



# **VILLAGE OF GLEN CARBON, ILLINOIS**

**FINANCIAL REPORT**  
(Audited)

Year Ended April 30, 2015

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**FINANCIAL REPORT**

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	<b>Page</b>
<b>INDEPENDENT AUDITOR’S REPORT</b>	1
<b>MANAGEMENT’S DISCUSSION AND ANALYSIS</b>	4
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-wide Financial Statements:	
Statement of Net Position	14
Statement of Activities	15
Fund Financial Statements:	
Balance Sheet - Governmental Funds	16
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Net Position - Proprietary Funds	20
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	21
Statement of Cash Flows - Proprietary Funds	22
Statement of Fiduciary Net Position - Police Pension Fund	24
Statement of Change in Fiduciary Net Position - Police Pension Fund	25
Notes to Financial Statements	26
<b>REQUIRED SUPPLEMENTAL INFORMATION</b>	
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
General Fund	54
TIF #1 Fund - Special Revenue Fund	55
Notes to Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	56
Illinois Municipal Retirement Fund - Schedule of Funding Progress and Employer Contributions	57
Police Pension Fund - Schedule of Funding Progress and Employer Contributions	58
<b>OTHER SUPPLEMENTAL INFORMATION</b>	
Combining Balance Sheet - Nonmajor Governmental Funds	60
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	62
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual - 2011A G.O. Bond Refunding Fund - Debt Service Fund	64
Schedule of Taxes Extended and Collected	65
Schedule of Certain Wastewater Data	66



**Hochschild, Bloom & Company LLP**  
Certified Public Accountants  
Consultants and Advisors

## **INDEPENDENT AUDITOR'S REPORT**

October 22, 2015

Honorable Mayor and Trustees  
**VILLAGE OF GLEN CARBON, ILLINOIS**

### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **VILLAGE OF GLEN CARBON, ILLINOIS** (the Village), as of and for the year ended April 30, 2015, and the related notes to the financial statements, which collectively comprise the Village'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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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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 Village'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 Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village as of April 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplemental Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental information, as listed in the table of contents, 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 supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Matters*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The other supplemental information, as listed in the table of contents, are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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 other supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2015 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

*Hochschild, Bloom + Company LLP*  
CERTIFIED PUBLIC ACCOUNTANTS  
Robert B. Offerman, CPA

# **VILLAGE OF GLEN CARBON, ILLINOIS**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

As management of the Village of Glen Carbon, Illinois, we offer readers of the Village of Glen Carbon's financial statements this narrative overview and analysis of the financial activities of the Village of Glen Carbon for the fiscal year ended April 30, 2015. We encourage readers to consider the information presented here in conjunction with the financial statements. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### **Profile of the Village of Glen Carbon**

The Village of Glen Carbon, Illinois was incorporated in 1892, ninety years after the first recorded European settlers arrived in the area. Today, Glen Carbon is considered part of the Metro-East area of the greater St. Louis region and has easy access to major highways and interstates such as Routes 157 and 159 and Interstates 270 and 255 and is approximately 20 miles from downtown St. Louis. Residential growth has been spurred by its proximity to St. Louis and the current population is 12,934 per the 2010 U.S. Census.

The Village has operated under the trustee-village form of government since incorporation. Six trustees and the president form the legislative body with the trustees being elected from the village at-large. The president, with the advice and consent of the board of trustees, appoints the heads of the various departments. Many municipalities in Illinois operate with a municipal administrator who performs numerous tasks. While there is not an "administrator" form of government, this practice may be used in all forms of government except for the manager form. The Village of Glen Carbon adopted the office of Village Administrator by ordinance in April 2011.

### **Financial Highlights**

- The assets of the Village of Glen Carbon exceeded its liabilities at the close of the most recent fiscal year by \$59,325 (net position). Of this amount, \$13,370 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$1,984.
- As of the close of the current fiscal year, the Village of Glen Carbon's governmental funds reported combined ending fund balances of \$10,467, an increase of \$151 in comparison with the prior year. Approximately \$3,599 is unassigned and available for spending at the government's discretion.

### **Overview of the Financial Statements**

The discussion and analysis is intended to serve as an introduction to the Village of Glen Carbon's basic financial statements. The Village of Glen Carbon's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

### **Government-wide financial statements.**

The government-wide financial statements are designed to provide readers with a broad overview of the Village of Glen Carbon's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Village of Glen Carbon's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village of Glen Carbon is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Village of Glen Carbon that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village of Glen Carbon include general government, public safety, highways and streets, development and culture and recreation. The business type activities of the Village of Glen Carbon include water and sewer distribution and refuse services.

### **Fund financial statements.**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Glen Carbon, like other state and local governments, uses fund accounting to ensure and to demonstrate compliance with finance-related legal requirements. All of the funds of the Village of Glen Carbon can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

*Governmental Funds.* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statement. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirement.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village of Glen Carbon maintains 19 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Tax Increment Financing #1 Fund, the 2011A G.O. Bond Refunding Fund and the General Capital Projects Fund; all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village of Glen Carbon adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

*Proprietary Funds.* The Village of Glen Carbon maintains an enterprise fund to report the same functions presented as business-type activities in the government-wide financial statements. The Village of Glen Carbon uses enterprise funds to account for its Water, Sewer and Refuse Funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information on the operations of the Water, Sewer and Refuse Funds.

*Fiduciary Funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Village of Glen Carbon’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the Village of Glen Carbon’s progress in funding its obligation to provide pension benefits to its employees and budget schedules for the General Fund and major special revenue funds.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplemental information on pensions.

**Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government’s financial position. In the case of the Village of Glen Carbon, assets exceeded liabilities by \$59 million.

Table 1  
**NET POSITION**  
(000'S)

	Governmental Activities		Business-type Activities		Total Primary Government	
	FY 2015	FY 2014	FY2015	FY 2014	FY2015	FY 2014
Beginning Net Position (May 1)	\$35,953	\$34,912	\$21,815	\$21,111	\$57,768	\$56,023
Increase (decrease)	169	1,041	1,388	704	1,557	1,745
End Net Position (April 30)	<u>\$36,122</u>	<u>\$35,953</u>	<u>\$23,203</u>	<u>\$21,815</u>	<u>\$59,325</u>	<u>\$57,768</u>

The Village’s combined net assets increased from \$57.8 million to \$59.3 million over the balance of the fiscal year. Net assets increased \$0.2 million in the Governmental Activities category and increased \$1.4 million in the Business-type Activities area. Governmental Activities net assets account for 61% of total Village net assets.

The composition of the Village’s assets and liabilities at year end are illustrated in Table 2.

Table 2  
**NET POSITION COMPOSITION**  
(000'S)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2014</u>
Current and Other Items	\$15,515	\$15,892	\$ 5,978	\$ 4,817	\$21,493	\$20,709
Capital Assets	<u>30,179</u>	<u>31,606</u>	<u>22,443</u>	<u>20,536</u>	<u>52,622</u>	<u>52,142</u>
Total Assets						
And Other	<u>45,694</u>	<u>47,498</u>	<u>28,421</u>	<u>25,353</u>	<u>74,115</u>	<u>72,851</u>
Long-term Debt						
Outstanding	5,460	6,903	4,291	2,863	9,751	9,766
Other Liabilities	<u>4,112</u>	<u>4,642</u>	<u>927</u>	<u>675</u>	<u>5,039</u>	<u>5,317</u>
Total Liabilities	<u>9,572</u>	<u>11,545</u>	<u>5,218</u>	<u>3,538</u>	<u>14,790</u>	<u>15,083</u>
NET POSITION	<u>\$36,122</u>	<u>\$35,953</u>	<u>\$23,203</u>	<u>\$21,815</u>	<u>\$59,325</u>	<u>\$57,768</u>

Approximately 71% of the Village's combined \$74 million in assets are invested in capital assets, while the remaining 29% is made up of cash and cash investments, and receivables due to the Village. Over 66% of the Village's \$15 million in combined liabilities reflects its commitments to long-term debt in order to finance the long-term improvements to the Village's infrastructure systems and to improve its operational services to its citizens in the future.

The Village's net position composition at year-end is further analyzed in Table 3.

Table 3  
**NET POSITION COMPOSITION**  
(000'S)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Capital Assets (Net of Debt)	\$25,623	\$25,632	\$18,349	\$17,838	\$43,972	\$43,470
Restricted	1,983	1,874	-	-	1,983	1,874
Unrestricted (deficit)	<u>8,516</u>	<u>8,447</u>	<u>4,854</u>	<u>3,977</u>	<u>13,370</u>	<u>12,424</u>
NET ASSETS	<u>\$36,122</u>	<u>\$35,953</u>	<u>\$23,203</u>	<u>\$21,815</u>	<u>\$59,325</u>	<u>\$57,768</u>

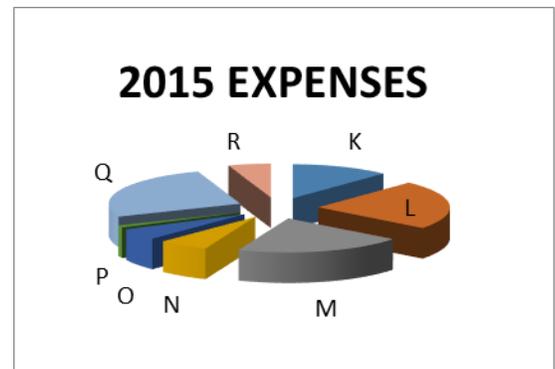
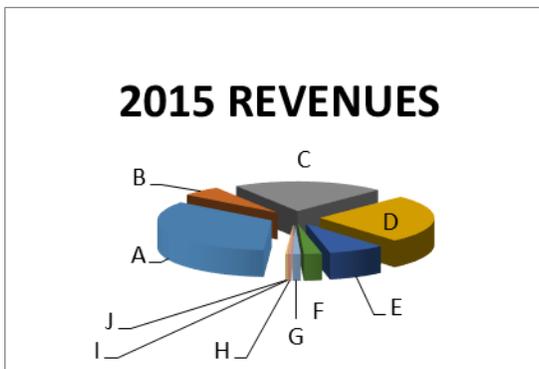
In Table 3, the Village's capital assets are shown net of their related debt, resulting in combined capital assets of \$44 million. An additional \$2 million of the Village's assets are shown as restricted to specific spending functions in future years.

As illustrated earlier, the Village's combined net assets increased \$1.6 million net of other adjustments from \$57.8 million to \$59.3 million over the balance of the fiscal year. Total Village revenues of \$16.4 million were recorded versus total activity expenses of \$14.4 million. Table 4 itemizes the key revenue categories that contribute to the Village's ability to provide services to its citizens in both the Governmental and Business-type areas. Also shown in this table are the significant program expense areas that these revenues support. The

purpose of this table is to answer most of the questions regarding where the Village obtains the majority of its funds and what these funds are spent on. The makeup of the Village's revenues and expenses is also shown in graphic form after the bottom of the table.

Table 4  
**NET POSITION ACTIVITY**  
(000'S)

	Governmental Activities		Business-type Activities			Total Primary Government	
	2015	2014	2015	2014		2015	2014
<b>REVENUES</b>							
Charges for Services	\$ 355	\$ 299	\$5,255	\$5,256	A	\$ 5,610	\$ 5,555
Operating Grants and Contributions	200	693	721	-	B	921	693
Property Taxes	3,510	3,917	-	-	C	3,510	3,917
Sales and Use Tax	4,297	3,738	-	-	D	4,297	3,738
Income Tax	1,303	1,304	-	-	E	1,303	1,304
Other Taxes	418	427	-	-	F	418	427
Franchise Fees	192	184	-	-	G	192	184
Investment Earnings	59	23	13	4	H	72	27
Gain on Sale of Fixed Assets	-	9	-	-	I	-	9
Miscellaneous	49	226	-	-	J	49	226
Transfers	110	110	(110)	(110)		-	-
Total Revenues	10,493	10,930	5,879	5,150		16,372	16,080
<b>ACTIVITY EXPENSES</b>							
General Government	1,741	1,625	-	-	K	1,741	1,625
Public Safety	3,357	2,908	-	-	L	3,357	2,908
Streets and Highways	2,979	2,858	-	-	M	2,979	2,858
Development	889	530	-	-	N	889	530
Cultural and Recreational	777	1,347	-	-	O	777	1,347
Interest on Long-term Debt	154	192	-	-	P	154	192
Water and Sewer	-	-	3,738	3,698	Q	3,738	3,698
Refuse	-	-	753	720	R	753	720
Total Activity Expenses	9,897	9,460	4,491	4,418		14,388	13,878
<b>NET POSITION INCREASE</b>	\$ 596	\$ 1,470	\$ 1,388	\$ 732		\$ 1,984	\$ 2,202



## **Governmental Activities**

Of the \$16.4 million in Village revenues, \$10.5 million was recorded on behalf of Governmental activities. The cost of all governmental activities in fiscal 2015 was \$9.9 million, including \$3.4 million spent in support of public safety and \$3 million in the maintenance of streets and roads. In addition, \$0.8 million was spent in support of cultural and recreational activities which no longer includes the activities of the library. The net program costs of all of the government's activities are presented on the statement of activities, where specific program revenues are compared to program activity expenses before general revenues (which support all programs) are applied to the total.

