

CITY OF EL PASO, ILLINOIS

ANNUAL FINANCIAL REPORT

As of and for the Year Ended

April 30, 2010

Phillips & Associates, CPAs, P.C.

CITY OF EL PASO, ILLINOIS

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CITY OF EL PASO, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council City of El Paso, Illinois

We have audited the accompanying financial statements of the City of El Paso, Illinois, as of and for the year ended April 30, 2010 as listed in the table of contents. The financial statements are the responsibility of City of El Paso, Illinois' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities in the financial statements of City of El Paso, Illinois' as of April 30, 2010 and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of the City of El Paso, Illinois' as of April 30, 2010 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2010, on our consideration of City of El Paso, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The City of El Paso, Illinois has not prepared a Management Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The budgetary information listed as required supplemental information in the table of contents is not a required part of the basic financial statements but is supplemental information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of El Paso, Illinois' basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Phillips & Associates, CPAs, P.C.

August 31, 2010

Phillips & Associates, CPAs, P.C.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

**Honorable Mayor and Members of the City Council
City of El Paso, Illinois**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of El Paso, Illinois as of and for the year ended April 30, 2010 and have issued our report thereon dated August 31, 2010. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered City of El Paso, Illinois' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weakness, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of El Paso, Illinois' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of City of El Paso, Illinois in a separate letter dated August 31, 2010.

This report is intended for the information and use of management, others within the organization, the City Council, and the State of Illinois and is not intended to be and should not be used by anyone other than these specified parties.

Phillips & Associates, CPAs, P.C.

August 31, 2010

CITY OF EL PASO, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2010

	2010		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$ 294,115	\$ 46,016	\$ 340,131
Investments	732,445	418,373	1,150,818
Accounts Receivable	666,306	86,390	752,696
Interfund Loans Receivable	(651,000)	652,000	1,000
Fixed Assets (Net of Accumulated Depreciation) Note 4	3,597,679	4,331,223	7,928,902
Capital Assets Held For Sale	48,866	-	48,866
TOTAL ASSETS	<u>4,688,411</u>	<u>5,534,002</u>	<u>10,222,413</u>
LIABILITIES			
Accounts Payable	55,897	14,608	70,504
Accrued Salaries and Payroll Taxes	26,151	8,091	34,242
Accrued Vacation	19,045	9,176	28,221
Accrued Compensated Absences	26,341	15,615	41,956
Current Portion of Bonds	265,000	140,452	405,452
Capital Lease Obligations	26,702	18,143	44,845
Bonds Payable	-	1,525,101	1,525,101
Deferred Revenue	918	-	918
TOTAL LIABILITIES	<u>420,054</u>	<u>1,731,186</u>	<u>2,151,240</u>
NET ASSETS			
Invested in capital assets, net of related debt	3,597,679	2,665,669	6,403,801
Restricted	160,330	-	160,330
Unrestricted	510,347	1,137,146	1,647,494
TOTAL NET ASSETS	<u>\$ 4,268,357</u>	<u>\$ 3,802,816</u>	<u>\$ 8,211,624</u>

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2010

Functions/Programs	Program Revenues			Net (Expense) / Revenue			
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General Government	\$ 463,894	\$ 60,280	-	-	\$ (403,614)	\$ -	\$ (403,614)
Public Safety	344,935	-	-	-	(344,935)	-	(344,935)
Highways and Streets	159,619	-	-	-	(159,619)	-	(159,619)
Sanitation	318,711	-	-	-	(318,711)	-	(318,711)
Cultural and Recreation	427,638	109,139	-	-	(318,498)	-	(318,498)
Interest on Debt	25,763	-	-	-	(25,763)	-	(25,763)
Total governmental activities	1,740,559	169,419	-	-	(1,571,139)	-	(1,571,139)
Business-type activities:							
Water Clearing	302,488	3,137	-	-	-	(299,351)	(299,351)
Water Debt Service Fund	8,008	-	-	-	-	(8,008)	(8,008)
Sewer Clearing	312,470	761,459	-	-	-	448,989	448,989
Sewer Debt Service Fund	74,606	-	-	-	-	(74,606)	(74,606)
Total business-type activities	697,572	764,595	-	-	-	67,023	67,023
Total governmental and business-type activities	\$ 2,438,131	\$ 934,015	\$ -	\$ -	(1,571,139)	67,023	(1,504,116)
General Revenues:							
Taxes					506,974	-	506,974
Intergovernmental					898,696	-	898,696
Interest					16,196	14,962	31,159
Miscellaneous					29,054	1,906	30,960
Transfers - Internal activity					-	-	-
Total General revenues and transfers					1,450,920	16,868	1,467,788
Changes in net assets					(120,219)	83,892	(36,328)
Net assets - beginning					4,388,576	3,718,924	8,107,500
Net assets - ending					\$ 4,268,357	\$ 3,802,816	\$ 8,071,172

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

**GOVERNMENTAL FUNDS
STATEMENT OF ASSETS, LIABILITIES, AND CHANGES IN FUND BALANCES**

April 30, 2010

	General Fund	Recreation Fund	Debt Service Fund	Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash	\$ 3,009	\$ 2,600	\$ 1,144	\$ 534	\$ 286,828	\$ 294,115
Investments	441,682	-	-	51,871	238,891	732,445
Accounts Receivable	191,554	30,040	237,958	-	206,755	666,306
Interfund Loans Receivable	33,000	10,000	-	139,000	31,000	213,000
Capital Assets Held For Sale	-	-	-	-	48,866	48,866
Total Assets	<u>\$ 669,246</u>	<u>\$ 42,640</u>	<u>\$ 239,102</u>	<u>\$ 191,406</u>	<u>\$ 812,339</u>	<u>\$ 1,954,732</u>
Liabilities						
Accounts Payable	\$ 16,013	\$ 13,728	\$ -	\$ 398	\$ 25,758	\$ 55,897
Accrued Salaries and Payroll Taxes	18,892	3,720	-	-	3,540	26,151
Accrued Vacation	16,475	2,570	-	-	-	19,045
Interfund Loans Payable	832,000	13,000	-	-	19,000	864,000
Deferred Revenue	27,938	22,039	111,474	-	73,217	234,667
Total Liabilities	<u>911,318</u>	<u>55,057</u>	<u>111,474</u>	<u>398</u>	<u>121,514</u>	<u>1,199,760</u>
Fund Balances						
Restricted	-	-	-	-	160,330	160,330
Unreserved:	<u>(242,072)</u>	<u>(12,417)</u>	<u>127,628</u>	<u>191,008</u>	<u>530,494</u>	<u>594,642</u>
Total Fund Balances	<u>(242,072)</u>	<u>(12,417)</u>	<u>127,628</u>	<u>191,008</u>	<u>690,824</u>	<u>754,972</u>
Total Liabilities and Fund Balances	<u>\$ 669,246</u>	<u>\$ 42,640</u>	<u>\$ 239,102</u>	<u>\$ 191,406</u>	<u>\$ 812,339</u>	<u>\$ 1,954,732</u>

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

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

April 30, 2010

Total Fund Balance - Total Governmental Funds	\$ 754,972
Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:	
Capital Assets Used in Governmental Activities are Not Current Financial Resources and Therefore are Not Reported in the Governmental Funds Balance Sheet.	3,597,679
Long Term Assets are Not Available to Pay for Current Period Expenditures and, Therefore, are Deferred in the Funds	
Deferred Revenue - Property Taxes	233,749
Long-Term Debt Does Not Require Current Financial Resources Therefore, Long Term Debt is Not Reported as a Liability in Governmental Funds Balance Sheet	
Bonds Payable	(265,000)
Accrued Compensated Absences	(26,341)
Capital Lease Obligations	<u>(26,702)</u>
Net Assets of Governmental Activities	<u>\$ 4,268,357</u>

