

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

March 31, 2014

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Town of the City of Bloomington, Illinois, operates under a trustee form of government. The Town has coterminous boundaries with the City of Bloomington, Illinois. Therefore, in accordance with the Illinois Compiled Statutes, the City Council members automatically serve as trustees for the Town and the City's Mayor presides over Town Board meetings. The Township Supervisor is the elected chief executive officer for the Township. These financial statements present the Town of the City of Bloomington as a primary government. The Township provides the following services as authorized by state statutes: general assistance, and general administrative services.

Evergreen Memorial Cemetery is included in these financial statements as a discretely presented component unit. A separate Board of Trustees appointed by the Township Board governs the operations of the Cemetery. However, the Cemetery is financially dependent on the Township and has no independent power to contract bonded indebtedness or to levy taxes. A complete set of financial statements for the Cemetery may be obtained from the Evergreen Cemetery office, 302 E. Miller Street, Bloomington, Illinois 61701. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the Township. The discretely presented component unit has a March year-end. The discretely presented component unit operates a cemetery.

The Township considered whether the John M. Scott Health Care Trust should comprise part of the Township for reporting purposes. The Township determined that although the Township implements and operates programs and services provided by the Trust from its offices through an intergovernmental agreement, the City of Bloomington, as Trustee has the oversight responsibility for the Trust, and therefore, the Trust should not be considered a part of the Township for financial reporting purposes.

The criteria of oversight responsibility, special financing relationships, and scope of public service was used in determining the agencies or entities that comprise the Township for financial reporting purposes. Oversight responsibility is determined by the extent of financial interdependency, control over the selection of the governing operations, and accountability for fiscal matters. The accounting policies of the Town of the City of Bloomington, Illinois, conform to generally accepted accounting principles as applicable to governments except that all funds are accounted for on the modified cash basis of accounting instead of reporting on the modified accrual basis or accrual basis of accounting.

BASIS OF PRESENTATION

A. Basic Financial Statements

The Township's basic financial statements include both government-wide (reporting the township as a whole) and fund financial statements (reporting the Township's major funds). Both the government-wide and fund financial statements categorize primary activities as governmental activities.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED March 31, 2014

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Government-Wide Statements

The Statement of Net Assets Arising from Cash Transactions and the Statement of Activities Arising from Cash Transactions present financial information about the reporting government as a whole. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting on internal transactions. Governmental activities generally are financed through taxes and intergovernmental revenues.

The Statement of Activities Arising from Cash Transactions reports both the gross and net cost of each of the Town's functions. Gross program expenses (including depreciation) are offset by direct program revenues that are directly associated with the function (general government, highways and streets, public assistance, cemetery, etc.). The net costs (by function) are normally covered by general revenue (property or utility taxes, intergovernmental revenue, interest income, etc.).

This government-wide focus is more on the sustainability of the Township as an entity and the change in the Township's net assets resulting from the current year's activities.

Fund Accounting

The financial transactions of the Township are reported in individual funds, which are all major funds in the fund financial statements. Each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses, as appropriate. The various funds are reported by generic classification within the financial statements. The following are the Township's governmental fund types:

Governmental Funds

The focus of the governmental funds' measurement (in the funds statements) is upon determination of financial position and changes in financial position rather than upon net income. The following is a description of the governmental funds of the Township:

Town Fund – is the general operating fund of the Township. It is used to account for all financial resources except those that are required to be accounted for in another fund.

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

The emphasis in fund financial statements is on the major funds in the governmental activities category. Non-major funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category of the governmental activities) for the determination of major funds. The Township has no non-major funds.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

March 31, 2014

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Fiduciary Funds

Trust Funds – are used to account for the proceeds from private sources (other than special assessments, expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes.

B. Significant Accounting Policies

Basis of Accounting

Revenue and expenditures of governmental fund types are recognized on the modified cash basis of accounting.

Revenue is recognized in the accounting period when it is received.

Expenditures are generally recognized in the accounting period when obligations are paid, with the exception of capital purchases. Capital purchases are recognized in the government-wide statement at full cost including payments made during the fiscal year plus any financing used to complete their purchase.

Investments

Investments are stated at their fair value, (quoted market price or the best available estimate).