As displayed in Table 4, property taxes, which comprise approximately 33.5% of the total governmental revenues received, are a significant component of governmental activities revenues. This revenue stream has benefited from strong historical growth in equalized assessed valuations (EAV) of the properties within the Village's corporate boundaries. The EAV of the Village as determined in the final 2014 Tax Levy was \$316,504,265 which was a 1.9% increase over the previous year's equalized assessed valuation of \$310,641,920. The final extended tax rate to the Village's taxpayers during this fiscal period decreased to \$0.8602 from \$1.0451 per \$100 of property assessed value. The rate change is primarily a result of the Library no longer being included.

## **Business-type Activities**

Results of the Village's Business-type activities (which are solely comprised of Proprietary funds) are presented using the *full accrual* basis of accounting and include the following funds:

- **Water Fund:** Water Operations, 2008 Waterworks and Sewerage Refunding Bonds, 2011B Waterworks and Sewerage Refunding Revenue Bonds and Water Capital
- **Sewer Fund:** Sewer Operations and Sewer Capital
- **Refuse Fund:** Refuse Operations

Charges for services for business-type activities decreased \$.001 from prior year primarily due to decrease in gallons consumed.

## **Financial Analysis of the Government's Funds**

As noted earlier, the Village of Glen Carbon uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of the Village of Glen Carbon's government funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village of Glen Carbon's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Table 6  
**GOVERNMENT FUNDS**  
(000'S)

	<u>General</u>	<u>TIF #1</u>	<u>2011A G.O. Bond</u>	<u>Library Fund</u>	<u>General Capital Project</u>	<u>Other Government</u>	<u>Total Government</u>
Beginning Fund Balance (5/1/2015)	\$4,648	\$185	\$29	\$384	\$3,301	\$1,769	\$10,316
Prior Period Adjustments	-	-	-	(384)	-	-	(384)
Increase (decrease)	<u>(778)</u>	<u>174</u>	<u>(3)</u>	<u>-</u>	<u>619</u>	<u>523</u>	<u>535</u>
Ending Fund Balance (4/30/2015)	<u><u>\$3,870</u></u>	<u><u>\$359</u></u>	<u><u>\$26</u></u>	<u><u>\$ -</u></u>	<u><u>\$3,920</u></u>	<u><u>\$2,292</u></u>	<u><u>\$10,467</u></u>

As of the end of the current fiscal year, the Village of Glen Carbon's governmental funds reported combined ending fund balances of \$10,467, an increase of \$151 in comparison with the prior year. The Village has \$3,599 of the \$10,467 which is available for spending at the government's discretion.

The general fund is the chief operating fund of the Village of Glen Carbon. At the end of the current fiscal year, unassigned fund balance of the general fund was \$3,651. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 58% of total general fund expenditures.

The fund balance of the Village's general fund decreased by \$778 during the current fiscal year. Key factor in this reduction is as follows:

- The Village Board approved a general fund balance policy in which any fund balance in excess of eight months average general fund expenditures would be transferred to the general capital projects fund for future capital projects/equipment.

### **General Fund Budgetary Highlights**

The Village prepares a detailed budget of expected revenues and expenditures for the fiscal year for all of its funds. This budget is prepared using the modified accrual basis of accounting so as to conservatively estimate the near term resources available to fund the Village's operations and capital investment plans. The Village also typically underestimates expected revenues and overestimates anticipated expenditures in the formulation of this budget so as to conservatively achieve a balanced budget or even to generate a surplus that contributes to an increase in the fund balance at year-end.

### **CAPITAL ASSET AND DEBT ADMINISTRATION**

#### **Capital Assets**

The composition of the Village's significant investments in Capital Assets (net of accumulated depreciation) is outlined in Table 7.

Table 7  
**CAPITAL ASSETS (Net of Depreciation) at April 30**  
(000'S)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Land	\$ 5,498	\$ 5,498	\$ 520	\$ 423	\$ 6,018	\$ 5,921
Land Improvements	2,193	2,415	-	-	2,193	2,415
Buildings	5,378	5,556	7	7	5,385	5,563
Equipment	473	533	96	93	569	626
Vehicles	327	322	49	30	376	352
Infrastructure	16,246	17,282	20,531	17,500	36,777	34,782
Construction In Progress	64	-	1,240	2,483	1,304	2,483
<b>Total</b>	<b>\$30,179</b>	<b>\$31,606</b>	<b>\$22,443</b>	<b>\$20,536</b>	<b>\$52,622</b>	<b>\$52,142</b>

At the end of fiscal year 2015, the Village had \$52.1 million invested in a broad range of capital assets, including land, park facilities and bike trails, buildings, equipment, roads and bridges and water and sewer distribution systems. This amount reflects a \$0.48 million net decrease (including additions and retirements) in net capital assets over the previous fiscal year. Of the \$52.1 million in net capital assets, \$30.2 million was invested in support of governmental activities while \$22.4 million was invested in support of business-type activities. The decrease in capital assets in current year is primarily due to depreciation and disposition of library fund.

Additional information on the Village of Glen Carbon's capital assets can be found in note D of this report.

**Long-term debt.** At the end of the fiscal year, the Village of Glen Carbon had total debt outstanding of \$9.8 million at April 30, 2015 compared to \$9.8 million at April 30, 2014.

Table 8  
**OUTSTANDING DEBT (000's)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
General Obligation Bonds	\$4,626	\$5,846	\$ 740	\$ 841	\$5,366	\$6,687
Debt Certificates	100	200	-	-	100	200
Notes Payable	32	159	-	-	32	159
Loan Agreements	-	-	3,368	1,857	3,368	1,857
Compensated Absences	702	698	183	165	885	863
<b>Total Long-term Liabilities</b>	<b>\$5,460</b>	<b>\$6,903</b>	<b>\$4,291</b>	<b>\$2,863</b>	<b>\$9,751</b>	<b>\$9,766</b>

During the current fiscal year, the Village continued a 500,000 gallon water tank project funded through the Illinois Environmental Protection Agency low interest rate loan program in which we incurred an additional loan of \$2.4 million.

The Village’s municipal long-term debt rating, as rated by Moody’s Investors Service, was upgraded in 2014 as a result of a rating recalibration from A(2) to Aa3. Issuers or issues that carry an A rating present above average creditworthiness relative to other U.S. municipal or tax-exempt issuers or issues. The Village also continued to maintain a low risk rating from Dun and Bradstreet.

**Debt Limitation**

The Village is a non-home rule municipality. Pursuant to authority granted by Section 8-5-1 of the Illinois Municipal Code, 65 Illinois Compiled Statutes 5/8-5-1, a non-home rule municipality may incur general obligation indebtedness up to 8.625% of the total equalized assessed valuation of all taxable property in the municipality.

**Schedule of Legal Debt Margin  
April 30, 2015**

Legal Debt Limit (8.625% of Assessed Valuation)(1)	\$27,298,493
Less:	
Outstanding General Obligation Bonds (2)	3,660,000
Debt Certificates	100,000
Notes Payable and Installment Purchase Agreements (3)	32,112
 Legal Debt Margin	 \$23,506,381

(1) Based on 8.625% of the Village's 2014 Equalized Assessed Valuation of \$316,504,265.

(2) General Obligation Alternate Revenue Bonds and Revenue Bonds of \$1,719,000 that are to be paid solely from alternate sources of revenue are excluded in the above calculation.

**Economic Factors and Next Year’s Budgets and Rates**

The Village considered many factors in determining the operating budget for the next fiscal year ending April 30, 2015.

Due to the current economic climate, at both the national and state levels, the Village has maintained its expenditures with little or no growth.

In April 2012, the Village approved a business district plan which would allow for an additional 1% sales tax on businesses within this district. In June 2012, a development agreement with a regional developer for the construction of a Sam’s Club within the boundaries of the business district that was available for purchase but which needed significant mine remediation as well as clean-up of an environmental concern was approved by the Village. The property purchase was completed by the developer in the first quarter of fiscal 2013 and demolition and remediation was completed and construction of the business began. The Sam’s Club opened for business on August 29, 2013. Financial benefits of this project began in fiscal 2014. In addition, the Wal-Mart store in Glen Carbon went through a major renovation and expansion during 2013, adding 57,000 square feet of retail space. The grand re-opening of the Wal-Mart store occurred on August 27, 2013.

## **Requests for Information**

This financial report is designed to provide a general overview of the Village of Glen Carbon's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, 151 N. Main St., Village of Glen Carbon, Glen Carbon, Illinois 62034 or by calling 618-288-2607.

# VILLAGE OF GLEN CARBON, ILLINOIS

## STATEMENT OF NET POSITION

APRIL 30, 2015

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Totals</b>
<b>ASSETS</b>			
Cash and investments	\$ 10,125,130	4,747,219	14,872,349
Receivables, net:			
Property tax	3,384,460	-	3,384,460
Intergovernmental	1,613,431	-	1,613,431
Accounts	-	697,864	697,864
Other	80,966	-	80,966
Prepaid items	218,679	39,231	257,910
Internal balances	(187,342)	187,342	-
Cash and investments - restricted	-	291,480	291,480
Net pension asset	77,535	-	77,535
Capital assets:			
Land and construction in progress	5,562,149	1,759,846	7,321,995
Other capital assets, net of accumulated depreciation	24,616,512	20,682,737	45,299,249
Total Assets	45,491,520	28,405,719	73,897,239
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charge on refunding	202,410	14,910	217,320
<b>LIABILITIES</b>			
Accounts payable	459,943	598,953	1,058,896
Accrued payroll and benefits	220,012	23,926	243,938
Accrued interest payable	31,288	11,950	43,238
Unearned revenue	3,384,460	-	3,384,460
Liabilities payable from restricted assets:			
Customer deposits	-	291,480	291,480
Noncurrent liabilities:			
Due within one year	1,657,610	403,700	2,061,310
Due in more than one year	3,802,383	3,887,730	7,690,113
Due in more than one year - net other post-employment benefits obligation	16,556	-	16,556
Total Liabilities	9,572,252	5,217,739	14,789,991
<b>NET POSITION</b>			
Net investment in capital assets	25,622,940	18,349,097	43,972,037
Restricted	1,982,675	-	1,982,675
Unrestricted	8,516,063	4,853,793	13,369,856
Total Net Position	\$ 36,121,678	23,202,890	59,324,568

See notes to financial statements

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED APRIL 30, 2015**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net Revenues (Expenses) And Changes In Net Position		
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities	Business-type Activities	Totals
<b>Primary Government</b>							
Governmental activities:							
General government	\$ 1,741,229	176,085	24,491	-	(1,540,653)	-	(1,540,653)
Public safety	3,356,879	125,794	-	-	(3,231,085)	-	(3,231,085)
Streets and highways	2,978,594	9,350	102,478	19,000	(2,847,766)	-	(2,847,766)
Development	888,694	-	-	-	(888,694)	-	(888,694)
Cultural and recreational	777,197	43,915	-	54,157	(679,125)	-	(679,125)
Interest and fiscal charges	154,358	-	-	-	(154,358)	-	(154,358)
Total Governmental Activities	<u>9,896,951</u>	<u>355,144</u>	<u>126,969</u>	<u>73,157</u>	<u>(9,341,681)</u>	<u>-</u>	<u>(9,341,681)</u>
Business-type activities:							
Water	1,708,213	2,135,805	-	720,700	-	1,148,292	1,148,292
Wastewater	2,029,417	2,334,086	-	-	-	304,669	304,669
Refuse	752,680	785,210	-	-	-	32,530	32,530
Total Business-type Activities	<u>4,490,310</u>	<u>5,255,101</u>	<u>-</u>	<u>720,700</u>	<u>-</u>	<u>1,485,491</u>	<u>1,485,491</u>
Total Primary Government	<u>\$ 14,387,261</u>	<u>5,610,245</u>	<u>126,969</u>	<u>793,857</u>	<u>(9,341,681)</u>	<u>1,485,491</u>	<u>(7,856,190)</u>
<b>General Revenues</b>							
Taxes:							
Property					3,510,201	-	3,510,201
Sales					4,297,237	-	4,297,237
Income					1,303,045	-	1,303,045
Other					417,626	-	417,626
Franchise fees					191,609	-	191,609
Investment income					59,180	12,779	71,959
Miscellaneous					48,448	-	48,448
<b>Transfers</b>					110,200	(110,200)	-
Total General Revenues					<u>9,937,546</u>	<u>(97,421)</u>	<u>9,840,125</u>
<b>CHANGE IN NET POSITION</b>					595,865	1,388,070	1,983,935
NET POSITION, MAY 1					<u>35,525,813</u>	<u>21,814,820</u>	<u>57,340,633</u>
NET POSITION, APRIL 30					<u>\$ 36,121,678</u>	<u>23,202,890</u>	<u>59,324,568</u>

