

CITY OF EL PASO, ILLINOIS

ANNUAL FINANCIAL REPORT

As of and for the Year Ended

April 30, 2011

**Phillips & Associates, CPAs, P.C.**

CITY OF EL PASO, ILLINOIS

TABLE OF CONTENTS

April 30, 2011

	<u>PAGE</u>
Independent Auditor's Report	1 - 2
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	3 - 4
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Asset	5
Statement of Activities	6
Fund Financial Statements	
Governmental Funds	
Statement of Assets, Liabilities, and Changes in Fund Balances	7
Reconciliation of the Statement of Assets, Liabilities, and Changes in Fund Balances to the Statement of Net Assets	8
Statement of Revenues, Expenditures, and Changes In Fund Balances	9
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	10
Proprietary Funds	
Statement of Net Assets	11
Statement of Revenues, Expenditures, and Changes In Fund Balances	12
Statement of Cash Flows	13
Fiduciary Funds	
Statement of Net Assets	14
Statement of Activities	15
Notes to Financial Statements	16-26
Required Supplemental Information	
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – General Fund	27
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Recreation Fund	28
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Debt Service Fund	29
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Capital Projects Fund	30
Notes to Required Supplemental Information	31

CITY OF EL PASO, ILLINOIS

TABLE OF CONTENTS - CONTINUED April 30, 2011

Supplementary Information

Combining and Individual Non-Major Fund Statements

Combining Financial Statements – Non-Major Governmental Funds

Combining Statement of Assets, Liabilities, and
Changes in Fund Balance 32

Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance 33

Combining Financial Statements – Proprietary Funds

Combining Statement of Assets, Liabilities, and
Changes in Fund Balances 34

Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances 35

Statements of Revenue, Expenditures, and Changes in Fund Balance – Budget to Actual:

Motor Fuel Tax Fund 36

CDAP Grant Fund 37

Park Fund 38

Library Fund 39

Capital Equipment Fund 40

Community & Economic Development Fund 41

Social Security Fund 42

Unemployment Fund 43

Self Insurance Fund 44

Statistical Section

Summary of Local Tax Data 45

Phillips & Associates, CPAs, P.C.

1600 Hunt Drive, Suite B
Normal, IL 61761
Phone: 309-452-2417
Fax: 309-888-9261

219 W. Washington Street
Pontiac, IL 61764
Phone: 815-842-2138
Fax: 815-844-3197

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, 2011 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, the business-type activities, each major fund, and the aggregate remaining fund information of City of El Paso, Illinois' as of April 30, 2011 and the respective changes in financial position thereof, 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 DATE, 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 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 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 required supplemental information as listed in the table of contents is not a required part of the basic financial statements but is supplementary information 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 regarding 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.

Our audit was conducted for the purpose of forming opinions 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. 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 financial statements. The 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 procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Phillips & Associates, CPAs, P.C.

December 14, 2011

Phillips & Associates, CPAs, P.C.

1600 Hunt Drive, Suite B
Normal, IL 61761
Phone: 309-452-2417
Fax: 309-888-9261

219 W. Washington Street
Pontiac, IL 61764
Phone: 815-842-2138
Fax: 815-844-3197

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, 2011, which collectively comprise the City of El Paso, Illinois' basic financial statements and have issued our report thereon dated December 14, 2011. 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. Accordingly, we do not express an opinion on the effectiveness of the City of El Paso, Illinois' internal control over financial reporting.

A deficiency in internal control 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 and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of control deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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*.

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.

December 14, 2011

CITY OF EL PASO, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2011

ASSETS	2011		
	Governmental Activities	Business-type Activities	Total
Cash	\$ 322,935	\$ 16,868	\$ 339,803
Investments	727,118	442,989	1,170,108
Accounts Receivable	686,069	82,468	768,537
Interfund Loans Receivable	(1,040,388)	1,040,688	300
Fixed Assets (Net of Accumulated Depreciation) Note 4	4,073,598	4,213,904	8,287,502
TOTAL ASSETS	4,769,333	5,796,917	10,566,250
LIABILITIES			
Bank Overdrafts	-	3,262	3,262
Accounts Payable	88,656	4,519	93,174
Accrued Salaries and Payroll Taxes	25,686	8,984	34,670
Accrued Vacation	30,745	10,754	41,499
Accrued Compensated Absences	26,348	14,598	40,946
Current Portion of Bonds	230,000	301,963	531,963
Bonds Payable	-	1,607,394	1,607,394
Deferred Revenue	2,470	-	2,470
TOTAL LIABILITIES	403,906	1,951,474	2,355,379
NET ASSETS			
Invested in capital assets, net of related debt	3,843,598	2,304,547	6,148,145
Restricted	161,065	-	161,065
Unrestricted	360,764	1,540,896	1,901,660
TOTAL NET ASSETS	\$ 4,365,427	\$ 3,845,443	\$ 8,210,870

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, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expense) / Revenue		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General Government	\$ 658,395	\$ 48,151	\$ -	\$ -	\$ (610,245)	\$ -	\$ (610,245)
Public Safety	356,408	-	-	-	(356,408)	-	(356,408)
Highways and Streets	31,316	-	-	-	(31,316)	-	(31,316)
Sanitation	324,561	-	-	-	(324,561)	-	(324,561)
Cultural and Recreation	429,272	109,644	-	-	(319,627)	-	(319,627)
Interest on Debt	14,838	-	-	-	(14,838)	-	(14,838)
Total governmental activities	1,814,789	157,795	-	-	(1,656,994)	-	(1,656,994)
Business-type activities:							
Water Operations	312,039	370,769	-	-	-	58,730	58,730
Water Debt Service Fund	8,411	-	-	-	-	(8,411)	(8,411)
Sewer Operations	327,409	360,829	-	-	-	33,420	33,420
Sewer Debt Service Fund	73,790	-	-	-	-	(73,790)	(73,790)
Total business-type activities	721,648	731,598	-	-	-	9,950	9,950
Total governmental and business-type activities	\$ 2,536,437	\$ 889,393	\$ -	\$ -	(1,656,994)	9,950	(1,647,044)
General Revenues:							
Taxes					554,531	-	554,531
Intergovernmental					1,094,858	-	1,094,858
Interest					9,372	24,679	34,052
Miscellaneous					76,255	7,997	84,252
Transfers - Internal activity					-	1	1
Total General revenues and transfers					1,735,015	32,677	1,767,693
Changes in net assets					78,022	42,627	120,649
Net assets - beginning					4,287,405	3,802,816	8,090,221
Net assets - ending					\$ 4,365,427	\$ 3,845,443	\$ 8,210,870