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended April 30, 2010

	General Fund	Recreation Fund	Debt Service Fund	Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 122,928	\$ 45,186	\$ 356,784	\$ -	\$ 230,913	\$ 755,811
Licenses, Permits, Fines & Forfeits	60,280	-	-	-	-	60,280
Intergovernmental Revenue	832,047	-	-	-	66,649	898,696
Charges for Service	-	83,581	-	-	25,558	109,139
Miscellaneous	9,332	-	-	-	19,722	29,054
Interest	9,003	24	190	151	6,828	16,196
Total Revenues	1,033,590	128,791	356,974	151	349,670	1,869,177
Expenditures:						
General Government	363,535	-	-	11,789	107,402	482,726
Public Safety	327,292	-	-	-	-	327,292
Highways and Streets	-	-	-	-	165,076	165,076
Sanitation	270,482	-	-	-	-	270,482
Culture and Recreation	-	241,005	-	-	231,347	472,352
Debt Service:						
Service Charge	-	-	1,000	-	-	1,000
Interest	-	-	25,763	-	-	25,763
Principal	-	-	375,000	-	-	375,000
Total Expenditures	961,309	241,005	401,763	11,789	503,825	2,119,690
Deficiency of revenues over expenditures	72,281	(112,214)	(44,788)	(11,638)	(154,155)	(250,514)
Other Financing sources (uses):						
Debt Proceeds	-	-	159,631	65,369	-	225,000
Transfers in	24,409	92,500	29,000	-	176,825	322,734
Transfers out	(213,000)	-	-	(93,000)	(16,734)	(322,734)
Total other financing	(188,591)	92,500	188,631	(27,631)	160,091	225,000
Excess of revenues and other sources over expenditures and other uses	(116,310)	(19,714)	143,843	(39,270)	5,936	(25,514)
Fund Balance at beginning of year	(125,762)	7,297	(16,215)	230,278	684,888	780,486
Fund Balance at end of year	\$ (242,072)	\$ (12,417)	\$ 127,628	\$ 191,008	\$ 690,824	\$ 754,972

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

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

Year Ended April 30, 2010

Net change in fund balances - total governmental funds	\$ (25,514)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities and changes in net assets, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.	125,496
Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditure in governmental funds.	(169,004)
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also Governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items	
Proceeds from Issuance of Long-Term Obligations	(225,000)
Repayment of Long-Term Obligations	375,000
Long-Term Capital Lease Financing Incurred	-
Capital Lease Payments	52,038
Some revenues reported in the statement of activities are not available as current financial resources; therefore, are not reported as revenues in governmental funds	(248,837)
Some expenses reported in the statement of activities do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds	
Accrued Compensated Absences	(4,398)
Interest Expense	-
Change in Net Assets of Governmental Activities	<u>\$ (120,219)</u>

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

PROPRIETARY FUNDS
STATEMENT OF NET ASSETS

April 30, 2010

	Business Type Activities - Enterprise Funds		
	Water Activities	Sewer Activities	Total
ASSETS			
Current Assets:			
Cash	\$ 89,124	\$ (43,108)	\$ 46,016
Investments	418,373	-	418,373
Accounts Receivable	41,823	44,567	86,390
Total Current Assets	549,320	1,459	550,779
Non Current Assets:			
Interfund Loans Receivable	208,000	444,000	652,000
Property, Plant & Equipment:	3,839,507	4,171,058	8,010,565
Less Accumulated Depreciation	(1,874,495)	(1,804,847)	(3,679,342)
Net Property & Equipment	1,965,012	2,366,211	4,331,223
Total Non Current Assets	2,173,012	2,810,211	4,983,223
TOTAL ASSETS	\$ 2,722,332	\$ 2,811,670	\$ 5,534,002
LIABILITIES			
Liabilities:			
Accounts Payable	\$ 12,518	\$ 2,090	\$ 14,608
Accrued Interest	-	-	-
Accrued Salaries and Payroll Taxes	2,905	5,187	8,091
Accrued Vacation	3,151	6,025	9,176
Accrued Compensated Absences	4,912	10,703	15,615
Bonds Payable	285,553	1,380,000	1,665,553
Interfund Loans Payable	10,091	(10,091)	-
Capital Lease Obligations	9,071	9,071	18,143
TOTAL LIABILITIES	328,201	1,402,985	1,731,186
NET ASSETS			
Invested in Capital Assets (net of debt):	1,679,459	986,211	2,665,669
Restricted	-	-	-
Unreserved	714,673	422,474	1,137,146
TOTAL NET ASSETS	2,394,131	1,408,685	3,802,816
	\$ 2,722,332	\$ 2,811,670	\$ 5,534,002

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

PROPRIETARY FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For Year Ended April 30, 2010

	Business Type Activities - Enterprise Funds		
	Water Activities	Sewer Activities	Total
Operating Revenues:			
Charges for Services	\$ 386,403	\$ 378,192	\$ 764,595
Operating Expenses:			
Salaries	74,518	131,768	206,286
Payroll Taxes	-	9,764	9,764
Supplies	9,241	3,930	13,171
Oil & Gas	422	3,376	3,797
Repairs & Maintenance	20,374	11,702	32,076
Utilities	42,969	46,848	89,817
Equipment Rental	1,387	4,415	5,802
Professional Services	4,805	195	5,000
Insurance: General	11,102	7,807	18,909
Contingencies	1,182	574	1,756
Other Services & Charges	47,015	4,171	51,186
Capital Outlay	11,036	2,407	13,443
Depreciation	76,139	86,414	162,553
Total Operating Expenses	300,190	313,370	613,560
Net Operating Income (Loss)	86,213	64,822	151,035
Non-operating Revenues (Expenses)			
Interest Income	14,962	-	14,962
Interest Expense	(9,405)	(73,706)	(83,111)
Total Non-operating Revenues (Expenses)	5,558	(72,701)	(67,144)
Change In Net Assets	91,771	(7,880)	83,892
Net Assets:			
Beginning of Year	2,302,360	1,416,564	3,718,924
End of Year	\$ 2,394,131	\$ 1,408,685	\$ 3,802,816

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS

For Year Ended April 30, 2010

	Business Type - Enterprise Funds		
	Water Fund	Sewer Fund	Total 2010
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 380,931	\$ 371,712	\$ 752,643
Payments to suppliers	(9,241)	(3,930)	(13,171)
Payments to employees	(75,108)	(132,308)	(207,416)
Other receipts (payments)	(132,644)	(90,391)	(223,035)
Net cash provided (used) by operating activities	<u>163,937</u>	<u>145,083</u>	<u>309,021</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Operating subsidies and transfers to other funds	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from capital debt	-	-	-
Purchases of capital assets	(24,573)	(13,910)	(38,483)
Principal paid on capital debt	(8,761)	(8,761)	(17,522)
Principal paid on bonds payable	(25,452)	(115,000)	(140,452)
Interest paid on capital debt	(9,405)	(73,706)	(83,111)
Loans from other funds	1,707	(1,707)	-
Other receipts (payments)	(32,000)	-	(32,000)
Net cash provided (used) by capital and related financing activities	<u>(98,483)</u>	<u>(213,084)</u>	<u>(311,567)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Change in investments from purchases, sales and maturities	(14,714)	-	(14,714)
Interest and dividends	14,962	-	14,962
Net cash provided (used) by investing activities	<u>248</u>	<u>1,005</u>	<u>1,253</u>
Net increase (decrease) in cash and cash equivalents	65,703	(66,994)	(1,293)
Balances - beginning of the year	<u>23,421</u>	<u>23,888</u>	<u>47,309</u>
Balances - end of the year	<u>\$ 89,124</u>	<u>\$ (43,106)</u>	<u>\$ 46,016</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 86,213	\$ 64,822	\$ 151,035
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	76,139	86,414	162,553
Change in assets and liabilities:			
Receivables, net	(5,472)	(6,480)	(11,952)
Accounts payables and accrued liabilities	7,057	328	7,385
Net cash provided (used) by operating activities	<u>\$ 163,937</u>	<u>\$ 145,083</u>	<u>\$ 309,021</u>