Property and Equipment

Equipment purchased or acquired with an original cost of \$5,000 or more, and buildings costing in excess of \$10,000 are capitalized at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays, where cost meets the Township's capitalization policies and significantly extend the useful life of an asset, are also capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and Infrastructure	40 years
Machinery and Equipment	7 years
Cemetery Infrastructure	40 years

GASB No. 34 requires the Township to report and depreciate new infrastructure assets prospectively, effective with the beginning of the current year. Infrastructure assets include roads, bridges, underground pipe (other than those related to utilities), traffic signals, etc. It is unlikely that the Township will ever have any infrastructure assets since the Township is coterminous with the City of Bloomington, Illinois', which is responsible for the infrastructure.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

March 31, 2014

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Property and Other Taxes

The Township's property tax is levied each year on all taxable real property located within the Township boundaries on or before the last Tuesday in December. The Board of Trustees passed the 2012 levy on November 26, 2012 in amounts deemed necessary to defray necessary expenses and liabilities for the year ended March 31, 2014. Property taxes attached as an enforceable lien on property as of January 1, 2012 and are payable in two installments each year in June and September in 2013.

Discretely Presented Component Unit

Evergreen Memorial Cemetery (Cemeteries of the Town of the City of Bloomington, Illinois), maintains a general operating fund and two fiduciary funds for private trusts. The fiduciary funds are used to account for specific revenue sources that are legally restricted to expenditures for specified purposes.

NOTE 2 – BUDGET AND BUDGETARY ACCOUNTING

The budget or appropriation ordinance is adopted on a cash basis. The appropriation ordinance for the Town of the City of Bloomington, Illinois, which was adopted on March 25, 2013, covered appropriations for the general and special revenue funds as well as Evergreen Memorial Cemetery, a discretely presented component unit of the Town of the City of Bloomington, Illinois.

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

(a) Prior to the beginning of a fiscal year, the Township Supervisor submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them. It is prepared on a cash basis.

(b) Public hearings are held to obtain taxpayer comments.

(c) The budget is legally enacted through passage of an ordinance during the first three months of the fiscal year.

(d) Any budget amendments are approved by the Town Board of Trustees. Transfers of more than 10% of fund appropriations require a repetition of the entire budget process. The Township amended its budget on August 26, 2013 in accordance with this process.

(e) Appropriations lapse at the end of the fiscal year. The level of control for each budget is the fund total rather than individual line items.

(f) Management makes estimates and assumptions during the preparation of financial statements. Accordingly, actual results could differ from those estimates.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

March 31, 2014

NOTE 3 – CASH AND CASH INVESTMENTS

The Township's cash and investments are maintained in accounts fully covered by the Federal Deposit Insurance Corporation or The Illinois Funds.

The Township has formally adopted deposit and investment policies that limit its allowable deposits or investments and address the specific types of risks to which the Township is exposed. State statutes authorize the Township to make deposits in interest bearing depository accounts in federally insured and/or state chartered banks and savings and loan associations, or other financial institutions as designated by ordinances, and to invest available funds in direct obligations of, or obligations guaranteed by, the United States Treasury or agencies of the United States, money market mutual funds whose portfolios consist of governmental securities, and Illinois Funds Money Market Fund.

The Cemetery holds the following investments at March 31, 2014:

Fiduciary Funds	
Investments in Irrevocable Trust	
Cash	\$ 3,842
Equity Traded Fixed Income Funds	62,752
Equity Traded Equity Mutual Funds	<u>101,953</u>
	<u>\$ 168,547</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. One of the ways the cemetery addresses risk is the use a professional investment advisors.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer on 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 cemetery's deposits with financial institutions are not subject to credit risk rating.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

March 31, 2014

NOTE 4 – CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets for the year ended March 31, 2014, was as follows:

	<u>Balance</u> <u>April 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>March 31</u>
Governmental Activities:				
Capital assets being depreciated				
Building	\$ 916,903	\$ -	\$ -	\$ 916,903
Equipment	11,579	15,000	-	26,579
Total Capital assets being depreciated	<u>928,482</u>	<u>15,000</u>	<u>-</u>	<u>943,482</u>
Less accumulated depreciation for:				
Building	(229,225)	-	(22,923)	(252,148)
Equipment	(11,579)	-	(2,143)	(13,722)
Total accumulated depreciation	<u>(240,804)</u>	<u>-</u>	<u>(25,066)</u>	<u>(265,870)</u>
Governmental activities capital assets, net	<u>\$ 687,678</u>	<u>\$ 15,000</u>	<u>\$ (25,066)</u>	<u>\$ 677,612</u>

A summary of component unit fixed assets for the year ended March 31, 2014, was as follows:

	<u>Balance</u> <u>April 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>March 31</u>
Component Unit Activities:				
Capital assets not being depreciated				
Land	\$ 10,000	\$ -	\$ -	\$ 10,000
Construction in Progress	-	-	-	-
Total capital assets not being depreciated	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
Capital assets being depreciated				
Buildings & Improvements	274,083	-	-	274,083
Equipment	526,125	27,561	-	553,686
Infrastructure	232,367	-	-	232,367
Mausoleum	986,805	-	-	986,805
Total capital assets being depreciated	<u>2,019,380</u>	<u>-</u>	<u>-</u>	<u>2,056,941</u>
Less accumulated depreciation for:				
Buildings & Improvements	(168,680)	-	(16,353)	(185,033)
Equipment	(426,428)	-	(30,663)	(457,091)
Infrastructure	(113,222)	-	(22,975)	(136,197)
Mausoleum	(187,664)	-	(24,630)	(212,294)
Total accumulated depreciation	<u>(895,994)</u>	<u>-</u>	<u>(94,621)</u>	<u>(990,615)</u>
Total capital assets being depreciated, net	<u>1,123,386</u>	<u>27,561</u>	<u>(94,621)</u>	<u>1,056,326</u>
Business-type activities capital assets, net	<u>\$ 1,133,386</u>	<u>\$ 27,561</u>	<u>\$ (94,621)</u>	<u>\$ 1,066,326</u>

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED March 31, 2014

NOTE 4 – CHANGES IN FIXED ASSETS – CONTINUED

Depreciation expense was charged to programs of the primary government as follows:

Governmental Activities – General Fund:		
Building	\$	22,923
Equipment		<u>2,143</u>
Total Depreciation Expense - Governmental Activities	\$	<u>25,066</u>
Component Unit Activities – General Fund:		
Buildings & Improvements	\$	16,353
Equipment		30,663
Infrastructure		22,975
Mausoleum		<u>24,630</u>
Total depreciation expense – Component Unit Activities:	\$	<u>94,621</u>

NOTE 5 – LONG-TERM DEBT

At March 31, 2014, bonds payable consisted of the following individual issue:

Governmental
Activities

The Township issued \$900,000 General Obligation (Limited Tax) Debt Certificates, Series 2003 on October 16, 2003. The Certificates require annual payments of \$60,000 per year, beginning January 1, 2005, plus semi-annual interest at 3.48%. All amounts due on or after January 1, 2010 are subject to redemption in whole or in part on or after January 1, 2009, at the option of the Township, at a price of par plus any interest accrued to the date of redemption. The Certificates are payable from the General Funds of the Township without any requirement of a prior appropriation therefore, as secured by General Funds.

\$ 300,000

The annual aggregate maturities for each bond type for the years subsequent to March 31, 2014, are as follows:

Year Ending March 31	<u>General Obligation Bonds Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	60,000	10,440	70,440
2016	60,000	8,352	68,352
2017	60,000	6,264	66,264
2018	60,000	4,176	64,176
2019	<u>60,000</u>	<u>2,088</u>	<u>62,088</u>
Total	<u>\$ 300,000</u>	<u>\$ 31,320</u>	<u>\$ 331,320</u>

Changes in Outstanding Debt – Transactions for the year ended March 31, 2014 are summarized as follows:

	<u>Balance April 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance March 31</u>	<u>Due Within one year</u>
Governmental Activities:					
General Obligation Bond	\$ 360,000	\$ -	\$ 60,000	\$ 300,000	\$ 60,000
Total Activities	<u>\$ 360,000</u>	<u>\$ -</u>	<u>\$ 60,000</u>	<u>\$ 300,000</u>	<u>\$ 60,000</u>

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED March 31, 2014

NOTE 5 – LONG-TERM DEBT – CONTINUED

Component Unit Activities

General Obligation Debt Certificates

On February 25, 2008, the Board of Trustees for the Township approved Ordinance No. 2008-01 authorizing the issuance of General Obligation (Limited Tax) Debt Certificates, Series 2008 not to exceed \$688,725 to finance Cemetery township facilities. The debt is included as part of the discretely presented component unit of the Township. There was no levy and extension of taxes for repayment of the certificates. The Cemetery plans to pay the certificates from its general revenues. The certificates original interest rate was 4.5%, however, the township refinanced the certificates on September 9, 2013 at a new interest rate of 3.10%. Beginning March 25, 2009, interest only was due on a monthly basis for the first twelve monthly payments. The revised monthly payments including principle and interest, are amortized over the remainder of the fifteen year period. The Township has the option to redeem the certificates in any amount prior to the stated due date. The total amount outstanding at March 31, 2014 was \$493,432.