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, 2011

	General Fund	Recreation Fund	Debt Service Fund	Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash	\$ 6,310	\$ 2,663	\$ 70	\$ 48	\$ 313,845	\$ 322,935
Investments	293,576	-	-	184,864	248,678	727,118
Accounts Receivable	220,380	30,768	243,566	-	191,356	686,069
Interfund Loans Receivable	215,100	-	123,400	286,300	12,800	637,600
Capital Assets Held For Sale	-	-	-	-	-	-
Total Assets	\$ 735,365	\$ 33,430	\$ 367,036	\$ 471,212	\$ 766,680	\$ 2,373,723
Liabilities						
Accounts Payable	\$ 3,479	\$ 472	\$ -	\$ 82,512	\$ 2,193	\$ 88,656
Accrued Salaries and Payroll Taxes	18,413	3,958	-	-	3,315	25,686
Accrued Vacation	25,850	4,895	-	-	-	30,745
Interfund Loans Payable	1,181,900	5,500	-	463,588	27,000	1,677,988
Deferred Revenue	59,112	30,402	240,689	-	164,763	494,966
Total Liabilities	1,288,754	45,227	240,689	546,099	197,272	2,318,041
Fund Balances						
Restricted	-	-	-	-	161,065	161,065
Unreserved:	(553,389)	(11,797)	126,347	(74,887)	408,343	(105,383)
Total Fund Balances	(553,389)	(11,797)	126,347	(74,887)	569,408	55,683
Total Liabilities and Fund Balances	\$ 735,366	\$ 33,430	\$ 367,036	\$ 471,212	\$ 766,680	\$ 2,373,724

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, 2011

Total Fund Balance - Total Governmental Funds	\$ 55,683
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.	4,073,598
Long Term Assets are Not Available to Pay for Current Period Expenditures and, Therefore, are Deferred in the Funds	
Deferred Revenue - Property Taxes	492,496
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	(230,000)
Accrued Compensated Absences	(26,349)
Capital Lease Obligations	-
Net Assets of Governmental Activities	<u>\$ 4,365,427</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, 2011

	General Fund	Recreation Fund	Debt Service Fund	Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 66,168	\$ 25,613	\$ 119,653	\$ -	\$ 84,351	\$ 295,785
Licenses and Permits	48,151	-	-	-	-	48,151
Intergovernmental Revenue	1,015,177	-	-	-	79,680	1,094,858
Charges for Service	-	89,742	-	-	19,903	109,644
Miscellaneous	19,901	1,206	-	384	54,764	76,255
Interest	5,620	17	131	237	1,350	7,355
Total Revenues	1,155,017	116,577	119,784	621	240,048	1,632,047
Expenditures:						
General Government	423,966	-	-	118,368	45,092	587,426
Public Safety	338,765	-	-	-	-	338,765
Highways and Streets	-	-	-	-	8,797	8,797
Sanitation	266,532	-	-	-	-	266,532
Culture and Recreation	-	233,457	-	-	195,615	429,272
Capital Outlay	7,479	-	-	381,143	213,987	602,609
Debt Service:						
Service Charge	-	-	1,250	-	-	1,250
Interest	-	-	14,838	-	-	14,838
Principal	-	-	265,000	-	-	265,000
Total Expenditures	1,036,742	233,457	281,088	499,511	463,690	2,514,488
Deficiency of revenues over expenditures	118,274	(116,880)	(161,304)	(498,890)	(223,642)	(882,442)
Other Financing sources (uses):						
Debt Proceeds	-	-	158,023	73,985	-	232,018
Change in use of building	11,409	117,500	2,000	294,000	(48,866)	(48,866)
Transfers in	(441,000)	-	-	(135,000)	167,825	592,734
Transfers out	-	-	-	-	(16,734)	(592,734)
Total other financing	(429,591)	117,500	160,023	232,985	102,225	183,152
Excess of revenues and other sources over expenditures and other uses	(311,317)	620	(1,281)	(265,895)	(121,417)	(699,290)
Fund Balance at beginning of year	(242,072)	(12,417)	127,628	191,008	690,825	754,973
Fund Balance at end of year	\$ (553,389)	\$ (11,797)	\$ 126,347	\$ (74,887)	\$ 569,408	\$ 55,683

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, 2011

Net change in fund balances - total governmental funds	\$ (699,290)
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.	611,065
The City had taken possession and renovated a building for resale to the public. The Board elected to convert the property to government use as fiscal offices which resulted in a reduction of asset on the governmental funds that were capitalized on the government-wide funds in the current year.	48,867
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.	(203,061)
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	(230,000)
Repayment of Long-Term Obligations	265,000
Long-Term Capital Lease Financing Incurred	-
Capital Lease Payments	26,702
Some revenues reported in the statement of activities are not available as current financial resources; therefore, are not reported as revenues in governmental funds	
Property and other intergovernmental taxes	258,746
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	(7)
Interest Expense	-
Change in Net Assets of Governmental Activities	<u>\$ 78,022</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, 2011

	Business Type Activities - Enterprise Funds		
	Water Activities	Sewer Activities	Total
ASSETS			
Current Assets:			
Cash	\$ -	\$ 16,868	\$ 16,868
Investments	442,989	-	442,989
Accounts Receivable	40,390	42,078	82,468
Total Current Assets	483,379	58,946	542,325
Non Current Assets:			
Interfund Loans Receivable	312,000	910,988	1,222,988
Property, Plant & Equipment:	3,849,267	4,207,470	8,056,737
Less Accumulated Depreciation	(1,951,122)	(1,891,711)	(3,842,833)
Net Property & Equipment	1,898,145	2,315,759	4,213,904
Total Non Current Assets	2,210,145	3,226,747	5,436,892
TOTAL ASSETS	\$ 2,693,524	\$ 3,285,693	\$ 5,979,217
LIABILITIES			
Liabilities:			
Bank Overdrafts	\$ 3,262	\$ -	\$ 3,262
Accounts Payable	3,440	1,079	4,519
Accrued Salaries and Payroll Taxes	3,111	5,873	8,984
Accrued Vacation	3,821	6,933	10,754
Accrued Compensated Absences	4,596	10,001	14,598
Bonds Payable	259,357	1,650,000	1,909,357
Interfund Loans Payable	12,872	169,428	182,300
Capital Lease Obligations	-	0	0
TOTAL LIABILITIES	290,460	1,843,315	2,133,774
NET ASSETS			
Invested in Capital Assets (net of debt):	1,638,788	665,759	2,304,547
Restricted	-	-	-
Unreserved	764,276	776,619	1,540,895
TOTAL NET ASSETS	2,403,064	1,442,379	3,845,443
	\$ 2,693,524	\$ 3,285,693	\$ 5,979,217