See notes to financial statements

**VILLAGE OF GLEN CARBON, ILLINOIS**

**BALANCE SHEET - GOVERNMENTAL FUNDS**

**APRIL 30, 2015**

	<b>General</b>	<b>TIF #1</b>	<b>2011A G.O. Bond Refunding Fund</b>	<b>General Capital Projects</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>						
Cash and investments	\$ 3,238,259	458,586	25,469	3,921,570	2,340,359	9,984,243
Receivables, net:						
Property tax	911,532	933,995	533,310	-	1,005,623	3,384,460
Intergovernmental	1,504,727	-	-	-	108,704	1,613,431
Other	52,147	-	-	-	28,819	80,966
Due from other funds	235,832	-	-	-	143,041	378,873
Prepaid items	218,602	-	-	-	77	218,679
	<u>\$ 6,161,099</u>	<u>1,392,581</u>	<u>558,779</u>	<u>3,921,570</u>	<u>3,626,623</u>	<u>15,660,652</u>
 <b>LIABILITIES</b>						
Accounts payable	\$ 255,439	-	-	1,250	166,107	422,796
Accrued payroll and benefits	220,012	-	-	-	-	220,012
Unearned revenue	911,532	933,995	533,310	-	1,005,623	3,384,460
Due to other funds	330,383	100,000	-	-	135,832	566,215
Total Liabilities	<u>1,717,366</u>	<u>1,033,995</u>	<u>533,310</u>	<u>1,250</u>	<u>1,307,562</u>	<u>4,593,483</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - taxes	<u>573,795</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,839</u>	<u>600,634</u>
 <b>FUND BALANCES</b>						
Nonspendable	218,602	-	-	-	3,088	221,690
Restricted	-	358,586	25,469	-	1,595,609	1,979,664
Committed	-	-	-	3,920,320	745,750	4,666,070
Unassigned	3,651,336	-	-	-	(52,225)	3,599,111
Total Fund Balances	<u>3,869,938</u>	<u>358,586</u>	<u>25,469</u>	<u>3,920,320</u>	<u>2,292,222</u>	<u>10,466,535</u>
 Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	 <u>\$ 6,161,099</u>	 <u>1,392,581</u>	 <u>558,779</u>	 <u>3,921,570</u>	 <u>3,626,623</u>	 <u>15,660,652</u>

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERN-**  
**MENTAL FUNDS TO THE STATEMENT OF NET POSITION**  
**APRIL 30, 2015**

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Total Fund Balances - Governmental Funds	\$ 10,466,535
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$70,339,829 and the accumulated depreciation is \$40,161,168.	30,178,661
The net pension asset is not reported in the governmental funds financial statements.	77,535
The net other post-employment benefits obligation is not a use of financial resources and, therefore, is not reported in the governmental funds.	(16,556)
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.	600,634
The Internal Service Fund is issued by management to charge costs of health insurance. The assets and liabilities of the Internal Service Fund is included in governmental activities in the statement of net position.	103,740
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:	
General obligation bonds	(4,626,019)
Debt certificates	(100,000)
Note payable	(32,112)
Compensated absences	(701,862)
Accrued interest payable	(31,288)
Unamortized bond deferred charges	202,410
Total Net Position Of Governmental Activities	\$ 36,121,678

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED APRIL 30, 2015**

	<u>General</u>	<u>TIF #1</u>	<u>2011A G.O. Bond Refunding Fund</u>	<u>General Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>						
Property taxes	\$ 840,712	856,760	538,562	-	1,274,167	3,510,201
Other local taxes	-	-	-	-	107,919	107,919
Intergovernmental	5,224,422	-	-	45,009	790,317	6,059,748
Licenses and permits	349,155	-	-	-	-	349,155
Charges for services	101,980	-	-	16,459	20,470	138,909
Fines and forfeitures	42,628	-	-	-	-	42,628
Investment income	38,004	1,189	143	13,096	6,319	58,751
Contributions	24,841	-	-	-	-	24,841
Other	64,509	-	-	-	-	64,509
Total Revenues	<u>6,686,251</u>	<u>857,949</u>	<u>538,705</u>	<u>74,564</u>	<u>2,199,192</u>	<u>10,356,661</u>
<b>EXPENDITURES</b>						
Current:						
General government	1,449,846	-	-	-	161,671	1,611,517
Public safety	2,682,636	-	-	-	473,913	3,156,549
Streets and highways	1,129,605	-	-	45,009	605,721	1,780,335
Development	83,713	1,650	-	-	825,356	910,719
Cultural and recreational	476,509	-	-	-	34,611	511,120
Capital outlay	302,628	-	-	52,512	19,000	374,140
Debt service:						
Principal	194,692	646,000	450,000	-	152,112	1,442,804
Interest and fiscal charges	4,945	36,597	92,184	-	10,750	144,476
Total Expenditures	<u>6,324,574</u>	<u>684,247</u>	<u>542,184</u>	<u>97,521</u>	<u>2,283,134</u>	<u>9,931,660</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>361,677</u>	<u>173,702</u>	<u>(3,479)</u>	<u>(22,957)</u>	<u>(83,942)</u>	<u>425,001</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	317,244	-	-	1,012,430	814,456	2,144,130
Transfers out	(1,456,886)	-	-	(370,000)	(207,044)	(2,033,930)
Total Other Financing Sources (Uses)	<u>(1,139,642)</u>	<u>-</u>	<u>-</u>	<u>642,430</u>	<u>607,412</u>	<u>110,200</u>
<b>NET CHANGE IN FUND BALANCES</b>	(777,965)	173,702	(3,479)	619,473	523,470	535,201
FUND BALANCES, MAY 1	<u>4,647,903</u>	<u>184,884</u>	<u>28,948</u>	<u>3,300,847</u>	<u>1,768,752</u>	<u>9,931,334</u>
<b>FUND BALANCES, APRIL 30</b>	<u>\$ 3,869,938</u>	<u>358,586</u>	<u>25,469</u>	<u>3,920,320</u>	<u>2,292,222</u>	<u>10,466,535</u>

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPEN-**  
**DITURES, AND CHANGES IN FUND BALANCES OF GOVERN-**  
**MENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED APRIL 30, 2015**

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Net Change In Fund Balances - Governmental Funds \$ 535,201

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

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets are allocated over estimated useful lives and reported as depreciation expense. This is the amount by which depreciation \$1,864,582 exceeded capital outlays over the capitalization threshold \$497,488 in the current period. (1,367,094)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. 25,526

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, the governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these 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.

Repayments:

General obligation bonds	1,216,000
Debt certificates	100,000
Capital lease	94,692
Note payable	32,112
Amortization	(24,763)

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.

Accrued interest on long-term debt	14,881
Accrued compensated absences	(21,118)
Net other post-employment benefits obligation	(16,556)
Net pension asset	6,613

The Internal Service Fund is used by management to charge costs of health insurance. The revenue (expense) of the Internal Service Fund is reported with governmental activities in the statement of activities.

371

Change In Net Position Of Governmental Activities \$ 595,865

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**APRIL 30, 2015**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water</b>	<b>Wastewater</b>	<b>Refuse</b>	<b>Total</b>	<b>Activities -</b>
					<b>Internal</b>
<b>ASSETS</b>					<b>Service</b>
					<b>Fund</b>
<b>Current Assets</b>					
Cash and investments	\$ 2,181,083	2,551,057	15,079	4,747,219	140,887
Receivables, net:					
Accounts	87,095	113,579	49,317	249,991	-
Unbilled revenue	179,160	193,037	75,676	447,873	-
Due from other funds	187,342	64,378	-	251,720	-
Prepaid items	24,839	14,392	-	39,231	-
Total Current Assets	<u>2,659,519</u>	<u>2,936,443</u>	<u>140,072</u>	<u>5,736,034</u>	<u>140,887</u>
<b>Noncurrent Assets</b>					
Cash and investments - restricted	291,480	-	-	291,480	-
Capital assets:					
Land and construction in progress	449,424	1,310,422	-	1,759,846	-
Other capital assets, net of accumulated depreciation	10,454,864	10,227,873	-	20,682,737	-
Total Noncurrent Assets	<u>11,195,768</u>	<u>11,538,295</u>	<u>-</u>	<u>22,734,063</u>	<u>-</u>
Total Assets	<u>13,855,287</u>	<u>14,474,738</u>	<u>140,072</u>	<u>28,470,097</u>	<u>140,887</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred charge on refunding	14,910	-	-	14,910	-
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Payable from current assets:					
Accounts payable	539,599	59,354	-	598,953	37,147
Accrued payroll and benefits	13,848	10,078	-	23,926	-
Due to other funds	64,378	-	-	64,378	-
Accrued interest payable	11,950	-	-	11,950	-
Compensated absences - current	39,982	28,954	-	68,936	-
Bonds payable - current	100,000	-	-	100,000	-
Loan agreements - current	234,764	-	-	234,764	-
Payable from restricted assets:					
Customer deposits	291,480	-	-	291,480	-
Total Current Liabilities	<u>1,296,001</u>	<u>98,386</u>	<u>-</u>	<u>1,394,387</u>	<u>37,147</u>
<b>Noncurrent Liabilities</b>					
Compensated absences	66,177	47,921	-	114,098	-
Bonds payable	640,085	-	-	640,085	-
Loan agreements	3,133,547	-	-	3,133,547	-
Total Noncurrent Liabilities	<u>3,839,809</u>	<u>47,921</u>	<u>-</u>	<u>3,887,730</u>	<u>-</u>
Total Liabilities	<u>5,135,810</u>	<u>146,307</u>	<u>-</u>	<u>5,282,117</u>	<u>37,147</u>
<b>NET POSITION</b>					
Net investment in capital assets	6,810,802	11,538,295	-	18,349,097	-
Unrestricted	1,923,585	2,790,136	140,072	4,853,793	103,740
Total Net Position	<u>\$ 8,734,387</u>	<u>14,328,431</u>	<u>140,072</u>	<u>23,202,890</u>	<u>103,740</u>

See notes to financial statements

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION - PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED APRIL 30, 2015**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water</b>	<b>Wastewater</b>	<b>Refuse</b>	<b>Total</b>	<b>Activities - Internal Service Fund</b>
<b>OPERATING REVENUES</b>					
Charges for services	\$ 2,135,805	2,334,086	785,210	5,255,101	-
<b>OPERATING EXPENSES</b>					
Personal services	453,129	330,222	-	783,351	28
Supplies	131,156	72,438	-	203,594	-
Contractual services	754,168	1,166,981	752,680	2,673,829	30
Depreciation	291,794	459,776	-	751,570	-
Total Operating Expenses	<u>1,630,247</u>	<u>2,029,417</u>	<u>752,680</u>	<u>4,412,344</u>	<u>58</u>
<b>OPERATING INCOME (LOSS)</b>	<u>505,558</u>	<u>304,669</u>	<u>32,530</u>	<u>842,757</u>	<u>(58)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment income	5,305	7,417	57	12,779	429
Loss on sale of assets	(14,934)	-	-	(14,934)	-
Interest and fiscal charges	(63,032)	-	-	(63,032)	-
Total Nonoperating Revenues (Expenses)	<u>(72,661)</u>	<u>7,417</u>	<u>57</u>	<u>(65,187)</u>	<u>429</u>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	<u>432,897</u>	<u>312,086</u>	<u>32,587</u>	<u>777,570</u>	<u>371</u>
CONTRIBUTED CAPITAL	<u>720,700</u>	<u>-</u>	<u>-</u>	<u>720,700</u>	<u>-</u>
<b>TRANSFERS</b>					
Transfers in	60,000	-	-	60,000	-
Transfers out	(50,000)	(110,000)	(10,200)	(170,200)	-
Total Transfers	<u>10,000</u>	<u>(110,000)</u>	<u>(10,200)</u>	<u>(110,200)</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	1,163,597	202,086	22,387	1,388,070	371
NET POSITION, MAY 1	<u>7,570,790</u>	<u>14,126,345</u>	<u>117,685</u>	<u>21,814,820</u>	<u>103,369</u>
<b>NET POSITION, APRIL 30</b>	<u>\$ 8,734,387</u>	<u>14,328,431</u>	<u>140,072</u>	<u>23,202,890</u>	<u>103,740</u>

