefits in the Police Pension Fund or the Firefighters' Pension Fund.

NOTE E. PROPERTY TAX

Property Taxes attach as an enforceable lien as of January 1. Taxes were assessed on January 1, 2015 and are due and payable on or before July 1, 2015 and September 1, 2015. The County of Cass bills and collects the tax and remits the correct amount to the City. Property tax revenues are recognized when received. Distributions are received each month from July through December. The property tax levy Ordinance for 2014 collected in 2015 was adopted by the City Council on December 16, 2014. The property tax revenues reported in these statements were levied in 2014 and collected in 2015.

**CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016**

NOTE F. TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW

Total columns on the combined statements are captioned "memorandum only" to indicate that they are presented only to facilitate analysis. Data in these columns do not present financial position, or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE G. PROPRIETARY FUND CHANGES IN LONG-TERM DEBT

The following is a summary of enterprise revenue bonds transactions of the City for the year ended April 30, 2016:

Bond Issue	Payable at 5/1/2015	Issued	Retired	Payable at 4/30/2016
Waterworks, Series 2007A	\$ 355,000	\$ -	\$ (330,000)	\$ 25,000
Sewerage, Series 2007B	880,000	-	(820,000)	60,000
IEPA 172562	1,442,307	-	(96,154)	1,346,153
IEPA 172563	3,573,506	-	(223,344)	3,350,162
Sewerage, Series 2016B	-	335,000	-	335,000
Waterworks, Ser 2016A	-	825,000	-	825,000
Totals	\$ 6,250,813	\$ 1,160,000	\$ (1,469,498)	\$ 5,941,315

The Proprietary Fund Long-Term Debt outstanding consists of:

1. \$1,235,000, Sewerage System Series 2007B, due in annual installments, interest payable semiannually at rates ranging from 3.75% to 4.20%.
2. \$500,000, Waterworks System Series 2007A, due in annual installments, interest payable semiannually at rates ranging from 3.75% to 4.20%.
3. \$825,000 General Obligation Revenue Bonds, Series 2016B, Sewerage System Alternative Revenue Source, due in annual installments, interest payable semiannually at rates ranging from 2.00% to 2.70%.
2. \$500,000 General Obligation Revenue Bonds, Series 2016A, Waterworks System Alternative Revenue Source, due in annual installments, interest payable semiannually at rates ranging from 2.00% to 2.70%.

**CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016**

3. \$1,875,000 loan #172562 from IEPA for waterworks system improvements, 0% interest, 39 semiannual installments of \$48,077 beginning February 2011.
4. \$4,313,577 loan #172563 from Illinois Environmental Protection Agency for waterworks system improvements, 0% interest, principal payable in 40 semiannual installments of \$97,794 beginning July, 2011.

NOTE H. DEFINED BENEFIT PENSION PLAN

A. REGULAR EMPLOYEES

Plan Description. The City'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 employer plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, the City's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2015 was 10.92 percent. The employer 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 supplemental retirement benefits rate is set by statute.

Annual Pension Cost. For calendar year ending December 31, 2015, the required contribution for the calendar year 2015 was \$111,018.

Three-Year Trend Information for the Regular Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net pension Obligation
12/31/15	111,018	100%	\$0
12/31/14	120,891	100%	\$0
12/31/13	124,880	92%	\$0

The required contribution for 2015 was determined as part of the December 31, 2013,

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2013, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the City's Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The City's Regular plan's unfunded actuarial accrued liability at December 31, 2013 is being amortized as a level percentage of projected payroll on an open 28 year basis.

Funded Status and Funding Progress. As of December 31, 2015, the most recent actuarial valuation date, the Regular plan was 84.77 percent funded. The actuarial accrued liability for benefits was \$3,392,569 and the actuarial value of assets was \$2,875,820, resulting in an underfunded actuarial accrued liability (UAAL) of \$516,749. The covered payroll for calendar 2015 (annual payroll of active employees covered by the plan) was \$1,016,647 and the ratio of the UAAL to the covered payroll was 51 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.

B. SHERIFF'S LAW ENFORCEMENT PERSONNEL

Plan Description. The City'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 City's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, the City's Sheriff's Law Enforcement Personnel plan members are required to contribute 7.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2015 was 13.69 percent. The employer 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 supplemental retirement benefits

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

rate is set by statute.

Annual Pension Cost. For calendar year ending December 31, 2015, the required contribution for calendar year 2015 was \$3,713.

Three-Year Trend Information for the Sheriff's Law Enforcement Personnel Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net pension Obligation
12/31/15	\$3713	100%	\$0
12/31/14	0	***	\$0
12/31/13	\$4,602	100%	\$0

The required contribution for 2015 was determined as part of the December 31, 2013, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2013, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the City's Sheriff's Law Enforcement Personnel plan's assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The City's Sheriff's Law Enforcement Personnel plan's unfunded actuarial accrued liability at December 31, 2013 is being amortized as a level percentage of projected payroll on an open 28 year basis.

Funded Status and Funding Progress. As of December 31, 2015, the most recent actuarial valuation date, the Sheriff's Law Enforcement Personnel plan was 78.29 percent funded. The actuarial accrued liability for benefits was \$199,424 and the actuarial value of assets was \$156,169, resulting in an underfunded actuarial accrued liability (UAAL) of \$43,305. The covered payroll for calendar year 2015 (annual payroll of active employees covered by the plan) was \$0 and the ratio of the UAAL to the covered payroll was 0 percent.

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

POLICE PENSION

Plan Description. The City's defined benefit pension plan for Police Law Enforcement

**CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016**

Personnel employees provides retirement and disability benefits post retirement increases, and death benefits to plan members and beneficiaries. The plan is a self-managed plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois.

Funding Policy. As set by statute, the City's Police Law Enforcement Personnel plan members are required to contribute 9.91 percent of the annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for the twelve months ending April 30, 2016 was 49.01% of covered payroll.

Annual Pension Cost. For fiscal year ending April 30, 2016, the required contribution for the year was \$108,173.

Three-Year Trend Information for the Police Pension

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net pension Obligation
04/30/16	108,173	100%	\$0
04/30/15	162,530	100%	\$0
04/30/14	165,017	100%	\$0

The required contribution for the fiscal year ending April 30, 2016 was determined as part of the May 1, 2015 actuarial valuation using methods required under Section 3-125 of the Illinois Pension Code. The funding method is Projected Unit credit. The amortization method is Normal cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan's funded ratio to 90% by the end of fiscal year 2040. The asset valuation method requires that investment gains and losses are recognized over a 5-year period. The actual assumptions at May 1, 2015 include: (a) Interest rate, 5.0% (b) Interest rate, prior fiscal year 5.0%, (c) Healthy mortality rates based upon RP-2000 Combined Healthy Mortality, with Blue Collar Adjustment (d) Disability mortality rates based upon RP-2000 Disabled Retiree Mortality, (e) Decrements other than mortality based upon experience tables, (f) Rate of service-related deaths 5%, (g) Rate of service-related disabilities 70%, (h) Salary increases based upon service-related table with rates grading from 11% to 4% at 30 years of service, (i) 4.50% payroll growth, (j) 1.25% Tier 2 cost-of-living adjustment, (k) Marital assumptions assume that 80% of the members are married; male spouses are assumed to be 3 years older than female spouses.

Funded Status and Funding Progress. As of May 1, 2015, the most recent actuarial valuation date, the Police plan was 51.19% funded. The actuarial accrued liability for benefits was \$2,927,691 and the actuarial value of assets was \$1,498,747, resulting in an

**CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016**

underfunded actuarial accrued liability (UAAL) of \$1,428,944. The covered payroll for the year was \$220,725 and the ratio of the UAAL to the covered payroll was 647.39 %.

The schedule of funding progress, presented as RSI following the notes to the financial statements, present 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.

FIREFIGHTERS PENSION

Plan Description. The City’s defined benefit pension plan for Police Law Enforcement Personnel employees provides retirement and disability benefits post retirement increases, and death benefits to plan members and beneficiaries. The plan is a self-managed plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois.

Funding Policy. As set by statute, the City’s Police Law Enforcement Personnel plan members are required to contribute 9.455 percent of the annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for the twelve months ending April 30, 2016 was 48.68% of covered payroll.

Annual Pension Cost. For fiscal year ending April 30, 2016, the required contribution for the year was \$88,389.

Three-Year Trend Information for the Police Pension

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net pension Obligation
04/30/16	88,389	100%	\$0
04/30/15	84,770	100%	\$0
04/30/14	67,374	100%	\$0

The required contribution for the fiscal year ending April 30, 2016 was determined as part of the May 1, 2015 actuarial valuation using methods required by Section 4-118 of the Illinois Pension Code. The funding method is Projected Unit credit. The amortization method is Normal Cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan’s funded ratio to 90% by the end of fiscal year 2040. The asset valuation method requires that investment gains and losses are recognized over a 5-year period. The actual assumptions at May 1, 2015 include: (a) Interest rate, 5.0% (b) Interest rate, prior fiscal year 5.0%, (c) Healthy mortality rates based upon RP-2000 Combined Healthy Mortality, with Blue Collar Adjustment (d)

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

Disability mortality rates based upon RP-2000 Disabled Retiree Mortality, (e) Decrements other than mortality based upon experience tables, (f) Rate of service-related deaths 5%, (g) Rate of service-related disabilities 90%, (h) Salary increases based upon service-related table with rates grading from 12% to 4% at 30 years of service, (i) 4.50% payroll growth, (j) 1.25% Tier 2 cost-of-living adjustment, (k) Marital assumptions assume that 80% of the members are married; male spouses are assumed to be 3 years older than female spouses.

Funded Status and Funding Progress. As of May 1, 2015, the most recent actuarial valuation date, the Police plan was 57.89% funded. The actuarial accrued liability for benefits was \$1,662,439 and the actuarial value of assets was \$962,373, resulting in an underfunded actuarial accrued liability (UAAL) of \$700,066. The covered payroll for the year was \$181,582 and the ratio of the UAAL to the covered payroll was 385.54 %.

The schedule of funding progress, presented as RSI following the notes to the financial statements, present 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 I. REVOLVING LOAN FUND

The City, in cooperation with the Illinois Department of Community Affairs has established a Revolving Loan Fund. The funds are to be used for loans to small business to expand and improve operations and increase employment in the Beardstown area.

A \$30,000 loan was made to Stanley Stern on January 5, 1996. The proceeds were used to construct a 4,000 square foot building to house a PACT/Head Start program. Tri-County Community Development Corporation and the First State Bank of Beardstown also provided \$205,400 in loans for this project. This loan bears interest at 3% and is payable in 96 monthly installments of \$167 with a \$20,247 balloon payment due on November 20, 2003. This loan was refinanced in November 2003 for 80 monthly payments of \$284, at 3.0% interest. This is secured by a third mortgage on the property. The balance outstanding as of April 30, 2016 was \$4,308. This loan is in default.

Loan to Dustin Looker and Lori Schroll, d/b/a Looker's Sports Bar. The loan of \$15,000 bears interest at 3.0% and is payable in 120 monthly installments of \$145. \$4,046 is due as of April 30, 2016. This loan is in default.

\$60,000 to E&L Siding & Remodeling, Inc. on October 6, 2006 to assist with renovations to open lumber yard. This loan bears fixed rate interest at 3% and is payable in 60 monthly installments of \$587 and a balloon payment of \$32,823 on October 6, 2011. \$6,929 is due as of April 30, 2016.

**CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016**

\$150,000 loan to Canter Family Dental, PC on August 23, 2012 for the renovation of a dental clinic. This loan bears interest at a fixed rate of 3% and is payable in 120 monthly installments of \$1,449. \$103,805 is due as of April 30, 2016.

\$21,300 to 88 Bar & Grill LLC for renovation of a tavern. This loan bears interest at a fixed rate of 3% and is payable in 120 monthly installments of \$206. The balance due as of April 30, 2016 is \$16,722.

\$30,000 to Michelle Quigley and Teri Palmer for business acquisition. This loan bears interest at a fixed rate of 3% and is payable in 120 monthly installments of \$290. The balance due as of April 30, 2016 is \$28,268.

\$50,000 to Nicholas Soer, d/b/a 3G Soer Hardware for business acquisition. This loan bears interest at a fixed rate of 3% and is payable in 120 monthly installments of \$206. The balance due as of April 30, 2016 is \$47,900.

\$70,000 to Nancy Cowen, Joseph McClenning, and Brandee McClenning for renovations and startup costs of Rivertown Wine and Coffee, LLC. This loan bears interest at a fixed rate of 3% and is payable in 120 monthly installments of \$677. The balance due as of April 30, 2016 is \$67,555.

NOTE J. PRESENTATION OF BUDGET INFORMATION

The budgetary data included in these financial statements was summarized from the budget ordinance for the fiscal year ending April 30, 2016 to establish the budgeted expenses. The budget is prepared based upon the expected cash receipts and cash receipts and cash disbursements to be made. The budget was approved by the City Council on July 7, 2015. There were no amendments to the budget during the fiscal year.

NOTE K. SINKING FUND REQUIREMENTS

The following funds are required under the terms of each bond ordinance:

1) Waterworks Series 2007A Sinking Fund Requirements

Operation and Maintenance: There shall be deposited and credited to the Operation and Maintenance Account an amount sufficient, when added to the amount then on deposit in such Account, to establish a balance equal to an amount not less than the amount necessary to pay Operation and Maintenance Expenses for the then current and the next succeeding month.

Alternate Bond and Interest Account - Deposits are to be made to this account on a monthly basis equal to one-fifth of the interest due at next payment date and one-tenth of

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

the principal due at next maturity date.

Bond Reserve Account: There shall be deposited in and credited to such Bond Reserve Account, up to the amount of the least of (as applicable, the "Reserve Requirement") (i) Maximum Annual Debt Service or (ii) 125% of average annual debt service or (iii) 10% of the proceeds of the Bonds ("Reserve Requirement"), from funds in the Prior Bond reserve account and thereafter as necessary, monthly deposits equal to at least 1/24th of Reserve Requirement until the Reserve Requirement is accumulated. Thereafter, if any amounts are withdrawn from the Bond Reserve Account, such withdrawals shall be restored by monthly deposits in an amount equal or greater of 1/12th of the amount so withdrawn or 1/24th of the Reserve Requirement until the Reserve Requirement has accumulated. Amounts to the credit of such Bond Reserve Account, if any, shall be used to pay principal of or interest and applicable premium on the Outstanding Bonds at any time when there are insufficient funds available in the Bond and Interest Account to pay the same. This will be funded when the 2004 Bonds are paid in full.

Depreciation Account: There shall be credited to the Depreciation Account and held, in cash and investments, all monies on deposit in the Prior Depreciation Account, up to \$15,000 (the "Depreciation Requirement") of funds from the prior depreciation account upon the issuance of the Bonds. In the event of any shortfall in meeting the Depreciation Requirement, an amount equal to 1/24th of such shortfall shall be paid therein monthly until the Depreciation Requirement is met.

Amounts to the credit of such Depreciation Account shall be used for (i) the payment of the cost of extraordinary maintenance, necessary repairs and replacements, or contingencies, the payment for which no other funds are available, in order that the System may at all times be able to render efficient service and (ii) the payment of principal of or interest and applicable premium on any Outstanding Bonds at any time when there are no other funds available for that purpose in order to prevent a default and shall be transferred to the Bond and Interest Account for such purpose.

Whenever an amount is withdrawn from such Account for the purpose stated in clause (ii) of the preceding paragraph, one-twelfth (1/12th) of the amount so transferred shall each month be added to the amount to be next and thereafter credited to such Depreciation Account until full reimbursement to such Account has been made. Each expenditure to be made for such Account for the purpose stated in clause (i) of the preceding paragraph shall be made only after a consulting engineer employed for that purpose or the operator or superintendent of the Waterworks System has certified that such expenditure is necessary to the continued effective and efficient operation of the Waterworks System or after approval by 2/3's vote of the Board Trustees of the City.

This will be funded when the 2004 Bonds are paid in full.

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

2) Sewerage 2007B Sinking Fund Requirements

Bond and Interest Account: Deposits are to be made to this account on a monthly basis equal to one-fifth of the interest due at next payment date and one-tenth of the principal due at next maturity date.

Operation and Maintenance Account: There shall be credited to the Operation and Maintenance Account an amount sufficient, when added to the amount then on deposit in said Account, to establish a balance to an amount not less than the amount necessary to pay Operation and Maintenance Costs for such System for the then current and the next succeeding month. Amounts in said Account shall be used to pay such Operation and Maintenance Costs.

Surplus Account: All moneys remaining in the Sewerage Fund, after crediting the required amounts to the respective accounts hereinabove provided for, shall be credited each month to the surplus Account. any funds remaining in the Surplus Account shall be used, first, as may be provided in the Revenue Bond Ordinance, any Future Bond Ordinance(s), as may be applicable, or otherwise, for any lawful corporate purpose.

Sewerage Bond Reserve Account: Monthly deposits of \$1,300 are required until a sum equal to the maximum annual debt service is achieved. The funds can only be expended for bond interest and principal payments when the Sewerage Bond and Interest Account does not have enough funds to meet the debt service. This is to be funded when the Series 1990 Bonds are paid in full.

Sewerage Depreciation Account: Monthly deposits of \$400 are required. The funds can only be used to pay for extraordinary maintenance, necessary repairs and replacements, or contingencies when no other funds are available or for the payment of bond principal and interest to prevent or remedy a default, only if no other funds are available. This is to be funded when the Series 1990 Bonds are paid in full.