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, 2011

	Business Type Activities - Enterprise Funds		
	Water Activities	Sewer Activities	Total
Operating Revenues:			
Charges for Services	\$ 370,769	\$ 360,829	\$ 731,598
Operating Expenses:			
Salaries	78,633	139,480	218,112
Payroll Taxes	5,812	10,247	16,059
Supplies	49,073	2,479	51,552
Oil & Gas	3,973	3,895	7,868
Repairs & Maintenance	16,053	8,587	24,640
Utilities	42,774	48,288	91,062
Equipment Rental	2,540	6,052	8,592
Professional Services	12,353	3,254	15,607
Insurance: General	13,219	8,334	21,553
Contingencies	1,611	1,488	3,100
Other Services & Charges	4,184	4,311	8,495
Capital Outlay	5,248	5,030	10,278
Depreciation	76,627	86,864	163,491
Total Operating Expenses	312,100	328,309	640,409
Net Operating Income (Loss)	58,669	32,520	91,189
Non-operating Revenues (Expenses)			
Interest Income	24,679	-	24,679
Interest Expense	(8,350)	(72,890)	(81,239)
Miscellaneous	4,935	3,063	7,997
Total Non-operating Revenues (Expenses)	(49,736)	1,174	(48,562)
Change In Net Assets	8,933	33,694	42,627
Net Assets:			
Beginning of Year	2,394,131	1,408,685	3,802,816
End of Year	\$ 2,403,064	\$ 1,442,379	\$ 3,845,443

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, 2011

	Business Type - Enterprise Funds		
	Water Fund	Sewer Fund	Total 2011
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 372,202	\$ 363,318	\$ 735,520
Payments to suppliers	(49,073)	(2,479)	(51,552)
Payments to employees	(78,071)	(138,588)	(216,659)
Other receipts (payments)	(116,845)	(100,498)	(217,343)
Net cash provided (used) by operating activities	<u>128,213</u>	<u>121,754</u>	<u>249,967</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Operating subsidies and transfers to other funds	<u>(71,000)</u>	<u>71,000</u>	<u>(0)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from capital debt	-	270,000	270,000
Purchases of capital assets	(9,760)	(36,413)	(46,173)
Principal paid on capital debt	-	-	-
Payments on capital lease obligations	(9,070)	(9,072)	(18,142)
Principal paid on bonds payable	(26,196)	-	(26,196)
Interest paid on capital debt	(8,350)	(72,890)	(81,239)
Loans (to) from other funds	(101,220)	(287,468)	(388,688)
Other receipts (payments)	-	-	-
Net cash provided (used) by capital and related financing activities	<u>(154,596)</u>	<u>(135,842)</u>	<u>(290,439)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Change in investments from purchases, sales and maturities	(24,616)	-	(24,616)
Other miscellaneous receipts	4,935	3,063	7,997
Interest and dividends	24,679	-	24,679
Net cash provided (used) by investing activities	<u>4,998</u>	<u>3,063</u>	<u>8,060</u>
Net increase (decrease) in cash and cash equivalents	(92,385)	59,974	(32,412)
Balances - beginning of the year	<u>89,124</u>	<u>(43,106)</u>	<u>46,018</u>
Balances (Overdrafts) - end of the year	<u>\$ (3,262)</u>	<u>\$ 16,868</u>	<u>\$ 13,606</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 58,669	\$ 32,520	\$ 91,189
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	76,627	86,864	163,491
Change in assets and liabilities:			
Receivables, net	1,433	2,489	3,922
Accounts payables and accrued liabilities	(8,516)	(120)	(8,635)
Net cash provided (used) by operating activities	<u>\$ 128,213</u>	<u>\$ 121,754</u>	<u>\$ 249,967</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, 2011

	<u>Dependent Health Self-Insured</u>
Assets	
Cash	\$ 22
Total Assets	<u>\$ 22</u>
Liabilities	
Accounts Payable	\$ -
Due to General Fund	300
Total Liabilities	<u>300</u>
Net Assets	
Restricted	-
Unrestricted	<u>(278)</u>
Total Net Assets	<u>\$ (278)</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, 2011

	<u>Dependent Health Self-Insured</u>
Revenues:	
Transfers From Other Funds	\$ -
Miscellaneous	1,444
	<hr/>
Total Revenues	1,444
	<hr/>
Expenditures:	
Unreimbursed Medical	763
	<hr/>
Total Expenditures	763
	<hr/>
Change in Net Assets	681
Net Assets at Beginning of Year	(959)
	<hr/>
Net Assets at End of Year	<u>\$ (278)</u>

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2011

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, 2011

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 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, 2011

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, 2011

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 demand checking, 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, fixed income securities and government agency obligations, are carried at fair value.

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, 2011

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 2009 tax levy, which is due and collectible in June and September 2010. 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, 2011.

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, 2011

NOTE 3 – CASH AND INVESTMENTS

The City's cash, which consisted of deposits with financial institutions totaling \$336,541, and investments totaling \$1,170,107 at April 30, 2011 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	\$ 60,796
Certificates Of Deposit	275,511
The Illinois Funds	390,811
Total Governmental Activities	<u>727,118</u>
Business-type Activities	
Money Market	34,795
Certificates Of Deposit	136,198
Government and Agency Securities	271,996
Total Business-type Activities	<u>442,989</u>
Total Investments	<u>\$ 1,170,107</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 to fixed rate investments that are held to maturity.

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 policy addresses this risk using the "prudent man" approach. The policy states funds should be invested with maximum security with the highest investment return.

