

VILLAGE OF COAL CITY, ILLINOIS

INDEPENDENT AUDITORS' REPORT

ANNUAL FINANCIAL REPORT

APRIL 30, 2016

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Brian Zabel & ASSOCIATES P.C.

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INDEPENDENT AUDITOR'S REPORT

To the Village Mayor
and Board of Trustees
Village of Coal City, Illinois

We have audited the accompanying financial statements of governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village of Coal City, Illinois, (the Village) as of and for the year ended April 30, 2016, which collectively comprise the basic financial statements as listed in the table of contents and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Coal City, Illinois, as of April 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The Village adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources, and expenses; and modified certain disclosures in the notes to financial statements and the required supplementary information. Our opinion is not modified with respect to this matter.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional 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 financial statements as a whole. The introductory and statistical sections have 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 them.

A handwritten signature in black ink that reads "Brian Zabel & Assoc." in a cursive, flowing script.

BRIAN ZABEL & ASSOCIATES, P.C.
Certified Public Accountants

Morris, Illinois
September 22, 2016

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Village of Coal City
Management's Discussion and Analysis
April 30, 2016

This section of the Village of Coal City's (the "Village") Financial Report (AFR) presents Management's Discussion and Analysis (MD&A) of the Village's financial activities during the fiscal year ended April 30, 2016. It is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify any material deviation from the financial plan (the approved budget), and (5) identify fund issues or concerns. This narrative is offered as a means to allow the reader a better understanding of the accompanying financial statements.

Financial Highlights

- The assets of the Village of Coal City exceeded its liabilities at the close of the most recent fiscal year by \$46,589,906 (net position). Net position decreased by \$1,680,093 during fiscal year 2016.
- The Village's total assets increased by \$1,248,693 during the fiscal year ending April 30, 2016. Governmental net position decreased \$2,244,035.
- As of the close of the current fiscal year, the Village of Coal City's governmental funds reported combined ending fund balances of \$3,038,809, an increase of \$1,325,038 in comparison with the prior year. Approximately 46% of this total amount, \$1,389,008, is available for spending at the government's discretion (unrestricted, unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,428,589 or 32% of General Fund expenditures.

Financial Statement Structure

The discussion and analysis are intended to serve as an introduction to the Village of Coal City basic financial statements. The Village of Coal City's basic financial statements are comprised of three components:

(1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The very end of the report also contains required supplementary information regarding the bonds issued by the village.

Government-Wide Financial Statements

The government-wide financial statement, found on pages 4-6, are designed to provide readers a broad perspective of the Village's finances, in a manner similar to a private-sector business. This is done by consolidating all of the Village's financial activity into one set of financial statements.

The *statement of net position* (pages 4-5) presents information on all of the Village's assets and liabilities, with the difference between the two reported as *net position*. The focus of the Statement of Net Position (the "unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus. Over time, increases or decreases in net position might serve as a useful indicator of whether the financial position of the Village of Coal city is improving or deteriorating.

The *statement of activities* (page 6) presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave) and is focus on both the gross and net cost of various activities (including governmental and business-type), which are supported by the Village's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities.

The Governmental Activities reflect the Village's basic services, including police, public works, highways and streets, culture and recreation, and general administration. Property taxes, shared state sales taxes, local telecommunications taxes, and shared state income taxes finance the majority of these activities. The Business-Type Activities reflect private sector-type operations (Water Fund), where the fee for service typically covers all or most of the cost of operation including depreciation.

Fund Financial Statements

The fund financial statements begin on page 7 and run through page 16. A *fund* is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Coal City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith. Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is now on major funds, rather than fund types. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The Village maintains 9 individual governmental funds; 3 major funds and 6 nonmajor funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Government Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Debt Service Fund, and Capital Improvements Fund, which are considered to be major funds. Data from the other eight governmental funds are combined into a single, aggregated presentation referred to as Nonmajor Funds. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual budget for its general fund. Budgetary comparison schedules have been provided to demonstrate compliance with the budget.

The basic governmental fund financial statement can be found beginning on page 5 of this report.

Proprietary Funds. The Village of Coal City maintains two major proprietary funds. *Enterprise funds* are used to report the same functions presented in Business-type Activities in the Government-Wide Financial Statements. The Village has two major enterprise funds, the Water and Sewer Fund and the Garbage Fund.

Proprietary fund Financial Statements (pages 12-14) provide the same type of information as the Government-Wide Financial Statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and the Garbage Fund which are considered major funds of the Village and are presented in separate columns in the Fund Financial Statements.

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

The basic fiduciary fund financial statements can be found on pages 15 and 16 of this report.

Notes of the Financial Statements

The notes to the financial statements provide information essential to the full understanding of the data provided in the Government-Wide Fund financial Statements. These notes to the financial statements can be found immediately following the Basic Financial Statements section of the report beginning on page 17.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* including the general fund budgetary schedules and data concerning the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found immediately following the notes to the financial statements beginning on page 44.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Coal City, assets exceeded liabilities by \$46,589,906 as of April 30, 2016.

By far the largest portion of the Village of Coal City's net position (99%) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The Village of Coal City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Coal City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

At the end of the current fiscal year, the Village of Coal City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its governmental activities and business-type activities.

The Village's total net position decreased by \$1,680,093 during the fiscal year. Governmental net position decreased \$2,244,035. Business-type net position increased \$563,942.

Village of Coal City's Net Position

	Governmental Activities		Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Assets						
Current and other assets	4,816,249	3,637,754	2,223,774	2,220,932	7,040,023	5,858,686
Capital assets	55,467,966	55,591,877	4,378,061	4,186,794	59,846,027	59,778,671
Total Assets	60,284,215	59,229,631	6,601,835	6,407,726	66,886,050	65,637,357
Deferred Outflows of Resources	1,889,503	20,619	-	-	1,889,503	20,619
Total Assets and Deferred Outflows of Resources	62,173,718	59,250,250	6,601,835	6,407,726	68,775,553	65,657,976
Liabilities						
Current Liabilities	1,009,140	954,868	405,249	366,797	1,414,389	1,321,665
Noncurrent Liabilities	16,755,527	11,486,932	2,296,841	2,705,126	19,052,368	14,192,058
Total Liabilities	17,764,667	12,441,800	2,702,090	3,071,923	20,466,757	15,513,723
Deferred Inflows of Resources						
Unearned property taxes	1,718,890	1,874,254	-	-	1,718,890	1,874,254
Total Deferred Inflows of Resources	1,718,890	1,874,254	-	-	1,718,890	1,874,254
Total Liabilities and Deferred Inflows of Resources	19,483,557	14,316,054	2,702,090	3,071,923	22,185,647	17,387,977
Net Position						
Invested in capital assets, net of related debt	44,425,316	47,506,982	1,971,578	1,296,165	46,396,894	48,803,147
Restricted	1,786,874	425,704	-	-	1,786,874	425,704
Unrestricted	(3,522,029)	(2,998,490)	1,928,167	2,039,638	(1,593,862)	(958,852)
Total Net Position	42,690,161	44,934,196	3,899,745	3,335,803	46,589,906	48,269,999

For more detailed information see the Statement of Net Position on page 4.

Governmental activities. Governmental activities decreased the Village of Coal City's net position by \$2,244,035. Business-type activities increased the Village's net position by \$563,942. Key elements of this net decrease of \$1,680,093 are as follows:

	Village of Coal City's Changes in Net Position					
	Governmental Activities		Business-type Activities		Total Primary Governmental	
	2016	2015	2016	2015	2016	2015
Revenues						
Program Revenues						
Charges for Services	\$ -	\$ -	\$ 2,119,745	\$ 2,132,043	\$ 2,119,745	\$ 2,132,043
Operating Grants and Contrib	61,246	112,800	-	-	61,246	112,800
Capital Grants and Contrib	-	-	-	-	-	-
General Revenues						
Taxes	3,196,979	2,981,908	-	-	3,196,979	2,981,908
MFT	148,840	181,535	-	-	148,840	181,535
Utility Tax	375,405	410,371	-	-	375,405	410,371
Interest	11,104	9,287	5,907	5,269	17,011	14,556
Miscellaneous	891,059	776,218	64,420	78,123	955,479	854,341
Total Revenues	4,684,633	4,472,119	2,190,072	2,215,435	6,874,705	6,687,554
Expenses						
General Government	3,175,327	2,935,372	-	-	3,175,327	2,935,372
Public Safety	1,991,330	1,822,725	-	-	1,991,330	1,822,725
Streets and alley	1,151,962	1,274,366	-	-	1,151,962	1,274,366
Capital Improvements	-	11,696	-	-	-	11,696
Parks	57,118	60,141	-	-	57,118	60,141
Sanitation	-	-	452,296	455,681	452,296	455,681
Water and sewer	-	-	1,323,985	1,155,247	1,323,985	1,155,247
Debt Service	402,780	212,155	-	-	402,780	212,155
Total Expenses	6,778,517	6,316,455	1,776,281	1,610,928	8,554,798	7,927,383
Other Financing Sources (Uses)	(150,151)	78,562	150,151	(78,562)	-	-
Change in Net Position	(2,244,035)	(1,765,774)	563,942	525,945	(1,680,093)	(1,239,829)
Prior Period Restatement	-	(3,809,416)	-	-	-	(3,809,416)
Net Position: May 1	44,934,196	50,509,386	3,335,803	2,809,858	48,269,999	53,319,244
Net Position: April 30	\$ 42,690,161	\$ 44,934,196	\$ 3,899,745	\$ 3,335,803	\$ 46,589,906	\$ 48,269,999

For the fiscal year ended April 30, 2016, revenues from Governmental Activities totaled \$4,684,633. During the fiscal year, property tax continues to be the Village's largest revenue source coming in at \$1,869,024 in Fiscal Year 2016. The Village experienced a decrease in its equalized assessed valuation (EAV) from \$105,481,115 for the 2014 property tax year to \$100,277,116 for the 2015 property tax year, a decrease of \$5,203,999.

For the fiscal year ended April 30, 2016, expenses from Governmental Activities totaled \$6,778,517.

Fund Financial Statement Analysis

As noted earlier, the Village of Coal City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Village of Coal City has eleven governmental funds displayed on the balance sheet, found on page 7.

Governmental Funds. The focus of the Village of Coal City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village of Coal City's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Governmental funds use a cash basis of accounting designed to measure current financial resources. Consequently, the reader will notice the balance sheet does not show fixed assets or long-term liabilities. The related income statements (combined statement of revenues, expenditures and changes in fund balance) are found on page 9.

The General Fund (first column) is used to account for most of the Village's general operating activity. This includes activity for the Administration Department, Police Department, Streets and Alleys Department, and the Emergency and Safety Department. Including the effect of operating transfers and capital bond proceeds, the General Fund's revenues exceeded expenditures by \$759,437. The General Fund's financial position resulted in a fund balance from \$669,152 on April 30, 2015 to \$1,428,589 on April 30, 2016. Revenues were up by 30% (\$3,594,923 versus \$2,770,203) due to insurance proceeds, and actual expenditures increased by 4.3% (\$4,467,143 this fiscal year versus \$4,284,644 last fiscal year).

Total expenditures in every General Fund department were below the budgeted amount, as they were last fiscal year.

Information relating to the Nonmajor Governmental Funds is on pages 60 through 69. Non-major fund balance decreased from last year by \$20,110.

Proprietary Funds

The Village of Coal City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The financial statements for the proprietary funds begin on page 12. Proprietary funds use the accrual basis of accounting designed to measure total economic resources. The increase in total net position for the Proprietary Funds is \$563,942.

Fiduciary Funds

The School Site Fund and Police Pension Fund are fiduciary funds of the Village. The financial statements for the fiduciary fund are on pages 15 and 16.

General Fund Budgetary Highlights

Significant differences between the final budget and the actual revenues and expenditures are summarized as follows:

- The difference between the estimated revenues and the actual revenues was \$317,867 (favorable).
- The difference between the estimated expenditures and the actual expenditures was \$39,740 (favorable).

Capital Assets and Long-term Debt

Governmental Capital Asset activity information is presented on pages 27 and 28. Net capital assets increased by \$67,356 due to the addition infrastructure added in the current year.

The Village of Coal City has long-term debt liabilities of \$13,718,029. Long-term debt increased \$2,560,826 from the prior year due to the issuance of new bonds. For details on the long-term debts of the Village of Coal City, see pages 29 through 31.

Responsibility

Governmental Accounting Standards Board Statement Number 34 mandates that all local government's financial statement include a Management's Discussion and Analysis section. The goal is to give readers an objective, readable overview of the government's financial statements. The Village of Coal City is responsible for preparing this section. Consequently, any question regarding this narrative specifically, or the Village's audit report generally, may be addressed to the Village of Coal City, 515 S. Broadway, Coal City, IL, 60416.