3) General Obligation Refunding Bonds (Waterworks System Alternate Revenue Source) Series 2015A

Upon final payment of the Waterworks Series 2007A Bonds:

Operation and Maintenance: There shall be deposited and credited to the Operation and Maintenance Account an amount sufficient, when added to the amount then on deposit in such Account, to establish a balance equal to an amount not less than the amount necessary to pay Operation and Maintenance Expenses for the then current month.

Bond and Interest Account: There shall be deposited and credited to the Bond and Interest Account and held, in cash and investments, a fractional amount (not less than 1/6) of the interest becoming due on the next succeeding interest payment date on all

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

Outstanding Bonds and also a fractional amount (not less than 1/12) of the principal becoming due (or subject to mandatory redemption) on the next succeeding principal maturity date of all of the Outstanding Bonds until there shall have been accumulated and held in cash and investments in such Bond and Interest Account on or before the month preceding such maturity date of interest or principal, or both, an amount sufficient to pay such principal or interest, or both.

In computing the fractional amount to be set aside each month in such Bond and Interest Account, the fraction shall be so computed that a sufficient amount will be set aside in such Account and will be available for the prompt payment of such principal of and interest on all Outstanding Bonds and shall be not less than one-sixth (1/6) of the interest becoming due on the next succeeding interest payment date and not less than one-twelfth (1/12) of the principal becoming due (or subject to mandatory redemption) on the next succeeding principal payment date on all Outstanding Bonds until there is sufficient money in such Account to pay such principal or interest, or both.

Credits into such Bond and Interest Account may be suspended in any Fiscal Year at such time as there shall be a sufficient sum held in cash and investments in such Bond and Interest Account to meet principal and interest requirements in such Bond and Interest Account for the balance of such Fiscal Year, but such credits shall again be resumed at the beginning of the next Fiscal year. All moneys in such Bond and Interest Account shall be used only for the purpose of paying interest and principal and applicable premium on Outstanding Bonds. At the time of the delivery of any of the Bonds, such amount, if any, determined necessary by the Corporate Authorities to be deposited into such Bond and Interest Account from the proceeds of the Bonds.

Sinking Fund Account

Money in the Waterworks Fund shall at the same time the required payments are made to the Bond and Interest Account be allocated to the special and separate account to pay sinking fund installments, if any, with respect to any bonds subject to mandatory redemption, known as the "Sinking Fund Account". The City shall maintain a separate sub-account in the Sinking Fund Account for each particular group of any bonds which mature on a single future date and for which sinking fund installments are required to be paid in order to redeem such Bonds. The minimum amounts to be credited to each such subaccount on or before the first day of each month shall be (1) if such sub-account requires the payment of semi-annual installments in order to redeem such Bonds, 1/6 of the amount payable on the next succeeding installment payment date; and (2) if such sub-account requires the payment of annual installments in order to redeem such Bonds, 1/12 of the amount payable on the next succeeding installment payment date. Moneys allocated to the Sinking Fund Account shall be used solely for the payment of sinking fund installments in order to redeem such Bonds as the same shall become due and payable.

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

Reserve Account:

There shall be deposited in and credited to an applicable Reserve Account, at the time, in the manner and with the effect as specified in an applicable Bond Order, an amount equal to (the Reserve Requirement) a percentage of Maximum Annual Debt Service on the Outstanding Bonds, as provided in the Bond Order. Amounts to the credit of such Reserve Account, if any, shall be used to pay principal of or interest and applicable premium on applicable outstanding bonds at any time when there are insufficient funds available in the Bond and Interest Account to pay the same. If drawn upon, the Reserve Account shall be funded and replenished at the times and in the manner as provided in an applicable Bond Order. During any period with respect to which the City has drawn upon the Reserve Account or other has a material default under the ordinance, the City shall not provide to any person, including the City, any free or discounted system service.

Depreciation Account:

Money in the Waterworks Fund shall be allocated to the separate and special account to maintain a renewal, replacement and depreciation reserve known as the "Depreciation" Account." At the time of delivery of the Bonds, and at the time of delivery of any Bonds or Parity Bonds, there shall be credited to the Depreciation Account amounts derived from funds of the City on hand and lawfully available therefor and from proceeds of the Bonds sufficient to fund the Depreciation Account as determined by the Corporate Authorities at the time the bonds are authorized. On or prior to the first day of each month there shall be credited to the Depreciation Account as determined by the Corporate Authorities at the time the bonds are authorized, up to an amount so determined by the City Council or such higher amount as may be recommended by an independent consulting engineer. Money in the Depreciation Account shall be used solely for the purpose of first paying principal of, or sinking fund installments of, and interest on bonds when there is insufficient money in the Bond and Interest Account, the Sinking Fund Account, and thereafter to pay principal of, or sinking fund installments of, and interest on the bonds; and to the extent not required for the foregoing, to pay the cost of extraordinary maintenance expenses or repairs, renewals, and replacements not included in the annual budget for current operation and maintenance expenses. The amount required to be maintained in the Depreciation Account shall be determined by the City Council at the time the bonds are authorized to be an adequate and reasonable depreciation reserve.

Surplus Account: All moneys remaining in the System Fund, after crediting the required amounts to the respective accounts hereinabove provided for, and after making up any deficiency in the above Accounts described in subsections (a) to (d), inclusive, shall be credited to the Surplus Account and shall first be used to make up any subsequent deficiencies in any of the Accounts hereinabove named and then, at the discretion of the Board of Trustees of the City, shall be used, if at all, for one or more of the following purposes (and not for any general corporate purposes) without any priority among them:

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

- 1) For the purpose of constructing or acquiring repairs, replacements, improvements to the System; or
- 2) For the purpose of calling and redeeming outstanding bonds which are callable at the time; or
- 3) For the purpose of purchasing outstanding bonds at the time at a price of not to exceed par and accrued interest to the date of purchase; or
- 3) For the purpose of paying principal and interest on any subordinate bonds or obligations issued for the purpose of acquiring, installing, or construction repairs, replacements, or improvements to the System; or
- 4) For any other lawful System purpose.

Investments: Money to the credit of the System Fund prior to the monthly accounting and to the credit of the Operation and Maintenance Account may be invested pursuant to any authorized granted to any municipal corporations by the Illinois statute or court decision.

Moneys to the credit of the Bond and Interest Account, Sinking Fund Account, Depreciation Account and Surplus account (and any subaccounts created therein) may be invested from time to time by the Treasurer in (i) interest-bearing bonds, notes, or other direct full faith and credit obligations of the United States of America, (ii) obligations unconditionally guaranteed as to both principal and interest by the United States of America, or (iii) certificates of deposit or time deposits of any bank, as defined by the Illinois Banking Act, provided such bank is insured by the Federal Deposit Insurance Corporation or a successor corporation to the Federal Deposit Insurance Corporation and provided further that the principal of such deposits in excess of the insured amount is secured by a pledge of obligations as described in the bond ordinance in full principal amount of such excess. Such investments may be sold from time to time by the Treasurer as funds may be needed for the purpose for which said respective accounts have been created. To the extent moneys in said Accounts are held uninvested and on deposit in demand accounts, such amounts shall be added to the amount invested for purposes of the FDIC insurance and collateralization requirements.

Investments in the Accounts shall mature or be subject to redemption at the option of the holder thereof prior to the time when needed, and, in any event, within the times as follows:

Operation and Maintenance	45 days
Bond and Interest	1 year
Sinking Fund	1 year
Depreciation	5 years
Surplus	10 years

All interest on any funds so invested shall be credited to the Waterworks Fund and is deemed and allocated as expended with the next expenditure(s) of money from the

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

Waterworks Fund.

Moneys in any of said accounts shall be invested by the Treasurer, if necessary, in investments restricted as to yield, which investments may be in U.S. Treasury Obligations - State and Local Government Series, if available, and to such and the Treasurer shall refer to any investment restrictions covenanted by the City or any officer therefor as part of the transcript of proceedings for the issuance of the Bonds, and to appropriate opinions of counsel.

4) General Obligation Refunding Bonds (Sewerage System Alternate Revenue Source) Series 2015B

Upon final payment of the Sewerage System Series 2007A Bonds:

Operation and Maintenance: There shall be deposited and credited to the Operation and Maintenance Account an amount sufficient, when added to the amount then on deposit in such Account, to establish a balance equal to an amount not less than the amount necessary to pay Operation and Maintenance Expenses for the then current month.

Bond and Interest Account: There shall be deposited and credited to the Bond and Interest Account and held, in cash and investments, a fractional amount (not less than 1/6) of the interest becoming due on the next succeeding interest payment date on all Outstanding Bonds and also a fractional amount (not less than 1/12) of the principal becoming due (or subject to mandatory redemption) on the next succeeding principal maturity date of all of the Outstanding Bonds until there shall have been accumulated and held in cash and investments in such Bond and Interest Account on or before the month preceding such maturity date of interest or principal, or both, an amount sufficient to pay such principal or interest, or both.

In computing the fractional amount to be set aside each month in such Bond and Interest Account, the fraction shall be so computed that a sufficient amount will be set aside in such Account and will be available for the prompt payment of such principal of and interest on all Outstanding Bonds and shall be not less than one-sixth (1/6) of the interest becoming due on the next succeeding interest payment date and not less than one-twelfth (1/12) of the principal becoming due (or subject to mandatory redemption) on the next succeeding principal payment date on all Outstanding Bonds until there is sufficient money in such Account to pay such principal or interest, or both.

Credits into such Bond and Interest Account may be suspended in any Fiscal Year at such time as there shall be a sufficient sum held in cash and investments in such Bond and Interest Account to meet principal and interest requirements in such Bond and Interest Account for the balance of such Fiscal Year, but such credits shall again be resumed at the beginning of the next Fiscal year. All moneys in such Bond and Interest Account shall be used only for the purpose of paying interest and principal and applicable

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

premium on Outstanding Bonds. At the time of the delivery of any of the Bonds, such amount, if any, determined necessary by the Corporate Authorities to be deposited into such Bond and Interest Account from the proceeds of the Bonds.

Sinking Fund Account

Money in the Sewerage Fund shall at the same time the required payments are made to the Bond and Interest Account be allocated to the special and separate account to pay sinking fund installments, if any, with respect to any bonds subject to mandatory redemption, known as the "Sinking Fund Account". The City shall maintain a separate sub-account in the Sinking Fund Account for each particular group of any bonds which mature on a single future date and for which sinking fund installments are required to be paid in order to redeem such Bonds. The minimum amounts to be credited to each such subaccount on or before the first day of each month shall be (1) if such sub-account requires the payment of semi-annual installments in order to redeem such Bonds, 1/6 of the amount payable on the next succeeding installment payment date; and (2) if such sub-account requires the payment of annual installments in order to redeem such Bonds, 1/12 of the amount payable on the next succeeding installment payment date. Moneys allocated to the Sinking Fund Account shall be used solely for the payment of sinking fund installments in order to redeem such Bonds as the same shall become due and payable.

Reserve Account:

There shall be deposited in and credited to an applicable Reserve Account, at the time, in the manner and with the effect as specified in an applicable Bond Order, an amount equal to (the Reserve Requirement) a percentage of Maximum Annual Debt Service on the Outstanding Bonds, as provided in the Bond Order. Amounts to the credit of such Reserve Account, if any, shall be used to pay principal of or interest and applicable premium on applicable outstanding bonds at any time when there are insufficient funds available in the Bond and Interest Account to pay the same. If drawn upon, the Reserve Account shall be funded and replenished at the times and in the manner as provided in an applicable Bond Order. During any period with respect to which the City has drawn upon the Reserve Account or other has a material default under the ordinance, the City shall not provide to any person, including the City, any free or discounted system service.

Depreciation Account:

Money in the Sewerage Fund shall be allocated to the separate and special account to maintain a renewal, replacement and depreciation reserve known as the "Depreciation" Account." At the time of delivery of the Bonds, and at the time of delivery of any Bonds or Parity Bonds, there shall be credited to the Depreciation Account amounts derived from funds of the City on hand and lawfully available therefor and from proceeds of the Bonds sufficient to fund the Depreciation Account as determined by the Corporate

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

Authorities at the time the bonds are authorized. On or prior to the first day of each month there shall be credited to the Depreciation Account as determined by the Corporate Authorities at the time the bonds are authorized, up to an amount so determined by the City Council or such higher amount as may be recommended by an independent consulting engineer. Money in the Depreciation Account shall be used solely for the purpose of first paying principal of, or sinking fund installments of, and interest on bonds when there is insufficient money in the Bond and Interest Account, the Sinking Fund Account, and thereafter to pay principal of, or sinking fund installments of, and interest on the bonds; and to the extent not required for the foregoing, to pay the cost of extraordinary maintenance expenses or repairs, renewals, and replacements not included in the annual budget for current operation and maintenance expenses. The amount required to be maintained in the Depreciation Account shall be determined by the City Council at the time the bonds are authorized to be an adequate and reasonable depreciation reserve.

Surplus Account: All moneys remaining in the System Fund, after crediting the required amounts to the respective accounts hereinabove provided for, and after making up any deficiency in the above Accounts described in subsections (a) to (d), inclusive, shall be credited to the Surplus Account and shall first be used to make up any subsequent deficiencies in any of the Accounts hereinabove named and then, at the discretion of the Board of Trustees of the City, shall be used, if at all, for one or more of the following purposes (and not for any general corporate purposes) without any priority among them:

- 1) For the purpose of constructing or acquiring repairs, replacements, improvements to the System; or
- 2) For the purpose of calling and redeeming outstanding bonds which are callable at the time; or
- 3) For the purpose of purchasing outstanding bonds at the time at a price of not to exceed par and accrued interest to the date of purchase; or
- 3) For the purpose of paying principal and interest on any subordinate bonds or obligations issued for the purpose of acquiring, installing, or construction repairs, replacements, or improvements to the System; or
- 4) For any other lawful System purpose.

Investments: Money to the credit of the System Fund prior to the monthly accounting and to the credit of the Operation and Maintenance Account may be invested pursuant to any authorized granted to any municipal corporations by the Illinois statute or court decision.

Moneys to the credit of the Bond and Interest Account, Sinking Fund Account, Depreciation Account and Surplus account (and any subaccounts created therein) may be invested from time to time by the Treasurer in (i) interest-bearing bonds, notes, or other direct full faith and credit obligations of the United States of America, (ii) obligations unconditionally guaranteed as to both principal and interest by the United States of

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016

America, or (iii) certificates of deposit or time deposits of any bank, as defined by the Illinois Banking Act, provided such bank is insured by the Federal Deposit Insurance Corporation or a successor corporation to the Federal Deposit Insurance Corporation and provided further that the principal of such deposits in excess of the insured amount is secured by a pledge of obligations as described in the bond ordinance in full principal amount of such excess. Such investments may be sold from time to time by the Treasurer as funds may be needed for the purpose for which said respective accounts have been created. To the extent moneys in said Accounts are held uninvested and on deposit in demand accounts, such amounts shall be added to the amount invested for purposes of the FDIC insurance and collateralization requirements.

Investments in the Accounts shall mature or be subject to redemption at the option of the holder thereof prior to the time when needed, and, in any event, within the times as follows:

Operation and Maintenance	45 days
Bond and Interest	1 year
Sinking Fund	1 year
Depreciation	5 years
Surplus	10 years

All interest on any funds so invested shall be credited to the Sewerage Fund and is deemed and allocated as expended with the next expenditure(s) of money from the Sewerage Fund.

Moneys in any of said accounts shall be invested by the Treasurer, if necessary, in investments restricted as to yield, which investments may be in U.S. Treasury Obligations - State and Local Government Series, if available, and to such and the Treasurer shall refer to any investment restrictions covenanted by the City or any officer therefor as part of the transcript of proceedings for the issuance of the Bonds, and to appropriate opinions of counsel.

NOTE L. WALMART DEVELOPMENT AGREEMENT

On September 17, 2007 the City entered into a redevelopment agreement with WalMart Real Estate Business Trust and Wal-Mart Stores, Inc. for the purpose of enticing WalMart to construct a WalMart Super Center. This agreement was amended December 4, 2012 and no payments were made until after that date. WalMart agreed to construct a signalized intersection, widen a highway and an entrance drive. The City agreed to extend water and sewer lines to the property. WalMart agreed to finance the costs of preliminary engineering services as well as the cost of extension of the water and sewer lines. The City agreed to pay WalMart quarterly, from sales tax increment, up to \$840,000. The sales tax increment is defined as 75% of the amount of City Sales Taxes received in excess of the amount that the City was receiving from the old WalMart store

**CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016**

that was closed upon the opening of the Super Center. The City' obligation to under this agreement ends upon paying the full reimbursement to WalMart or after the City has made payments to for twelve (12) full calendar years. This is not a general obligation of the City and is payable only from the sales tax increment. The Super Center opened for business on March 18, 2009.

The actual amount advanced from WalMart was \$1,080,959.06. During this fiscal year \$91,666 was paid to Walmart. A total of \$515,477 has been paid since the beginning of this agreement.

NOTE M. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

To insure for property loss, worker's compensation and liability, the City has become a member of the Illinois Counties Risk Management Trust (the Association).

The Association is a public entity risk pool that operates a common risk management and insurance program. Membership consists of Illinois governmental entities that have elected to participate. There has not been any significant reduction in insurance coverage from the previous year. There have been no settlements in excess of insurance coverage during the past three years. Full details of the coverages can be found later in this report and are hereinto incorporates.

