

CITY OF EL PASO, ILLINOIS

ANNUAL FINANCIAL REPORT

As of and for the Year Ended

April 30, 2012

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 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, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City of El Paso, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to 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, 2012 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 December 11, 2012 on our consideration of Village of Forrest, 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 governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that budgetary comparison information which is listed as required supplemental information in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in 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 further assurance.

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 as a whole. The supplementary information and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the information. However, we did not audit the information and express no opinion on it.

Philly + Associates, CPAs, P.C.

December 11, 2012

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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, 2012, which collectively comprise the City of El Paso, Illinois' basic financial statements and have issued our report thereon dated December 11, 2012. 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.

Philly & Associates, CPAs, P.C.

December 11, 2012

CITY OF EL PASO, ILLINOIS

STATEMENT OF NET ASSETS

April 30, 2012

ASSETS	2012		Total
	Governmental Activities	Business-type Activities	
Cash	\$ 734,109	\$ 19,128	\$ 753,237
Investments	807,780	483,364	1,291,144
Accounts Receivable	696,516	101,218	797,734
Prepaid Expenses	40,325	13,874	54,198
Interfund Loans Receivable	(1,163,000)	1,163,000	-
Fixed Assets (Net of Accumulated Depreciation) Note 4	4,056,436	4,156,755	8,213,191
Capital Assets Held For Sale	-	-	-
TOTAL ASSETS	5,172,165	5,937,339	11,109,504
LIABILITIES			
Accounts Payable	18,965	845	19,809
Accrued Salaries and Payroll Taxes	32,246	9,770	42,016
Accrued Vacation	34,523	16,500	51,023
Accrued Compensated Absences	25,350	15,984	41,334
Current Portion of Bonds	250,000	391,731	641,731
Bonds Payable	110,000	1,415,663	1,525,663
Deferred Revenue	3,671	-	3,671
TOTAL LIABILITIES	474,755	1,850,493	2,325,247
NET ASSETS			
Invested in capital assets, net of related debt	3,696,436	2,349,361	6,045,797
Restricted	151,557	-	151,557
Unrestricted	849,418	1,737,485	2,586,903
TOTAL NET ASSETS	\$ 4,697,410	\$ 4,086,846	\$ 8,784,257

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, 2012

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	\$ 612,260	\$ 45,283	\$ -	\$ -	\$ (566,977)	\$ -	\$ (566,977)
Public Safety	370,548	-	-	-	(370,548)	-	(370,548)
Highways and Streets	65,217	-	-	-	(65,217)	-	(65,217)
Sanitation	331,117	-	-	-	(331,117)	-	(331,117)
Cultural and Recreation	450,822	115,232	-	-	(335,590)	-	(335,590)
Interest on Debt	13,570	-	-	-	(13,570)	-	(13,570)
Total governmental activities	1,843,534	160,516	-	-	(1,683,019)	-	(1,683,019)
Business-type activities:							
Water Operations	350,819	371,265	-	-	-	20,446	20,446
Water Debt Service Fund	7,340	-	-	-	-	(7,340)	(7,340)
Sewer Operations	325,589	473,759	-	-	-	148,170	148,170
Sewer Debt Service Fund	81,063	-	-	-	-	(81,063)	(81,063)
Total business-type activities	764,810	845,024	-	-	-	80,214	80,214
Total governmental and business-type activities	\$ 2,608,344	\$ 1,005,540	\$ -	\$ -	(1,683,019)	80,214	(1,602,805)
General Revenues:							
Taxes					529,980	-	529,980
Intergovernmental					1,120,706	-	1,120,706
Interest					7,849	40,542	48,392
Miscellaneous					432,473	(65)	432,408
Transfers - Internal activity					(106,342)	106,342	-
Total General revenues and transfers					1,984,666	146,819	2,131,485
Changes in net assets					301,648	227,033	528,681
Net assets - beginning					4,395,763	3,859,812	8,255,575
Net assets - ending					\$ 4,697,410	\$ 4,086,845	\$ 8,784,256

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, 2012

	General Fund	Recreation Fund	Debt Service Fund	Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash	\$ 6,707	\$ 13,038	\$ 1,156	\$ 404	\$ 712,803	\$ 734,109
Investments	371,053	-	-	184,979	251,748	807,780
Accounts Receivable	243,339	30,290	241,689	-	181,198	696,516
Interfund Loans Receivable	3,500	-	278,000	-	15,000	296,500
Prepaid Expenses	30,606	-	-	-	9,719	40,325
Capital Assets Held For Sale	-	-	-	-	-	-
Total Assets	\$ 655,206	\$ 43,328	\$ 520,845	\$ 185,383	\$ 1,170,468	\$ 2,575,230
Liabilities						
Accounts Payable	\$ 4,967	\$ 817	\$ -	\$ 3,528	\$ 9,657	\$ 18,968
Accrued Salaries and Payroll Taxes	23,422	4,672	-	-	4,151	32,246
Accrued Vacation	31,620	2,903	-	-	-	34,523
Interfund Loans Payable	1,093,000	-	-	343,000	23,500	1,459,500
Deferred Revenue	57,980	29,925	238,792	-	164,243	490,940
Total Liabilities	1,210,989	38,317	238,792	346,528	201,551	2,036,176
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	-	5,012	282,053	-	945,636	1,232,701
Committed	-	-	-	(161,144)	24,125	(137,020)
Assigned	-	-	-	-	-	-
Unassigned	(555,783)	-	-	-	(844)	(556,627)
Total Fund Balances	(555,783)	5,012	282,053	(161,144)	968,917	539,054
Total Liabilities and Fund Balances	\$ 655,206	\$ 43,328	\$ 520,845	\$ 185,383	\$ 1,170,468	\$ 2,575,230

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, 2012

Total Fund Balance - Total Governmental Funds	\$ 539,054
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.	4,056,436
Long Term Assets are Not Available to Pay for Current Period Expenditures and, Therefore, are Deferred in the Funds	
Deferred Revenue - Property Taxes	487,271
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	(360,000)
Accrued Compensated Absences	<u>(25,350)</u>
Net Assets of Governmental Activities	<u>\$ 4,697,410</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, 2012