The annual aggregate maturities for general obligation debt certificates for the years subsequent to March 31, 2014, are as follows:

Year Ending March 31	General Obligation Debt Certificate		
	Principal	Interest	Total
2015	40,602	15,296	55,898
2016	41,861	14,038	55,899
2017	43,159	12,740	55,899
2018	44,497	11,402	55,899
2019	45,876	10,023	55,899
2020 - 2025	277,437	28,279	305,716
Total	\$ 493,432	\$ 91,778	\$ 585,210

Capital Lease Obligation

On February 25, 2014, the Cemetery purchased equipment under a lease agreement. The lease obligation is payable in 36 monthly installments of \$460 with no stated interest, beginning on March 25, 2014. The total lease payments by year are as follows:

Year Ending March 31	Payments
2015	5,520
2016	5,520
2017	5,060
Total	\$ 16,100

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

March 31, 2014

NOTE 5 – LONG-TERM DEBT – CONTINUED

Changes in Outstanding Debt – Transactions for the year ended March 31, 2014 are summarized as follows:

	Balance March 1	Additions	Reductions	Balance March 31	Due Within one year
Governmental Activities:					
Capital Lease Obligation	\$ -	\$ 16,560	\$ 460	\$ 16,100	\$ 5,520
General Obligation Bond	\$ 535,728	\$ -	\$ 42,296	\$ 493,432	\$ 40,602
Total Activities	<u>\$ 535,728</u>	<u>\$ 16,560</u>	<u>\$ 42,756</u>	<u>\$ 509,532</u>	<u>\$ 46,122</u>

Legal Debt Margin

The legal debt margin of the Township, as of March 31, 2014 is computed as follows:

Assessed Valuation (Property Tax Year 2013)	\$ 1,761,520,835
Debt Limit – 2.875% of assessed value	\$ 50,643,724
Less: Debt subject to General Obligation Bond	<u>(793,432)</u>
 Legal Debt Margin	 <u>\$ 49,850,292</u>

NOTE 6 – GOVERNMENT FUND BALANCE REPORTING

Government Accounting Standards require government fund balances to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Fund balances in the governmental fund statements have been restated as of the beginning of the fiscal year to reflect changes in presentation. Below are definitions of the differences and a reconciliation of how these balances are reported.

A. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. Due to the cash basis nature of the township all such items are expensed at the time of purchase, so there is nothing to report for this classification.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

March 31, 2014

NOTE 6 – GOVERNMENT FUND BALANCE REPORTING – continued

B. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes. The township has several revenue sources received within different funds that also fall into these categories such as property taxes, state grants, interest, charges for services, and/or insurance reimbursement. The General Assistance funds and Cemetery funds are restricted by the enabling legislation for property tax levies.

C. Committed Fund Balance

The committed fund balance classification refers to 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 Board of Trustees). 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.

The Board of Trustees commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. There were no committed fund balances.

D. Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by (a) the Board of Trustees or (b) the budget or finance committee or (c) an official to which the Board has delegated the authority to assign amounts to be used for specific purposes. There were no assigned fund balances.

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amount in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds.

F. Expenditures of Fund Balance

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.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED March 31, 2014

NOTE 7 – RETIREMENT PLANS

ILLINOIS MUNICIPAL RETIREMENT PLAN

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

Funding Policy. As set by statute, your employer Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2013 was 13.06 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. The required contribution for calendar year 2013 was \$140,845.

THREE-YEAR TREND INFORMATION FOR THE REGULAR PLAN

Fiscal Year <u>Ending</u>	Annual Pension <u>Cost (APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
12/31/13	\$ 140,846	100%	\$0
12/31/12	\$ 131,823	100%	\$0
12/31/11	\$ 132,112	100%	\$0

The required contribution for 2013 was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Regular plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30 year basis.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

March 31, 2014

NOTE 7 – RETIREMENT PLANS - CONTINUED

ILLINOIS MUNICIPAL RETIREMENT PLAN - continued

Funded Status and Funding Progress. As of December 31, 2013, the most recent actuarial valuation date, the Regular plan was 77.77 percent funded. The actuarial accrued liability for benefits was \$3,055,644 and the actuarial value of assets was \$2,376,284, resulting in an underfunded actuarial accrued liability (UAAL) of \$679,360. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$1,078,450 and the ratio of the UAAL to the covered payroll was 63 percent.

NOTE 8 – OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosure, as part of the Combined Statement – Overview, of certain information concerning individual funds including:

- A. There was no individual funds inter-fund receivable and payable balance at March 31, 2014 between the Town fund and the Cemetery Fund component unit for pension benefits.
- B. There were no deficit fund balances of individual funds at March 31, 2014.