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, 2011

NOTE 4 – CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets for the year ended April 30, 2011, 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 not being depreciated				
Construction in Progress	\$ 19,048	\$ 18,849	\$ -	\$ 37,897
Capital assets being depreciated				
Land Improvements	942,024	-	-	942,024
Equipment	466,432	83,867	-	550,299
Buildings	2,605,536	64,135	-	2,669,671
Infrastructure	1,630,759	414,653	-	2,045,412
Vehicles	<u>222,041</u>	<u>78,425</u>	-	<u>300,466</u>
Total Capital assets being depreciated	<u>5,885,840</u>	<u>659,929</u>	-	<u>6,545,769</u>
Less accumulated depreciation for:				
Land Improvements	(398,581)	-	(18,245)	(416,826)
Equipment	(174,414)	-	(46,823)	(221,237)
Buildings	(1,268,719)	-	(51,418)	(1,320,137)
Infrastructure	(336,863)	-	(67,837)	(404,700)
Vehicles	<u>(90,536)</u>	-	<u>(18,736)</u>	<u>(109,272)</u>
Total accumulated depreciation	<u>(2,269,113)</u>	-	<u>(203,061)</u>	<u>(2,472,172)</u>
Governmental activities capital assets, net	<u>\$ 3,616,727</u>	<u>\$ 659,929</u>	<u>\$ (203,061)</u>	<u>\$ 4,073,598</u>

A summary of business-type fixed assets for the year ended April 30, 2011, 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	36,412	-	3,899,172
Buildings – Water Fund	3,163,721	-	-	3,163,721
Equipment – Sewer Fund	210,587	-	-	210,587
Equipment – Water Fund	<u>639,177</u>	<u>9,760</u>	-	<u>648,937</u>
Total capital assets being depreciated	<u>7,899,116</u>	<u>46,172</u>	-	<u>7,945,288</u>
Less accumulated depreciation for:				
Well Improvements – Water Fund	(22,871)	-	-	(22,871)
Buildings – Sewer Fund	(1,720,517)	-	(77,983)	(1,798,500)
Buildings – Water Fund	(1,399,858)	-	(63,274)	(1,463,132)
Equipment – Sewer Fund	(84,330)	-	(8,880)	(93,210)
Equipment – Water Fund	<u>(451,766)</u>	-	<u>(13,353)</u>	<u>(465,119)</u>
Total accumulated depreciation	<u>(3,679,342)</u>	-	<u>(163,490)</u>	<u>(3,842,832)</u>
Total capital assets being depreciated, net	<u>4,219,774</u>	<u>46,172</u>	<u>(163,490)</u>	<u>4,102,456</u>
Business-type activities capital assets, net	<u>\$ 4,331,223</u>	<u>\$ 46,172</u>	<u>\$ (163,490)</u>	<u>\$ 4,213,904</u>

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2011

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	\$	14,717
ESDA		4,766
Parks		56,816
Police		11,406
Public Works		58,029
Recreation		1,889
Food Pantry		1,470
Streets		1,949
Motor Fuel Tax Fund		22,519
Capital Projects Fund		20,149
Capital Equipment Fund		9,348
Library		-
Total depreciation expense – Governmental Activities	\$	<u>203,061</u>
Business-type Activities:		
Waterworks	\$	76,627
Sewer		86,863
Total depreciation expense – Business-type Activities	\$	<u>163,490</u>

NOTE 5 – CHANGES IN LONG-TERM DEBT

At April 30, 2011, bonds payable consisted of the following individual issues:

	<u>Governmental</u>	<u>Business-type</u>
General Obligation Bonds, Series 2010A, dated December 1, 2010, due within one year, bearing interest at \$5.90%	\$ 230,000	\$ -
2003 Alternate Revenue Bonds, dated December 1, 2004, due in annual installments through December 1, 2018, bearing interest at 4.675%.	-	530,000
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%.	-	730,000
2001 Illinois Environmental Protection Agency Note Payable, dated 2001, due in annual installments through 2021, bearing interest at 2.905%.	-	259,357
2010 Alternate Revenue Bonds, dated October 1, 2010 due in annual installments through January 1, 2014, bearing interest rate of 4.25% to 5.75%.	-	390,000
	-	<u>390,000</u>
Total Bonds Payable	<u>\$ 230,000</u>	<u>\$ 1,909,357</u>

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2011

NOTE 5 – CHANGES IN LONG-TERM DEBT – CONTINUED

The annual aggregate maturities for each bond type for the years subsequent to April 30, 2011, are:

General Obligation Bonds

Year Ending April 30	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2012	230,000	12,816	301,963	87,377	389,340
2013	-	-	312,752	72,771	385,523
2014	-	-	268,564	56,524	325,098
2015	-	-	184,400	42,401	266,801
2016	-	-	195,260	34,105	299,365
2017– 2020	-	-	646,418	51,897	698,315
Total	<u>\$ 230,000</u>	<u>\$ 12,816</u>	<u>\$ 1,909,357</u>	<u>\$ 345,085</u>	<u>\$2,254,431</u>

The City finances the purchase of capital equipment with long-term leases. The City paid off all of its long-term leases in fiscal year 2011.

Changes in Outstanding Debt –

Transactions for the year ended April 30, 2011 are summarized as follows:

	<u>Balance</u> <u>May 1, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>April 30, 2011</u>	<u>Due Within</u> <u>one year</u>
<u>Governmental Activities:</u>					
General Obligation Bonds	\$ 265,000	\$ 230,000	\$ (265,000)	\$ 230,000	\$ 230,000
Compensated Absences	26,341	7	-	26,348	-
Capital Lease Obligations	26,702	-	(26,702)	-	-
Total Governmental Activities	<u>318,043</u>	<u>230,007</u>	<u>(291,702)</u>	<u>256,348</u>	<u>230,000</u>
<u>Business-type Activities:</u>					
General Obligation Bonds	1,665,553	500,000	(256,196)	1,909,357	301,963
Compensated Absences	14,383	215	(-)	14,598	-
Capital Lease Obligations	18,143	-	(18,143)	-	-
Total Business-type Activities	<u>1,698,079</u>	<u>500,215</u>	<u>(274,339)</u>	<u>1,923,955</u>	<u>301,963</u>
Total Government	<u>\$ 2,016,122</u>	<u>\$ 730,222</u>	<u>\$ (566,041)</u>	<u>\$ 2,180,303</u>	<u>\$ 531,963</u>

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED April 30, 2011

NOTE 5 – CHANGES IN LONG-TERM DEBT – CONTINUED

Legal Debt Margin

The legal debt margin of the City, as of April 30, 2011 is computed as follows:

Assessed Valuation (Property Tax Year 2010)	\$ 46,431,028
Debt Limit – 8.625% of assessed value	<u>\$ 4,004,676</u>
Amount of debt applicable to debt limit:	
Bonds	2,139,357
Capital Leases	-
	<u>2,139,357</u>
Less: Alternate Revenue Bonds	(1,650,000)
Assets available in debt service fund for payment principal	<u>(114,937)</u>
Total amount of Debt applicable to Debt Limit	374,420
Legal Debt Margin	<u>\$ 3,630,256</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, 2011 were as follows:

Fund	Inter-fund Receivables	Inter-fund Payables
General Fund	\$ 215,100	\$ 1,181,900
Park Fund		7,000
Recreation Fund		5,500
Public Library	-	20,000
Capital Equipment Fund	5,800	-
Economic Development	7,000	-
Debt Service Fund	123,400	-
Capital Projects	286,300	463,588
Water Fund	272,000	12,872
Water Debt Service Fund	40,000	-
Sewer Fund	836,588	169,428
Sewer Debt Service Fund	74,400	-
Fiduciary Funds	-	300
	<u>\$ 1,860,588</u>	<u>\$ 1,860,588</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	\$ (553,389)
Recreation Fund	\$ (11,797)
Capital Project Fund	\$ (74,887)
Park Fund	\$ (8,375)

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2011

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 \$2,250. Employees become fully vested after completing two years of service. The City contributed \$18,000 in regular contributions and \$33,250 in matching contributions during fiscal year 2011.

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.

NOTE 10 – SUBSEQUENT EVENTS

Management evaluated subsequent events occurring through December 14, 2011, which represents the date the financial statements were available to be issued.

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, 2011**

	2011			
	Budgeted Amounts		Actual	Budget (Under) Over
	Original	Final		
Revenues:				
Taxes:				
Property Tax	\$ 59,600	\$ 59,600	\$ 29,680	\$ (29,920)
Road & Bridge Tax	23,400	23,400	25,174	1,774
Auto Rental Tax	123	123	-	(123)
Hotel Operators Tax	11,500	11,500	11,314	(186)
Licenses and Permits				
Liquor Licenses	3,500	3,500	2,225	(1,275)
Franchise Fees	20,000	20,000	10,454	(9,546)
Circuit Court Fines	30,000	30,000	28,005	(1,995)
Building Permits	2,000	2,000	1,712	(288)
Other	5,450	5,450	5,755	305
Intergovernmental Revenue:				
Sales Tax	615,000	615,000	709,321	94,321
State Income Tax	208,000	208,000	230,609	22,609
Corporate Replacement Tax	25,000	25,000	31,345	6,345
State Use Tax	29,500	29,500	43,902	14,402
Local Revenues				
Grant Revenue	2,500	2,500	-	(2,500)
Interest	6,500	6,500	5,620	(880)
Miscellaneous	20,200	20,200	19,901	(299)
Total Revenues	<u>1,062,273</u>	<u>1,062,273</u>	<u>1,155,017</u>	<u>92,744</u>
Expenditures:				
General Government				
Legislative	35,485	35,485	32,888	(2,597)
Administrative	400,250	400,250	398,557	(1,693)
Public Safety				
Police	332,183	332,183	325,760	(6,423)
Public Works	272,200	272,200	266,532	(5,668)
ESDA	11,000	11,000	10,302	(698)
Food Pantry	3,250	3,250	2,703	(547)
Total Expenditures	<u>1,054,368</u>	<u>1,054,368</u>	<u>1,036,742</u>	<u>(17,626)</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	7,905	7,905	118,274	110,369
Other Financing Sources (Used)				
Operating Transfers - In	11,409	11,409	11,409	-
Operating Transfers - out	(397,000)	(397,000)	(441,000)	44,000
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (377,686)</u>	<u>\$ (377,686)</u>	(311,317)	<u>\$ 66,369</u>
Fund Balance - Beginning of Year			(242,072)	
Fund Balance - End of Year			<u>\$ (553,389)</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, 2011**

	2011			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 30,000	\$ 30,000	\$ 25,613	\$ (4,387)
Local Revenues				
Charges for Service	96,600	96,600	89,742	(6,858)
Donations	-	-	1,206	1,206
Interest	500	500	17	(483)
Total Revenues	<u>127,100</u>	<u>127,100</u>	<u>116,577</u>	<u>(10,523)</u>
Expenditures:				
Culture and Recreation	<u>223,700</u>	<u>223,700</u>	<u>233,457</u>	<u>9,757</u>
Total Expenditures	<u>223,700</u>	<u>223,700</u>	<u>233,457</u>	<u>9,757</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(96,600)	(96,600)	(116,880)	20,280
Other Financing Sources (Used)				
Operating Transfers - In	<u>117,500</u>	<u>117,500</u>	<u>117,500</u>	<u>-</u>
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ 20,900</u>	<u>\$ 20,900</u>	620	<u>\$ (20,280)</u>
Fund Balance - Beginning of Year			<u>(12,417)</u>	
Fund Balance - End of Year			<u>\$ (11,797)</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, 2011

	2011			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 237,938	\$ 237,938	\$ 119,653	\$ (118,285)
Interest	200	200	131	(69)
Total Revenues	<u>238,138</u>	<u>238,138</u>	<u>119,784</u>	<u>(118,354)</u>
Expenditures:				
Service Charge	1,000	1,000	1,250	250
Interest	17,088	17,088	14,838	(2,251)
Principle Repayment	<u>265,000</u>	<u>265,000</u>	<u>265,000</u>	<u>-</u>
Total Expenditures	<u>283,088</u>	<u>283,088</u>	<u>281,088</u>	<u>(2,001)</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(44,950)	(44,950)	(161,304)	116,354
Other Financing Sources (Used)				
Debt Proceeds	41,900	41,900	158,023	116,123
Operating Transfers - In	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>2,000</u>
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (44,950)</u>	<u>\$ (44,950)</u>	(1,281)	<u>\$ (43,669)</u>
Fund Balance - Beginning of Year			<u>127,628</u>	
Fund Balance - End of Year			<u>\$ 126,347</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, 2011

	2011			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Local Revenues	\$ -	\$ -	\$ -	\$ -
Interest	100	100	237	137
Total Revenues	100	100	621	137
Expenditures:				
General Government	180,000	180,000	118,368	(61,632)
Capital Projects	476,500	476,500	381,143	(95,357)
Total Expenditures	656,500	656,500	499,511	(156,989)
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(656,400)	(656,400)	(498,890)	157,510
Other Financing Sources (Used)				
Loan Proceeds	\$ 683,100	\$ 683,100	\$ 73,995	(609,105)
Operating Transfers - In	294,000	294,000	294,000	-
Operating Transfers - out	(135,000)	(135,000)	(135,000)	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ 185,700</u>	<u>\$ 185,700</u>	(265,895)	<u>\$ 451,595</u>
Fund Balance - Beginning of Year			191,008	
Fund Balance - End of Year			<u>\$ (74,887)</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, 2011

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, 2011.

