

CITY OF NEOGA, ILLINOIS
FINANCIAL STATEMENTS
For the Year Ended April 30, 2015

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners
City of Neoga
Neoga, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Neoga, Illinois, as of and for the year ended April 30, 2015, 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Neoga, Illinois, as of April 30, 2015, and the respective changes in financial position and, where applicable, cash flows and the respective budgetary comparison for the General Fund, Economic Development Fund, Employee Benefits Fund, Tax Increment Financing Fund, and IKE Grant Fund, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Funding Progress on page 40 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.

Management has not presented management's discussion and analysis that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Neoga, Illinois' basic financial statements. The combining and individual nonmajor fund financial statements and additional information listed in the table of contents 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 are fairly stated in all material respects in relation to the basic financial statements as a whole.

The additional information has 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.

Gilbert, Metzger & Madigan, LLP

October 26, 2015

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF NEOGA, ILLINOIS
STATEMENT OF NET POSITION
April 30, 2015

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash deposits	\$ 2,182,930.91	\$ 746,172.31	\$ 2,929,103.22
Receivables:			
Property taxes	375,520.34	-	375,520.34
Utility taxes	7,569.12	-	7,569.12
Interest receivable	196.64	-	196.64
Accounts receivable	-	70,078.73	70,078.73
Due from other governmental agencies	110,542.13	-	110,542.13
CDAP loans receivable	145,133.01	-	145,133.01
Prepaid expenses	60,465.33	9,476.25	69,941.58
Restricted assets:			
Cash deposits	-	13,038.36	13,038.36
Capital assets, net of accumulated depreciation	1,396,334.53	2,664,687.68	4,061,022.21
Total assets	4,278,692.01	3,503,453.33	7,782,145.34
LIABILITIES			
Accounts payable	6,923.32	11,067.32	17,990.64
Accrued payroll taxes and withholdings	5,127.47	-	5,127.47
Accrued interest	-	2,619.25	2,619.25
Accrued salaries	4,543.74	2,115.59	6,659.33
Unearned revenue	23,738.11	-	23,738.11
Accumulated vacation and sick pay	14,566.47	13,729.50	28,295.97
Meter deposits	-	8,871.10	8,871.10
Bonds payable, due within one year	-	29,223.92	29,223.92
Bonds payable, due in more than one year	-	347,619.96	347,619.96
Other long-term liabilities, due within one year	33,339.31	-	33,339.31
Other long-term liabilities, due in more than one year	329,535.56	-	329,535.56
Total liabilities	417,773.98	415,246.64	833,020.62
DEFERRED INFLOWS OF RESOURCES			
Unavailable property taxes	375,520.34	-	375,520.34

CITY OF NEOGA, ILLINOIS
STATEMENT OF NET POSITION
April 30, 2015

	Governmental Activities	Business-Type Activities	Total
NET POSITION			
Net investment in capital assets	1,396,334.53	2,287,843.80	3,684,178.33
Restricted for:			
Water system improvements	-	17,640.00	17,640.00
Community improvement	17,146.11	-	17,146.11
Public safety	6,581.73	-	6,581.73
Unemployment insurance	22,841.78	-	22,841.78
Economic development	1,602,342.27	-	1,602,342.27
Street maintenance	43,256.02	-	43,256.02
Cemetery maintenance (nonexpendable)	13,400.00	-	13,400.00
Unrestricted	383,495.25	782,722.89	1,166,218.14
 Total Net Position	 \$ 3,485,397.69	 \$ 3,088,206.69	 \$ 6,573,604.38

The accompanying notes are an integral part of these financial statements.

CITY OF NEOGA, ILLINOIS
STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Governmental activities:							
General government	\$ 327,268.20	\$ 6,792.00	\$ 27,840.81	\$ -	\$ (292,635.39)	\$ -	\$ (292,635.39)
Cemetery	19,726.42	700.00	20.11	-	(19,006.31)	-	(19,006.31)
Public safety	195,008.21	30,180.18	-	-	(164,828.03)	-	(164,828.03)
Highways and streets	131,120.68	1,431.88	56,195.65	455,057.53	381,564.38	-	381,564.38
Sanitation	15,500.00	150.00	-	-	(15,350.00)	-	(15,350.00)
Health and welfare	46,337.37	500.00	-	-	(45,837.37)	-	(45,837.37)
Economic development and assistance	2,035.10	13,789.52	-	-	11,754.42	-	11,754.42
Total governmental activities	<u>736,995.98</u>	<u>53,543.58</u>	<u>84,056.57</u>	<u>455,057.53</u>	<u>(144,338.30)</u>	<u>-</u>	<u>(144,338.30)</u>
Business-type activities:							
Water	246,779.73	327,248.18	-	29,650.00	-	110,118.45	110,118.45
Sewer	238,401.16	239,051.54	-	-	-	650.38	650.38
Total business-type activities	<u>485,180.89</u>	<u>566,299.72</u>	<u>-</u>	<u>29,650.00</u>	<u>-</u>	<u>110,768.83</u>	<u>110,768.83</u>
Total government	<u>\$ 1,222,176.87</u>	<u>\$ 619,843.30</u>	<u>\$ 84,056.57</u>	<u>\$ 484,707.53</u>	<u>(144,338.30)</u>	<u>110,768.83</u>	<u>(33,569.47)</u>
General revenues:							
Taxes:							
Property taxes					375,874.82	-	375,874.82
Personal property replacement tax					10,669.08	-	10,669.08
Municipal retailers' occupation tax					208,286.04	-	208,286.04
Local use tax					33,486.80	-	33,486.80
Illinois income tax					164,819.98	-	164,819.98
Franchise taxes					20,898.65	-	20,898.65
Utility taxes					97,339.47	-	97,339.47
Telecommunications tax					34,291.15	-	34,291.15
Video gaming tax					14,928.98	-	14,928.98
Interest income					13,821.84	3,282.27	17,104.11
Gain (loss) on sale of capital assets					7,042.86	-	7,042.86
Miscellaneous					6,670.82	-	6,670.82
Total general revenues					<u>988,130.49</u>	<u>3,282.27</u>	<u>991,412.76</u>
Change in net position					843,792.19	114,051.10	957,843.29
Net position, beginning of year					<u>2,641,605.50</u>	<u>2,974,155.59</u>	<u>5,615,761.09</u>
Net Position, End of Year					<u>\$ 3,485,397.69</u>	<u>\$ 3,088,206.69</u>	<u>\$ 6,573,604.38</u>

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

CITY OF NEOGA, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
April 30, 2015

	<u>General</u>	<u>Economic Development</u>	<u>Employee Benefits</u>	<u>Tax Increment Financing</u>	<u>IKE Grant Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS							
Cash deposits	\$ 623,807.65	\$ 1,238,742.56	\$ 48,734.80	\$ 205,950.87	\$ 2,956.65	\$ 62,738.38	\$ 2,182,930.91
Receivables:							
Property taxes	100,579.86	-	105,300.74	169,639.74	-	-	375,520.34
Utility taxes	7,569.12	-	-	-	-	-	7,569.12
Interest receivable	-	196.64	-	-	-	-	196.64
Due from other governmental agencies	105,334.44	-	-	-	-	5,207.69	110,542.13
CDAP loans receivable	-	145,133.01	-	-	-	-	145,133.01
Due from other funds	-	1,212.39	-	-	-	-	1,212.39
Prepaid expenditures	<u>20,398.10</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,398.10</u>
 Total Assets	 <u>\$ 857,689.17</u>	 <u>\$ 1,385,284.60</u>	 <u>\$ 154,035.54</u>	 <u>\$ 375,590.61</u>	 <u>\$ 2,956.65</u>	 <u>\$ 67,946.07</u>	 <u>\$ 2,843,502.64</u>
LIABILITIES							
Accounts payable	\$ 6,923.32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,923.32
Accrued payroll taxes and withholdings	-	-	5,127.47	-	-	-	5,127.47
Due to other funds	1,212.39	-	-	-	-	-	1,212.39
Accrued salaries	4,543.74	-	-	-	-	-	4,543.74
Unearned revenue	<u>23,738.11</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,738.11</u>
Total liabilities	<u>36,417.56</u>	<u>-</u>	<u>5,127.47</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,545.03</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable property taxes	<u>100,579.86</u>	<u>-</u>	<u>105,300.74</u>	<u>169,639.74</u>	<u>-</u>	<u>-</u>	<u>375,520.34</u>

CITY OF NEOGA, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
April 30, 2015

FUND BALANCES	<u>General</u>	<u>Economic Development</u>	<u>Employee Benefits</u>	<u>Tax Increment Financing</u>	<u>IKE Grant Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable	20,398.10	-	-	-	-	13,400.00	33,798.10
Restricted for:							
Community improvement	17,146.11	-	-	-	-	-	17,146.11
Public safety	6,581.73	-	-	-	-	-	6,581.73
Unemployment insurance	-	-	22,841.78	-	-	-	22,841.78
Economic development	-	1,385,284.60	-	205,786.84	-	11,270.83	1,602,342.27
Street maintenance	-	-	-	-	-	43,256.02	43,256.02
Committed for:							
Public safety	33,212.63	-	-	-	-	-	33,212.63
Equipment	52,798.65	-	-	-	-	-	52,798.65
Assigned for:							
Cemetery maintenance	5,151.05	-	-	-	-	-	5,151.05
Employee benefits	-	-	20,765.55	-	-	-	20,765.55
Economic development	-	-	-	164.03	-	19.22	183.25
Storm sewer improvements	-	-	-	-	2,956.65	-	2,956.65
Community improvement	1,120.68	-	-	-	-	-	1,120.68
Unassigned	584,282.80	-	-	-	-	-	584,282.80
Total fund balances	<u>720,691.75</u>	<u>1,385,284.60</u>	<u>43,607.33</u>	<u>205,950.87</u>	<u>2,956.65</u>	<u>67,946.07</u>	<u>2,426,437.27</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balance	 <u>\$ 857,689.17</u>	 <u>\$ 1,385,284.60</u>	 <u>\$ 154,035.54</u>	 <u>\$ 375,590.61</u>	 <u>\$ 2,956.65</u>	 <u>\$ 67,946.07</u>	 <u>\$ 2,843,502.64</u>

The accompanying notes are an integral part of these financial statements.

CITY OF NEOGA, ILLINOIS
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 April 30, 2015

Total fund balance - total governmental funds		\$ 2,426,437.27
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. This is the amount by which capital assets of \$1,982,500.19 exceeds accumulated depreciation of \$586,165.66.		1,396,334.53
Certain prepaid expenses do not require current financial resources. Therefore, these prepaid expenses are not reported as an asset in the governmental funds balance sheet.		40,067.23
Long-term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet.		
Accumulated vacation and sick pay	14,566.47	
Other long-term liabilities, due within one year	33,339.31	
Other long-term liabilities, due in more than one year	329,535.56	(377,441.34)
Net Position of Governmental Activities		\$ 3,485,397.69

The accompanying notes are an integral part of these financial statements.