NOTE 9 - VACATION AND SICK LEAVE

The Township provides full-time employees with vacation and sick leave in varying amounts. Vacation and sick pay expenses are charged to operations when taken by the employee. The Township has not recorded the liability for vacation, which totals \$60,633, on March 31, 2014.

NOTE 10 – INTERGOVERNMENTAL AGREEMENT

The Township provides space for the John M. Scott Health Resource Center, a program operated by the Town of the City of Bloomington, Illinois, at an annual rental of \$1 plus a pro-rata share of utilities. In addition, the City and Township agreed to cooperate in the training and sharing of employees between the Township and the Resource Center with the cost allocated, based on the time spent working for each organization.

NOTE 11 - CONTINGENCIES AND COMMITMENTS

1. Debit Cards and Disbursing Orders

The Township provides assistance to income-qualified recipients in the form of debit cards and disbursing and referral orders. At year-end, the Township was liable for \$12,672 for purchases made on the debit cards. In addition, unused balances on debit cards issued totaled \$3,040 and the total amount of unpaid general assistance disbursing, and medical and dental referral orders was \$2,581 at March 31, 2014.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

March 31, 2014

NOTE 11 – CONTINGENCIES AND COMMITMENTS – CONTINUED

2. Boundary Settlement

The Township settled a lawsuit over the automatic annexation of property from other townships whenever the City of Bloomington annexes property.

Intergovernmental agreements entered with other surrounding townships in fiscal 2004 provided that they will be paid a portion of road taxes collected by the City of Bloomington based on a formula for the next ten years.

In addition, the other townships have agreed to pay the Town of the City of Bloomington for assessment services rendered, regarding the parcels involved in the boundary dispute, on their behalf. A total of \$432,858 had been billed for services for tax assessment years 2003 through 2011.

A total of \$369,453 was collected in prior years and \$20,000 was collected during the current year. As a result, a total of \$43,405 remained as receivables at the end of this fiscal year.

NOTE 12 – ACTIVITIES BETWEEN PRIMARY GOVERNMENT AND COMPONENT UNIT

The Township and its component unit, Evergreen Memorial Cemetery, file and make pension contributions together. The Cemetery reimburses the General Fund for its share of the obligation on a monthly basis. Any amounts in due to/from accounts are for IMRF withholdings from Evergreen Memorial Cemetery employees that have not been transferred to the Township general fund for remittance.

NOTE 13 – SUBSEQUENT EVENTS

Management evaluated subsequent events occurring through June, 18, 2014, which represents the date the financial statements were available to be issued.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL - CASH BASIS

General Town Fund
For the Year Ended March 31, 2014

	2014			Actual Over (Under) Budget
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES:				
Local Tax Revenues:				
Property Taxes	\$ 1,162,701	\$ 1,162,701	\$ 1,161,507	\$ (1,194)
Intergovernmental Revenue:				
Personal Property Replacement Tax	80,000	80,000	105,262	25,262
Other Local Sources:				
Interest	1,000	1,000	261	(739)
Litigation Income	20,000	20,000	20,000	-
Miscellaneous Income	136,500	136,500	162,761	26,261
Total Revenues	1,400,201	1,400,201	1,449,790	(49,589)
EXPENDITURES:				
Assessor's Office Expenditures:				
Rent/Debt Service Principle	21,544	21,544	21,545	1
Auto Expense	3,000	3,000	1,605	(1,395)
Telephone	2,500	2,500	2,529	29
Utilities	5,800	5,800	4,433	(1,367)
Postage	500	500	138	(362)
Office Supplies	1,200	1,200	1,275	75
Printing	500	500	135	(365)
Publications	500	500	1,026	526
Equipment	3,000	3,000	19,062	16,062
Equipment Repair/Rental	1,000	1,000	1,012	12
Education/Conference	11,000	11,000	14,207	3,207
Replatting/Remapping	9,000	9,000	-	(9,000)
Quadrennial Reassessment	47,000	47,000	33,160	(13,840)
Recorder	150	150	-	(150)
Janitorial	2,000	2,000	1,820	(180)
Computer Services	10,000	10,000	6,647	(3,353)
Mapping/Computerization	26,000	26,000	23,004	(2,996)
Membership Dues/Assessor's Staff	1,500	1,500	1,860	360
Total Assessor's Office Expenditures	146,194	146,194	133,456	(12,738)
Total Expenditures (current page)	\$ 146,194	\$ 146,194	\$ 133,456	\$ (12,738)

The Accompanying Notes to Required Supplemental Information are an Integral Part of This Statement.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL - CASH BASIS**