NOTE N. INTERFUND TRANSFERS

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General	Cemetery	138,849	Cemetery operating costs exceed the revenue collected. The General Fund makes up the deficit.
Cemetery Perpetual Care	Cemetery Operations	8,376	All income from the sale of cemeterylots and interest income is transferred to Cemetery Operations to fund cemetery operating costs.
Cemetery Land Purchase	Cemetery Operations	24	All interest income is transferred to Cemetery Operations to be use for operating expenses
Waterworks Funds	Waterworks Funds	1,141,641	All transfers made are done to satisfy bond sinking fund requirement and to allocate money to the operations account
Waterworks Funds	General Fund	214,148	To reimburse General Fund for costs related to the Walmart project.

**CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2016**

Sewer System Funds	Sewer System Funds	<u>394,322</u>	All transfers made are done to satisfy bond sinking fund requirement and to allocate money to the operations account
Total Transfers		<u><u>\$1,897,360</u></u>	

NOTE O. EXPENDITURES IN EXCESS OF BUDGET

The City did not exceed its budget in any fund.

NOTE P. ERROR CORRECTIONS

- a. The Revolving Loan Fund beginning balance was corrected increasing the net position and fund balance by \$5,238. Loan interest had not been allocated and was included as a principal payment during the fiscal year ending April 30, 2015.
- b. The Sewerage Funds beginning balance was correct reducing the total assets and net position by \$2,253. Amortization of loan costs was not recorded at the correct amount during the fiscal year ending April 30, 2015.
- c. The Waterworks Funds bond issuance costs were not properly amortized in prior years. The corrected balances were \$57,161 less. The statements were adjusted to reflect the corrected balance.

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

NOTE Q. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2016 is as follows:

	Balance May 1, 2015	Additions	Deletions	Balance April 30, 2016
Business-type Activities:				
Waterworks:				
Depreciable:				
Property, Plant and Equipment	\$12,588,649	\$40,000	\$ -	12,628,649
Less: Accumulated Depreciation	(2,341,393)	(276,171)	-	(2,617,564)
Net Property, Plant & Equipment	<u>10,247,256</u>	<u>(236,171)</u>	<u>-</u>	<u>10,011,085</u>
Sewerage System:				
Depreciable:				
Property, Plant and Equipment	5,835,990	119,064	-	5,955,054
Less: Accumulated Depreciation	(2,007,461)	(128,280)	-	(2,135,741)
Net Property, Plant & Equipment	<u>3,828,529</u>	<u>(9,216)</u>	<u>-</u>	<u>3,819,313</u>
Totals: All Business-Type Activities				
Depreciable:				
Property, Plant and Equipment	18,424,639	159,064	-	18,583,703
Less: Accumulated Depreciation	(4,348,854)	(404,451)	-	(4,753,305)
Net Property, Plant & Equipment	<u>\$ 14,075,785</u>	<u>\$ (245,387)</u>	<u>\$ -</u>	<u>\$ 13,830,398</u>

Depreciation Expense was charged to functions/programs of the primary government as follows:

Waterworks	\$ 276,171
Sewerage	<u>128,280</u>
Total Depreciation Expense	<u><u>\$404,451</u></u>

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

NOTE R. ADVANCE REFUNDING OF PROPRIETARY SYSTEM REVENUE BONDS

On September 8, 2016 the City Council approved the advance refunding of the Waterworks Series 2007A Revenue Bonds with the issuance of General Obligation Refunding Bonds 2015A (Waterworks System Alternate Revenue Source), Series 2016A. On the same date the City also approved the advance refunding of the Sewerage System Series 2007B Revenue Bonds with the issue of General Obligation Refunding Bonds 2015B (Sewerage System Alternate Revenue Source), Series 2015B. The refunding bonds were issued March 29, 2016.

	Water 2007A	Sewer 2007B
BOND ISSUE		
Reacquisition Price		
Old Bonds Outstanding	\$ 305,000	\$ 760,000
Call Premium	-	-
	<u>305,000</u>	<u>760,000</u>
Funds Required to Refund Old Bonds		
	<u>305,000</u>	<u>760,000</u>
Net Carrying Amount of Old Bonds		
Old Bonds Outstanding	305,000	760,000
Unamortized Bond Issue Costs	45,088	42,921
	<u>350,088</u>	<u>802,921</u>
Net Carrying Amount of Old Bonds		
	<u>350,088</u>	<u>802,921</u>
Deferred Amount on Refunding	<u>\$ 45,088</u>	<u>\$ 42,921</u>
BOND ISSUE	<u>2016A</u>	<u>2016B</u>
Funds Available to Accomplish Refunding		
Funds Provided for Refunding		
New Bonds Issued	\$ 335,000	\$ 825,000
Reoffering Premium	1,171	2,899
	<u>336,171</u>	<u>827,899</u>
Total Funds Provided		
	<u>336,171</u>	<u>827,899</u>
Use of Funds - Issuance Costs	<u>(20,173)</u>	<u>(41,111)</u>
Funds Available for Refunding	<u>\$ 315,998</u>	<u>\$ 786,788</u>
Unamortized Bond Issue Costs	\$ 45,088	\$ 42,921
New Bonds Issued	335,000	825,000
Old Bonds Refunded	<u>(305,000)</u>	<u>(760,000)</u>
Unamortized Bond Issue Costs	<u>\$ 75,088</u>	<u>\$ 107,921</u>
Amortization Period, Straight Line Method	11 years	11 years

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

NOTE R. ADVANCE REFUNDING OF PROPRIETARY SYSTEM REVENUE BONDS (continued)

The amortization period for the unamortized bond issue costs is 11 years. The old debt and the new debt each have the same final maturity date of March 1, 2017. The amortization of the unamortized bond issue costs is required to be included as interest expense.

	<u>Waterworks</u>	<u>Sewerage System</u>
Cash flow required to service old debt		
Principal	\$ 305,000	\$ 760,000
Interest	<u>87,150</u>	<u>214,815</u>
Total cash flow required to service old debt	<u>392,150</u>	<u>974,815</u>
Cash flow required to service new debt		
Principal	335,000	825,000
Interest	<u>52,760</u>	<u>125,803</u>
Total cash flow required to service new debt	<u>387,760</u>	<u>950,803</u>
Net Difference	<u>\$ 4,390</u>	<u>\$ 24,012</u>

Determination of Economic Gain (Loss) based upon actuarial yield of 2.49052942%:

Present Value of Old Debt Service Requirements	\$ 337,369	\$ 839,031
Present Value of New Debt Service Requirements	<u>334,039</u>	<u>822,669</u>
Economic Gain (Loss)	<u>\$ 3,330</u>	<u>\$ 16,362</u>

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

NOTE S. REVENUE BONDS

Waterworks System

Original Amount of Bond	\$1,875,000
Interest Rate	0.00%
Payable at:	Illinois Environmental Protection Agency Springfield, Illinois
Bonds Mature Semiannually	February 23 August 23

Year Ended April 30,	Principal	Interest	Total
2017	\$ 96,154	\$ -	\$ 96,154
2018	96,154	-	96,154
2019	96,154	-	96,154
2020	96,154	-	96,154
2021	96,154	-	96,154
2022	96,154	-	96,154
2023	96,154	-	96,154
2024	96,154	-	96,154
2025	96,154	-	96,154
2026	96,154	-	96,154
2027	96,154	-	96,154
2028	96,154	-	96,154
2029	96,154	-	96,154
2030	96,151	-	96,151
Total	<u>\$1,346,153</u>	<u>\$0</u>	<u>\$1,346,153</u>

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

Continued from previous page

NOTE S. REVENUE BONDS

Series 2007A Bonds, The Waterworks System

Original Amount of Bond	\$500,000
Interest Rate	3.75% to 4.20%
Paying Agent and Bond Registrar	Amalgamated Bank of Chicago Chicago, Illinois
Bonds Mature Annually	March 1
Interest Payable Semiannually	March 1 September 1

Year Ended April 30,	Principal	Interest	Total	Defeased Debt Outstanding
4/30/2017	\$ 25,000	\$ 1,000	\$ 26,000	\$ -
4/30/2018 Refunded	0	0	0	25,000
4/30/2019 Refunded	0	0	0	25,000
4/30/2020 Refunded	0	0	0	30,000
4/30/2021 Refunded	0	0	0	30,000
4/30/2022 Refunded	0	0	0	30,000
4/30/2023 Refunded	0	0	0	30,000
4/30/2024 Refunded	0	0	0	30,000
4/30/2025 Refunded	0	0	0	35,000
4/30/2026 Refunded	0	0	0	35,000
4/30/2027 Refunded	0	0	0	35,000
Total	<u>\$25,000</u>	<u>\$1,000</u>	<u>\$26,000</u>	<u>\$305,000</u>

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

Continued from previous page

NOTE S. REVENUE BONDS

Seriores 2007B Bonds, The Sewerage System

Original Amount of Bond	\$1,235,000			
Interest Rate	3.75% to 4.20%			
Paying Agent and Bond Registrar	Amalgamated Bank of Chicago Chicago, Illinois			
Bonds Mature Annually	March 1			
Interest Payable Semiannually	March 1 September 1			

Year Ended April 30,	Principal	Interest	Total	Defeased Debt Outstanding
4/30/2017	\$ 60,000	\$ 2,400	\$ 62,400	\$ -
4/30/2018	0	0	0	65,000
4/30/2019	0	0	0	65,000
4/30/2020	0	0	0	70,000
4/30/2021	0	0	0	70,000
4/30/2022	0	0	0	75,000
4/30/2023	0	0	0	75,000
4/30/2024	0	0	0	80,000
4/30/2025	0	0	0	85,000
4/30/2026	0	0	0	85,000
4/30/2027	0	0	0	90,000
Total	\$60,000	\$2,400	\$62,400	\$760,000

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

Continued from previous page

NOTE S. REVENUE BONDS

General Obligation Revenue Bonds Series 2016A
Waterworks System Alternative Revenue Sources

Original Amount of Bond	\$335,000
Interest Rate	2.00% to 2.70%
Paying Agent and Bond Registrar	Amalgamated Bank of Chicago Chicago, Illinois
Bonds Mature Annually	March 1
Interest Payable Semiannually	March 1 September 1

Year Ended April 30,	Principal	Interest	Total
4/30/2017	\$ 5,000	\$ 7,175	\$ 12,175
4/30/2018	30,000	7,680	37,680
4/30/2019	30,000	7,080	37,080
4/30/2020	35,000	6,480	41,480
4/30/2021	35,000	5,745	40,745
4/30/2022	35,000	5,010	40,010
4/30/2023	30,000	4,275	34,275
4/30/2024	30,000	3,645	33,645
4/30/2025	35,000	2,835	37,835
4/30/2026	35,000	1,890	36,890
4/30/2027	35,000	945	35,945
Total	<u>\$335,000</u>	<u>\$52,760</u>	<u>\$387,760</u>

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

NOTE S. REVENUE BONDS

Continued from previous page

Refunding Bonds Series 2016B
Sewerage System Alternative Revenue Sources

Original Amount of Bond	\$825,000
Interest Rate	1.75% to 2.70%
Paying Agent and Bond Registrar	Amalgamated Bank of Chicago Chicago, Illinois
Bonds Mature Annually	March 1
Interest Payable Semiannually	March 1 September 1

Year Ended April 30,	Principal	Interest	Total
4/30/2017	\$ 10,000	\$ 16,831	\$ 26,831
4/30/2018	75,000	18,050	93,050
4/30/2019	75,000	16,550	91,550
4/30/2020	80,000	15,050	95,050
4/30/2021	80,000	13,650	93,650
4/30/2022	80,000	12,250	92,250
4/30/2023	80,000	10,570	90,570
4/30/2024	85,000	8,890	93,890
4/30/2025	85,000	6,807	91,807
4/30/2026	85,000	4,725	89,725
4/30/2027	90,000	2,430	92,430
	<hr/>	<hr/>	<hr/>
Total	\$825,000	\$125,803	\$950,803
	<hr/>	<hr/>	<hr/>

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

Continued from previous page

NOTE S. REVENUE BONDS

Waterworks System

Original Amount of Bond	\$4,313,577
Interest Rate	0.00%
Paying Agent and Bond Registrar	Illinois Environmental Protection Agency
Bonds Mature Semiannually	February 6 August 6

Year Ended April 30,	Principal	Interest	Total
4/30/2017	\$ 223,344	\$ -	\$ 223,344
4/30/2018	223,344	0	223,344
4/30/2019	223,344	0	223,344
4/30/2020	223,344	0	223,344
4/30/2021	223,344	0	223,344
4/30/2022	223,344	0	223,344
4/30/2023	223,344	0	223,344
4/30/2024	223,344	0	223,344
4/30/2025	223,344	0	223,344
4/30/2026	223,344	0	223,344
4/30/2027	223,344	0	223,344
4/30/2028	223,344	0	223,344
4/30/2029	223,344	0	223,344
4/30/2030	223,344	0	223,344
4/30/2031	223,346	0	223,346
Total	\$3,350,162	\$0	\$3,350,162

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

Continued from previous page

NOTE S. REVENUE BONDS

SUMMARY OF DEBT SERVICE REQUIREMENTS TO MATURITY

The annual requirements to amortize bonds payable at April 30, 2016 are as follows:

Year Ended April 30,	Waterworks			Sewerage System		
	Principal	Interest	Total	Principal	Interest	Total
4/30/2017	\$ 349,498	\$ 8,175	\$ 357,673	\$ 70,000	\$ 19,231	\$ 89,231
4/30/2018	349,498	7,680	357,178	75,000	18,050	93,050
4/30/2019	349,498	7,080	356,578	75,000	16,550	91,550
4/30/2020	354,498	6,480	360,978	80,000	15,050	95,050
4/30/2021	354,498	5,745	360,243	80,000	13,650	93,650
4/30/2022	354,498	5,010	359,508	80,000	12,250	92,250
4/30/2023	349,498	4,275	353,773	80,000	10,570	90,570
4/30/2024	349,498	3,645	353,143	85,000	8,890	93,890
4/30/2025	354,498	2,835	357,333	85,000	6,807	91,807
4/30/2026	354,498	1,890	356,388	85,000	4,725	89,725
4/30/2027	354,498	945	355,443	90,000	2,430	92,430
4/30/2028	319,498	-	319,498	-	-	-
4/30/2029	319,498	-	319,498	-	-	-
4/30/2030	319,495	-	319,495	-	-	-
4/30/2031	223,346	-	223,346	-	-	-
Totals	\$ 5,056,315	\$ 53,760	\$ 5,110,075	\$ 885,000	\$ 128,203	\$ 1,013,203

CITY OF BEARDSTOWN
NOTES TO FINANCIAL STATEMENTS
FYE 4/30/2016

NOTE T. SCHEDULE OF NOTES PAYABLE AND LEASE CONTRACTS

The City does not include these as long term liabilities in the statement of net position or fund financial statements.

	<u>Date of Contract</u>	<u>Purchase Price</u>	<u>Total Payments to be Made</u>	<u>Payments Made by 4/30/2015</u>	<u>Payments Made FYE 2016</u>	<u>Payments Made By 4/30/2016</u>	<u>Balance Due at 4/30/2016</u>
WEST CENTRAL BANK Public Works Building Monthly payments of \$3,000. Loan #30200355	7/25/2012	\$ 375,000	\$ 452,108	\$ 127,000	\$ 36,000	\$ 163,000	\$ 289,108
Two 2014 Chevrolet Trucks Loan # 30201079 3 payments of \$18,339	11/20/2013	52,124	55,018	18,339	18,339	36,678	18,340
Two 2014 Ford Cars Loan # 30201160 3 payments of \$18,107	2/20/2014	51,118	54,321	-	18,107	18,107	36,214
Ford F250 Truck Loan # 30200917 3 payments of \$9,125	7/2/2013	25,934	27,374	9,125	9,125	18,250	9,124
TIMCO Street Sweeper Loan # 30201284 5 payments of \$31,763	6/11/2014	146,500	158,814	-	31,763	31,763	127,051
Cyclone Ladder Truck Loan #30201828 5 payments of \$34,471	7/6/2015	159,000	172,357	-	-	-	172,357
Dodge Charger Loan #30201877 3 Payments of \$8,112	8/3/2015	23,810	24,337	-	-	-	24,337
Totals this page		\$ 833,486	\$ 944,329	\$ 154,464	\$ 113,334	\$ 267,798	\$ 676,531

Continued on next page

CITY OF BEARDSTOWN
NOTES TO FINANCIAL STATEMENTS
FYE 4/30/2016

Continued from previous page

NOTE T. SCHEDULE OF NOTES PAYABLE AND LEASE CONTRACTS

	<u>Date of Contract</u>	<u>Purchase Price</u>	<u>Total Payments to be Made</u>	<u>Payments Made by 4/30/2015</u>	<u>Payments Made FYE 2016</u>	<u>Payments Made By 4/30/2016</u>	<u>Balance Due at 4/30/2016</u>
Totals from previous page		\$ 833,486	\$ 944,329	\$ 154,464	\$ 113,334	\$ 267,798	\$ 676,531
Minolta Copier - CDS Leasing Contract #85328151 60 payments of \$179	3/5/2015	10,740	10,740	179	2,148	2,327	8,413
ILLINOIS FINANCIAL AUTHORITY 2006 INT. Fire Truck VIN 1 HTMKAZR56H313643 20 yearly payments	1/25/2005	61,010	61,010	30,504	3,050	33,554	27,456
ILLINOIS FINANCIAL AUTHORITY Fire Fighting Appartus 20 yearly payments	9/12/2005	162,499	162,499	73,125	8,125	81,250	81,249
FIRST NATIONAL BANK 2012 Bobcat Excavator AJRY 11477 E26	8/8/2012	37,199	40,004	20,002	10,001	30,003	10,001
Totals		\$ 1,104,934	\$ 1,218,582	\$ 278,274	\$ 136,658	\$ 414,932	\$ 803,650