	General Fund	Recreation Fund	Debt Service Fund	Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 97,102	\$ 31,686	\$ 243,344	\$ -	\$ 164,072	\$ 536,205
Licenses and Permits	18,238	-	-	-	-	18,238
Intergovernmental Revenue	1,036,701	-	-	-	84,005	1,120,706
Charges for Service	-	87,469	-	-	27,764	115,232
Donations	-	-	-	-	397,293	397,293
Miscellaneous	40,262	-	1,064	-	21,962	63,288
Interest	3,895	24	192	115	2,559	6,785
Total Revenues	1,196,199	119,179	244,600	115	697,656	2,257,748
Expenditures:						
General Government	466,794	-	-	101,975	4,635	573,404
Public Safety	357,534	-	-	-	-	357,534
Highways and Streets	-	-	-	-	-	-
Sanitation	270,339	-	-	-	38,371	308,710
Culture and Recreation	-	219,870	-	-	-	219,870
Capital Outlay	7,979	-	-	15,255	231,824	245,058
Debt Service:						
Service Charge	-	-	625	-	-	625
Interest	-	-	13,570	-	-	13,570
Principal	-	-	230,000	-	-	230,000
Total Expenditures	1,102,646	219,870	244,195	117,230	372,232	2,056,173
Deficiency of revenues over expenditures	93,554	(100,692)	405	(117,115)	325,423	201,575
Other Financing sources (uses):						
Debt Proceeds	-	-	155,300	137,200	67,500	360,000
Change in use of building	-	-	-	-	(1,199)	(1,199)
Transfers in	11,409	117,500	-	-	22,825	151,734
Transfers out	(135,000)	-	-	(108,342)	(16,734)	(259,076)
Total other financing	(123,591)	117,500	155,300	30,858	72,392	252,459
Excess of revenues and other sources over expenditures and other uses	(30,037)	16,808	155,705	(86,257)	397,815	454,034
Fund Balance at beginning of year	(525,746)	(11,797)	126,347	(74,887)	571,102	85,019
Fund Balance at end of year	\$ (555,783)	\$ 5,012	\$ 262,053	\$ (161,144)	\$ 968,917	\$ 539,054

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, 2012

Net change in fund balances - total governmental funds	\$ 454,034
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.	192,513
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.	(209,673)
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	(360,000)
Repayment of Long-Term Obligations	230,000
Long-Term Capital Lease Financing Incurred	-
Capital Lease Payments	-
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	(6,225)
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	999
Interest Expense	-
	-
Change in Net Assets of Governmental Activities	\$ 301,648

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

PROPRIETARY FUNDS
STATEMENT OF NET ASSETS

April 30, 2012

	Business Type Activities - Enterprise Funds		
	Water Activities	Sewer Activities	Total
ASSETS			
Current Assets:			
Cash	\$ 14,337	\$ 4,791	\$ 19,128
Investments	483,364	-	483,364
Accounts Receivable	41,948	59,270	101,218
Prepaid Expenses	8,409	5,464	13,874
Total Current Assets	548,058	69,526	617,584
Non Current Assets:			
Interfund Loans Receivable	360,000	803,000	1,163,000
Property, Plant & Equipment:	3,849,267	4,313,812	8,163,079
Less Accumulated Depreciation	(2,027,749)	(1,978,575)	(4,006,324)
Net Property & Equipment	1,821,518	2,335,237	4,156,755
Total Non Current Assets	2,181,518	3,138,237	5,319,755
TOTAL ASSETS	\$ 2,729,576	\$ 3,207,763	\$ 5,937,339
LIABILITIES			
Liabilities:			
Bank Overdrafts		\$ -	\$ -
Accounts Payable	621	224	845
Accrued Salaries and Payroll Taxes	3,625	6,145	9,770
Accrued Vacation	5,748	10,752	16,500
Accrued Compensated Absences	5,063	10,921	15,984
Current Portion of Bonds	34,303	357,428	391,731
Bonds Payable	198,092	1,217,571	1,415,663
Interfund Loans Payable	16,701	(16,701)	-
Capital Lease Obligations	-	-	-
TOTAL LIABILITIES	264,153	1,586,340	1,850,493
NET ASSETS			
Invested in Capital Assets (net of debt):	1,589,123	760,238	2,349,361
Restricted	-	-	-
Unreserved	876,300	861,185	1,737,485
TOTAL NET ASSETS	2,465,423	1,621,423	4,086,846
	\$ 2,729,576	\$ 3,207,763	\$ 5,937,339

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, 2012

	Business Type Activities - Enterprise Funds		
	Water Activities	Sewer Activities	Total
Operating Revenues:			
Charges for Services	\$ 371,265	\$ 473,759	\$ 845,024
Operating Expenses:			
Salaries	82,193	146,629	228,822
Payroll Taxes	5,626	9,843	15,469
Supplies	55,988	4,488	60,476
Oil & Gas	4,530	4,472	9,002
Repairs & Maintenance	47,882	13,776	61,658
Utilities	44,264	35,692	79,956
Equipment Rental	4,823	1,435	6,258
Professional Services	4,765	2,260	7,025
Insurance: General	13,017	8,288	21,305
Contingencies	1,916	4,117	6,032
Other Services & Charges	3,805	4,896	8,701
Capital Outlay	5,382	3,853	9,235
Depreciation	76,627	86,864	163,491
Total Operating Expenses	350,819	326,614	677,433
Net Operating Income (Loss)	20,446	147,145	167,591
Non-operating Revenues (Expenses)			
Interest Income	40,439	103	40,542
Interest Expense	(7,340)	(80,038)	(87,377)
Miscellaneous	-	(65)	(65)
Operating Transfers - In (Out)	-	106,342	106,342
Total Non-operating Revenues (Expenses)	33,099	26,343	59,442
Change In Net Assets	53,545	173,488	227,033
Net Assets:			
Beginning of Year	2,411,877	1,447,935	3,859,812
End of Year	\$ 2,465,422	\$ 1,621,423	\$ 4,086,845