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

FIDUCIARY FUNDS STATEMENT OF NET ASSETS

April 30, 2010

	<u>Dependent Health Self-Insured</u>
Assets	
Cash	\$ 1,485
Total Assets	<u>\$ 1,485</u>
Liabilities	
Accounts Payable	\$ 1,444
Due to General Fund	<u>1,000</u>
Total Liabilities	<u>2,444</u>
Net Assets	
Restricted	-
Unrestricted	<u>(959)</u>
Total Net Assets	<u>\$ (959)</u>

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

FIDUCIARY FUNDS STATEMENT OF ACTIVITIES

For Year Ended April 30, 2010

	Dependent Health <u>Self-Insured</u>
Revenues:	
Transfers From Other Funds	\$ -
Miscellaneous	-
	<hr/>
Total Revenues	-
	<hr/>
Expenditures:	
Unreimbursed Medical	-
	<hr/>
Total Expenditures	-
	<hr/>
Change in Net Assets	-
Net Assets at Beginning of Year	<hr/> (959)
Net Assets at End of Year	<hr/> <u>\$ (959)</u>

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The City of El Paso, Illinois was founded April 20, 1854 and incorporated in the State of Illinois in 1891. The City operates under the City Council-City Administrator form of government. The City's major operations include the following services as authorized by its' charter: public safety, highways and streets, culture and recreation, public improvements, public works, planning and zoning and general administrative services.

The City's financial statements conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is responsible for establishing accounting principles for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the City has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Village has chosen not to do so. The more significant accounting policies established and used by the Village are discussed below.

In June 1999, GASB unanimously approved Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. Certain significant changes in the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Village's overall financial position and results of operations
- Financial statements prepared using full accrual accounting for all of the Village's activities, including infrastructure (road, bridges, etc.)
- A change in the fund financial statements to focus on the major funds

The City has elected to omit the MD&A. All other general provisions of the Statement have been implemented in the current year with prospective reporting applied to the City's infrastructure.

The criteria of oversight responsibility, special financing relationships and scope of public service was used in determining the agencies or entities which comprise the City for financial reporting purposes. Oversight responsibility is determined by the extent of financial interdependency, control over the selection of the governing authority and management, ability to significantly influence operations, and accountability for fiscal matters. Based on these criteria, there are no agencies or entities, which should be combined with the financial statements of the City.

BASIC FINANCIAL STATEMENTS

The City's basic financial statements include both government-wide and fund financial statements. Both the government-wide and fund financial statements categorize primary activities either governmental or business-type. The City's public safety, highways and streets, culture and recreation, public improvements, planning and zoning and general administrative services are classified as governmental activities. The City's public works are classified as business-type activities.

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED April 30, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

GOVERNMENT-WIDE STATEMENTS

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on the cash basis, economic resource basis, which recognizes all assets and liabilities arising from cash transactions. The City's net assets are reported in three parts—invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The City first uses restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities. The functions are also supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operations-specific and discretionary grants while the capital grants column reflects capital-specific grants.

The net costs are normally covered by general revenue.

The City does not allocate indirect costs or charge administrative fees to other operating funds.

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

FUND ACCOUNTING

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

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City electively added funds, as major funds, which either had debt outstanding or specific community focus. The non-major funds are combined in a column in the fund financial statements.

GOVERNMENTAL FUNDS

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position rather than upon determination of net income. The following are the City's governmental fund types:

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

General Fund – The general fund is the general operation fund of the City. It accounts for all financial resources and transactions except those that are required to be accounted for in other funds. The general fund expenditures are accounted for in the legislative, administrative, police, public works and civil defense (ESDA) departments.

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

Debt Service Funds – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Project Funds – Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds, Special Assessment Funds, and Trust Funds).

PROPRIETARY FUNDS

Enterprise Funds – Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenditures including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenditures incurred, and/or excess (deficiency) of revenues over expenditures is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

FIDUCIARY FUNDS

Trust and Agency Funds – Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include Nonexpendable Trust Agency Funds. Nonexpendable Trust Agency Funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical.

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

Revenue and expenditures of governmental fund types are recognized on the modified accrual basis of accounting. Revenue is recognized in the accounting period when it becomes both measurable and available, available meaning collectible with the current period or soon enough thereafter to pay the liabilities of the current period. State income and replacement taxes and sales taxes are considered to be measurable when collected by the intermediary and are recognized as revenue at that time.

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

A. Basis of Accounting – Continued

Revenue from federal and state grants and similar programs are recognized when the City has done everything necessary to establish its right to the revenue. This recognition usually takes place at the time expenditure has been incurred for an authorized purpose.

Expenditures are generally recognized in the accounting period in which the fund liability is incurred, if measurable, except for non-matured interest on general long-term debt, which is recognized when due. General fixed asset purchases are recorded as expenditures of the purchasing fund at the time the expenditure is incurred.

Revenue and expenses of the enterprise fund are recognized on the accrual basis of accounting. Revenue is recognized when earned, and expenses are recognized when the liability is incurred.

B. Cash flows

For purposes of reporting cash flows, the City considers savings accounts and money market accounts to be cash equivalents. All certificates of deposits and US Treasury obligations, regardless of maturity, are not considered to be cash equivalents.

C. Investments

Investments, consist primarily of savings deposits, certificates of deposits and US Treasury obligations, are carried at cost or amortized cost.

D. Property and Equipment

Capital assets purchased or acquired with an original cost of \$5,000 or more in the governmental funds are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and Improvements	50 years
Machinery and Equipment	7 years

Capital assets purchased by the City in the enterprise funds with an original cost of \$5,000 or more is recorded at cost or estimated historical cost. Assets acquired by gift are carried at the fair market value at the date of the gift. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Depreciation is computed using the straight-line method over the following estimated useful lives:

Buildings, Improvements, and each Utility System	50 years
Machinery and equipment	20 years

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

E. Property Taxes

Property Taxes are levied in December and attach as an enforceable lien against property on the preceding January 1. Property taxes receivable represents the 2008 tax levy, which is due and collectible in June and September 2009. Because these taxes are not due and collectible until June, they are currently not considered available and are, therefore, deferred until they become available for use to pay current liabilities.

F. Estimated unbilled usage

Estimated unbilled usage is accrued at year-end as a receivable because it represents revenue for utility services that have been provided but not billed in the enterprise funds.

G. Compensated Absences

The City's vacation policy allows for two weeks of vacation after one year of service, three weeks after five years of service, and four weeks after fifteen years of service. Earned vacations are vested upon the anniversary date of employment. Up to one week of unused vacation leave may be carried forward, and any unused vacation exceeding this one-week is lost. Upon separation, employees receive compensation for the vested portion of their accrued vacation leave.

