

FY 2006 Annual Financial Report

Multi-Purpose Long Form

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Mark Johnson

CHAMPAIGN COUNTY CLERK

County: CHAMPAIGN

Unit Code: 010/075/32

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 THE COMPTROLLER CONNECT PROGRAM. THIS WILL
 PROVIDE THE COMPTROLLER'S OFFICE WITH A COPY
 OF YOUR ANNUAL FINANCIAL REPORT.

I attest that, to the best of my knowledge, this report represents a complete and accurate statement of the financial position of Philo Village as of the end of this fiscal year

Judy Kirby
 Written signature of government official
 Judy Kirby, Clk
 Please Sign

Date 11-15-06

PLEASE CROSS OUT ALL INCORRECT INFORMATION AND PROVIDE CORRECTIONS

STEP 1: ENTER CONTACT INFORMATION

Is the following information correct and complete? Yes No

A. Contact Person (elected or appointed official responsible for filling out this form):		B. Chief Executive Officer (elected or appointed official responsible for the executive administration, i.e. mayor, supervisor, or chairman):		C. Chief Financial Officer (elected or appointed official responsible for maintaining the government's financial records):	
Judy	Kirby	CRAIG	ECKERT	ROBERT	RICE
Clerk		President		Treasurer	
127 W WASHINGTON PO Box 72		127 W WASHINGTON PO Box 72		127 W WASHINGTON PO Box 72	
Philo		PHILO		PHILO	
L		IL		IL	
1864		61864		61864	
Phone: 217-684-2562		Phone: 217-684-2562		Phone: 2176842562	
ax: (217) 684-2205		Fax: 2176842205		Fax: 2176842205	
-mail:		E-mail:		E-mail:	

If the Chief Executive Officer and the Chief Financial Officer are the same person as the Contact Person, please check this box and skip to Step 2. If not, please do not leave columns B and C blank.

STEP 2: VERIFY FISCAL YEAR END

FY END DATE: 04/30/2006

If the fiscal year end date, listed above, is incorrect, cross out the incorrect date and provide the correct date. Official documentation of this change must be sent to the Chicago office before the fiscal year and date is officially changed.

STEP 3: GASB 34, ACCOUNTING SYSTEM, DEBT, UTILITY, HOME RULE AND TIF

A. Has your government implemented GASB34 in FY 2006 reporting or in previous reporting years? X Yes No

If Yes: Governments who have implemented GASB 34 and are using "other basis of accounting" (OCBOA) such as "Cash Basis" and "Modified Cash Basis" as their accounting system will now be able to select these types as their accounting system.

Please fill out the Alternative Assets & Liabilities page, located on page F1(b)

B. Which type of accounting system does Philo Village use

Cash - with no assets (Cash Basis) Modified Accrual/Accrual

X Cash - with assets (Modified Cash Basis) Combination (explain)

C. Does the government have debt this reporting fiscal year? X Yes No

D. If "Yes", indicate the type(s) of debt.

X G.O. Bonds Revenue Bonds

Alternate Revenue Bonds Contractual Commitments

Other

E. Does Philo Village own a public utility company? X Yes No

F. Is Philo Village a home rule unit? Yes X No

G. Does Philo Village have a Tax Increment Finance(TIF) district? Yes X No

STEP 4: POPULATION, EAV AND EMPLOYEES

^What is the total population of Philo Village?	13,140
What is the total EAV of Philo Village?	\$ 16,129,083
*How many full time employees are paid?	1
*How many part time employees are paid?	15
What is the total salary paid to all employees?	\$ 95,157
^Or provide estimated population	
*Do not include contractual employees.	

STEPS 5 AND 6: COMPONENT UNITS AND APPROPRIATIONS

Provide the appropriation for the primary government listed in the first row of the table below

In the remaining rows, provide the names of all component units along with their appropriations. Indicate if the component units are blended or discretely presented, its fiscal year end date and if the component unit was funded with governmental fund types or enterprise fund types. If the component units are already indicated, that data is based on forms submitted last year. If you have more component units than the rows provided below, please indicate them on an attachment.

If you need assistance with the terms indicated below, refer to the *Chart of Accounts and Definitions* and the *How to Fill Out An AFR* documents.

Name of Unit/Component	Appropriation	Type of Component Unit	FISCAL YEAR END	Enterprise Fund Type or Governmental Fund Type
FUNDS SHOULD NOT BE LISTED HERE				
Philo Village	\$2,062,630		04/30	
Total Appropriations	\$2,062,630			

STEP 7: AUDITS

Provide CPA's information if Philo Village is required to submit an audit to the Office of the Comptroller

Firm Name:	STAN FELLER CPA
CPA's first name:	STAN
CPA's last name:	FELLER
CPA's Title:	partner
Address:	806 Parkland Ct
City:	CHAMPAIGN
State:	IL
ZIP:	61821-2477
Phone:	2173513192
Fax:	2173514135
Email:	stfeller@aol.com
State Registration Number:	065-009488

STEP 8: OTHER GOVERNMENTS

Indicate any payments Philo Village made to other governments for services or programs (include programs performed on a reimbursement cost-sharing basis or federal payroll taxes).

Intergovernmental agreements - indicate how much was paid	0
Federal government payroll taxes	7,332
All other intergovernmental payments	0

STEP 9: FUND LISTING & ACCOUNT GROUPS

A. List all funds and how much was spent in FY2006 for each fund. Also, indicate the Fund Type (Fund Types are at the top of each column beginning on page B). If any fund names appear below, the data is based on forms submitted last year. Please make all necessary corrections. If you have more fund names than the rows provided below, please indicate them on an attachment.

Fund Name	Expenditure	Fund Type	FY End
Civil Defense Fund	6,896	Special Revenue Fund	04/30
Forestry Fund	6,612	Special Revenue Fund	04/30
Garbage Fund	36,009	Special Revenue Fund	04/30
General Fund Fund	280,285	General Fund	04/30
Meeting Center Fund Fund	74,666	Special Revenue Fund	04/30
Motor Fuel Tax Fund	25,363	Special Revenue Fund	04/30
Police Fund	12,766	Special Revenue Fund	04/30
Water Fund	98,541	Enterprise Fund	04/30
Total Expenditures	541,138		

B. Does Philo Village have assets or liabilities that should be recorded as a part of Account Groups? See *Chart of Accounts and Definitions* and the *How to Fill Out An AFR* documents for more information about Account Groups.

Yes No

5
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STEP 10: GOVERNMENTAL ENTITIES

List of governmental entities that are part of or related to the primary government Exclude component units detailed in Steps 5 & 6. Most small governments do not have governmental entities

Entity Name	Relationship
-------------	--------------

STEP 11: REPORTING

Check any state or local entity where financial reports are filed.