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, 2012

	Business Type - Enterprise Funds		
	Water Fund	Sewer Fund	Total 2012
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 369,707	\$ 456,567	\$ 826,274
Payments to suppliers	(160,306)	(60,718)	(221,024)
Payments to employees	(84,912)	(151,462)	(236,374)
Other receipts (payments)	(28,481)	(23,322)	(51,803)
Net cash provided (used) by operating activities	96,009	221,064	317,073
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Operating subsidies and transfers to other funds	-	106,342	106,342
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital Contributions	-	-	-
Purchases of capital assets	-	(106,342)	(106,342)
Principal paid on capital debt	-	-	-
Payments on capital lease obligations	(0)	(0)	(1)
Proceeds on issuance of bonds	-	200,000	-
Principal paid on bonds payable	(26,962)	(275,001)	(301,963)
Interest paid on capital debt	(7,340)	(80,038)	(87,377)
Loans (to) from other funds	(44,171)	(78,141)	(122,312)
Other receipts (payments)	-	-	-
Net cash provided (used) by capital and related financing activities	(78,473)	(339,521)	(417,994)
CASH FLOWS FROM INVESTING ACTIVITIES			
Change in investments from purchases, sales and maturities	(40,374)	-	(40,374)
Other miscellaneous receipts	-	(65)	(65)
Interest and dividends	40,439	103	40,542
Net cash provided (used) by investing activities	64	38	103
Net increase (decrease) in cash and cash equivalents	17,600	(12,077)	5,523
Balances - beginning of the year	(3,262)	16,868	13,606
Balances (Overdrafts) - end of the year	\$ 14,338	\$ 4,791	\$ 19,129
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 20,446	\$ 147,145	\$ 167,591
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	(1,154)	(17,101)	(18,255)
Accounts payables and accrued liabilities	90	4,156	4,246
Net cash provided (used) by operating activities	\$ 96,009	\$ 221,064	\$ 317,073

The Accompanying Notes are an Integral Part of these Financial Statements

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2012

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.

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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.

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.

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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:

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.

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED April 30, 2012

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 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.

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.

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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 are 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

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

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2012

NOTE 2 – FUND BALANCE REPORTING

Government Accounting Standards require fund balances to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Below are definitions of the differences and a reconciliation of how these balances are reported.

A. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. Due to the cash basis nature of the city all such items are expensed at the time of purchase, so there is nothing report for this classification.

B. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes. The city has several revenue sources received within different funds that also fall into these categories such as property taxes, state grants, interest, charges for services, and/or insurance reimbursement.

C. Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision making authority (the Board of Trustees). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

The Board of Trustees commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

D. Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the government’s intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by (a) the Board of Trustees or (b) the budget or finance committee or (c) an official to which the Board has delegated the authority to assign amounts to be used for specific purposes.

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED April 30, 2012

NOTE 2 – FUND BALANCE REPORTING - continued

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amount in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds.

F. Expenditures of Fund Balance

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

NOTE 3 – PRIOR PERIOD ADJUSTMENT

The City made an adjustment to the beginning of year balances to record prepaid insurance in the amount of \$50,777, which increased prepaid expense and fund equity by fund as follows:

General Fund	\$	27,643
Park Fund		7,071
Library Fund		1,694
Water Fund		8,813
Sewer Fund		5,556
	\$	<u>50,777</u>

NOTE 4 – 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, 2012.

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, 2012

NOTE 5 – CASH AND INVESTMENTS

The City's cash, which consisted of deposits with financial institutions totaling \$753,236, and investments totaling \$1,291,145 at April 30, 2012 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	\$ 64,583
Certificates Of Deposit	106,370
The Illinois Funds	<u>636,827</u>
Total Governmental Activities	<u>807,780</u>
Business-type Activities	
Money Market	151,116
Certificates Of Deposit	229,969
Government and Agency Securities	<u>102,279</u>
Total Business-type Activities	<u>483,364</u>
Total Investments	<u>\$ 1,291,144</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, 2012

NOTE 6 – CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets for the year ended April 30, 2012, was as follows:

Governmental Activities:	<u>Balance</u> <u>May 1</u>	<u>Additions/</u> <u>Corrections</u>	<u>Deletions/</u> <u>Corrections</u>	<u>Balance</u> <u>April 30</u>
Capital assets not being depreciated				
Construction in Progress	\$ 37,897	\$ -	\$ 37,897	\$ -
Capital assets being depreciated				
Land Improvements	942,024	-	-	942,024
Equipment	550,299	50,469	-	600,768
Buildings	2,669,672	104,922	-	2,774,594
Infrastructure	2,045,412	45,767	-	2,091,179
Vehicles	<u>300,466</u>	<u>29,251</u>	<u>-</u>	<u>329,717</u>
Total Capital assets being depreciated	<u>6,545,770</u>	<u>230,409</u>	<u>37,897</u>	<u>6,738,282</u>
Less accumulated depreciation for:				
Land Improvements	(416,826)	-	(18,246)	(435,072)
Equipment	(221,237)	-	(44,422)	(265,660)
Buildings	(1,320,137)	-	(53,298)	(1,373,435)
Infrastructure	(404,700)	-	(76,938)	(481,638)
Vehicles	<u>(109,272)</u>	<u>-</u>	<u>(16,770)</u>	<u>(126,042)</u>
Total accumulated depreciation	<u>(2,472,172)</u>	<u>-</u>	<u>(209,674)</u>	<u>(2,681,847)</u>
Governmental activities capital assets, net	<u>\$ 4,073,598</u>	<u>\$ 230,409</u>	<u>\$ (247,571)</u>	<u>\$ 4,056,436</u>

A summary of business-type fixed assets for the year ended April 30, 2012, was as follows:

Business-type Activities:	<u>Balance</u> <u>May 1</u>	<u>Additions/</u> <u>Corrections</u>	<u>Deletions/</u> <u>Corrections</u>	<u>Balance</u> <u>April 30</u>
Capital assets not being depreciated				
Land – Sewer Fund	\$ 97,711	\$ 2,500	\$ -	\$ 100,211
Land – Water Fund	13,738	-	-	13,738
Construction in Progress	-	103,840	-	103,840
Capital assets being depreciated				
Well Improvements – Water Fund	22,871	-	-	22,871
Buildings – Sewer Fund	3,899,172	-	-	3,899,172
Buildings – Water Fund	3,163,721	-	-	3,163,721
Equipment – Sewer Fund	210,587	-	-	210,587
Equipment – Water Fund	<u>648,937</u>	<u>-</u>	<u>-</u>	<u>648,937</u>
Total capital assets being depreciated	<u>7,945,288</u>	<u>-</u>	<u>-</u>	<u>7,945,288</u>
Less accumulated depreciation for:				
Well Improvements – Water Fund	(22,871)	-	-	(22,871)
Buildings – Sewer Fund	(1,797,944)	-	(77,983)	(1,875,927)
Buildings – Water Fund	(1,463,132)	-	(63,274)	(1,526,406)
Equipment – Sewer Fund	(93,766)	-	(8,880)	(102,646)
Equipment – Water Fund	<u>(465,119)</u>	<u>-</u>	<u>(13,353)</u>	<u>(478,472)</u>
Total accumulated depreciation	<u>(3,842,832)</u>	<u>-</u>	<u>(163,490)</u>	<u>(4,006,322)</u>
Total capital assets being depreciated, net	<u>4,102,456</u>	<u>-</u>	<u>(163,490)</u>	<u>4,042,806</u>
Business-type activities capital assets, net	<u>\$ 4,102,456</u>	<u>\$ 106,340</u>	<u>\$ (163,490)</u>	<u>\$ 4,156,756</u>

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED APRIL 30, 2012

NOTE 6 – CHANGES IN FIXED ASSETS - continued

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

Governmental Activities:	
General government and administration	\$ 8,680
ESDA	5,375
Parks	57,966
Police	10,190
Public Works	58,029
Recreation	1,889
Food Pantry	1,470
Streets	1,949
Motor Fuel Tax Fund	26,776
Capital Projects Fund	28,002
Capital Equipment Fund	9,348
Library	-
Total depreciation expense – Governmental Activities	<u>\$ 209,674</u>
Business-type Activities:	
Waterworks	\$ 76,627
Sewer	86,863
Total depreciation expense – Business-type Activities	<u>\$ 163,490</u>

NOTE 7 – CHANGES IN LONG-TERM DEBT

At April 30, 2012, bonds payable consisted of the following individual issues:

	<u>Governmental</u>	<u>Business-type</u>
2008 Alternate Revenue Bonds, dated December 2, 2008, due within one year bearing interest at 1.10 %.	\$ 230,000	\$ -
2011 General Obligation Debt Certificates (Limited Tax), dated May 1, 2011, due December 1, 2016, bearing interest at 4.9145%	130,000	
2003 Alternate Revenue Bonds, dated December 1, 2004, due in annual installments through December 1, 2018, bearing interest at 4.675%.	-	475,000
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%.	-	655,000
2001 Illinois Environmental Protection Agency Note Payable, dated 2001, due in annual installments through 2021, bearing interest at 2.905%.	-	232,394

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED APRIL 30, 2012

NOTE 7 – CHANGES IN LONG-TERM DEBT - continued

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%.

- 245,000

2012 Sewer Alternative Revenue Bonds, dated March 1, 2012, due in annual installments through January 1, 2016, bearing interest at 3.7288%.

 - 200,000

Total Bonds Payable

\$ 360,000 \$ 1,807,394

The annual aggregate maturities for each bond type for the years subsequent to April 30, 2012, 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>	
2013	250,000	23,747	312,751	78,980	391,731
2014	25,000	5,395	268,564	63,974	332,538
2015	25,000	4,195	284,400	49,851	334,250
2016	30,000	2,970	295,260	37,855	333,115
2017	30,000	1,500	201,145	25,245	226,390
2018-2020	-	-	445,274	26,651	471,925
Total	<u>\$ 360,000</u>	<u>\$ 37,807</u>	<u>\$ 1,807,394</u>	<u>\$ 282,556</u>	<u>\$2,089,950</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 2012.

Changes in Outstanding Debt –

Transactions for the year ended April 30, 2012 are summarized as follows:

	<u>Balance</u> <u>May 1, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>April 30, 2012</u>	<u>Due Within</u> <u>one year</u>
<u>Governmental Activities:</u>					
General Obligation Bonds	\$ 230,000	\$ 360,000	\$ (230,000)	\$ 360,000	\$ 273,747
Compensated Absences	40,946	-	-	40,946	-
Total Governmental Activities	<u>270,946</u>	<u>360,000</u>	<u>(230,000)</u>	<u>400,946</u>	<u>273,747</u>
<u>Business-type Activities:</u>					
General Obligation Bonds	1,909,357	200,000	(301,963)	1,808,394	391,731
Compensated Absences	14,598	-	-	14,598	-
Total Business-type Activities	<u>1,923,955</u>	<u>200,000</u>	<u>(301,963)</u>	<u>1,822,992</u>	<u>391,731</u>
Total Government	<u>\$ 2,914,901</u>	<u>\$ 560,000</u>	<u>\$ (501,963)</u>	<u>\$ 2,223,938</u>	<u>\$ 665,478</u>

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2012

NOTE 7 – CHANGES IN LONG-TERM DEBT – CONTINUED

Legal Debt Margin

The legal debt margin of the City, as of April 30, 2012 is computed as follows:

Assessed Valuation (Property Tax Year 2011)	\$ 46,128,664
Debt Limit – 8.625% of assessed value	<u>\$ 3,987,597</u>
Amount of debt applicable to debt limit:	
Bonds	2,167,394
Capital Leases	-
	<u>2,167,394</u>
Less: Alternate Revenue Bonds	(1,330,000)
Assets available in debt service fund for payment principal	<u>(114,017)</u>
Total amount of Debt applicable to Debt Limit	<u>723,377</u>
Legal Debt Margin	<u>\$ 3,264,220</u>

NOTE 8 – 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, 2012 were as follows:

Fund	Inter-fund Receivables	Inter-fund Payables
General Fund	\$ 3,500	\$ 1,093,000
Park Fund	-	3,500
Recreation Fund	-	-
Public Library	-	20,000
Capital Equipment Fund	15,000	-
Economic Development	-	-
Debt Service Fund	278,000	-
Capital Projects	-	343,000
Water Fund	320,000	16,701
Water Debt Service Fund	40,000	-
Sewer Fund	746,701	-
Sewer Debt Service Fund	73,000	-
Fiduciary Funds	-	-
	<u>\$ 1,476,201</u>	<u>\$ 1,476,201</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>\$ (55,743)</u>
Capital Project Fund	<u>\$ (161,144)</u>
Park Fund	<u>\$ (844)</u>

CITY OF EL PASO, ILLINOIS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

April 30, 2012

NOTE 9 – 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 10 – 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 2012.