The City has a policy, which allows its employees "discretionary days" which vest based upon their years of service with the City. As of January 1, of each year, employees are paid for all vested days in excess of fifteen. Upon separation, all days vested will be paid unless separated for criminal reasons or unless otherwise mutually agreed upon.

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

The budget amounts presented in the financial statements represent the estimated revenue, taken from the City's working budget, and appropriations, as set forth in the City's annual budget appropriation ordinance, adopted for the fiscal year ended April 30, 2010.

Budgets are prepared for the general and special revenue funds on the same basis and using the same accounting practices as are used to account for and prepare financial reports for the funds. Thus, budgets presented in this report for comparison to actual amounts are presented in accordance with generally accepted accounting principles.

Unexpended budgeted amounts lapse at the end of the budget year. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised and budgetary line-time levels.

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED April 30, 2010

NOTE 3 – CASH AND CASH EQUIVALENTS

The City's cash, which consisted of deposits with financial institutions totaling \$340,131, and investments at April 30, 2010 which were insured or fully collateralized as of year-end. The following is a summary of investments at cost which equals fair market value at year-end.

Governmental Activities	
Money Market	\$ 90,306
Certificates Of Deposit	288,900
The Illinois Funds	<u>353,238</u>
Total Governmental Activities	<u>732,445</u>
Business-type Activities	
Money Market	85,044
Certificates Of Deposit	<u>333,329</u>
Total Business-type Activities	<u>418,373</u>
Total Investments	<u>\$ 1,150,818</u>

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. One of the ways that the City manages its exposure to interest rate risk is by limiting its purchases of long term investments. At April 30, 2010 the City's investments were deposits in financial institutions

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer on an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's deposits with financial institutions are not subject to credit risk rating.

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. Deposits with financial institutions are exempt from the 5% investment in any one issuer disclosure.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Illinois Compiled Statutes do not contain requirements that would limit the exposure to custodial credit risk for deposits.

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED April 30, 2010

NOTE 4 – CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets for the year ended April 30, 2010, was as follows:

Governmental Activities:	<u>Balance May 1</u>	<u>Additions/ Corrections</u>	<u>Deletions/ Corrections</u>	<u>Balance April 30</u>
Capital assets being depreciated				
Land Improvements	\$ 942,024	\$ -	\$ -	\$ 924,024
Equipment	422,397	44,035	-	466,432
Buildings	2,584,581	20,955	-	2,605,536
Infrastructure	1,609,432	21,327	-	1,630,759
Vehicles	<u>182,862</u>	<u>39,179</u>	-	<u>222,041</u>
Total Capital assets being depreciated	<u>5,741,296</u>	<u>125,496</u>	<u>-</u>	<u>5,866,792</u>
Less accumulated depreciation for:				
Land Improvements	(380,335)	-	(18,246)	(398,581)
Equipment	(132,905)	-	(41,509)	(174,414)
Buildings	(1,218,064)	-	(50,655)	(1,268,719)
Infrastructure	(293,083)	-	(43,779)	(336,863)
Vehicles	<u>(75,722)</u>	<u>-</u>	<u>(14,815)</u>	<u>(90,536)</u>
Total accumulated depreciation	<u>(2,100,109)</u>	<u>-</u>	<u>(169,004)</u>	<u>(2,269,113)</u>
Governmental activities capital assets, net	<u>\$ 3,641,187</u>	<u>\$ -</u>	<u>\$ (169,004)</u>	<u>\$ 3,597,679</u>

A summary of business-type fixed assets for the year ended April 30, 2010, was as follows:

Business-type Activities:	<u>Balance May 1</u>	<u>Additions/ Corrections</u>	<u>Deletions/ Corrections</u>	<u>Balance April 30</u>
Capital assets not being depreciated				
Land – Sewer Fund	\$ 97,711	\$ -	\$ -	\$ 97,711
Land – Water Fund	13,738	-	-	13,738
Capital assets being depreciated				
Well Improvements – Water Fund	22,871	-	-	22,871
Buildings – Sewer Fund	3,862,760	-	-	3,862,760
Buildings – Water Fund	3,163,721	-	-	3,163,721
Equipment – Sewer Fund	196,677	13,910	-	210,587
Equipment – Water Fund	<u>614,603</u>	<u>24,574</u>	-	<u>639,177</u>
Total capital assets being depreciated	<u>7,972,081</u>	<u>38,484</u>	<u>-</u>	<u>8,010,565</u>
Less accumulated depreciation for:				
Well Improvements – Water Fund	(22,871)	-	-	(22,871)
Buildings – Sewer Fund	(1,642,984)	-	(77,533)	(1,720,517)
Buildings – Water Fund	(1,336,584)	-	(63,274)	(1,399,858)
Equipment – Sewer Fund	(75,450)	-	(8,880)	(84,330)
Equipment – Water Fund	<u>(438,901)</u>	<u>-</u>	<u>(12,865)</u>	<u>(451,766)</u>
Total accumulated depreciation	<u>(3,516,790)</u>	<u>-</u>	<u>(162,552)</u>	<u>(3,679,342)</u>
Total capital assets being depreciated, net	<u>4,343,842</u>	<u>38,484</u>	<u>(162,552)</u>	<u>4,219,774</u>
Business-type activities capital assets, net	<u>\$ 4,455,291</u>	<u>\$ 38,484</u>	<u>\$ (162,552)</u>	<u>\$ 4,331,223</u>

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED April 30, 2010

NOTE 4 – CHANGES IN FIXED ASSETS – CONTINUED

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

Governmental Activities:		
General government and administration	\$	13,222
ESDA		4,767
Parks		56,817
Police		11,406
Public Works		58,029
Recreation		1,889
Food Pantry		1,470
Streets		1,949
Motor Fuel Tax Fund		15,869
Capital Projects Fund		669
Capital Equipment Fund		2,916
Total depreciation expense – Governmental Activities	<u>\$</u>	<u>169,004</u>
Business-type Activities:		
Waterworks	\$	76,139
Sewer		86,413
Total depreciation expense – Business-type Activities	<u>\$</u>	<u>162,552</u>

NOTE 5 – CHANGES IN LONG-TERM DEBT

At April 30, 2010, bonds payable consisted of the following individual issues:

	<u>Governmental</u>	<u>Business-type</u>
2001 Alternate Revenue Bonds, dated January 1, 2003, due in annual installments through January 1, 2011, bearing semiannual interest rates of 4.75% to 6.50%.	\$ 40,000	\$ -
2009 Alternate Revenue Bonds, dated December 1, 2009, due within one year, bearing interest at 5.75%.	225,000	-
2003 Alternate Revenue Bonds, dated December 1, 2004, due in annual installments through December 1, 2018, bearing interest at 4.675%.	-	585,000
2006 Alternative Revenue Bonds, dated January 3, 2006, due in annual installments through December 1, 2018, bearing interest rates of 4.05% to 8.50%.	-	795,000
2001 Illinois Environmental Protection Agency Note Payable, dated 2001, due in annual installments through 2021, bearing interest at 2.905%.	-	285,553
	<u>-</u>	<u>285,553</u>
Total Bonds Payable	<u>\$ 265,000</u>	<u>\$ 1,665,553</u>

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2010

NOTE 5 – CHANGES IN LONG-TERM DEBT – CONTINUED

The annual aggregate maturities for each bond type for the years subsequent to April 30, 2010, are:

General Obligation Bonds

<u>Year Ending</u> <u>April 30</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2011	265,000	14,838	146,196	74,434	220,630
2012	-	-	156,963	66,777	223,740
2013	-	-	162,752	59,058	221,810
2014	-	-	173,564	51,071	224,635
2015 – 2019	-	-	1,005,856	128,060	1,133,916
2020 – 2022	-	-	20,222	343	20,565
Total	\$ 265,000	\$ 14,838	\$ 1,665,553	\$ 379,743	\$2,045,296

The City finances the purchase of capital equipment with long-term leases. The following is a summary of maturities for capital leases outstanding at year-end.