CITY OF NEOGA, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended April 30, 2015

	General	Economic Development	Employee Benefits	Tax Increment Financing	IKE Grant Fund	Other Governmental Funds	Total Governmental Funds
Revenues:							
Property taxes	\$ 100,109.10	\$ -	\$ 103,642.95	\$ 172,122.77	\$ -	\$ -	\$ 375,874.82
Personal property replacement tax	10,669.08	-	-	-	-	-	10,669.08
Municipal retailers' occupation tax	199,965.05	-	-	-	-	8,320.99	208,286.04
Local use tax	33,486.80	-	-	-	-	-	33,486.80
Illinois motor fuel tax	-	-	-	-	-	56,195.65	56,195.65
Illinois income tax	164,819.98	-	-	-	-	-	164,819.98
Utility tax	97,339.47	-	-	-	-	-	97,339.47
Telecommunications tax	34,291.15	-	-	-	-	-	34,291.15
Video gaming tax	14,928.98	-	-	-	-	-	14,928.98
Franchise tax	20,898.65	-	-	-	-	-	20,898.65
Other governmental agencies	1,414.61	-	-	-	-	-	1,414.61
Grant income	-	-	-	-	455,057.53	-	455,057.53
Licenses, permits and fees	5,040.26	-	-	-	-	-	5,040.26
Fines	29,619.92	-	-	-	-	-	29,619.92
Rental income	16,684.52	-	-	-	-	-	16,684.52
Interest income	2,428.89	11,245.20	5.91	115.07	-	46.88	13,841.95
Donations	27,840.81	-	-	-	-	-	27,840.81
Other income	7,455.09	-	-	-	-	-	7,455.09
Total revenues	766,992.36	11,245.20	103,648.86	172,237.84	455,057.53	64,563.52	1,573,745.31
Expenditures:							
General government	210,058.40	-	111,898.01	-	-	-	321,956.41
Cemetery	18,951.42	-	-	-	-	-	18,951.42
Public safety	183,823.40	-	-	-	-	-	183,823.40
Highways and streets	162,026.62	-	-	-	477,835.00	45,043.58	684,905.20
Sanitation	15,500.00	-	-	-	-	-	15,500.00
Health and welfare	53,324.34	-	-	-	-	-	53,324.34
Economic development and assistance	1,235.10	800.00	-	14,933.08	-	7,909.00	24,877.18
Total expenditures	644,919.28	800.00	111,898.01	14,933.08	477,835.00	52,952.58	1,303,337.95
Excess (deficiency) of revenues over expenditures	122,073.08	10,445.20	(8,249.15)	157,304.76	(22,777.47)	11,610.94	270,407.36

CITY OF NEOGA, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended April 30, 2015

	<u>General</u>	<u>Economic Development</u>	<u>Employee Benefits</u>	<u>Tax Increment Financing</u>	<u>IKE Grant Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Other Financing Sources (Uses):							
Gain on sale of capital assets	9,900.00	-	-	-	-	-	9,900.00
Transfers in	20.11	-	-	-	15,000.00	-	15,020.11
Transfers out	<u>(15,000.00)</u>	-	-	-	-	<u>(20.11)</u>	<u>(15,020.11)</u>
Total other financing sources (uses)	<u>(5,079.89)</u>	-	-	-	<u>15,000.00</u>	<u>(20.11)</u>	<u>9,900.00</u>
Net change in fund balances	116,993.19	10,445.20	(8,249.15)	157,304.76	(7,777.47)	11,590.83	280,307.36
Fund balance, beginning of year	<u>603,698.56</u>	<u>1,374,839.40</u>	<u>51,856.48</u>	<u>48,646.11</u>	<u>10,734.12</u>	<u>56,355.24</u>	<u>2,146,129.91</u>
Fund Balance, End of Year	<u>\$ 720,691.75</u>	<u>\$ 1,385,284.60</u>	<u>\$ 43,607.33</u>	<u>\$ 205,950.87</u>	<u>\$ 2,956.65</u>	<u>\$ 67,946.07</u>	<u>\$ 2,426,437.27</u>

The accompanying notes are an integral part of these financial statements.

CITY OF NEOGA, ILLINOIS
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
 STATEMENT OF ACTIVITIES
 For the Year Ended April 30, 2015

Net change in fund balances - total governmental funds	\$ 280,307.36
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.	610,985.48
Depreciation expense on capital assets is reported in the government-wide statement of activities, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in the governmental funds.	(65,117.12)
Certain prepaid expenses reported in the statement of activities do not require the use of current financial resources and are, therefore, not reported as expenditures in the governmental funds.	1,146.63
The City sold a capital asset with a net book value of \$2,857.14 which is only reported on the statement of activities.	(2,857.14)
Some expenses reported in the statement of activities do not require the use of current financial resources; and therefore, are not reported as expenditures in the governmental funds.	
Increase in compensated absence expense	(3,515.05)
Decrease in other long-term liabilities	<u>22,842.03</u>
Change in Net Position of Governmental Activities	<u>\$ 843,792.19</u>

The accompanying notes are an integral part of these financial statements.

CITY OF NEOGA, ILLINOIS
CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET
GENERAL FUND
(Includes General and Cemetery Maintenance Funds)
For the Year Ended April 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
General Fund:				
RECEIPTS				
Revenue:				
Property taxes	\$ 150,000.00	\$ 150,000.00	\$ 100,109.10	\$ (49,890.90)
Personal property replacement income tax	15,000.00	15,000.00	10,205.82	(4,794.18)
Municipal retailers' occupation tax	200,000.00	200,000.00	198,565.00	(1,435.00)
Local use tax	40,000.00	40,000.00	31,504.49	(8,495.51)
Illinois income tax	185,000.00	185,000.00	158,864.50	(26,135.50)
Utility tax	95,000.00	97,200.00	97,181.50	(18.50)
Telecommunications tax	60,000.00	60,000.00	34,622.10	(25,377.90)
Video gaming tax	10,000.00	14,000.00	13,816.33	(183.67)
Franchise tax	18,500.00	25,500.00	20,898.65	(4,601.35)
Miscellaneous licenses, permits and fees	12,400.00	12,400.00	9,065.26	(3,334.74)
Fines and violations	50,000.00	50,000.00	28,424.93	(21,575.07)
Rent income	28,000.00	33,000.00	16,880.73	(16,119.27)
Interest received	300.00	300.00	2,424.75	2,124.75
Donations	-	-	27,840.81	27,840.81
Miscellaneous revenue	21,650.00	21,650.00	7,362.82	(14,287.18)
Streets and alleys	5,000.00	5,000.00	1,431.88	(3,568.12)
Sale of assets	-	-	9,900.00	9,900.00
Total revenue receipts	<u>890,850.00</u>	<u>909,050.00</u>	<u>769,098.67</u>	<u>(139,951.33)</u>
Non-Revenue:				
Loan repayment from other funds	-	-	4,507.06	4,507.06
Loans	<u>97,000.00</u>	<u>97,000.00</u>	<u>-</u>	<u>(97,000.00)</u>
Total non-revenue receipts	<u>97,000.00</u>	<u>97,000.00</u>	<u>4,507.06</u>	<u>(92,492.94)</u>
 Total receipts	 <u>987,850.00</u>	 <u>1,006,050.00</u>	 <u>773,605.73</u>	 <u>(232,444.27)</u>
DISBURSEMENTS				
General Government:				
Salaries Division:				
City officials salaries	<u>10,000.00</u>	<u>10,000.00</u>	<u>9,200.00</u>	<u>800.00</u>
Contingent Division:				
Training	2,000.00	2,500.00	2,358.23	141.77
Miscellaneous	19,500.00	34,000.00	33,617.41	382.59
Stipend to CCDC	1,000.00	1,000.00	-	1,000.00
Insurance	1,500.00	500.00	118.00	382.00
Legal and audit	30,000.00	17,000.00	12,626.94	4,373.06

CITY OF NEOGA, ILLINOIS
CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET
GENERAL FUND
(Includes General and Cemetery Maintenance Funds)
For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual	Positive (Negative) Final Budget
Mileage	2,500.00	2,500.00	1,284.87	1,215.13
Publications and dues	5,000.00	4,000.00	1,971.00	2,029.00
Donations	6,000.00	6,000.00	-	6,000.00
	<u>67,500.00</u>	<u>67,500.00</u>	<u>51,976.45</u>	<u>15,523.55</u>
 Liability Insurance Division:				
Liability insurance	40,000.00	41,000.00	40,762.25	237.75
 Municipal Office and Building Division:				
Salaries	60,000.00	60,000.00	53,125.01	6,874.99
Employee insurance	7,000.00	7,000.00	6,580.22	419.78
Petty cash	2,000.00	2,000.00	1,000.00	1,000.00
Training	1,000.00	1,000.00	-	1,000.00
Subscriptions	100.00	100.00	-	100.00
Supplies and postage	7,500.00	7,500.00	6,133.87	1,366.13
Repairs and upkeep	13,687.00	15,787.00	10,667.77	5,119.23
Utilities	7,000.00	7,000.00	5,936.20	1,063.80
Telephone	2,500.00	2,900.00	2,809.03	90.97
Equipment	4,000.00	1,500.00	716.00	784.00
Miscellaneous	3,600.00	3,600.00	1,970.99	1,629.01
	<u>108,387.00</u>	<u>108,387.00</u>	<u>88,939.09</u>	<u>19,447.91</u>
 Maintenance Building:				
Utilities	4,000.00	4,000.00	2,648.29	1,351.71
Repairs and upkeep	13,500.00	13,500.00	-	13,500.00
Miscellaneous	500.00	500.00	-	500.00
	<u>18,000.00</u>	<u>18,000.00</u>	<u>2,648.29</u>	<u>15,351.71</u>
 Worker's Compensation:				
Worker's compensation	30,000.00	30,000.00	16,614.00	13,386.00
 Total general government disbursements				
	<u>273,887.00</u>	<u>274,887.00</u>	<u>210,140.08</u>	<u>64,746.92</u>
 Public Safety:				
ESDA Division:				
Salaries	500.00	500.00	225.00	275.00
Repairs	50.00	50.00	-	50.00

CITY OF NEOGA, ILLINOIS
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET
 GENERAL FUND