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 11– SUBSEQUENT EVENTS

In August 2012, the City Council approved participation in Illinois Municipal Retirement Plan for all employees qualifying under IMRF regulations which is a multiple employer defined benefit pension plan. As a result, the City will be subject to employer contributions to fund future and unfunded past service costs in accordance with the plan. The employer rate at inception was 8.48%.

Management evaluated subsequent events occurring through December 11, 2012 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, 2012

	2012			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property Tax	\$ 59,600	\$ 59,600	\$ 60,312	\$ 712
Road & Bridge Tax	23,400	23,400	25,544	2,144
Auto Rental Tax	123	123	-	(123)
Hotel Operators Tax	11,500	11,500	11,247	(253)
Licenses and Permits				
Liquor Licenses	3,600	3,600	6,225	2,625
Franchise Fees	20,000	20,000	4,469	(15,531)
Circuit Court Fines	30,000	30,000	22,576	(7,424)
Building Permits	2,000	2,000	6,715	4,715
Other	5,450	5,450	5,298	(152)
Intergovernmental Revenue:				
Sales Tax	660,000	660,000	747,806	87,806
State Income Tax	210,000	210,000	220,082	10,082
Corporate Replacement Tax	25,000	25,000	27,645	2,645
State Use Tax	32,000	32,000	41,168	9,168
Local Revenues				
Grant Revenue	-	-	1,050	1,050
Interest	4,500	4,500	3,895	(605)
Miscellaneous	10,200	10,200	12,167	1,967
Total Revenues	<u>1,097,373</u>	<u>1,097,373</u>	<u>1,196,199</u>	<u>98,826</u>
Expenditures:				
General Government				
Legislative	35,110	35,110	48,820	13,710
Administrative	435,300	435,300	425,953	(9,347)
Public Safety				
Police	345,350	345,350	343,877	(1,473)
Public Works	273,500	273,500	270,339	(3,161)
ESDA	12,000	12,000	11,520	(480)
Food Pantry	3,250	3,250	2,137	(1,113)
Total Expenditures	<u>1,104,510</u>	<u>1,104,510</u>	<u>1,102,646</u>	<u>(1,864)</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(7,137)	(7,137)	93,554	100,691
Other Financing Sources (Used)				
Operating Transfers - In	11,409	11,409	11,409	-
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>\$ (130,728)</u>	<u>\$ (130,728)</u>	<u>(30,037)</u>	<u>\$ 100,691</u>
Fund Balance - Beginning of Year			(525,746)	
Fund Balance - End of Year			<u>\$ (555,783)</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, 2012

	2012			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 31,000	\$ 31,000	\$ 31,686	\$ 686
Local Revenues				
Charges for Service	82,100	82,100	87,469	5,369
Interest	-	-	24	24
Total Revenues	<u>113,100</u>	<u>113,100</u>	<u>119,179</u>	<u>6,079</u>
Expenditures:				
Culture and Recreation	<u>225,550</u>	<u>225,550</u>	<u>219,870</u>	<u>(5,680)</u>
Total Expenditures	<u>225,550</u>	<u>225,550</u>	<u>219,870</u>	<u>(5,680)</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(112,450)	(112,450)	(100,692)	11,758
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>\$ 5,050</u>	<u>\$ 5,050</u>	16,808	<u>\$ 11,758</u>
Fund Balance - Beginning of Year			<u>(11,797)</u>	
Fund Balance - End of Year			<u>\$ 5,012</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, 2012

	2012			
	Budgeted Amounts		Actual	Budget (Under) Over
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 243,570	\$ 243,570	\$ 243,344	\$ (226)
Local Revenues				-
Interest	200	200	192	(8)
Miscellaneous	-	-	1,064	1,064
Total Revenues	<u>243,770</u>	<u>243,770</u>	<u>244,600</u>	<u>830</u>
Expenditures:				
Service Charge	2,500	2,500	625	(1,875)
Interest	13,570	13,570	13,570	-
Principle Repayment	230,000	230,000	230,000	-
Total Expenditures	<u>246,070</u>	<u>246,070</u>	<u>244,195</u>	<u>(1,875)</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(2,300)	(2,300)	405	(2,705)
Other Financing Sources (Used)				
Debt Proceeds	-	-	155,300	155,300
Operating Transfers - In	-	-	-	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (2,300)</u>	<u>\$ (2,300)</u>	155,705	<u>\$ 158,005</u>
Fund Balance - Beginning of Year			<u>126,347</u>	
Fund Balance - End of Year			<u>\$ 282,053</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, 2012

	2012			
	Budgeted Amounts		Actual	Budget (Under) Over
	Original	Final		
Revenues:				
Taxes:	\$ -	\$ -	\$ -	\$ -
Local Revenues	-	-	-	-
Interest	200	200	115	(85)
Total Revenues	<u>200</u>	<u>200</u>	<u>115</u>	<u>(85)</u>
Expenditures:				
General Government	127,000	127,000	101,975	(25,025)
Capital Projects	503,200	503,200	15,255	(487,945)
Total Expenditures	<u>630,200</u>	<u>630,200</u>	<u>117,230</u>	<u>(512,970)</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(630,000)	(630,000)	(117,115)	512,885
Other Financing Sources (Used)				
Loan Proceeds	292,500	292,500	137,200	(155,300)
Operating Transfers - In	-	-	-	-
Operating Transfers - out	-	-	(106,342)	(106,342)
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (337,500)</u>	<u>\$ (337,500)</u>	(86,257)	<u>\$ (251,243)</u>
Fund Balance - Beginning of Year			(74,887)	
Fund Balance - End of Year			<u>\$ (161,144)</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, 2012

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, 2012.