Capital Lease Obligations

<u>Year Ending</u> <u>April 30</u>	<u>Governmental Activities</u>			<u>Business Type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	26,702	698	27,400	18,143	394	18,537
2012	-	-	-	-	-	-
Total	\$ 26,702	\$ 698	\$ 27,400	\$ 18,143	\$ 394	\$ 18,537

Changes in Outstanding Debt –

Transactions for the year ended April 30, 2010 are summarized as follows:

	<u>Balance</u> <u>May 1, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>April 30, 2010</u>	<u>Due Within</u> <u>one year</u>
Governmental Activities:					
General Obligation Bonds	\$ 415,000	\$ 225,000	\$ (375,000)	\$ 265,000	\$ 265,000
Compensated Absences	21,943	4,398	-	26,341	-
Capital Lease Obligations	78,740	-	(52,038)	26,702	26,702
Total Governmental Activities	515,683	229,398	(427,038)	318,043	291,702
Business-type Activities:					
General Obligation Bonds	1,806,005	-	(140,452)	1,665,553	146,196
Compensated Absences	18,493	-	(4,110)	14,383	-
Capital Lease Obligations	35,664	-	(17,521)	18,143	18,143
Total Business-type Activities	1,860,162	-	(162,083)	1,698,079	164,339
Total Government	\$ 2,375,845	\$ 229,398	\$ (589,121)	\$ 2,016,122	\$ 456,041

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2010

NOTE 5 – CHANGES IN LONG-TERM DEBT – CONTINUED

Legal Debt Margin

The legal debt margin of the City, as of April 30, 2010 is computed as follows:

Assessed Valuation (Property Tax Year 2009)	\$ 46,430,850
Debt Limit – 8.625% of assessed value	<u>\$ 4,004,661</u>
Amount of debt applicable to debt limit:	
Bonds	1,930,553
Capital Leases	<u>44,845</u>
	1,975,398
Less: Alternate Revenue Bonds	(1,645,000)
Assets available in debt service fund for payment principal	<u>(115,835)</u>
Total amount of Debt applicable to Debt Limit	<u>214,563</u>
Legal Debt Margin	<u>\$ 3,790,098</u>

NOTE 6 – OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

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

A. Individual funds inter-fund receivable and payable balances. Such balances at April 30, 2010 were as follows:

Fund	Inter-fund Receivables	Inter-fund Payables
General Fund	\$ 33,000	\$ 832,000
Park Fund	12,000	-
Recreation Fund	10,000	13,000
Public Library	-	19,000
Capital Equipment Fund	9,500	-
Economic Development	9,500	-
Debt Service Fund	-	-
Capital Projects	139,000	-
Water Fund	172,000	10,091
Water Debt Service Fund	36,000	-
Sewer Fund	383,091	-
Sewer Debt Service Fund	71,000	-
Fiduciary Funds	-	1,000
	<u>\$ 875,091</u>	<u>\$ 875,091</u>

B. Deficit Fund balances or retained earnings balances of individual funds. A list of fund having deficit fund balances or retained earnings follows:

Fund	Deficit Fund Balance Retained Earnings
General Fund	<u>\$ (270,093)</u>
Recreation Fund	<u>\$ (28,374)</u>

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2010

NOTE 7 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters.

The City is a member of the Illinois Municipal League Risk Management Association (IML), which provides insurance to cover the above mentioned risk exposures. The City also uses commercial carriers to supplement the coverage of IML. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 8 – RETIREMENT COMMITMENTS

The City has a prototype money purchase retirement plan for its employees. Under this plan the City annually contributes \$3,250 for the City Administrator, \$1,250 for full-time supervisory employees and \$1,000 for all other full-time employees. The plan also provides for voluntary employee contributions, which the City matches up to \$1,750. Employees become fully vested after completing two years of service. The City increased its matching contribution to up to \$2,000 in 2008 and \$2,250 in fiscal years 2009 and thereafter. The City contributed \$16,000 in regular contributions and \$31,741 in matching contributions during fiscal year 2010.

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

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City (without being restricted to the provisions of benefits under the plan) subject only to the claim of the City's general creditors. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred amount for each participant.

NOTE 9 – SIGNIFICANT CHANGE IN FUTURE ADOPTION OF GASB 54

Statement of Governmental Accounting Standards No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, will significantly change the reporting of fund balance in the balance sheets of governmental type funds.

The Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2010. Fund balance reclassifications made to conform to the provisions of this Statement should be applied retroactively by restating fund balance for all prior periods presented.

CITY OF EL PASO, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL

GENERAL FUND
For the Year Ended April 30, 2010

	2010			
	Budgeted Amounts		Actual	Budget (Under) Over
	Original	Final		
Revenues:				
Taxes:				
Property Tax	\$ 57,002	\$ 57,002	\$ 87,130	\$ 30,128
Road & Bridge Tax	22,500	22,500	23,480	980
Auto Rental Tax	200	200	72	(128)
Hotel Operators Tax	14,200	14,200	12,246	(1,954)
Licenses and Permits				
Liquor Licenses	3,500	3,500	5,350	1,850
Franchise Fees	18,700	18,700	20,647	1,947
Circuit Court Fines	45,000	45,000	24,796	(20,204)
Building Permits	5,000	5,000	3,504	(1,496)
Other	5,625	5,625	5,983	358
Intergovernmental Revenue:				
Sales Tax	600,000	600,000	638,257	38,257
State Income Tax	250,000	250,000	134,381	(115,619)
Corporate Replacement Tax	25,000	25,000	25,409	409
State Use Tax	36,400	36,400	34,000	(2,400)
Local Revenues				
Grant Revenue	2,500	2,500	2,681	181
Interest	8,500	8,500	9,003	503
Miscellaneous	120	120	6,651	6,531
Total Revenues	<u>1,094,247</u>	<u>1,094,247</u>	<u>1,033,590</u>	<u>(60,657)</u>
Expenditures:				
General Government				
Legislative	34,035	34,035	48,845	14,810
Administrative	382,750	382,750	314,690	(68,060)
Public Safety				
Police	324,233	324,233	316,518	(7,715)
Public Works	273,000	273,000	270,482	(2,518)
ESDA	11,000	11,000	8,257	(2,743)
Food Pantry	3,250	3,250	2,517	(733)
Total Expenditures	<u>1,028,268</u>	<u>1,028,268</u>	<u>961,309</u>	<u>(66,959)</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	65,979	65,979	72,281	6,302
Other Financing Sources (Used)				
Operating Transfers - In	11,409	11,409	24,409	13,000
Operating Transfers - out	(213,000)	(213,000)	(213,000)	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (135,612)</u>	<u>\$ (135,612)</u>	<u>(116,310)</u>	<u>\$ 19,302</u>
Fund Balance - Beginning of Year			(125,762)	
Fund Balance - End of Year			<u>\$ (242,072)</u>	

The Accompanying Supplemental Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL**