BASIC FINANCIAL STATEMENTS

VILLAGE OF COAL CITY, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2016

	Governmental Activities	Proprietary Fund Type	Total	
	General	Enterprise	2016	2015
ASSETS				
Current Assets				
Cash in bank and investments	\$ 3,097,359	\$ 2,073,919	\$ 5,171,278	\$ 3,845,285
Motor fuel tax receivable	-	-	-	-
Property taxes receivable	1,718,890	-	1,718,890	1,874,254
Other receivables	-	149,855	149,855	139,147
Total current assets	4,816,249	2,223,774	7,040,023	5,858,686
Noncurrent assets				
Capital assets				
Infrastructure	57,893,050	4,173,372	62,066,422	62,046,236
Building, improvements, and land	5,799,231	-	5,799,231	4,954,911
Equipment and vehicles	3,371,371	473,585	3,844,956	3,448,324
Accumulated depreciation	(11,595,686)	(268,896)	(11,864,582)	(10,670,800)
Total noncurrent assets	55,467,966	4,378,061	59,846,027	59,778,671
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows, IMRF	251,033	-	251,033	20,619
Deferred Outflows, Police Pension	1,638,470	-	1,638,470	-
Total Deferred Outflows of Resources	1,889,503	-	1,889,503	20,619
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 62,173,718	\$ 6,601,835	\$ 68,775,553	\$ 65,657,976
LIABILITIES				
Other payables	\$ 58,550	\$ 26,711	\$ 85,261	\$ 49,344
Compensated absences	507,087	-	507,087	461,453
Current portion of long-term debt	443,503	378,538	822,041	810,868
Net pension liability	6,156,380	-	6,156,380	3,845,723
Notes payable	299,882	-	299,882	875,545
Long-term bonds payable	10,299,265	2,296,841	12,596,106	9,470,790
Total Liabilities	17,764,667	2,702,090	20,466,757	15,513,723
DEFERRED INFLOWS OF RESOURCES				
Unearned property taxes	1,718,890	-	1,718,890	1,874,254
Total deferred inflows of resources	1,718,890	-	1,718,890	1,874,254
Total liabilities and deferred inflow of resources	19,483,557	2,702,090	22,185,647	17,387,977

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2016

	Governmental Activities	Proprietary Fund Type	Total	
	General	Enterprise	2016	2015
NET POSITION				
Net investment in capital assets	44,425,316	1,971,578	46,396,894	48,803,147
Restricted				
General government	163,058	-	163,058	282,416
Parks	66,979	-	66,979	66,428
TIF projects	26,050	-	26,050	23,416
Highways and streets	148,027	-	148,027	53,444
Debt service	1,382,760	-	1,382,760	-
Unrestricted	(3,522,029)	1,928,167	(1,593,862)	(958,852)
Total Net Position	42,690,161	3,899,745	46,589,906	48,269,999
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURNCES, AND NET POSITION	\$ 62,173,718	\$ 6,601,835	\$ 68,775,553	\$ 65,657,976

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS
STATEMENT OF ACTIVITIES

April 30, 2016

	Program Revenues					Net (Expense) Revenue and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total	Primary Government		
						Governmental Activities	Business-Type Activities	Total
FUNCTIONS/PROGRAMS								
PRIMARY GOVERNMENT								
Governmental Activities								
General government	\$ 3,175,327	\$ -	\$ 43,340	\$ -	\$ -	\$ (3,131,987)	\$ -	\$ (3,131,987)
Public safety	1,991,330	-	-	-	-	(1,991,330)	-	(1,991,330)
Building department	110,768	-	-	-	-	(110,768)	-	(110,768)
Street and alley	1,041,194	-	-	-	-	(1,041,194)	-	(1,041,194)
Capital improvements	-	-	17,906	-	-	17,906	-	17,906
Parks	57,118	-	-	-	-	(57,118)	-	(57,118)
Interest expense	402,780	-	-	-	-	(402,780)	-	(402,780)
Total governmental activities	6,778,517	-	61,246	-	-	(6,717,271)	-	(6,717,271)
Business-Type Activities								
Garbage	452,296	478,282	-	-	-	-	25,986	25,986
Water and sewer	1,323,985	1,641,463	-	-	-	-	317,478	317,478
Total business-type activities	1,776,281	2,119,745	-	-	-	-	343,464	343,464
TOTAL PRIMARY GOVERNMENT	\$ 8,554,798	\$ 2,119,745	\$ 61,246	\$ -	\$ -	(6,717,271)	343,464	(6,373,807)
General Revenues								
Taxes						3,196,979	-	3,196,979
MFT						148,840	-	148,840
Utility tax						375,405	-	375,405
Interest						11,104	5,907	17,011
Miscellaneous						891,059	64,420	955,479
Total general revenues						4,623,387	70,327	4,693,714
OTHER FINANCING SOURCES (USES)						(150,151)	150,151	-
CHANGE IN NET POSITION						(2,244,035)	563,942	(1,680,093)
NET POSITION, MAY 1 (RESTATE)						44,934,196	3,335,803	48,269,999
NET POSITION, APRIL 30						\$ 42,690,161	\$ 3,899,745	\$ 46,589,906

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET

April 30, 2016

	General	Debt Service	Capital Improvements	Nonmajor Governmental Funds	Total
ASSETS					
Cash and investments	\$ 1,430,574	\$ 1,382,760	\$ -	\$ 456,144	\$ 3,269,478
Receivables	-	-	-	-	-
Accounts	-	-	-	-	-
Property taxes	1,077,768	241,989	-	399,133	1,718,890
Due from nonmajor funds	52,030	-	-	-	52,030
Total Assets	<u>\$ 2,560,372</u>	<u>\$ 1,624,749</u>	<u>\$ -</u>	<u>\$ 855,277</u>	<u>\$ 5,040,398</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Cash overdraft	\$ -	\$ -	\$ 132,538	\$ 39,581	\$ 172,119
Other payables	54,015	-	4,535	-	58,550
Due to general fund	-	-	-	52,030	52,030
Total Liabilities	<u>54,015</u>	<u>-</u>	<u>137,073</u>	<u>91,611</u>	<u>282,699</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable property taxes	<u>1,077,768</u>	<u>241,989</u>	<u>-</u>	<u>399,133</u>	<u>1,718,890</u>
Total Deferred Inflows of Resources	<u>1,077,768</u>	<u>241,989</u>	<u>-</u>	<u>399,133</u>	<u>1,718,890</u>
Total Liabilities and Deferred Inflows of Resources	<u>1,131,783</u>	<u>241,989</u>	<u>137,073</u>	<u>490,744</u>	<u>2,001,589</u>
FUND BALANCES					
Restricted					
General government	-	-	-	163,058	163,058
Parks	-	-	-	66,979	66,979
TIF projects	-	-	-	26,050	26,050
Highways and streets	-	-	-	148,027	148,027
Debt service	-	1,382,760	-	-	1,382,760
Unrestricted					
Assigned					
Capital improvements			(137,073)	-	(137,073)
Unassigned	<u>1,428,589</u>	<u>-</u>	<u>-</u>	<u>(39,581)</u>	<u>1,389,008</u>
Total Fund Balances	<u>1,428,589</u>	<u>1,382,760</u>	<u>(137,073)</u>	<u>364,533</u>	<u>3,038,809</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,560,372</u>	<u>\$ 1,624,749</u>	<u>\$ -</u>	<u>\$ 855,277</u>	<u>\$ 5,040,398</u>

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2016

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 3,038,809
Amounts reported for governmental activities in the statement activities are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	55,467,966
Long-term liabilities including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	(9,925,273)
Unamortized premium on bonds is reported as a liability on the statement of net position	(1,117,377)
Net pension liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	(6,156,380)
Deferred outflows of resources related to pensions are not current financial resources and, therefore, are not reported in the governmental funds	1,889,503
Compensated absences are not due and payable in the current period and, therefore, are not reported in governmental funds	<u>(507,087)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 42,690,161</u>

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

April 30, 2016

	General	Debt Service	Capital Improvements	Nonmajor Funds	Total
REVENUES					
Property Taxes	\$ 975,741	\$ 612,066	\$ -	\$ 281,217	\$ 1,869,024
Municipal sales tax	535,932	-	-	-	535,932
Utility and excise tax	375,405	-	-	-	375,405
Motor fuel tax	-	-	-	148,840	148,840
Illinois income tax	596,570	-	-	-	596,570
Use tax	128,575	-	-	-	128,575
Illinois replacement income tax	20,667	-	-	2,394	23,061
Illinois video gaming tax	43,817	-	-	-	43,817
Police grant	-	-	-	-	-
Liquor licenses	9,800	-	-	-	9,800
Gaming licenses	1,470	-	-	-	1,470
Other licenses	700	-	-	-	700
Contractor licenses	82,075	-	-	-	82,075
Building permits	235,796	-	-	-	235,796
Cable TV franchise fees	-	-	-	-	-
Telephone franchise fees	-	-	-	-	-
Dispatcher services - Coal City	-	-	-	-	-
Fire Protection District	-	-	-	-	-
Coal City School District	-	-	-	-	-
& miscellaneous reimbursements	58,251	-	-	-	58,251
State grants	1,000	-	17,906	-	18,906
Fines	36,645	-	-	-	36,645
Interest on deposits	4,194	5,556	896	458	11,104
Zoning	90,889	-	-	-	90,889
Workman's comp reimbursement	-	-	-	-	-
Donations	42,340	-	-	-	42,340
Other revenues	355,056	8,470	2,602	9,305	375,433
Total Revenues	3,594,923	626,092	21,404	442,214	4,684,633
EXPENDITURES					
Current					
General government	2,022,589	30	-	330,261	2,352,880
Public safety	1,714,689	-	-	-	1,714,689
Building department	110,768	-	-	-	110,768
Street and alley	619,097	-	145,456	-	764,553
Capital improvements	-	-	962,468	-	962,468
Parks	-	-	-	57,118	57,118
Debt Service					
Principal retirement	-	375,000	68,959	-	443,959
Interest and fiscal charges	-	385,657	17,123	-	402,780
Total Expenditures	4,467,143	760,687	1,194,006	387,379	6,809,215
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	(872,220)	(134,595)	(1,172,602)	54,835	(2,124,582)

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

April 30, 2016

	General	Debt Service	Capital Improvements	Nonmajor Funds	Total
OTHER FINANCING SOURCES (USES)					
Bond/Loan proceeds	-	7,050,000	-	-	7,050,000
Premium on issuance	-	1,117,377	-	-	1,117,377
Payment to escrow agent	-	(4,567,606)	-	-	(4,567,606)
Operating transfer (to) from	1,631,657	(2,066,635)	359,772	(74,945)	(150,151)
Total Other Financing Sources (Uses)	1,631,657	1,533,136	359,772	(74,945)	3,449,620
CHANGE IN FUND BALANCES	759,437	1,398,541	(812,830)	(20,110)	1,325,038
FUND BALANCE, MAY 1	669,152	(15,781)	675,757	384,643	1,713,771
FUND BALANCE, APRIL 30	<u>\$ 1,428,589</u>	<u>\$ 1,382,760</u>	<u>\$ (137,073)</u>	<u>\$ 364,533</u>	<u>\$ 3,038,809</u>

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

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

April 30, 2016

	Governmental Activities
NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 1,325,038
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	982,654
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding in the statement of activities	(8,656,725)
The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	5,698,970
The change in the net pension liability is reported as an expense on the statement of activities	(2,310,657)
The change in the deferred outflow is reported as an expense on the statement of activities	1,868,884
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(1,106,565)
Compensated absences was treated as available resources in the governmental funds. However, they are reported as notes payable in the statement of activities.	(45,634)
The premium on the issuance of long-term debt is capitalized and amortized in the statement of activities	-
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ (2,244,035)</u>

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

For the Year Ended April 30, 2016

	Waterworks and Sewerage Fund	Garbage Fund	Nonmajor Enterprise Funds	Total
ASSETS				
Cash and cash equivalents	\$ 1,291	\$ 129,077	\$ 1,943,551	\$ 2,073,919
Accounts receivable	103,176	24,026	22,653	149,855
Due from other funds	-	-	-	-
Capital assets				
Infrastructure	1,414,464	-	2,758,908	4,173,372
Equipment and vehicles	473,585	-	-	473,585
Less: Accumulated depreciation	(121,755)	-	(147,141)	(268,896)
Total assets	<u>\$ 1,870,761</u>	<u>\$ 153,103</u>	<u>\$ 4,577,971</u>	<u>\$ 6,601,835</u>
LIABILITIES				
Accounts payable	\$ 26,711	\$ -	\$ -	\$ 26,711
Due to other funds	-	-	-	-
Current portion of long-term debt	64,518	-	314,020	378,538
Long-term bonds payable	1,047,768	-	1,249,073	2,296,841
Total liabilities	<u>1,138,997</u>	<u>-</u>	<u>1,563,093</u>	<u>2,702,090</u>
NET POSITION				
Net investment in capital assets	775,763	-	1,195,815	1,971,578
Unrestricted	(43,999)	153,103	1,819,063	1,928,167
Total net position	<u>731,764</u>	<u>153,103</u>	<u>3,014,878</u>	<u>3,899,745</u>
Total liabilities and net position	<u>\$ 1,870,761</u>	<u>\$ 153,103</u>	<u>\$ 4,577,971</u>	<u>\$ 6,601,835</u>

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Year Ended April 30, 2016

	Waterworks and Sewerage Fund	Garbage Fund	Nonmajor Enterprise Funds	Total
OPERATING REVENUES				
Water and sewerage charges	\$ 1,233,254	\$ -	\$ 340,381	\$ 1,573,635
Water and sewer tap on fees	60,500	-	-	60,500
Garbage collection fees	-	478,282	-	478,282
Water assessments collected	7,328	-	-	7,328
Total operating revenues	<u>1,301,082</u>	<u>478,282</u>	<u>340,381</u>	<u>2,119,745</u>
OPERATING EXPENSES				
Personnel services	562,580	4,494	-	567,074
Contractual services	531,341	442,498	-	973,839
Materials and supplies	24,664	5,055	-	29,719
Other Expense	25,381	249	7,257	32,887
Depreciation	50,432	-	36,785	87,217
Total operating expenses	<u>1,194,398</u>	<u>452,296</u>	<u>44,042</u>	<u>1,690,736</u>
OPERATING INCOME	<u>106,684</u>	<u>25,986</u>	<u>296,339</u>	<u>429,009</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	523	134	5,250	5,907
Impact fees	-	-	30,119	30,119
Capital Outlay	-	-	-	-
Debt service				-
Principal retirement	-	-	-	-
Interest and fiscal charges	(28,990)	-	(56,555)	(85,545)
Other income (expense)	33,784	517	-	34,301
Total nonoperating revenues (expenses)	<u>5,317</u>	<u>651</u>	<u>(21,186)</u>	<u>(15,218)</u>
Other financing sources (uses)				
Loan Proceeds	-	-	-	-
Transfers	135,246	-	14,905	150,151
Total other financing sources (uses)	<u>135,246</u>	<u>-</u>	<u>14,905</u>	<u>150,151</u>
CHANGES IN NET POSITION	247,247	26,637	290,058	563,942
NET POSITION (DEFICIT), MAY 1	<u>484,517</u>	<u>126,466</u>	<u>2,724,820</u>	<u>3,335,803</u>
NET POSITION (DEFICIT), APRIL 30	<u>\$ 731,764</u>	<u>\$ 153,103</u>	<u>\$ 3,014,878</u>	<u>\$ 3,899,745</u>