CITY OF BEARDSTOWN
NOTES TO FINANCIAL STATEMENTS
FYE 4/30/2016

NOTE U. MINIMUM ANNUAL PAYMENTS - LEASE CONTRACTS AND NOTES PAYABLE

	Date of Contract	Balance to be Paid	Minimal Annual Payments Due for Fiscal Year Ending					
			4/30/2017	4/30/2018	4/30/2019	4/30/2020	4/30/2021	Thereafter
The minimum lease payments have not been reduced by the amount of imputed interest to reflect present value.								
WEST CENTRAL BANK Public Works Building Annual payments of \$36,000 Loan #30200355	7/25/2012	\$ 289,108	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 109,108
Two 2014 Chevrolet Trucks 3 annual payments of \$18,339	11/20/2013	18,340	18,340	-	-	-	-	-
Two 2014 Ford Cars 3 annual payments of \$18,007	2/20/2014	36,214	18,107	18,107	-	-	-	-
Ford 250 Truck 3 annual payments of \$9,125	7/2/2013	9,124	9,124	-	-	-	-	-
TIMCO street sweeper Loan # 30201284 5 payments of \$31,763	6/11/2014	127,051	31,763	31,763	31,763	31,762	-	-
Cyclone Ladder Truck Loan # 30201828 5 Payments of \$34,471	7/6/2015	172,357	34,471	34,471	34,471	34,471	34,473	-
Dodge Charger 3 annual payments of \$18,007	8/3/2015	24,337	8,112	8,112	8,113	-	-	-
Totals this page		\$ 676,531	\$ 155,917	\$ 128,453	\$ 110,347	\$ 102,233	\$ 70,473	\$ 109,108

Continued on next page

CITY OF BEARDSTOWN
NOTES TO FINANCIAL STATEMENTS
 FYE 4/30/2016

Continued from previous page

NOTE U. MINIMUM ANNUAL PAYMENTS - LEASE CONTRACTS AND NOTES PAYABLE

Date of Contract	Balance to be Paid	Minimal Annual Payments Due for Fiscal Year Ending					Thereafter
		4/30/2017	4/30/2018	4/30/2019	4/30/2020	4/30/2021	
Totals from previous page	\$ 676,531	\$ 155,917	\$ 128,453	\$ 110,347	\$ 102,233	\$ 70,473	\$ 109,108
Minolta Copier - CDS Leasing Contract #85328151 60 payments of \$179	8,413	2,148	2,148	2,148	1,969	-	
ILLINOIS FINANCIAL AUTHORITY 2006 INT. Fire Truck VIN 1HTMKAZR56H313643 20 yearly payments	27,456	3,051	3,050	3,051	3,050	3,051	12,203
ILLINOIS FINANCIAL AUTHORITY Fire Fighting Appartus 20 yearly payments	81,249	8,125	8,125	8,125	8,125	8,125	40,624
FIRST NATIONAL BANK 2012 Bobcat Excavator AJRY 11477 E26	10,001	10,001	-	-	-	-	-
Totals	\$ 803,650	\$ 179,242	\$ 141,776	\$ 123,671	\$ 115,377	\$ 81,649	\$ 161,935

CITY OF BEARDSTOWN, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLANS

April 30, 2016

CITY OF BEARDSTOWN
 EMPLOYER NUMBER: 00116R
 REQUIRED SUPPLEMENTARY INFORMATION
 Schedule of Funding Progress - Regular Employees

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)		Fund Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
		-Entry Age (b)	Unfunded AAL (UAAL) (b-a)			
12/31/2015	2,875,820	3,392,569	516,749	84.77%	1,016,647	50.83%
12/31/2014	2,824,048	3,380,187	556,139	83.55%	1,024,496	54.28%
12/31/2013	2,595,345	3,080,950	485,605	84.24%	1,020,260	47.60%
12/31/2012	2,026,868	2,679,400	652,532	75.65%	1,006,325	64.84%
12/31/2011	1,917,499	2,531,556	614,057	75.74%	1,017,897	60.33%
12/31/2010	2,439,197	3,243,677	804,480	75.20%	1,176,163	68.40%
12/31/2009	2,304,800	2,961,704	656,904	77.82%	1,170,260	56.13%
12/31/2008	2,417,525	2,822,228	404,703	85.66%	995,271	40.66%

On a market value basis, the actuarial value of assets as of December 31, 2015 is \$2,797,582. On a market basis, the funded ratio would be 82.46%. The actual value of assets and accrued liability cover active and inactive members who have service credit with the City. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

CITY OF BEARDSTOWN
 EMPLOYER NUMBER: 00116S
 REQUIRED SUPPLEMENTARY INFORMATION
 Schedule of Funding Progress - Sheriff's Law Enforcement Personnel Employees

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)		Fund Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
		-Entry Age (b)	Unfunded AAL (UAAL) (b-a)			
12/31/2015	156,169	199,474	43,305	78.29%	0	0
12/31/2014	146,719	185,104	38,385	79.26%	0	0
12/31/2013	135,851	170,881	35,030	79.50%	23,442	149.43%
12/31/2012	120,558	178,983	58,425	67.36%	50,442	115.83%
12/31/2011	101,985	157,954	55,969	64.57%	48,931	114.38%
12/31/2010	88,355	141,599	53,244	62.40%	48,344	110.14%
12/31/2009	73,738	127,829	54,091	57.68%	48,573	111.36%

On a market value basis, the actuarial value of assets as of December 31, 2015 is \$154,406. On a market basis, the funded ratio would be 77.41%. The actual value of assets and accrued liability cover active and inactive members who have service credit with the City. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

**CITY OF BEARDSTOWN, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLANS**

April 30, 2016

POLICE PENSION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending	Annual Required Contribution	Annual Contributed	Percentage Funded
4/30/2016	108,173	161,919	149.69%
4/30/2015	162,530	165,215	101.65%
4/30/2014	165,017	158,289	95.92%
4/30/2013	157,563	88,508	56.17%
4/30/2012	*	84,840	
4/30/2011	84,454	76,195	90.22%
4/30/2010	74,554	63,256	84.85%

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Fund Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
5/1/2015	1,498,747	2,927,691	1,428,944	51.19%	220,725	647.39%
5/1/2014	1,425,745	3,125,695	1,699,950	45.61%	309,458	549.33%
5/1/2013	1,365,973	3,138,470	1,772,497	43.52%	258,883	684.67%
5/1/2012	1,356,746	3,235,427	1,878,681	41.93%	215,586	871.43%
5/1/2011	data not available					
4/30/2010	1,390,002	2,324,600	934,598	59.80%	209,048	447.07%
4/30/2009	1,420,158	2,121,705	701,547	66.93%	234,214	299.53%
4/30/2008	1,397,563	2,140,131	742,568	65.30%	169,513	438.06%

On a market value basis, the actuarial value of assets as of May 1, 2015 is \$1,384,912. On a market basis, the funded ratio would be 47.30%. The actual value of assets and accrued liability cover active and inactive members who have service credit with the City.

* An actuarial valuation was not performed as of May 1, 2011 to determine the Annual Required Contribution for the fiscal year ending April 30, 2012. The City relied upon the Illinois Department of Insurance to do so. The Department decided not to provide the service during 2011. The Department resumed providing the actuarial valuations in 2012.

**CITY OF BEARDSTOWN, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLANS**

April 30, 2016

FIREFIIGHTERS PENSION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending	Annual Required Contribution	Annual Contributed	Percentage Funded
4/30/2016	\$ 88,389	\$ 84,453	95.55%
4/30/2015	84,770	67,455	79.57%
4/30/2014	67,374	72,855	108.14%
4/30/2013	72,151	45,765	63.43%
4/30/2012	*	43,879	
4/30/2011	43,666	42,342	96.97%
4/30/2010	41,329	40,175	97.21%

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) -Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Fund Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
5/1/2015	962,373	1,662,439	700,066	57.89%	181,582	385.54%
5/1/2014	881,035	1,551,410	670,375	56.79%	160,221	418.41%
5/1/2013	792,626	1,391,825	599,199	56.95%	125,244	478.43%
5/1/2012	742,377	1,456,583	714,206	50.97%	121,873	586.02%
5/1/2011	data not available *					
4/30/2010	664,075	1,013,728	349,653	65.51%	119,212	293.30%
4/30/2009	632,183	951,099	318,916	66.47%	115,179	276.89%
4/30/2008	607,088	910,902	303,814	66.65%	115,179	263.78%

On a market value basis, the actuarial value of assets as of May 1, 2015 is \$896,821. On a market basis, the funded ratio would be 53.95%. The actual value of assets and accrued liability cover active and inactive members who have service credit with the City.

* An actuarial valuation was not performed as of May 1, 2011 to determine the Annual Required Contribution for the fiscal year ending April 30, 2012. The City relied upon the Illinois Department of Insurance to do so. The Department decided not to provide the service during 2011. The Department resumed providing the actuarial valuations in 2012.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the City Council
City of Beardstown, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Beardstown, Illinois, as of and for the year ended April 30, 2016, which collectively comprise the City of Beardstown's basic financial statements and have issued our report thereon dated September 19, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Beardstown, Illinois' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Beardstown, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Beardstown, Illinois' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonably possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weakness may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Beardstown, Illinois' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Myers & Myers CPA'S, Ltd.

Beardstown, Illinois
September 19, 2016

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF ASSETS, LIABILITIES & FUND BALANCE
 MODIFIED CASH BASIS - NONMAJOR GOVERNMENTAL FUNDS
 April 30, 2016

ASSETS	AMBULANCE	DRUG PROGRAM	MUNICIPAL BAND	CIVIL DEFENSE	WORKMENS COMP.	MOTOR FUEL TAX	DUI EQUIPMENT
Cash	\$166,008	\$10,822	\$8,999	\$5,462	\$67,924	\$104,283	\$594
Invested in CD's	0	0	0	0	0	0	0
Note Receivable	0	0	0	0	0	0	0
Total Assets	\$166,008	\$10,822	\$8,999	\$5,462	\$67,924	\$104,283	\$594

LIABILITIES & FUND BALANCE

LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
--------------------	------	------	------	------	------	------	------

FUND BALANCES

Nonspendable:							
Long Term Receivables							
Restricted for:							
Capital Projects							
Special Revenue Funds		10,822	8,999	5,462	67,924	104,283	594
Assigned:							
General Government Expenditures	166,008						
Committed:							
Unassigned:							
Special Revenue Funds							
Fund Balance	166,008	10,822	8,999	5,462	67,924	104,283	594

Total Liabilities & Fund Balance

Total Liabilities & Fund Balance	\$166,008	\$10,822	\$8,999	\$5,462	\$67,924	\$104,283	\$594
---	------------------	-----------------	----------------	----------------	-----------------	------------------	--------------

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF ASSETS, LIABILITIES & FUND BALANCE
 MODIFIED CASH BASIS - NONMAJOR GOVERNMENTAL FUNDS
 April 30, 2016

Continued from previous page

ASSETS	IMRF	SOCIAL SECURITY	CDAP REVOLV. LOAN	TOURISM	CEMETERY	POLICE VEHICLE	CANINE
Cash	\$36,838	\$18,711	\$155,831	\$19,069	\$48,337	\$4,666	\$ 6,434
Invested in CD's	-	-	-	-	257,059	-	-
Notes Receivable	-	-	279,533	-	-	-	-
Total Assets	\$36,838	\$18,711	\$435,364	\$19,069	\$305,396	\$4,666	\$ 6,434

LIABILITIES & FUND BALANCE

LIABILITIES	\$	\$	\$	\$	\$	\$	\$
FUND BALANCES	-	-	-	-	-	-	-
Nonspendable:							
Long Term Receivables			279,533				
Restricted for:							
Capital Projects							
Special Revenue Funds	36,838	18,711	155,831	19,069	305,396	4,666	6,434
Assigned:							
General Government Expenditures							
Committed:							
Unassigned:							
Special Revenue Funds							
Total Fund Balances	36,838	18,711	435,364	19,069	305,396	4,666	6,434
Total Liabilities & Fund Balance	\$ 36,838	\$ 18,711	\$ 435,364	\$ 19,069	\$ 305,396	\$ 4,666	\$ 6,434

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF ASSETS, LIABILITIES & FUND BALANCE
 MODIFIED CASH BASIS - NONMAJOR GOVERNMENTAL FUNDS
 April 30, 2016

Continued from previous page

ASSETS	PROJECT TIGER PRIDE	GARBAGE SURPLUS	CHRISTMAS BASKET	DCEO GRANT	TOTALS MEMORANDUM ONLY
Cash	\$ 20,320	\$ 27,244	\$ 4,870	\$ 5	\$ 706,417
Invested in CD's	-	-	-	-	\$ 257,059
Notes Receivable	-	-	-	-	\$ 279,533
Total Assets	\$ 20,320	\$ 27,244	\$ 4,870	\$ 5	\$ 1,243,009
LIABILITIES & FUND BALANCE					
LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES					
Nonspendable:					
Long Term Receivables					\$ 279,533
Restricted for:					
Capital Projects					104,283
Special Revenue Funds					629,646
Assigned:					
General Government Expenditures	\$ 20,320	\$ 27,244	\$ 4,870	\$ 5	229,547
Committed:					
Unassigned:					
Special Revenue Funds					
Total Fund Balances	<u>20,320</u>	<u>27,244</u>	<u>4,870</u>	<u>5</u>	<u>1,243,009</u>
Total Liabilities & Fund Balance	\$ 20,320	\$ 27,244	\$ 4,870	\$ 5	\$ 1,243,009

CITY OF BEARDSTOWN, ILLINOIS
COMBINING STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDING APRIL 30, 2016

CASH RECEIPTS

	AMBULANCE	DRUG PROGRAM	MUNICIPAL BAND	CIVIL DEFENSE	WORKMENS COMP.	MOTOR FUEL TAX	DUI EQUIPMENT
Real estate tax, penalty and interest included	\$ 136,205	\$ -	\$ -	1,497	\$ 110,582	\$ -	\$ -
Other tax revenues	-	-	-	-	-	161,608	-
Fees for services	324,880	-	-	-	-	-	-
Grants and Donations	9,010	-	-	-	-	-	-
Interest income	276	18	14	9	119	290	4
Miscellaneous	-	3,750	-	-	27,914	520	3,712
Total Receipts	470,371	3,768	14	1,506	138,615	162,418	3,716

CASH DISBURSEMENTS

Current Operations	469,329	2,742	-	-	142,326	-	-
Capital Expenditures	30,614	-	-	-	-	393,720	12,364
Total Cash Disbursements	499,943	2,742	-	-	142,326	393,720	12,364

Excess of Cash Receipts Over (Under) Cash Disbursements

	(29,572)	1,026	14	1,506	(3,711)	(231,302)	(8,648)
--	----------	-------	----	-------	---------	-----------	---------

OTHER SOURCES & USES

Operating Transfers Out	-	-	-	-	-	-	-
Operating Transfers In	-	-	-	-	-	-	-

Excess (Deficit)

	(29,572)	1,026	14	1,506	(3,711)	(231,302)	(8,648)
--	----------	-------	----	-------	---------	-----------	---------

Fund Balance, Beginning

	195,580	9,796	8,985	3,956	71,635	335,585	9,242
--	---------	-------	-------	-------	--------	---------	-------

Fund Balance, Ending

	\$ 166,008	\$ 10,822	\$ 8,999	\$ 5,462	\$ 67,924	\$ 104,283	\$ 594
--	------------	-----------	----------	----------	-----------	------------	--------

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
 AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDING APRIL 30, 2016

Continued from previous page

	IMRF	SOCIAL SECURITY	CDAP REVOLV. LOAN	TOURISM	CEMETERY	CANINE	POLICE VEHICLE
\$	94,644	\$ 83,687	\$ -	\$ 12,515	\$ -	\$ -	\$ -
	-	-	-	-	39,300	-	-
	-	-	-	-	-	900	2,000
	107	82	6,882	27	2,711	9	6
	35,233	36,566	40,004	-	3,500	-	-
Total Cash Receipts	129,984	120,335	46,886	12,542	45,511	909	2,006
CASH DISBURSEMENTS							
Current Operations	123,426	128,410	1,685	6,725	157,164	401	-
Capital Expenditures	-	-	-	-	22,885	-	-
Total Cash Disbursements	123,426	128,410	1,685	6,725	180,049	401	-
Excess of Cash Receipts Over (Under) Cash Disbursements	6,558	(8,075)	45,201	5,817	(134,538)	508	2,006
OTHER SOURCES & USES							
Operating Transfers Out	-	-	-	-	(8,400)	-	-
Operating Transfers In	-	-	-	-	147,249	-	-
Excess (Deficit) Correction of Error	6,558	(8,075)	45,201	5,817	4,311	508	2,006
Fund Balance, Beginning	30,280	26,786	384,925	13,252	301,085	5,926	2,660
Fund Balance, Ending	\$ 36,838	\$ 18,711	\$ 435,364	\$ 19,069	\$ 305,396	\$ 6,434	\$ 4,666

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
COMBINING STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDING APRIL 30, 2016