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

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

NON-MAJOR GOVERNMENTAL FUNDS

April 30, 2012

	Combined Total	Motor Fuel Tax	CDAP	Parks	Library	Capital Equipment	Economic Development	Social Security	Unemployment
Assets									
Cash	\$ 712,803	\$ -	\$ 147,772	\$ 190	\$ 556,006	\$ 4,533	\$ 2,600	\$ 1,387	\$ 315
Investments	251,748	138,124	-	-	113,624	-	-	-	-
Accounts Receivable	181,198	11,532	4,443	45,413	100,796	-	2,352	14,619	2,042
Interfund Loans Receivable	15,000	-	-	-	-	15,000	-	-	-
Prepaid Expenses	9,719	-	-	8,041	1,678	-	-	-	-
Capital Assets Held For Sale	-	-	-	-	-	-	-	-	-
Total Assets	\$ 1,170,468	\$ 149,656	\$ 152,215	\$ 53,644	\$ 772,104	\$ 19,533	\$ 4,952	\$ 16,006	\$ 2,357
Liabilities									
Accounts Payable	\$ 9,657	\$ 1,096	\$ -	\$ 4,935	\$ 3,266	\$ 360	\$ -	\$ -	\$ -
Accrued Salaries and Payroll Taxes	4,151	-	-	1,188	2,963	-	-	-	-
Interfund Loans Payable	23,500	-	-	3,500	20,000	-	-	-	-
Deferred Revenue	164,243	-	-	44,865	102,915	-	-	14,445	2,018
Total Liabilities	201,551	1,096	-	54,488	129,143	360	-	14,445	2,018
Fund Balances									
Reserved	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	945,636	148,560	152,215	-	642,961	19,173	4,952	1,562	339
Committed	24,125	-	-	-	-	-	-	-	-
Assigned	-	-	-	(844)	-	-	-	-	-
Unassigned	(844)	-	-	(844)	-	-	-	-	-
Total Fund Balances	968,917	148,560	152,215	(844)	642,961	19,173	4,952	1,562	339
Total Liabilities and Fund Balances	\$ 1,170,468	\$ 149,656	\$ 152,215	\$ 53,644	\$ 772,104	\$ 19,533	\$ 4,952	\$ 16,006	\$ 2,357

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, 2012

	Combined Total	Motor Fuel Tax	CDAP	Parks	Library	Capital Equipment	Economic Development	Social Security	Unemployment
Revenues:									
Taxes:									
Property	\$ 164,072	\$ -	\$ -	\$ 46,082	\$ 101,263	\$ -	\$ -	\$ 14,700	\$ 2,027
Intergovernmental Revenue	81,247	81,247	-	-	-	-	-	-	-
Motor Fuel Tax	2,758	-	-	-	2,758	-	-	-	-
Grants	-	-	-	-	-	-	-	-	-
Local Revenues	-	-	-	-	-	-	-	-	-
Licenses and Permits	27,764	-	-	16,336	11,428	-	-	-	-
Charges for Service	397,293	-	-	-	397,293	-	-	-	-
Donations	2,559	91	658	36	1,301	459	-	12	2
Interest	-	-	-	19,222	2,740	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total Revenues	697,655	81,338	658	81,676	516,783	459	-	14,712	2,029
Expenditures:									
General Government	4,635	-	-	-	-	-	4,635	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Highways and Streets	38,371	38,371	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-
Culture and Recreation	231,824	-	-	94,670	137,154	-	-	-	-
Capital Outlay	97,402	42,637	-	-	-	54,765	-	-	-
Total Expenditures	372,232	81,008	-	94,670	137,154	54,765	4,635	-	-
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	325,423	330	658	(12,994)	379,629	(54,306)	(4,635)	14,712	2,029
Other Financing Sources (Used)									
Change in use of building	(1,199)	-	-	-	-	-	(1,199)	-	-
Loan Proceeds	67,500	-	-	-	-	67,500	-	-	-
Operating Transfers - In	22,825	-	-	20,525	2,300	-	-	-	-
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	397,815	330	658	7,531	381,929	13,194	(5,834)	7	0
Fund Balance - Beginning of Year	571,102	148,230	151,557	(6,375)	261,031	5,979	10,786	1,555	339
Fund Balance - End of Year	\$ 968,917	\$ 148,560	\$ 152,215	\$ (844)	\$ 642,961	\$ 19,173	\$ 4,952	\$ 1,562	\$ 339

CITY OF EL PASO, ILLINOIS

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

PROPRIETARY FUNDS
April 30, 2012

	Total		Water Activities		Sewer Activities	
	Business Type Activities	Total Water Activities	Water Fund	Water Debt Service Fund	Sewer Fund	Sewer Debt Service Fund
Assets						
Cash	\$ 19,128	\$ 14,337	\$ 13,883	\$ 454	\$ 4,229	\$ 562
Investments	483,364	483,364	483,364	-	-	-
Accounts Receivable	101,218	41,948	41,948	-	59,270	-
Prepaid Expenses	13,874	8,409	8,409	-	5,464	-
Interfund Loans Receivable	1,163,000	360,000	320,000	40,000	730,000	73,000
Fixed Assets (net of Accumulated Depreciation)	4,156,755	1,821,518	1,821,518	-	2,335,237	-
Total Assets	\$ 5,937,339	\$ 2,729,576	\$ 2,689,122	\$ 40,454	\$ 3,134,201	\$ 73,562
Liabilities						
Accounts Payable	\$ 843	\$ 621	\$ 621	\$ -	\$ 221	\$ -
Accrued Salaries and Payroll Taxes	9,770	3,625	3,625	-	6,145	-
Accrued Vacation	16,500	5,748	5,748	-	10,752	-
Accrued Compensated Absences	15,984	5,063	467	4,596	920	10,001
Interfund Loans Payable	-	16,701	16,701	-	(16,701)	-
Capital Lease Obligations	-	-	-	-	-	-
Current Portion of Bonds	391,731	34,303	-	34,303	-	357,428
Bonds Payable	1,415,663	198,091	-	198,091	-	1,217,572
Accrued Interest	-	-	-	-	-	-
Total Liabilities	1,850,491	264,152	27,163	236,990	1,337	1,585,001
Fund Balances						
Invested in capital assets, net of related debt	2,741,092	1,623,427	1,821,518	(198,091)	2,335,237	(1,217,572)
Restricted	-	-	-	-	-	-
Unrestricted	1,345,756	841,997	840,441	1,555	797,626	(293,866)
Total Fund Balances	4,086,848	2,465,423	2,661,959	(196,536)	3,132,864	(1,511,439)
Total Liabilities and Fund Balances	\$ 5,937,339	\$ 2,729,576	\$ 2,689,122	\$ 40,454	\$ 3,134,201	\$ 73,562