STATE AGENCIES	
<input type="checkbox"/> - Board of Education	<input type="checkbox"/> - Board of Higher Education
<input type="checkbox"/> - DCCA	<input type="checkbox"/> - Department of Insurance
OTHER STATE OR LOCAL OFFICES	
<input checked="" type="checkbox"/> - Illinois Comptroller	<input type="checkbox"/> - Secretary of State
<input type="checkbox"/> - General Assembly - House	<input type="checkbox"/> - General Assembly - Senate
<input checked="" type="checkbox"/> - County Clerk	<input type="checkbox"/> - Circuit Clerk
<input type="checkbox"/> - Governor's Office	<input type="checkbox"/> - Other - _____

Code	Enter all Amounts in Whole Numbers	Governmental Activity	Business-Like Activity	Fiduciary	Discretely Presented Component Units
Current Assets					
Report In Whole Numbers					
101t	Cash and Cash Equivalent	575,018	31,430	0	0
102t	Investments	0	0	0	0
115t	Receivables	0	0	0	0
109t	Inventories	0	0	0	0
112t	Other Assets (Explain)	0	0	0	0
Non-Current Assets					
Report In Whole Numbers					
116t	Capital Assets/Net of Accumulated Depreciation	888,070	0	0	0
117t	Other Capital Assets	0	0	0	0
120t	TOTAL ASSETS	1,463,088	31,430	0	0
Liabilities					
Report In Whole Numbers					
Current Liabilities					
Enter all Amounts in Whole Numbers					
122t	All Payables	0	0	0	0
132t	Deferred Revenues	0	0	0	0
128t	Other Liabilities (Explain)	0	0	0	0
Non-Current/Long-Term Liabilities					
Report In Whole Numbers					
129t	Due Within One Year	25,000	0	0	0
130t	Due Beyond One Year	389,500	0	0	0
131t	Other Non-Current/Long Term Liabilities	0	0	0	0
135t	TOTAL LIABILITIES	414,500	0	0	0
Net Assets					
Report In Whole Numbers					
Enter all Amounts in Whole Numbers					
143t	Investments in Capital Assets/Net of Related Debt	473,570	0	0	0
148t	Net Assets - Restricted	21,461	0	0	0
149t	Net Assets - Unrestricted	553,557	31,430	0	0
146t	TOTAL NET ASSETS	1,048,588	31,430	0	0
147t	TOTAL LIABILITIES & NET ASSETS	1,463,088	31,430	0	0

Revenues and Receipts

Code	Enter all Amounts in Whole Numbers	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units
Local Taxes									
201t	Property Tax	98,114	20,592	0	0	0	0	0	0
202t	Local Sales Tax	0	0	0	0	0	0	0	0
203t	Utilities Tax	16,998	0	0	0	0	0	0	0
203a	Electric Utilities	0	0	0	0	0	0	0	0
203b	Water Utilities	9,264	0	0	0	0	0	0	0
203c	Communications Utilities	7,734	0	0	0	0	0	0	0
203d	Other Utilities Tax (Explain)	0	0	0	0	0	0	0	0
204t	Other Taxes (Explain)	0	0	0	0	0	0	0	0

Report In Whole Numbers

Intergovernmental Receipts & State or Federal Grants									
211t	State Income Tax	99,785	0	0	0	0	0	0	0
212t	State Sales Tax	96,519	0	0	0	0	0	0	0
213t	State Motor Fuel Tax	0	37,993	0	0	0	0	0	0
214t	State Replacement Tax	2,364	0	0	0	0	0	0	0
205t	State Gaming Tax(es)	0	0	0	0	0	0	0	0
215t	Other State Sources (Explain)	0	0	0	0	0	0	0	0
215a	General Support	0	0	0	0	0	0	0	0
215b	Public Welfare	0	0	0	0	0	0	0	0
215c	Health and/or Hospitals	0	0	0	0	0	0	0	0
215d	Streets and Highways	0	0	0	0	0	0	0	0
215e	Culture and Recreation	0	0	0	0	0	0	0	0
215f	Housing and Community Dev	0	0	0	0	0	0	0	0
215g	Water Supply System	0	0	0	0	0	0	0	0
215h	Electric/Gas Power System	0	0	0	0	0	0	0	0
215i	Mass Transit	0	0	0	0	0	0	0	0
215j	Other (Explain)	0	0	0	0	0	0	0	0
225t	Federal Sources	0	0	0	0	0	0	0	0
225a	General Support	0	0	0	0	0	0	0	0
225b	Public Welfare	0	0	0	0	0	0	0	0
225c	Health and/or Hospitals	0	0	0	0	0	0	0	0
225d	Streets and Highways	0	0	0	0	0	0	0	0
225e	Culture and Recreation	0	0	0	0	0	0	0	0
225f	Housing and Community Dev	0	0	0	0	0	0	0	0
225g	Water Supply System	0	0	0	0	0	0	0	0

Code	Enter all Amounts in Whole Numbers	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units
Intergovernmental Receipts & State or Federal Grants									
225H	Electric/Gas Power System	0	0	0	0	0	0	0	0
225I	Mass Transit	0	0	0	0	0	0	0	0
225J	Other (Explain)	0	0	0	0	0	0	0	0
226I	Other Intergovernmental (Explain)	0	0	0	0	0	0	0	0
Other Sources									
231I	Licenses and Permits	2,480	0	0	0	0	0	0	0
233I	Fines and Forfeitures	0	0	0	0	0	0	0	0
234I	Charges for Services	15,000	16,776	0	0	105,101	0	0	0
234a	Water Utilities	15,000	0	0	0	105,101	0	0	0
234b	Gas Utilities	0	0	0	0	0	0	0	0
234c	Electric Utilities	0	0	0	0	0	0	0	0
234d	Transit Utilities	0	0	0	0	0	0	0	0
234e	Sewer Utilities	0	0	0	0	0	0	0	0
234f	Refuse and Disposal Charges	0	1,800	0	0	0	0	0	0
234g	Parking	0	0	0	0	0	0	0	0
234h	Housing	0	0	0	0	0	0	0	0
234i	Highway or Bridge Tolls	0	0	0	0	0	0	0	0
234j	Culture and Recreation	0	14,976	0	0	0	0	0	0
234k	Other (Explain)	0	0	0	0	0	0	0	0
235I	Interest	9,566	612	0	0	968	0	0	0
236I	Miscellaneous (Explain)	270	1,052	0	0	0	0	0	0
240I	Total Receipts and Revenue	341,096	77,025	0	0	106,069	0	0	0

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Disbursements, Expenditures and Expenses

Code	Enter all Amounts in Whole Numbers	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units
						Report In Whole Numbers			
275b	Solid Waste Management	0	0	0	0	0	0	0	0
275c	Other (Explain)	0	0	0	0	0	0	0	0
259t	Debt	56,079	0	0	0	0	0	0	0
259a	Interest	19,579	0	0	0	0	0	0	0
259b	Principal	36,500	0	0	0	0	0	0	0
271t	Public Utility Company	0	0	0	0	98,541	0	0	0
271a	Water	0	0	0	0	98,541	0	0	0
271b	Electric	0	0	0	0	0	0	0	0
271c	Transit	0	0	0	0	0	0	0	0
271d	Other (Explain)	0	0	0	0	0	0	0	0
272t	Depreciation	0	0	0	0	10,169	0	0	0
280t	Capital Outlay	0	23,035	0	0	0	0	0	0
260t	Other Expenditures (Explain)	0	0	0	0	0	0	0	0
270t	Total Expenditures/Expense	280,285	162,312	0	0	108,710	0	0	0