See notes to financial statements

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED APRIL 30, 2015**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water</b>	<b>Wastewater</b>	<b>Refuse</b>	<b>Totals</b>	<b>Activities - Internal Service Fund</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>					
<b>Cash flows from operating activities:</b>					
Receipts from customers and users	\$ 2,213,438	2,333,717	771,382	5,318,537	-
Payments to suppliers	(544,550)	(1,363,138)	(752,680)	(2,660,368)	22,876
Payments to employees	(442,827)	(322,426)	-	(765,253)	-
Net Cash Provided By Operating Activities	<u>1,226,061</u>	<u>648,153</u>	<u>18,702</u>	<u>1,892,916</u>	<u>22,876</u>
<b>Cash flows used in noncapital financing activities:</b>					
Payments (to) from other funds	(2,328)	(288,155)	(10,200)	(300,683)	-
<b>Cash flows from capital and related financing activities:</b>					
Purchases of capital assets	(2,525,630)	(147,265)	-	(2,672,895)	-
Other	22,513	-	-	22,513	-
Proceeds from issuance of debt	2,377,209	-	-	2,377,209	-
Principal payments on debt	(245,569)	-	-	(245,569)	-
Interest and fiscal charges	(73,586)	-	-	(73,586)	-
Net Cash Used In Capital And Related Financing Activities	<u>(445,063)</u>	<u>(147,265)</u>	<u>-</u>	<u>(592,328)</u>	<u>-</u>
<b>Cash flows provided by investing activities:</b>					
Investment income	5,305	7,417	57	12,779	429
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	783,975	220,150	8,559	1,012,684	23,305
CASH AND CASH EQUIVALENTS, MAY 1	<u>1,688,588</u>	<u>2,330,907</u>	<u>6,520</u>	<u>4,026,015</u>	<u>117,582</u>
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	<u>\$ 2,472,563</u>	<u>2,551,057</u>	<u>15,079</u>	<u>5,038,699</u>	<u>140,887</u>
<b>ENDING CASH AND CASH EQUIVA- LENTS RECONCILIATION</b>					
Cash and investments	\$ 2,181,083	2,551,057	15,079	4,747,219	140,887
Cash and investments - restricted	291,480	-	-	291,480	-
Total Ending Cash And Cash Equivalents Reconciliation	<u>\$ 2,472,563</u>	<u>2,551,057</u>	<u>15,079</u>	<u>5,038,699</u>	<u>140,887</u>

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (Continued)**  
**FOR THE YEAR ENDED APRIL 30, 2015**

	<u>Business-type Activities - Enterprise Funds</u>			<u>Totals</u>	<u>Governmental Activities - Internal Service Fund</u>
	<u>Water</u>	<u>Wastewater</u>	<u>Refuse</u>		
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>					
Operating income (loss)	\$ 505,558	304,669	32,530	842,757	(58)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	291,794	459,776	-	751,570	-
(Increase) decrease in:					
Accounts receivable	14,022	13,822	(2,069)	25,775	-
Unbilled revenue	41,511	(14,191)	(11,759)	15,561	-
Prepaid items	(983)	(424)	-	(1,407)	-
Increase (decrease) in:					
Accounts payable	341,757	(123,295)	-	218,462	22,934
Accrued payroll and compensated absences	10,302	7,796	-	18,098	-
Customer deposits	22,100	-	-	22,100	-
Total Adjustments	<u>720,503</u>	<u>343,484</u>	<u>(13,828)</u>	<u>1,050,159</u>	<u>22,934</u>
Net Cash Provided By Operating Activities	<u>\$ 1,226,061</u>	<u>648,153</u>	<u>18,702</u>	<u>1,892,916</u>	<u>22,876</u>

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**STATEMENT OF FIDUCIARY NET POSITION -**  
**POLICE PENSION FUND**  
**APRIL 30, 2015**

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**ASSETS**

Cash and investments	\$ 5,582,970
Receivables:	
Property tax	300,046
Interest	<u>11,269</u>
Total Assets	<u>5,894,285</u>

**LIABILITIES**

Accounts payable	<u>4,179</u>
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**NET POSITION**

Held in trust for pension benefits	<u><u>\$ 5,890,106</u></u>
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**VILLAGE OF GLEN CARBON, ILLINOIS**  
**STATEMENT OF CHANGE IN FIDUCIARY NET POSITION -**  
**POLICE PENSION FUND**  
**FOR THE YEAR ENDED APRIL 30, 2015**

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**ADDITIONS**

Contributions:		
Employer	\$	298,148
Employees		120,797
Total Contributions		418,945
Investment income:		
Interest and dividends earned		86,910
Realized and unrealized appreciation in fair value		165,268
Less - Investment management and custodial fees		16,099
Net Investment Income		236,079
Total Additions		655,024

**DEDUCTIONS**

Benefit payments		93,231
Professional services		16,898
Administration		3,382
Total Deductions		113,511

**CHANGE IN NET POSITION** 541,513

NET POSITION HELD IN TRUST FOR PENSION  
 BENEFITS, MAY 1 5,348,593

**NET POSITION HELD IN TRUST FOR PENSION**  
**BENEFITS, APRIL 30** \$ 5,890,106

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and financial reporting practices of the **VILLAGE OF GLEN CARBON, ILLINOIS** (the Village) conform to accounting principles generally accepted in the United States of America applicable to governmental entities. The following is a summary of the more significant policies:

**1. Reporting Entity**

The Village operates under a Mayor-Board of Trustees form of government and provides the following services as authorized by its charter: general government, public safety, development, cultural and recreational, streets and highways, waterworks/sewer, and refuse.

The financial statements of the Village include the financial activities of the Village and any component units, entities which are financially accountable to the Village. The Village does not currently have any component units.

**2. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges for services to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes, licenses and permits, rent, investment income, transfers, and other miscellaneous revenues not properly included among program revenues are reported instead as general revenues.

Government-wide financial statements are separate financial statements for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

The fund financial statements of the Village are organized on the basis of funds, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. Governmental 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 various funds are summarized by type in the basic financial statements. The following funds are used by the Village:

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**2. Government-wide and Fund Financial Statements (Continued)**

**Governmental Funds**

Governmental funds are those through which most governmental functions are financed. The acquisition uses and balances of the Village's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income.

The following are the Village's governmental major funds:

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

**TIF #1 Fund** -- This fund is used to account for tax increment financing district related expenditures.

**2011A G.O. Bond Refunding Fund** -- This fund is used to account for revenues collected related to and payments made on the 2011A General Obligation Bonds.

**General Capital Projects Fund** -- This fund is used to account for various capital projects.

The Village reports the following major proprietary funds:

**Water Fund** -- This fund is used to account for the operations of the Village's water department.

**Wastewater Fund** -- This fund is used to account for the operations of the Village's wastewater services.

**Refuse Fund** -- This fund is used to account for the provision of solid waste collection and disposal services.

Additionally, the Village reports the following Internal Service Fund:

**Insurance Fund** -- This fund is used to account for services provided to the various Village departments. Charges for services provided by this fund are allocated to the various Village departments on a cost recovery basis.

Additionally, the Village reports the following Fiduciary Fund:

**Police Pension Fund** -- This fund is used to account for the activities of the Police Pension Trust Fund which accumulates resources for pension benefit payments to qualified uniformed public safety employees.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. At year-end, entries are recorded for financial reporting purposes to reflect the modified accrual basis of accounting for governmental fund types.

Under the modified accrual basis of accounting, revenues are recorded when both measurable and available. The term “available” is defined as collectible within the current period or soon enough thereafter to be used to pay the liabilities of the current period. For the Village, available is defined as expected to be received within 60 days of fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due (i.e., matured).

GASB Statement No. 33 (GASB 33) groups nonexchange transactions into the following four classes, based upon their principal characteristics: derived tax revenues, imposed nonexchange revenues, government mandated nonexchange transactions, and voluntary nonexchange transactions.

The Village recognizes assets from derived tax revenue transactions (such as sales and utilities gross receipt taxes) in the period when the underlying exchange transaction on which the tax is imposed occurs or when the assets are received, whichever occurs first. Revenues are recognized, net of estimated refunds and estimated uncollectible amounts, in the same period that the assets are recognized, provided that the underlying exchange transaction has occurred. Resources received in advance are reported as deferred revenues until the period of the exchange.

The Village recognizes assets from imposed nonexchange revenue transactions in the period when an enforceable legal claim to the assets arises or when the resources are received, whichever occurs first. Revenues are recognized in the period when the resources are required to be used or the first period that use is permitted. The Village recognizes revenues from property taxes, net of estimated refunds and estimated uncollectible amounts, in the period for which the taxes are levied. Imposed nonexchange revenues also include permits and court fines and forfeitures.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus and Basis of Accounting (Continued)**

Intergovernmental revenues, representing grants and assistance received from other governmental units, are generally recognized as revenues in the period when all eligibility requirements, as defined by GASB 33, have been met. Any resources received before eligibility requirements are met are reported as unearned revenues.

Charges for services in the governmental funds, which are exchange transactions and are, therefore, not subject to the provisions of GASB 33, are recognized as revenues when received in cash because they are generally not measurable until actually received.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's Enterprise Funds are charges for sales and services. Operating expenses for Enterprise Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**4. Cash and Investments**

For cash flow statements purposes, the Village considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, requires that all investments be reported in the financial statements at fair value. Fair value is established as readily determinable current market value for equity and debt securities. State statutes authorize the Village to invest in obligations of U.S. Treasury, federal agencies, commercial paper, corporate bonds, and repurchase agreements.

The Village is authorized by state statute to invest in obligations of the United States of America, insured interest bearing accounts of banks, savings and loan associations or credit unions, certain short-term obligations of corporations organized in the United States, money market mutual funds that invest in obligations of the United States of America or its agencies or are guaranteed by the full faith and credit of the United States of America. The Police Pension Fund is also allowed to invest limited percentages of their monies in mutual funds and equity securities.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**4. Cash and Investments (Continued)**

Fixed-income securities are recorded in all funds at fair value. Investment income is recognized as earned. Gains or losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

**5. Receivables**

All trade and property tax receivables are shown net of an allowance for uncollectibles.

Unbilled water, wastewater, and refuse receivables related to the business-type activities are recorded at year-end. They are determined by taking cycle billings subsequent to April 30 and prorating the applicable number of days to the current fiscal year.

The Village levied its property taxes in December 2014 based upon the assessed valuation as of the previous January 1. Property taxes are due in four installments. Collections of property taxes normally begin in June and July and are considered delinquent after the due dates. Property taxes for 2014 became an enforceable lien in January 2015. Because this tax levy will be used to pay for expenses budgeted in fiscal year 2016, no part of this tax levy is shown as tax revenue as of April 30, 2015 in the statement of activities.

**6. Restricted Assets**

Certain resources set aside for the repayment of customer utility deposits are classified as restricted assets on the balance sheet because their use is limited.

**7. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**8. Due To/From Other Funds**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the fiscal year are referred to as "due to/from". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

**9. Capital Assets**

Capital assets, which include buildings, other improvements, machinery and equipment, infrastructure (e.g., streets, sidewalks, roads, bridges, and similar items), vehicles, and land improvements, are reported in the applicable governmental or business-type activities column in the

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**9. Capital Assets (Continued)**

government-wide financial statements, net of accumulated depreciation. Capital assets are defined by the Village as assets with an estimated useful life in excess of two years with an initial, individual cost of \$5,000 or more.

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized.

Interest incurred during the construction phase of capital assets of enterprise funds is included as part of the capitalized value of the assets constructed. The Village did not record any capitalized interest in the current year.

Depreciation, including depreciation recognized on assets acquired through government grants and other aid, is computed on the straight-line method over the estimated useful lives of the various classes of assets (with the ½ year convention election applied in the first and last year). The estimated useful lives of depreciable capital assets are as follows:

<b>Assets</b>	<b>Years</b>
Land improvements	10 - 40
Buildings and improvements	10 - 50
Infrastructure	10 - 45
Water and sewer systems	20 - 50
Vehicles	3 - 5
Machinery and equipment	3 - 15

**10. Long-term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**11. Compensated Absences**

The Village allows employees to accrue vacation time from one to five weeks based upon the years of employment. Employees may accumulate vacation leave up to one week beyond the calendar year in which it becomes due, or request Board approval to carry over more than one week. Unused vacation is paid at time of retirement, termination, or death.

Sick leave is accrued for Village employees at the rate of one day per month. An employee's accumulated, unused sick leave is paid to an employee at the time of normal retirement, disability retirement, or termination.

**12. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**13. Fund Balance Policies**

The fund balance amounts are reported in the following applicable categories listed from the most restrictive to the least restrictive.

**Nonspendable** -- The portion of fund balance that is not in a spendable form or is required to be maintained intact.

**Restricted** -- The portion of fund balance that is subject to external restrictions and constrained to specific purposes imposed by agreement, through constitutional provisions, or by enabling legislation.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**13. Fund Balance Policies (Continued)**

**Committed** -- The portion of fund balance with constraints or limitations by formal action (ordinance) of the Board of Trustees, the highest level of decision-making authority.

**Assigned** -- The portion of fund balance that the Village intends to use for a specific purpose as determined by the applicable Village officials to which the Board of Trustees has designated authority.

**Unassigned** -- Amounts that are available for any purpose; these positive amounts are reported only in the General Fund.

When both restricted and unrestricted resources are available, the Village will spend the most restricted amounts before the least restricted.