	PROJECT	GARBAGE	CHRISTMAS	DCEO	TOTALS
	TIGER	SURPLUS	BASKET	GRANT	MEMORANDUM
	PRIDE				ONLY
\$	\$	\$	\$	\$	\$
Real estate tax, penalty and interest included					426,615
Other tax revenues					174,123
Fees for services		257,971			622,151
Grants	20,310		2,000	41,998	76,218
Interest income	30	41	10	15	10,650
Miscellaneous		946			152,145
Total Cash Receipts	20,340	258,958	2,010	42,013	1,461,902
CASH DISBURSEMENTS					
Current Operations	8,021	256,602	3,578		1,300,409
Capital Expenditures				57,835	517,418
Total Cash Disbursements	8,021	256,602	3,578	57,835	1,817,827
Excess of Cash Receipts Over (Under) Cash Disbursements	12,319	2,356	(1,568)	(15,822)	(355,925)
OTHER SOURCES & USES					
Operating Transfers Out					(8,400)
Operating Transfers In					147,249
Excess (Deficit)	12,319	2,356	(1,568)	(15,822)	(217,076)
Fund Balance, Beginning	8,001	24,888	6,438	15,827	5,238
Fund Balance, Ending	20,320	27,244	4,870	5	1,243,009

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF ASSETS, LIABILITIES & FUND BALANCE
 MODIFIED CASH BASIS - SPECIAL REVENUE FUNDS
 April 30, 2016

ASSETS	AMBULANCE	DRUG PROGRAM	MUNICIPAL BAND	CIVIL DEFENSE	WORKMENS COMP.	MOTOR FUEL TAX	DUI EQUIPMENT
Cash	\$ 166,008	\$ 10,822	\$ 8,999	\$ 5,462	\$ 67,924	\$ 104,283	\$ 594
Invested in CD's							
Note Receivable							
Total Assets	\$ 166,008	\$ 10,822	\$ 8,999	\$ 5,462	\$ 67,924	\$ 104,283	\$ 594
FUND BALANCE							
Fund Balance	\$ 166,008	\$ 10,822	\$ 8,999	\$ 5,462	\$ 67,924	\$ 104,283	\$ 594
Total Liabilities & Fund Balance	\$ 166,008	\$ 10,822	\$ 8,999	\$ 5,462	\$ 67,924	\$ 104,283	\$ 594

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF ASSETS, LIABILITIES & FUND BALANCE
 MODIFIED CASH BASIS - SPECIAL REVENUE FUNDS
 April 30, 2016

Continued from previous page

ASSETS	IMRF	SOCIAL SECURITY	TAX INCREMENT FINANCING	CDAP REVOLV. LOAN	TOURISM	CEMETERY	POLICE VEHICLE
Cash	\$ 36,838	\$ 18,711	\$ 523,321	\$ 155,831	\$ 19,069	\$ 48,337	\$ 4,666
Invested in CD's	-	-	-	-	-	257,059	-
Notes Receivable				279,533			
Total Assets	\$ 36,838	\$ 18,711	\$ 523,321	\$ 435,364	\$ 19,069	\$ 305,396	\$ 4,666

FUND BALANCE

Fund Balance	\$ 36,838	\$ 18,711	\$ 523,321	\$ 435,364	\$ 19,069	\$ 305,396	\$ 4,666
Total Liabilities & Fund Balance	\$ 36,838	\$ 18,711	\$ 523,321	\$ 435,364	\$ 19,069	\$ 305,396	\$ 4,666

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF ASSETS, LIABILITIES & FUND BALANCE
 MODIFIED CASH BASIS - SPECIAL REVENUE FUNDS
 April 30, 2016

Continued from previous page

	CANINE	CHRISTMAS BASKET FUND	PROJECT TIGER PRIDE	GARBAGE SURPLUS	DCEO GRANT	TOTALS MEMORANDUM ONLY
ASSETS						
Cash	\$ 6,434.0	\$ 4,870.0	\$ 20,320.0	\$ 27,244.0	\$ 5.0	\$ 1,229,738.0
Invested in CD's	-	-	-	-	-	257,059
Notes Receivable	-	-	-	-	-	279,533
Total Assets	\$ 6,434	\$ 4,870	\$ 20,320	\$ 27,244	\$ 5	\$ 1,766,330

FUND BALANCE

Fund Balance	6,434	4,870	20,320	27,244	5	1,766,330
Total Liabilities & Fund Balance	\$ 6,434	\$ 4,870	\$ 20,320	\$ 27,244	\$ 5	\$ 1,766,330

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
 AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDING APRIL 30, 2016

	AMBULANCE	DRUG PROGRAM	MUNICIPAL BAND	CIVIL DEFENSE	WORKMENS COMP.	MOTOR FUEL TAX	DUI EQUIPMENT
CASH RECEIPTS							
Real estate tax, penalty and interest included	\$ 136,205	\$ -	\$ -	1,497	110,582	\$ -	\$ -
Other tax revenues	-	-	-	-	-	161,608	-
Fees for services	324,880	-	-	-	-	-	-
Grants and Donations	9,010	-	-	-	-	-	-
Interest income	276	18	14	9	119	290	4
Miscellaneous	-	3,750	-	-	27,914	520	3,712
Total Receipts	470,371	3,768	14	1,506	138,615	162,418	3,716
CASH DISBURSEMENTS							
Loan Losses	-	-	-	-	-	-	-
Current Operations	469,329	2,742	-	-	142,326	-	-
Capital Expenditures	30,614	-	-	-	-	393,720	12,364
Total Cash Disbursements	499,943	2,742	-	-	142,326	393,720	12,364
Excess of Cash Receipts Over (Under) Cash Disbursements	(29,572)	1,026	14	1,506	(3,711)	(231,302)	(8,648)
OTHER SOURCES & USES							
Operating Transfers Out	-	-	-	-	-	-	-
Operating Transfers In	-	-	-	-	-	-	-
Excess (Deficit)	(29,572)	1,026	14	1,506	(3,711)	(231,302)	(8,648)
Fund Balance, Beginning	195,580	9,796	8,985	3,956	71,635	335,585	9,242
Fund Balance, Ending	\$ 166,008	\$ 10,822	\$ 8,999	\$ 5,462	\$ 67,924	\$ 104,283	\$ 594

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
 AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDING APRIL 30, 2016

Continued from previous page

	IMRF	SOCIAL SECURITY	TAX INCREMENT FINANCING	CDAP REVOLV. LOAN	TOURISM	CEMETERY	CANINE
\$	94,644	\$ 83,687	\$ 539,412	\$ -	\$ 12,515	\$ -	\$ -
Real estate tax, penalty and interest included	-	-	-	-	-	-	-
Other tax revenues	-	-	-	-	-	-	-
Fees for services	-	-	-	-	-	39,300	-
Grants and Donations	107	82	804	6,882	27	2,711	900
Interest income	35,233	36,566	3,737	40,004	-	3,500	9
Miscellaneous							
Total Cash Receipts	129,984	120,335	543,953	46,886	12,542	45,511	909
CASH DISBURSEMENTS							
Current Operations	123,426	128,410	137,576	1,685	6,725	157,164	401
Capital Expenditures	-	-	286,063	-	-	22,885	-
Total Cash Disbursements	123,426	128,410	423,639	1,685	6,725	180,049	401
Excess of Cash Receipts Over (Under) Cash Disbursements	6,558	(8,075)	120,314	45,201	5,817	(134,538)	508
OTHER SOURCES & USES							
Operating Transfers Out	-	-	-	-	-	(8,400)	-
Operating Transfers In	-	-	-	-	-	147,249	-
Excess (Deficit) Correction of Error	6,558	(8,075)	120,314	45,201	5,817	4,311	508
Fund Balance, Beginning	30,280	26,786	403,007	384,925	13,252	301,085	5,926
Fund Balance, Ending	\$ 36,838	\$ 18,711	\$ 523,321	\$ 435,364	\$ 19,069	\$ 305,396	\$ 6,434

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS
 AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDING APRIL 30, 2016

Continued from previous page

	POLICE VEHICLE	CHRISTMAS BASKET	PROJECT TIGER PRIDE	GARBAGE SURPLUS	DCEO GRANT	TOTALS MEMORANDUM ONLY
\$	\$	\$	\$	\$	\$	\$
Real estate tax, penalty and interest included	-	-	-	-	-	966,027
Other tax revenues	-	-	-	-	-	174,123
Fees for services	-	-	-	257,971	-	622,151
Grants	2,000	2,000	20,310	-	41,998	76,218
Interest income	6	10	30	41	15	11,454
Miscellaneous	-	-	-	946	-	155,882
Total Cash Receipts	2,006	2,010	20,340	258,958	42,013	2,005,855
CASH DISBURSEMENTS						
Current Operations	-	3,578	8,021	256,602	-	1,437,985
Capital Expenditures	-	-	-	-	57,835	803,481
Total Cash Disbursements	-	3,578	8,021	256,602	57,835	2,241,466
Excess of Cash Receipts Over (Under) Cash Disbursements	2,006	(1,568)	12,319	2,356	(15,822)	(235,611)
OTHER SOURCES & USES						
Operating Transfers Out	-	-	-	-	-	(8,400)
Operating Transfers In	-	-	-	-	-	147,249
Excess (Deficit) Correction of Error	2,006	(1,568)	12,319	2,356	(15,822)	(96,762)
Fund Balance, Beginning	2,660	6,438	8,001	24,888	15,827	1,857,854
Fund Balance, Ending	4,666 \$	4,870 \$	20,320 \$	27,244 \$	5 \$	1,766,330

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF ASSETS AND LIABILITIES AND FUND BALANCE
 MODIFIED CASH BASIS - CEMETERY FUNDS
 April 30, 2016

	OPERATIONS	PERPETUAL CARE	LAND PURCHASE	MEMORIAL FUNDS	TOTAL (MEMO) (ONLY)
Cash	\$ -	\$ 28,058	\$ 16,169	\$ 4,110	\$ 48,337
Invested in Certificates of Deposit		257,059		-	257,059
Due From Other Funds					-
Total Assets	\$ -	\$ 285,117	\$ 16,169	\$ 4,110	\$ 305,396

FUND BALANCE

Fund Balance	\$ -	\$ 285,117	\$ 16,169	\$ 4,110	\$ 305,396
Total Liabilities & Fund Balance	\$ -	\$ 285,117	\$ 16,169	\$ 4,110	\$ 305,396

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
 AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - CEMETERY FUNDS
 FOR THE YEAR ENDING APRIL 30, 2016

	OPERATIONS	PERPETUAL CARE	LAND PURCHASE	MEMORIAL FUNDS	TOTAL (MEMO) (ONLY)	ORIGINAL AND FINAL BUDGET	OVER (UNDER) BUDGET
CASH RECEIPTS							
Grave Opening Fees	\$ 29,300	\$ -	\$ -	\$ -	\$ 29,300	\$ 27,000	\$ 2,300
Sale of Lots	-	10,000	-	-	10,000	12,400	(2,400)
Interest Income	-	2,679	25	7	2,711	3,000	(289)
Miscellaneous	3,500	-	-	-	3,500	-	3,500
Total Cash Receipts	32,800	12,679	25	7	45,511	42,400	3,111
CASH DISBURSEMENTS							
OPERATIONS							
Sexton Wages	44,166	-	-	-	44,166	44,256	(90)
Full & Part Time Employees	89,725	-	-	-	89,725	80,000	9,725
Tree Removal	225	-	-	-	225	3,000	(2,775)
Telecommunications	1,587	-	-	-	1,587	2,000	(413)
Repairs & Maintenance	8,902	-	-	-	8,902	21,005	(12,103)
Utilities	2,014	-	-	-	2,014	2,000	14
Gas & Oil	3,541	-	-	-	3,541	7,000	(3,459)
Supplies, Parts & Tools	7,004	-	-	-	7,004	10,000	(2,996)
Miscellaneous	-	-	-	-	-	350	(350)
Total Operating Expense	157,164	-	-	-	157,164	169,611	(12,447)
CAPITAL DISBURSEMENTS							
New Equipment	22,885	-	-	-	22,885	25,125	(2,240)
Property Acquisition	-	-	-	-	-	16,169	(16,169)
Contingency	-	-	-	-	-	10,000	(10,000)
Total Expenses	180,049	-	-	-	180,049	220,905	40,856
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ (147,249)	\$ 12,679	\$ 25	\$ 7	\$ (134,538)	\$ (178,505)	\$ 43,967

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
 AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - CEMETERY FUNDS (CONTINUED)
 FOR THE YEAR ENDING APRIL 30, 2016

Continued from previous page

	OPERATIONS	PERPETUAL CARE	LAND PURCHASE	MEMORIAL FUNDS	TOTAL (MEMO) (ONLY)	ORIGINAL AND FINAL BUDGET	OVER (UNDER) BUDGET
OTHER SOURCES & USES							
Operating Transfers In	\$ 147,249	\$ -	\$ -	\$ -	147,249	\$ 161,231	\$ (13,982)
Operating Transfers Out	-	(8,375)	(25)	-	(8,400)	(20,025)	11,625
Total Other Sources & (Uses)	147,249	(8,375)	(25)	-	138,849	141,206	(2,357)
Excess of Cash Receipts and Other Sources over (under) Cash Disbursements and Other Uses	-	4,304	-	7	4,311	(37,299)	41,610
Fund Balance, Beginning	-	280,813	16,169	4,103	301,085		
Fund Balance, Ending	\$ -	\$ 285,117	\$ 16,169	\$ 4,110	\$ 305,396		

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF ASSETS AND LIABILITIES AND NET POSITION
 MODIFIED CASH BASIS - WATERWORKS FUNDS
 April 30, 2016

	SERIES 2016A BOND AND INTEREST	IEPA LOAN 17-2563 BOND & INTEREST	IEPA LOAN 17-2562	WATER INCREMENT	WATER IMPROVEMENT GRANT
ASSETS					
Cash	\$ 45,781	\$ 223,861	\$ 96,433	\$ 210,320	\$ 1
Invested in Certificates of Deposit					
Property, Plant, & Equipment	920,738	5,648,100	2,382,397	480,422	870,020
Less: Accumulated Depreciation	(139,021)	(560,818)	(281,507)	(35,584)	(90,969)
Net Property, Plant & Equipment	781,717	5,087,282	2,100,890	444,838	779,051
Other Assets:					
Bond Issue Costs	75,088	-	-	-	-
Total Other Assets	75,088	-	-	-	-
Total Assets	\$ 902,586	\$ 5,311,143	\$ 2,197,323	\$ 655,158	\$ 779,052

LIABILITIES & NET POSITION

Current Liabilities					
Current Portion of Long Term Debt	\$ 30,000	\$ 223,344	\$ 96,154	\$ -	\$ -
Total Current Liabilities	30,000	223,344	96,154	-	-
Long Term Liabilities					
Revenue Bonds	330,000	3,126,818	1,249,999	-	-
Total Liabilities	360,000	3,350,162	1,346,153	-	-
NET POSITION					
Total Net Position	\$ 542,586	\$ 1,960,981	\$ 851,170	\$ 655,158	\$ 779,052

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
COMBINING STATEMENT OF ASSETS AND LIABILITIES AND NET POSITION
MODIFIED CASH BASIS - WATERWORKS FUNDS

April 30, 2016

Continued from previous page

	SERIES 2004						TOTAL (MEMO) (ONLY)
ASSETS	WATER FUND	OPERATION & MAINT.	BOND RESERVE	REPLACE- MENT & EXTENSION	PRINCIPAL & INTEREST	ADEQUATE ASSURANCE	
Cash	\$ 290,384					\$ 47,000	\$ 1,018,010
Invested in Certificates of Deposit			\$ 85,886	\$ 18,319		\$ 25	
Property, Plant, & Equipment		632,944			1,694,028		12,628,649
Less: Accumulated Depreciation		(129,542)			(1,380,123)		(2,617,564)
Net Property, Plant & Equipment		503,402			313,905		10,011,085
Other Assets:							
Bond Issue Costs							75,088
Total Other Assets							75,088
Total Assets	\$ 290,384	\$ 503,402	\$ 170,886	\$ 33,319	\$ 320,930	\$ 47,000	\$ 11,211,183
LIABILITIES & NET POSITION							
Current Liabilities							
Current Portion of Long Term Debt							349,498
Total Current Liabilities							349,498
Long Term Liabilities							
Revenue Bonds							4,706,817
Total Liabilities							5,056,315
NET POSITION							
Total Net Position	\$ 290,384	\$ 503,402	\$ 170,886	\$ 33,319	\$ 320,930	\$ 47,000	\$ 6,154,868

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF ASSETS AND LIABILITIES AND NET POSITION
 MODIFIED CASH BASIS - SEWER SYSTEM FUNDS
 April 30, 2016

ASSETS	SERIES 2007B	SEWER	SERIES 2016B	SANITARY	SEWER
	PROJECT	IMPROVEMENT GRANT	BOND AND INTEREST	IMPROVEMENT GRANT	INCREMENT
Cash	\$ -	\$ -	102,922	\$ -	\$ 82,832
Invested in Certificates of Deposit	-	-	-	-	-
Property, Plant, & Equipment	-	16,406	1,163,106	77,602	199,654
Less: Accumulated Depreciation	-	(1,230)	(174,132)	-	(32,510)
Net Property, Plant & Equipment		15,176	988,974	77,602	167,144
Other Asset - Bond Issue Costs	-	-	107,921	-	-
Total Assets	\$ -	\$ 15,176	\$ 1,199,817	\$ 77,602	\$ 249,976