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:

Fund	Appropriations	Expenditures Paid	Variance
Recreation Fund	\$ 223,700	\$ 233,457	\$ (9,757)
CDAP Grant Fund	\$ -	\$ 11,374	\$ (11,374)
Park Fund	\$ 73,200	\$ 78,400	\$ (5,200)
Library Fund	\$ 129,800	\$ 136,264	\$ (6,464)
Capital Equipment Fund	\$ 147,487	\$ 158,435	\$ (10,948)
Community and Economic Development Fund	\$ -	\$ 3,923	\$ (3,923)
Self Insurance Fund	\$ -	\$ 763	\$ (763)

CITY OF EL PASO, ILLINOIS

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

NON-MAJOR GOVERNMENTAL FUNDS

April 30, 2011

	Combined Total	Motor Fuel Tax	CDAP	Parks	Library	Capital Equipment	Economic Development	Social Security	Unemployment
Assets									
Cash	\$ 313,845	\$ -	\$ 137,707	\$ 405	\$ 173,622	\$ 180	\$ 234	\$ 1,382	\$ 315
Investments	248,678	137,211	-	-	111,468	-	-	-	-
Accounts Receivable	191,356	11,019	13,850	46,128	101,265	-	2,352	14,712	2,029
Interfund Loans Receivable	12,800	-	-	-	-	5,800	7,000	-	-
Capital Assets Held For Sale	-	-	-	-	-	-	-	-	-
Total Assets	\$ 766,680	\$ 148,230	\$ 151,557	\$ 46,533	\$ 386,355	\$ 5,980	\$ 9,586	\$ 16,095	\$ 2,344
Liabilities									
Accounts Payable	\$ 2,193	\$ -	\$ -	\$ 1,473	\$ 720	\$ -	\$ -	\$ -	\$ -
Accrued Salaries and Payroll Taxes	3,315	-	-	855	2,460	-	-	-	-
Interfund Loans Payable	27,000	-	-	7,000	20,000	-	-	-	-
Deferred Revenue	164,763	-	-	45,580	103,838	-	(1,199)	14,539	2,005
Total Liabilities	197,272	-	-	54,908	127,018	-	(1,199)	14,539	2,005
Fund Balances									
Reserved	161,065	-	161,065	-	-	-	-	-	-
Unreserved:	408,343	148,230	(9,508)	(8,375)	259,337	5,980	10,786	1,555	339
Total Fund Balances	569,408	148,230	151,557	(8,375)	259,337	5,980	10,786	1,555	339
Total Liabilities and Fund Balances	\$ 766,680	\$ 148,230	\$ 151,557	\$ 46,534	\$ 386,355	\$ 5,980	\$ 9,586	\$ 16,095	\$ 2,344

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, 2011

	Combined Total	Motor Fuel Tax	CDAP	Parks	Library	Capital Equipment	Economic Development	Social Security	Unemployment
Revenues:									
Taxes:									
Property Intergovernmental Revenue	\$ 84,351	\$ -	\$ -	\$ 22,529	\$ 53,420	\$ -	\$ -	\$ 7,386	\$ 1,016
Motor Fuel Tax	79,680	79,680	-	-	-	-	-	-	-
Local Revenues	19,903	-	-	6,910	12,993	-	-	-	-
Charges for Service	1,350	167	1,866	25	(717)	-	-	8	1
Interest	54,764	-	-	866	52,389	-	1,510	-	-
Miscellaneous									
Total Revenues	240,048	79,848	1,866	30,329	118,084	-	1,510	7,394	1,017
Expenditures:									
General Government	45,092	-	11,374	-	-	29,795	3,923	-	-
Highways and Streets	8,797	8,797	-	-	-	-	-	-	-
Culture and Recreation	195,815	-	-	78,400	117,415	-	-	-	-
Capital Outlay	213,987	66,498	-	-	18,849	128,640	-	-	-
Total Expenditures	463,690	75,295	11,374	78,400	136,264	158,435	3,923	-	-
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(223,642)	4,553	(9,508)	(48,071)	(18,180)	(158,435)	(2,413)	7,394	1,017
Other Financing Sources (Used)	(48,866)	-	-	-	-	-	-	-	-
Change in use of building	167,825	-	-	10,525	2,300	155,000	(48,866)	-	-
Operating Transfers - In	(16,734)	-	-	-	-	-	-	(14,705)	(2,029)
Operating Transfers - out									
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	(121,417)	4,553	(9,508)	(37,546)	(15,880)	(3,435)	(51,279)	(7,311)	(1,012)
Fund Balance - Beginning of Year	690,825	143,677	161,065	29,171	275,217	9,415	62,065	8,866	1,351
Fund Balance - End of Year	\$ 569,408	\$ 148,230	\$ 151,557	\$ (8,375)	\$ 259,337	\$ 5,980	\$ 10,786	\$ 1,555	\$ 339