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended April 30, 2016

	Waterworks and Sewerage Fund	Garbage Fund	Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 1,293,259	\$ 477,853	\$ 337,925
Payments to suppliers	(554,290)	(447,802)	(7,257)
Payments to employees	(562,580)	(4,494)	-
Net cash from operating activities	176,389	25,557	330,668
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Transfer (to) from other funds	135,246	-	14,905
Net cash from noncapital and related financing activities	135,246	-	14,905
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from loan	-	-	-
Payment on water revenue bonds	(62,935)	-	(333,994)
Purchase of capital assets	(278,484)	-	-
Interest and fiscal charges paid	(28,990)	-	(56,555)
Net cash from capital and related financing activities	(370,409)	-	(390,549)
CASH FLOWS FROM INVESTING ACTIVITIES			
Other revenue	33,784	517	30,119
Interest received	523	134	5,250
Net cash from investing activities	34,307	651	35,369
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(24,467)	26,208	(9,607)
CASH AND CASH EQUIVALENTS, MAY 1	25,758	102,869	1,953,158
CASH AND CASH EQUIVALENTS, APRIL 30	<u>\$ 1,291</u>	<u>\$ 129,077</u>	<u>\$ 1,943,551</u>
RECONCILIATION OR OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income	\$ 106,684	25,986	296,339
Adjustments to reconcile operating income to net cash from operating activities:			
Depreciation	50,432	-	36,785
Changes in net assets			
Receivables	(7,823)	(429)	(2,456)
Accounts payable	27,096	-	-
Compensated absences	-	-	-
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 176,389</u>	<u>\$ 25,557</u>	<u>\$ 330,668</u>

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS

STATEMENT OF NET POSITION

FIDUCIARY FUNDS

April 30, 2016

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and equivalents	\$ 25,817	\$ 53,299
Investments	1,911,608	1,636,601
Accrued interest	<u>12,655</u>	<u>10,291</u>
Total Assets	<u>\$ 1,950,080</u>	<u>\$ 1,700,191</u>
LIABILITIES		
Accounts payable	<u>\$ -</u>	<u>\$ 1,610</u>
Total Liabilities	<u>-</u>	<u>1,610</u>
NET POSITION		
Net position held in trust for pension benefits and school fund	<u>1,950,080</u>	<u>1,698,581</u>
Total Liabilities and Net Position	<u>\$ 1,950,080</u>	<u>1,700,191</u>

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
April 30, 2016

	2016	2015
Additions:		
Contributions:		
Employer contributions	\$ 299,398	\$ 222,246
Employee contributions	79,760	72,976
Total Contributions	379,158	295,222
Other member revenue	-	69,511
Investment Income		
Interest Income	51,749	51,121
Realized and Unrealized Gains/Losses	7,134	21,083
Less: Investment Expense	(7,379)	(6,735)
Net Investment Income	51,504	65,469
School site dedication fees	15,190	12,802
Interest Income	10	16
Total School Site Income	15,200	12,818
TOTAL ADDITIONS	445,862	443,020
Deductions:		
Pension Benefits and Refunds	159,457	227,990
Administrative Expenses		
Actuary	2,100	1,600
Auditing	1,850	1,750
Accounting and Bookkeeping	7,875	8,535
Medical Services	-	-
Legal	-	3,250
Employee Refunds	3,037	-
Conference/Seminar Fees	1,625	1,525
Association Dues	795	775
Compliance Fee	302	276
Miscellaneous	166	3,106
Payments to local school districts	17,156	18,715
TOTAL DEDUCTIONS	194,363	267,522
CHANGE IN NET POSITION	251,499	175,498
NET POSITION - MAY 1, 2015	1,698,581	1,523,083
NET POSITION - APRIL 30, 2016	\$ 1,950,080	1,698,581

See accompanying notes to financial statements.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Coal City, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

The Village is a municipal corporation governed by an elected board. As required by generally accepted accounting principles, these financial statements present the Village (the primary government).

The Village's financial statements include the Police Pension Trust Fund.

The Village's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a pension board. The Village and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, the PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees, and because of the fiduciary nature of such activities. The PPERS is reported as a pension trust fund.

b. Fund Accounting

The Village uses funds to report on its financial position, the changes in its financial position, and cash flows. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Governmental funds are used to account for substantially all of the Village's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general capital assets (capital projects funds) and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise fund) or to other departments or agencies primarily within the Village (internal service funds). Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds*, the Village has chosen to apply all GASB pronouncements as well as those FASB pronouncements issued on or before November 30, 1989 to account for enterprise funds.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. The Village utilizes trust funds which are generally used to account for assets that the Village holds in fiduciary capacity.

c. Government-Wide and Fund Financial Statements

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

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

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major enterprise funds are reported as separate columns in the financial statements.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund is used to account for the servicing of general long-term debt not being financed by proprietary funds.

The Capital Project Funds is used to account for the accumulation of funds for capital expenditures. A portion of the revenue in this fund (interest on deposits) is legally restricted for expenditures for this purpose.

The Village reports the following major proprietary funds:

The Water/Sewer System Fund accounts for the provision of portable water/sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund.

The Garbage Fund accounts for the provision of garbage disposal services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund.

The Village reports the following fiduciary funds:

The Village reports a School Site fund as a fiduciary fund to account for the School Site holdings. The Village also reports a Pension Trust Fund to account for the Police Pension Fund.

The Village reports the following nonmajor governmental funds:

The Special Revenue Funds are used to account for revenues received from specific sources which are required by law or regulation to be accounted for in separate funds.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Nonoperating revenue/expenses are incidental to the operation of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable, available and earned). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Those revenues susceptible (within 60 days except sales, income, and telecommunications tax which use 90 days) to accrual are property taxes, franchise taxes, licenses, interest revenue and charges for services. Sales taxes owed to the state at year end on behalf of the Village are also recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

The Village reports unearned/unavailable revenue on its financial statements. Unearned/unavailable revenues arise when potential revenue does not meet the measureable, available, and earned criteria for recognition in the current period. Unearned/unavailable revenues also arise when resources are received by the government before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both the revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for unearned/unavailable revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents: for purposes of the statement of cash flows, the Village's proprietary funds consider all highly liquid investment with an original maturity of three months or less when purchased to be cash equivalents.

Investments: all Village investments and all fiduciary fund investments are stated at fair value in accordance with GASB Statements No. 25 and 31.

Illinois Funds, a money market mutual fund created by the Illinois State Legislature and controlled by the Illinois State Treasury is reported at a \$1 per share value, which equals the Village's fair value in the pool.

f. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

g. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, storm water), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant, and equipment are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	40-50
Machinery and equipment	10
Infrastructure	20-50

i. Compensated Absences

Vested or accumulated vacation, compensatory, and holiday time are reported as expenditures and a fund liability of the governmental fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation, compensatory, or holiday time of proprietary funds and governmental activities are recorded as an expense and liability as the benefits accrue to employees.

In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as "terminal leave" prior to retirement.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Long-Term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

k. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village only has no items that qualify for reporting in this category.

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

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board, which is considered the Village's highest level of decision making authority. Formal actions include ordinances approved by the Village Board. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village's Administrator. Any residual fund balance of the General Fund is reported as unassigned.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the Village considers committed funds to be expended first followed by assigned and then unassigned.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. None of the Village's restricted net positions are restricted as a result of enabling legislation adopted by the Village. Invested in capital assets, net of related debt is the book value of the capital assets less the outstanding principal balance of long-term debt issued to construct or acquire the capital assets.

m. Interfund Transactions

Interfund transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made that are properly applicable to another fund are recorded as expenditures/expenses in the fund that is reimbursed.

All other interfund transaction, except interfund services and reimbursements, are reported as transfers.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditure/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds, except the fiduciary fund. Each fund's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposit and investments of the fiduciary fund are held separately from those of other funds.

a. Village Deposits and Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings, and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, legality, safety of principal, liquidity, and rate of return.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments

The following table presents the investments and maturities of the Village's debt securities as of April, 30 2016:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	Greater than 10
Illinois Funds	\$ 685,314	\$ 685,314	\$ -	\$ -	\$ -
IMET	352,994	352,994	-	-	-
TOTAL	\$ 1,038,308	\$ 1,038,308	\$ -	\$ -	\$ -

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk by primarily investing in external investment pools. Illinois Funds are rated AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investment that are in possession of an outside party. The Village's investment policy does not address custodial credit risk for investments. Illinois Funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village's investment policy requires diversification of investment to avoid unreasonable risk by limiting commercial paper to the lesser of 20% of the cash and investment balance at the time of placement, or 25% of the cash and investment balance.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

3. RECEIVABLE – TAXES

Property taxes for 2015 attach as an enforceable lien on January 1, 2015, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2016 and are payable in two installments, on or about June 1, 2016 and September 1, 2016. The County collects such taxes and remits them periodically. As the 2015 tax levy is intended to fund expenditures for none of fiscal year 2016, none of the 2015 tax levy has been recognized as revenue as of April 30, 2016 and all of the 2015 tax levy has been deferred as of April 30, 2016.

The 2016 tax levy, which attached as an enforceable lien on property as of January 1, 2016, has not been recorded as a receivable as of April 30, 2016 as the tax has not yet been levied by the Village and will not be levied until December 2015, and, therefore, the levy is not measurable at April 30, 2016.

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2016 was as follows:

	Balances May 1	Additions	Disposals	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land and rights of way	\$ 304,272	\$ -	\$ -	\$ 304,272
Total capital assets not being depreciated	<u>304,272</u>	<u>-</u>	<u>-</u>	<u>304,272</u>
Capital assets being depreciated				
Infrastructure	57,872,864	20,186	-	57,893,050
Buildings	4,650,639	844,320	-	5,494,959
Equipment and vehicles	3,253,223	118,148	-	3,371,371
Total capital assets being depreciated	<u>65,776,726</u>	<u>982,654</u>	<u>-</u>	<u>66,759,380</u>
Less accumulated depreciation for				
Infrastructure	8,304,419	771,908	-	9,076,327
Buildings	609,101	109,899	-	719,000
Equipment and vehicles	1,575,601	224,758	-	1,800,359
Total accumulated depreciation	<u>10,489,121</u>	<u>1,106,565</u>	<u>-</u>	<u>11,595,686</u>
Total capital assets being depreciated, net	<u>55,287,605</u>	<u>(123,911)</u>	<u>-</u>	<u>55,163,694</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 55,591,877</u>	<u>\$ (123,911)</u>	<u>\$ -</u>	<u>\$ 55,467,966</u>

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

4. CAPITAL ASSETS (Continued)

	Balances May 1	Additions	Disposals	Balances April 30
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land and rights of way	\$ -	\$ -	\$ -	\$ -
Total capital assets not being depreciated	-	-	-	-
Capital assets being depreciated				
Infrastructure	4,173,372	-	-	4,173,372
Buildings	-	-	-	-
Equipment and vehicles	195,101	278,484	-	473,585
Total capital assets being depreciated	4,368,473	278,484	-	4,646,957
Less accumulated depreciation for				
Infrastructure	165,939	55,645	-	221,584
Buildings	-	-	-	-
Equipment and vehicles	15,740	31,572	-	47,312
Total accumulated depreciation	181,679	87,217	-	268,896
Total capital assets being depreciated, net	4,186,794	191,267	-	4,378,061
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 4,186,794</u>	<u>\$ 191,267</u>	<u>\$ -</u>	<u>\$ 4,378,061</u>

Depreciation expense was charged to functions/programs of the governmental activities as follows:

GOVERNMENTAL ACTIVITIES

General government	553,283
Public safety	276,641
Public works	276,641

TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES \$ 1,106,565

5. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; employee health; natural disasters; and injuries to the Village's employees which is the reason for having commercial insurance.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

6. LONG-TERM DEBT

a. Long-Term Liabilities

Governmental Activities

The Village issued a G.O. Bond June 1, 2009. The bond was issued at \$6,000,000 at a variable interest rate between 1.75% and 4.20% and matures in December, 2024. The bond was paid off as of April 30, 2016 using the G.O. Bonds Series 2015 Refunding Bonds.

The Village issued a G.O. Bond November 25, 2013. The bond was issued at \$1,900,000 with a 4.55% interest rate and matures in November 2023.

The Village has four loans through Centru Bank issued as \$1,000,000 during fiscal years 2015 and 2016. The interest rate is variable and the current balances as of April 30, 2016 totals \$299,882.

The Village has two loans through Standard Bank and Trust issued at \$744,350 during fiscal year 2016. The interest rate is 2.0% and matures in February 2025.

The Village issued a G.O. Bond December 29, 2015. The bond was issued at \$3,000,000 with a 5.0% interest rate and matures in December, 2030.

The Village issued a refunding G.O. Bond December 29, 2015. The bond was issued at \$4,050,000 with a 5.0% interest rate and matures in December, 2030. This bond was used to payoff G.O. Bond Series 2009.

Business-Type Activities

The Enterprise Funds have three liabilities outstanding. There are three IEPA Loans.

During the fiscal year ended April 30, 2002 the Village was approved for two separate loans through the IEPA. The Village was approved for a \$988,731 loan for water improvements at a rate of 2.905% payable over 20 years. The second loan is the amount of \$4,300,000 at a rate of 2.905% payable over 20 years for sewer improvements.