LIABILITIES & NET POSITION

Current Liabilities					
Long Term Debt					
Total Current Liabilities	\$ -	\$ -	70,000	\$ -	\$ -
Long Term Liabilities					
Revenue Bonds Payable					
Total Long Term Liabilities	-	-	815,000	-	-
Total Liabilities	-	-	885,000	-	-
NET POSITION					
Net Position		15,176	314,817	77,602	249,976
Total Net Position	\$ -	\$ 15,176	\$ 314,817	\$ 77,602	\$ 249,976

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF ASSETS AND LIABILITIES AND NET POSITION
 MODIFIED CASH BASIS - SEWER SYSTEM FUNDS
 April 30, 2016

Continued from previous page

ASSETS	SURPLUS	BOND & INTEREST	JR. LIEN BOND RESERVE	BOND DEPR- ECIATION	OPERATION & MAINT.	TOTAL (MEMO) (ONLY)
Cash	\$ 76,190	\$ -	\$ 88,170	\$ 11,579	\$ -	\$ 361,693
Invested in Certificates of Deposit	10,005	-	-	36,000	-	46,005
Property, Plant, & Equipment	-	1,848,392	-	-	2,649,894	5,955,054
Less: Accumulated Depreciation	-	(881,519)	-	-	(1,046,350)	(2,135,741)
Net Property, Plant & Equipment	-	966,873	-	-	1,603,544	3,819,313
Other Asset - Bond Issue Costs	-	-	-	-	-	107,921
Total Assets	<u>\$ 86,195</u>	<u>\$ 966,873</u>	<u>\$ 88,170</u>	<u>\$ 47,579</u>	<u>\$ 1,603,544</u>	<u>\$ 4,334,932</u>

LIABILITIES & NET POSITION

Current Liabilities	-	-	-	-	-	-
Current Portion of Long Term Debt	-	-	-	-	-	-
Total Current Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,000</u>
Long Term Liabilities	-	-	-	-	-	-
Revenue Bonds Payable	-	-	-	-	-	815,000
Total Long Term Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>815,000</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>885,000</u>
NET POSITION	-	-	-	-	-	-
Net Position	86,195	966,873	88,170	47,579	1,603,544	3,449,932
Total Net Position	<u>\$ 86,195</u>	<u>\$ 966,873</u>	<u>\$ 88,170</u>	<u>\$ 47,579</u>	<u>\$ 1,603,544</u>	<u>\$ 3,449,932</u>

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF ASSETS AND LIABILITIES AND NET POSITION
 MODIFIED CASH BASIS - PROPRIETARY FUNDS
 April 30, 2016

ASSETS	SEWER	WATER- WORKS	TOTAL (MEMO) (ONLY)
Cash	\$ 361,693	\$ 1,018,010	\$ 1,379,703
Invested in Certificates of Deposit	46,005	107,000	153,005
Property, Plant, & Equipment	5,955,054	12,628,649	18,583,703
Less: Accumulated Depreciation	(2,135,741)	(2,617,564)	(4,753,305)
Net Property, Plant & Equipment	3,819,313	10,011,085	13,830,398
Other Assets			
Bond Issue Costs	107,921	75,088	183,009
Total Other Assets	107,921	75,088	183,009
Total Assets	\$ 4,334,932	\$ 11,211,183	\$ 15,546,115
LIABILITIES & EQUITY			
Current Liabilities			
Current Portion of Long Term Debt	\$ 70,000	\$ 349,498	\$ 419,498
Total Current Liabilities	70,000	349,498	419,498
Long Term Liabilities			
Revenue Bonds Payable	815,000	4,706,817	5,521,817
Total Long Term Liabilities	815,000	4,706,817	5,521,817
Total Liabilities	885,000	5,056,315	5,941,315
NET POSITION			
Net Position - Unrestricted	3,449,932	6,154,868	9,604,800
Total Net Position	\$ 3,449,932	\$ 6,154,868	\$ 9,604,800

CITY OF BEARDSTOWN, ILLINOIS
SUPPLEMENTAL STATEMENT OF REVENUE RECEIVED, EXPENSES PAID
AND CHANGES IN NET POSITION - MODIFIED CASH BASIS - WATERWORKS FUNDS
FOR THE YEARS ENDED APRIL 30, 2016 AND 2015

	2016 ORIGINAL & FINAL BUDGET	2016 ACTUAL	OVER (UNDER) BUDGET	2015 ACTUAL
Operating Revenue Received				
Current Use Charges	\$ 1,100,000	\$ 1,134,730	\$ 34,730	\$ 866,950
Tap & Turn on Fees	1,500	15,502	14,002	35,690
Late Payment Fees	35,000	54,899	19,899	-
Materials & Services	500	9,386	8,886	454
Total Operating Revenue Received	1,137,000	1,214,517	77,517	903,094
Operating Expenses Paid				
Wages	148,031	150,250	2,219	135,256
Building Maintenance	45,000	25,995	(19,005)	9,348
Filter/Well Maintenance	140,000	4,152	(135,848)	5,344
Fire Hydrant Maintenance	25,000	3,967	(21,033)	18,721
Vehicle Maintenance	10,000	4,211	(5,789)	10,262
Plant Maintenance	8,500	8,157	(343)	5,002
Utility Maintenance	15,000	11,011	(3,989)	10,675
Water Tower Maintenance	9,000	3,070	(5,930)	1,500
Engineering	10,000	1,824	(8,176)	3,959
Administrative	7,000	5,551	(1,449)	5,840
Telecommunications	2,500	2,301	(199)	1,642
Advertising	2,000	1,086	(914)	1,988
Dues and Memberships	6,500	3,512	(2,988)	5,569
Travel and Education	3,000	592	(2,408)	887
Utilities	55,000	27,897	(27,103)	29,720
Water Testing	11,000	5,933	(5,067)	4,556
Street Materials	5,000	5,028	28	-
Materials and Supplies	65,000	46,704	(18,296)	52,816
Gas and Oil	16,000	9,789	(6,211)	15,288
Chemicals	50,000	30,331	(19,669)	33,776
New Equipment	25,000	25,644	644	13,755
Leased Equipment	20,000	7,981	(12,019)	18,261
Building Lease	12,000	12,000	-	12,000
FICA Tax	10,000	10,000	-	9,986
Workers' Compensation Insurance	11,825	11,825	-	9,926
IMRF	15,019	15,019	-	14,848
State Unemployment Tax	2,687	2,687	-	3,016
Health Insurance	32,860	32,860	-	31,462
Contingency	35,000	-	(35,000)	-
Depreciation & Amortization	-	276,171	276,171	282,411
Other Costs	600	8,875	8,275	1,355
Total Operating Expenses Paid	798,522	754,423	(44,099)	749,169
Income from Operations	\$ 338,478	\$ 460,094	\$ 121,616	\$ 153,925

Capital Expenditures Budget:
New Supply Wells Development \$ 2,000,000
Demolition of 6th Street Tower 60,000
Water Plant Improvements 1,650,250
Oak Grove Court Phase II Construction 175,000
Total Capital Expenditure Budget \$ 3,885,250

Budgeted Principal Payment:
Series 2007A 25,000
IEPA Bond 96,154
IEPA Bond 223,344
Total Principal Payments \$ 344,498

Continued on next page.

CITY OF BEARDSTOWN, ILLINOIS
SUPPLEMENTAL STATEMENT OF REVENUE RECEIVED, EXPENSES PAID
AND CHANGES IN NET POSITION - MODIFIED CASH BASIS - WATERWORKS FUNDS
FOR THE YEARS ENDED APRIL 30, 2016 AND 2015

Continued from previous page

	2016 ORIGINAL & FINAL BUDGET	2016 ACTUAL	OVER (UNDER) BUDGET	2015 ACTUAL
Income from Operations	\$ 338,478	\$ 460,094	\$ 121,616	\$ 153,925
Non-Operating Revenues Received (Expenses Paid)				
Interest Income	1,700	2,096	396	1,946
Grants	3,500,000	-	(3,500,000)	120,000
Interest Expense	(14,810)	(21,850)	(7,040)	(19,635)
Total Non-Operating Revenues Received (Expenses Paid)	3,486,890	(19,754)	(3,506,644)	102,311
Income (Loss) Before Operating Transfers	3,825,368	440,340	(3,385,028)	256,236
Operating Transfers				
Operating Transfers In	-	1,141,641	1,141,641	739,241
Operating Transfers Out	-	(1,355,789)	(1,355,789)	(739,241)
Total Operating Transfers	-	(214,148)	(214,148)	-
Net Income (Loss)	3,825,368	226,192	(3,599,176)	256,236
Correction of Error		(57,161)		
Net Position:				
Beginning of Year		5,985,837		5,729,601
End of Year		<u>\$ 6,154,868</u>		<u>\$ 5,985,837</u>

CITY OF BEARDSTOWN, ILLINOIS
SUPPLEMENTAL STATEMENT OF REVENUE RECEIVED, EXPENSES PAID
AND CHANGES IN NET POSITION - MODIFIED CASH BASIS - SEWER SYSTEM FUNDS
FOR THE YEARS ENDED APRIL 30, 2016 AND 2015

	2016		OVER		2015
	ORIGINAL & FINAL	2016	(UNDER)	BUDGET	ACTUAL
	BUDGET	ACTUAL	BUDGET		
Operating Revenues Received					
Current Use Charges	\$ 335,000	\$ 332,264	\$ (2,736)	\$	272,647
Tap & Turn on Fees	700	600	(100)		825
Materials, Services & Reimbursements	700	4,460	3,760		13,125
Total Operating Revenues	336,400	337,324	924		286,597
Operating Expenses					
Wages	60,000	59,536	464		52,504
Engineering Fees	25,000	28,616	(3,616)		29,170
Equipment Maintenance	35,000	20,062	14,938		20,604
Utility Maintenance	55,000	36,796	18,204		62,869
Administrative	5,000	4,348	652		3,795
Telecommunications	800	342	458		338
Utilities	3,000	2,898	102		2,661
Street Materials	8,500	7,628	872		-
Materials & Supplies	31,000	21,859	9,141		21,081
Gas and Oil	15,000	9,089	5,911		12,931
New Equipment	1,500	-	1,500		-
Lease Equipment	30,000	23,340	6,660		18,261
Building Lease	12,000	12,000	-		12,000
Contingency	20,000	-	20,000		-
FICA	4,383	4,383	-		4,090
Workers' Compensation Insurance	3,089	3,089	-		2,851
IMRF	6,571	6,571	-		6,077
State Unemployment Tax	1,200	1,200	-		1,309
Health Insurance	14,413	14,113	300		13,522
Depreciation & Amortization	-	128,280	(128,280)		129,353
Service Fees	600	475	125		645
Total Operating Expenses	332,056	384,625	(52,569)		394,061
Income from Operations	4,344	(47,301)	53,493		(107,464)
Non-Operating Revenues Received (Expenses Paid)					
Interest Income	700	909	209		1,053
Grants Received	2,500,000	76,602	(2,423,398)		45,991
Interest Expense	(36,100)	(40,136)	4,036		(38,300)
Total Non-Operating Revenues Received (Expenses Paid)	2,464,600	37,375	(2,419,153)		8,744
Income (Loss) Before Operating Transfers	2,468,944	(9,926)	(2,365,660)		(98,720)
Operating Transfers					
Operating Transfers In	-	394,322	394,322		293,565
Operating Transfers Out	-	(394,322)	(394,322)		(293,565)
Total Operating Transfers	\$ -	\$ -	\$ -		\$ -

Capital Budget: \$ 2,582,800
Improvements Budgeted Principal Payments: \$60,000

Depreciation is not included in the City's budget

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
 SUPPLEMENTAL STATEMENT OF REVENUE RECEIVED, EXPENSES PAID
 AND CHANGES IN NET POSITION - MODIFIED CASH BASIS - SEWER SYSTEM FUNDS
 FOR THE YEARS ENDED APRIL 30, 2016 AND 2015

Continued from previous page

	2016 ORIGINAL & FINAL BUDGET	2016 ACTUAL	OVER (UNDER) BUDGET	2015 ACTUAL
Net Income (Loss)	\$ 2,468,944	\$ (9,926)	\$ (2,365,660)	\$ (98,720)
NET POSITION:				
Prior Period Correction		(2,253)		
Beginning of Year		<u>3,462,111</u>		<u>3,560,831</u>
End of Year		<u>\$ 3,449,932</u>		<u>\$ 3,462,111</u>

CITY OF BEARDSTOWN, ILLINOIS
COMBINING STATEMENT OF REVENUE RECEIVED, EXPENSES PAID
AND CHANGES IN NET POSITION - MODIFIED CASH BASIS - PROPRIETARY FUNDS
FOR THE YEAR ENDED APRIL 30, 2016

	SEWER SYSTEM	WATER WORKS	TOTAL (MEMO) (ONLY)
Operating Revenues Received			
Current Use Charges	\$ 332,264	\$ 1,134,730	\$ 1,466,994
Tap & Turn on Fees	600	15,502	16,102
Late Payment Fees	-	54,899	54,899
Materials & Services	4,460	9,386	13,846
Total Operating Revenues Received	337,324	1,214,517	1,551,841
Operating Expenses Paid			
Wages	59,536	150,250	209,786
Building Maintenance	-	25,995	25,995
Filter/Well Maintenance	-	4,152	4,152
Fire Hydrant Maintenance	36,796	3,967	40,763
Vehicle Maintenance	-	4,211	4,211
Equipment/Plant Maintenance	20,062	8,157	28,219
Utility Maintenance	-	11,011	11,011
Water Tower Maintenance	-	3,070	3,070
Engineering	28,616	1,824	30,440
Administrative	4,348	5,551	9,899
Telecommunications	342	2,301	2,643
Advertising	-	1,086	1,086
Dues and Memberships	-	3,512	3,512
Travel and Education	-	592	592
Utilities	2,898	27,897	30,795
Water Testing	-	5,933	5,933
Street Materials	7,628	5,028	12,656
Materials and Supplies	21,859	46,704	68,563
Gas and Oil	9,089	9,789	18,878
Chemicals	-	30,331	30,331
New Equipment	-	25,644	25,644
Leased Equipment	23,340	7,981	31,321
Building Lease	12,000	12,000	24,000
FICA Tax	4,383	10,000	14,383
Workers' Compensation Insurance	3,089	11,825	14,914
IMRF	6,571	15,019	21,590
State Unemployment Tax	1,200	2,687	3,887
Health Insurance	14,113	32,860	46,973
Contingency	-	-	-
Depreciation & Amortization	128,280	276,171	404,451
Other Costs	475	8,875	9,350
Total Operating Expenses Paid	384,625	754,423	1,139,048
Income from Operations	\$ (47,301)	\$ 460,094	\$ 412,793

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF REVENUE RECEIVED, EXPENSES PAID
 AND CHANGES IN NET POSITION - MODIFIED CASH BASIS - PROPRIETARY FUNDS
 FOR THE YEAR ENDED APRIL 30, 2016

Continued from previous page

	SEWER SYSTEM	WATER WORKS	TOTAL (MEMO) (ONLY)
Income from Operations	\$ (47,301)	\$ 460,094	\$ 412,793
Non-Operating Revenues Received (Expenses Paid)			
Interest Income	909	2,096	3,005
Grants	76,602	-	76,602
Interest Expense	(40,136)	(21,850)	(61,986)
Total Non-Operating Revenues Received (Expenses Paid)	37,375	(19,754)	17,621
Income (Loss) Before Operating Transfers	(9,926)	440,340	430,414
Operating Transfers			
Operating Transfers In	394,322	1,141,641	1,535,963
Operating Transfers Out	(394,322)	(1,355,789)	(1,750,111)
Total Operating Transfers	-	(214,148)	(214,148)
Net Income (Loss)	(9,926)	226,192	216,266
Prior Period Correction	(2,253)	(57,161)	(59,414)
Net Position:			
Beginning of Year	3,462,111	5,985,837	9,447,948
End of Year	\$ 3,449,932	\$ 6,154,868	\$ 9,604,800

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
FOR THE YEAR ENDING APRIL 30, 2016

CIVIL DEFENSE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Real Estate Tax, including penalties and interest	\$ 1,500	\$ 1,500	\$ 1,497	\$ (3)
Interest Income	-	-	9	9
Total Cash Receipts	1,500	\$1,500	1,506	6
CASH DISBURSEMENTS				
New Equipment	4,456	4,456	-	(4,456)
Training Police and Firefighters	1,000	1,000	-	(1,000)
Total Cash Disbursements	5,456	5,456	-	(5,456)
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ (3,956)	\$ (3,956)	1,506	\$ (5,462)
Fund Balance, Beginning			3,956	
Fund Balance, Ending			\$ 5,462	

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

MUNICIPAL BAND FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Real Estate Tax, including penalties and interest	\$ -	\$ -	14	14
Interest Income	-	-	-	-
Total Cash Receipts	-	-	14	14

CASH DISBURSEMENTS

Miscellaneous	1,000	1,000	-	(1,000)
Wages Paid to Band Members	7,985	7,985	-	(7,985)
Total Cash Disbursements	8,985	8,985	-	(8,985)
Excess of Cash Receipts Over (Under) Cash Disbursements	\$(8,985)	\$(8,985)	14	\$(8,971)
Fund Balance, Beginning			<u>8,985</u>	
Fund Balance, Ending			<u>\$ 8,999</u>	