(Includes General and Cemetery Maintenance Funds)
 For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual	Positive (Negative) Final Budget
Insurance	150.00	150.00	-	150.00
Supplies	100.00	100.00	-	100.00
Miscellaneous	600.00	600.00	25.00	575.00
Equipment	1,000.00	1,000.00	-	1,000.00
	<u>2,400.00</u>	<u>2,400.00</u>	<u>250.00</u>	<u>2,150.00</u>
Police Division:				
Salaries	150,000.00	149,700.00	143,034.72	6,665.28
Employee insurance	10,000.00	10,000.00	9,684.46	315.54
Training	2,000.00	2,000.00	1,173.22	826.78
Equipment	5,000.00	5,000.00	338.96	4,661.04
Clothing	4,000.00	4,000.00	542.33	3,457.67
Car expense	12,000.00	12,000.00	7,119.00	4,881.00
Repairs	10,000.00	10,000.00	4,188.04	5,811.96
Supplies	3,000.00	3,000.00	1,726.65	1,273.35
Utilities	1,100.00	1,100.00	1,066.29	33.71
Janitorial services	1,000.00	1,000.00	600.00	400.00
Miscellaneous	3,700.00	4,000.00	3,822.97	177.03
Software	2,500.00	2,500.00	1,471.32	1,028.68
Subscription/publication	2,200.00	2,200.00	669.28	1,530.72
Telephone	3,500.00	3,500.00	2,742.37	757.63
	<u>210,000.00</u>	<u>210,000.00</u>	<u>178,179.61</u>	<u>31,820.39</u>
Building Inspection Division:				
Legal service	-	500.00	234.00	266.00
Inspection fees	8,000.00	7,500.00	5,400.00	2,100.00
Miscellaneous	1,000.00	1,000.00	175.00	825.00
	<u>9,000.00</u>	<u>9,000.00</u>	<u>5,809.00</u>	<u>3,191.00</u>
Total public safety disbursements	<u>221,400.00</u>	<u>221,400.00</u>	<u>184,238.61</u>	<u>37,161.39</u>
Highways and Streets:				
Street, Alley and Bridge Division:				
Salaries	65,000.00	65,000.00	43,787.73	21,212.27
Employee insurance	5,000.00	6,000.00	5,909.14	90.86
Street maintenance, snow removal, etc.	150,000.00	150,000.00	55,590.45	94,409.55
Sidewalk replacement	20,000.00	20,000.00	-	20,000.00
Truck expense	6,000.00	6,000.00	4,195.01	1,804.99
Equipment repairs	3,000.00	4,100.00	4,007.01	92.99
Supplies	5,000.00	5,000.00	3,074.95	1,925.05
Uniforms	1,000.00	1,000.00	714.10	285.90
Utilities	250.00	1,250.00	1,018.68	231.32

CITY OF NEOGA, ILLINOIS
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET
 GENERAL FUND
 (Includes General and Cemetery Maintenance Funds)
 For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual	Positive (Negative) Final Budget
Telephone	100.00	100.00	-	100.00
Equipment	20,000.00	20,000.00	498.95	19,501.05
Travel/mileage	1,000.00	1,000.00	715.90	284.10
Vehicle	44,000.00	16,200.00	1,299.10	14,900.90
Loan payments	500.00	500.00	-	500.00
Street lighting	10,000.00	10,000.00	8,237.64	1,762.36
Publishing	500.00	700.00	669.28	30.72
Software	1,500.00	1,500.00	615.32	884.68
Janitorial services	800.00	800.00	600.00	200.00
Engineering services	3,000.00	12,000.00	11,907.44	92.56
Legal fees	1,000.00	1,000.00	-	1,000.00
Training	1,000.00	1,000.00	348.22	651.78
Building maintenance	4,500.00	20,000.00	17,298.33	2,701.67
Miscellaneous	2,100.00	2,100.00	1,087.82	1,012.18
Capital improvements	125,000.00	125,000.00	-	125,000.00
Total highways and streets disbursements	<u>470,250.00</u>	<u>470,250.00</u>	<u>161,575.07</u>	<u>308,674.93</u>
Sanitation:				
Sanitation Division:				
Disposal services	2,000.00	2,000.00	1,080.00	920.00
Dumpsters	15,000.00	15,000.00	14,420.00	580.00
Miscellaneous	500.00	500.00	-	500.00
Total sanitation disbursements	<u>17,500.00</u>	<u>17,500.00</u>	<u>15,500.00</u>	<u>2,000.00</u>
Health and Welfare:				
Health and Safety Division:				
Animal control	3,500.00	275.00	-	275.00
Contract mowing	4,000.00	1,500.00	1,075.00	425.00
Salaries	-	-	225.00	(225.00)
Equipment repair	1,000.00	1,000.00	-	1,000.00
Supplies/equipment	11,000.00	15,500.00	15,123.50	376.50
Demolitions	15,000.00	1,000.00	-	1,000.00
Postage	100.00	100.00	-	100.00
Legal service	10,000.00	44,925.00	31,513.84	13,411.16
Miscellaneous	7,100.00	4,600.00	3,784.77	815.23
Total health and welfare disbursements	<u>51,700.00</u>	<u>68,900.00</u>	<u>51,722.11</u>	<u>17,177.89</u>

CITY OF NEOGA, ILLINOIS
CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET
GENERAL FUND
(Includes General and Cemetery Maintenance Funds)
For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual	Positive (Negative) Final Budget
Economic Development and Assistance:				
Land	60,000.00	60,000.00	-	60,000.00
Engineering services	10,000.00	10,000.00	-	10,000.00
Utilities	5,000.00	5,000.00	-	5,000.00
Miscellaneous	<u>12,000.00</u>	<u>12,000.00</u>	<u>1,235.10</u>	<u>10,764.90</u>
 Total economic development and assistance disbursements	 <u>87,000.00</u>	 <u>87,000.00</u>	 <u>1,235.10</u>	 <u>85,764.90</u>
 Culture and Recreation:				
Veteran's Memorial	<u>-</u>	<u>-</u>	<u>16,000.00</u>	<u>(16,000.00)</u>
 Total expense disbursements	 <u>1,121,737.00</u>	 <u>1,139,937.00</u>	 <u>640,410.97</u>	 <u>499,526.03</u>
 Non-Expense Disbursements:				
Transfers to other funds	<u>97,000.00</u>	<u>97,000.00</u>	<u>30,000.00</u>	<u>67,000.00</u>
 Total disbursements	 <u>1,218,737.00</u>	 <u>1,236,937.00</u>	 <u>670,410.97</u>	 <u>566,526.03</u>
 Excess of receipts (disbursements)	 <u>(230,887.00)</u>	 <u>(230,887.00)</u>	 <u>103,194.76</u>	 <u>334,081.76</u>
 Cemetery Maintenance Fund:				
RECEIPTS				
Revenue:				
Sale of lots	5,000.00	5,000.00	700.00	(4,300.00)
Interest received	50.00	50.00	4.14	(45.86)
Miscellaneous	<u>100.00</u>	<u>100.00</u>	<u>-</u>	<u>(100.00)</u>
Total revenue receipts	<u>5,150.00</u>	<u>5,150.00</u>	<u>704.14</u>	<u>(4,445.86)</u>
 Non-Revenue:				
Transfers from other funds	<u>22,000.00</u>	<u>22,000.00</u>	<u>15,020.11</u>	<u>(6,979.89)</u>
 Total receipts	 <u>27,150.00</u>	 <u>27,150.00</u>	 <u>15,724.25</u>	 <u>(11,425.75)</u>

CITY OF NEOGA, ILLINOIS
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET
 GENERAL FUND
 (Includes General and Cemetery Maintenance Funds)
 For the Year Ended April 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
DISBURSEMENTS				
Cemetery:				
Maintenance contract	27,000.00	27,000.00	19,070.00	7,930.00
Street maintenance	8,846.00	8,846.00	-	8,846.00
Printing deeds	100.00	100.00	-	100.00
Supplies	1,000.00	1,000.00	128.28	871.72
Equipment	500.00	500.00	-	500.00
Legal fees	1,000.00	1,000.00	39.00	961.00
Miscellaneous	<u>12,000.00</u>	<u>12,000.00</u>	<u>132.00</u>	<u>11,868.00</u>
 Total disbursements	 <u>50,446.00</u>	 <u>50,446.00</u>	 <u>19,369.28</u>	 <u>31,076.72</u>
 Excess of receipts (disbursements)	 <u>(23,296.00)</u>	 <u>(23,296.00)</u>	 <u>(3,645.03)</u>	 <u>19,650.97</u>
 Total excess of receipts (disbursements)	 <u>\$ (254,183.00)</u>	 <u>\$ (254,183.00)</u>	 99,549.73	 <u>\$ 353,732.73</u>
 Cash and cash deposits, beginning of year			 <u>524,257.92</u>	
 Cash and Cash Deposits, End of Year			 <u>\$ 623,807.65</u>	

The accompanying notes are an integral part of these financial statements.

CITY OF NEOGA, ILLINOIS
CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET
ECONOMIC DEVELOPMENT FUND
For the Year Ended April 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
RECEIPTS				
Revenue:				
Miscellaneous	\$ -	\$ 4,000.00	\$ -	\$ (4,000.00)
Interest received	-	-	11,048.56	11,048.56
Total revenue receipts	<u>-</u>	<u>4,000.00</u>	<u>11,048.56</u>	<u>7,048.56</u>
Non-Revenue Receipts:				
Loan repayments	<u>20,000.00</u>	<u>20,000.00</u>	<u>16,247.27</u>	<u>(3,752.73)</u>
Total receipts	<u>20,000.00</u>	<u>24,000.00</u>	<u>27,295.83</u>	<u>3,295.83</u>
DISBURSEMENTS				
Economic Development and Assistance:				
Miscellaneous	<u>5,000.00</u>	<u>7,500.00</u>	<u>1,467.56</u>	<u>6,032.44</u>
Non-Expense Disbursements:				
Loan payments to other funds	-	-	2,388.39	(2,388.39)
Loans	<u>1,260,303.00</u>	<u>1,257,803.00</u>	<u>150,000.00</u>	<u>1,107,803.00</u>
Total non-expense disbursements	<u>1,260,303.00</u>	<u>1,257,803.00</u>	<u>152,388.39</u>	<u>1,105,414.61</u>
Total disbursements	<u>1,265,303.00</u>	<u>1,265,303.00</u>	<u>153,855.95</u>	<u>1,111,447.05</u>
Excess of receipts (disbursements)	<u>\$ (1,245,303.00)</u>	<u>\$ (1,241,303.00)</u>	(126,560.12)	<u>\$ 1,114,742.88</u>
Cash deposits, beginning of year			<u>1,365,302.68</u>	
Cash Deposits, End of Year			<u>\$ 1,238,742.56</u>	

The accompanying notes are an integral part of these financial statements.

CITY OF NEOGA, ILLINOIS
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET
 EMPLOYEE BENEFITS FUND
 For the Year Ended April 30, 2015

	Original Budget	Final Budget	Actual	Positive (Negative) Final Budget
RECEIPTS				
Revenue:				
Property taxes	\$ 160,000.00	\$ 160,000.00	\$ 103,642.95	\$ (56,357.05)
Miscellaneous	1,500.00	1,500.00	-	(1,500.00)
Interest received	100.00	100.00	5.91	(94.09)
Total revenue receipts	161,600.00	161,600.00	103,648.86	(57,951.14)
Non-Revenue Receipts:				
Payroll withholding	-	-	1,688.99	1,688.99
Transfer from other funds	480,000.00	480,000.00	-	(480,000.00)
Total non-revenue receipts	480,000.00	480,000.00	1,688.99	(478,311.01)
 Total receipts	 641,600.00	 641,600.00	 105,337.85	 (536,262.15)
DISBURSEMENTS				
General Government:				
Salaries	484,981.00	482,481.00	-	482,481.00
State unemployment insurance	2,000.00	2,000.00	1,258.24	741.76
Social security	65,000.00	65,000.00	30,203.01	34,796.99
Illinois Municipal Retirement Fund	165,000.00	165,000.00	77,122.37	87,877.63
Employee insurance	5,500.00	5,500.00	-	5,500.00
Payment of withholdings	104,100.00	104,100.00	-	104,100.00
Child support	14,000.00	16,500.00	-	16,500.00
Miscellaneous	3,000.00	3,000.00	-	3,000.00
Total disbursements	843,581.00	843,581.00	108,583.62	734,997.38
 Excess of receipts (disbursements)	 \$ (201,981.00)	 \$ (201,981.00)	 (3,245.77)	 \$ 198,735.23
 Cash deposits, beginning of year			 51,980.57	
 Cash Deposits, End of Year			 \$ 48,734.80	

The accompanying notes are an integral part of these financial statements.