The fund balance of the Village's General Fund has been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. The target is to maintain an unreserved balance in the General Fund to fund operations for a period of eight months (67% of annual expenditures). This will be calculated based on the total General Fund expenditures less capital outlay and transfers. Audited General Fund reserves in excess of eight months expenditures will be transferred to the "Future Capital Projects Fund" annually. Should the General Fund balance fall below eight months expenditures, a plan for expenditure reductions and/or revenue increases shall be submitted to the Village Board. Funds in the "Future Capital Projects Fund" will be considered available for general use in such cases.

The fund balance details by classification are listed below:

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**13. Fund Balance Policies (Continued)**

	April 30, 2015				
	General	TIF #1 District	2011A G.O. Bond Refunding Fund	General Capital Projects	Nonmajor Governmental Funds
<b>Fund Balances</b>					
Nonspendable:					
Prepaid items	\$ 218,602	-	-	-	77
Cemetery trust	-	-	-	-	3,011
Restricted:					
TIF #1	-	358,586	-	-	-
Motor fuel tax	-	-	-	-	396,544
Road improvement	-	-	-	-	564,746
Social Security	-	-	-	-	205,256
Retirement	-	-	-	-	134,702
Tourism	-	-	-	-	212,125
Route 157 Business District	-	-	-	-	42,874
Tort liability	-	-	-	-	16,264
Debt service	-	-	25,469	-	-
Capital projects	-	-	-	-	23,098
Committed:					
Cemetery	-	-	-	-	77,781
Housing assistance	-	-	-	-	43,811
General capital projects	-	-	-	3,920,320	-
Future projects	-	-	-	-	624,158
Unassigned	3,651,336	-	-	-	(52,225)
<b>Total Fund Balances</b>	<u>\$3,869,938</u>	<u>358,586</u>	<u>25,469</u>	<u>3,920,320</u>	<u>2,292,222</u>

**14. Grant Revenues**

Resources received by the Village from other governments are accounted for within applicable funds based on the purpose and requirements of each grant. Revenues are recognized on an accounting basis consistent with the fund's measurement objective.

Revenues related to expenditure-driven grants are recognized to the extent expenditures are incurred. Any excess deficiency of grant revenues received compared to expenditures incurred is recorded as deferred revenue or amounts receivable from the grantor.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**15. Interfund Transactions**

In the fund financial statements, the Village has the following type of transactions among funds:

**Transfers** -- Legally authorized transfers are reported when incurred as transfers in by the recipient fund and as transfers out by the disbursing fund.

Elimination of the interfund activity has been made for governmental activities in the government-wide financial statements.

**16. Use of Estimates**

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires the Village to make estimates and assumptions that affect the reported amounts of assets and liabilities at fiscal year-end and revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE B - CASH AND INVESTMENTS**

**1. Deposits**

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Village's deposits may not be returned or the Village will not be able to recover collateral securities in the possession of an outside party. The Village requires that all deposits not covered by the Federal Deposit Insurance Corporation (FDIC) insurance be collateralized with investments held by the financial institution in the Village's name. The value of the securities must amount to the total of the Village's cash not insured by FDIC.

As of April 30, 2015, the Village's bank balances were entirely secured or collateralized with securities held by the Village or by its agent in the Village's name.

**2. Investments**

As of April 30, 2015, the Village had the following investments:

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE B - CASH AND INVESTMENTS (Continued)**

**2. Investments (Continued)**

<u>Investments</u>	<u>Fair Value</u>	<u>Maturities</u>				<u>Credit Risk</u>
		<u>No Maturity</u>	<u>Less Than One Year</u>	<u>1 - 5 Years</u>	<u>6 - 10 Years</u>	
<b>Governmental and Proprietary Funds</b>						
Money markets	\$ 407,177	407,177	-	-	-	Not rated
Certificates of deposit	12,919,858	-	2,164,880	10,754,978	-	N/A
Total Governmental And Proprietary Funds	<u>13,327,035</u>	<u>407,177</u>	<u>2,164,880</u>	<u>10,754,978</u>	<u>-</u>	
<b>Fiduciary Fund</b>						
United States Treasury Notes	1,897,150	-	-	1,226,516	670,634	AAA
Corporate bonds	250,128	-	101,825	148,303	-	A
Mutual funds	2,451,834	2,451,834	-	-	-	N/A
Cash and money markets	983,858	983,858	-	-	-	Not rated
Total Fiduciary Fund	<u>5,582,970</u>	<u>3,435,692</u>	<u>101,825</u>	<u>1,374,819</u>	<u>670,634</u>	
<b>Permanent Fund</b>						
Certificates of deposit	3,011	-	-	3,011	-	N/A
Total Investments	<u>\$ 18,913,016</u>	<u>3,842,869</u>	<u>2,266,705</u>	<u>12,132,808</u>	<u>670,634</u>	

**Investment Policies**

**Credit Risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. In accordance with its investment policy, the Village minimizes credit risk by diversifying the portfolio to reduce potential losses on individual securities.

**Interest Rate Risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. In accordance with its investment policy, the Village minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, therefore avoiding the need to sell securities on the open market prior to maturity and investing in primarily shorter term securities. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. In accordance with its investment policy, the Village minimizes concentration of credit risk by diversifying the investment portfolio.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE C - RECEIVABLES**

Receivables as of April 30, 2015, for the Village's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities			Business-type Activities			Total	
	General	TIF #1 District	2011A G.O. Bond Refunding Fund	Nonmajor Governmental Funds	Water	Waste-water		Refuse
Receivables:								
Property taxes	\$ 911,532	933,995	533,310	1,005,623	-	-	-	3,384,460
Intergovernmental	1,504,727	-	-	108,704	-	-	-	1,613,431
Accounts	-	-	-	-	274,884	316,975	124,993	716,852
Other	52,147	-	-	28,819	-	-	-	80,966
Gross receivables	2,468,406	933,995	533,310	1,143,146	274,884	316,975	124,993	5,795,709
Less - Allowance for uncollectibles	-	-	-	-	8,629	10,359	-	18,988
Total Receivables, Net	<u>\$ 2,468,406</u>	<u>933,995</u>	<u>533,310</u>	<u>1,143,146</u>	<u>266,255</u>	<u>306,616</u>	<u>124,993</u>	<u>5,776,721</u>

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The total amount deferred due to unavailability is \$3,384,460.

**NOTE D - CAPITAL ASSETS**

The following is a summary of changes in capital assets:

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE D - CAPITAL ASSETS (Continued)**

For The Year Ended April 30, 2015

	<u>Balance April 30 2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance April 30 2015</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 5,497,805	-	-	5,497,805
Construction in progress	62	64,344	62	64,344
Total Capital Assets Not Being Depreciated	<u>5,497,867</u>	<u>64,344</u>	<u>62</u>	<u>5,562,149</u>
Capital assets being depreciated:				
Buildings and improvements	7,813,702	-	-	7,813,702
Machinery and equipment	2,865,741	92,685	-	2,958,426
Infrastructure	48,739,357	187,342	-	48,926,699
Vehicles	1,204,930	153,179	-	1,358,109
Land improvements	3,720,744	-	-	3,720,744
Total Capital Assets Being Depreciated	<u>64,344,474</u>	<u>433,206</u>	<u>-</u>	<u>64,777,680</u>
Less - Accumulated depreciation for:				
Buildings and improvements	2,257,802	177,715	-	2,435,517
Machinery and equipment	2,355,169	129,803	-	2,484,972
Infrastructure	31,456,759	1,225,176	-	32,681,935
Vehicles	882,665	148,506	-	1,031,171
Land improvements	1,344,191	183,382	-	1,527,573
Total Accumulated Depre- ciation	<u>38,296,586</u>	<u>1,864,582</u>	<u>-</u>	<u>40,161,168</u>
Total Capital Assets Being Depreciated, Net	<u>26,047,888</u>	<u>(1,431,376)</u>	<u>-</u>	<u>24,616,512</u>
 Governmental Activities Capital Assets, Net	 <u>\$ 31,545,755</u>	 <u>(1,367,032)</u>	 <u>62</u>	 <u>30,178,661</u>

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE D - CAPITAL ASSETS (Continued)**

For The Year Ended April 30, 2015

	<u>Balance April 30 2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance April 30 2015</u>
<b>Business-type Activities</b>				
Capital assets not being depreciated:				
Land	\$ 423,321	96,263	-	519,584
Construction in progress	2,483,414	2,812,133	4,055,285	1,240,262
Total Capital Assets Not Being Depreciated	<u>2,906,735</u>	<u>2,908,396</u>	<u>4,055,285</u>	<u>1,759,846</u>
Capital assets being depreciated:				
Buildings and improvements	50,000	-	-	50,000
Water and sewer systems	37,746,036	3,771,680	84,595	41,433,121
Machinery and equipment	462,270	17,708	-	479,978
Vehicles	140,163	30,395	-	170,558
Total Capital Assets Being Depreciated	<u>38,398,469</u>	<u>3,819,783</u>	<u>84,595</u>	<u>42,133,657</u>
Less - Accumulated depreciation for:				
Buildings and improvements	43,005	600	-	43,605
Water and sewer systems	20,246,532	724,820	69,661	20,901,691
Machinery and equipment	369,411	14,327	-	383,738
Vehicles	110,063	11,823	-	121,886
Total Accumulated Depre- ciation	<u>20,769,011</u>	<u>751,570</u>	<u>69,661</u>	<u>21,450,920</u>
Total Capital Assets Being Depreciated, Net	<u>17,629,458</u>	<u>3,068,213</u>	<u>14,934</u>	<u>20,682,737</u>
Business-type Activities Capital Assets, Net	<u>\$ 20,536,193</u>	<u>5,976,609</u>	<u>4,070,219</u>	<u>22,442,583</u>

Within the statement of activities, depreciation expense is charged to functions of the primary government as follows:

	<u>For The Year Ended April 30 2015</u>
<b>Governmental Activities</b>	
General government	\$ 77,975
Culture and recreation	266,077
Streets and highways	1,337,870
Public safety	<u>182,660</u>
Total	<u>\$1,864,582</u>

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE D - CAPITAL ASSETS (Continued)**

**For The  
Year Ended  
April 30  
2015**

**Business-type Activities**

Water	\$291,794
Wastewater	<u>459,776</u>
Total	<u>\$751,570</u>

**NOTE E - EMPLOYEE RETIREMENT SYSTEMS**

**1. Illinois Municipal Retirement Fund**

***Plan Description***

The Village'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 Village 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 supplemental information. The report may be obtained online at [www.imrf.org](http://www.imrf.org).

***Funding Policy***

As set by statute, plan members are required to contribute 4.5% 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 contribution rate for calendar year 2014 was 14.30%. 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 (APC)***

The required contribution for calendar year 2014 was \$331,561.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE E - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**1. Illinois Municipal Retirement Fund (Continued)**

*Three-Year Trend Information*

<b>For The Plan Years Ended December 31</b>	<b>APC</b>	<b>Percentage Of APC Contributed</b>	<b>Net Pension Obligation (NPO)</b>
2014	\$331,561	100%	\$ -
2013	327,274	100	-
2012	294,466	100	-

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 as of December 31, 2012 included: a) 7.5% investment rate of return (net of administrative and direct investment expenses); b) projected salary increases of 4% 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 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 Village's unfunded actuarial accrued liability (UAAL) at December 31, 2012 is being amortized as a level percentage of projected payroll on an open 29 year basis.

*Funding Status and Funding Progress*

As of December 31, 2014, the most recent actuarial valuation date, the plan was 63.47% funded. The actuarial accrued liability for benefits was \$6,486,239 and the actuarial value of assets was \$4,116,562, resulting in an UAAL of \$2,369,677. The covered payroll for calendar year 2014 (annual payroll of active employees covered by the plan) was \$2,318,606 and the ratio of the UAAL to the covered payroll was 102%.

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

**2. Police Pension Fund**

*Plan Description and Contribution Information*

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (Chapter 40 - Act 5, Article 3) and may be amended only by the Illinois legislature. The Village

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE E - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**2. Police Pension Fund (Continued)**

accounts for the plan as a pension trust fund. The Village's payroll for employees covered by the Police Pension Plan for the year ended April 30, 2015 was \$1,179,671.

At April 30, 2015 the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	7
Current employees	<u>19</u>
Total Membership	<u>26</u>

The following is a summary of the Police Pension Plan as provided in the Illinois Compiled Statutes:

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the current pension.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded. The Village is required to contribute the remaining amount necessary to finance the plan as determined by an enrolled actuary.

Beginning January 1, 2011, several changes were implemented for all new officers. These changes include:

- An officer age 55 or more must now have 10 years of creditable service to receive a monthly pension of 2.5% for each year of service.
- An officer retiring at age 50 shall have their pension reduced by 1% for each month under the age of 55.
- The maximum salary for calculation of benefits shall not exceed \$106,800, to be adjusted for inflation.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE E - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**2. Police Pension Fund (Continued)**

- Pension payment increases shall be limited based on inflationary rates.
- Changes required funding date to 2040 and provides for required measures by the State Comptroller to ensure the municipalities are providing the required funding.