**RECREATION FUND
For the Year Ended April 30, 2010**

	2010			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 29,565	\$ 29,565	\$ 45,186	\$ 15,621
Local Revenues				
Charges for Service	104,550	104,550	83,581	(20,969)
Donations	1,000	1,000	-	(1,000)
Interest	-	-	24	24
Total Revenues	<u>135,115</u>	<u>135,115</u>	<u>128,791</u>	<u>(6,324)</u>
Expenditures:				
Culture and Recreation	<u>219,300</u>	<u>219,300</u>	<u>241,005</u>	<u>21,705</u>
Total Expenditures	<u>219,300</u>	<u>219,300</u>	<u>241,005</u>	<u>21,705</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(84,185)	(84,185)	(112,214)	(28,029)
Other Financing Sources (Used)				
Operating Transfers - In	<u>92,500</u>	<u>92,500</u>	<u>92,500</u>	<u>-</u>
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ 8,315</u>	<u>\$ 8,315</u>	(19,714)	<u>\$ (28,029)</u>
Fund Balance - Beginning of Year			<u>7,297</u>	
Fund Balance - End of Year			<u>\$ (12,417)</u>	

The Accompanying Supplemental Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL**

**DEBT SERVICE FUND
For the Year Ended April 30, 2010**

	2010			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 236,500	\$ 236,500	\$ 356,784	\$ 120,284
Interest	-	-	190	190
Total Revenues	<u>236,500</u>	<u>236,500</u>	<u>356,974</u>	<u>120,474</u>
Expenditures:				
Service Charge	1,000	1,000	1,000	-
Interest	25,763	25,763	25,763	(1)
Principle Repayment	375,000	375,000	375,000	-
Total Expenditures	<u>401,763</u>	<u>401,763</u>	<u>401,763</u>	<u>(1)</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(165,263)	(165,263)	(44,788)	120,475
Other Financing Sources (Used)				
Debt Proceeds	153,000	153,000	159,631	6,631
Operating Transfers - In	29,000	29,000	29,000	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (136,263)</u>	<u>\$ (136,263)</u>	143,843	<u>\$ 120,475</u>
Fund Balance - Beginning of Year			(16,215)	
Fund Balance - End of Year			<u>\$ 127,628</u>	

The Accompanying Supplemental Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL**

**CAPITAL PROJECTS FUND
For the Year Ended April 30, 2010**

	2010			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Local Revenues				
Interest	1,600	1,600	151	(1,449)
Total Revenues	1,600	1,600	151	(1,449)
Expenditures:				
General Government	55,000	55,000	11,789	(43,211)
Total Expenditures	55,000	55,000	11,789	(43,211)
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(53,400)	(53,400)	(11,638)	41,762
Other Financing Sources (Used)				
Loan Proceeds	\$ 60,000	\$ 60,000	\$ 65,369	5,369
Operating Transfers - In	-	-	-	-
Operating Transfers - out	(93,000)	(93,000)	(93,000)	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (86,400)</u>	<u>\$ (86,400)</u>	(39,270)	<u>\$ 41,762</u>
Fund Balance - Beginning of Year			230,278	
Fund Balance - End of Year			<u>\$ 191,008</u>	

The Accompanying Supplemental Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION April 30, 2010

BUDGETS AND BUDGETARY ACCOUNTING

The budget amounts presented in the required supplemental financial statements represent the estimated revenue, taken from the City's working budget, and appropriations, as set forth in the City's annual budget appropriation ordinance, adopted for the fiscal year ended April 30, 2010.

Budgets are prepared for the general and special revenue funds on the same basis and using the same accounting practices as are used to account for and prepare financial reports for the funds. Thus, budgets presented in this report for comparison to actual amounts are presented in accordance with generally accepted accounting principles.

Unexpended budgeted amounts lapse at the end of the budget year. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised and budgetary line-time levels.

EXCESS OF EXPENDITURES PAID OVER APPROPRIATIONS

Excess of expenditures paid over appropriations in individual major funds. The following funds had expenditures paid exceeding appropriation:

<u>Fund</u>	<u>Appropriations</u>	<u>Expenditures Paid</u>	<u>Variance</u>
Recreation Fund	\$ 219,300	\$ 241,005	\$ (21,705)
Library Fund	\$ 126,750	\$ 133,750	\$ (7,000)
Capital Equipment Fund	\$ 106,668	\$ 107,402	\$ (734)

CITY OF EL PASO, ILLINOIS

COMBINING STATEMENT OF ASSETS, LIABILITIES, AND CHANGES IN FUND BALANCE

NON-MAJOR GOVERNMENTAL FUNDS

April 30, 2010

	Combined Total	Motor Fuel Tax	CDAP	Parks	Library	Capital Equipment	Economic Development	Social Security	Unemployment
Assets									
Cash	\$ 286,828	\$ -	\$ 123,755	\$ 816	\$ 159,545	\$ 1,279	\$ 148	\$ 1,031	\$ 255
Investments	238,891	149,283	-	-	89,608	-	-	-	-
Accounts Receivable	206,755	11,505	37,310	44,806	92,822	-	3,551	14,718	2,043
Interfund Loans Receivable	31,000	-	-	12,000	-	9,500	9,500	-	-
Capital Assets Held For Sale	48,866	-	-	-	-	-	48,866	-	-
Total Assets	\$ 812,339	\$ 160,788	\$ 161,065	\$ 57,621	\$ 341,975	\$ 10,779	\$ 62,065	\$ 15,749	\$ 2,297
Liabilities									
Accounts Payable	\$ 25,758	\$ 17,111	\$ -	\$ 6,407	\$ 875	\$ 1,364	\$ -	\$ -	\$ -
Accrued Salaries and Payroll Taxes	3,540	-	-	1,056	2,483	-	-	-	-
Interfund Loans Payable	19,000	-	-	-	19,000	-	-	-	-
Deferred Revenue	73,217	-	-	20,987	44,400	-	-	6,883	947
Total Liabilities	121,514	17,111	-	28,451	66,758	1,364	-	6,883	947
Fund Balances									
Reserved	160,330	-	160,330	-	-	-	-	-	-
Unreserved:	530,494	143,677	735	29,170	275,217	9,415	62,065	8,866	1,351
Total Fund Balances	690,824	143,677	161,065	29,170	275,217	9,415	62,065	8,866	1,351
Total Liabilities and Fund Balances	\$ 812,339	\$ 160,788	\$ 161,065	\$ 57,621	\$ 341,975	\$ 10,779	\$ 62,065	\$ 15,749	\$ 2,297

CITY OF EL PASO, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended April 30, 2010

	Combined Total	Motor Fuel Tax	CDAP	Parks	Library	Capital Equipment	Economic Development	Social Security	Unemployment
Revenues:									
Taxes:									
Property	\$ 230,913	\$ -	\$ -	\$ 67,485	\$ 138,160	\$ -	\$ -	\$ 22,185	\$ 3,083
Intergovernmental Revenue									
Motor Fuel Tax	66,649	66,649	-	-	-	-	-	-	-
Local Revenues									
Charges for Service	25,558	-	-	9,533	16,025	-	-	-	-
Interest	6,828	270	735	35	5,773	-	-	13	2
Miscellaneous	19,722	-	-	93	15,827	-	3,802	-	-
Total Revenues	349,670	66,920	735	77,146	175,785	-	3,802	22,198	3,085
Expenditures:									
General Government	107,402	-	-	-	-	107,402	-	-	-
Highways and Streets	165,076	165,076	-	-	-	-	-	-	-
Culture and Recreation	231,347	-	-	97,597	133,750	-	-	-	-
Total Expenditures	503,825	165,076	-	97,597	133,750	107,402	-	-	-
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(154,155)	(98,157)	735	(20,450)	42,035	(107,402)	3,802	22,198	3,085
Other Financing Sources (Used)									
Operating Transfers - In	176,825	-	-	50,525	2,300	106,000	18,000	-	-
Operating Transfers - out	(16,734)	-	-	-	-	-	-	(14,705)	(2,029)
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	5,936	(98,157)	735	30,075	44,335	(1,402)	21,802	7,493	1,056
Fund Balance - Beginning of Year	684,888	241,833	160,330	(904)	230,882	10,817	40,263	1,373	295
Fund Balance - End of Year	\$ 690,824	\$ 143,677	\$ 161,065	\$ 29,170	\$ 275,217	\$ 9,415	\$ 62,065	\$ 8,866	\$ 1,351