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Fund Balances and Other Financing Sources (Uses)

Code	Enter all Amounts in Whole Numbers	Report in Whole Numbers									
		General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary	Discretely Presented Component Units		
301t	Excess of receipts/revenues over (under) expenditures/expenses (240t-270t)	60,811	-85,287	0	0	-2,641	0	0	0	0	
302t	Operating transfers in	487,883	98,500	0	0	0	0	0	0	0	
303t	Operating transfers out	-98,500	0	0	0	-487,883	0	0	0	0	
304t	Bond proceeds	0	0	0	0	0	0	0	0	0	
305t	Other (Explain)	0	0	0	0	-145,387	0	0	0	0	
306t	Net increase(decrease) in fund balance (301t + 302t - 303t + 304t + 305t)	450,194	13,213	0	0	-635,911	0	0	0	0	
307t	Previous year fund balance	62,153	49,457	0	0	667,341	0	0	0	0	
308t	Other (Explain)	0	0	0	0	0	0	0	0	0	
310t	Current Year Ending Fund Balance (306t + 307t + 308t)	512,347	62,670	0	0	31,430	0	0	0	0	

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Statement of Indebtedness

Debt Instruments for All Funds	Code	Outstanding Beginning of Year	Code	Report in Whole Numbers			Code	Retired Current Fiscal Year	Code	Outstanding End of Year
				Issued Current Fiscal Year						
General Obligation Bonds	400	451,000	406	0	412	36,500	418	414,500		
Water	400a	0	406a	0	412a	0	418a	0		
Electric	400b	0	406b	0	412b	0	418b	0		
Transportation	400c	0	406c	0	412c	0	418c	0		
Housing	400d	0	406d	0	412d	0	418d	0		
Other (Explain)	400e	451,000	406e	0	412e	36,500	418e	414,500		
Revenue Bonds	401	0	407	0	413	0	419	0		
Water	401a	0	407a	0	413a	0	419a	0		
Electric	401b	0	407b	0	413b	0	419b	0		
Transportation	401c	0	407c	0	413c	0	419c	0		
Housing	401d	0	407d	0	413d	0	419d	0		
Other (Explain)	401e	0	407e	0	413e	0	419e	0		
Alternate Revenue Bonds	402	0	408	0	414	0	420	0		
Contractual Commitments	403	0	409	0	415	0	421	0		
Other (Explain)	404	0	410	0	416	0	422	0		
Total Debt	405	451,000	411	0	417	36,500	423	414,500		

Explanation or Comments
Gen \$145,387 is the loss on sale of water assets

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* Philo Village Capital Outlay

Code	Function	These are not funds	
		Construction	Land, Structures, and Equipment
601t	General Government	0	0
602t	Law Enforcement	0	0
603t	Corrections	0	0
604t	Fire	0	0
605t	Sewerage	0	0
606t	Sanitation and Wastewater	0	0
607t	Parks and Recreation	0	23,035
608t	Housing and Community Development	0	0
609t	Highways, Roads and Bridges	0	0
610t	Parking Facilities	0	0
611t	Welfare	0	0
612t	Hospital	0	0
613t	Water	0	0
614t	Nursing Homes	0	0
615t	Conservation and Natural Resources	0	0
616t	Libraries	0	0
617t	Other	0	0

This page should only be filled out if you have spent funds for capital projects or development.

The Capital outlay page is requested by the U.S. Census Bureau and is considered optional by the State Comptroller.

If you complete this page you WILL NOT have to complete the Survey of Government Finances from the U.S. Census Bureau.

If you do NOT complete this page the U.S. Census Bureau will contact you for further information.

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Mark Sheldon
CHAMPAIGN COUNTY CLERK

Village of Philo

Philo, Illinois

ANNUAL FINANCIAL REPORT

For the Year Ended

April 30, 2006

Stan Feller, CPA
806 Parkland CT Suite 1
Champaign, IL 61821-2477
217-351-3192

TABLE OF CONTENTS

	Page No.
Independent Auditor's Report	1
BASIC FINANCIAL STATEMENTS	
Statement of Net Assets – Modified Cash Basis	2
Statement of Activities – Modified Cash Basis	3
Balance Sheet – Modified Cash Basis – Government Funds	4
Statement of Revenues, Expenditures, and Changes in Fund Balances – Modified Cash Basis – Governmental Funds	5
Statement of Net Assets – Modified Cash Basis – Water Fund	6
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Modified Cash Basis – Water Fund	7
Statement of Cash Flows – Modified Cash Basis – Water Fund	8
Notes to Basic Financial Statements	9 - 20
Required Supplementary Information:	
Budgetary Comparison Schedule – Modified Cash Basis – Statement of Revenues, Expenditures, and Change in Fund Balance Notes to Budgetary Comparison Schedule - General Fund	21
Supplementary Information:	
Combining Balance Sheet – Mod. Cash Basis – Nonmajor Government Funds	22
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Modified Cash Basis – Nonmajor Governmental Funds	23
Budgetary Comparison Schedule, Statement of Revenues, Expenditures, and Changes in Fund Balance - Modified Cash Basis – Notes to Budgetary Comparison Schedule - Nonmajor Governmental Funds	24

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Mark Sheldon
CHAMPAIGN COUNTY CLERK

STAN FELLER, CPA

Accountant - Tax Consultant
806 Parkland CT - Champaign, Illinois 61821-2477
(217) 351-3192 (fax 351-4135) (stfeller@aol.com)

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Village of Philo

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Philo, Illinois, as of and for the year ended April 30, 2006, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted the audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

As described in Note 1, the Village prepares its financial statements on a modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The Village of Philo has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position – modified cash basis of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Philo, as of April 30, 2006, and the respective changes in financial position – modified cash basis thereof for the year then ended in conformity with the basis of accounting described in Note 1.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The supplementary information is presented for purposes of additional analysis and are not required part of the basic financial statements. The accompanying supplemental information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole on the basis of accounting described in Note 1.

Champaign, Illinois
September 8, 2006

Stan Feller CPA

VILLAGE OF PHILO

STATEMENT OF NET ASSETS - MODIFIED CASH BASIS

April 30, 2006

	Governmental Activities	Business -Type Activities	Totals
<u>Assets</u>			
Cash	\$575,018	\$31,430	\$606,448
Capital assets net of accumulated depreciation	888,070	0	888,070
Total Assets	<u>1,463,088</u>	<u>31,430</u>	<u>1,494,518</u>
<u>Liabilities</u>			
Payroll taxes withholding	0	0	0
Meter deposits	0	0	0
General Obligation Debt Certificates			
Due within one year	25,000		25,000
Due in more than one year	389,500		389,500
Total Liabilities	<u>414,500</u>	<u>0</u>	<u>414,500</u>
<u>Net assets</u>			
Investment in fixed assets, net of related debt	473,570	0	473,570
Restricted	21,461	0	21,461
Unrestricted	553,557	31,430	584,987
Total net assets	<u>\$1,048,588</u>	<u>\$31,430</u>	<u>\$1,080,018</u>

These financial statements should be read only in connection
with the accompanying notes to financial statements