The Village was issued an additional IEPA loan for a water tower in 2011. This loan was issued for \$1,458,571 maturing in 2030.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

6. LONG-TERM DEBT (Continued)

b. Changes in Long-Term Liabilities

	Fund Debt Retired By	Balances May 1	Additions	Reductions	Balances April 30	Current Portion
Governmental Activities						
Centrue	Governmental	\$ 875,545	\$ 489,348	\$ (1,065,011)	\$ 299,882	\$ 299,882
Standard Bank	Governmental	744,350	-	(68,959)	675,391	69,129
GO Bonds Series 2009	Governmental	4,565,000	-	(4,565,000)	-	-
GO Bonds Series 2013	Governmental	1,900,000	-	-	1,900,000	-
GO Bonds Series 2015	Governmental	-	3,000,000	-	3,000,000	-
Premium on issuance	Governmental	-	629,604	-	629,604	41,974
GO Bonds Series 2015 Rfd	Governmental	-	4,050,000	-	4,050,000	-
Premium on issuance	Governmental	-	487,773	-	487,773	32,518
		<u>\$ 8,084,895</u>	<u>\$ 8,656,725</u>	<u>\$ (5,698,970)</u>	<u>\$ 11,042,650</u>	<u>\$ 443,503</u>
Business-type Activities						
IEPA Loan - Tower	Enterprise	\$ 1,175,221	\$ -	\$ (62,935)	\$ 1,112,286	\$ 64,518
IEPA Loan - Water	Enterprise	308,667	-	(87,973)	220,694	60,799
IEPA Loan - Sewer	Enterprise	1,588,420	-	(246,021)	1,342,399	253,221
		<u>\$ 3,072,308</u>	<u>\$ -</u>	<u>\$ (396,929)</u>	<u>\$ 2,675,379</u>	<u>\$ 378,538</u>

c. Legal Debt Margin

The Village is a non-home municipality	
ASSESSED VALUATION - 2015 (LATEST AVAILABLE)	\$ 100,277,116
LEGAL DEBT LIMIT - 8.625% OF ASSESSED VALUATION	8,648,901
AMOUNT OF DEBT APPLICABLE TO DEBT LIMIT	8,950,000
LEGAL DEBT MARGIN	<u>\$ (301,099)</u>

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979.")

At the time of the most recent debt issuance in December of 2015, the Village EAV was \$105,481,115, creating a legal debt limit of \$9,097,746. The debt was issued under this debt limitation leaving the Village with a legal debt margin of \$147,746. The Village will resume a positive legal debt margin upon increase in EAV or principal debt payment.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

6. LONG-TERM DEBT (Continued)

d. Debt Service Requirements to Maturity

Annual debt service requirements to maturity on long-term debt are as follows:

Fiscal Year			Fiscal Year		
IEPA Loan - Sewer			IEPA Loan - Water		
Ending April 30	Principal	Interest	Ending April 30	Principal	Interest
2017	253,221	37,171	2017	60,799	5,973
2018	260,630	29,761	2018	62,578	4,194
2019	268,257	22,135	2019	64,409	2,363
2020	276,106	14,286	2020	32,908	478
2021	284,186	6,207	2021	-	-
TOTALS	\$ 1,342,399	\$ 109,561	TOTALS	\$ 220,694	\$ 13,008

Fiscal Year			Fiscal Year		
IEPA Loan - Tower			Standard Bank Notes		
Ending April 30	Principal	Interest	Ending April 30	Principal	Interest
2017	64,518	27,406	2017	69,129	13,387
2018	66,141	25,783	2018	70,576	11,940
2019	67,805	24,120	2019	72,014	10,501
2020	69,511	22,414	2020	73,481	9,034
2021	71,259	20,665	2021	74,957	7,558
2022-2025	773,052	100,230	2022-2025	315,234	14,555
TOTALS	\$ 1,112,286	\$ 220,618	TOTALS	\$ 675,391	\$ 66,975

Fiscal Year			Fiscal Year		
G.O. Bonds, Series 2013			G.O. Bonds, Series 2015		
Ending April 30	Principal	Interest	Ending April 30	Principal	Interest
2017	-	86,450	2017	-	138,333
2018	-	86,450	2018	-	150,000
2019	-	86,450	2019	-	150,000
2020	345,000	78,601	2020	-	150,000
2021	365,000	62,449	2021	210,000	150,000
2022-2025	1,190,000	82,810	2022-2025	2,790,000	823,500
TOTALS	\$ 1,900,000	\$ 483,210	TOTALS	\$ 3,000,000	\$ 1,561,833

Fiscal Year		
G.O. Bonds, Series 2015 Rfd		
Ending April 30	Principal	Interest
2017	-	184,906
2018	100,000	200,500
2019	100,000	196,500
2020	240,000	192,500
2021	255,000	180,500
2022-2030	3,355,000	990,250
TOTALS	\$ 4,050,000	\$ 1,945,156

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

7. INDIVIDUAL FUND DISCLOSURES

a. Transfers

Transfers between funds during the year were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 1,631,657	\$ -
Debt Service Fund	-	2,066,635
Special Revenue Funds	-	74,945
Capital Projects Fund	359,772	-
Proprietary Funds	150,151	-
TOTAL ALL FUNDS	<u>\$ 2,141,580</u>	<u>\$ 2,141,580</u>

b. Due To/Due From

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General Fund		
MFT Fund	\$ 29,488	\$ -
TIF Fund	22,542	-
MFT Fund		
General Fund	-	29,488
TIF Fund		
General Fund	-	22,542
TOTAL ALL FUNDS	<u>\$ 52,030</u>	<u>\$ 52,030</u>

8. CONTIGENTS LIABILITIES

a. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

9. MOTOR FUEL TAX ALLOTMENT

Under current procedures, the allotments of the Village are being received from the State of Illinois each month. These allotments, however, may be expended only for specific projects that have been approved by the Department of Transportation, State of Illinois.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

10. EMPLOYEE RETIREMENT SYSTEMS

a. Plan Description

Illinois Municipal Retirement Fund (IMRF)

The Village contributes to a defined benefit pension plan: the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. The benefits, benefit levels, employee contributions, and employer contributions for all plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. IMRF's plan does not issue a separate report for the plan. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report may be obtained on-line at www.imrf.org.

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Police Pension Fund

Police sworn personnel are covered by the Coal City Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by Illinois legislature. The Village accounts for the Coal City Police Pension Plan as a pension trust fund.

b. Plan Membership

Illinois Municipal Retirement Fund (IMRF)

At December 31, 2015, IMRF membership consisted of:

Retirees and beneficiaries	13
Inactive, non-retired members	9
Active plan members	18
TOTAL	<u>40</u>

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Plan Membership (Continued)

Police Pension Fund

At April 30, 2016, membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	3
Inactive plan members or beneficiaries entitled to but not yet receiving benefits	0
Active Plan Members	<u>11</u>
TOTAL	<u><u>14</u></u>

c. Benefits Provided

Illinois Municipal Retirement Fund (IMRF)

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. The final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 year of IMRF service, divided by 48.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service.

Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. The final rate of earnings is the highest total earnings during any consecutive 96 months within the last 10 years of IMRF service, divided by 96.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Benefits Provided (Continued)

Police Pension Fund

The Coal City Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% of compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index of 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

d. Contributions

Illinois Municipal Retirement Fund (IMRF)

The Village employees participating in IMRF are required to contribute 4.5% of their annual eligible covered salary. The member rate is established by state statute. The Village is required to contribute at an actuarially determined rate. The employer rate for calendar year 2015 was 7.35% of payroll. The Village's contribution requirements are established and may be amended by the IMRF Board of Trustees.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

d. Contributions (Continued)

Police Pension Fund

Employees are required by ILCS to contribute 9.91% of their base salary to the Coal City Police Pension Plan. If an employee leaves covered employment with less than 20 years service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the Coal City Police Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Coal City Police Pension Plan. For the year ended April 30, 2016, the Village's contribution was 31.6% of covered payroll.

e. Actuarial Assumptions

Illinois Municipal Retirement Fund (IMRF)

The Village's net pension liability was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2015
Actuarial cost method	Aggregate Entry Age Normal
Assumptions	
Inflation	3.00%
Salary increases	4.40% to 16.00%
Investment rate of return	7.50%
Cost of living adjustments	4.00%
Asset valuation method	5-year smoothed market

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

e. Actuarial Assumptions (Continued)

For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Police Pension Fund

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2016 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2016
Actuarial cost method	Entry-age normal
Assumptions:	
Inflation	2.50%
Salary increases	3.75-7.00%
Interest rate	5.50%
Cost of living adjustments	2.50%
Asset valuation method	Market value

Mortality rates were based on rates developed in the L&A 2016 Mortality Table for Illinois Police Officers. Other demographic assumption rates are based on a review of assumptions in the L&A 2016 study for Illinois Police Officers.

f. Discount Rate

Illinois Municipal Retirement Fund (IMRF)

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that The Village's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

f. Discount Rate (Continued)

Police Pension Fund

The discount rate used in the determination of the Total Pension Liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate. The rate used was 5.50%. Cash flow projections were used to determine the extent which the plan's future net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the plan's projected net position, the expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments. The plan's projected net position is expected to cover future benefit payments in full for the current employees. Projected benefit payments are determined during the actuarial process based on the assumptions.

g. Discount Rate Sensitivity

Illinois Municipal Retirement Fund (IMRF)

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of The Village calculated using the discount rate of 7.50% as well as what The Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 653,475	\$ 122,900	\$ (308,012)

Police Pension Fund

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 5.5% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.5%) or 1 percentage point higher (6.5%) than the current rate.

	1% Decrease (4.5%)	Current Rate (5.5%)	1% Increase (6.5%)
Net pension liability	\$ 7,590,380	\$ 6,033,480	\$ 4,805,624

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

h. Pension Expense and Deferred Inflows/Outflows of Resources

Illinois Municipal Retirement Fund (IMRF)

For the year ended April 30, 2016 The Village recognized pension expense of \$215,782. At April 30, 2016, The Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 41,703	\$ -
Changes in assumption	-	-
Net difference between projected and actual earnings on pension plan investments	184,222	-
Contributions after measurement date	25,108	-
TOTAL	<u>\$ 251,033</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2016	\$ 82,333
2017	57,225
2018	57,225
2019	54,250
2020	-
Thereafter	-
TOTAL	<u>\$ 251,033</u>

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

h. Pension Expense and Deferred Inflows/Outflows of Resources (Continued)

Police Pension Fund

For the year ended April 30, 2016 The Village recognized pension expense of \$615,573. At April 30, 2016, The Village reported deferred outflows of resources and deferred inflows of resources related to Police Pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 529
Changes in assumption	1,601,279	-
Net difference between projected and actual earnings on pension plan investments	37,720	-
Contributions after measurement date	-	-
TOTAL	<u>\$ 1,638,999</u>	<u>\$ 529</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending April 30	Net Deferred Outflows of Resources
2017	\$ 211,037
2018	211,037
2019	211,037
2020	211,033
2021	201,606
Thereafter	592,720
TOTAL	<u>\$ 1,638,470</u>

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

i. Changes in Net Pension Liability

Illinois Municipal Retirement Fund (IMRF)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at January 1, 2015	\$ 3,093,454	\$ 3,342,255	\$ (248,801)
Changes for the period			
Service cost	103,755	-	103,755
Interest	232,242	-	232,242
Difference between expected and actual experience	52,873	-	52,873
Changes in assumptions	-	-	-
Employer contributions	-	70,006	(70,006)
Employee contributions	-	42,861	(42,861)
Net investment income	-	16,750	(16,750)
Benefit payments and refunds	(97,545)	(97,545)	-
Other	-	(112,448)	112,448
Net changes	291,325	(80,376)	371,701
Balances at December 31, 2015	\$ 3,384,779	\$ 3,261,879	\$ 122,900

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

10. EMPLOYEE RETIREMENT SYSTEMS (Continued)

i. Changes in Net Pension Liability

Police Pension Fund

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at May 1, 2015	\$ 5,771,574	\$ 1,692,738	\$ 4,078,836
Changes for the period			
Service cost	252,149	-	252,149
Interest	313,051	-	313,051
Difference between expected and actual experience	(596)	-	(596)
Changes in assumptions	1,802,952	-	1,802,952
Employer contributions	-	299,399	(299,399)
Employee contributions	-	79,760	(79,760)
Net investment income	-	51,504	(51,504)
Benefit payments and refunds	(159,457)	(159,457)	-
Other	-	(17,751)	17,751
Net changes	2,208,099	253,455	1,954,644
Balances at April 30, 2016	\$ 7,979,673	\$ 1,946,193	\$ 6,033,480

11. SPECIAL ASSESSMENT COLLECTION ACCOUNT

On September 14, 1989, the Village received a warrant for collection of \$1,841,605 in special assessments related to the sanitary sewers extension project mandated by the Illinois EPA. The special assessments collected by the Village are to be used only for payment of principal and interest of the 1989 Series a Revenue Bonds. The Village has abated payment numbers 6, 7, 8, 9 and 10 prior to April 30, 1996.

12. PRIOR PERIOD ADJUSTMENT

During the fiscal year, the Village recorded a prior period adjustment to recognize the effect of recording the Net Pension Liability resulting from its participation in the Police Pension Fund and in IMRF for its employees' pension as well as the contributions made between the measurement date used for IMRF of December 31, 2014 and the date of its financial statements in the prior year of April 30, 2015.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2016

12. PRIOR PERIOD ADJUSTMENT (Continued)

Police Pension Net Pension Liability Prior Period	\$ (4,078,836)
IMRF Net Pension Liability Prior Period	248,801
Deferred outflow for contributions made between December 31, 2014 and April 30, 2015	<u>20,619</u>
TOTAL PRIOR PERIOD ADJUSTMENT	<u>\$ (3,809,416)</u>

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REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF COAL CITY, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes - general corporate	\$ 555,484	\$ 555,484	\$ 554,371
Police pension	300,041	300,041	299,398
Road and bridge	114,500	114,500	121,972
Municipal sales tax	575,000	575,000	535,932
Use tax	108,388	108,388	128,575
Utility and excise taxes	430,000	430,000	375,405
Illinois replacement income taxes	22,980	22,980	20,667
Illinois income tax	553,113	553,113	596,570
Illinois video gaming tax	40,000	40,000	43,817
Police grant	-	-	-
Liquor licenses	6,000	6,000	9,800
Gaming licenses	3,000	3,000	1,470
Other licenses	600	600	700
Contractors permits	20,000	20,000	82,075
Building permits	175,200	175,200	235,796
Cable TV franchise fees	55,000	55,000	-
Telephone franchise fees	-	-	-
Coal City School District reimbursement	74,825	74,825	58,251
State grants	19,000	19,000	1,000
Fines	44,000	44,000	36,645
Interest on deposits	4,725	4,725	4,194
Zoning	16,000	16,000	90,889
Donations	500	500	42,340
Other revenues	158,700	158,700	355,056
Total revenues	3,277,056	3,277,056	3,594,923
EXPENDITURES			
Administrative and general	781,521	1,791,280	2,022,589
Police protection	1,815,675	1,830,675	1,703,701
Street and alley	713,869	749,869	619,097
Building department	107,803	116,553	110,768
Emergency and safety	18,506	18,506	10,988
Contingencies	-	-	-
Total expenditures	3,437,374	4,506,883	4,467,143

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(160,318)	(1,229,827)	(872,220)
OTHER FINANCING SOURCES (USES)			
Loan proceeds	-	-	-
Transfers in (out)	1,693,311	1,693,311	1,631,657
Total other financing sources	1,693,311	1,693,311	1,631,657
NET CHANGE IN FUND BALANCE	\$ 1,532,993	\$ 463,484	759,437
FUND BALANCE, MAY 1			669,152
FUND BALANCE, APRIL 30			\$ 1,428,589

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

December 31, 2015*

	2015
Actuarially determined contribution	\$ 70,006
Contributions in relation to the actuarially determined contribution	70,006
CONTRIBUTION DEFICIENCY (Excess)	\$ -
Covered-employee payroll	\$ 952,468
Contributions as a percentage of covered-employee payroll	7.35%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percentage of pay, closed and the amortization period was 28 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 4.40% to 16.00% compounded annually and postretirement benefit increases of 3.00% compounded annually.