CITY OF NEOGA, ILLINOIS
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET
 TAX INCREMENT FINANCING FUND
 For the Year Ended April 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
RECEIPTS				
Revenue:				
Property taxes	\$ 60,000.00	\$ 173,000.00	\$ 172,122.77	\$ (877.23)
Interest received	<u>200.00</u>	<u>200.00</u>	<u>115.07</u>	<u>(84.93)</u>
 Total receipts	 <u>60,200.00</u>	 <u>173,200.00</u>	 <u>172,237.84</u>	 <u>(962.16)</u>
DISBURSEMENTS				
Economic Development and Assistance:				
Professional fees	2,000.00	21,900.00	-	21,900.00
Developer reimbursement	-	-	14,933.08	(14,933.08)
Miscellaneous	<u>50,000.00</u>	<u>100,000.00</u>	<u>-</u>	<u>100,000.00</u>
Total expense disbursements	<u>52,000.00</u>	<u>121,900.00</u>	<u>14,933.08</u>	<u>106,966.92</u>
 Non-Expense Disbursements:				
Loans	<u>56,900.00</u>	<u>100,000.00</u>	<u>-</u>	<u>100,000.00</u>
 Total disbursements	 <u>108,900.00</u>	 <u>221,900.00</u>	 <u>14,933.08</u>	 <u>206,966.92</u>
 Excess of receipts (disbursements)	 <u>\$ (48,700.00)</u>	 <u>\$ (48,700.00)</u>	 157,304.76	 <u>\$ 206,004.76</u>
 Cash deposits, beginning of year			 <u>48,646.11</u>	
 Cash Deposits, End of Year			 <u>\$ 205,950.87</u>	

The accompanying notes are an integral part of these financial statements.

CITY OF NEOGA, ILLINOIS
CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET
IKE GRANT FUND
For the Year Ended April 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
RECEIPTS				
Revenue:				
Grant income	\$ 500,000.00	\$ 500,000.00	\$ 459,204.53	\$ (40,795.47)
Interest received	<u>100.00</u>	<u>100.00</u>	<u>-</u>	<u>(100.00)</u>
Total revenue receipts	<u>500,100.00</u>	<u>500,100.00</u>	<u>459,204.53</u>	<u>(40,895.47)</u>
Non-Revenue:				
Transfers from other funds	<u>40,000.00</u>	<u>40,000.00</u>	<u>15,000.00</u>	<u>(25,000.00)</u>
Total receipts	<u>540,100.00</u>	<u>540,100.00</u>	<u>474,204.53</u>	<u>(65,895.47)</u>
DISBURSEMENTS				
Highways and Streets:				
Legal fees	10,000.00	2,000.00	-	2,000.00
Capital improvements	450,000.00	450,000.00	413,925.00	36,075.00
Land purchase	7,800.00	15,800.00	-	15,800.00
Engineering fees	50,000.00	50,000.00	65,001.00	(15,001.00)
Miscellaneous	<u>30,000.00</u>	<u>30,000.00</u>	<u>-</u>	<u>30,000.00</u>
Total disbursements	<u>547,800.00</u>	<u>547,800.00</u>	<u>478,926.00</u>	<u>68,874.00</u>
Excess of receipts (disbursements)	<u>\$ (7,700.00)</u>	<u>\$ (7,700.00)</u>	(4,721.47)	<u>\$ 2,978.53</u>
Cash deposits, beginning of year			<u>7,678.12</u>	
Cash Deposits, End of Year			<u>\$ 2,956.65</u>	

The accompanying notes are an integral part of these financial statements.

CITY OF NEOGA, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
April 30, 2015

	Water Fund	Sewer Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 541,387.28	\$ 204,785.03	\$ 746,172.31
Receivables:			
Accounts receivable - users	38,989.49	31,089.24	70,078.73
Prepaid expenses	4,826.16	4,650.09	9,476.25
Total current assets	585,202.93	240,524.36	825,727.29
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	8,871.10	4,167.26	13,038.36
Capital assets, net of accumulated depreciation	981,957.21	1,682,730.47	2,664,687.68
Total noncurrent assets	990,828.31	1,686,897.73	2,677,726.04
Total assets	1,576,031.24	1,927,422.09	3,503,453.33
LIABILITIES			
Current liabilities:			
Accounts payable	8,743.01	2,324.31	11,067.32
Accrued interest	-	2,619.25	2,619.25
Accrued salaries	1,096.17	1,019.42	2,115.59
Bonds payable - due within one year	-	29,223.92	29,223.92
Total current liabilities	9,839.18	35,186.90	45,026.08
Noncurrent liabilities:			
Accumulated vacation and sick pay	8,072.99	5,656.51	13,729.50
Meter deposits	8,871.10	-	8,871.10
Bonds payable - due in more than one year	-	347,619.96	347,619.96
Total noncurrent liabilities	16,944.09	353,276.47	370,220.56
Total liabilities	26,783.27	388,463.37	415,246.64
NET POSITION			
Net investment in capital assets	981,957.21	1,305,886.59	2,287,843.80
Restricted for:			
Water system improvements	17,640.00	-	17,640.00
Unrestricted	549,650.76	233,072.13	782,722.89
Total Net Position	\$ 1,549,247.97	\$ 1,538,958.72	\$ 3,088,206.69

The accompanying notes are an integral part of these financial statements.

CITY OF NEOGA, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended April 30, 2015

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Operating Revenues:			
Charges for services	\$ 324,923.18	\$ 239,051.54	\$ 563,974.72
Fees	2,325.00	-	2,325.00
Total operating revenues	<u>327,248.18</u>	<u>239,051.54</u>	<u>566,299.72</u>
Operating Expenses:			
Salaries and benefits	88,115.55	76,197.70	164,313.25
Contractual services	7,211.71	2,338.27	9,549.98
Utilities	12,471.45	29,469.21	41,940.66
Repairs and maintenance	20,226.86	19,357.99	39,584.85
Other supplies and expenses	73,458.29	11,784.76	85,243.05
Depreciation	45,295.87	77,185.56	122,481.43
Total operating expenses	<u>246,779.73</u>	<u>216,333.49</u>	<u>463,113.22</u>
Operating income (loss)	<u>80,468.45</u>	<u>22,718.05</u>	<u>103,186.50</u>
Non-Operating Revenues (Expenses):			
Interest income	2,319.68	962.59	3,282.27
Grant income	29,650.00	-	29,650.00
Interest expense and fiscal agent fees	-	(22,067.67)	(22,067.67)
Total non-operating revenues (expenses)	<u>31,969.68</u>	<u>(21,105.08)</u>	<u>10,864.60</u>
Change in net position	112,438.13	1,612.97	114,051.10
Net position, beginning of year	<u>1,436,809.84</u>	<u>1,537,345.75</u>	<u>2,974,155.59</u>
Net Position, End of Year	<u>\$ 1,549,247.97</u>	<u>\$ 1,538,958.72</u>	<u>\$ 3,088,206.69</u>

The accompanying notes are an integral part of these financial statements.

CITY OF NEOGA, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended April 30, 2015

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Cash received from customers	\$ 326,131.43	\$ 237,598.33	\$ 563,729.76
Cash payments to suppliers for goods and services	(132,080.04)	(75,943.09)	(208,023.13)
Cash payments to employees for services	<u>(76,628.66)</u>	<u>(65,724.46)</u>	<u>(142,353.12)</u>
Net cash provided by operating activities	<u>117,422.73</u>	<u>95,930.78</u>	<u>213,353.51</u>
Cash Flows from Capital and Related Financing Activities:			
Proceeds from capital grant	41,065.00	-	41,065.00
Purchase of capital assets	(20,439.00)	(2,679.00)	(23,118.00)
Principal paid on capital debt	-	(27,754.22)	(27,754.22)
Interest and fees paid on capital debt	<u>-</u>	<u>(22,252.90)</u>	<u>(22,252.90)</u>
Net cash provided (used) by capital and related financing activities	<u>20,626.00</u>	<u>(52,686.12)</u>	<u>(32,060.12)</u>
Cash Flows from Investing Activities:			
Interest	<u>2,319.68</u>	<u>962.59</u>	<u>3,282.27</u>
Net increase in cash and cash equivalents	140,368.41	44,207.25	184,575.66
Cash and cash equivalents, beginning of year	<u>409,889.97</u>	<u>164,745.04</u>	<u>574,635.01</u>
Cash and Cash Equivalents, End of Year	<u>\$ 550,258.38</u>	<u>\$ 208,952.29</u>	<u>\$ 759,210.67</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income	\$ 80,468.45	\$ 22,718.05	\$ 103,186.50
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation expense	45,295.87	77,185.56	122,481.43
Change in Assets and Liabilities:			
Accounts receivable	(766.75)	(1,453.21)	(2,219.96)
Prepaid expenses	(1,767.25)	(2,054.00)	(3,821.25)
Accounts payable	(6,157.01)	(1,614.56)	(7,771.57)
Meter deposits	(350.00)	-	(350.00)
Accrued salary	(128.28)	342.19	213.91
Accumulated vacation and sick pay	<u>827.70</u>	<u>806.75</u>	<u>1,634.45</u>
Net Cash Provided by Operating Activities	<u>\$ 117,422.73</u>	<u>\$ 95,930.78</u>	<u>\$ 213,353.51</u>

The accompanying notes are an integral part of these financial statements.

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Neoga, Illinois, conform to U.S. generally accepted accounting principles as applicable to governments.

The following is a summary of the City's more significant accounting policies:

- a) Reporting Entity – The City is governed by an elected Mayor and Commissioners. The City is considered to be a primary government and has no component units over which it exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City.
- b) Basis of Presentation – The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The City's basic financial statements include both government-wide and fund financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's general, special revenue, and permanent funds are classified as governmental activities, while the City's proprietary funds are classified as business-type activities.