CITY OF BEARDSTOWN, ILLINOIS
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
FOR THE YEAR ENDING APRIL 30, 2016

AMBULANCE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Cass County Real Estate Tax	\$ 136,500	\$ 136,500	\$ 136,205	(295)
Fees & Services	360,000	360,000	324,880	(35,120)
Gifts and Other Income	-	-	9,010	9,010
Interest Income	-	-	276	276
Total Cash Receipts	496,500	496,500	470,371	(26,129)

CASH DISBURSEMENTS

Current Operations:

Ambulance Attendants Wages	350,000	350,000	348,195	(1,805)
Workers Compensation Insurance	42,176	42,176	13,000	(29,176)
Social Security Tax	21,086	21,086	21,086	-
IMRF	27,779	27,779	13,000	(14,779)
State Unemployment Tax	7,119	7,119	-	(7,119)
Health Insurance	55,472	55,472	-	(55,472)
Uniforms	3,000	3,000	494	(2,506)
Vehicle & Equipment Maintenance	15,000	15,000	9,693	(5,307)
Gas & Oil	15,000	15,000	7,299	(7,701)
Training & Education	5,000	5,000	3,062	(1,938)
Dues & Memberships	3,500	3,500	282	(3,218)
Ambulance & Medical Supplies	20,000	20,000	15,551	(4,449)
Telecommunications	6,400	6,400	4,910	(1,490)
Utilities	8,000	8,000	4,525	(3,475)
Administrative	3,000	3,000	2,012	(988)
Billing Services	30,000	30,000	22,894	(7,106)
Refunds	-	-	2,505	2,505
Contingency	38,000	38,000	-	(38,000)
Building & Grounds Maintenance	10,000	10,000	821	(9,179)
Total Current Operations	660,532	660,532	469,329	(191,203)

Capital Outlay - New Equipment

	50,000	50,000	30,614	(19,386)
Total Cash Disbursements	710,532	710,532	499,943	(210,589)

Excess of Cash Receipts Over

(Under) Cash Disbursements before Transfers In	(214,032)	(214,032)	(29,572)	(236,718)
--	-----------	-----------	----------	-----------

Transfers Out

	-	-	-	-
--	---	---	---	---

Excess of Cash Receipts and Transfers In

Over (Under) Cash Disbursements	(214,032)	(214,032)	(29,572)	(236,718)
---------------------------------	-----------	-----------	----------	-----------

Fund Balance, Beginning

	-	-	195,580	-
--	---	---	---------	---

Fund Balance, Ending

	-	-	<u>166,008</u>	-
--	---	---	----------------	---

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

MOTOR FUEL TAX FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Motor Fuel Tax Allocation	\$ 170,000	\$ 170,000	\$ 161,608	(8,392)
Other Income	-	-	520	520
Interest Income	500	500	290	(210)
Total Cash Receipts	170,500	170,500	162,418	(8,082)

CASH DISBURSEMENTS

Street Maintenance & Engineering & Equipment Lease/Purchases	506,085	506,085	393,720	(112,365)
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ (335,585)	\$ (335,585)	(231,302)	(104,283)
Fund Balance, Beginning			<u>335,585</u>	
Fund Balance, Ending			<u>\$ 104,283</u>	

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

WORKMEN'S COMPENSATION INSURANCE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Real Estate Tax, including penalties and interest	\$ 111,000	\$ 111,000	\$ 110,582	\$ (418)
Reimbursements	27,914	27,914	27,914	-
Interest Income	100	100	119	19
Total Cash Receipts	139,014	139,014	138,615	(399)
CASH DISBURSEMENTS				
Workmen's Compensation Insurance	165,000	165,000	142,326	(22,674)
Excess of Cash Receipts and Transfers In Over (Under) Cash Disbursements	\$ (25,986)	\$ (25,986)	\$ (3,711)	\$ (22,275)
Fund Balance, Beginning			71,635	
Fund Balance, Ending			\$ 67,924	

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

SOCIAL SECURITY TAX FUND

CASH RECEIPTS

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
Real Estate Tax, including penalties and interest	\$ 84,000	\$ 84,000	\$ 83,687	\$ (313)
Reimbursements	36,669	36,669	36,566	(103)
Interest Income	75	75	82	7
Total Cash Receipts	<u>120,744</u>	<u>120,744</u>	<u>120,335</u>	<u>(409)</u>

CASH DISBURSEMENTS

Employer's Share of Social Security	130,000	130,000	128,410	(1,590)
Excess of Cash Receipts and Transfers In Over (Under) Cash Disbursements	<u>\$ (9,256)</u>	<u>\$ (9,256)</u>	<u>\$ (8,075)</u>	<u>\$ (1,181)</u>

Fund Balance, Beginning

26,786

Fund Balance, Ending

\$ 18,711

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

ILLINOIS MUNICIPAL RETIREMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Real Estate Tax, including penalties and interest	\$ 95,000	\$ 95,000	\$ 94,644	\$ (356)
Reimbursements	35,290	35,290	35,233	(57)
Interest Income	50	50	107	57
Total Cash Receipts	130,340	130,340	129,984	(356)
CASH DISBURSEMENTS				
IMRF Contributions	140,000	140,000	123,426	(16,574)
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ (9,660)	\$ (9,660)	\$ 6,558	\$ (16,218)
Fund Balance, Beginning			30,280	
Fund Balance, Ending			\$ 36,838	

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

REVOLVING LOAN FUND

CASH RECEIPTS

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
Interest Income	-	-	6,882	6,882
Reimbursements		40,004	40,004	40,004
Total Cash Receipts	-	-	46,886	46,886

CASH DISBURSEMENTS

Administrative Costs	4,000	4,000	1,685	(2,315)
Total Cash Disbursements	4,000	4,000	1,685	(2,315)

Excess of Cash Receipts Over (Under) Cash Disbursements

\$	(4,000)	\$	(4,000)	\$	(49,201)
----	---------	----	---------	----	----------

Correction of Error

5,238

Fund Balance, Beginning

384,925

Fund Balance, Ending

\$ 435,364

Budget includes \$253,429 for new loans.
 \$150,000 in new loans were made.
 Estimated revenues include loan repayments of \$36,732.

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

DRUG PROGRAM FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Interest Income	\$ -	\$ -	\$ 18	\$ 18
Fines	4,000	4,000	3,750	(250)
Total Cash Receipts	<u>4,000</u>	<u>4,000</u>	<u>3,768</u>	<u>(232)</u>
CASH DISBURSEMENTS				
Cannabis and Controlled Substance Law Enforcement	13,896	13,896	2,742	(11,154)
Total Cash Disbursements	<u>13,896</u>	<u>13,896</u>	<u>2,742</u>	<u>(11,154)</u>
Excess of Cash Receipts Over (Under) Cash Disbursements	<u>\$ (9,896)</u>	<u>\$ (9,896)</u>	<u>\$ 1,026</u>	<u>(10,922)</u>
Fund Balance, Beginning			<u>9,796</u>	
Fund Balance, Ending			<u>\$ 10,822</u>	

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

TOURISM FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Hotel Tax	\$ 8,000	\$ 8,000	\$ 12,515	\$ 4,515
Interest Income	15	15	27	12
Total Receipts	8,015	8,015	12,542	4,527
CASH DISBURSEMENTS				
Materials and Supplies	8,667	8,667	-	(8,667)
Public Relations	3,000	3,000	1,000	(2,000)
Chamber of Commerce Subsidy	2,100	2,100	2,100	-
Administration	1,000	1,000	480	(520)
Telecommunications	2,500	2,500	1,381	(1,119)
Advertising	4,000	4,000	1,764	(2,236)
Total Cash Disbursements	21,267	21,267	6,725	(14,542)
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ (13,252)	\$ (13,252)	\$ 5,817	\$ (19,069)
Fund Balance, Beginning			<u>13,252</u>	
Fund Balance, Ending			<u>\$ 19,069</u>	

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

DUI EQUIPMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Interest Income	-	-	4	4
Fines, Grants & Other	7,000	7,000	3,712	(3,288)
Total Cash Receipts	<u>7,000</u>	<u>7,000</u>	<u>3,716</u>	<u>(3,284)</u>

CASH DISBURSEMENTS

Purchase of Law Enforcement Equipment that will assist in the prevention of alcohol related criminal violence

	16,242	16,242	12,364	(3,878)
--	--------	--------	--------	---------

Excess of Cash Receipts Over (Under) Cash Disbursements

	<u>(9,242)</u>	<u>(9,242)</u>	<u>(8,648)</u>	<u>(594)</u>
--	----------------	----------------	----------------	--------------

Fund Balance, Beginning

	<u>9,242</u>
--	--------------

Fund Balance, Ending

	<u>\$ 594</u>
--	---------------

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

POLICE VEHICLE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Interest Income	-	-	6	6
Traffic Fines	2,000	2,000	2,000	-
Total Cash Receipts	2,000	2,000	2,006	6
CASH DISBURSEMENTS				
Leased Equipment	4,660	4,660	-	4,660
Total Cash Disbursements	4,660	4,660	-	4,660
Excess of Cash Receipts Over (Under) Cash Disbursements	<u>(2,660)</u>	<u>(2,660)</u>	<u>2,006</u>	<u>4,666</u>
Fund Balance, Beginning			<u>2,660</u>	
Fund Balance, Ending			<u>\$ 4,666</u>	

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

CANINE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Interest Income	-	-	9	9
Donations	-	-	900	900
Total Cash Receipts	-	-	909	909
CASH DISBURSEMENTS				
Supplies & Materials	4,926	4,926	-	(4,926)
Veterinary	1,000	1,000	401	(599)
Total Cash Disbursements	5,926	5,926	401	(5,525)
Excess of Cash Receipts Over (Under) Cash Disbursements	\$(5,926)	\$(5,926)	508	(6,434)
Fund Balance, Beginning			<u>5,926</u>	
Fund Balance, Ending			<u>6,434</u>	

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

CHRISTMAS BASKET FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Donations	\$ 3,500	\$ 3,500	\$ 2,000	\$ (1,500)
Interest Income	-	-	10	10
Total Cash Receipts	<u>3,500</u>	<u>3,500</u>	<u>2,010</u>	<u>(1,490)</u>
CASH DISBURSEMENTS				
Expenses	9,938	9,938	3,578	(6,360)
Total Cash Disbursements	<u>9,938</u>	<u>9,938</u>	<u>3,578</u>	<u>(6,360)</u>
Excess of Cash Receipts Over (Under) Cash Disbursements	<u>\$ (6,438)</u>	<u>\$ (6,438)</u>	<u>\$ (1,568)</u>	<u>\$ (4,870)</u>
Fund Balance, Beginning			<u>6,438</u>	
Fund Balance, Ending			<u>\$ 4,870</u>	

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

PROJECT TIGER PRIDE

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Donations	\$ 5,000	\$ 5,000	\$ 20,310	15,310
Interest Income	-	-	30	30
Total Cash Receipts	<u>5,000</u>	<u>5,000</u>	<u>20,340</u>	<u>15,340</u>
CASH DISBURSEMENTS				
Expenses	13,001	13,001	8,021	(4,980)
Total Cash Disbursements	<u>13,001</u>	<u>13,001</u>	<u>8,021</u>	<u>(4,980)</u>
Excess of Cash Receipts Over (Under) Cash Disbursements	<u>\$ (8,001)</u>	<u>\$ (8,001)</u>	<u>\$ 12,319</u>	<u>\$ (20,320)</u>
Fund Balance, Beginning			<u>8,001</u>	
Fund Balance, Ending			<u>\$ 20,320</u>	

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

GARBAGE SURPLUS FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Garbage Collection Fees	\$ 236,000	\$ 236,000	\$ 257,971	\$ 21,971
Reimbursements	-	-	946	946
Interest Income	-	-	41	41
Total Cash Receipts	236,000	236,000	258,958	22,958

CASH DISBURSEMENTS

Administration	1,000	1,000	-	(1,000)
Dues & Agreements	3,000	3,000	4,800	1,800
Travel & Training	12,000	12,000	11,318	(682)
Materials & Supplies	3,928	3,928	-	(3,928)
New Equipment	5,000	5,000	465	(4,535)
Garbage Collection Services	236,000	236,000	240,019	4,019
Total Cash Disbursements	260,928	260,928	256,602	(4,326)

Excess of Cash Receipts Over (Under) Cash Disbursements	(24,928)	(24,928)	2,356	(27,284)
Transfer in from General Fund			24,888	
Fund Balance, Beginning			\$ 27,244	
Fund Balance, Ending			\$ 27,244	

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

DCEO GRANT

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Grant Received	\$ -	\$ -	\$ 41,998	\$ 41,998
Interest Income	-	-	15	15
Total Cash Receipts			42,013	42,013
CASH DISBURSEMENTS				
Road Improvements	-	-	57,835	57,835
Total Cash Disbursements			57,835	57,835
Excess of Cash Receipts Over (Under) Cash Disbursements			(15,822)	15,822
Fund Balance, Beginning			15,827	
Fund Balance, Ending			5	

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

FIDUCIARY FUND - POLICE PENSION TRUST

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
ADDITIONS				
Real estate tax, penalty and interest included	\$ 162,530	\$ 162,530	\$ 161,919	\$ (611)
Employee Contributions	30,000	30,000	23,387	(6,613)
Interest Income			14,405	14,405
Dividend Income	18,000	18,000	8,919	(9,081)
Realized and Unrealized Appreciation in Fair Value of Instruments	-	-	(5,617)	(5,617)
Total Cash Receipts	210,530	210,530	203,013	(7,517)
DEDUCTIONS				
Audit	5,000	5,000	4,396	(604)
Travel and Training	6,000	6,000	1,896	(4,104)
Medical	1,000	1,000	-	(1,000)
Investment Management Fees	-	-	9,611	9,611
Dues, Memberships & Agreements	1,400	1,400	1,064	(336)
Separation Payments	85,000	85,000	7,605	(77,395)
Pension Benefits Paid	160,000	160,000	150,529	(9,471)
Total Cash Disbursements	258,400	258,400	175,101	(83,299)
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ (47,870)	\$ (47,870)	\$ 27,912	\$ (75,782)
Fund Balance, Beginning			1,384,912	
Fund Balance, Ending			\$ 1,412,824	

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

FIDUCIARY FUND - FIREFIGHTER'S PENSION TRUST

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
Real estate tax, penalty and interest included	\$ 84,770	\$ 84,770	\$ 84,453	\$(317)
Employee Contributions	13,000	13,000	14,531	1,531
Interest Income	-	-	8,878	8,878
Dividend Income	15,000	15,000	5,034	(9,966)
Realized and Unrealized Appreciation in Fair Value of Instruments	-	-	(999)	(999)
Total Cash Receipts	112,770	112,770	111,897	\$(873)

CASH DISBURSEMENTS

Audit	5,000	5,000	4,522	(478)
Travel and Training	6,000	6,000	1,052	(4,948)
Pension Contribution Refunds	20,000	20,000	-	(20,000)
Dues, Memberships & Agreements	1,200	1,200	961	(239)
Investment Fees	-	-	6,865	6,865
Pension Benefits Paid	48,000	48,000	40,542	(7,458)
Total Cash Disbursements	80,200	80,200	53,942	(26,258)
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 32,570	\$ 32,570	\$ 57,955	\$(25,385)
Fund Balance, Beginning			896,618	
Fund Balance, Ending			\$ 954,573	

CITY OF BEARDSTOWN, ILLINOIS
 STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
 CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET & ACTUAL
 FOR THE YEAR ENDING APRIL 30, 2016

COMPONENT UNIT - LINCOLN COURTROOM & MUSEUM

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	OVER (UNDER) BUDGET
CASH RECEIPTS				
Interest Income	\$	\$	30	30
Donations & Fundraising	6,000	6,000	6,106	106
Gift Shop Sales	2,500	2,500	2,146	(354)
Total Cash Receipts	8,500	8,500	8,282	(218)
CASH DISBURSEMENTS				
Telecommunications				
Advertising	4,000	4,000	926	(3,074)
Materials & Supplies	15,265	15,265	6,698	(8,567)
New Equipment	5,000	5,000	*	(5,000)
Administration	4,000	4,000	1,206	(2,794)
Total Cash Disbursements	28,265	28,265	8,830	(19,435)
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ (19,765)	\$ (19,765)	\$ (548)	\$ (19,217)
Fund Balance, Beginning			<u>19,765</u>	
Fund Balance, Ending			<u>\$ 19,217</u>	

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF ASSETS AND NET POSITION - MODIFIED CASH BASIS
 COMPONENT UNIT - BEARDSTOWN PUBLIC LIBRARY
 April 30, 2016

ASSETS	PUBLIC LIBRARY	FURNITURE, FIXTURES & EQUIPMENT	SPECIAL GIFT	GRANTS	TOTALS
Cash	\$ 36,971	\$ 402	\$ 3,468	\$ 21,627	\$ 62,468
Invested in Certificates of Deposit	125,000	46,042	-	-	171,042
Fixed Assets, Net	-	1,143,101	-	-	1,143,101
Total Assets	\$ 161,971	\$ 1,189,545	\$ 3,468	\$ 21,627	\$ 1,376,611

NET POSITION

Invested in Capital Assets, net of related debt	\$ -	\$ 1,143,101	\$ -	\$ -	\$ 1,143,101
Net Position, Unrestricted	161,971	46,444	3,468	21,627	233,510
Total Net Position	\$ 161,971	\$ 1,189,545	\$ 3,468	\$ 21,627	\$ 1,376,611

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN NET POSITION
 MODIFIED CASH BASIS - COMPONENT UNIT - BEARDSTOWN PUBLIC LIBRARY
 FOR THE YEAR ENDING APRIL 30, 2016