VILLAGE OF PHILO
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
Year Ended April 30, 2006

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes In Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental activities:							
General Government	\$105,147	\$15,000	\$0	\$0	(\$90,147)	\$0	(\$90,147)
Public Safety	19,662	0	0	0	(19,662)	0	(19,662)
Public Works	208,460	0	0	0	(208,460)	0	(208,460)
Culture and Recreation	89,155	14,976	0	0	(74,179)	0	(74,179)
Total governmental activities	422,424	29,976	0	0	(392,448)	0	(392,448)
Business-type activity:							
Water	108,710	105,101	0	0	0	(3,609)	(3,609)
Total primary government	\$213,857	\$120,101	\$0	\$0	(392,448)	(3,609)	(396,057)

General revenues	General revenues	Business-type Activities	Total
Taxes			
Property taxes	118,706	0	118,706
State income taxes	99,785	0	99,785
State replacement taxes	2,364	0	2,364
Sales tax	96,519	0	96,519
State motor fuel tax	37,993	0	37,993
Recycling	1,800	0	1,800
Licenses, permits	2,480	0	2,480
Franchise taxes	16,998	0	16,998
Investment income	10,178	968	11,146
Other	1,323	0	1,323
Loss on sale of water assets	0	(146,387)	(146,387)
Transfers - internal activity	487,883	(487,883)	0
Total general revenues and transfers	876,029	(632,302)	243,727
Change in net assets	483,581	(635,911)	(152,330)
Net assets - beginning	565,007	667,341	1,232,348
Net assets - ending	\$1,048,588	\$31,430	\$1,080,018

These financial statements should be read only in connection with the accompanying notes to financial statements

VILLAGE OF PHILO

BALANCE SHEET - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
April 30, 2006

<u>Assets</u>	<u>General Funds</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash	\$512,348	\$62,670	\$575,018
Total Assets	<u>\$512,348</u>	<u>\$62,670</u>	<u>\$575,018</u>
<u>Liabilities</u>			
Payroll taxes withholding	0	0	0
Due to General Fund	0	0	0
Total Liabilities	0	0	0
<u>Fund Balances</u>			
Unreserved	490,887		490,887
Reserved	21,461		21,461
Unreserved, reported in nonmajor special revenue funds		62,670	62,670
Total Fund Balances	<u>512,348</u>	<u>62,670</u>	575,018
Total Liabilities and Fund Balances	<u>\$512,348</u>	<u>\$62,670</u>	

Reconciliation to Statement of Net Assets:

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	888,070
Some liabilities, including capital debt obligations payable, are not due and payable in the current period and therefore not reported in the funds	(414,500)
Net Assets of governmental activities	<u>\$1,048,588</u>

These financial statements should be read only in connection
with the accompanying notes to financial statements

VILLAGE OF PHILO
Statement of Revenues, Expenditures, Changes in Fund Balances
Modified Cash Basis
GOVERNMENTAL FUND
Year Ended April 30, 2006

<u>Revenues:</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Totals Governmental Funds</u>
Property taxes	\$98,114	\$20,592	\$118,706
State income tax	99,785	0	99,785
State replacement tax	2,364	0	2,364
Sales tax	96,519	0	96,519
State motor fuel tax	0	37,993	37,993
Recycling	0	1,800	1,800
Licenses and permits	2,480	0	2,480
Aqua water franchise fees	9,264	0	9,264
Other franchise fees	7,734	0	7,734
Aqua reimburse employee expenses	15,000	0	15,000
Rent income	0	14,976	14,976
Interest	9,566	612	10,178
Other	270	1,052	1,323
Total Revenues	<u>341,096</u>	<u>77,025</u>	<u>418,122</u>
 <u>Expenditures</u>			
General government	85,568	0	85,568
Public safety	0	19,662	19,662
Public works	121,526	61,372	182,898
Culture and recreation	17,112	58,243	75,355
Capital expenditures	0	23,035	23,035
Principle Payment	36,500	0	36,500
Interest Expense	19,579	0	19,579
Total Expenditures Disbursed	<u>280,285</u>	<u>162,312</u>	<u>442,597</u>
 Excess (deficiency) of revenues over expenditures paid	 60,811	 (85,287)	 (24,475)
 Other financing sources (uses)			
Transfers in	487,883	98,500	586,383
Transfers (out)	(98,500)	0	(98,500)
Total other financing sources (uses)	<u>389,383</u>	<u>98,500</u>	<u>487,883</u>
 Net change in fund balances	 450,194	 13,213	 463,408
 Fund balances - beginning	 <u>62,154</u>	 <u>49,457</u>	 <u>111,611</u>
 Fund balances - ending	 <u>\$512,348</u>	 <u>\$62,670</u>	 <u>\$575,019</u>
 Reconciliation to the Statement of Activities:			
 Net change in fund balances - total governmental funds			 \$463,408
 <small>Issuance of new capital debt obligations is recorded as capital debt proceeds in the government funds, but the proceeds created long-term liabilities in the Statement of Net Assets</small>			
Capital Debt Payments			36,500
 <small>Governmental funds report capital outlays as expenditures while governmental activities report depreciation expenses to allocate those expenditures over the life of the assets</small>			
Capital asset purchases capitalized			23,035
Depreciation expense			(39,362)
 Change in Net Assets of Governmental Activities			 <u>\$483,581</u>

These financial statements should be read only in connection
with the accompanying notes to financial statements

VILLAGE OF PHILO
Statement of Net Assets - Modified Cash Basis
Proprietary - WATER FUND
April 30, 2006

<u>Assets</u>	
Current assets	
Cash	\$31,430
Total current assets	31,430
Noncurrent assets	
capital assets, net of accumulated depreciation	0
Total noncurrent assets	0
Total assets	31,430
<u>Liabilities</u>	
Current liabilities	
Due general fund	0
Meter deposits	0
Accrued payroll taxes	0
Total current liabilities	0
Noncurrent liabilities	
Notes payable - long term	0
Total noncurrent liabilities	0
Total liabilities	0
<u>Net assets</u>	
Invested in capital assets, net of related debt	0
Restricted for debt service	0
Unrestricted	31,430
Total net assets	\$31,430

These financial statements should be read only in connection
with the accompanying notes to financial statements.