CITY OF EL PASO, ILLINOIS

COMBINING STATEMENT OF ASSETS, LIABILITIES, AND CHANGES IN FUND BALANCES

PROPRIETARY FUNDS

April 30, 2010

	Water Activities		Sewer Activities	
	Total Water Activities	Water Fund	Total Sewer Activities	Sewer Fund
Assets				
Cash	\$ 89,124	\$ 84,670	\$ (43,108)	\$ 4,381
Investments	418,373	418,373	-	-
Accounts Receivable	41,823	41,823	44,567	44,567
Interfund Loans Receivable	208,000	172,000	444,000	373,000
Fixed Assets (net of Accumulated Depreciation)	1,965,012	1,965,012	2,366,211	2,366,211
Total Assets	\$ 2,722,332	\$ 2,681,878	\$ 2,811,670	\$ 2,736,289
Liabilities				
Accounts Payable	\$ 12,518	\$ 12,518	\$ 2,090	\$ 2,090
Accrued Salaries and Payroll Taxes	2,905	2,905	5,187	5,187
Accrued Vacation	3,151	3,151	6,025	6,025
Accrued Compensated Absences	4,912	376	10,703	857
Interfund Loans Payable	10,091	10,091	(10,091)	(10,091)
Capital Lease Obligations	9,071	-	9,071	9,071
Bonds Payable	285,553	-	1,380,000	-
Accrued Interest	-	-	-	1,380,000
Total Liabilities	328,201	29,040	1,402,985	4,067
Fund Balances				
Invested in capital assets, net of related debt	1,679,459	1,965,012	986,211	2,366,211
Restricted	-	-	-	-
Unrestricted	714,673	687,826	422,474	366,010
Total Fund Balances	2,394,131	2,652,838	1,408,685	2,732,221
Total Liabilities and Fund Balances	\$ 2,722,332	\$ 2,681,878	\$ 2,811,670	\$ 2,736,289

CITY OF EL PASO, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

PROPRIETARY FUNDS
For the Year Ended April 30, 2010

	Water Activities			Sewer Activities		
	Total	Water	Water Debt	Total	Sewer	Sewer Debt
	Business Type Activities	Activities	Service Fund	Sewer Activities	Fund	Service Fund
Operating Revenues:						
Charges for Service	\$ 764,595	\$ 386,403	\$ -	\$ 378,192	\$ 378,192	\$ -
Operating Expenses:						
Salaries	206,286	74,518	(1,397)	131,768	133,250	(1,482)
Payroll Taxes	9,764	-	-	9,764	9,764	-
Supplies	13,171	9,241	-	3,930	3,930	-
Oil & Gas	3,797	422	-	3,376	3,376	-
Repairs & Maintenance	32,076	20,374	-	11,702	11,702	-
Utilities	89,817	42,969	-	46,848	46,848	-
Equipment Rental	5,802	1,387	-	4,415	4,415	-
Professional Services	5,000	4,805	-	195	195	-
Insurance: General	18,909	11,102	-	7,807	7,807	-
Contingencies	1,756	1,182	-	574	574	-
Other Services & Charges	51,186	47,015	-	4,171	3,271	900
Capital Outlay	13,443	11,036	-	2,407	2,407	-
Depreciation	162,553	76,139	-	86,414	86,414	-
Total Operating Expenses	613,560	300,190	(1,397)	313,370	313,952	(582)
Net Operating Income (Loss)	151,035	86,213	1,397	64,822	64,240	582
Non-operating Revenues (Expenditures)						
Interest Income	14,962	14,962	-	-	-	-
Interest Expense	(83,111)	(9,405)	(9,405)	(73,706)	-	(73,706)
Miscellaneous	-	-	-	1,005	1,005	-
Operating Transfers - In (Out)	-	(43,618)	43,618	-	(197,468)	197,468
Total Non-operating Revenues (Expenditures)	(68,149)	5,558	34,213	(72,701)	(196,463)	123,762
Excess (Deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	82,887	91,771	35,610	(7,880)	(132,223)	124,343
Fund Balance - Beginning of Year	3,718,924	2,302,360	(294,317)	1,416,564	2,864,444	(1,447,880)
Fund Balance - End of Year	\$ 3,801,811	\$ 2,394,131	\$ (258,707)	\$ 1,408,685	\$ 2,732,221	\$ (1,323,537)

CITY OF EL PASO, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL**

**MOTOR FUEL TAX FUND
For the Year Ended April 30, 2010**

	2010			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Intergovernmental Revenue:				
Motor Fuel Tax Allotment	\$ 71,000	\$ 71,000	\$ 66,649	\$ (4,351)
Interest	2,500	2,500	270	(2,230)
Total Revenues	<u>73,500</u>	<u>73,500</u>	<u>66,920</u>	<u>(6,580)</u>
Expenditures:				
Highways and Streets	<u>184,270</u>	<u>184,270</u>	<u>165,076</u>	<u>(19,194)</u>
Expenditures:	<u>184,270</u>	<u>184,270</u>	<u>165,076</u>	<u>(19,194)</u>
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (110,770)</u>	<u>\$ (110,770)</u>	(98,157)	<u>\$ (25,774)</u>
Fund Balance - Beginning of Year			<u>241,833</u>	
Fund Balance - End of Year			<u>\$ 143,677</u>	

CITY OF EL PASO, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL

CDAP GRANT FUND
For the Year Ended April 30, 2010

	2010			
	Budgeted Amounts		Actual	Budget (Under) Over
	Original	Final		
Revenues:				
Interest	\$ 1,100	\$ 1,100	\$ 735	\$ (365)
Miscellaneous	22,000	22,000	-	(22,000)
Total Revenues	23,100	23,100	735	(22,365)
Expenditures:				
General Government	20,000	20,000	-	20,000
Total Expenditures	20,000	20,000	-	20,000
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	\$ 3,100	\$ 3,100	735	\$ (2,365)
Fund Balance - Beginning of Year			-	
Fund Balance - End of Year			\$ 735	

CITY OF EL PASO, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL**

**PARK FUND
For the Year Ended April 30, 2010**

	2010			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 44,325	\$ 44,325	\$ 67,485	\$ 23,160
Local Revenues				
Charges for Service	8,000	8,000	9,533	1,533
Interest	-	-	35	35
Total Revenues	<u>52,325</u>	<u>52,325</u>	<u>77,146</u>	<u>24,821</u>
Expenditures:				
Culture and Recreation	<u>100,400</u>	<u>100,400</u>	<u>97,597</u>	<u>(2,803)</u>
Total Expenditures	<u>100,400</u>	<u>100,400</u>	<u>97,597</u>	<u>(2,803)</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(48,075)	(48,075)	(20,450)	27,625
Other Financing Sources (Used)				
Operating Transfers - In	<u>50,525</u>	<u>50,525</u>	<u>50,525</u>	<u>-</u>
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ 2,450</u>	<u>\$ 2,450</u>	30,075	<u>\$ 27,625</u>
Fund Balance - Beginning of Year			<u>(904)</u>	
Fund Balance - End of Year			<u>\$ 29,170</u>	