*IMRF's measurement date is December 31, 2015; therefore information above is presented for the calendar year ended December 31, 2015.

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS - ILLINOIS MUNICIPAL RETIREMENT FUND

December 31, 2015*

	2015
TOTAL PENSION LIABILITY	
Service cost	\$ 103,755
Interest	232,242
Changes of benefit terms	-
Differences between expected and actual experience	52,873
Changes of assumptions	-
Benefit payments, including refunds of member contributions	(97,545)
Net change in total pension liability	291,325
TOTAL PENSION LIABILITY - BEGINNING	3,093,454
TOTAL PENSION LIABILITY - ENDING	\$ 3,384,779
PLAN FIDUCIARY NET POSITION	
Contributions - employer	\$ 70,006
Contributions - member	42,861
Net investment income	16,750
Benefit payments, including refunds of member contributions	(97,545)
Other	(112,448)
Net change in plan fiduciary net position	(80,376)
PLAN FIDUCIARY NET POSITION - BEGINNING	3,342,255
PLAN FIDUCIARY NET POSITION - ENDING	\$ 3,261,879
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 122,900
Plan fiduciary net position as a percentage of the total pension liability (asset)	96.37%
Covered-employee payroll	\$ 952,468
Employer's net pension liability as a percentage of covered-employee payroll	12.90%

Changes in assumptions related to retirement age and mortality were made since the prior measurement date

*IMRF's measurement date is December 31, 2015; therefore information above is presented for the calendar year ended December 31, 2015.

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND
Year Ended April 30, 2016

Fiscal Year April 30,	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency	Covered Employee Payroll	Contributions as a percentage of Covered Employee Payroll
2011	148,061	168,251	(20,190)	564,723	29.79%
2012	152,080	152,078	2	584,379	26.02%
2013	169,876	167,186	2,690	568,410	29.41%
2014	191,531	208,489	(16,958)	794,028	26.26%
2015	218,308	222,247	(3,939)	726,337	30.60%
2016	270,944	299,399	(28,455)	855,876	34.98%

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY
AND RELATED RATIOS - POLICE PENSION FUND**

Year Ended April 30, 2016

	2016	2015
TOTAL PENSION LIABILITY		
Service cost	\$ 252,149	\$ 192,036
Interest	313,051	341,455
Changes of benefit terms	-	-
Differences between expected and actual experience	(596)	113,212
Changes of assumptions	1,802,952	360,934
Benefit payments, including refunds of member contributions	(159,457)	(227,990)
Net change in total pension liability	2,208,099	779,647
TOTAL PENSION LIABILITY - BEGINNING	5,771,574	4,991,927
TOTAL PENSION LIABILITY - ENDING	<u>\$ 7,979,673</u>	<u>\$ 5,771,574</u>
PLAN FIDUCIARY NET POSITION		
Contributions - employer	\$ 299,398	\$ 222,246
Contributions - member	79,760	72,976
Net investment income	51,504	65,469
Benefit payments, including refunds of member contributions	(159,457)	(227,990)
Other	(17,750)	48,694
Net change in plan fiduciary net position	253,455	181,395
PLAN FIDUCIARY NET POSITION - BEGINNING	1,692,738	1,511,343
PLAN FIDUCIARY NET POSITION - ENDING	<u>\$ 1,946,193</u>	<u>\$ 1,692,738</u>
EMPLOYER'S NET PENSION LIABILITY (ASSET)	<u>\$ 6,033,480</u>	<u>\$ 4,078,836</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	24.39%	29.33%
Covered-employee payroll	855,876	726,337
Employer's net pension liability as a percentage of covered-employee payroll	704.95%	561.56%

This is a 10-year schedule - however, the information is not required to be presented retroactively. Information will be added to this schedule until 10 years of information is available.

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
April 30, 2016

1. BUDGETS

The Budget Ordinance is prepared in tentative form by the Village, reviewed and approved by the Village Board, and is made available for public inspection at least ten days prior to final Board action. A public hearing is held on the tentative Budget Ordinance to obtain taxpayer comments.

Prior to August 1, the Budget ordinance is legally enacted through the passage of a Budget ordinance. All actual expenditures contained herein have been compared to the annual operating budget.

The Board of Trustees may:

By two-thirds vote transfer, within any department, amounts budgeted for an object or purpose to another object or purpose. No object or purpose can be reduced below an amount sufficient to provide for all obligations incurred, or to be incurred, against the budgeted amount.

Adopt a supplemental budget ordinance in an amount not to exceed any additional revenue available, including unappropriated fund balances or amount estimated to be received after adoption of the annual budget ordinance.

Management cannot amend the Budget Ordinance. However, expenditures may exceed budgets at the subject level. Expenditures that exceed individual budgets at the object level must be approved by the Board of Trustees, as outlined above.

The Village does not use the encumbrance method of accounting. Budgetary funds are controlled by an integrated budgetary accounting system, in accordance with various legal requirements which govern the Village.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General, Debt Service, Special Revenue, and Enterprise Funds.

The operating budget is the management control for spending. The manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund are done through the approval of the Village Board of Trustees and are supported by budget amendments as needed.

Operating budgets are adopted on a modified accrual basis of accounting for all governmental funds and on an accrual basis for proprietary and fiduciary funds. Budgets have been adopted for the General, Debt Service, Special Revenue, and Enterprise Funds. Budgets for the enterprise funds do not provide for depreciation; capital improvements are budgeted as expenses.

VILLAGE OF COAL CITY, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
April 30, 2016

1. BUDGETS (Continued)

All budgets are prepared based on the annual fiscal year of the Village and lapse at year end.

Budget amounts are as originally adopted or as amended by the Village Board of Trustees.

The financial schedules report management's operating budget in the columns titled original budget and final budget for the General, Debt Service, Special Revenue, and Enterprise Funds.

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MAJOR GOVERNMENTAL FUNDS

VILLAGE OF COAL CITY, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
TAXES			
Property taxes			
General corporate purposes	\$ 555,484	\$ 555,484	\$ 554,371
Police Pension	300,041	300,041	299,398
Road and bridge	114,500	114,500	121,972
Municipal sales tax	575,000	575,000	535,932
Local use tax	108,388	108,388	128,575
Utility and excise taxes	430,000	430,000	375,405
Total taxes	<u>2,083,413</u>	<u>2,083,413</u>	<u>2,015,653</u>
INTERGOVERNMENTAL			
Illinois replacement income taxes	22,980	22,980	20,667
Illinois income tax	553,113	553,113	596,570
Illinois video gaming tax	40,000	40,000	43,817
Police grant	-	-	-
Total Intergovernmental	<u>616,093</u>	<u>616,093</u>	<u>661,054</u>
LICENSES AND PERMITS			
Liquor licenses	6,000	6,000	9,800
Gaming licenses	3,000	3,000	1,470
Other licenses	600	600	700
Contractors permits	20,000	20,000	82,075
Building permits and zoning fees	175,200	175,200	235,796
Cable TV franchise fees	55,000	55,000	-
Telephone franchise fees	-	-	-
Coal City School District reimbursement	74,825	74,825	58,251
State grants	19,000	19,000	1,000
Fines	44,000	44,000	36,645
Interest on deposits	4,725	4,725	4,194
Zoning	16,000	16,000	90,889
Workman's comp reimbursement	-	-	-
Donations	500	500	42,340
Other revenues	158,700	158,700	355,056
Total Licenses and Permits	<u>577,550</u>	<u>577,550</u>	<u>918,216</u>
TOTAL REVENUES	<u>\$ 3,277,056</u>	<u>\$ 3,277,056</u>	<u>\$ 3,594,923</u>

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT			
Administrative			
Village administrator	\$ 34,323	\$ 34,323	\$ 47,011
Mayor and Trustees	20,000	20,000	20,000
Administrative assistant	25,305	25,305	25,664
Village clerk salary	2,500	2,500	2,500
Deputy village clerk	1,000	1,000	1,000
Village treasurer	500	500	500
Clerical salaries	6,050	6,050	4,030
Part-time salaries	14,040	14,040	14,349
Collector wages	29,830	29,830	30,021
Health insurance	28,995	28,995	15,531
Employee HRA	2,000	2,000	2,282
Telephone and Pager	3,000	3,000	2,840
Legal services	92,000	92,000	121,836
Engineering services	5,000	5,000	-
Auditing and Accounting services	8,100	8,100	5,875
Other professional services	44,498	44,498	12,698
Dues and seminars	18,263	18,263	19,265
Business and Industrial Commission Expense	-	-	-
Mayor and Trustees expenses	4,000	4,000	2,556
Zoning expenses	-	-	-
Repairs and Maintenance			
of Village buildings	13,500	13,500	11,299
Repairs and Maintenance			
of Village equipment	-	-	-
Unemployment taxes	6,004	6,004	4,950
Deferred Compensation	2,800	2,800	2,876
General insurance	268,300	268,300	269,275
Printing and publishing	4,073	4,073	2,131
Office supplies and expense	8,400	8,400	9,753
Building and janitorial supplies	-	-	-
Miscellaneous expense	10,000	10,000	35,577

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Administrative (Continued)			
Computer supplies and expense	8,000	8,000	8,624
Training	1,410	1,410	537
Travel expense	8,025	8,025	3,968
Codification of ordinances	700	700	-
Village Collector	-	-	-
Capital outlay - buildings	7,500	7,500	316
Capital outlay - equipment	2,000	2,000	353
Capital outlay - vehicle	5,000	5,000	4,693
Community relations	1,500	1,500	865
Contingencies (disaster expenses)	-	1,009,759	1,011,891
Library replacement tax	4,500	4,500	3,760
Bank service charges	4,000	4,000	3,921
Sales tax rebate	-	-	6,861
Economic development expenses	86,405	86,405	312,981
	<u>781,521</u>	<u>1,791,280</u>	<u>2,022,589</u>
Total administrative			
	<u>781,521</u>	<u>1,791,280</u>	<u>2,022,589</u>
Police Protection			
Chief of police salary	90,492	90,492	98,283
Regular policemen salaries	785,598	785,598	776,457
Overtime policemen salaries	80,000	95,000	93,612
School crossing guards salaries	23,500	23,500	24,360
Clerical	40,224	40,224	41,493
Deferred compensation	-	-	-
Health insurance	174,809	174,809	145,846
Police Pension Expense	300,041	300,041	299,398
Intergovernmental agreement expenses	102,201	102,201	96,034
Police training expenses	10,500	10,500	3,944
Telephone	13,000	13,000	15,477
Publishing	2,000	2,000	1,530
Dues	3,000	3,000	1,929
Operating supplies	5,000	5,000	5,290
Travel	2,500	2,500	2,350

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Police Protection (Continued)			
Repairs and Maintenance of radios	2,000	2,000	523
Repairs and Maintenance of vehicles and equipment	12,000	12,000	11,871
Repairs and Maintenance of buildings	14,550	14,550	13,776
Uniform allowance	7,500	7,500	6,770
Office supplies and expense	3,000	3,000	2,403
Vehicle gasoline and oil	30,000	30,000	22,914
Board of Police Commission expense	4,500	4,500	2,994
Crime prevention	6,500	6,500	2,850
Administrative Adjudication expense	2,000	2,000	235
Miscellaneous expense	13,000	13,000	4,581
Intergovernmental agreements	-	-	-
DUI training expense	-	-	-
Firearms	9,000	9,000	4,824
Computer supplies, maintenance and equipment	25,000	25,000	20,451
Purchase of police vehicle	49,760	49,760	22
Purchase of police and office equipment	2,000	2,000	1,488
Purchase of communication equipment	2,000	2,000	1,996
Total police protection	1,815,675	1,830,675	1,703,701
Street and Alley			
Maintenance salaries	288,657	324,657	292,362
Repairs and maintenance of buildings	6,000	6,000	5,388
Repairs and maintenance of sidewalks	5,000	5,000	5,726
Repairs and maintenance of streets	20,000	20,000	71,727
Repairs and maintenance of storm sewers	30,000	30,000	10,009
Repairs and maintenance of vehicles and equipment	28,000	28,000	21,376
Tree removal	2,000	2,000	-
Snow removal	40,000	40,000	19,935