CASH RECEIPTS

	GENERAL FUND	FURNITURE, FIXTURES & EQUIPMENT	SPECIAL GIFT	GRANTS
Real Estate Tax	\$ 48,300	\$ -	\$ -	-
Interest Income	804	218	1	-
Grants & Gifts	38,492	-	-	8,096
Insurance Proceeds	-	-	-	-
Fees & Services, Misc, Fines	6,285	-	-	-
Total Cash Receipts	93,881	218	1	8,096

CASH DISBURSEMENTS

Wages	62,186	-	-	1,535
Travel & Continuing Education	120	-	-	-
Library Materials & Supplies	2,924	-	-	7,457
Resource Sharing Alliance	3,335	-	-	-
Repairs & Maintenance	374	13,318	-	-
Custodial Supplies	415	-	-	-
Utilities & Telecommunications	8,966	-	-	-
Dues	239	-	-	-
Equipment	574	-	-	-
Programs	1,829	-	-	-
Miscellaneous	-	-	-	-
Total Cash Disbursements	80,962	13,318	-	8,992

Excess of Cash Receipts Over
 (Under) Cash Disbursements

\$ 12,919	\$ (13,100)	\$ 1	\$ (896)
-----------	-------------	------	----------

Net Position, Beginning
 Net Position, Ending

149,052	1,202,645	3,467	22,523
161,971	1,189,545	3,468	21,627

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND CHANGES IN NET POSITION
 MODIFIED CASH BASIS - COMPONENT UNIT - BEARDSTOWN PUBLIC LIBRARY
 FOR THE YEAR ENDING APRIL 30, 2016

Continued from previous page

	ORIGINAL BUDGET	FINAL BUDGET	LIBRARY TOTALS	OVER (UNDER) BUDGET
CASH RECEIPTS				
Real Estate Tax	\$ 49,000	\$ 49,000	\$ 48,300	(700)
Interest Income	725	725	1,023	298
Grants & Gifts	48,140	48,140	46,588	(1,552)
Fees & Services & Fines	2,000	2,000	6,285	4,285
Total Cash Receipts	99,865	99,865	102,196	2,331
CASH DISBURSEMENTS				
Wages	67,750	67,750	63,721	(4,029)
Travel & Continuing Education	300	300	120	(180)
Library Materials & Supplies	5,000	5,000	10,381	5,381
Resource Sharing Alliance	3,300	3,300	3,335	35
Repairs & Maintenance	12,000	12,000	13,692	1,692
Custodial Supplies	500	500	415	(85)
Utilities & Telecommunications	11,300	11,300	8,966	(2,334)
Dues	180	180	239	59
Building Maintenance	800	800	574	(226)
Programs	300	300	1,829	1,529
Miscellaneous	1,500	1,500	-	(1,500)
Total Cash Disbursements	102,930	102,930	103,272	342
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ (3,065)	\$ (3,065)	(1,076)	\$ (1,989)
Net Position, Beginning			1,377,687	
Net Position, Ending			1,376,611	

**CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF ASSETS AND LIABILITIES AND NET POSITION
 MODIFIED CASH BASIS - ALL COMPONENT UNITS**

April 30, 2016

	BEARDSTOWN PUBLIC LIBRARY	BEARDSTOWN MUSEUM INC	TOTALS (MEMORANDUM) ONLY
ASSETS			
Cash	\$ 62,468	\$ 19,217	\$ 81,685
Due from Other Funds	-	-	-
Investments, at market value	171,042	-	171,042
Fixed Assets, Net	1,143,101	-	1,143,101
Total Assets	\$ 1,376,611	\$ 19,217	\$ 1,395,828
NET POSITION			
Invested in Capital Assets, net of related debt	1,143,101	-	1,143,101
Net Position, Restricted	233,510	19,217	252,727
Total Net Position	\$ 1,376,611	\$ 19,217	\$ 1,395,828

CITY OF BEARDSTOWN, ILLINOIS
 COMBINING STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
 AND CHANGES IN NET POSITION - MODIFIED CASH BASIS - ALL COMPONENT UNITS
 FOR THE YEAR ENDING APRIL 30, 2016

	BEARDSTOWN PUBLIC LIBRARY	BEARDSTOWN MUSEUM INC	TOTALS (MEMORANDUM) ONLY
CASH RECEIPTS			
Real estate tax, penalty and interest included	\$ 48,300	\$ -	\$ 48,300
Interest Income	1,023	30	1,053
Grants & Gifts	46,588	6,106	52,694
Fees, Services & Fines, Misc	6,285	2,146	8,431
Total Cash Receipts	102,196	8,282	110,478
CASH DISBURSEMENTS			
Wages	63,721	-	63,721
Advertising	-	926	926
Travel & Continuing Education	120	6,698	6,818
Materials & Supplies	10,381	-	10,381
Resource Sharing Alliance	3,335	-	3,335
Building, Furniture, Fixtures & Equipment	13,692	-	13,692
Custodial Supplies	415	-	415
Utilities & Telecommunications	8,966	-	8,966
Dues	239	-	239
Programs	1,829	-	1,829
Miscellaneous, Office, Admin	-	1,206	1,206
Total Cash Disbursements	103,272	8,830	112,102
Excess of Cash Receipts Over (Under) Cash Disbursements	(1,076)	(548)	(1,624)
Net Position, Beginning	1,377,687	19,765	1,397,452
Net Position, Ending	\$ 1,376,611	\$ 19,217	\$ 1,395,828

CITY OF BEARDSTOWN, ILLINOIS
 SCHEDULE OF ASSESSED VALUATION, RATES, AND EXTENSIONS
 APRIL 30, 2016

EXTENSION YEAR	COLLECTION YEAR	TAX RATE	ASSESSED VALUATION	EXTENSION
2015	2016	1.83040	\$ 33,092,403	\$ 605,723
2014	2015	1.88345	32,319,981	608,730
2013	2014	1.95753	30,335,137	593,819
2012	2013	1.75611	29,882,732	524,773
2011	2012	1.66104	30,430,268	505,459
2010	2011	1.60050	30,249,665	484,145
2009	2010	1.52520	30,384,564	463,425
2008	2009	1.59070	28,864,075	443,727
2007	2008	1.59070	27,970,822	444,933
2006	2007	1.34090	32,495,489	435,593
2005	2006	1.41570	29,437,776	416,751
2004	2005	1.33230	26,972,859	359,359
2003	2004	1.31900	26,793,835	353,411
2002	2003	1.36000	26,299,707	357,677
2001	2002	1.35560	26,564,531	360,109
2000	2001	1.43140	25,191,158	360,586
1999	2000	1.49950	24,216,193	363,122
1998	1999	1.52900	22,906,912	350,246
1997	1998	1.54640	22,647,292	350,218
1996	1997	1.60070	21,566,098	345,209
1995	1996	1.63780	21,077,692	345,210
1994	1995	1.84040	20,046,874	365,782
1993	1994	1.97823	18,634,806	339,918
1992	1993	1.89630	17,519,375	332,220
1991	1992	1.93690	16,430,159	318,236
1990	1991	1.98180	16,018,693	317,458
1989	1990	1.81790	15,204,075	276,395
1988	1989	1.80640	15,248,157	275,443
1987	1988	2.62490	15,601,273	409,518

CITY OF BEARDSTOWN, ILLINOIS
 SCHEDULE OF INSURANCE POLICIES IN FORCE
 APRIL 30, 2016

COMPANY
 Illinois Counties Risk Management Trust

TYPE OF POLICY

COVERAGE
 POLICY PERIOD
 12/31/15 to 12/31/16

Liability Coverages:

General Liability	Each Occurrence \$1.0 million General Annual Aggregate Limit \$3.0 million Products/Completed Operatino Annual Aggregate \$1.0 million Deductible \$2,500.
Sexual Abuse Liability	Premises Medical Payments, \$1,000 per person, \$50,000 per occurrence \$250,000 each occurrence, \$500,000 annual aggregate, \$5,000 deductible. Retroactive to 12/31/2013
Law Enforcement Liability Auto Liability	\$1.0 million each occurrence, \$3.0 million annual aggregate, \$2,500 deductible each occurrence. \$1.0 million each accident for bodily injury and/or property damage, \$0 deductible Auto medical payments limited to \$5,000 each person, \$25,000 each accident \$40,000 each accident, \$0 deductible
Uninsured/Underinsured Motorist Auto Physical Damage Coverage	\$1,423,650 auto physical damage (total scheduled value), \$999,424 total agreed value. Number of vehicles - 53. Comprehensive per Loss deductible \$1,000 Collision per loss deductible \$1,000
Garage Keepers Legal Liability Public Officials Liability	Coverage extension on newly acquired automobiles up to \$500,000 \$100,000 per occurrence \$1.0 million each occurrence, \$1.0 million general annual aggregate, \$5,000 deductible retroactive to 12/31/2013
Employment Practices Liability Employee Benefits Liability Cyber Liability Endorsement Coverage Extensions Employee Wage Reimbursement Non-Monetary Legal Defense	\$1.0 million per occurrence, \$5,000 deductible, retroactive to 12/31/13 \$1.0 million each occurrence, \$5,000 deductible, retroactive to 12/31/13 \$50,000 each occurrence, \$100,000 annual aggregate, retroactive to 12/31/13

EXCESS LIABILITY

General Liability	\$7.0 million
Law Enforcement Liability	\$7.0 million
Auto Liability	\$7.0 million
Public Officials (Claims made)	\$7.0 million

PROPERTY AND INLAND MARINE

Limits of Insurance: In no event shall liability in any one occurrence for any one Building, and one Structure or Business Personal Property at any one location exceed 125% of the individually stated value for such property as show in the latest Statement of Values or other documentation on file with the Trust, nor shall liability exceed any specific Limit of Insurance applying to any Insured, Loss, coverage or location.

Deductible Property \$5,000
 Deductible Inland marine \$1,000

COVERED PROPERTY

Building Values	\$ 11,288,849
Business Personal Property including Stationary EDP	\$ 873,000
Personal Property of Others	\$ 100,000
Newly Constructed or Acquired Property	\$ 1,000,000
Foot Bridges & Appurtenant Structures	\$ 100,000
Covered Property in Transit	\$ 100,000

Continued on next page

CITY OF BEARDSTOWN, ILLINOIS
 SCHEDULE OF INSURANCE POLICIES IN FORCE

APRIL 30, 2016

Continued from previous page

ADDITIONAL PROPERTY COVERAGES

Earthquake, including mine subsidence	\$	5,000,000
\$300 million Program Aggregate, deductible of Greater of \$50,000 or 2% of the damaged location	\$	5,000,000
Flood, including backup sewer and water seepage excludes Flood Zone A and V, \$300 million program aggregate, deductible of \$50,000 of the damaged location	\$	5,000,000
COVERED COSTS AND EXPENSES		
Debris Removal (whichever is greater)	25% or \$500,000	
Pollutant cleanup and Removal, aggregate in any one Policy Year	\$	25,000
Fire Department Service Charge	\$	5,000
Fire Protection Equipment Discharge	\$	5,000
Ordinance or Law Coverage	\$	1,000,000
Preservation of Property	\$	25,000
Protection of Property	\$	25,000

COVERAGE EXTENSION

\$250,000 Blanket Coverage Limit for the following Extension	
Extra Expense/Business Income	
Fine Arts	
Accounts Receivable	
Valuable Papers and Records	

SCHEDULED LIMITS

Extra Expense, business income, rental value - excess	\$	500,000
Course of Construction (Builders Risk)	\$	1,000,000
Communications Equipment	\$	24,400
EDP Equipment	\$	110,000
Mobile Equipment greater than or equal to \$10,000 per item (ACV)	\$	348,700
Mobile Equipment less than \$10,000 per item (ACV)	\$	306,415
Tools	\$	50,000

SUPPLEMENTAL COVERAGES

Communication Towers	\$	25,000
Outdoor Property including debris removal, in any one occurrence	\$	100,000
Trees, shrubs and plants are subject to a maximum per item of	\$	1,000
Golf course tees and greens to a maximum per item of	\$	5,000
Contractors Equipment non-owned, per item	\$	100,000
Contractors Equipment non-owned, per occurrence	\$	250,000
Interruption of computer Operation per occurrence	\$	50,000
Interruption of Computer Operation, annual aggregate	\$	100,000
Personal Effects per location	\$	10,000
Personal Effect per occurrence	\$	25,000
Retaining walls and other outdoor walls	\$	10,000
Underground Sprinkler System	\$	10,000
Unintentional Errors and Omissions	\$	100,000
Utility Services - Direct Damage	\$	25,000
Utility Services - Time Element	\$	25,000
Limited fungus/fungi, wet rot and dry rot coverage	\$	25,000
Direct Damage in any one occurrence	\$	15,000
Business Income and Extra Expense in any one occurrence	\$	15,000
Extra Expenses Number of days		30

**CITY OF BEARDSTOWN, ILLINOIS
SCHEDULE OF INSURANCE POLICIES IN FORCE**

APRIL 30, 2016

EQUIPMENT BREAKDOWN PROTECTION

Total building and contents value	\$	12,161,849	
Coverage Extensions			
Combined Business Income			Included
Combined Extra Expense			Included
Spoilage Damage			Included
Utility Interruption - Time Element			Included
Civil Authority			Included
Electronic Data or Media			Included
Error in Description			Included
Expediting Expenses			Included
Fungus, wet rot or dry rot			Included
Ordinance or Law	\$	15,000	Included
Refrigerant Contamination			Included
Hazardous Substance			Included
Newly Acquired Property			Included
Debris Removal			1,000,000
Pollutant cleanup & Removal	\$	25% or \$500,000	Included
Water Damage			Included
Deductible:			
Property Damage			5,000
Business Income, Extra Expense & Utility Interruption	\$		24 hours
Blanket Employee Dishonesty	\$	500,000	
Loss Inside the Premises - Money & Securities	\$	500,000	
Loss Outside the Premises	\$	500,000	
Money Orders and Counterfeit Currency	\$	500,000	
Depositors Forgery or Alterations	\$	500,000	
Computer Fraud	\$	500,000	
Funds Transfer Fraud	\$	500,000	
Deductible	\$	1,000	
All deductibles for all coverages apply to each occurrence and do not erode or reduce the Limits of Insurance.			

WORKERS COMPENSATION

Coverage A, Workers Compensation Limit are set by statute			
Coverage B, Employers' liability limit			
Each Accident	\$	2,500,000	
Each Employee for Disease	\$	2,500,000	
Deductible, each accident	\$	-	
Coverage is extended to volunteers			

**CITY OF BEARDSTOWN, ILLINOIS
SCHEDULE OF INSURANCE POLICIES IN FORCE**

APRIL 30, 2016

National Union Fire Insurance Co.	Aviation Commercial General Liability	\$1,000,000 each occurrence, 5/1/15 to 5/1/16, renewed for the next year		
		Products/Completed Operations not covered		
		Personal and Advertising Injury	\$	\$1,000,000 each occurrence
		Fire Damage (any one fire)	\$	50,000
		Medical Expense	\$	3,000
		Hangarkeeper's Liability		
		Each Aircraft	\$	50,000
		Each Loss	\$	100,000
		Deductible (each aircraft)	\$	1,000
Pekin Insurance	Fire & Police Commissioner Bonds			
	DeLoche	1,000		2/1/16 to 2/1/17
	Thurman	1,000		5/4/16 to 5/4/17
	Kays	1,000		2/1/16 to 2/1/17
Illinois Municipal League Risk Management Assn.	Public Officials Position Bonds			
	Mayor	100,000		5/7/13 to 5/7/17
	City Clerk	100,000		4/17/13 to 4/17/17
	City Treasurer	25,000		4/17/13 to 4/17/17
Pekin Insurance Pekin Insurance	Public Employees Blanket Bonds			
	Notary Bonds	5,000		01/08/16 to 01/08/17
	Brian Ruch			
	Heidi Brown	5,000		4/18/13 to 4/18/17
	Karen Whitlow	5,000		3/11/16 to 3/11/20
				8/1/13 to 8/1/17

**CITY OF BEARDSTOWN, ILLINOIS
 SCHEDULE OF SEWERAGE SYSTEM USER FEES
 APRIL 30, 2016**

The following rates were adopted on August 1, 2015 under the provisions of Ordinance 2014-06.

Rate Per Month	Based on Estimated or Actual Usage
Customers Within Corporate Limits:	
First two thousand (2,000) gallons or any fraction of	\$10.00
Additional one thousand (1,000) gallons or any fraction thereof	1.00
Customers Outside Corporate Limits:	
First two thousand (2,000) gallons or any fraction of	\$12.00
Additional one thousand (1,000) gallons or any fraction thereof	1.00
Non-water customers	
Basic water charge	13.00

**CITY OF BEARDSTOWN, ILLINOIS
SCHEDULE OF WATERWORKS SYSTEM USER FEES**

APRIL 30, 2016

The following rates were adopted commencing the August 1, 2015 under the provisions of Ordinance 2014-04.

	Rate Per Month Based on Estimated or Actual Usage
Customers Within Corporate Limits:	
First two thousand (2,000) gallons or any fraction of	\$22.25
Additional one thousand (1,000) gallons or any fraction thereof	6.00
Customers Outside Corporate Limits:	
First two thousand (2,000) gallons or any fraction of	\$27.00
Additional one thousand (1,000) gallons or any fraction thereof	7.00
Non-water customers	
Basic water charge	13.00