VILLAGE OF PHILO
Statement of Revenues, Expenses,
and Changes in Fund Net Assets - Modified Cash Basis
Proprietary - WATER FUND
Year Ended April 30, 2006

Operating Revenues

Water sales	\$105,101
Total operating revenues	105,101

Operating Expenses

Personnel services	20,133
Employee taxes - benefits	2,231
Engineering services	1,400
Other professional services	6,808
Office postage and supplies	3,607
Salt and chemicals	2,520
Repairs and maintenance	19,889
Utilities	2,563
Water purchases	39,390
Depreciation	10,169
Total operating expenses	108,710
Operating income (loss)	(3,609)
Loss on sale of system fixed assets	(145,387)
Non operating revenue - interest income	968
<u>Net income (loss) before contributions and transfers</u>	(148,028)
Capital contributions	0
Transfers in	0
Transfers out	(487,883)
Change in net assets	(635,911)
Beginning net assets	667,341
Ending net assets	\$31,430

These financial statements should be read only in connection
with the accompanying notes to financial statements

VILLAGE OF PHILO
Statement of Cash Flows - Modified Cash Basis
Proprietary - WATER FUND
Year Ended April 30, 2006

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$105,101
Payments to suppliers	(78,408)
Payments to employees	(20,133)
Net Cash Provided by Operating Activities	<u>6,560</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Transfers to other funds	(487,883)
Transfers from other funds	0
Net cash Provided by Noncapital Financing Activities	<u>(487,883)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Returned meter deposits	(18,631)
Sale of water system to Consumers Illinois Water	425,000
Principal paid on capital debt	0
Interest paid on capital debt	0
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>406,369</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest	968
Net cash Provided by Investing Activities	<u>968</u>

Net Increase in Cash and Cash Equivalents (73,986)

Cash:

Beginning	105,416
Ending	<u>\$31,430</u>

Reconciliation of operating income(loss) to net cash provided by operating activities:

Operating income(loss)	(\$3,609)
Adjustments to reconcile operating income to net cash provided used by operating activities.	
Depreciation expense	10,169
Change in assets and liabilities:	
Due from other governments	
Refundable deposits	
Miscellaneous non-operating receipts	
Net cash provided by operating activities	<u>\$6,560</u>

These financial statements should be read only in connection
with the accompanying notes to financial statements

VILLAGE OF PHILO
NOTES TO FINANCIAL STATEMENTS
April 30, 2006

NOTE 1. Summary of Significant Accounting Policies

As discussed further in Note 1.C these financial statements are presented on a modified cash basis of accounting. This modified basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the governmental wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the modified cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails.

1.A. Financial Reporting Entity

In reporting the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*.

The Village of Philo operates as a non-home rule unit and provides the following services: water and general administrative services.

The Village, for financial purposes, includes all of the funds and account groups relevant to the operations of the Village. The financial statements presented do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the Village.

No separately administered organizations are included in the financial statements of the Village. Control or dependence is determined on the basis of budget-adoption, taxing authority, funding and appointment of the respective governing board.

There are no blended component units.

1.B. Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The Statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

FUND FINANCIAL STATEMENTS

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The Village presently has no fiduciary funds. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village. The General Fund meets that criteria.

VILLAGE OF PHILO
NOTES TO FINANCIAL STATEMENTS
April 30, 2006

NOTE 1. Summary of Significant Accounting Policies – continued

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund: The General Fund is the general operating fund of the Village and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds: Special Revenue Funds are used to account for the proceeds of specific revenue sources that are either legally restricted to expenditures for specified purposes or designated to finance particular functions or activities of the Village. The Village reports all the special revenue funds as Nonmajor funds.

Capital Project Funds: Capital project funds are used to account for resources restricted for the acquisition or construction of specific capital projects or items. The Village does not have any capital project funds.

Proprietary Funds

Enterprise Fund: Enterprise funds comprise those operations which are financed and operated in a manner similar to private business enterprises; where the intent is that the costs of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges. The Enterprise fund includes all funds established for the operation, maintenance, replacement, and improvement, financing and repayment of debt of the Village water operation. The Water Fund is shown as a major fund.

1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “how” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

MEASUREMENT FOCUS

In the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined in item b below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus, as applied to the modified cash basis of accounting, is used as appropriate:

VILLAGE OF PHILO
NOTES TO FINANCIAL STATEMENTS
April 30, 2006

NOTE 1. Summary of Significant Accounting Policies – continued

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent, financial, or nonfinancial) associated with their activities are reported. Proprietary fund equity is classified as net assets.

BASIS OF ACCOUNTING

In the government-wide Statement of Net Assets and Statement of Activities and the fund financial statements, governmental, business-like, and component unit activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, net assets/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for depreciation in the government-wide statements, proprietary fund statements, and the similar discretely presented component unit statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United State of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in these financial statements.

If the Village utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

1. D. ASSETS, LIABILITIES, AND EQUITY

CASH AND CASH EQUIVALENTS

For the purpose of financial reporting, “cash and cash equivalents” includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less. Trust account investments in open-ended mutual fund shares are also considered cash equivalents.

INVESTMENTS

Investments classified in the financial statements consist entirely of a small investment account in a brokerage account. Investments are carried at cost, which approximates fair value.

VILLAGE OF PHILO
NOTES TO FINANCIAL STATEMENTS
April 30, 2006

NOTE 1. Summary of Significant Accounting Policies – continued

CAPITAL ASSETS

The Village’s modified cash basis of accounting reports capital assets resulting from cash transactions and reports depreciation where appropriate. The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund and similar discretely presented component unit operations and whether they are reported in the *government-wide or fund financial statements*.

Government-Wide Statements

In the government – wide financial statements, capital assets arising from cash transactions are accounted for as assets in the Statement of Net Assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable. Estimated historical cost was used to value the majority of the assets acquired prior to May 1, 2003. Prior to May 1, 2003, governmental funds’ infrastructure assets were not capitalized. Infrastructure assets acquired since May 1, 2003 are recorded at cost.

Depreciation of all exhaustible capital assets arising from cash transactions is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets’ estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$5000 is used to report equipment and \$25,000 for buildings and infrastructure. The range of estimated useful lives by type of asset is as follows:

Buildings	40-50 years
Improvements other than building	10-25 years
Machinery, furniture, and equipment	3-20 years
Utility property and improvements	10-50 years
Infrastructure	25-50 years

Fund Financial Statements

In the fund financial statements, capital assets arising from cash transactions acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets acquired for use in proprietary fund operations are accounted for the same as in the government-wide statements.

LONG-TERM DEBT

All long-term debt arising from cash basis transactions to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements.

Long-term debt arising from cash basis transactions of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as the treatment in the government-wide statements.

VILLAGE OF PHILO
NOTES TO FINANCIAL STATEMENTS
April 30, 2006

NOTE 1. Summary of Significant Accounting Policies – continued

EQUITY CLASSIFICATION

Government-Wide Statements

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt-Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- b. Restricted net assets-Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets-All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

It is the Village’s policy to first use restricted net assets prior to the use of unrestricted net assets when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

1.E. REVENUES, EXPENDITURES, AND EXPENSES

PROGRAM REVENUES

In the Statement of Activities, modified cash basis revenues that are derived directly from each activity or from parties outside the Village’s taxpayers are reported as program revenues.

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

Property taxes are levied by the County in December and attach as an enforceable lien on property as of the proceeding January 1. The date the levy was adopted by the Village for the taxes received this year was December 1, 2004. The County collects the Village’s property taxes in two installments. The bills were sent in May 2005. The County collected the taxes and mailed to the Village their money in eight distribution checks, with the final payment in December 2005.

No fund balance is reserved due to a special restricted tax levy.

OPERATING REVENUE AND EXPENSES

Operating revenues and expenses for proprietary funds and the similar discretely presented component unit result from providing services and producing and delivering goods and/or services. They also include all revenues and expenses not related to capital and related financing, noncapital financing, or investing activities.