CITY OF EL PASO, ILLINOIS

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

PROPRIETARY FUNDS

For the Year Ended April 30, 2012

	Water Activities			Sewer Activities		
	Total Water Activities	Water Fund	Water Debt Service Fund	Total Sewer Activities	Sewer Fund	Sewer Debt Service Fund
Operating Revenues:						
Charges for Service	\$ 845,024	\$ 371,265	\$ -	\$ 473,759	\$ 473,759	\$ -
Operating Expenses:						
Salaries	228,822	82,193	-	146,629	146,629	-
Payroll Taxes	15,469	5,626	-	9,843	9,843	-
Supplies	60,476	55,988	-	4,488	4,488	-
Oil & Gas	9,002	4,530	-	4,472	4,472	-
Repairs & Maintenance	61,658	47,882	-	13,776	13,776	-
Utilities	79,956	44,264	-	35,692	35,692	-
Equipment Rental	6,258	4,823	-	1,435	1,435	-
Professional Services	7,025	4,765	-	2,260	2,260	-
Insurance: General	21,305	13,017	-	8,288	8,288	-
Contingencies	6,033	1,916	-	4,117	4,117	-
Other Services & Charges	8,701	3,805	-	4,896	3,871	1,025
Capital Outlay	9,235	5,382	-	3,853	3,853	-
Depreciation	163,491	76,627	-	86,864	86,864	-
Total Operating Expenses	677,431	350,819	-	326,613	325,588	1,025
Net Operating Income (Loss)	167,593	20,446	-	147,146	148,171	(1,025)
Non-operating Revenues (Expenditures)						
Interest Income	40,542	40,439	-	103	-	103
Interest Expense	(87,377)	(7,340)	(7,340)	(80,038)	-	(80,038)
Miscellaneous	(65)	-	-	(65)	(65)	-
Operating Transfers - In (Out)	106,342	(34,303)	34,303	106,342	(48,696)	155,038
Total Non-operating Revenues (Expenditures)	59,442	33,099	26,963	26,342	(48,761)	75,103
Excess (Deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	227,035	53,546	26,963	173,488	99,410	74,078
Fund Balance - Beginning of Year	3,859,812	2,411,877	(223,499)	1,447,935	3,033,453	(1,585,518)
Fund Balance - End of Year	\$ 4,086,847	\$ 2,465,423	\$ (196,536)	\$ 1,621,423	\$ 3,132,864	\$ (1,511,440)

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, 2012

	2012			
	Budgeted Amounts		Actual	Budget (Under) Over
	Original	Final		
Revenues:				
Intergovernmental Revenue:				
Motor Fuel Tax Allotment	\$ 70,000	\$ 70,000	\$ 81,247	\$ 11,247
Interest	200	200	92	(108)
Total Revenues	<u>70,200</u>	<u>70,200</u>	<u>81,339</u>	<u>11,139</u>
Expenditures:				
Highways and Streets	18,000	18,000	38,371	20,371
Capital Outlay	<u>130,500</u>	<u>130,500</u>	<u>42,637</u>	<u>87,863</u>
Expenditures:	<u>148,500</u>	<u>148,500</u>	<u>81,008</u>	<u>(67,492)</u>
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (78,300)</u>	<u>\$ (78,300)</u>	331	<u>\$ (78,631)</u>
Fund Balance - Beginning of Year			<u>148,230</u>	
Fund Balance - End of Year			<u>\$ 148,561</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, 2012

	2012			
	Budgeted Amounts		Actual	Budget (Under) Over
	Original	Final		
Revenues:				
Interest	\$ 400	\$ 400	\$ 658	\$ 258
Miscellaneous	-	-	-	-
Total Revenues	400	400	658	258
Expenditures:				
General Government	-	-	-	-
Total Expenditures	-	-	-	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	\$ 400	\$ 400	658	\$ 258
Fund Balance - Beginning of Year			151,557	
Fund Balance - End of Year			\$ 152,215	

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, 2012

	2012			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 46,500	\$ 46,500	\$ 46,082	\$ (418)
Local Revenues				
Charges for Service	7,000	7,000	16,336	9,336
Interest	-	-	36	36
Miscellaneous	-	-	19,222	19,222
Total Revenues	53,500	53,500	81,676	28,176
Expenditures:				
Culture and Recreation	91,550	91,550	94,670	3,120
Total Expenditures	91,550	91,550	94,670	3,120
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(38,050)	(38,050)	(12,994)	25,056
Other Financing Sources (Used)				
Operating Transfers - In	20,525	20,525	20,525	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	\$ (17,525)	\$ (17,525)	7,531	\$ 25,056
Fund Balance - Beginning of Year			(8,375)	
Fund Balance - End of Year			\$ (844)	