*Summary of Significant Accounting Policies*

*Basis of Accounting*

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed.

*Method Used to Value Investments*

Fixed-income and equity securities are reported at fair value in accordance with GASB 25. Investment income is recognized as earned. Gains or losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

*Annual Pension Cost (APC) and Net Pension Obligation (NPO)*

The Village's APC and NPO for the current year were as follows:

Annual required contribution (ARC)	\$290,162
Interest on NPO	(4,610)
Adjustment to ARC	<u>3,528</u>
APC	289,080
Contributions made - tax levy	<u>295,693</u>
(Increase) decrease in NPO (asset)	(6,613)
NPO (asset), beginning of year	<u>(70,922)</u>
 NPO (Asset), End Of Year	 (\$ <u>77,535</u> )

The ARC was determined by an actuarial valuation performed under the guidance of the State of Illinois using the projected unit credit method. The actuarial assumptions included: 1) 6% investment rate of return (net of administrative expenses) and 2) projected payroll growth of 4.5%. The actuarial value of assets was determined using market values with investment gains and losses recognized over a five-year period. The UAAL is being amortized as a level percentage of projected payroll. The remaining amortization period at April 30, 2015 was 28 years.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE E - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**2. Police Pension Fund (Continued)**

*Three-Year Trend Information*

<b>For The Plan Years Ended <u>April 30</u></b>	<b><u>APC</u></b>	<b><u>Contributed</u></b>	<b><u>Percentage Of APC NPO (Asset)</u></b>	<b><u>Change In NPO</u></b>
2015	\$289,080	100.00%	(\$77,535)	(\$6,613)
2014	294,326	100.10	(70,922)	24,705
2013	268,065	100.39	(95,627)	(1,040)

*Concentration*

The Village's Police Pension Fund investments did not include any investments exceeding 5% of the total net assets.

*Legally Required Reserves*

The Police Pension Fund has legally required reserves of \$5,890,106.

**NOTE F - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS**

**Plan Description**

The Village provides healthcare benefits to employees defined as Village retirees who have attained age 55 plus 8 years of service or age 62 plus 10 years of service as well as to police employees who have attained age 50 plus 20 years of service or age 55 plus 10 years of service until attainment of Medicare Eligibility Age. The individual pays the monthly group health insurance premium.

The Village sponsors and administers a single-employer OPEB plan that does not issue a separate stand-alone financial report. The OPEB obligation is generally liquidated by the General, Water, and Wastewater Funds.

The Village's annual OPEB cost (expense) is calculated based on the ARC of the employer, an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board (GASB) 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities.

The calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation, and on the pattern of sharing of costs between the employer and plan members to that point.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and reflect a long-term perspective. Actuarially determined amounts

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE F - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS (Continued)**

are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

The Village's annual OPEB cost for the most recent actuarial valuation and the related information are as follows:

	<b>For The Year Ended April 30 2015</b>
Normal cost	\$11,821
Amortization of unfunded actuarial accrued liability	<u>21,857</u>
ARC	33,678
Interest on net OPEB obligation	-
Adjustment to ARC	<u>-</u>
Annual OPEB Cost	33,678
Contributions made	<u>(17,122)</u>
Increase In Net OPEB Obligation	16,556
Net OPEB obligation, beginning of year	<u>-</u>
Net OPEB Obligation, End Of Year	<u>\$16,556</u>

The Plan, stated in the Village's Personnel Policy, was established by Village Ordinance, which assigned the authority to establish and amend plan benefit provisions to the Village. The contribution requirements of the Village and plan members are established and may be amended by the Village. The OPEB medical and prescription drug benefits provided under the terms of the substantive plan in effect at the time of each valuation and the pattern of sharing costs between the Village as the Plan Sponsor and the eligible retirees at the time of the valuation are the bases of the actuarial valuation.

**Funded Status**

The funded status of the Village's Medical and Prescription Drug OPEB Plan as of April 30, 2015, the most recent actuarial valuation date is as follows:

<b>Actuarial Valuation Date April 30</b>	<b>Actuarial Value Of Assets</b>	<b>Actuarial Accrued Liability (AAL)</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Annual Covered Payroll</b>	<b>UAAL As A Percentage Of Covered Payroll</b>
2015	\$ -	\$ 377,944	\$ (377,944)	- %	\$ 3,435,796	11.0 %

The schedule of funding progress, presented as required supplemental information following the notes to the basic financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE F - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS (Continued)**

Fiscal year 2015 was the year of implementation of GASB 45 and the Village has elected to have actuarial valuations performed every three years.

**Schedule Of Employer Contributions**

<b>For The Year Ended April 30</b>	<b>Annual Required Cost</b>	<b>Contribution Made</b>	<b>Net OPEB Obligation</b>	<b>Percent Contributed</b>
2015	\$ 33,678	\$ 17,122	\$ 16,556	103.0 %

Significant actuarial assumptions used in the valuation are as follows:

Valuation method	Alternative measurement method
Latest valuation date	April 30, 2015
Discount rate	4% per annum
Amortization method	Level dollar
Amortization period	30 years for initial UAAL, open
Mortality	CDC National Vital Statistics for 2014 on a sex distinct basis
Healthcare cost trend	7.9% initial rate and trending down to 5%
Inflation rate	3%
Investment return	N/A
Projected salary increases	4%
Post-retirement benefit increases	N/A

**NOTE G - INTERFUND BALANCES ASSETS/LIABILITIES**

Individual interfund assets and liabilities balances are as follows:

<b><u>Receivable Fund</u></b>	<b><u>Payable Fund</u></b>	<b><u>April 30 2015</u></b>
General Fund	Motor Fuel Tax Fund	\$135,832
General Fund	TIF #1 Fund	100,000
Center Grove Business District Fund	General Fund	61,751
Water Fund	General Fund	187,342
Wastewater Fund	Water Fund	64,378
Working Cash Fund	General Fund	<u>81,290</u>
Total		<u>\$630,593</u>

The outstanding balances between funds result from special project costs, the time lag between the dates that transactions are recorded in the accounting system, and payments between funds are made.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE H - INTERFUND TRANSFERS**

Individual fund transfers are as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>For The Year Ended April 30 2015</u>
Tort Liability Fund	General Fund	\$ 195,000
Water Fund	General Fund	50,000
Wastewater Fund	General Fund	50,000
Refuse Fund	General Fund	10,200
General Fund	Center Grove Business District Fund	426,548
General Fund	Road Improvement Fund	14,308
General Fund	Housing Assistance Fund	3,600
General Fund	General Capital Projects Fund	1,012,430
Cemetery Fund	General Fund	12,000
Housing Assistance Fund	General Fund	44
General Capital Projects Fund	Working Cash Fund	370,000
Wastewater Fund	Water Fund	<u>60,000</u>
Total		<u>\$2,204,130</u>

Interfund transfers were used to: 1) provide reimbursement for expenses paid by one fund that relate to another fund, 2) provide operating cash to another fund, or 3) provide cash for projects or other functions that are funded by other funds.

**NOTE I - LONG-TERM LIABILITIES**

The following is a summary of changes in the Village's long-term liabilities:

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE I - LONG-TERM LIABILITIES (Continued)**

	For The Year Ended April 30, 2015			Balance April 30 2015	Amounts Due Within One Year
	Balance April 30 2014	Additions	Reductions		
	<b>Governmental Activities</b>				
General obligation bonds	\$ 5,810,000	-	1,216,000	4,594,000	1,226,000
Debt certificates	200,000	-	100,000	100,000	100,000
Capital lease	94,692	-	94,692	-	-
Note payable	64,224	-	32,112	32,112	32,112
Amortized bond premium	36,172	-	4,153	32,019	-
Compensated absences	680,744	369,756	348,638	701,862	299,498
Governmental Activities Long-term Liabilities	<u>\$ 6,885,832</u>	<u>369,756</u>	<u>1,795,595</u>	<u>5,459,993</u>	<u>1,657,610</u>
<b>Business-type Activities</b>					
General obligation bonds	\$ 835,000	-	100,000	735,000	100,000
Loan agreements	1,857,371	2,377,209	866,269	3,368,311	234,764
Amortized bond premium	5,811	-	726	5,085	-
Compensated absences	164,805	68,009	49,780	183,034	68,936
Business-type Activities Long-term Liabilities	<u>\$ 2,862,987</u>	<u>2,445,218</u>	<u>1,016,775</u>	<u>4,291,430</u>	<u>403,700</u>

**General Obligation Bonds**

\$1,050,000 General Obligation Bonds, Series 2005 dated December 6, 2005, due in annual installments of \$115,000 to \$130,000 through January 1, 2016; interest at 4.3%. The bonds are being retired by the governmental funds. The amount of bonds outstanding at April 30, 2015 was \$130,000.

\$4,470,000 General Obligation Bonds, Series 2011A dated December 15, 2011, due in annual installments of \$330,000 to \$450,000 through January 15, 2023; interest at 2% to 3%. The bonds are being retired by the governmental funds. These bonds were issued to refund a portion of the Series 2003A Bonds and Series 2003B Bonds. The amount of bonds outstanding as of April 30, 2015 was \$3,480,000.

\$2,880,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2012 dated May 15, 2011, due in annual installments of \$338,000 to \$646,000 through December 1, 2016; interest at 2.25%. These bonds were issued to refinance the General Obligation Refunding Bonds (Alternate Revenue Source), Series 2007. The bonds are being retired by the TIF Fund. The amount of bonds outstanding as of April 30, 2015 was \$984,000.

\$1,040,000 Waterworks and Sewerage General Obligation Refunding Bonds, Series 2011B dated December 15, 2011, due in annual installments of \$95,000 to \$110,000 through May 1, 2022; interest at 2% to 2.75%. These bonds were issued to provide funds to refund the General Obligation Bonds (W&S Alternate Revenue Source),

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE I - LONG-TERM LIABILITIES (Continued)**

Series 2002. The bonds are being retired by the enterprise funds. The amount of bonds outstanding as of April 30, 2015 was \$735,000.

A summary of principal debt service requirements is as follows:

<b>For The Years Ending April 30</b>	<b>Governmental Activities</b>		<b>Business-type Activities</b>	
	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>
2016	\$1,226,000	110,755	100,000	18,400
2017	788,000	81,630	105,000	16,400
2018	450,000	65,025	100,000	14,350
2019	450,000	56,026	105,000	12,300
2020	450,000	45,900	105,000	9,988
2021 - 2023	<u>1,230,000</u>	<u>66,825</u>	<u>220,000</u>	<u>13,413</u>
Total	<u>\$4,594,000</u>	<u>426,160</u>	<u>735,000</u>	<u>84,851</u>

**Loan and Lease Agreements**

\$866,785 loan agreement 1997 with the Illinois Environmental Protection Agency for funding of a wastewater construction project. The loan is to be repaid in 40 semi-annual installments of \$29,073 including interest at 2.865%. The loan is being retired by the enterprise funds. The outstanding balance as of April 30, 2015 was \$192,334.

\$1,815,254 loan agreement 2004 with the Illinois Environmental Protection Agency, including capitalized interest of \$39,626 for funding of a wastewater construction project. The loan is to be repaid in 39 semi-annual installments of \$59,470 including interest at 2.57%. The loan is being retired by the enterprise funds. The outstanding balance as of April 30, 2015 was \$898,080.

\$3,008,557 loan agreement 2013 with the Illinois Environmental Protection Agency for funding of a water tower project. The loan is to be repaid in 40 semi-annual installments of \$62,143 including interest at 1.93%. The loan is being retired by the enterprise funds. \$720,700 of this note was forgiven during the year ended April 30, 2015 based on the debt agreement. The outstanding balance as of April 30, 2015 was \$2,277,897.

\$1,000,000 Limited Obligation Debt Certificates Series 2005 through the Bank of Edwardsville, due in annual installments of \$100,000 through fiscal year 2016, interest at 3.98%. The certificates are being retired by the governmental funds. The outstanding balance as of April 30, 2015 was \$100,000.

\$281,000 lease purchase agreement 2012 for various equipment and vehicles. The lease is to be repaid in six semi-annual installments of \$48,140 through April 15, 2015. The lease is being retired by the governmental funds. The lease was paid in full during the year ended April 30, 2015.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE I - LONG-TERM LIABILITIES (Continued)**

\$321,119 note payable 2006 for road improvements. The note is to be repaid in ten annual installments of \$32,112 through May 1, 2015. The note is being retired by the governmental funds. The outstanding balance as of April 30, 2015 was \$32,112.