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Street and Alley (Continued)			
Engineering services	5,000	5,000	14,475
Utilities	-	-	-
Street lighting	52,500	52,500	62,475
Other professional services	3,000	3,000	1,729
Dues	200	200	529
JULIE	1,000	1,000	611
Claypool Drainage District Assessment	2,000	2,000	695
Telephone	12,910	12,910	14,563
Uniforms	8,000	8,000	3,326
Street signs	6,000	6,000	2,286
Street lighting supplies	3,000	3,000	2,970
Gasoline and oil	25,000	25,000	12,170
Insect control supplies	3,500	3,500	-
Operating supplies	12,000	12,000	6,183
Printing and Advertising	200	200	235
Office supplies	-	-	-
Computer supplies	-	-	-
Miscellaneous expense	2,000	2,000	1,143
Travel expense	1,000	1,000	-
Training and education	2,600	2,600	220
Sidewalk improvements	5,000	5,000	9,469
Storm sewer and drainage ditch improvement	8,500	8,500	5,077
Street improvements	20,000	20,000	641
Purchase of vehicles and equipment	68,357	68,357	166
Health insurance	49,945	49,945	47,972
Building improvements	2,500	2,500	5,639
Total street and alley	713,869	749,869	619,097
Building Department			
Zoning officer salary	64,824	64,824	66,835
Plan commission stipend	4,000	4,000	2,940
Plumbing inspector	3,250	12,000	10,200
Health insurance	20,949	20,949	19,407

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Building Department (Continued)			
Repairs and maintenance of vehicles and equipment	-	-	21
Engineering services	-	-	1,575
Other professional services	-	-	580
Dues	600	600	715
Telephone	1,380	1,380	1,367
Uniforms	-	-	50
Printing and Advertising	1,000	1,000	528
Office supplies	1,500	1,500	2,001
Computer supplies	1,000	1,000	1,625
Miscellaneous expense	-	-	116
Training and education	1,000	1,000	1,219
Zoning expenses	4,000	4,000	375
Purchase of vehicles and equipment	4,300	4,300	1,214
Total building department	107,803	116,553	110,768
Emergency and Safety			
Telephone	2,506	2,506	2,475
Repairs and Maintenance of equipment	2,500	2,500	3,080
Uniforms	1,000	1,000	978
EOC Room expenses	-	-	-
ESDA stipend	2,500	2,500	2,500
IPRA	8,000	8,000	530
Capital Outlay	1,000	1,000	593
Miscellaneous expense	1,000	1,000	832
Total emergency and safety	18,506	18,506	10,988
Contingencies & interfund Transfers	-	-	-
TOTAL EXPENDITURES	\$ 3,437,374	\$ 4,506,883	\$ 4,467,143

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

DEBT SERVICE - STORM REFERENDUM BOND FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 556,913	\$ 556,913	\$ 612,066
Interest on deposits	3,830	3,830	5,556
Unrealized gain/loss	-	-	-
Other revenues	-	-	8,470
Total revenues	<u>560,743</u>	<u>560,743</u>	<u>626,092</u>
EXPENDITURES			
Engineering	-	-	-
Legal	-	-	-
Other professional services	-	-	-
Permit fees	-	-	-
Bank service charge	30	30	30
Construction	-	-	-
Payment of bond principal	375,000	375,000	375,000
Payment of bond interest	189,263	189,263	189,263
Paying agent fees	4,145	4,145	4,144
Bond issuance expense	-	-	192,250
Total expenditures	<u>568,438</u>	<u>568,438</u>	<u>760,687</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,695)	(7,695)	(134,595)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(2,037,183)	(2,037,183)	(2,066,635)
Bond proceeds	3,407,520	3,407,520	7,050,000
Premium on issuance	-	-	1,117,377
Payment to escrow agent (2009 GO Bond)	-	-	(4,567,606)
Total other financing sources (uses)	<u>1,370,337</u>	<u>1,370,337</u>	<u>1,533,136</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,362,642</u>	<u>\$ 1,362,642</u>	<u>1,398,541</u>
FUND BALANCE, MAY 1			<u>(15,781)</u>
FUND BALANCE, APRIL 30			<u>\$ 1,382,760</u>

(See independent auditors' report.)

VILLAGE OF COAL CITY, ILLINOIS

CAPITAL IMPROVEMENTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUES			
Interest on deposits	\$ 1,000	\$ 1,000	\$ 896
State grants	3,460,000	3,460,000	17,906
Miscellaneous income	20,000	20,000	2,602
Total revenues	3,481,000	3,481,000	21,404
EXPENSES			
Testing	-	-	-
Engineering	54,750	54,750	104,876
Legal fees	-	-	3,770
Other professional services	21,000	21,000	6,000
Bank service charges	-	-	450
Road maintenance	47,750	47,750	19,980
Miscellaneous	-	-	10,380
Land and equipment acquisition	230,833	230,833	118,148
Capital improvements expenditures	4,380,850	4,380,850	844,320
Principal payment	-	-	68,959
Interest expense	-	-	17,123
Total expenses	4,735,183	4,735,183	1,194,006
Excess of revenues over (under) expenditures	(1,254,183)	(1,254,183)	(1,172,602)
Other Financing Sources (uses) -			
Operating transfer (to) from -	350,853	350,853	359,772
Loan/Bond proceeds (payments)	-	-	-
Total other financing sources (uses)	350,853	350,853	359,772
NET CHANGE IN FUND BALANCE	\$ (903,330)	\$ (903,330)	(812,830)
FUND BALANCE, MAY 1			675,757
FUND BALANCE, APRIL 30			\$ (137,073)

(See independent auditor's report.)

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NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF COAL CITY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2016

	Special Revenue Funds					Capital Improvement	
	Park Fund	Motor Fuel Tax Fund	IMRF Fund	Social Security Fund	TIF Fund	Municipal Facilities Fund	Total
ASSETS							
Cash	\$ 66,979	\$ 177,515	\$ 41,506	\$ -	\$ 48,592	\$ 121,552	\$ 456,144
Property taxes receivable	75,007	-	85,456	151,839	86,831	-	399,133
Due from other fund	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 141,986	\$ 177,515	\$ 126,962	\$ 151,839	\$ 135,423	\$ 121,552	\$ 855,277
LIABILITIES & FUND BALANCES							
LIABILITIES							
Cash overdraft	\$ -	\$ -	\$ -	\$ 39,581	\$ -	\$ -	\$ 39,581
Due to other fund	-	29,488	-	-	22,542	-	52,030
Total liabilities	-	29,488	-	39,581	22,542	-	91,611
DEFERRED INFLOWS OF RESOURCES							
Unavailable property taxes	75,007	-	85,456	151,839	86,831	-	399,133
Total Deferred Inflows of Resources	75,007	-	85,456	151,839	86,831	-	399,133
Total Liabilities and Deferred Inflows of Resources	75,007	29,488	85,456	191,420	109,373	-	490,744

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2016

	Special Revenue Funds				Capital Improvement	
	Park Fund	Motor Fuel Tax Fund	IMRF Fund	Social Security Fund	TIF Fund	Municipal Facilities Fund
FUND BALANCES						
Restricted	-	-	41,506	-	-	121,552
General government	66,979	-	-	-	-	-
Parks	-	-	-	-	26,050	-
TIF projects	-	148,027	-	-	-	-
Highways and streets	-	-	-	-	-	-
Unrestricted	-	-	-	(39,581)	-	-
Unassigned	-	-	-	-	-	(39,581)
Total fund balances	66,979	148,027	41,506	(39,581)	26,050	121,552
TOTAL LIABILITIES & FUND BALANCES	\$ 141,986	\$ 177,515	\$ 126,962	\$ 151,839	\$ 135,423	\$ 121,552
						\$ 855,277

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2016

	Special Revenue				Capital Improvement	
	Illinois					
	Park Fund	Motor Fuel Tax	Municipal Retirement Fund	Social Security Fund	TIF Fund	Municipal Facilities Fund
						Total
REVENUES						
Property taxes	\$ 45,901	\$ -	\$ 74,940	\$ 110,663	\$ 49,713	\$ -
Allotments from State of Illinois	-	148,840	-	-	-	-
Illinois replacement income taxes	2,394	-	-	-	-	-
Sales tax	-	-	-	-	-	-
Garbage collection fees	-	-	-	-	-	-
Interest on deposits	69	170	-	22	-	197
Other revenue	9,305	-	-	-	-	-
Total revenues	57,669	149,010	74,940	110,685	49,713	197
EXPENDITURES						
General government	-	54,427	74,495	154,260	47,079	-
Street and alley	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Parks	57,118	-	-	-	-	-
Total expenditures	57,118	54,427	74,495	154,260	47,079	-
						387,379

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2016

	Special Revenue				Capital Improvement	
	Illinois					
	Park Fund	Motor Fuel Tax	Municipal Retirement Fund	Social Security Fund	TIF Fund	Municipal Facilities Fund
EXCESS OF REVENUES OVER EXPENDITURES	551	94,583	445	(43,575)	2,634	197
						54,835
OTHER FINANCING SOURCES (USES)						
Operating transfer (to) from	-	-	-	45,055	-	(120,000)
						(74,945)
Total other financing sources (uses)	-	-	-	45,055	-	(120,000)
						(74,945)
NET CHANGE IN FUND BALANCE	551	94,583	445	1,480	2,634	(119,803)
						(20,110)
FUND BALANCE, MAY 1	66,428	53,444	41,061	(41,061)	23,416	241,355
						384,643
FUND BALANCE, APRIL 30	\$ 66,979	\$ 148,027	\$ 41,506	\$ (39,581)	\$ 26,050	\$ 121,552
						\$ 364,533

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

PARK FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUE			
Property taxes	\$ 46,000	\$ 46,000	\$ 45,901
Illinois replacement income taxes	1,900	1,900	2,394
Donations	7,300	7,300	6,075
Interest on deposits	50	50	69
Other revenues	3,892	3,892	3,230
	<hr/>	<hr/>	<hr/>
Total revenues	59,142	59,142	57,669
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Maintenance salaries	14,453	14,453	5,936
Village administrator	1,584	1,584	3,281
Administrative assistant	1,349	1,349	1,400
Electricity	-	-	8,445
Repairs and maintenance	10,000	10,000	28,050
Professional fees	100	100	85
Program expense	1,500	1,500	254
Contractual activities	3,575	3,575	4,000
Miscellaneous expense	2,500	2,500	2,726
Buildings	4,000	4,000	-
Purchase of playground equipment	9,500	9,500	548
Park improvements	1,500	1,500	331
Purchase of park equipment	7,500	7,500	2,062
	<hr/>	<hr/>	<hr/>
Total expenditures	57,561	57,561	57,118
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,581	1,581	551
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	-	-	-
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ 1,581</u>	<u>\$ 1,581</u>	551
	<hr/>	<hr/>	<hr/>
FUND BALANCE, MAY 1			66,428
			<hr/>
FUND BALANCE, APRIL 30			<u>\$ 66,979</u>

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

MOTOR FUEL TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUE			
Allotments received from			
State of Illinois	\$ 160,000	\$ 160,000	\$ 148,840
Miscellaneous revenue (grant)	-	-	-
Interest on deposits	100	100	170
Total revenues	160,100	160,100	149,010
EXPENDITURES			
Repairs and maintenance			
of streets	132,185	132,185	47,568
Engineering services	24,015	24,015	6,859
Publishing services	400	400	-
Testing services	3,500	3,500	-
Miscellaneous	-	-	-
Total expenditures	160,100	160,100	54,427
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	94,583
OTHER FINANCING SOURCES (USES)			
Transfers (out)	-	-	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	94,583
FUND BALANCE, MAY 1			53,444
FUND BALANCE, APRIL 30			\$ 148,027

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

ILLINOIS MUNICIPAL RETIREMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUE			
Property taxes	\$ 75,100	\$ 75,100	\$ 74,940
Interest on deposits	-	-	-
Total revenues	75,100	75,100	74,940
EXPENDITURES			
Contributions to Illinois Municipal Retirement Fund	78,642	78,642	74,495
Miscellaneous	-	-	-
Total expenditures	78,642	78,642	74,495
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,542)	(3,542)	445
OTHER FINANCING SOURCES (USES)			
Transfers (out)	-	-	-
NET CHANGE IN FUND BALANCE	\$ (3,542)	\$ (3,542)	445
FUND BALANCE, MAY 1			41,061
FUND BALANCE, APRIL 30			\$ 41,506

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

SOCIAL SECURITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUE			
Property taxes	\$ 110,900	\$ 110,900	\$ 110,663
Interest on deposits	100	100	22
Total revenues	111,000	111,000	110,685
EXPENDITURES			
Contributions to Social Security System	152,513	152,513	154,260
Miscellaneous	-	-	-
Total expenditures	152,513	152,513	154,260
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(41,513)	(41,513)	(43,575)
OTHER FINANCING SOURCES (USES)			
Transfers (out)	45,055	45,055	45,055
NET CHANGE IN FUND BALANCE	\$ 3,542	\$ 3,542	1,480
FUND BALANCE, MAY 1			(41,061)
FUND BALANCE, APRIL 30			\$ (39,581)

(See independent auditors' report.)

VILLAGE OF COAL CITY, ILLINOIS

TIF FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
REVENUE			
Property taxes	\$ 45,000	\$ 45,000	\$ 49,713
Interest on deposits	-	-	-
Total revenues	<u>45,000</u>	<u>45,000</u>	<u>49,713</u>
EXPENDITURES			
Village administrator	36,964	36,964	21,865
Legal service	2,500	2,500	-
Other professional services	5,000	5,000	15,232
Miscellaneous	<u>26,550</u>	<u>26,550</u>	<u>9,982</u>
Total expenditures	<u>71,014</u>	<u>71,014</u>	<u>47,079</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(26,014)	(26,014)	2,634
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(45,560)</u>	<u>(45,560)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (71,574)</u>	<u>\$ (71,574)</u>	2,634
FUND BALANCE, MAY 1			<u>23,416</u>
FUND BALANCE, APRIL 30			<u>\$ 26,050</u>

(See independent auditors' report.)