Government-Wide Financial Statements:

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information on all of the nonfiduciary activities of the primary government. The effect of interfund activity, within the governmental and business-type activities columns, 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 statement of activities demonstrates the degree to which the direct expenses of a given function or identifiable activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements:

Separate statements are presented for governmental funds and proprietary funds. These statements present each major fund as a separate column on the fund financial statements. All non-major funds are aggregated and presented in a single column. The following fund types are used by the City:

Governmental Funds:

Governmental funds are those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is on determination of "financial flow" (sources, use and balances of financial resources). The City presented the following major governmental funds:

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

General Fund – is the main operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund. The Cemetery Maintenance Fund is combined with the General Fund for financial statement purposes because this fund no longer has substantial restricted or committed inflows.

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

Economic Development Fund – is a special revenue fund used to account for the economic development loans and assistance made to local businesses. The major source of revenue is interest income from loan repayments.

Employee Benefits Fund – is a special revenue fund used to account for employee payroll withholdings and expenditures related to payroll taxes and retirement contributions. The major source of revenue includes the City's dedicated property tax levy.

Tax Increment Financing Fund – is a special revenue fund used to account for revenues and expenditures related to redevelopment projects within the Neoga tax increment financing area.

IKE Grant Fund – is a special revenue fund used to account for revenues and expenditures related to the Illinois IKE Disaster Recovery Public Infrastructure Program grant awarded to the City. Grant revenues will be used to construct a storm water retention facility along with channel improvements.

The other governmental funds of the City are considered non-major and are as follows:

Motor Fuel Tax Fund – is a special revenue fund used to account for revenues and expenditures related to projects financed by the state gasoline tax collected and distributed by the State of Illinois.

Business District Fund – is a special revenue fund used to account for revenues and expenditures related to redevelopment projects within the Neoga business district area.

Permanent Funds – are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support programs of the City.

Cemetery Perpetual Fund – is a permanent fund used to account for interest earned on principal, which is restricted for use on expenditures for the maintenance of City cemeteries.

Proprietary Funds

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting, which is similar to businesses in the private sector. The measurement focus is upon income determination, financial position and cash flows. The City presented the following major proprietary funds:

Enterprise funds are used to account for operations (1) that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) 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.

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

Water Fund – is an enterprise fund used to account for the operations of providing a safe and adequate water supply for fire protection, domestic and industrial use.

Sewer Fund – is an enterprise fund used to account for the operations of providing an adequate sewerage system for the City.

- c) Measurement Focus and Basis of Accounting – Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Measurement focus is used to describe which transactions are recorded within the various financial statements.

Government-Wide Financial Statements – On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position and cash flows. The basis of accounting used on the government-wide financial statements is the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Fund Financial Statements – All governmental funds utilize a current financial resources measurement focus. Only current financial assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period. Governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Revenues are considered to be available when they are collectible within the current period to be used to pay current liabilities. The City uses a sixty day collection period to determine availability of revenues for property taxes and 120 days for all other revenue sources. Expenditures are recorded when the related fund liability is incurred. Proprietary funds utilize an economic resources measurement focus and the accrual basis of accounting. This is the same measurement focus and basis of accounting used on the government-wide financial statements. Nonoperating revenues and expenses for proprietary funds are defined as transactions for which cash flows are reported as capital and related financing activities, noncapital financing activities, and investing activities, which are normally not reported as components of operating income.

- d) Budgets and Budgetary Accounting – The City follows these procedures in establishing the budgetary data reflected in the financial statements:
1. A proposed operating budget is submitted to the City council for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them.
 2. Public hearings are conducted to obtain taxpayer comments.
 3. Prior to August 1, the appropriations are legally enacted through passage of an appropriation ordinance.
 4. The tax levy ordinance is adopted and filed with the county clerk on or before the last Tuesday in December.
 5. All annual appropriations lapse at fiscal year end.
 6. All budgets are adopted on a cash basis which is inconsistent with U.S. generally accepted accounting principles (GAAP) which require accrual basis reporting. All budget comparisons presented in this report are on a non-GAAP budgetary basis and are compared with actual cash receipts and disbursements. A reconciliation of the timing differences in excess of revenues over (under) expenditures for the year ended April 30, 2015, is presented below:

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

	<u>General</u>	<u>Economic Development</u>	<u>Employee Benefits</u>	<u>Tax Increment Financing</u>	<u>IKE Grant</u>
Excess of receipts (disbursements) (budgetary basis)	\$ 99,549.73	\$(126,560.12)	\$ (3,245.77)	\$ 157,304.76	\$ (4,721.47)
Increase (decrease) in receivables and prepaid expenses	26,380.15	135,161.76	2,335.84	(2,925.30)	(4,147.00)
(Increase) decrease in payables and other liabilities	(7,888.21)	1,843.56	(5,003.38)	-	1,091.00
(Increase) decrease in deferred inflows of resources	<u>(1,048.48)</u>	<u>-</u>	<u>(2,335.84)</u>	<u>2,925.30</u>	<u>-</u>
Net Change in Fund Balances	<u>\$116,993.19</u>	<u>\$ 10,445.20</u>	<u>\$ (8,249.15)</u>	<u>\$ 157,304.76</u>	<u>\$ (7,777.47)</u>

- e) Cash and Cash Equivalents – For purposes of the statement of cash flows, all demand and savings accounts and certificates of deposit or short-term investments (including restricted assets) with a maturity of three months or less when purchased are considered to be cash equivalents.
- f) Interfund Activity – Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.” Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements are when a fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Interfund transfers during the year ended April 30, 2015, were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Activities:		
General Fund	\$ 20.11	\$ 15,000.00
IKE Grant Fund	15,000.00	-
Cemetery Perpetual Fund	<u>-</u>	<u>20.11</u>
Total Governmental Activities	<u>\$ 15,020.11</u>	<u>\$ 15,020.11</u>

A transfer of \$20.11 was made from the Cemetery Perpetual Fund to the General Fund to provide funding for cemetery maintenance expenditures.

A transfer of \$15,000.00 was made from the General Fund to the IKE Grant Fund to provide funding for the local share of grant project expenditures.

- g) Property Taxes – Property taxes are deferred in the fiscal year for which they are levied and are recorded as revenue in the fiscal year in which they are received. Taxes levied and uncollected are carried as an asset of the appropriate fund. The City's property tax calendar is as follows:
1. Property is assessed on January 1 each year.
 2. The tax levy ordinance was adopted and filed with the county clerk on December 8, 2014.
 3. Property taxes are due to be collected on June 1 (first installment) and September 1 (second installment) in the year following the levy year.

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

- h) Capital Assets and Depreciation – Capital assets, which includes property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the fund financial statements for proprietary funds. Land, buildings, storm sewers, sidewalks, traffic signals, water system and improvements, sewer system and improvements, vehicles, and all other infrastructure and improvements other than buildings with an original cost of \$10,000 or more are capitalized. Streets, curbs, bridges and fire apparatus with an original cost of \$50,000 or more are capitalized. Machinery, equipment and computer software with an original cost of \$2,500 or more and office equipment with an original cost of \$1,000 or more are capitalized. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are stated at their fair market value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The City reports all major general infrastructure assets constructed or acquired in fiscal years ending after April 30, 2004, or that received major renovations, restorations, or improvements during that period. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	50
Bridges	50
Storm sewers	50
Water/sewer system and improvements	30
Sidewalks/bike paths	20
Traffic signals	20
All other infrastructure and improvements other than buildings	20
Streets/curbs/gutters	20
Fire apparatus	20
Vehicles	7
Machinery and equipment	5
Computer software	5
Office equipment	3

- i) Operating Revenues and Expenses – The City’s proprietary funds distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses of the City’s water and sewer funds consist of charges for services (including tap fees) and the cost of providing those services, including depreciation and excluding interest cost. All other revenues and expenses are reported as nonoperating.
- j) Deferred Outflows and Inflows of Resources – The City reports a decrease in net position/fund balance that applies to a future period as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position and the governmental funds balance sheet. The City had no deferred outflows of resources in the current year.

The City reports an increase in net position/fund balance that applies to a future period as deferred inflows of resources in a separate section of its government-wide and proprietary funds statements of net position and the governmental funds balance sheet. The City will not recognize the related revenues until a future event occurs. Under the modified accrual basis of accounting, governmental fund revenues are not recognized until available. Accordingly, unavailable property taxes are reported in the government-wide statement of net position and the governmental funds balance sheet. The City had no deferred inflows of resources that affect the proprietary fund financial statement in the current year.

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

- k) Net Position – Government-wide and proprietary fund net position is divided into three components:
1. Net investment in capital assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
 2. Restricted – consists of net position that is restricted by the City’s creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by both federal and state grantors and by other contributors.
 3. Unrestricted – all other net position is reported in this category.
- l) Fund Balance - The following classifications describe the constraints placed on the purposes for which resources can be used:
1. Nonspendable fund balance – consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.
 2. Restricted fund balance – consists of amounts that are subject to outside restrictions, such as those imposed by creditors, grantors, contributors, or laws and regulations of other governments, or by law through constitutional provisions or enabling legislation.
 3. Committed fund balance – consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision making authority (the City Council Members). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.
 4. Assigned fund balance – consists of amounts that are constrained by the government’s intent to be used for a specific purpose, but are neither restricted nor committed. The intent can be expressed by the City Council Members or by an official or body which the Council delegates authority.
 5. Unassigned fund balance - consists of amounts available for any purpose and positive amounts are reported only in the General Fund.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

- m) Use of Estimates – The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE B - RESTRICTED ASSETS

The amounts reported as restricted assets are cash and investments related to their required bond payable accounts as described in Note I, and amounts held for customer utility meter deposits. The restricted assets as of April 30, 2015, are as follows:

<u>Type of Restricted Assets</u>	<u>Cash</u>
Meter deposits	\$ 8,871.10
Bond payable	<u>4,167.26</u>
Total	<u>\$ 13,038.36</u>

NOTE C - CASH AND INVESTMENTS

The City is allowed to invest in securities as authorized by 30 ILCS 235/2 and 235/6. At April 30, 2015, the City had the following cash and cash deposits:

Governmental Activities:	
Cash on hand	\$ 250.00
Cash deposits	2,169,280.91
Certificates of deposit	<u>13,400.00</u>
	<u>\$2,182,930.91</u>
Business-Type Activities:	
Cash Deposits	<u>\$ 759,210.67</u>

Disclosures Relating to Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The City minimizes its exposure to interest rate risk by limiting its purchases of long term investments and by structuring investments to mature to meet cash requirements. At April 30, 2015, the City had no investments but cash deposits consisted of a certificate of deposit with a local financial institution having a maturity of 12 months.

Disclosures Relating to Credit Risk:

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City has no investments which are subject to credit risk rating.

Concentration of Credit Risk:

The City's investment policy does not place limitations on the amount that can be invested in any one issuer. Cash deposits held with local financial institutions are exempt from the 5% investment in any one issuer disclosure.

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

Custodial Credit Risk:

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Deposits in federally insured banks and savings and loans are insured up to \$250,000 per custodian. The City's investment policy requires that all amounts deposited or invested with financial institutions in excess of any insurance limit be collateralized by securities held by the City in the City's name. As of April 30, 2015, all cash deposits were insured or covered by collateral.