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, 2012

	2012			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 102,300	\$ 102,300	\$ 101,263	\$ (1,036)
Licenses and Permits				
Intergovernmental Revenue:				
Grants	-	-	2,758	\$ 2,759
Local Revenues				
Charges for Service	5,000	5,000	11,428	6,428
Donations	-	-	397,293	397,293
Miscellaneous	500	500	2,740	2,240
Interest	12,500	12,500	1,301	(11,199)
Total Revenues	<u>120,300</u>	<u>120,300</u>	<u>516,783</u>	<u>396,484</u>
Expenditures:				
Culture and Recreation	<u>132,000</u>	<u>132,000</u>	<u>137,154</u>	<u>5,154</u>
Total Expenditures	<u>132,000</u>	<u>132,000</u>	<u>137,154</u>	<u>5,154</u>
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(11,700)	(11,700)	379,629	(391,329)
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>\$ (9,400)</u>	<u>\$ (9,400)</u>	381,929	<u>\$ (391,329)</u>
Fund Balance - Beginning of Year			<u>261,031</u>	
Fund Balance - End of Year			<u>\$ 642,961</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, 2012

	2012			
	Budgeted Amounts		Actual	Budget (Under) Over
	Original	Final		
Revenues:				
Taxes:	\$ -	\$ -	\$ -	\$ -
Interest	-	-	459	459
Total Revenues	-	-	459	459
Expenditures:				
General Government	-	-	-	-
Capital Outlay	67,500	67,500	54,765	12,735
Total Expenditures	67,500	67,500	54,765	12,735
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(67,500)	(67,500)	(54,306)	(13,194)
Other Financing Sources (Used)				
Loan Proceeds	67,500	67,500	67,500	-
Operating Transfers - In	-	-	-	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	\$ -	\$ -	13,193	\$ (13,194)
Fund Balance - Beginning of Year			5,980	
Fund Balance - End of Year			\$ 19,173	

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, 2012

	2012			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:	\$ -	\$ -	\$ -	\$ -
Licenses and Permits				
Intergovernmental Revenue:				
Local Revenues				
Interest	-	-	-	-
Miscellaneous	-	-	-	-
	-	-	-	-
Total Revenues	-	-	-	-
Expenditures:				
General Government	5,000	5,000	4,635	(366)
	5,000	5,000	4,635	(366)
Total Expenditures	5,000	5,000	4,635	(366)
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	(5,000)	(5,000)	(4,635)	(366)
Other Financing Sources (Used)				
Change in use of building	-	-	(1,199)	1,199
Operating Transfers - In	-	-	-	-
Operating Transfers - out	-	-	-	-
	-	-	-	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	<u>\$ (5,000)</u>	<u>\$ (5,000)</u>	(5,834)	<u>\$ 834</u>
Fund Balance - Beginning of Year			10,786	
Fund Balance - End of Year			<u>\$ 4,952</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, 2012

	2012			Budget (Under) Over
	Budgeted Amounts		Actual	
	Original	Final		
Revenues:				
Taxes:				
Property Tax	\$ 14,705	\$ 14,705	\$ 14,700	\$ (5)
Interest	-	-	12	12
Total Revenues	14,705	14,705	14,712	7
Expenditures:	-	-	-	-
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	14,705	14,705	14,712	7
Other Financing Sources (Used)				
Operating Transfers - Out	(14,705)	(14,705)	(14,705)	-
Excess (deficiency) of Revenues Received and other financing sources over Expenditures Disbursed and other financing uses	\$ -	\$ -	7	\$ 7
Fund Balance - Beginning of Year			1,555	
Fund Balance - End of Year			\$ 1,562	

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, 2012

	2012			
	Budgeted Amounts		Actual	Budget (Under) Over
	Original	Final		
Revenues:				
Taxes:				
Property Tax	\$ 2,029	\$ 2,029	\$ 2,027	\$ (2)
Interest	-	-	2	2
Total Revenues	<u>2,029</u>	<u>2,029</u>	<u>2,029</u>	<u>0</u>
Expenditures:	-	-	-	-
Excess (Deficiency) of Revenues Received over Expenditures Disbursed	2,029	2,029	2,029	0
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>\$ -</u>	<u>\$ -</u>	0	<u>\$ 0</u>
Fund Balance - Beginning of Year			<u>339</u>	
Fund Balance - End of Year			<u>\$ 339</u>	

CITY OF EL PASO, ILLINOIS

SUMMARY OF LOCAL TAX DATA
FOR THE LEVY YEAR:

	2011	2010	2009	2008	2007	2006	2005
Assessed Valuation	\$ 46,128,664	\$ 46,431,028	\$ 46,430,850	\$ 45,323,873	\$ 45,267,457	\$ 43,163,953	\$ 41,362,789
Tax Rates							
General Corporate	0.1296	0.1288	0.1284	0.1258	0.1235	0.1264	0.1209
Unemployment Insurance	0.0044	0.0044	0.0436	0.0045	0.0046	0.0046	0.0046
Social Security	0.0319	0.0317	0.0317	0.0325	0.0355	0.0363	0.0363
Park	0.1000	0.1000	0.0965	0.0989	0.0984	0.0986	0.0940
Recreation	0.0667	0.0667	0.0646	0.0662	0.0662	0.0667	0.0645
Public Library	0.2000	0.2000	0.2003	0.1954	0.1926	0.1891	0.1879
G.O. Bonds	0.5283	0.5246	0.5125	0.5218	0.5207	0.5268	0.5010
	1.0609	1.0561	1.0775	1.0461	1.0395	1.0485	1.0092
Tax Extensions							
General Corporate	\$ 59,801	\$ 59,799	\$ 59,617	\$ 57,018	\$ 54,697	\$ 52,370	\$ 50,036
Unemployment Insurance	2,030	2,029	2,042	2,040	2,029	1,943	1,902
Social Security	14,706	14,705	14,718	14,729	15,358	15,036	15,013
Park	46,129	46,431	44,805	44,825	42,694	40,875	38,877
Recreation	30,768	30,970	30,041	30,004	29,280	28,032	26,676
Public Library	92,257	92,955	102,127	89,016	85,259	81,623	77,720
G.O. Bonds	243,684	243,568	237,957	236,499	230,588	218,162	207,207
	\$ 489,374	\$ 490,456	\$ 491,307	\$ 474,131	\$ 459,905	\$ 438,042	\$ 417,431
Collections in the following year:	\$ -	\$ 498,288	\$ 490,832	\$ 473,935	\$ 458,432	\$ 437,411	\$ 417,863