VILLAGE OF PHILO
NOTES TO FINANCIAL STATEMENTS
April 30, 2006

NOTE 1. Summary of Significant Accounting Policies – continued

UNPAID VACATION AND SICK PAY

There was no accumulated unpaid vacation or sick pay.

1.F. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES

In the process of aggregating the financial information for the government-wide Statement of Net Assets and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

FUND FINANCIAL STATEMENTS

Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

1. Interfund loans-Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
2. Interfund services-Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
3. Interfund reimbursements-Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund transfers-Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

1. Internal balances-Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the Statement of Net Assets, except for the net residual amounts due between governmental and business-type activities which are reported as Internal Balances.
2. Internal activities-Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers-Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.
3. Primary government and component unit activity and balances-Non to report.

1.G. USE OF ESTIMATES

The preparation of financial statements in conformity with the other comprehensive basis of accounting (OCBOA) used by the Village requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

VILLAGE OF PHILO
NOTES TO FINANCIAL STATEMENTS
April 30, 2006

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a local government unit, the Village and its component units are subject to various federal, state, and local laws and contractual regulations.

2.A. UNINSURED AND UNCOLLATERALIZED DEPOSITS

In accordance with State law, all uninsured deposits of municipal funds, in financial institutions must be secured with acceptable collateral. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State or political subdivision debt obligations, surety bonds, or certain letters of credit.

2.B. BUDGETARY COMPLIANCE

The budget is prepared on the same modified cash basis of accounting as applied to the governmental funds in the basic financial statements. Revenues and Expenditures are reported when they result from cash transactions.

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and class as follows: personal services, other services and charges, supplies, capital outlay, transfers, debt service. Expenditures may not exceed appropriations at this level. The Village follows these procedures in establishing data reflected in the financial statements: 1.) The Treasurer prepares a preliminary budget based on input from village officers and from historical data. 2.) The preliminary budget is then presented to the full Village Board for approval. 3.) After the preliminary budget has been made available to the public for the required amount of time, the Village Board formally adopts the final budget accordance with Chapter 24, para. 8-2-9 of the Illinois Revised Statutes. All budgeted funds are budgeted on the cash basis of accounting. The budget was approved at the August 9, 2005 board meeting. The appropriation budget lapses at the end of each fiscal year.

The Village does not use encumbrances.

For the year ended April 30, 2006, there was no budgetary noncompliance to report.

NOTE 3. DETAIL NOTES – TRANSACTIONS CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues, and expenditures/expenses.

3.A. CASH AND INVESTMENTS

CUSTODIAL CREDIT RISK-DEPOSITS

The table presented below is designed to disclose the level of custodial credit risk assumed by the Village based upon how its deposits were insured or secured with collateral at April 30, 2006.

As of April 30, 2006, the carrying amounts of the deposits and certificates of deposits totaled \$606,448 and the bank balances were \$615,716.

VILLAGE OF PHILO
NOTES TO FINANCIAL STATEMENTS
 April 30, 2006

3.A. CASH AND INVESTMENTS – continued

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Category 1 - Deposits covered by depository insurance or collateral held by the Village in the Village's name	\$100,000	\$100,000
Category 2 - Deposits covered by the collateral held by the financial institution's agent in the Village's name	506,448	515,716
Category 3 - Uninsured, uncollateralized deposits	<u>-0-</u>	<u>-0-</u>
Total deposits	<u>\$606,448</u>	<u>\$615,716</u>
 <u>Reconciliation to Government-Wide Statement of Net Assets:</u>		
Cash and cash equivalents	\$ 606,448	
Investments	-	
Total	<u>\$ 606,448</u>	

3.B. RESTRICTED ASSETS

The \$ 21,461 shown as restricted assets is the money set a side for the Debt repayment.

VILLAGE OF PHILO
NOTES TO FINANCIAL STATEMENTS
 April 30, 2006

3. C. CAPITAL ASSETS

Capital asset activity, resulting from modified cash basis transactions, for the fiscal year ended April 30, 2006, was as follows:

General Fixed Assets - Property and Equipment

	April 30, 2005	Additions	Deletions	April 30, 2006
Building & Improvements	\$104,954	-	-	\$104,954
Land	26,684	-	-	26,684
Bleachers	5,855	-	-	5,855
RR Crossing & Road Imp	157,672	-	-	157,672
Vehicles	82,793	-	-	82,793
Equipment	50,065	-	-	50,065
Bridges	5,229	-	-	5,229
Storm Drains	325,806	-	-	325,806
Sanitary Sewer System	7,726	-	-	7,726
Disaster Sirens	69,491	-	-	69,491
Sidewalks	21,525	-	-	21,525
Franks Meeting center	55,130	-	-	55,130
FY 4/04 additions	551,410	-	-	551,410
FY 4/05 additions	-	23,035	-	23,035
Total	1,464,340	23,035	0	1,487,375
 Less Accum Depreciation	 559,943	 39,362	 0	 599,305
NET	\$904,397			\$888,070
Water Fund - Property and Equipment				
Land	\$5,950	-	-5,950	\$0
Building	159,663	-	-159,663	0
Mains & Equipment	1,032,926	-	-	0
			1,032,926	
 Total	 1,198,539	 0	 -	 0
 Less Accum Depreciation	 617,986	 10,169	 -628155	 0
NET	\$580,553		1,198,539	0

Of the \$39,362 in general government depreciation, \$ 25,562 was for the street department, and the \$13,800 was for the civic center.

VILLAGE OF PHILO
NOTES TO FINANCIAL STATEMENTS
 April 30, 2006

3.D. LONG-TERM DEBT

On August 6, 2003, the Village passed Ordinance No. 514 authorizing the issuance of General Obligation Debt Certificates, Series 2003, in the amount of \$475,000 to remodel the grade school building and grounds to be used as the new Village Hall and Meeting Center. The certificates bear interest at 4.46% and will be paid off over a fifteen (15) year period with principle and interest payments due on July 15th, and interest only payments due on January 15th of each year.

DEBT SERVICE REQUIREMENTS TO MATURITY

<u>Date</u>	<u>Payment Amount</u>	<u>Interest</u>	<u>Principle</u>	<u>Balance</u>
				414,500.00
7/15/2006	9,243.35	9,243.35	0.00	414,500.00
1/15/2007	33,243.35	9,243.35	24,000.00	390,500.00
7/15/2007	8,708.15	8,708.15	0.00	390,500.00
1/15/2008	32,708.15	8,708.15	24,000.00	366,500.00
7/15/2008	8,172.95	8,172.95	0.00	366,500.00
1/15/2009	33,172.95	8,172.95	25,000.00	341,500.00
7/15/2009	7,615.45	7,615.45	0.00	341,500.00
1/15/2010	33,615.45	7,615.45	26,000.00	315,500.00
7/15/2010	7,035.65	7,035.65	0.00	315,500.00
1/15/2011	34,035.65	7,035.65	27,000.00	288,500.00
7/15/2011	6,433.55	6,433.55	0.00	288,500.00
1/15/2012	35,433.55	6,433.55	29,000.00	259,500.00
7/15/2012	5,786.85	5,786.85	0.00	259,500.00
1/15/2013	35,786.85	5,786.85	30,000.00	229,500.00
7/15/2013	5,117.85	5,117.85	0.00	229,500.00
1/15/2014	36,117.85	5,117.85	31,000.00	198,500.00
7/15/2014	4,426.55	4,426.55	0.00	198,500.00
1/15/2015	36,426.55	4,426.55	32,000.00	166,500.00
7/15/2015	3,712.95	3,712.95	0.00	166,500.00
1/15/2016	37,712.95	3,712.95	34,000.00	132,500.00
7/15/2016	2,954.75	2,954.75	0.00	132,500.00
1/15/2017	37,954.75	2,954.75	35,000.00	97,500.00
7/15/2017	2,174.25	2,174.25	0.00	97,500.00
1/15/2018	39,174.25	2,174.25	37,000.00	60,500.00
7/15/2018	1,349.15	1,349.15	0.00	60,500.00
1/15/2019	40,349.15	1,349.15	39,000.00	21,500.00
7/15/2019	479.45	479.45	0.00	21,500.00
1/15/2020	21,979.45	479.45	21,500.00	0.00