CITY OF EL PASO, ILLINOIS

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

PROPRIETARY FUNDS

April 30, 2011

	Total Business Type Activities	Water Activities			Sewer Activities		
		Total Water Activities	Water Fund	Water Debt Service Fund	Total Sewer Activities	Sewer Fund	Sewer Debt Service Fund
Assets							
Cash	\$ 13,606	\$ (3,262)	\$ (3,717)	\$ 454	\$ 16,868	\$ 16,786	\$ 83
Investments	442,989	442,989	442,989	-	-	-	-
Accounts Receivable	82,468	40,390	40,390	-	42,078	42,078	-
Interfund Loans Receivable	1,222,988	312,000	272,000	40,000	910,988	836,588	74,400
Fixed Assets (net of Accumulated Depreciation)	4,213,904	1,898,145	1,898,145	-	2,315,759	2,315,759	-
Total Assets	\$ 5,975,955	\$ 2,690,262	\$ 2,649,808	\$ 40,454	\$ 3,285,693	\$ 3,211,210	\$ 74,483
Liabilities							
Accounts Payable	\$ 4,519	\$ 3,440	\$ 3,440	\$ -	\$ 1,079	\$ 1,079	\$ -
Accrued Salaries and Payroll Taxes	8,984	3,111	3,111	-	5,873	5,873	-
Accrued Vacation	10,754	3,821	3,821	-	6,933	6,933	-
Accrued Compensated Absences	14,598	4,596	-	4,596	10,001	-	10,001
Interfund Loans Payable	182,300	12,872	12,872	-	169,428	169,428	-
Capital Lease Obligations	0	-	-	-	0	-	0
Bonds Payable	1,909,357	259,357	-	259,357	1,650,000	-	1,650,000
Accrued Interest	-	-	-	-	-	-	-
Total Liabilities	2,130,512	287,197	23,244	263,953	1,843,315	183,313	1,660,002
Fund Balances							
Invested in capital assets, net of related debt	2,304,547	1,638,788	1,898,145	(259,357)	665,759	2,315,759	(1,650,000)
Restricted	-	-	-	-	-	-	-
Unrestricted	1,540,895	764,276	728,419	35,858	776,619	712,139	64,481
Total Fund Balances	3,845,443	2,403,064	2,626,564	(223,499)	1,442,379	3,027,898	(1,585,519)
Total Liabilities and Fund Balances	\$ 5,975,955	\$ 2,690,262	\$ 2,649,808	\$ 40,454	\$ 3,285,693	\$ 3,211,211	\$ 74,483

CITY OF EL PASO, ILLINOIS

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

PROPRIETARY FUNDS
For the Year Ended April 30, 2011

	Water Activities			Sewer Activities		
	Total	Water	Water Debt	Total	Sewer	Sewer Debt
	Business Type Activities	Activities Fund	Service Fund	Activities	Fund	Service Fund
Operating Revenues:						
Charges for Service	\$ 731,598	\$ 370,769	\$ -	\$ 360,829	\$ 360,829	\$ -
Operating Expenses:						
Salaries	218,112	78,572	61	139,480	139,325	155
Payroll Taxes	16,059	5,812	-	10,247	10,247	-
Supplies	51,552	49,073	-	2,479	2,479	-
Oil & Gas	7,868	3,973	-	3,895	3,895	-
Repairs & Maintenance	24,640	16,053	-	8,587	8,587	-
Utilities	91,062	42,774	-	48,288	48,288	-
Equipment Rental	8,592	2,540	-	6,052	6,052	-
Professional Services	15,607	12,353	-	3,254	3,254	-
Insurance: General	21,553	13,219	-	8,334	8,334	-
Contingencies	3,100	1,611	-	1,488	1,488	-
Other Services & Charges	8,495	4,184	-	4,311	3,411	900
Capital Outlay	10,278	5,248	-	5,030	5,030	-
Depreciation	163,491	76,627	-	86,864	86,864	-
Total Operating Expenses	640,409	312,100	61	328,309	327,254	1,055
Net Operating Income (Loss)	91,189	58,669	(61)	32,520	33,575	(1,055)
Non-operating Revenues (Expenditures)						
Interest Income	24,679	24,679	-	-	-	-
Interest Expense	(81,239)	(8,350)	(8,350)	(72,890)	-	(72,890)
Miscellaneous	7,997	4,935	-	3,063	3,063	-
Operating Transfers - In (Out)	1	(71,000)	43,618	71,001	259,039	(188,038)
Total Non-operating Revenues (Expenditures)	(48,562)	(49,736)	35,268	1,174	262,102	(260,928)
Excess (Deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	42,627	8,933	35,207	33,694	295,677	(261,983)
Fund Balance - Beginning of Year	3,802,816	2,394,131	(258,707)	1,408,685	2,732,221	(1,323,537)
Fund Balance - End of Year	\$ 3,845,443	\$ 2,403,064	\$ (223,499)	\$ 1,442,379	\$ 3,027,898	\$ (1,585,519)

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, 2011

	2011			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Intergovernmental Revenue:				
Motor Fuel Tax Allotment	\$ 67,500	\$ 67,500	\$ 79,680	\$ 12,180
Interest	200	200	167	(33)
Total Revenues	<u>67,700</u>	<u>67,700</u>	<u>79,848</u>	<u>12,148</u>
Expenditures:				
Highways and Streets	<u>48,785</u>	<u>48,785</u>	<u>75,295</u>	<u>26,510</u>
Expenditures:	<u>48,785</u>	<u>48,785</u>	<u>75,295</u>	<u>26,510</u>
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ 18,915</u>	<u>\$ 18,915</u>	4,553	<u>\$ 14,362</u>
Fund Balance - Beginning of Year			<u>143,677</u>	
Fund Balance - End of Year			<u>\$ 148,230</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, 2011

	2011			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Interest	\$ 700	\$ 700	\$ 1,866	\$ 1,166
Miscellaneous	15,078	15,078	-	(15,078)
Total Revenues	15,778	15,778	1,866	(13,912)
Expenditures:				
General Government	-	-	11,374	(11,374)
Total Expenditures	-	-	11,374	11,374
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	\$ 15,778	\$ 15,778	(9,508)	\$ 25,286
Fund Balance - Beginning of Year			161,065	
Fund Balance - End of Year			\$ 151,557	

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, 2011

	2011			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 44,800	\$ 44,800	\$ 22,529	\$ (22,271)
Local Revenues				
Charges for Service	8,500	8,500	6,910	(1,590)
Interest	-	-	25	25
Total Revenues	53,300	53,300	30,329	(22,971)
Expenditures:				
Culture and Recreation	73,200	73,200	78,400	5,200
Total Expenditures	73,200	73,200	78,400	5,200
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(19,900)	(19,900)	(48,071)	28,171
Other Financing Sources (Used)				
Operating Transfers - In	10,525	10,525	10,525	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	\$ (9,375)	\$ (9,375)	(37,546)	\$ 28,171
Fund Balance - Beginning of Year			29,171	
Fund Balance - End of Year			\$ (8,375)	