General Town Fund
For the Year Ended March 31, 2014

	2014			Actual Over (Under) Budget
	Budgeted Amounts		Actual	
	Original	Final		
Total Expenditures (previous page)	\$ 146,194	\$ 146,194	\$ 133,456	\$ (12,738)
Community Agency Funding				
Transportation	30,000	30,000	30,000	-
GA Client Service Funding	10,000	10,000	-	(10,000)
Youth Services	42,500	42,500	42,500	-
Senior Services	35,000	35,000	35,000	-
	<u>117,500</u>	<u>117,500</u>	<u>107,500</u>	<u>(10,000)</u>
Compensation of Town Officer Expenditures:				
Supervisor	71,919	71,919	71,919	(0)
Assessor	89,838	89,838	89,836	(2)
Town Clerk	4,800	4,800	4,824	24
Town Trustees	3,000	3,000	2,140	(860)
General Assistance Staff	431,400	431,400	408,230	(23,170)
Deputy Assessors	395,000	395,000	305,773	(89,227)
IMRF	129,650	129,650	113,227	(16,423)
FICA	74,624	74,624	63,170	(11,454)
Group Medical Insurance	150,995	150,995	129,460	(21,535)
Unemployment Insurance	1,000	1,000	1,072	72
Total Compensation of Town Officer Expenditures	<u>1,352,226</u>	<u>1,352,226</u>	<u>1,189,652</u>	<u>(162,574)</u>
Services and Expenses				
Membership Dues	1,600	1,600	1,367	(233)
Auditing Expenses	6,600	6,600	6,650	50
Legal Expenses	14,000	14,000	4,250	(9,750)
Court Costs	500	500	-	(500)
Surety Bonds	500	500	-	(500)
Insurance	13,500	13,500	11,809	(1,691)
Publishing	2,500	2,500	752	(1,748)
Other Miscellaneous Expenses	2,730	2,730	2,205	(525)
Debt Service-Princ. Int.	15,984	15,984	10,964	(5,020)
Building Maintenance	11,000	11,000	10,812	(188)
Janitorial Services and Supplies	7,100	7,100	3,989	(3,111)
Building Security	5,000	5,000	-	(5,000)
Total Services and Expenses	<u>81,014</u>	<u>81,014</u>	<u>52,799</u>	<u>(28,215)</u>
Total Expenditures (current page)	<u>\$ 1,696,934</u>	<u>\$ 1,696,934</u>	<u>\$ 1,483,407</u>	<u>\$ (213,527)</u>

The Accompanying Notes to Required Supplemental Information are an Integral Part of This Statement.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET TO ACTUAL - CASH BASIS

General Town Fund
For the Year Ended March 31, 2014

	2014			Actual Over (Under) Budget
	Budgeted Amounts		Actual	
	Original	Final		
Total Expenditures (previous page)	\$ 1,696,934	\$ 1,696,934	\$ 1,483,407	\$ (213,527)
Supervisor's Office Expenditures:				
Postage	3,400	3,400	1,723	(1,677)
Rent/Debt Service	40,000	40,000	40,000	-
Janitorial	2,500	2,500	2,275	(225)
Utilities	10,000	10,000	6,650	(3,350)
Telephones	4,500	4,500	3,713	(787)
Car Expense	2,500	2,500	2,362	(138)
Education/Conference/Meetings	7,500	7,500	2,002	(5,498)
Equipment	7,500	7,500	-	(7,500)
Equipment Repair/Rental	9,000	9,000	3,946	(5,054)
Office Supplies	5,000	5,000	4,063	(937)
Printing Expenses	2,000	2,000	1,543	(457)
Publications	500	500	98	(402)
Computer Services/Contracts	10,000	10,000	7,122	(2,878)
Membership Dues	175	175	25	(150)
Total Supervisor's Office Expenditures	104,575	104,575	75,522	(29,053)
Township Litigation Settlement	-	-	-	-
Total Township Litigation Settlement	-	-	-	-
Total Expenditures	1,801,509	1,801,509	1,558,929	(242,580)
Excess (deficiency) of Revenues Received over Expenditures Disbursed	(401,308)	(401,308)	(109,139)	292,169
Other Financing Sources (Used)				
Operating Transfers - In	-	-	-	-
Operating Transfers - out	-	-	-	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	(401,308)	(401,308)	(109,139)	<u>\$ 292,169</u>
Fund Balance - Beginning of Year	910,000	910,000	940,972	
Fund Balance - End of Year	\$ 508,692	\$ 508,692	\$ 831,833	

The Accompanying Notes to Required Supplemental Information are an Integral Part of This Statement.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET TO ACTUAL - CASH BASIS