Foreign Currency Risk:

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair values of deposits or investments. None of the City's deposits are directly subject to foreign currency risk.

NOTE D - CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2015, was as follows:

	<u>Balance May 1, 2014</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Balance April 30, 2015</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 283,896.85	\$ -	\$ (2,857.14)	\$ 281,039.71
Construction in progress	<u>109,345.88</u>	<u>477,835.00</u>	<u>(587,180.88)</u>	<u>-</u>
Total capital assets not being depreciated	<u>393,242.73</u>	<u>477,835.00</u>	<u>(590,038.02)</u>	<u>281,039.71</u>
Capital assets being depreciated:				
Building and improvements	272,001.60	16,087.50	-	288,089.10
Accumulated depreciation	<u>(154,501.53)</u>	<u>(5,547.29)</u>	<u>-</u>	<u>(160,048.82)</u>
Building and improvements, net	<u>117,500.07</u>	<u>10,540.21</u>	<u>-</u>	<u>128,040.28</u>
Equipment	359,018.26	10,309.49	-	369,327.75
Accumulated depreciation	<u>(265,375.41)</u>	<u>(35,169.71)</u>	<u>-</u>	<u>(300,545.12)</u>
Equipment, net	<u>93,642.85</u>	<u>(24,860.22)</u>	<u>-</u>	<u>68,782.63</u>
Infrastructure	350,109.30	693,934.37	-	1,044,043.67
Accumulated depreciation	<u>(101,171.64)</u>	<u>(24,400.12)</u>	<u>-</u>	<u>(125,571.76)</u>
Infrastructure, net	<u>248,937.66</u>	<u>669,534.25</u>	<u>-</u>	<u>918,471.91</u>
Total Governmental Activities				
Net Capital Assets	<u>\$ 853,323.31</u>	<u>\$1,133,049.24</u>	<u>\$(590,038.02)</u>	<u>\$ 1,396,334.53</u>

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

	Balance May 1, 2014	Additions/ Completions	Retirements/ Adjustments	Balance April 30, 2015
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 31,757.73	\$ -	\$ -	\$ 31,757.73
Construction in progress	<u>62,665.19</u>	<u>17,760.00</u>	<u>-</u>	<u>80,425.19</u>
Total capital assets not being depreciated	<u>94,422.92</u>	<u>17,760.00</u>	<u>-</u>	<u>112,182.92</u>
Capital assets being depreciated:				
Infrastructure	4,430,482.12	-	-	4,430,482.12
Accumulated depreciation	<u>(1,765,234.15)</u>	<u>(120,370.83)</u>	<u>-</u>	<u>(1,885,604.98)</u>
Infrastructure, net	<u>2,665,247.97</u>	<u>(120,370.83)</u>	<u>-</u>	<u>2,544,877.14</u>
Equipment	181,482.00	5,358.00	-	186,840.00
Accumulated depreciation	<u>(177,101.78)</u>	<u>(2,110.60)</u>	<u>-</u>	<u>(179,212.38)</u>
Equipment, net	<u>4,380.22</u>	<u>3,247.40</u>	<u>-</u>	<u>7,627.62</u>
Total Business-Type Activities				
Net Capital Assets	<u>\$2,764,051.11</u>	<u>\$ (99,363.43)</u>	<u>\$ -</u>	<u>\$2,664,687.68</u>

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General government	\$ 6,796.65
Cemetery maintenance	775.00
Public safety	10,132.19
Health and welfare	1,992.44
Highways and streets	<u>45,420.84</u>
Total Governmental Activities Depreciation Expense	<u>\$ 65,117.12</u>
Business-Type Activities:	
Water	\$ 45,295.87
Sewer	<u>77,185.56</u>
Total Business-Type Activities Depreciation Expense	<u>\$ 122,481.43</u>

The City has the following active construction in progress projects:

Construction in progress for business-type activities includes a project for sewer system improvements. The design engineering for the project is funded by a \$100,000 Community Development Assistance Program grant. The City was awarded a \$350,000 Community Development Assistance Program grant in June 2004 for interceptor sewer upsizing and wastewater treatment plant improvements. The City was awarded an additional \$350,000 Community Development Assistance Program grant in fiscal year 2007. Phase I of the project was completed April 2007 for a total of \$864,878.79. Phase II of the project was completed November 2008 for a total of \$666,438.91. As of April 30, 2015, \$8,015.19 has been expended for Phase III of this project. The estimated cost of the project and expected completion are unknown at this time.

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

Construction in progress for business-type activities also includes a project for water main improvements on 6th Street. The City was awarded a \$46,980.00 water main improvement design grant from the Illinois Department of Commerce and Economic Opportunity. As of April 30, 2015, \$56,200.00 has been expended for design engineering costs. The total estimated cost of the project is \$552,595.00 and the estimated completion date is the end of 2016.

Construction in progress for business-type activities also includes a project to replace an existing water main from 6th Street to 9th Street. The City was awarded a \$100,000.00 grant from the Illinois Department of Commerce and Economic Opportunity for design engineering and construction costs. As of April 30, 2015, \$16,210.00 has been expended for design engineering costs. The total estimated cost of the project is \$106,000.00. The project is on hold due to the State suspending available grant monies.

NOTE E - DEFERRED COMPENSATION PLAN

The City maintains a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation plan is available to all City employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Amendments to the laws governing Section 457, deferred compensation plans, substantially became effective January 1, 1997. The City approved plan amendments such that plan assets are held in trust, with the City serving as trustee, for the exclusive benefit of the plan participants and their beneficiaries. The assets will not be diverted to any other purpose. The City's beneficial ownership of plan assets will be held for the further exclusive benefit of the plan for the exclusive benefit of participants and beneficiaries.

It is the opinion of the City's legal counsel that the City, as trustee, has no liability for plan losses but does have the duty of due care that would be required of an ordinary prudent investor.

Total plan assets as of March 31, 2015 (latest information available) held by Nationwide Retirement Solutions was \$165,554.65.

NOTE F - VACATION, SICK PAY AND OTHER EMPLOYEE BENEFITS

Accumulated unpaid vacation and sick pay amounts for governmental fund types are not accrued in the fund financial statements because they would not normally be liquidated with expendable available financial resources. The accumulated amount is recorded on the accrual basis in those funds on the government-wide financial statements.

Accumulated unpaid vacation and sick pay amounts for proprietary funds are recorded on the accrual basis in those funds on both the fund financial statements and government-wide financial statements.

Accumulated vacation and sick pay liability at April 30, 2015 is as follows:

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

	<u>Accrued Vacation Pay</u>	<u>Accrued Comp and Sick Pay</u>	<u>Total</u>
Governmental Activities:			
General Fund	\$ 11,336.42	\$ 3,230.05	\$ 14,566.47
Business-Type Activities:			
Water Fund	5,138.99	2,934.00	8,072.99
Sewer Fund	<u>2,722.50</u>	<u>2,934.01</u>	<u>5,656.51</u>
	<u>7,861.49</u>	<u>5,868.01</u>	<u>13,729.50</u>
 Total	 <u>\$ 19,197.91</u>	 <u>\$ 9,098.06</u>	 <u>\$ 28,295.97</u>

NOTE G - DEFINED BENEFIT PENSION PLAN

Plan Description:

The City's defined benefit pension plan 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 (RSI). That report may be obtained on-line at www.imrf.org.

Funding Policy:

As set by statute, plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2014 was 14.37 percent. The City also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost:

The required contribution for the year ending April 30, 2015 was \$80,480.

THREE-YEAR TREND INFORMATION

<u>Actuarial Valuation Date</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
04/30/15	\$ 80,480	100%	\$ -
04/30/14	80,000	100%	-
04/30/13	83,275	100%	-

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

The required contribution for 2014 was determined as part of the December 31, 2012 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2012, included (a) 7.50% 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 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 plan's unfunded actuarial accrued liability at December 31, 2012 is being amortized as a level percentage of projected payroll on an open 29 year basis.

Funded Status and Funding Progress:

As of December 31, 2014, the most recent actuarial valuation date, the plan was 77.04 percent funded. The actuarial accrued liability for benefits was \$1,136,933 and the actuarial value of assets was \$875,896, resulting in an underfunded actuarial accrued liability (UAAL) of \$261,037. The covered payroll for calendar year 2014 (annual payroll of active employees covered by the plan) was \$340,603 and the ratio of the UAAL to the covered payroll was 77 percent.

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

NOTE H - CDAP LOANS RECEIVABLES

As a part of the Illinois Community Development Assistance Grant program, loans at an interest rate of 3-5% were made available to the property owners and local businesses. Principal and interest collected on these loans is considered to be program income and must be spent in the same area as the original grant. Original balance of the loans was \$1,440,000.00. At April 30, 2015, the balance was \$145,133.01

NOTE I - LONG-TERM DEBT

The following is a summary of long-term debt transactions for the year ended April 30, 2015:

	<u>Balance</u> <u>May 1,</u> <u>2014</u>	<u>Additions</u>	<u>Retired</u>	<u>Balance</u> <u>April 30,</u> <u>2015</u>	<u>Amount</u> <u>Due Within</u> <u>One Year</u>
Business-Type Activities:					
Bonds Payable	\$ 404,598.10	\$ -	\$ 27,754.22	\$ 376,843.88	\$ 29,223.92

\$600,000 general obligation waterworks and sewerage bonds, Series 2005. First Neighbor Bank, National Association (Branch of Toledo) is bond registrar and paying agent. Bonds are dated March 15, 2005, with final payment due March 15, 2025. Principal and interest payments at 5.50% are due annually on March 15.

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

Annual future maturities are summarized as follows:

Year Ended <u>April 30</u>	<u>Business-Type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 29,223.92	\$ 20,783.20	\$ 50,007.12
2017	30,888.02	19,119.10	50,007.12
2018	32,586.86	17,420.26	50,007.12
2019	34,379.14	15,627.98	50,007.12
2020	36,232.36	13,774.76	50,007.12
2021-2025	<u>213,533.58</u>	<u>36,502.02</u>	<u>250,035.60</u>
	<u>\$ 376,843.88</u>	<u>\$ 123,227.32</u>	<u>\$ 500,071.20</u>

The bond ordinance authorizing the revenue bond issue provides in detail the method of accounting and handling of funds and provides for establishing two (2) separate accounts in the priority indicated by the order of the following:

<u>Account</u>	<u>Amount Required</u>	<u>Nature of Authorized Expenditure</u>
a) Sewerage System Operation and Maintenance Account	Sufficient amount to pay reasonable expenses for the current month.	Expenses of operating, maintaining and repairing the system.
b) Sewerage System Debt Service Account	Monthly a fractional amount of interest and principal due on the next payment date.	Paying principal and interest on bonds.

All of the above accounts have been established substantially in accordance with the provisions of this bond ordinance.