VILLAGE OF COAL CITY, ILLINOIS

MUNICIPAL FACILITIES FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUE			
Sales tax	\$ -	\$ -	\$ -
Interest on deposits	<u>100</u>	<u>100</u>	<u>197</u>
Total revenues	<u>100</u>	<u>100</u>	<u>197</u>
EXPENDITURES			
Village administrator	-	-	-
Legal service	-	-	-
Other professional services	-	-	-
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	100	100	197
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>-</u>	<u>(40,000)</u>	<u>(120,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 100</u>	<u>\$ (39,900)</u>	(119,803)
FUND BALANCE, MAY 1			<u>241,355</u>
FUND BALANCE, APRIL 30			<u>\$ 121,552</u>

(See independent auditor's report.)

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MAJOR ENTERPRISE FUNDS

VILLAGE OF COAL CITY, ILLINOIS
WATERWORKS AND SEWERAGE FUND
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
For the Year Ended April 30, 2016

	Operation and Maintenance Account	Bond Repayment Account	Water Impact Account	Sanitary Sewer Impact Account	Water Infrastructure Improvement Account	Sewer Infrastructure Improvement Account
OPERATING REVENUES						
Water and sewer charges	\$ 1,233,254	\$ -	\$ -	\$ -	\$ 48,513	\$ 291,868
Water and sewer tap on fees	60,500	-	-	-	-	-
Water meter assessments collected	7,328	-	-	-	-	-
Total revenues	<u>\$ 1,301,082</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,513</u>	<u>\$ 291,868</u>
OPERATING EXPENSES						
Personnel services	562,580	-	-	-	-	-
Contractual services	531,341	-	-	-	-	-
Materials and supplies	24,664	-	-	-	-	-
Other Expense	25,381	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Depreciation	50,432	-	-	-	6,315	30,470
Total operating expenses	<u>1,194,398</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,315</u>	<u>30,470</u>
OPERATING INCOME	<u>106,684</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,198</u>	<u>261,398</u>
NONOPERATING REVENUES (EXPENSES)						
Investment income	523	-	55	68	13	274
Impact fees	-	-	12,073	18,046	-	-
Debt service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	(28,990)	-	-	-	(12,185)	(44,370)
Other income (expense)	33,784	-	-	-	-	-
Total nonoperating revenues (expenses)	<u>5,317</u>	<u>-</u>	<u>12,128</u>	<u>18,114</u>	<u>(12,172)</u>	<u>(44,096)</u>
OTHER FINANCING SOURCES						
Inter account transfers	135,246	-	-	-	5,822	24,602
Loan/bond Proceeds	-	-	-	-	-	-
Total other financing sources (uses)	<u>135,246</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,822</u>	<u>24,602</u>
NET CHANGE IN NET POSITION	<u>247,247</u>	<u>-</u>	<u>12,128</u>	<u>18,114</u>	<u>35,848</u>	<u>241,904</u>
NET POSITION, MAY 1	<u>484,517</u>	<u>-</u>	<u>55,439</u>	<u>66,226</u>	<u>168,416</u>	<u>1,041,152</u>
NET POSITION, APRIL 30	<u>\$ 731,764</u>	<u>\$ -</u>	<u>\$ 67,567</u>	<u>\$ 84,340</u>	<u>\$ 204,264</u>	<u>\$ 1,283,056</u>

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS
WATERWORKS AND SEWERAGE FUND
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION (continued)
For the Year Ended April 30, 2016

	Water Depreciation Fund	Water Bond Reserve Fund	Sewer Bond Reserve Fund	Sewer Plant Depreciation Fund	W&S Infrastructure Expansion Fund	Total
OPERATING REVENUES						
Water and sewer charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,573,635
Water and sewer tap on fees	-	-	-	-	-	60,500
Water meter assessments collected	-	-	-	-	-	7,328
Total revenues	\$ -	\$ -	\$ -	-	-	1,641,463
OPERATING EXPENSES						
Personnel services	-	-	-	-	-	562,580
Contractual services	-	-	-	-	-	531,341
Materials and supplies	-	-	-	-	-	24,664
Other Expense	-	-	-	-	7,257	32,638
Capital Outlay	-	-	-	-	-	-
Depreciation	-	-	-	-	-	87,217
Total operating expenses	-	-	-	-	7,257	1,238,440
OPERATING INCOME	-	-	-	-	(7,257)	403,023
NONOPERATING REVENUES (EXPENSES)						
Investment income	26	60	261	139	4,354	5,773
Impact fees	-	-	-	-	-	30,119
Debt service						-
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	(85,545)
Other income (expense)	-	-	-	-	-	33,784
Total nonoperating revenues (expenses)	26	60	261	139	4,354	(15,869)
OTHER FINANCING SOURCES						
Inter account transfers	(5,822)	-	-	(24,602)	14,905	150,151
Loan/bond Proceeds	-	-	-	-	-	-
Total other financing sources (uses)	(5,822)	-	-	(24,602)	14,905	150,151
NET CHANGE IN NET POSITION	(5,796)	60	261	(24,463)	12,002	537,305
NET POSITION, MAY 1	31,023	67,016	291,400	159,584	844,564	3,209,337
NET POSITION, APRIL 30	\$ 25,227	\$ 67,076	\$ 291,661	\$ 135,121	\$ 856,566	\$ 3,746,642

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS
OPERATION AND MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Water and sewer charges	\$ 1,403,381	\$ 1,403,381	\$ 1,233,254
Water and sewer tap on fees	41,700	41,700	60,500
Water meter assessments collected	7,500	7,500	7,328
Total operating revenues	1,452,581	1,452,581	1,301,082
OPERATING EXPENSES			
Personnel services	563,435	589,435	562,580
Contractual services	482,379	555,815	531,341
Materials and supplies	42,821	42,821	24,664
Other Expense	30,500	30,500	25,381
Capital Outlay	256,872	256,872	-
Depreciation	-	-	50,432
Total operating expenses	1,376,007	1,475,443	1,194,398
OPERATING INCOME	76,574	(22,862)	106,684
NONOPERATING REVENUES (EXPENSES)			
Investment income	250	250	523
Impact fees	-	-	-
Debt service			
Principal retirement	(131,621)	(131,621)	-
Interest and fiscal charges	(42,819)	(42,819)	(28,990)
Other income (expense)	5,000	5,000	33,784
Total nonoperating revenues (expenses)	(169,190)	(169,190)	5,317
OPERATING TRANSFERS			
Transfers	331,457	331,457	135,246
NET CHANGE IN NET POSITION	<u>\$ 238,841</u>	<u>\$ 139,405</u>	247,247
NET POSITION, MAY 1			<u>484,517</u>
NET POSITION, APRIL 30			<u>\$ 731,764</u>

(See independent auditors' report.)

VILLAGE OF COAL CITY, ILLINOIS

BOND REPAYMENT FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Water and sewer charges	\$ -	\$ -	\$ -
Water and sewer tap on fees	-	-	-
Water meter assessments collected	-	-	-
Total operating revenues	-	-	-
OPERATING EXPENSES			
Personnel services	-	-	-
Contractual services	-	-	-
Materials and supplies	-	-	-
Other Expense	-	-	-
Capital Outlay	-	-	-
Total operating expenses	-	-	-
OPERATING INCOME	-	-	-
NONOPERATING REVENUES (EXPENSES)			
Investment income	-	-	-
Impact fees	-	-	-
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Other income (expense)	-	-	-
Total nonoperating revenues (expenses)	-	-	-
OPERATING TRANSFERS			
Transfers	-	-	-
NET CHANGE IN NET POSITION	<u>\$ -</u>	<u>\$ -</u>	-
NET POSITION, MAY 1			-
NET POSITION, APRIL 30			<u>\$ -</u>

(See independent auditors' report.)

VILLAGE OF COAL CITY, ILLINOIS

WATER IMPACT FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Water and sewer charges	\$ -	\$ -	\$ -
Water and sewer tap on fees	-	-	-
Water meter assessments collected	-	-	-
Total operating revenues	-	-	-
OPERATING EXPENSES			
Personnel services	-	-	-
Contractual services	5,000	5,000	-
Materials and supplies	-	-	-
Other Expense	-	-	-
Capital Outlay	-	-	-
Total operating expenses	5,000	5,000	-
OPERATING INCOME	(5,000)	(5,000)	-
NONOPERATING REVENUES (EXPENSES)			
Investment income	50	50	55
Impact fees	6,500	6,500	12,073
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Other income (expense)	-	-	-
Total nonoperating revenues (expenses)	6,550	6,550	12,128
OPERATING TRANSFERS			
Transfers	-	-	-
NET CHANGE IN NET POSITION	<u>\$ 1,550</u>	<u>\$ 1,550</u>	12,128
NET POSITION, MAY 1			<u>55,439</u>
NET POSITION, APRIL 30			<u>\$ 67,567</u>

(See independent auditors' report.)

VILLAGE OF COAL CITY, ILLINOIS

SANITARY SEWER IMPACT FUND

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Water and sewer charges	\$ -	\$ -	\$ -
Water and sewer tap on fees	-	-	-
Water meter assessments collected	-	-	-
Total operating revenues	-	-	-
OPERATING EXPENSES			
Personnel services	-	-	-
Contractual services	5,000	5,000	-
Materials and supplies	-	-	-
Other Expense	-	-	-
Capital Outlay	-	-	-
Total operating expenses	5,000	5,000	-
OPERATING INCOME	(5,000)	(5,000)	-
NONOPERATING REVENUES (EXPENSES)			
Investment income	100	100	68
Impact fees	12,500	12,500	18,046
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Other income (expense)	-	-	-
Total nonoperating revenues (expenses)	12,600	12,600	18,114
OPERATING TRANSFERS			
Transfers	-	-	-
NET CHANGE IN NET POSITION	\$ 7,600	\$ 7,600	18,114
NET POSITION, MAY 1			66,226
NET POSITION, APRIL 30			\$ 84,340

(See independent auditors' report.)

VILLAGE OF COAL CITY, ILLINOIS
WATER INFRASTRUCTURE IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Water and sewer charges	\$ 48,000	\$ 48,000	\$ 48,513
Water and sewer tap on fees	-	-	-
Water meter assessments collected	-	-	-
Total operating revenues	48,000	48,000	48,513
OPERATING EXPENSES			
Personnel services	-	-	-
Contractual services	-	-	-
Materials and supplies	-	-	-
Other Expense	-	-	-
Depreciation	-	-	6,315
Total operating expenses	-	-	6,315
OPERATING INCOME	48,000	48,000	42,198
NONOPERATING REVENUES (EXPENSES)			
Investment income	20	20	13
Impact fees	-	-	-
Debt service			
Principal retirement	(58,225)	(58,225)	-
Interest and fiscal charges	(8,547)	(8,547)	(12,185)
Other income (expense)	-	-	-
Total nonoperating revenues (expenses)	(66,752)	(66,752)	(12,172)
OPERATING TRANSFERS			
Bond proceeds	-	-	-
Transfers	5,822	5,822	5,822
NET CHANGE IN NET POSITION	\$ (12,930)	\$ (12,930)	35,848
NET POSITION, MAY 1			168,416
NET POSITION, APRIL 30			\$ 204,264

(See independent auditors' report.)

VILLAGE OF COAL CITY, ILLINOIS
SEWER INFRASTRUCTURE IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Water and sewer charges	\$ 311,015	\$ 311,015	\$ 291,868
Water and sewer tap on fees	-	-	-
Water meter assessments collected	-	-	-
	<u>311,015</u>	<u>311,015</u>	<u>291,868</u>
OPERATING EXPENSES			
Personnel services	-	-	-
Contractual services	-	-	-
Materials and supplies	-	-	-
Other Expense	-	-	-
Depreciation	-	-	30,470
	<u>-</u>	<u>-</u>	<u>30,470</u>
OPERATING INCOME	<u>311,015</u>	<u>311,015</u>	<u>261,398</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	300	300	274
Impact fees	-	-	-
Debt service			
Principal retirement	(246,022)	(246,022)	-
Interest and fiscal charges	(44,370)	(44,370)	(44,370)
Other income (expense)	-	-	-
	<u>(290,092)</u>	<u>(290,092)</u>	<u>(44,096)</u>
OPERATING TRANSFERS			
Transfers	<u>34,602</u>	<u>34,602</u>	<u>24,602</u>
NET CHANGE IN NET POSITION	<u>\$ 55,525</u>	<u>\$ 55,525</u>	241,904
NET POSITION, MAY 1			<u>1,041,152</u>
NET POSITION, APRIL 30			<u>\$ 1,283,056</u>

(See independent auditors' report.)

VILLAGE OF COAL CITY, ILLINOIS

WATER DEPRECIATION FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Water and sewer charges	\$ -	\$ -	\$ -
Water and sewer tap on fees	-	-	-
Water meter assessments collected	-	-	-
Total operating revenues	-	-	-
OPERATING EXPENSES			
Personnel services	-	-	-
Contractual services	-	-	-
Materials and supplies	-	-	-
Other Expense	-	-	-
Capital Outlay	-	-	-
Total operating expenses	-	-	-
OPERATING INCOME	-	-	-
NONOPERATING REVENUES (EXPENSES)			
Investment income	50	50	26
Impact fees	-	-	-
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Other income (expense)	-	-	-
Total nonoperating revenues (expenses)	50	50	26
OPERATING TRANSFERS			
Transfers	(5,822)	(5,822)	(5,822)
NET CHANGE IN NET POSITION	<u>\$ (5,772)</u>	<u>\$ (5,772)</u>	(5,796)
NET POSITION, MAY 1			<u>31,023</u>
NET POSITION, APRIL 30			<u>\$ 25,227</u>

(See independent auditors' report.)

VILLAGE OF COAL CITY, ILLINOIS

WATER BOND RESERVE FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Water and sewer charges	\$ -	\$ -	\$ -
Water and sewer tap on fees	-	-	-
Water meter assessments collected	-	-	-
Total operating revenues	-	-	-
OPERATING EXPENSES			
Personnel services	-	-	-
Contractual services	-	-	-
Materials and supplies	-	-	-
Other Expense	-	-	-
Capital Outlay	-	-	-
Total operating expenses	-	-	-
OPERATING INCOME	-	-	-
NONOPERATING REVENUES (EXPENSES)			
Investment income	100	100	60
Impact fees	-	-	-
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Other income (expense)	-	-	-
Total nonoperating revenues (expenses)	100	100	60
OPERATING TRANSFERS			
Transfers	-	-	-
NET CHANGE IN NET POSITION	<u>\$ 100</u>	<u>\$ 100</u>	60
NET POSITION, MAY 1			<u>67,016</u>
NET POSITION, APRIL 30			<u>\$ 67,076</u>

(See independent auditors' report.)