VILLAGE OF PHILO
NOTES TO FINANCIAL STATEMENTS
April 30, 2006

3.E. INTERFUND TRANSFERS AND BALANCES

INTERFUND BALANCES

None to report.

DEFICIT FUND BALANCES

None to report.

NOTE 4. OTHER NOTES

4.A. EMPLOYEE PENSION AND OTHER BENEFIT PLANS

There are no employee pension or benefit plans

4.B. RISK MANAGMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village is a member of the Illinois Municipal League Risk Management Association with approximately 580 members throughout the State. The Village pays an annual contribution to the Association to purchase workmen's compensation, liability insurance and general insurance to handle these risks of loss. The Village's contributions are calculated in accordance with the loss experience of the Village, and the needs of the Association including total losses and expenditures of the Self-Insured Retention Fund of the Association. The Association can assess additional contributions from the Village based on the Associations losses. During the current fiscal year there was no significant reduction in insurance coverage for any category. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

VILLAGE OF PHILO
NOTES TO FINANCIAL STATEMENTS
April 30, 2006

NOTE 4. OTHER NOTES - continued

4.C. COMMITMENTS AND CONTINGENCIES

COMMITMENTS

During the current year the sale of the village waterworks system to Consumers Illinois Water Company (CIWC) was completed. The Village received the sales price of \$425,000 in October of 2005, and turned the system over CIWC.

As part of the agreement with CIWC, the village will receive a 6% franchise fee of the basic billed cost of water monthly on each customer bill. Also, the agreement requires CIWC to use the Villages street/maintenance person has their local representation in Philo, and CIWC agrees to reimburse the Village \$15,000 plus a yearly 6% increase for this cost.

Full terms of the agreement can be viewed at Village Hall.

CONTINGENCIES

The Village is not aware of any litigation or other contingencies, which might have a material adverse affect on the Village's financial position.

VILLAGE OF PHILO
GENERAL FUND
Budgetary Comparison Schedule - Statement of Revenues, Expenditures,
And Changes in Fund Balance - Modified Cash Basis
Year Ended April 30, 2006

Revenues			
General tax levy			\$38,594.12
Road & bridge tax levy			50,020.90
Audit tax levy			3,461.72
Liability insurance tax levy			2,479.53
Social security tax levy			3,557.89
Municipal sales tax			96,518.97
State income tax			99,785.37
Personal property replacement tax			2,363.80
Building permits			1,055.00
Liquor licenses			1,425.00
Aqua water franchise			9,263.83
Other franchise			7,733.64
Aqua reimburse employee expense			15,000.00
Interest income			9,566.07
Miscellaneous			270.00
Total Revenues			<u>341,095.84</u>
Budgeted Amounts			
	<u>Original</u>	<u>Final</u>	
Expenditures			
General Government:			
Salaries, wages	44,600	44,600	33,139.26
Payroll taxes, employee benefits	27,550	27,550	14,371.57
Office expense	15,000	15,000	7,078.39
Insurance	6,100	6,100	3,514.00
Legal costs	12,600	12,600	12,270.00
Other professional services	5,000	5,000	5,007.45
Utilities	1,100	1,100	343.26
Donations	7,600	7,600	4,135.00
Interest expense	19,579	19,579	19,579.00
Principle Payment	36,500	36,500	36,500.00
Capital expenditures	13,000	13,000	5,708.66
Total General Government			<u>141,646.59</u>
Public works/transportation			
Salaries	30,720	30,720	28,114.19
Miscellaneous public services	10,000	10,000	3,417.97
Maintenance shed, streets, etc	149,700	149,700	21,893.22
Supplies	20,000	20,000	17,828.77
Utilities - street lighting & shed	32,200	32,200	8,561.11
Engineering services	30,100	30,100	17,820.00
Capital expenditures	100,000	100,000	23,890.40
Total public works/transportation			<u>121,525.66</u>
Recreation			
Salaries - parks	15,000	15,000	13,770.20
Utilities	19,600	19,600	2,444.94
Maintenance	2,000	2,000	897.73
Total Expenditures Disbursed		<u>597,949</u>	<u>280,285.12</u>
Revenues received over(under) expenditures disbursed			
Before other financing sources(uses)			60,810.72
Other financing sources(uses)			
General Obligation Debt Certificates			0.00
Transfers in			487,883.20
Transfers out			-98,500.00
Total revenues and other sources over(under) expenditures and other uses			450,193.92
Fund Balance - beginning			<u>62,154.00</u>
Fund Balance - ending			<u>\$512,347.92</u>

Notes to Budgetary comparison Schedule

The budget is prepared on the same modified cash basis of accounting as applied to the governmental funds in the basic financial statements. Revenue and expenditures are reported when they result from cash transactions. See notes to basic financial statements for greater detail of budget process.

VILLAGE OF PHILO
 Combining Balance Sheet - Modified Cash Basis
 NONMAJOR GOVERNMENTAL FUNDS
 April 30, 2006

Assets	Special Revenue Funds						Total Nonmajor Governmental Funds
	Forestry Fund	Civil Defense Fund	Meeting Center Fund	Garbage Fund	Police Fund	Motor Fuel Tax Fund	
Cash and Cash Equivalents	\$432	\$6	\$2,030	\$46	\$427	\$59,729	\$62,670
Total Assets	<u>432</u>	<u>6</u>	<u>2,030</u>	<u>46</u>	<u>427</u>	<u>59,729</u>	<u>62,670</u>
Fund Balances							
Unreserved, reported in nonmajor special revenue funds	432	6	2,030	46	427	59,729	62,670
Total Fund Balances	<u>\$432</u>	<u>\$6</u>	<u>\$2,030</u>	<u>\$46</u>	<u>\$427</u>	<u>\$59,729</u>	<u>\$62,670</u>

VILLAGE OF PHILO
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Modified Cash Basis
 NONMAJOR GOVERNMENTAL FUNDS
 Year Ended April 30, 2006