NOTE J - OTHER LONG-TERM LIABILITIES

The following is a summary of other long-term liabilities transactions for the year ended April 30, 2015:

	<u>Balance May 1, 2014</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance April 30, 2015</u>	<u>Amount Due Within One Year</u>
Governmental Activities:					
TIF District redevelopment project	\$ 235,127.60	\$ -	\$ 14,933.08	\$ 220,194.52	\$ 15,162.69
Business District redevelopment project	<u>150,589.30</u>	<u>-</u>	<u>7,908.95</u>	<u>142,680.35</u>	<u>18,176.62</u>
Total Governmental Activities	<u>\$ 385,716.90</u>	<u>\$ -</u>	<u>\$ 22,842.03</u>	<u>\$ 362,874.87</u>	<u>\$ 33,339.31</u>

The City signed a redevelopment agreement with Westmore Equities, LLC in January 2011 to reimburse costs for the construction of a new building for a retail business in the City's TIF District. The City is to reimburse Westmore Equities, LLC 75% of TIF property tax revenues on the property annually until the Neoga Tax Increment Financing District #1 expires in 23 years. The maximum amount to be paid over that period is \$250,000.00. It can be reasonably estimated that the City will pay the maximum amount in the agreement.

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

The City signed a redevelopment agreement with Westmore Equities, LLC in September 2010 to reimburse costs for the construction of a new building for a retail business in the City's Business District. The City is to reimburse Westmore Equities, LLC 100% of the Business District sales tax revenues collected on the property annually until the Neoga Business District expires in 23 years. The maximum amount to be paid over that period is \$158,000.00. It can be reasonably estimated that the City will pay the maximum amount in the agreement.

NOTE K - MAJOR CUSTOMER

On March 30, 2000, the City signed an agreement with Reliant Energy Shelby County, LP for its water usage at \$0.315 per 1,000 gallons with a minimum monthly water fee of \$600 per month to be adjusted annually. As consideration of discharge, the user fee will equal \$2.65 per 1,000 gallons of water discharged by Reliant to Neoga Wastewater Treatment System with a minimum fee of \$3,500 per month to be adjusted annually. Reliant paid \$67,638.76 or 12.44% of water and sewer revenue to the City during the fiscal year ended April 30, 2015.

NOTE L - INTERFUND RECEIVABLES AND PAYABLES

The following is a summary of amounts due from and due to other funds:

<u>Due To</u>	<u>Due From</u>	<u>Balance 4-30-14</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance 4-30-15</u>
General Fund	Business District Fund	\$ 2,118.67	\$ -	\$ 2,118.67	\$ -
General Fund	Economic Development Fund	1,176.00	-	1,176.00	-
Economic Development Fund	General Fund	<u>-</u>	<u>1,212.39</u>	<u>-</u>	<u>1,212.39</u>
Totals		<u>\$ 3,294.67</u>	<u>\$ 1,212.39</u>	<u>\$ 3,294.67</u>	<u>\$ 1,212.39</u>

The General Fund paid the administrative expenditures to create a Business District Fund for \$2,118.67. The Business District Fund reimbursed the General Fund during the fiscal year.

The City paid an expenditure from the General Fund and was later refunded the expenditure which was deposited into the Economic Development Fund. The City reimbursed the General Fund from the Economic Development Fund for \$1,176.00 during the fiscal year.

A transfer was made in error for \$1,212.39 from the Economic Development Fund to the General Fund, to repay the bank for the insurance refund on a CDAP Loan. The General Fund will reimburse \$1,212.39 to the Economic Development Fund in the next fiscal year.

CITY OF NEOGA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

NOTE M - LEASING AGREEMENT

The City signed a cash rent farm lease dated March 12, 2012 for farm land owned by the City. The term of the lease is from March 1, 2012 to February 28, 2015. The tenant will pay the City \$292.00 per acre for a total of \$13,750.28 annually. The lease will not automatically renew each year and the City has the option to extend the lease or sign a new lease agreement. The lease expired February 28, 2015 and the City signed a new lease dated April 7, 2015. The term of the lease is from March 1, 2015 to February 28, 2018. The tenant will pay the City \$297.00 per acre for a total of \$13,985.73 annually. The lease will not automatically renew each year and the City has the option to extend the lease or sign a new lease agreement. The City recognized lease revenue of \$13,789.52 for the year ending April 30, 2015.

The City signed a real estate lease agreement dated February 11, 2013 for real estate owned by the City. The term of the lease is from February 1, 2013 to January 30, 2112. The tenant will pay the City \$10.00 per year. Either party has the right to terminate the lease on December 1, 2016, and on December 1 of every third year thereafter. The City recognized lease revenue of \$10.00 for the year ending April 30, 2015.

NOTE N - RISK MANAGEMENT

The City is exposed to various risks of loss including, but not limited to, general liability, property casualty, workers compensation and public official liability. To limit exposure to these risks, the City purchases commercial insurance.

NOTE O - NEW REPORTING STANDARD

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68 “*Accounting and Financial Reporting for Pensions.*” This statement improves accounting and financial reporting by state and local governments for pensions. When implemented, it will require recognition of the entire net pension liability and a more comprehensive measure of pension expense. The City is required to implement this standard for the fiscal year ending April 30, 2016. The City expects the adoption of GASB Statement No. 68 to have a significant impact on the financial statements, specifically the Statement of Net Position liability.

SUPPLEMENTARY INFORMATION

CITY OF NEOGA, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS
 April 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2014	\$ 875,896	\$ 1,136,933	\$ 261,037	77.04%	\$ 340,603	76.64%
12/31/2013	716,546	998,028	281,482	71.80%	324,887	86.64%
12/31/2012	551,613	1,021,361	469,748	54.01%	361,780	129.84%

On a market value basis, the actuarial value of assets as of December 31, 2014 is \$1,101,862. On a market basis, the funded ratio would be 96.92%

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with City of Neoga. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

COMBINING STATEMENTS AND INDIVIDUAL FUND STATEMENTS

CITY OF NEOGA, ILLINOIS
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 April 30, 2015

	<u>Motor Fuel Tax Fund</u>	<u>Cemetery Perpetual Fund</u>	<u>Business District Fund</u>	<u>Total Non-Major Governmental Funds</u>
ASSETS				
Cash deposits	\$ 39,451.02	\$ 13,400.00	\$ 9,887.36	\$ 62,738.38
Receivables:				
Due from other governmental agencies	<u>3,805.00</u>	<u>-</u>	<u>1,402.69</u>	<u>5,207.69</u>
Total Assets	<u>\$ 43,256.02</u>	<u>\$ 13,400.00</u>	<u>\$ 11,290.05</u>	<u>\$ 67,946.07</u>
LIABILITIES				
None	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCES				
Nonspendable	-	13,400.00	-	13,400.00
Restricted for:				
Economic development and assistance	-	-	11,270.83	11,270.83
Street maintenance	43,256.02	-	-	43,256.02
Assigned for:				
Economic development and assistance	<u>-</u>	<u>-</u>	<u>19.22</u>	<u>19.22</u>
Total fund balances	<u>43,256.02</u>	<u>13,400.00</u>	<u>11,290.05</u>	<u>67,946.07</u>
Total Liabilities and Fund Balances	<u>\$ 43,256.02</u>	<u>\$ 13,400.00</u>	<u>\$ 11,290.05</u>	<u>\$ 67,946.07</u>

CITY OF NEOGA, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 For the Year Ended April 30, 2015

	Motor Fuel Tax Fund	Cemetery Perpetual Fund	Business District Fund	Total Non-Major Governmental Funds
Revenues:				
Municipal retailers' occupation tax	\$ -	\$ -	\$ 8,320.99	\$ 8,320.99
Illinois motor fuel tax	56,195.65	-	-	56,195.65
Interest income	<u>19.18</u>	<u>20.11</u>	<u>7.59</u>	<u>46.88</u>
Total revenues	<u>56,214.83</u>	<u>20.11</u>	<u>8,328.58</u>	<u>64,563.52</u>
Expenditures:				
Highways and streets	45,043.58	-	-	45,043.58
Economic development and assistance	<u>-</u>	<u>-</u>	<u>7,909.00</u>	<u>7,909.00</u>
Total expenditures	<u>45,043.58</u>	<u>-</u>	<u>7,909.00</u>	<u>52,952.58</u>
Excess (deficiency) of revenues over expenditures	<u>11,171.25</u>	<u>20.11</u>	<u>419.58</u>	<u>11,610.94</u>
Other Financing Sources (Uses):				
Transfers out	<u>-</u>	<u>(20.11)</u>	<u>-</u>	<u>(20.11)</u>
Net change in fund balances	11,171.25	-	419.58	11,590.83
Fund balance, beginning of year	<u>32,084.77</u>	<u>13,400.00</u>	<u>10,870.47</u>	<u>56,355.24</u>
Fund Balance, End of Year	<u>\$ 43,256.02</u>	<u>\$ 13,400.00</u>	<u>\$ 11,290.05</u>	<u>\$ 67,946.07</u>

CITY OF NEOGA, ILLINOIS
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET
 MOTOR FUEL TAX FUND
 For the Year Ended April 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
RECEIPTS				
Revenue:				
State of Illinois - motor fuel tax allotments	\$ 60,000.00	\$ 60,000.00	\$ 55,406.68	\$ (4,593.32)
Interest received	<u>500.00</u>	<u>500.00</u>	<u>19.18</u>	<u>(480.82)</u>
 Total receipts	 <u>60,500.00</u>	 <u>60,500.00</u>	 <u>55,425.86</u>	 <u>(5,074.14)</u>
DISBURSEMENTS				
Highways and Streets:				
Engineering	10,000.00	10,000.00	-	10,000.00
Street maintenance	79,600.00	79,500.00	45,000.00	34,500.00
Miscellaneous	<u>-</u>	<u>100.00</u>	<u>43.58</u>	<u>56.42</u>
 Total disbursements	 <u>89,600.00</u>	 <u>89,600.00</u>	 <u>45,043.58</u>	 <u>44,556.42</u>
 Excess of receipts (disbursements)	 <u>\$ (29,100.00)</u>	 <u>\$ (29,100.00)</u>	 10,382.28	 <u>\$ 39,482.28</u>
 Cash deposits, beginning of year			 <u>29,068.74</u>	
 Cash Deposits, End of Year			 <u>\$ 39,451.02</u>	

CITY OF NEOGA, ILLINOIS
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET
 CEMETERY PERPETUAL FUND
 For the Year Ended April 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
RECEIPTS				
Revenue:				
Interest received	<u>\$ 100.00</u>	<u>\$ 100.00</u>	<u>\$ 20.11</u>	<u>\$ (79.89)</u>
DISBURSEMENTS				
Cemetery:				
Non-Expense Disbursements:				
Transfers to other funds	<u>-</u>	<u>-</u>	<u>20.11</u>	<u>(20.11)</u>
Excess of receipts (disbursements)	<u>\$ 100.00</u>	<u>\$ 100.00</u>	<u>-</u>	<u>\$ (100.00)</u>
Cash deposits, beginning of year			<u>13,400.00</u>	
Cash Deposits, End of Year			<u>\$ 13,400.00</u>	