General Assistance Welfare Fund
For the Year Ended March 31, 2014

	2014			Actual Over (Under) Budget
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property Tax	\$ 487,500	\$ 487,500	\$ 486,994	\$ (506)
Intergovernmental Revenue:				
Personal Property Replacement Tax	35,000	35,000	44,134	9,134
Other Local Revenues				
Refunds and Recoveries	50,000	50,000	77,579	27,579
Interest	1,000	1,000	222	(778)
Miscellaneous	150	150	-	(150)
	<u>573,650</u>	<u>573,650</u>	<u>608,929</u>	<u>35,279</u>
Expenditures:				
Public Assistance				
Groceries/Personal Essentials	170,000	170,000	142,672	(27,328)
Rent	325,000	325,000	253,696	(71,304)
Utilities	47,500	47,500	26,161	(21,339)
Medical	300,000	300,000	178,837	(121,163)
Emergency Assistance	95,000	95,000	33,638	(61,362)
Hospital	75,000	75,000	36,585	(38,415)
Burial	4,500	4,500	-	(4,500)
Transportation	40,000	40,000	32,161	(7,839)
Allowances	20,000	20,000	19,774	(226)
	<u>1,077,000</u>	<u>1,077,000</u>	<u>723,524</u>	<u>(353,476)</u>
Excess (deficiency) of Revenues Received over Expenditures Disbursed	(503,350)	(503,350)	(114,594)	388,756
Other Financing Sources (Used)				
Operating Transfers - In	-	-	-	-
Operating Transfers - out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	\$ (503,350)	\$ (503,350)	(114,594)	<u>\$ 388,756</u>
Fund Balance - Beginning of Year	<u>1,062,380</u>	<u>1,062,380</u>	<u>976,419</u>	
Fund Balance - End of Year	<u>\$ 559,030</u>	<u>\$ 559,030</u>	<u>\$ 861,824</u>	

The Accompanying Notes to Required Supplemental Information are an Integral Part of This Statement.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

OTHER SUPPLEMENTAL INFORMATION

March 31, 2014

SCHEDULE OF FUNDING PROGRESS ILLINOIS MUNICIPAL RETIREMENT PLAN

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) -- Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Payroll</u>
12/31/13	\$ 2,376,284	\$ 3,055,644	\$ 679,360	77.77%	\$1,078,450	62.99%
12/31/12	\$ 2,806,014	\$ 3,571,859	\$ 765,845	78.56%	\$1,081,399	70.82%
12/31/11	\$ 2,435,046	\$ 3,231,180	\$ 796,134	78.36%	\$1,052,685	75.63%

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$2,892,942. On a market basis, the funded ratio would be 94.68%.

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

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS
CEMETERIES OF THE TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL - CASH BASIS

Component Unit - General Governmental Fund
For The Year Ended March 31, 2014

	2014			Actual Over (Under) Budget
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES:				
Local Taxes:				
Property and Related Taxes	\$ 467,631	\$ 467,631	\$ 506,194	\$ 38,563
Intergovernmental Revenue:				
Replacement Tax	35,354	35,354	45,864	10,510
Other Local Sources:				
Interest	500	500	262	(238)
Grave Openings and Markers	56,000	56,000	42,642	(13,358)
Sale of Spaces	85,000	85,000	63,878	(21,122)
Miscellaneous Income	13,600	13,600	8,879	(4,721)
Total Revenues	658,085	658,085	667,718	9,633
EXPENDITURES:				
Administrative Expenditures:				
Contractual Services	6,600	6,600	5,708	(892)
Group Medical Services	69,000	69,000	59,017	(9,983)
Other Insurance	21,000	21,000	19,268	(1,732)
Office Supplies and Miscellaneous	2,000	2,000	3,085	1,085
Utilities	17,000	17,000	14,200	(2,800)
Legal and Audit	7,550	7,550	9,900	2,350
Advertising	10,000	10,000	7,075	(2,925)
Dues and Seminars	500	500	725	225
Trustees Compensation	1,500	1,500	1,500	-
Special Events	8,000	8,000	5,661	(2,339)
Total Administrative Expenditures	143,150	143,150	126,139	(17,011)
Total Expenditures (current page)	\$ 143,150	\$ 143,150	\$ 126,139	\$ (17,011)

The Accompanying Notes to Required Supplemental Information are an Integral Part of This Statement.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS
CEMETERIES OF THE TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL - CASH BASIS

