

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

ANNUAL FINANCIAL REPORT

As of and for the Year Ended

March 31, 2014

Phillips & Associates, CPAs, P.C.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

TABLE OF CONTENTS

March 31, 2014

PAGE

Independent Auditor's Report

Financial Statements

Government-Wide Financial Statements

Statement of Net Position Arising from Cash Transactions	1
Statement of Activities Arising from Cash Transactions	2

Fund Financial Statements

Governmental Funds

Statement of Assets, Liabilities, and Fund Balances Arising from Cash Transactions	3
Reconciliation of the Statement of Assets, Liabilities, and Fund Balances of Governmental Funds to the Statement of Net Assets	4
Statement of Revenues, Expenditures, and Changes In Fund Balances Arising from Cash Transactions	5
Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund Balances of Governmental Funds to the Statement of Activities	6

Discrete Component Unit Financial Statements

Government-Wide Financial Statements

Statement of Net Position Arising from Cash Transactions	7
Statement of Activities Arising from Cash Transactions	8

Fund Financial Statements

Governmental Funds

Statement of Assets, Liabilities, and Fund Balances Arising from Cash Transactions	9
Statement of Revenues, Expenditures, and Changes in Fund Balances Arising from Cash Transactions	10
Reconciliation of Government-Wide Financial Statements to Governmental Fund Statements	11

Fiduciary Funds

Statement of Net Assets Arising from Cash Transactions	12
Statement of Changes in Net Assets Arising from Cash Transactions	13

Notes to Financial Statements	14-26
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TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

TABLE OF CONTENTS – CONTINUED March 31, 2014

Other Information

Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Cash Basis – General Town Fund	27-29
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Cash Basis – General Assistance Welfare Fund	30
Scheduling of Funding Progress – Illinois Municipal Retirement Fund	31
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Cash Basis – Component Unit General Governmental Fund	32-33

Statistical Section

Summary of Local Tax Data	34
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INDEPENDENT AUDITORS' REPORT

Board of Trustees Town of the City of Bloomington, Illinois

We have audited the accompanying financial statements of Town of the City of Bloomington, Illinois, as of and for the year ended March 31, 2014, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

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—modified cash basis of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of the City of Bloomington, Illinois, as of March 31, 2014, and the respective changes in financial position—modified cash basis, thereof for the year then ended in accordance with the basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Other Information and Statistical Section

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of the City of Bloomington, Illinois' financial statements. The other information and statistical sections are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Phillips & Associates, CPAs, P.C.

Normal, Illinois
June 18, 2014

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

STATEMENT OF NET POSITION ARISING FROM CASH TRANSACTIONS

March 31, 2014

	Governmental Activities	Discrete Component Unit
Assets		
Cash & Cash Equivalents	\$ 46,793	\$ 457,457
Investments	1,646,864	-
Refund Receivable	-	908
Fixed Assets (net of Accumulated Depreciation)	677,611	1,066,325
Total Assets	\$ 2,371,268	\$ 1,524,690
Liabilities		
Current Portion of Debt Certificates Payable	\$ 60,000	\$ 40,602
Current Portion of Capital Leases	-	5,520
General Obligation Debt Certificates	240,000	452,829
Capital Leases (All Current)	-	10,580
Total Liabilities	300,000	509,531
Net Position		
Invested in Capital Assets (net of Related Debt)	377,611	556,793
Restricted for General Assistance	861,824	-
Restricted for Cemetery Operations	-	458,366
Unrestricted	831,833	-
Total Net Position	\$ 2,071,268	\$ 1,015,159

The Accompanying Notes Are an Integral Part of This Statement.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

**STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
ARISING FROM CASH TRANSACTIONS**

Year Ended March 31, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) / Revenue and Changes in Net Position	
		Fines, Fees, & Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Total Governmental Activities	Discrete Component Unit
Governmental Activities:						
General Government	\$ 1,416,495	\$ 20,000	\$ -	\$ -	\$ (1,396,495)	\$ -
Public Assistance	831,024	-	-	-	(831,024)	-
Total Governmental Activities	<u>2,247,519</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>(2,227,519)</u>	<u>-</u>
Component Unit:						
General Government	126,139	-	-	-	-	(126,139)
Public Assistance	506,232	106,520	-	-	-	(399,713)
Total Component Unit	<u>\$ 632,372</u>	<u>\$ 106,520</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>(525,852)</u>
General Revenues:						
					1,648,501	506,194
					226,975	45,863
					483	262
					162,761	8,879
					-	12,301
				Total General Revenues and Transfers	<u>2,038,719</u>	<u>573,499</u>
				Changes in Net Position	(188,799)	47,647
				Net Position - Beginning	<u>2,260,067</u>	<u>967,512</u>
				Net Position - Ending	<u>\$ 2,071,268</u>	<u>\$ 1,015,159</u>

The Accompanying Notes Are an Integral Part of This Statement.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

GOVERNMENTAL FUNDS STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES ARISING FROM CASH TRANSACTIONS March 31, 2014

