

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

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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:						
Taxes					1,648,501	506,194
Intergovernmental					226,975	45,863
Interest					483	262
Miscellaneous					162,761	8,879
Transfers - Internal activity					-	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
		Changes in Net Position			47,647	47,647
		Net Position - Beginning			967,512	967,512
		Net Position - Ending			\$ 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 - GOVERNMENTAL FUNDS
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS

March 31, 2014

	Component Unit	Totals
Assets		
Cash and cash equivalents	\$ 457,457	\$ 457,457
Refund Receivable	908	908
Interfund loans receivable	-	-
Total Assets	\$ 458,365	\$ 458,365
Liabilities		
Payroll and Withholding Payable	\$ -	\$ -
Total Liabilities	-	-
Fund Balances		
Restricted	\$ 458,365	458,365
Unassigned	-	-
Total Fund Balance	458,365	458,365
Total Liabilities and Fund Balance	\$ 458,365	\$ 458,365

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

For the Year Ended March 31, 2014

	Component Unit	Totals
Revenues:		
Taxes	\$ 506,194	\$ 506,194
Intergovernmental Revenue	45,864	45,864
Local Revenue	110,872	110,872
Miscellaneous	4,527	4,527
Interest	262	262
TOTAL REVENUES	667,719	667,719
Expenditures:		
General Government	126,139	126,139
Public Assistance	338,677	338,677
Capital Outlay	62,905	62,905
Debt Service - Principal	42,296	42,296
Debt Service - Interest	19,640	19,640
TOTAL EXPENDITURES	589,657	589,657
Excess (Deficiency) of Revenues Over Expenditures	78,062	78,062
Other Financing sources (uses):		
Transfers in	12,301	12,301
Transfers out	-	-
Total other financing	12,301	12,301
Fund Balance - Beginning of Year	368,003	368,003
Fund Balance - End of Year	\$ 458,365	\$ 458,365

The Accompanying Notes Are an Integral Part of This Statement.

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

COMPONENT UNIT
RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS
TO GOVERNMENTAL FUND STATEMENTS

Year Ended March 31, 2014

Change in net assets per Statement of Activities Arising from Cash Transactions	\$ 47,647
Current year capital additions recorded as capital outlay in the governmental funds	(27,561)
Depreciation recorded on government-wide Statement of Activities not recorded on the governmental fund statements	94,621
<p>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</p>	
Proceeds from Issuance of Long-Term Obligations	
Repayment of Long-Term Obligations	(42,296)
Proceeds from Loan of Capital Lease Obligations	
Repayment of Capital Lease Obligations	<u>(460)</u>
Change in fund balance per the Statement of Revenues, Expenditures, and Changes in Fund Balances - Cash Basis	<u>\$ 71,951</u>
Net Assets per Statement of Net Assets Arising from Cash Transactions	\$ 1,015,159
Beginning of year governmental fixed assets included on only the Statement of Net Assets Arising from Cash Transactions; net of accumulated depreciation totaling \$697,319	(1,135,236)
Additions to governmental fixed assets included on only the Statement of Net Assets Arising from Cash Transactions	(9,150)
Depreciation recorded on government-wide Statement of Activities not recorded on the governmental fund statements	94,621
<p>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</p>	
Beginning of year debt included only on the Statement of Net Assets	535,728
Repayment of long-term debt	(42,756)
Proceeds from Issuance of Long-Term Obligations	-
Fund balances per the Statement of Assets, Liabilities, and Fund Balances - Cash Basis	<u>\$ 458,365</u>

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 - FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
ARISING FROM CASH TRANSACTIONS

March 31, 2014

	<u>Fiduciary Fund Types</u>		<u>Totals</u>
	<u>Trust</u>	<u>Private Lot Trust</u>	
Assets			
Cash and cash equivalents	\$ -	\$ 54,846	\$ 54,846
Investments	<u>168,547</u>	<u>-</u>	<u>168,547</u>
Total Assets	<u>168,547</u>	<u>54,846</u>	<u>223,393</u>
Net Position Held in Trust			
Permanently Restricted	86,301	7,800	94,101
Restricted	<u>82,246</u>	<u>47,046</u>	<u>129,291</u>
	<u>\$ 168,547</u>	<u>\$ 54,846</u>	<u>\$ 223,393</u>

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 - FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET POSITION
ARISING FROM CASH TRANSACTIONS

Year Ended March 31, 2014

	Perpetual Care Trust	Private Lot Trust
Additions		
Investment Income	\$ 3,054	\$ -
Unrealized gain (loss) on investments	14,604	-
Income from Trusts	-	10,158
 Total Revenue	 17,658	 10,158
 Deductions		
Cemetery Operations	1,957	-
 Total Expenditures	 1,957	 -
 Other Financing Sources (Used)		
Operating Transfers - In	-	-
Operating Transfers - out	2,143	10,158
 Change in Net Assets	 13,559	 -
 Net Position - Beginning of Year	 154,988	 54,846
 Net Position - End of Year	 \$ 168,547	 \$ 54,846

The Accompanying Notes are an Integral Part of these Financial Statements