A summary of principal debt service requirements is as follows:

<b>For The Years Ending April 30</b>	<b>Governmental Activities</b>		<b>Business-type Activities</b>	
	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>
2016	\$132,112	1,125	234,764	66,611
2017	-	-	240,218	61,155
2018	-	-	246,033	55,339
2019	-	-	222,920	49,380
2020	-	-	198,699	44,528
2021 - 2025	-	-	876,752	155,120
2026 - 2030	-	-	535,714	85,719
2031 - 2035	-	-	<u>813,211</u>	<u>31,718</u>
Total	<u>\$132,112</u>	<u>1,125</u>	<u>3,368,311</u>	<u>549,570</u>

**Conduit Debt**

The Village created the Center Grove Business District (the District) and contemporaneously imposed a 1% “business district tax”. The Village entered into a Redevelopment Agreement with a developer for the purpose of making improvements in the District. To assist with this effort, the Village agreed to issue municipal sales tax bonds in the amount of \$5,200,000 and taxable business district revenue bonds in the amount of \$3,625,000. The Village has no obligation for the debt beyond resources provided by the agreement and related tax. The balance remaining on the bonds as of April 30, 2015 was \$5,085,000 and \$3,545,000, respectively.

In June 2014 the Village issued \$6,000,000 of Series 2014 Revenue Bonds for the purpose of providing funds to be loaned to Father McGivney Catholic High School to pay the costs of acquiring, constructing, furnishing, and equipping a new high school facility. The balance remaining on the bonds as of April 30, 2015 was \$6,000,000.

**NOTE J - LEGAL DEBT MARGIN**

The computation of legal debt margin at April 30, 2015 is as follows:

Assessed Valuation	<u>\$316,504,265</u>
Bonded debt limit	\$27,298,493
Less:	
General obligation bonds, except alternate revenue source bonds	3,610,000
Debt certificates	100,000
Note payable	<u>32,112</u>
Legal Debt Margin	<u>\$23,556,381</u>

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE J - LEGAL DEBT MARGIN (Continued)**

The bonded indebtedness of the Village is limited by Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes to 8.625% of the assessed valuation of taxable tangible property.

General Obligation Alternate Revenue Bonds and Revenue Bonds of \$1,719,000 that are to be paid solely from alternate sources of revenue are excluded in the above calculation.

**NOTE K - WATER PURCHASE AND WASTEWATER TREATMENT CONTRACTS**

The Village has a contract with the City of Edwardsville to purchase substantially all of the Village's water. Under the contract, the Village pays the City of Edwardsville a rate based on water usage. The rates charged are subject to minimum annual contract payments. The annual charges are based on estimated usage and operations cost. At the end of each year, reconciliation is performed to compare the budgeted amounts to the actual activity. Based on this reconciliation, an additional amount is owed or a credit is received to be used against subsequent year's costs. The amount of the additional payable that was calculated in this year was \$55,394. Water purchases expense for the year ended April 30, 2015 was \$570,000.

The Village has contracts with the Granite City Regional Sewerage System, the Madison County Special Service Area #1 (MCSSA), and the Village of Maryville whereby they have agreed to provide wastewater treatment and disposal systems for the benefit of the Village and any "additional member Village" as defined. Each member Village pays an "annual payment" as defined, as it's pro rata share of the operating expenses and debt service of the respective systems. The Village's portion of these expenses for the year ended April 30, 2015 was \$992,573.

**NOTE L - COMMITMENTS AND CONTINGENCIES**

On September 13, 2011, the Village entered into a contract with Allied Waste for refuse collection services. The contract is valid through April 30, 2016 at which time it shall automatically renew on a month-to-month basis subject to all terms and conditions of the original contract. The agreement may be terminated at any time upon the mutual written consent of both parties.

**NOTE M - RISK MANAGEMENT**

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village is a member of the Illinois Municipal League Risk Management association (IMLRMA), which is a self-insurance risk pool formed by various Illinois municipalities to cover workers' compensation and general liability matters. The purpose of IMLRMA is to distribute the cost of self-insurance over similar entities. In addition to insurance protection, the program provides risk management services with emphasis in loss control and claims administration. Settled claims from these risks have not exceeded coverage in any of the past three years.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE N - RELATED PARTY TRANSACTIONS**

For the year ended April 30, 2015, the Village purchased goods and services of \$78,710 from a company related to a Village Board member.

**NOTE O - DEFICIT BALANCES**

At April 30, 2015 the Center Grove Business District Fund's accumulated deficit of \$51,440 and the 2005 Capital Project Fund's accumulated deficit of \$785, are the result of expenditures which exceeded revenues in 2015 plus prior years. The accumulated deficits will be offset by future revenues received by the funds.

**NOTE P - PRIOR PERIOD ADJUSTMENTS**

The previously stated net position/fund balance have been restated as follows:

	<b>Governmental Activities</b>	<b>Library Fund</b>	<b>Police Pension Fund</b>
Net position/fund balance, April 30, 2014 as reported	\$ 35,952,968	384,267	5,052,862
Restatement for:			
Remove Library Fund	(427,155)	(384,267)	-
Unearned revenue	-	-	295,731
	-	-	295,731
Net Position/Fund Balance, April 30, 2014, As Restated	\$ 35,525,813	-	5,348,593

**NOTE Q - FUTURE ACCOUNTING PRONOUNCEMENTS**

GASB 68, *Accounting and Financial Reporting for Pensions*, will require the Village to record UAAL on the government-wide statement of net position. UAAL equals the difference between the total pension liability and the value of assets set aside in a pension plan to pay benefits. GASB 68 may also require changes to the projection of benefit payments and the rate used to discount the projected benefit payments. GASB 68 will be effective for the Village for the year ending April 30, 2016.

**REQUIRED SUPPLEMENTAL INFORMATION SECTION**

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED APRIL 30, 2015**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>				
Property taxes	\$ 847,850	847,850	840,712	(7,138)
Intergovernmental	5,062,000	5,062,000	5,224,422	162,422
Licenses and permits	294,300	294,300	349,155	54,855
Charges for services	82,000	82,000	101,980	19,980
Fines and forfeitures	34,200	34,200	42,628	8,428
Investment income	12,000	12,000	38,004	26,004
Contributions	261,000	261,000	24,841	(236,159)
Other	41,600	41,600	64,509	22,909
Total Revenues	6,634,950	6,634,950	6,686,251	51,301
<b>EXPENDITURES</b>				
Current:				
General government	1,455,835	1,455,835	1,449,846	(5,989)
Public safety	2,734,445	2,734,445	2,682,636	(51,809)
Streets and highways	1,120,275	1,120,275	1,129,605	9,330
Development	85,000	85,000	83,713	(1,287)
Cultural and recreational	481,645	541,645	476,509	(65,136)
Capital outlay	460,600	460,600	302,628	(157,972)
Debt service:				
Principal retirement	194,700	194,700	194,692	(8)
Interest and fiscal charges	4,975	4,975	4,945	(30)
Total Expenditures	6,537,475	6,597,475	6,324,574	(272,901)
<b>REVENUES OVER EXPENDITURES</b>	97,475	37,475	361,677	324,202
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	472,200	472,200	317,244	(154,956)
Transfers out	(566,890)	(1,565,012)	(1,456,886)	(108,126)
Total Other Financing Sources (Uses)	(94,690)	(1,092,812)	(1,139,642)	(46,830)
<b>NET CHANGE IN FUND BALANCE</b>	\$ 2,785	(1,055,337)	(777,965)	277,372
FUND BALANCE, MAY 1			4,647,903	
<b>FUND BALANCE, APRIL 30</b>			\$ 3,869,938	

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - TIF #1 FUND - SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED APRIL 30, 2015**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>				
Property taxes	\$ 805,000	805,000	856,760	51,760
Investment income	250	250	1,189	939
Total Revenues	805,250	805,250	857,949	52,699
<b>EXPENDITURES</b>				
Current:				
Development	900	900	1,650	750
Debt service:				
Principal retirement	646,000	646,000	646,000	-
Interest and fiscal charges	36,675	36,675	36,597	(78)
Total Expenditures	683,575	683,575	684,247	672
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 121,675</b>	<b>121,675</b>	<b>173,702</b>	<b>52,027</b>
<b>FUND BALANCE, MAY 1</b>			<b>184,884</b>	
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 358,586</b>	

**VILLAGE OF GLEN CARBON, ILLINOIS  
REQUIRED SUPPLEMENTAL INFORMATION - NOTES  
TO SCHEDULES OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED APRIL 30, 2015**

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**Explanation of Budgetary Process**

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

- a. The Mayor 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.
- b. Public hearings and open Board of Trustees meetings are held to obtain taxpayer comments.
- c. The budget is adopted by the Board of Trustees.
- d. Budgets are adopted on the modified accrual basis of accounting. The legal level of control is by fund.
- e. Current year budget includes amendments. Budget amendments must be approved by the Board of Trustees.
- f. Unused appropriations lapse at the end of the year.

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**REQUIRED SUPPLEMENTAL INFORMATION - ILLINOIS MUNICIPAL RETIREMENT FUND**  
**SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS**  
**APRIL 30, 2015**

	Calendar Year							
	2014	2013	2012	2011	2010	2009	2008	2007
Actuarial value of assets	\$ 4,116,562	4,028,373	3,702,988	4,565,134	5,034,891	4,758,671	4,513,348	4,452,628
Actuarial accrued liability (AAL)	\$ 6,486,239	6,353,209	6,172,308	6,950,221	6,839,532	6,656,702	6,472,504	5,310,858
Unfunded AAL (UAAL)	\$ 2,369,677	2,324,936	2,469,320	2,385,087	1,804,641	1,898,031	1,959,156	858,230
Funded ratio	63.47 %	63.41	59.99	65.68	73.61	71.49	69.73	83.84
Covered payroll	\$ 2,318,606	2,364,695	2,346,346	2,309,927	2,249,784	2,272,451	2,200,757	2,039,768
UAAL as a percentage of covered payroll	102.20 %	98.32	105.24	103.25	80.21	83.52	89.02	42.07
Employer contributions:								
Required	\$ 331,561	327,274	294,466	294,747	292,697	248,833	235,041	210,708
Made	\$ 331,561	327,274	294,466	294,747	292,697	248,833	235,041	210,708
Percentage of employer contributions made to required contributions	100.00 %	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Notes:

1. On a market value basis, the actuarial value of assets as of December 31, 2014 is \$4,984,632.
2. On a market basis, the funded ratio would be 76.85%.

The actuarial valuations presented are prepared by the Illinois Municipal Retirement Fund using the following parameters:

1. Actuarial cost method - Entry age actuarial cost
2. Amortization method - Level percentage of projected payroll
3. Remaining amortization period - Open 30 year basis
4. Asset valuation method - Techniques that smooth the effects of short-term volatility over a five year period

Actuarial assumptions:

- Interest rate - 7.5%
- Salary progression - 4.4% - 14%
- Cost of living adjustments - 3%

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**REQUIRED SUPPLEMENTAL INFORMATION - POLICE PENSION FUND**  
**SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS**  
**APRIL 30, 2015**

	Fiscal Year							
	2014	2013	2012	2010	2009	2008	2007	2006
Actuarial value of assets	\$ 5,033,735	4,492,827	4,022,751	3,218,905	2,493,693	2,479,147	2,167,078	1,837,734
Actuarial accrued liability (AAL)	\$ 5,642,906	5,307,359	4,431,579	3,944,638	3,477,058	4,032,604	3,217,130	2,794,525
Unfunded AAL (UAAL)	\$ 609,171	814,532	408,828	725,733	983,365	1,552,917	1,050,052	956,791
Funded ratio	89.20 %	84.65	90.77	81.60	71.72	61.49	67.36	65.76
Covered payroll	\$ 1,179,671	1,082,316	1,017,949	1,054,768	1,025,314	1,175,447	897,666	858,466
UAAL as a percentage of covered payroll	51.64 %	75.26	40.16	68.80	95.51	132.11	116.98	111.45
Employer contributions:								
Required	\$ 290,162	295,693	269,621	206,743	212,761	259,473	189,032	177,232
Made	\$ 295,693	269,621	269,105	208,436	300,222	247,705	198,199	176,745
Percentage of employer contributions made to required contributions	101.91 %	91.18	99.81	100.82	141.11	95.46	104.85	99.73

Notes:

1. 2014 is the latest year for which a tax was levied and collected. An actuarial was not performed for the year ended 2011.
2. The actuarial estimate of \$250,000 for 2011 was levied in December 2011 and collected in FY 2013.