Revenues	Special Revenue Funds						Total Nonmajor Governmental Funds
	Forestry Fund	Civil Defense Fund	Meeting Center Fund	Garbage Fund	Police Fund	Motor Fuel Tax Fund	
Property tax	\$4,451	\$309	\$0	\$5,941	\$9,891	\$0	\$20,592
Motor Fuel Tax Allotment	0	0	0	0	0	37,993	37,993
Recycling etc.	0	0	0	1,800	0	0	1,800
Interest	0	0	0	0	0	612	612
Fines	0	0	0	0	1,052	0	1,052
Rental Income	0	0	14,976	0	0	0	14,976
Miscellaneous	0	0	0	0	0	0	0
Total revenues	4,451	309	14,976	7,741	10,943	38,605	77,025
Expenditures							
General government	0	0	0	0	0	0	0
Public works and transportation	0	0	0	36,009	0	25,363	61,372
Public safety	0	6,896	0	0	12,766	0	19,662
Culture and recreation	6,612	0	51,631	0	0	0	58,243
Social services	0	0	0	0	0	0	0
Capital expenditures	0	0	23,035	0	0	0	23,035
Total expenditures	6,612	6,896	74,666	36,009	12,766	25,363	162,312
Excess (deficiency) of revenues over expenditures	(2,161)	(6,587)	(59,690)	(28,268)	(1,823)	13,242	(85,287)
Other financing sources (uses)							
Transfer in	2,500	6,500	60,000	28,000	1,500	0	98,500
Transfer out	0	0	0	0	0	0	0
Fund balances - beginning	93	93	1,720	314	750	46,487	49,457
Fund balances - ending	\$432	\$6	\$2,030	\$46	\$427	\$59,729	\$62,670

VILLAGE OF PHILO
 Budgetary Comparison Schedule - Statement of Revenues, Expenditures, and Changes in Fund Balances
 MODIFIED CASH BASIS
 Year Ended April 30, 2006

SPECIAL REVENUE FUNDS

	Forestry Fund		Civil Defense Fund		Meeting Center Fund		Garbage Fund		Police Fund		Motor Fuel Tax Fund		
	Budgeted Original	Actual Final	Budgeted Original	Actual Final	Budgeted Original	Actual Final	Budgeted Original	Actual Final	Budgeted Original	Actual Final	Budgeted Original	Actual Final	
Revenues													
Property taxes	\$0	\$4,451	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Motor Fuel Tax Allocation												\$9,891	
Recycling													
Interest													
Fines												1,800	
Rental													
Other												1,052	
												612	
Total Revenues	0	4,451	0	0	0	14,976	0	7,741	0	0	10,943	0	38,605
Expenditures													
General government													
Public works and transportation													
Public safety													
Culture and recreation	34,000	34,000	6,000	6,000	6,886	6,886	37,000	37,000	36,009	36,009	75,500	75,500	
Social services													
Capital outlay													
Total Expenditures	34,000	34,000	6,000	6,000	6,886	6,886	37,000	37,000	36,009	36,009	12,766	75,500	25,363
Excess (deficiency) of revenues over expenditures	(34,000)	(34,000)	(6,000)	(6,000)	(6,887)	(6,887)	(37,000)	(37,000)	(28,268)	(28,268)	(1,823)	(75,500)	13,242
Other financing sources (uses)													
Transfers in (out)	0	0	0	0	0	60,000	0	0	23,000	0	1,500	0	0
Net change in fund balances													
Beginning Budgetary Fund Balance													
Ending Budgetary Fund Balance													

Notes to Budgetary Comparison Schedule
 The budget is prepared on the same modified cash basis of accounting as applied to the governmental funds in the basic financial statements. Revenue and expenditures are reported when they result from cash transactions. See notes to basic financial statements for greater detail of budget process.

2006-2007
VILLAGE OF PHILO
CHAMPAIGN COUNTY, ILLINOIS
ESTIMATE OF REVENUES

FILED

JUL 26 2006

Mark Sheldon
CHAMPAIGN COUNTY CLERK

GENERAL FUNDS - REVENUES

General Tax Levy	\$ 40,000.00
Audit Tax Levy	\$ 35,000.00
Liability Insurance Levy	\$ 3,000.00
Social Security Tax Levy	\$ 4,000.00
Municipal Sales Tax	\$100,000.00
State Income Tax	\$100,000.00
Personal Property Replacement Tax	\$ 2,500.00
Building Permits	\$ 1,200.00
Subdivision Filing Fees	\$ 500.00
Insight Cable TV Franchise	\$ 5,200.00
CILCO Gas Franchise	\$ 2,500.00
Verizon Telephone Franchise	\$ 1,000.00
Liquor License	\$ 1,500.00
Video Machine Permits	\$ 30.00
REFMC Rentals	\$ 36,000.00
Pepsi Cola Bottling Company	\$ 200.00
Office Equipment Use, Reimbursement	\$ 100.00
Road & Bridge Tax Levy	\$ 51,000.00
Aqua Illinois Water, Provision for Labor	\$ 15,000.00
Aqua Illinois Franchise Fee	\$ 15,000.00
Total General Fund Revenues	<u>\$413,730.00</u>

CIVIL DEFENSE FUND - REVENUES

Civil Defense Tax Levy	<u>\$ 325.00</u>
Total Civil Defense Fund Revenues	\$ 325.00

FORESTRY FUND - REVENUES

Forestry Fund Tax Levy	<u>\$ 5,000.00</u>
Total Forestry Fund Revenues	\$ 5,000.00

GARBAGE FUND - REVENUES

Garbage Fund Tax Levy	<u>\$ 6,000.00</u>
Total Garbage Fund Revenues	\$ 6,000.00

POLICE FUND - REVENUES

Police Tax Levy	<u>\$ 11,000.00</u>
Total Police Fund Revenues	\$ 11,000.00

MOTOR FUEL TAX FUND - REVENUES

Motor Fuel Tax Fund	\$ 40,000.00
Total Motor Fuel Tax Revenues	\$ 40,000.00

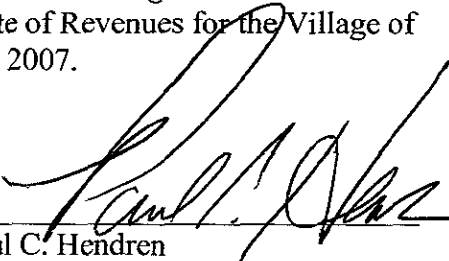
TOTAL ESTIMATED REVENUES \$476,055.00

STATE OF ILLINOIS)
)
COUNTY OF CHAMPAIGN)

CERTIFICATE

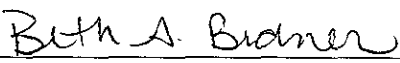
The undersigned, Paul C. Hendren, Attorney-at-Law, states that he is a law partner in the Champaign, Illinois, office of Miller & Hendren, LLP, that he serves as Village Attorney for the Village of Philo, Illinois, that he assists the Philo officers in the preparation of the municipal budget and the Annual Appropriations Ordinance, and in that capacity is familiar with the revenue and expenses of said Village and that he prepared the attached summary of the foregoing Estimate of Revenues for the Village of Philo, Illinois, from the period May 1, 2006 to April 30, 2007.

Date: July 26, 2006


Paul C. Hendren

Subscribed and sworn to
before me this 26
day of July, 2006.




Notary Public