	Major Governmental Funds		Total Governmental Funds
	General Town Fund	General Assistance Fund	
Assets			
Cash	\$ 30,172	\$ 16,621	\$ 46,793
Investments	801,661	845,203	1,646,864
Total Assets	\$ 831,833	\$ 861,824	\$ 1,693,657
Liabilities			
Total Liabilities	-	-	-
Fund Balances			
Reserved	-	-	-
Unreserved	831,833	861,824	1,693,657
Total Fund Balances	831,833	861,824	1,693,657
Total Liabilities and Fund Balances	\$ 831,833	\$ 861,824	\$ 1,693,657

The Accompanying Notes Are an Integral Part of This Statement.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

RECONCILIATION OF THE STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS

March 31, 2014

Total Fund Balance - Total Governmental Funds	\$	1,693,657
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.		677,611
Long Term Assets are Not Available to Pay for Current Period Expenditures and, Therefore, are Deferred in the Funds		
Long-Term Debt Does Not Require Current Financial Resources Therefore, Long Term Debt is Not Reported as a Liability in Governmental Funds Balance Sheet		<u>(300,000)</u>
Net Position of Governmental Activities	\$	<u>2,071,268</u>

The Accompanying Notes are an Integral Part of these Financial Statements

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES ARISING FROM CASH TRANSACTIONS

Year Ended March 31, 2014

	Major Governmental Funds		
	Town Fund	General Assistance Fund	Total Governmental Funds
Revenues:			
Taxes	\$ 1,161,507	\$ 486,994	\$ 1,648,501
Intergovernmental Revenue	105,262	44,134	149,396
Local Revenue	20,000	77,579	97,579
Miscellaneous	162,761	-	162,761
Interest	261	222	483
	<u>1,449,790</u>	<u>608,929</u>	<u>2,058,719</u>
TOTAL REVENUES			
Expenditures:			
General Government	970,690	-	970,690
Public Assistance	515,730	723,524	1,239,254
Debt Service Principal and Interest	72,509	-	72,509
	<u>1,558,929</u>	<u>723,524</u>	<u>2,282,453</u>
TOTAL EXPENDITURES			
Excess (deficiency) of Revenues Over Expenditures	(109,139)	(114,594)	(223,733)
Fund Balance - Beginning of Year	<u>940,972</u>	<u>976,419</u>	<u>1,917,390</u>
Fund Balance - End of Year	<u>\$ 831,833</u>	<u>\$ 861,824</u>	<u>\$ 1,693,657</u>

The Accompanying Notes Are an Integral Part of This Statement.

TOWN OF THE CITY OF BLOOMINGTON, ILLINOIS

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

Year Ended March 31, 2014

Net change in fund balances - total governmental funds \$ (223,733)

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

Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditure in governmental funds. (25,065)

The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also Governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items

Repayment of Long-Term Obligations 60,000

Change in Net Position of Governmental Activities \$ (188,799)

The Accompanying Notes are an Integral Part of these Financial Statements

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

COMPONENT UNIT
STATEMENT OF NET POSITION
ARISING FROM CASH TRANSACTIONS

March 31, 2014

	Component Unit	Totals
Assets		
Cash and cash equivalents	\$ 457,457	\$ 457,457
Refund Receivable	908	908
Interfund receivables	-	-
Fixed Assets (net of Accumulated Depreciation)	1,066,326	1,066,326
Total Assets	\$ 1,524,691	\$ 1,524,691
Liabilities		
Current Portion of Debt Certificates Payable	\$ 40,603	40,603
Current Portion of Capital Leases	5,520	5,520
General Obligation Debt Certificates	452,829	452,829
Capital Leases	10,580	10,580
Due to governmental entities	-	-
Total Liabilities	509,532	509,532
Net Position		
Invested in capital assets - Net of related debt	556,793	556,793
Unrestricted	458,366	458,366
Total Net Position	\$ 1,015,159	\$ 1,015,159

The Accompanying Notes are an Integral Part of these Financial Statements

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

COMPONENT UNIT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
ARISING FROM CASH TRANSACTIONS

For the Year Ended March 31, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) / Revenue and Changes in Net Position	
		Fines, Fees, & Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Component Unit	Total
Component Unit:						
General Government	\$ 126,139	\$ -	\$ -	\$ -	\$ (126,139)	\$ (126,139)
Public Assistance	506,232	106,520	-	-	(399,713)	(399,713)
Total Governmental Activities	\$ 632,372	\$ 106,520	\$ -	\$ -	(525,852)	(525,852)
		Taxes			506,194	506,194
		Intergovernmental			45,863	45,863
		Interest			262	262
		Miscellaneous			8,879	8,879
		Transfers - Internal activity			12,301	12,301
		Total General Revenues and Transfers			573,499	573,499
					47,647	47,647
					967,512	967,512
					\$ 1,015,159	\$ 1,015,159

The Accompanying Notes are an Integral Part of these Financial Statements