The actuarial valuations presented are prepared by the Illinois Department of Insurance using the following parameters:

1. Actuarial cost method - Projected unit credit
2. Amortization method - Level percentage of payroll
3. Remaining amortization period - 28 years as of December 31, 2014
4. Asset valuation method - Market with investment gains/losses recognized over a 5-year period

Actuarial assumptions:

- Interest rate - 6%
- Payroll growth - 4.5%
- Cost of living adjustments - 1.25% - Tier 2

**OTHER SUPPLEMENTAL INFORMATION SECTION**

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**OTHER SUPPLEMENTAL INFORMATION - COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**APRIL 30, 2015**

	<b>Special Revenue</b>							
	<b>Cemetery Fund</b>	<b>Motor Fuel Tax Fund</b>	<b>Road Improvement Fund</b>	<b>Housing Assistance Fund</b>	<b>Social Security Fund</b>	<b>Municipal Retirement Fund</b>	<b>Working Cash Fund</b>	<b>Tourism Fund</b>
<b>ASSETS</b>								
Cash and investments	\$ 77,781	502,657	569,751	43,811	205,256	134,702	542,868	183,306
Receivables:								
Property tax	-	-	189,675	-	250,038	230,099	-	-
Intergovernmental	-	30,082	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	28,819
Due from other funds	-	-	-	-	-	-	81,290	-
Prepaid items	77	-	-	-	-	-	-	-
Total Assets	<u>\$ 77,858</u>	<u>532,739</u>	<u>759,426</u>	<u>43,811</u>	<u>455,294</u>	<u>364,801</u>	<u>624,158</u>	<u>212,125</u>
<b>LIABILITIES</b>								
Accounts payable	\$ -	363	5,005	-	-	-	-	-
Unearned revenue	-	-	189,675	-	250,038	230,099	-	-
Due to other funds	-	135,832	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>136,195</u>	<u>194,680</u>	<u>-</u>	<u>250,038</u>	<u>230,099</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>								
Nonspendable	77	-	-	-	-	-	-	-
Restricted	-	396,544	564,746	-	205,256	134,702	-	212,125
Committed	77,781	-	-	43,811	-	-	624,158	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	<u>77,858</u>	<u>396,544</u>	<u>564,746</u>	<u>43,811</u>	<u>205,256</u>	<u>134,702</u>	<u>624,158</u>	<u>212,125</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 77,858</u>	<u>532,739</u>	<u>759,426</u>	<u>43,811</u>	<u>455,294</u>	<u>364,801</u>	<u>624,158</u>	<u>212,125</u>

(Continued)

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**OTHER SUPPLEMENTAL INFORMATION - COMBINING BALANCE SHEET -**  
**NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
**APRIL 30, 2015**

	<u>Special Revenue</u>			<u>Debt Service</u>	<u>Capital Projects</u>	<u>Permanent</u>	
	<u>Route 157 Business District Fund</u>	<u>Center Grove Business District Fund</u>	<u>Tort Liability Fund</u>	<u>2005 Capital Project Fund</u>	<u>2005 G.O. Bond Capital Project Fund</u>	<u>Cemetery Trust Fund</u>	<u>Total</u>
<b>ASSETS</b>							
Cash and investments	38,570	69	16,264	(785)	23,098	3,011	2,340,359
Receivables:							
Property tax	-	-	200,031	135,780	-	-	1,005,623
Intergovernmental	6,496	72,126	-	-	-	-	108,704
Other	-	-	-	-	-	-	28,819
Due from other funds	-	61,751	-	-	-	-	143,041
Prepaid items	-	-	-	-	-	-	77
	<u>45,066</u>	<u>133,946</u>	<u>216,295</u>	<u>134,995</u>	<u>23,098</u>	<u>3,011</u>	<u>3,626,623</u>
Total Assets							
	<u>45,066</u>	<u>133,946</u>	<u>216,295</u>	<u>134,995</u>	<u>23,098</u>	<u>3,011</u>	<u>3,626,623</u>
<b>LIABILITIES</b>							
Accounts payable	-	160,739	-	-	-	-	166,107
Unearned revenue	-	-	200,031	135,780	-	-	1,005,623
Due to other funds	-	-	-	-	-	-	135,832
Total Liabilities	<u>-</u>	<u>160,739</u>	<u>200,031</u>	<u>135,780</u>	<u>-</u>	<u>-</u>	<u>1,307,562</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - taxes	2,192	24,647	-	-	-	-	26,839
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	-	3,011	3,088
Restricted	42,874	-	16,264	-	23,098	-	1,595,609
Committed	-	-	-	-	-	-	745,750
Unassigned	-	(51,440)	-	(785)	-	-	(52,225)
Total Fund Balances	<u>42,874</u>	<u>(51,440)</u>	<u>16,264</u>	<u>(785)</u>	<u>23,098</u>	<u>3,011</u>	<u>2,292,222</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>45,066</u>	<u>133,946</u>	<u>216,295</u>	<u>134,995</u>	<u>23,098</u>	<u>3,011</u>	<u>3,626,623</u>

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**OTHER SUPPLEMENTAL INFORMATION - COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED APRIL 30, 2015**

	Special Revenue							
	Cemetery Fund	Motor Fuel Tax Fund	Road Improvement Fund	Housing Assistance Fund	Social Security Fund	Municipal Retirement Fund	Working Cash Fund	Tourism Fund
<b>REVENUES</b>								
Property taxes	\$ -	-	184,997	-	248,449	218,819	-	-
Other local taxes	-	-	-	-	-	-	-	107,919
Intergovernmental	-	434,541	-	-	-	-	-	-
Charges for services	5,800	-	9,350	-	-	-	-	5,320
Investment income	236	1,341	1,867	44	537	316	1,488	153
Total Revenues	<u>6,036</u>	<u>435,882</u>	<u>196,214</u>	<u>44</u>	<u>248,986</u>	<u>219,135</u>	<u>1,488</u>	<u>113,392</u>
<b>EXPENDITURES</b>								
Current:								
General government	1,371	-	-	-	57,443	102,710	-	-
Public safety	-	-	-	-	128,869	46,896	-	-
Streets and highways	-	181,500	320,282	-	37,227	66,712	-	-
Development	-	-	-	-	-	-	-	18,156
Cultural and recreational	-	-	-	-	14,446	20,165	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	32,112	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Total Expenditures	<u>1,371</u>	<u>181,500</u>	<u>352,394</u>	<u>-</u>	<u>237,985</u>	<u>236,483</u>	<u>-</u>	<u>18,156</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>4,665</u>	<u>254,382</u>	<u>(156,180)</u>	<u>44</u>	<u>11,001</u>	<u>(17,348)</u>	<u>1,488</u>	<u>95,236</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	14,308	3,600	-	-	370,000	-
Transfers out	(12,000)	-	-	(44)	-	-	-	-
Total Other Financing Sources (Uses)	<u>(12,000)</u>	<u>-</u>	<u>14,308</u>	<u>3,556</u>	<u>-</u>	<u>-</u>	<u>370,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(7,335)	254,382	(141,872)	3,600	11,001	(17,348)	371,488	95,236
FUND BALANCES, MAY 1	85,193	142,162	706,618	40,211	194,255	152,050	252,670	116,889
<b>FUND BALANCES, APRIL 30</b>	<u>\$ 77,858</u>	<u>396,544</u>	<u>564,746</u>	<u>43,811</u>	<u>205,256</u>	<u>134,702</u>	<u>624,158</u>	<u>212,125</u>

(Continued)

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**OTHER SUPPLEMENTAL INFORMATION - COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
**FOR THE YEAR ENDED APRIL 30, 2015**

	Special Revenue				Debt Service	Capital Projects	Permanent	Total
	Route 157 Business District Fund	Center Grove Business District Fund	Tort Liability Fund	Police Pension Fund	2005 Capital Project Fund	2005 G.O. Bond Capital Project Fund	Cemetery Trust Fund	
<b>REVENUES</b>								
Property taxes	-	-	193,820	298,148	129,934	-	-	1,274,167
Other local taxes	-	-	-	-	-	-	-	107,919
Intergovernmental	28,111	308,665	-	-	-	19,000	-	790,317
Charges for services	-	-	-	-	-	-	-	20,470
Investment income	29	64	110	-	35	32	67	6,319
Total Revenues	28,140	308,729	193,930	298,148	129,969	19,032	67	2,199,192
<b>EXPENDITURES</b>								
Current:								
General government	-	-	-	-	-	-	147	161,671
Public safety	-	-	-	298,148	-	-	-	473,913
Streets and highways	-	-	-	-	-	-	-	605,721
Development	22,025	785,175	-	-	-	-	-	825,356
Cultural and recreational	-	-	-	-	-	-	-	34,611
Capital outlay	-	-	-	-	-	19,000	-	19,000
Debt service:								
Principal	-	-	-	-	120,000	-	-	152,112
Interest and fiscal charges	-	-	-	-	10,750	-	-	10,750
Total Expenditures	22,025	785,175	-	298,148	130,750	19,000	147	2,283,134
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	6,115	(476,446)	193,930	-	(781)	32	(80)	(83,942)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	426,548	-	-	-	-	-	814,456
Transfers out	-	-	(195,000)	-	-	-	-	(207,044)
Total Other Financing Sources (Uses)	-	426,548	(195,000)	-	-	-	-	607,412
<b>NET CHANGE IN FUND BALANCES</b>	6,115	(49,898)	(1,070)	-	(781)	32	(80)	523,470
FUND BALANCES, MAY 1	36,759	(1,542)	17,334	-	(4)	23,066	3,091	1,768,752
<b>FUND BALANCES, APRIL 30</b>	42,874	(51,440)	16,264	-	(785)	23,098	3,011	2,292,222

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -**  
**2011A G.O. BOND REFUNDING FUND - DEBT SERVICE FUND**  
**FOR THE YEAR ENDED APRIL 30, 2015**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>				
Property taxes	\$ 542,025	542,025	538,562	(3,463)
Investment income	50	50	143	93
Total Revenues	542,075	542,075	538,705	(3,370)
<b>EXPENDITURES</b>				
Debt service:				
Principal	450,000	450,000	450,000	-
Interest and fiscal charges	92,425	92,425	92,184	(241)
Total Expenditures	542,425	542,425	542,184	(241)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (350)</b>	<b>(350)</b>	<b>(3,479)</b>	<b>(3,129)</b>
FUND BALANCE, MAY 1			28,948	
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 25,469</b>	

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF TAXES**  
**EXTENDED AND COLLECTED**  
**APRIL 30, 2015**

The following are the tax rates applicable to the various levies per \$100 of assessed valuation:

	<b>Maximum Levy</b>	<b>Levy Year</b>		
		<b>2014</b>	<b>2013</b>	<b>2012</b>
General	\$ 0.2500	\$ 0.2133	0.1964	0.2382
Emergency services	0.0500	0.0010	0.0010	0.0010
Police protection	0.0750	0.0737	0.0750	0.0750
Social Security	None	0.0790	0.0805	0.0805
Municipal retirement	None	0.0727	0.0709	0.0692
Police pension	None	0.0948	0.0952	0.0866
Liability insurance	None	0.0632	0.0628	0.0612
Street and bridge	0.0600	0.0511	0.0494	0.0497
Bonds and interest	None	0.2114	0.2166	0.2195
<b>Total</b>		<b>\$ 0.8602</b>	<b>0.8478</b>	<b>0.8809</b>
<b>TIF #1</b>		<b>\$ 7.3418</b>	<b>7.2406</b>	<b>7.1150</b>
<b>Assessed Valuation</b>		<b>\$ 316,504,265</b>	<b>310,641,920</b>	<b>310,744,740</b>
<b>TIF #1 Assessed Valuation</b>		<b>\$ 12,721,600</b>	<b>11,980,310</b>	<b>11,413,050</b>
<b>Tax Extension by Levy</b>				
General		\$ 675,104	610,101	740,194
Emergency services		3,165	3,106	3,107
Police protection		233,264	232,981	233,059
Social Security		250,038	250,067	250,150
Municipal retirement		230,099	220,245	215,035
Police pension		300,046	295,731	269,105
Liability insurance		200,031	195,083	190,176
Street and bridge		161,734	153,457	154,440
Bonds and interest		669,090	672,850	682,085
<b>Total</b>		<b>\$ 2,722,571</b>	<b>2,633,621</b>	<b>2,737,351</b>
<b>TIF #1</b>		<b>\$ 933,995</b>	<b>867,446</b>	<b>812,039</b>
<b>Amount Collected On Extensions</b>		<b>\$ -</b>	<b>2,610,531</b>	<b>2,735,509</b>
<b>Percentage Of Total Extensions Collected</b>		<b>- %</b>	<b>99.1</b>	<b>99.9</b>
<b>Amount Collected On TIF #1 Extensions</b>		<b>\$ -</b>	<b>862,494</b>	<b>809,734</b>
<b>Percentage Of TIF #1 Extensions Collected</b>		<b>- %</b>	<b>99.4</b>	<b>99.7</b>

**VILLAGE OF GLEN CARBON, ILLINOIS**  
**OTHER SUPPLEMENTAL INFORMATION -**  
**SCHEDULE OF CERTAIN WASTEWATER DATA**  
**FOR THE YEAR ENDED APRIL 30, 2015**

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1. Gallons received at the regional plant	444,679,000
2. Gallons billed	253,384,500
3. Annual debt service for next succeeding fiscal year	419,775
4. Sewer accounts/users	4,865
5. Nonmetered user	1
6. Nondomestic and industrial waste users	2 car washes - 1,482,000 gallons