CITY OF NEOGA, ILLINOIS
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET
 BUSINESS DISTRICT FUND
 For the Year Ended April 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
RECEIPTS				
Revenue:				
Municipal retailers' occupation tax	\$ 17,100.00	\$ 17,100.00	\$ 8,163.61	\$ (8,936.39)
Interest received	<u>100.00</u>	<u>100.00</u>	<u>7.59</u>	<u>(92.41)</u>
 Total receipts	 <u>17,200.00</u>	 <u>17,200.00</u>	 <u>8,171.20</u>	 <u>(9,028.80)</u>
DISBURSEMENTS				
Economic Development and Assistance:				
Professional fees	5,000.00	5,000.00	-	5,000.00
Developer reimbursement	17,950.00	12,050.00	7,909.00	4,141.00
Miscellaneous	<u>6,000.00</u>	<u>11,900.00</u>	<u>-</u>	<u>11,900.00</u>
Total expense disbursements	<u>28,950.00</u>	<u>28,950.00</u>	<u>7,909.00</u>	<u>21,041.00</u>
Non-Expense Disbursements:				
Loan repayment to other funds	<u>-</u>	<u>-</u>	<u>2,118.67</u>	<u>(2,118.67)</u>
 Total disbursements	 <u>28,950.00</u>	 <u>28,950.00</u>	 <u>10,027.67</u>	 <u>18,922.33</u>
 Excess of receipts (disbursements)	 <u>\$ (11,750.00)</u>	 <u>\$ (11,750.00)</u>	 (1,856.47)	 <u>\$ 9,893.53</u>
 Cash deposits, beginning of year			 <u>11,743.83</u>	
 Cash Deposits, End of Year			 <u>\$ 9,887.36</u>	

CITY OF NEOGA, ILLINOIS
 COMBINING BALANCE SHEET - GENERAL FUND
 April 30, 2015

	General	Cemetery Maintenance Fund	Total General Fund
ASSETS			
Cash deposits	\$ 617,656.60	\$ 6,151.05	\$ 623,807.65
Receivables:			
Property taxes	100,579.86	-	100,579.86
Utility taxes	7,569.12	-	7,569.12
Due from other governmental agencies	105,334.44	-	105,334.44
Prepaid expenditures	20,398.10	-	20,398.10
 Total Assets	 \$ 851,538.12	 \$ 6,151.05	 \$ 857,689.17
LIABILITIES			
Accounts payable	\$ 5,923.32	\$ 1,000.00	\$ 6,923.32
Due to other funds	1,212.39	-	1,212.39
Accrued salaries	4,543.74	-	4,543.74
Unearned revenue	23,738.11	-	23,738.11
Total liabilities	35,417.56	1,000.00	36,417.56
DEFERRED INFLOWS OF RESOURCES			
Unavailable property taxes	100,579.86	-	100,579.86
FUND BALANCES			
Nonspendable	20,398.10	-	20,398.10
Restricted for:			
Community improvement	17,146.11	-	17,146.11
Public safety	6,581.73	-	6,581.73
Committed for:			
Public safety	33,212.63	-	33,212.63
Equipment	52,798.65	-	52,798.65
Assigned for:			
Cemetery maintenance	-	5,151.05	5,151.05
Community improvement	1,120.68	-	1,120.68
Unassigned	584,282.80	-	584,282.80
Total fund balances	715,540.70	5,151.05	720,691.75
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 \$ 851,538.12	 \$ 6,151.05	 \$ 857,689.17

CITY OF NEOGA, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 GENERAL FUND
 For the Year Ended April 30, 2015

	General	Cemetery Maintenance Fund	Total General Fund
Revenues:			
Property taxes	\$ 100,109.10	\$ -	\$ 100,109.10
Personal property replacement tax	10,669.08	-	10,669.08
Municipal retailers' occupation tax	199,965.05	-	199,965.05
Local use tax	33,486.80	-	33,486.80
Illinois income tax	164,819.98	-	164,819.98
Utility tax	97,339.47	-	97,339.47
Telecommunications tax	34,291.15	-	34,291.15
Video gaming tax	14,928.98	-	14,928.98
Franchise tax	20,898.65	-	20,898.65
Other governmental agencies	1,414.61	-	1,414.61
Licenses, permits and fees	5,040.26	-	5,040.26
Fines	29,619.92	-	29,619.92
Rental income	16,684.52	-	16,684.52
Interest income	2,424.75	4.14	2,428.89
Donations	27,840.81	-	27,840.81
Other income	6,755.09	700.00	7,455.09
	<u>766,288.22</u>	<u>704.14</u>	<u>766,992.36</u>
Expenditures:			
General government	210,058.40	-	210,058.40
Cemetery	-	18,951.42	18,951.42
Public safety	183,823.40	-	183,823.40
Highways and streets	162,026.62	-	162,026.62
Sanitation	15,500.00	-	15,500.00
Health and welfare	53,324.34	-	53,324.34
Economic development and assistance	1,235.10	-	1,235.10
Total expenditures	<u>625,967.86</u>	<u>18,951.42</u>	<u>644,919.28</u>
Excess (deficiency) of revenues over expenditures	<u>140,320.36</u>	<u>(18,247.28)</u>	<u>122,073.08</u>

CITY OF NEOGA, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 GENERAL FUND
 For the Year Ended April 30, 2015

	General	Cemetery Maintenance Fund	Total General Fund
Other Financing Sources (Uses):			
Gain on sale of capital assets	9,900.00	-	9,900.00
Transfers in	-	15,020.11	15,020.11
Transfers out	(30,000.00)	-	(30,000.00)
Total other financing sources (uses)	(20,100.00)	15,020.11	(5,079.89)
Net change in fund balances	120,220.36	(3,227.17)	116,993.19
Fund balance, beginning of year	595,320.34	8,378.22	603,698.56
Fund Balance, End of Year	\$ 715,540.70	\$ 5,151.05	\$ 720,691.75

ADDITIONAL INFORMATION

CITY OF NEOGA, ILLINOIS
 ASSESSED VALUATION, TAX RATES, TAXES EXTENDED AND COLLECTED

	Tax Levy Year		
	2014	2013	2012
Assessed Valuation (Excludes TIF District)	\$ 13,434,472	\$ 13,940,359	\$ 13,852,144
Tax Rates:			
General corporate	0.42360	0.39923	0.39226
Police protection	0.00410	0.00386	0.00381
Garbage	0.00113	0.00106	0.00106
Audit	0.05429	0.05116	0.05174
IMRF	0.55769	0.52555	0.51738
Unemployment insurance	0.02977	0.02804	0.02416
Liability insurance	0.08925	0.08410	0.08281
Social security	0.15618	0.14717	0.14488
Workers' compensation insurance	0.07660	0.07218	0.07244
ESDA	0.00113	0.00106	0.00106
Medicare	0.04017	0.03785	0.03795
Total	<u>1.43391</u>	<u>1.35126</u>	<u>1.32955</u>
Taxes Extended:			
General corporate	\$ 56,908.42	\$ 55,654.10	\$ 54,336.42
Street and bridge *	13,242.36	14,125.76	10,925.19
Police protection	550.81	538.10	527.77
Garbage	151.81	147.77	146.83
Audit	7,293.57	7,131.89	7,167.10
IMRF	74,922.71	73,263.56	71,668.22
Unemployment insurance	3,999.44	3,908.88	3,346.68
Liability insurance	11,990.27	11,723.84	11,470.96
Social security	20,981.96	20,516.03	20,068.99
Workers' compensation insurance	10,290.81	10,062.15	10,034.49
ESDA	151.81	147.77	146.83
Medicare	5,396.63	5,276.43	5,256.89
Total	<u>\$ 205,880.60</u>	<u>\$ 202,496.28</u>	<u>\$ 195,096.37</u>
Net Taxes Collected:			
Municipal levy		\$ 187,856.30	\$ 183,811.11
City's share of township road and bridge		<u>14,140.92</u>	<u>10,914.31</u>
Total		<u>\$ 201,997.22</u>	<u>\$ 194,725.42</u>
Percent Collected		99.75%	99.81%

* Includes City's estimated share of township road and bridge tax of \$13,242.36 for 2014, \$14,125.76 for 2013, and \$10,925.19 for 2012.

CITY OF NEOGA, ILLINOIS
LEGAL DEBT MARGIN

	April 30		
	2015	2014	2013
Assessed Valuation (Includes TIF District)	<u>\$ 15,360,390</u>	<u>\$ 15,988,606</u>	<u>\$ 14,469,877</u>
Statutory debt limitation (8.625% of assessed value)	<u>\$ 1,324,834</u>	<u>\$ 1,379,017</u>	<u>\$ 1,248,027</u>
Total Debt:			
Water and sewer general obligation bonds	<u>376,844</u>	<u>404,598</u>	<u>430,905</u>
Less debt to be paid from water and sewer utility revenue, exempt from legal debt computation	<u>376,844</u>	<u>404,598</u>	<u>430,905</u>
	<u>-</u>	<u>-</u>	<u>-</u>
Legal Debt Margin	<u>\$ 1,324,834</u>	<u>\$ 1,379,017</u>	<u>\$ 1,248,027</u>

CITY OF NEOGA, ILLINOIS
OTHER ADDITIONAL INFORMATION
April 30, 2015

City Officials:		<u>Term Expires</u>
Mayor	Howard "Wayne" Modglin	4/30/2015
Commissioners	Marty Hartke	4/30/2015
	Tony Kepp	4/30/2015
	Ronald Groves	4/30/2015
	Larry Lindley	4/30/2015
Clerk	Brenda Evans	4/30/2015
Treasurer	Diana Foor	4/30/2015

Board Meetings - 2nd and 4th Monday of each month at 7:00 p.m.

Population - 1,636 (2010 Census)

Water and Sewer Rates:

	<u>Water</u>		<u>Sewer</u>	
	<u>Inside</u>	<u>Outside</u>		
	<u>City Limits</u>	<u>City Limits</u>	<u>Effective</u>	<u>Effective</u>
			<u>4/15/2014</u>	<u>12/15/2014</u>
First 2,000 gallons (minimum)	\$ 19.450	\$ 31.610	\$ 13.880	\$ 14.570
Over 2,000 gallons - per thousand gallons	9.300	13.700	5.300	5.590
Per hundred gallons or any part thereof	0.930	1.370	0.530	0.590
			<u>Effective</u>	<u>Effective</u>
			<u>4/15/2015</u>	<u>4/15/2015</u>
First 2,000 gallons (minimum)	\$ 20.420	\$ 33.190	\$ 15.300	
Over 2,000 gallons - per thousand gallons	9.800	14.400	5.800	
Per hundred gallons or any part thereof	0.980	1.440	0.580	

Water and Sewer Customers:

<u>Date</u>	<u>Water</u>	<u>Sewer</u>
4/30/2006	686	680
4/30/2007	678	673
4/30/2008	668	662
4/30/2009	667	660
4/30/2010	669	662
4/30/2011	675	668
4/30/2012	667	661
4/30/2013	662	654
4/30/2014	653	644
4/30/2015	652	640