CITY OF EL PASO, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET TO ACTUAL

LIBRARY FUND
For the Year Ended April 30, 2010

	2010			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 88,650	\$ 88,650	\$ 138,160	\$ 49,510
Local Revenues				
Charges for Service	10,600	10,600	16,025	5,425
Miscellaneous	-	-	15,827	15,827
Interest	6,655	6,655	5,773	(882)
Total Revenues	105,905	105,905	175,785	69,880
Expenditures:				
Culture and Recreation	126,750	126,750	133,750	7,000
Total Expenditures	126,750	126,750	133,750	7,000
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(20,845)	(20,845)	42,035	62,880
Other Financing Sources (Used)				
Operating Transfers - In	2,300	2,300	2,300	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (18,545)</u>	<u>\$ (18,545)</u>	44,335	<u>\$ 62,880</u>
Fund Balance - Beginning of Year			230,882	
Fund Balance - End of Year			<u>\$ 275,217</u>	

CITY OF EL PASO, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET TO ACTUAL

CAPITAL EQUIPMENT FUND For the Year Ended April 30, 2010

	2010			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Interest	\$ -	\$ -	\$ -	\$ -
Miscellaneous				
Total Revenues	-	-	-	-
Expenditures:				
General Government	106,668	106,668	107,402	734
Total Expenditures	106,668	106,668	107,402	734
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(106,668)	(106,668)	(107,402)	(734)
Other Financing Sources (Used)				
Operating Transfers - In	56,000	56,000	106,000	50,000
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (50,668)</u>	<u>\$ (50,668)</u>	(1,402)	<u>\$ 49,266</u>
Fund Balance - Beginning of Year			10,817	
Fund Balance - End of Year			<u>\$ 9,415</u>	

CITY OF EL PASO, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL**

**COMMUNITY & ECONOMIC DEVELOPMENT FUND
For the Year Ended April 30, 2010**

	2010			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Miscellaneous	\$ 3,700	\$ 3,700	\$ 3,802	\$ 102
Total Revenues	<u>3,700</u>	<u>3,700</u>	<u>3,802</u>	<u>102</u>
Expenditures:				
General Government	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	3,700	3,700	3,802	102
Other Financing Sources (Used)				
Operating Transfers - In	18,000	18,000	18,000	-
Operating Transfers - out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ 21,700</u>	<u>\$ 21,700</u>	21,802	<u>\$ 102</u>
Fund Balance - Beginning of Year			<u>40,263</u>	
Fund Balance - End of Year			<u>\$ 62,065</u>	

CITY OF EL PASO, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL

SOCIAL SECURITY FUND
For the Year Ended April 30, 2010

	2010			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property Tax	\$ -	\$ -	\$ 22,185	\$ 22,185
Interest	20	20	13	(7)
Total Revenues	<u>20</u>	<u>20</u>	<u>22,198</u>	<u>22,178</u>
Expenditures:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	20	20	22,198	22,178
Other Financing Sources (Used)				
Operating Transfers - Out	<u>(14,705)</u>	<u>(14,705)</u>	<u>(14,705)</u>	<u>-</u>
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (14,685)</u>	<u>\$ (14,685)</u>	7,493	<u>\$ 22,178</u>
Fund Balance - Beginning of Year			<u>1,373</u>	
Fund Balance - End of Year			<u>\$ 8,866</u>	

CITY OF EL PASO, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET TO ACTUAL

UNEMPLOYMENT FUND For the Year Ended April 30, 2010

	2010			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property Tax	\$ 1,600	\$ 1,600	\$ 3,083	\$ 1,483
Interest	-	-	2	2
Total Revenues	1,600	1,600	3,085	1,485
Expenditures:	-	-	-	-
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	1,600	1,600	3,085	1,485
Other Financing Sources (Used)				
Operating Transfers - Out	(2,029)	(2,029)	(2,029)	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	\$ (429)	\$ (429)	1,056	\$ 1,485
Fund Balance - Beginning of Year			295	
Fund Balance - End of Year			\$ 1,351	

CITY OF EL PASO, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET TO ACTUAL

SELF INSURANCE FUND
Year Ended April 30, 2010

	2010			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Local Revenues				
Miscellaneous Income	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures:				
General Government	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	-	-	-	-
Other Financing Sources (Used)				
Operating Transfers - In	-	-	-	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	\$ -	\$ -	-	\$ -
Fund Balance - Beginning of Year			(959)	
Fund Balance - End of Year			\$ (959)	

CITY OF EL PASO, ILLINOIS

SUMMARY OF LOCAL TAX DATA
FOR THE LEVY YEAR:

	2009	2008	2007	2006	2005	2004	2003	2002	2001
Assessed Valuation	\$ 46,430,850	\$ 45,323,873	\$ 45,267,457	\$ 43,163,953	\$ 41,362,789	\$ 39,151,078	\$ 36,799,517	\$ 36,303,932	\$ 33,388,371
Tax Rates									
General Corporate	0.1284	0.1258	0.1235	0.1264	0.1209	0.1110	0.0969	0.0926	0.0896
Unemployment Insurance	0.0436	0.0045	0.0046	0.0046	0.0046	0.0049	0.0050	0.0052	0.0052
Social Security	0.0317	0.0325	0.0355	0.0363	0.0363	0.0384	0.0395	0.0408	0.0413
Park	0.0965	0.0969	0.0964	0.0986	0.0940	0.0972	0.1000	0.0988	0.0956
Recreation	0.0646	0.0662	0.0662	0.0667	0.0645	0.0649	0.0667	0.0659	0.0638
Public Library	0.2003	0.1964	0.1926	0.1891	0.1879	0.1944	0.2000	0.1975	0.1911
G.O. Bonds	0.5125	0.5218	0.5207	0.5268	0.5010	0.5120	0.4934	0.5183	0.4939
	1.0775	1.0461	1.0395	1.0485	1.0092	1.0228	1.0015	1.0191	0.9805
Tax Extensions									
General Corporate	\$ 59,617	\$ 57,018	\$ 54,697	\$ 52,370	\$ 50,036	\$ 43,457	\$ 36,857	\$ 34,077	\$ 32,528
Unemployment Insurance	2,042	2,040	2,029	1,943	1,902	1,918	1,901	1,913	1,888
Social Security	14,718	14,729	15,358	15,036	15,013	15,033	15,023	15,014	14,993
Park	44,805	44,825	42,694	40,875	38,877	38,054	38,036	36,358	34,706
Recreation	30,041	30,004	29,280	28,032	26,676	25,409	25,369	24,251	23,161
Public Library	102,127	89,016	85,259	81,623	77,720	76,110	76,072	72,642	69,376
G.O. Bonds	237,957	236,499	230,588	218,162	207,207	200,453	187,670	190,732	179,305
	\$ 491,307	\$ 474,131	\$ 459,905	\$ 438,042	\$ 417,431	\$ 400,434	\$ 380,928	\$ 374,987	\$ 355,957
Collections in the following year:	\$ -	\$ 473,935	\$ 458,432	\$ 437,411	\$ 417,863	\$ 400,745	\$ 380,168	\$ 376,315	\$ 354,821