Component Unit - General Governmental Fund
For The Year Ended March 31, 2014

	2014			Actual Over (Under) Budget
	Budgeted Amounts		Actual	
	Original	Final		
Total Expenditures (previous page)	\$ 143,150	\$ 143,150	\$ 126,139	\$ (17,011)
Cemetery Operations:				
Wages	285,000	285,000	248,870	(36,130)
Payroll Taxes	80,000	80,000	25,669	(54,331)
Retirement	-	-	28,993	28,993
Fuel	17,000	17,000	12,642	(4,358)
Tree Removal and Monument Repairs	9,000	9,000	6,402	(2,599)
Equipment Repairs	8,000	8,000	8,976	976
Supplies	5,500	5,500	2,732	(2,768)
Equipment Rental and Leasing	1,000	1,000	-	(1,000)
Other Expenses	12,000	12,000	4,394	(7,606)
Reserve for Replacement or Contingency	-	-	-	-
Total Cemetery Operation Expenditures	417,500	417,500	338,677	(78,823)
Capital Outlays:				
Road, Fencing, Drainage, Lots and Markers	35,000	35,000	30,784	(4,216)
Building and Improvements	6,000	6,000	8,402	2,402
Equipment	23,500	23,500	18,796	(4,704)
Mausoleum (including debt service)	70,000	70,000	62,308	(7,692)
Grave Markers	4,000	4,000	4,551	551
Total Capital Outlay Expenditures	138,500	138,500	124,840	(13,660)
Total Expenditures	699,150	699,150	589,657	(109,493)
Excess (deficiency) of Revenue over Expenditures	(41,065)	(41,065)	78,061	119,126
Other Financing sources (uses):				
Transfers in	-	-	12,301	(12,301)
Transfers out	-	-	-	-
Total other financing	-	-	12,301	(12,301)
Excess (deficiency) of Revenues and other sources over Expenditures and other uses	\$ (41,065)	\$ (41,065)	90,362	\$ 131,427
Fund Balance - Beginning of Year			281,586	
Fund Balance - End of Year			\$ 371,948	

The Accompanying Notes to Required Supplemental Information are an Integral Part of This Statement.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

**SUMMARY OF LOCAL TAX DATA
FOR THE LEVY YEAR:**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Assessed Valuation	<u>\$ 1,761,520,835</u>	<u>\$ 1,524,822,330</u>	<u>\$ 1,557,479,968</u>	<u>\$ 1,331,224,372</u>	<u>\$ 1,305,122,637</u>	<u>\$ 1,265,590,988</u>	<u>\$ 1,207,887,380</u>	<u>\$ 1,141,612,588</u>	<u>\$ 1,110,463,704</u>
Tax Rates:									
General Corporate	0.0614	0.0763	0.0752	0.0908	0.0954	0.0981	0.0989	0.1007	0.1021
Cemetery	0.0288	0.0332	0.0325	0.0380	0.0369	0.0373	0.0391	0.0414	0.0432
General Assistance	0.0323	0.0320	0.0356	0.0443	0.0498	0.0514	0.0828	0.0876	0.0915
Total Tax Rates	<u>0.1225</u>	<u>0.1415</u>	<u>0.1433</u>	<u>0.1731</u>	<u>0.1822</u>	<u>0.1868</u>	<u>0.2208</u>	<u>0.2297</u>	<u>0.2369</u>
Tax Extensions:									
General Corporate	\$ 1,081,500	\$ 1,162,677	\$ 1,171,536	\$ 1,208,752	\$ 1,245,609	\$ 1,242,051	\$ 1,194,480	\$ 1,149,946	\$ 1,115,502
Cemetery	506,600	506,698	506,025	505,998	481,982	472,445	472,526	472,513	472,313
General Assistance	568,450	487,486	553,996	589,466	649,951	650,008	1,000,010	1,000,053	1,000,018
Total Tax Extensions	<u>\$ 2,156,550</u>	<u>\$ 2,156,861</u>	<u>\$ 2,231,557</u>	<u>\$ 2,304,216</u>	<u>\$ 2,377,542</u>	<u>\$ 2,364,504</u>	<u>\$ 2,667,016</u>	<u>\$ 2,622,512</u>	<u>\$ 2,587,832</u>
Collections *	<u>\$ -</u>	<u>\$ 2,154,689</u>	<u>\$ 2,230,570</u>	<u>\$ 2,307,000</u>	<u>\$ 2,377,122</u>	<u>\$ 2,350,289</u>	<u>\$ 2,663,875</u>	<u>\$ 2,616,594</u>	<u>\$ 2,589,697</u>

* Collections include railroad, mobile home, and prior year collections, adjustments, and abatements.