VILLAGE OF COAL CITY, ILLINOIS

SEWER BOND RESERVE FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Water and sewer charges	\$ -	\$ -	\$ -
Water and sewer tap on fees	-	-	-
Water meter assessments collected	-	-	-
Total operating revenues	-	-	-
OPERATING EXPENSES			
Personnel services	-	-	-
Contractual services	-	-	-
Materials and supplies	-	-	-
Other Expense	-	-	-
Capital Outlay	-	-	-
Total operating expenses	-	-	-
OPERATING INCOME	-	-	-
NONOPERATING REVENUES (EXPENSES)			
Investment income	250	250	261
Impact fees	-	-	-
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Other income (expense)	-	-	-
Total nonoperating revenues (expenses)	250	250	261
OPERATING TRANSFERS			
Transfers	-	-	-
NET CHANGE IN NET POSITION	<u>\$ 250</u>	<u>\$ 250</u>	261
NET POSITION, MAY 1			<u>291,400</u>
NET POSITION, APRIL 30			<u>\$ 291,661</u>

(See independent auditors' report.)

VILLAGE OF COAL CITY, ILLINOIS

SEWER PLANT DEPRECIATION FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Water and sewer charges	\$ -	\$ -	\$ -
Water and sewer tap on fees	-	-	-
Water meter assessments collected	-	-	-
Total operating revenues	-	-	-
OPERATING EXPENSES			
Personnel services	-	-	-
Contractual services	-	-	-
Materials and supplies	-	-	-
Other Expense	-	-	-
Capital Outlay	-	-	-
Total operating expenses	-	-	-
OPERATING INCOME	-	-	-
NONOPERATING REVENUES (EXPENSES)			
Investment income	250	250	139
Impact fees	-	-	-
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Other income (expense)	-	-	-
Total nonoperating revenues (expenses)	250	250	139
OPERATING TRANSFERS			
Transfers	(24,602)	(24,602)	(24,602)
NET CHANGE IN NET POSITION	<u>\$ (24,352)</u>	<u>\$ (24,352)</u>	(24,463)
NET POSITION, MAY 1			<u>159,584</u>
NET POSITION, APRIL 30			<u>\$ 135,121</u>

(See independent auditors' report.)

VILLAGE OF COAL CITY, ILLINOIS

W&S INFRASTRUCTURE EXPANSION FUND

**SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL**

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Water and sewer charges	\$ -	\$ -	\$ -
Water and sewer tap on fees	-	-	-
Water meter assessments collected	-	-	-
Total operating revenues	-	-	-
OPERATING EXPENSES			
Personnel services	-	-	-
Contractual services	-	-	-
Materials and supplies	-	-	-
Other Expense	55,000	55,000	7,257
Capital Outlay	410,000	410,000	-
Total operating expenses	465,000	465,000	7,257
OPERATING INCOME	(465,000)	(465,000)	(7,257)
NONOPERATING REVENUES (EXPENSES)			
Unrealized Gain/Loss	1,000	1,000	1,974
Investment Income	1,000	1,000	2,380
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Other income (expense)	50,000	50,000	-
Total nonoperating revenues (expenses)	52,000	52,000	4,354
OPERATING TRANSFERS			
Transfers	13,550	13,550	14,905
NET CHANGE IN NET POSITION	<u>\$ (399,450)</u>	<u>\$ (399,450)</u>	12,002
NET POSITION, MAY 1			<u>844,564</u>
NET POSITION, APRIL 30			<u>\$ 856,566</u>

(See independent auditors' report.)

VILLAGE OF COAL CITY, ILLINOIS

GARBAGE FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Garbage collection fees	\$ 468,330	\$ 468,330	\$ 478,282
Total operating revenues	468,330	468,330	478,282
OPERATING EXPENSES			
Salaries	3,912	3,912	3,801
Health insurance	1,718	1,718	693
Collection and disposal of garbage	452,264	452,264	442,498
Office supplies and postage	5,600	5,600	4,532
Office equipment	1,000	1,000	523
Miscellaneous expense	2,000	2,000	249
Total operating expenses	466,494	466,494	452,296
OPERATING INCOME	1,836	1,836	25,986
NONOPERATING REVENUES (EXPENSES)			
Investment income	200	200	134
Other income (expense)	100	100	517
Total nonoperating revenues (expenses)	300	300	651
OPERATING TRANSFERS			
Transfers	-	-	-
NET CHANGE IN NET POSITION	\$ 2,136	\$ 2,136	26,637
NET POSITION, MAY 1			126,466
NET POSITION, APRIL 30			\$ 153,103

(See independent auditor's report.)

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FIDUCIARY FUNDS

VILLAGE OF COAL CITY, ILLINOIS
 COMBINING STATEMENT OF NET POSITION
 FIDUCIARY FUNDS
 April 30, 2016

	Police Pension Fund	School Site Fund	Total
ASSETS			
Cash and equivalents	\$ 21,930	\$ 3,887	\$ 25,817
Investments	1,911,608	-	1,911,608
Accrued interest	12,655	-	12,655
Total Assets	<u>1,946,193</u>	<u>3,887</u>	<u>1,950,080</u>
LIABILITIES			
Accounts payable	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Net position held in trust for pension benefits and school fund	<u>1,946,193</u>	<u>3,887</u>	<u>1,950,080</u>
Total Liabilities and Net Position	<u>\$ 1,946,193</u>	<u>3,887</u>	<u>1,950,080</u>

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

COMBINING STATEMENT OF CHANGES IN NET POSITION

FIDUCIARY FUNDS

April 30, 2016

	Police Pension Fund	School Site Fund	Total
Additions:			
Contributions:			
Employer contributions	\$ 299,398	\$ -	\$ 299,398
Employee contributions	79,760	-	79,760
Other member revenue	-	-	-
School site dedication fees		15,190	15,190
Investment Income			
Interest Income	51,749	10	51,759
Realized and Unrealized Gains/Losses	7,134	-	7,134
Less: Investment Expense	(7,379)	-	(7,379)
TOTAL ADDITIONS	430,662	15,200	445,862
Deductions:			
Payments to local school districts	-	17,156	17,156
Pension Benefits and Refunds			
Pension Benefits	159,457	-	159,457
Refunds	-	-	-
Administrative Expenses			
Actuary	2,100	-	2,100
Auditing	1,850	-	1,850
Accounting and Bookkeeping	7,875	-	7,875
Legal	-	-	-
Medical Services	-	-	-
Travel Expense	3,037	-	3,037
Conference/Seminar Fees	1,625	-	1,625
Association Dues	795	-	795
Compliance Fee	302	-	302
Miscellaneous	166	-	166
TOTAL DEDUCTIONS	177,207	17,156	194,363
CHANGE IN NET POSITION	253,455	(1,956)	251,499
NET POSITION - MAY 1, 2015	1,692,738	5,843	1,698,581
NET POSITION - APRIL 30, 2016	\$ 1,946,193	3,887	1,950,080

(See independent auditor's report.)

SUPPLEMENTAL DATA

VILLAGE OF COAL CITY, ILLINOIS

DEBT SERVICE FUND

SCHEDULE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013

April 30, 2016

Date of Issue	November 25, 2013
Date of Maturity	November 1, 2023
Authorized Issue	\$1,900,000
Interest Rates	4.55%
Interest Dates	May and November

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	May 1	Amount	Nov. 1	Amount
2017	-	86,450	86,450	2016	43,225	2016	43,225
2018	-	86,450	86,450	2017	43,225	2017	43,225
2019	-	86,450	86,450	2018	43,225	2018	43,225
2020	345,000	86,450	431,450	2019	43,225	2019	43,225
2021	365,000	70,752	435,752	2020	35,376	2020	35,376
2022	380,000	54,146	434,146	2021	27,073	2021	27,073
2023	395,000	36,855	431,855	2022	18,427	2022	18,428
2024	415,000	18,882	433,882	2023	9,441	2023	9,441
	<u>\$ 1,900,000</u>	<u>\$ 526,435</u>	<u>\$ 2,426,435</u>		<u>\$ 263,217</u>		<u>\$ 263,218</u>

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

DEBT SERVICE FUND

SCHEDULE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2015

April 30, 2016

Date of Issue	December 29, 2015
Date of Maturity	December 1, 2030
Authorized Issue	\$3,000,000
Interest Rates	5.00%
Interest Dates	June and December

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2017	-	138,333	138,333	2016	63,333	2016	75,000
2018	-	150,000	150,000	2017	75,000	2017	75,000
2019	-	150,000	150,000	2018	75,000	2018	75,000
2020	-	150,000	150,000	2019	75,000	2019	75,000
2021	210,000	150,000	360,000	2020	75,000	2020	75,000
2022	220,000	139,500	359,500	2021	69,750	2021	69,750
2023	235,000	128,500	363,500	2022	64,250	2022	64,250
2024	245,000	116,750	361,750	2023	58,375	2023	58,375
2025	255,000	104,500	359,500	2024	52,250	2024	52,250
2026	270,000	91,750	361,750	2025	45,875	2025	45,875
2027	285,000	78,250	363,250	2026	39,125	2026	39,125
2028	295,000	64,000	359,000	2027	32,000	2027	32,000
2029	310,000	49,250	359,250	2028	24,625	2028	24,625
2030	330,000	33,750	363,750	2029	16,875	2029	16,875
2031	345,000	17,250	362,250	2030	8,625	2030	8,625
	<u>\$ 3,000,000</u>	<u>\$ 1,561,833</u>	<u>\$ 4,561,833</u>		<u>\$ 775,083</u>		<u>\$ 786,750</u>

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

DEBT SERVICE FUND

SCHEDULE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2015 RFD

April 30, 2016

Date of Issue	December 29, 2015
Date of Maturity	December 1, 2030
Authorized Issue	\$4,050,000
Interest Rates	5.00%
Interest Dates	June and December

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	Dec. 1	Amount
2017	-	184,906	184,906	2016	84,656	2016	100,250
2018	100,000	200,500	300,500	2017	100,250	2017	100,250
2019	100,000	196,500	296,500	2018	98,250	2018	98,250
2020	240,000	192,500	432,500	2019	96,250	2019	96,250
2021	255,000	180,500	435,500	2020	90,250	2020	90,250
2022	265,000	167,750	432,750	2021	83,875	2021	83,875
2023	280,000	154,500	434,500	2022	77,250	2022	77,250
2024	295,000	140,500	435,500	2023	70,250	2023	70,250
2025	310,000	125,750	435,750	2024	62,875	2024	62,875
2026	325,000	110,250	435,250	2025	55,125	2025	55,125
2027	340,000	94,000	434,000	2026	47,000	2026	47,000
2028	355,000	77,000	432,000	2027	38,500	2027	38,500
2029	375,000	59,250	434,250	2028	29,625	2028	29,625
2030	395,000	40,500	435,500	2029	20,250	2029	20,250
2031	415,000	20,750	435,750	2030	10,375	2030	10,375
	<u>\$ 4,050,000</u>	<u>\$ 1,945,156</u>	<u>\$ 5,995,156</u>		<u>\$ 964,781</u>		<u>\$ 980,375</u>

(See independent auditor's report.)

VILLAGE OF COAL CITY, ILLINOIS

Property Tax Assessed Valuations, Rates, Extensions, and Collections April 30, 2016

Tax Levy Year	2015				2014			
	Grundy County		Will County		Grundy County		Will County	
Assessed Valuation	100,272,970		4,146		105,477,239		3,876	
	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount
Tax Extensions								
Corporate	0.24931	\$ 249,991	0.2302	\$	0.24878	\$ 262,406	0.2500	\$ 10
Bonds and interest	0.24133	241,989	0.2227		0.58152	613,371	0.5820	23
I.M.R.F.	0.08522	85,453	0.0787		0.07120	75,100	0.0715	3
Police protection	0.07480	75,004	0.0690		0.07464	78,728	0.0749	3
Parks	0.07480	75,004	0.0690		0.04361	45,999	0.0439	2
Workman's Comp	0.15956	159,995	0.1472		0.09007	95,003	0.0906	3
Social Security	0.15142	151,833	0.1397		0.10514	110,899	0.1058	4
Tort/liability insurance	0.13252	132,882	0.1223		0.11314	119,337	0.1138	4
Police pension	0.30828	309,122	0.2844		0.28445	300,030	0.2862	11
Audit	0.02494	25,008	0.0230		0.00001	11	0.0000	-
Street lighting	0.04987	50,006	0.0461		0.00001	11	0.0000	-
	1.55205	1,556,287	1.4323	\$	1.61257	1,700,895	1.6187	63
TIF		86,831				51,064		
Road and Bridge		75,713				122,232		2
Total Grundy		\$ 1,718,831				\$ 1,874,191		
Plus Will		59				63		
Total Extension		1,718,890				1,874,254		
Tax collections:								
year ended April 30, 2016		\$ -				\$ 1,869,024		
Previous years		-				\$ 1,869,024		
Percent collected		0.0%				99.7%		

Property tax rates are per \$100 of assessed valuation. Assessed valuation, rates and extended amounts of property taxes levied have been presented for each of the counties for which the District files a property tax levy.

(See independent auditor's report.)



Brian Zabel & ASSOCIATES P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S 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

To the Village Mayor
and Board of Trustees
Village of Coal City, Illinois

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Coal City, Illinois, as of and for the year ended April 30, 2016, and the related notes to the financial statements, which collectively comprise the Village of Coal City, Illinois' basic financial statements, and have issued our report thereon dated September 22, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village of Coal City, Illinois' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 Village of Coal City, Illinois' internal control.

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 deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Coal City, Illinois' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of an entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Brian Zabel & Assoc." in a cursive, slightly stylized font.

BRIAN ZABEL & ASSOCIATES, P.C.
Certified Public Accountants

Morris, Illinois
September 22, 2016