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, 2011

	2011			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 102,300	\$ 102,300	\$ 53,420	\$ (48,880)
Local Revenues				
Charges for Service	10,600	10,600	12,993	2,393
Miscellaneous	16,000	16,000	52,389	36,389
Interest	5,000	5,000	-	(5,000)
Total Revenues	<u>133,900</u>	<u>133,900</u>	<u>118,801</u>	<u>(15,099)</u>
Expenditures:				
Culture and Recreation	<u>129,800</u>	<u>129,800</u>	<u>136,264</u>	<u>6,464</u>
Total Expenditures	<u>129,800</u>	<u>129,800</u>	<u>136,264</u>	<u>6,464</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	4,100	4,100	(17,462)	21,562
Other Financing Sources (Used)				
Operating Transfers - In	<u>2,300</u>	<u>2,300</u>	<u>2,300</u>	<u>-</u>
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ 6,400</u>	<u>\$ 6,400</u>	(15,162)	<u>\$ 21,562</u>
Fund Balance - Beginning of Year			<u>275,217</u>	
Fund Balance - End of Year			<u>\$ 260,054</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, 2011**

	2011			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Interest	\$ -	\$ -	\$ -	\$ -
Miscellaneous				
Total Revenues	-	-	-	-
Expenditures:				
General Government	147,487	147,487	158,435	10,948
Total Expenditures	147,487	147,487	158,435	10,948
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(147,487)	(147,487)	(158,435)	10,948
Other Financing Sources (Used)				
Operating Transfers - In	155,000	155,000	155,000	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ 7,513</u>	<u>\$ 7,513</u>	(3,435)	<u>\$ 10,948</u>
Fund Balance - Beginning of Year			9,415	
Fund Balance - End of Year			<u>\$ 5,980</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, 2011**

	2011			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Miscellaneous	\$ 2,265	\$ 2,265	\$ 1,510	\$ (755)
Total Revenues	<u>2,265</u>	<u>2,265</u>	<u>1,510</u>	<u>(755)</u>
Expenditures:				
General Government	-	-	3,923	3,923
Total Expenditures	<u>-</u>	<u>-</u>	<u>3,923</u>	<u>3,923</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	2,265	2,265	(2,413)	4,678
Other Financing Sources (Used)				
Change in use of building	-	-	(48,866)	48,866
Operating Transfers - In	-	-	-	-
Operating Transfers - out	<u>(44,000)</u>	<u>(44,000)</u>	<u>-</u>	<u>(44,000)</u>
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (41,735)</u>	<u>\$ (41,735)</u>	(51,279)	<u>\$ 9,544</u>
Fund Balance - Beginning of Year			<u>62,065</u>	
Fund Balance - End of Year			<u>\$ 10,785</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, 2011**

	2011			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property Tax	\$ 14,705	\$ 14,705	\$ 7,386	\$ (7,319)
Interest	-	-	8	8
Total Revenues	<u>14,705</u>	<u>14,705</u>	<u>7,394</u>	<u>(7,311)</u>
Expenditures:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	14,705	14,705	7,394	(7,311)
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>\$ -</u>	<u>\$ -</u>	(7,311)	<u>\$ (7,311)</u>
Fund Balance - Beginning of Year			<u>8,866</u>	
Fund Balance - End of Year			<u>\$ 1,555</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, 2011

	2011			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property Tax	\$ 100	\$ 100	\$ 1,016	\$ 916
Interest	-	-	1	1
Total Revenues	<u>100</u>	<u>100</u>	<u>1,017</u>	<u>917</u>
Expenditures:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	100	100	1,017	917
Other Financing Sources (Used)				
Operating Transfers - Out	<u>(2,029)</u>	<u>(2,029)</u>	<u>(2,029)</u>	<u>-</u>
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (1,929)</u>	<u>\$ (1,929)</u>	(1,012)	<u>\$ 917</u>
Fund Balance - Beginning of Year			<u>1,351</u>	
Fund Balance - End of Year			<u>\$ 339</u>	

CITY OF EL PASO, ILLINOIS

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

**SELF INSURANCE FUND
Year Ended April 30, 2011**

	2011			
	Budgeted Amounts		Actual	Budget (Under) Over
	Original	Final		
Revenues:				
Local Revenues				
Miscellaneous Income	\$ -	\$ -	\$ 1,444	\$ 1,444
Total Revenues	-	-	1,444	1,444
Expenditures:				
General Government	-	-	763	763
Total Expenditures	-	-	763	763
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	-	-	681	681
Other Financing Sources (Used)				
Operating Transfers - In	-	-	-	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	\$ -	\$ -	681	\$ 681
Fund Balance - Beginning of Year			(959)	
Fund Balance - End of Year			\$ (278)	

CITY OF EL PASO, ILLINOIS

SUMMARY OF LOCAL TAX DATA
FOR THE LEVY YEAR:

	2010	2009	2008	2007	2006	2005
Assessed Valuation	\$ 46,431,028	\$ 46,430,850	\$ 45,323,873	\$ 45,267,457	\$ 43,163,953	\$ 41,362,789
Tax Rates						
General Corporate	0.1288	0.1284	0.1258	0.1235	0.1264	0.1209
Unemployment Insurance	0.0044	0.0436	0.0045	0.0046	0.0046	0.0046
Social Security	0.0317	0.0317	0.0325	0.0355	0.0363	0.0363
Park	0.1000	0.0965	0.0989	0.0964	0.0986	0.0940
Recreation	0.0667	0.0646	0.0662	0.0662	0.0667	0.0645
Public Library	0.2000	0.2003	0.1964	0.1926	0.1891	0.1879
G.O. Bonds	0.5246	0.5125	0.5218	0.5207	0.5268	0.5010
	1.0561	1.0775	1.0461	1.0395	1.0485	1.0092
Tax Extensions						
General Corporate	\$ 59,799	\$ 59,617	\$ 57,018	\$ 54,697	\$ 52,370	\$ 50,036
Unemployment Insurance	2,029	2,042	2,040	2,029	1,943	1,902
Social Security	14,705	14,718	14,729	15,358	15,036	15,013
Park	46,431	44,805	44,825	42,694	40,875	38,877
Recreation	30,970	30,041	30,004	29,280	28,032	26,676
Public Library	92,955	102,127	89,016	85,259	81,623	77,720
G.O. Bonds	243,568	237,957	236,499	230,588	218,162	207,207
	\$ 490,456	\$ 491,307	\$ 474,131	\$ 459,905	\$ 438,042	\$ 417,431
Collections in the following year:	\$ -	\$ 490,832	\$ 473,935	\$ 458,432	\$ 437,411	\$ 417,863