

**FILED**

JUL 24 2007

*Mark Sheldon*  
CHAMPAIGN COUNTY CLERK

2007-2008  
VILLAGE OF PHILO  
CHAMPAIGN COUNTY, ILLINOIS  
ESTIMATE OF REVENUES

**GENERAL FUNDS - REVENUES**

General Tax Levy	\$ 45,000.00
Audit Tax Levy	\$ 3,000.00
Liability Insurance Levy	\$ 3,000.00
Social Security Tax Levy	\$ 5,000.00
Municipal Sales Tax	\$ 96,000.00
State Income Tax	\$114,000.00
Personal Property Replacement Tax	\$ 2,500.00
Licenses and Utility Fees	\$ 2,300.00
Franchise Fees	\$ 27,000.00
REFMC Rentals	\$ 25,000.00
120 W. Washington Rents	\$ 6,000.00
Road & Bridge Tax Levy	\$ 51,000.00
Aqua Illinois Water, Provision for Labor	\$ 15,000.00
Interest	\$ 1,400.00
Miscellaneous	<u>\$ 1,500.00</u>
Total General Fund Revenues	\$413,730.00

**CIVIL DEFENSE FUND - REVENUES**

Civil Defense Tax Levy	\$ 400.00
Total Civil Defense Fund Revenues	<u>\$ 400.00</u>

**FORESTRY FUND - REVENUES**

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

**GARBAGE FUND - REVENUES**

Garbage Fund Tax Levy	\$ 7,000.00
Total Garbage Fund Revenues	<u>\$ 7,000.00</u>

**POLICE FUND - REVENUES**

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

**MOTOR FUEL TAX FUND - REVENUES**

Motor Fuel Tax Fund	\$ 40,000.00
Total Motor Fuel Tax Revenues	<u>\$ 40,000.00</u>

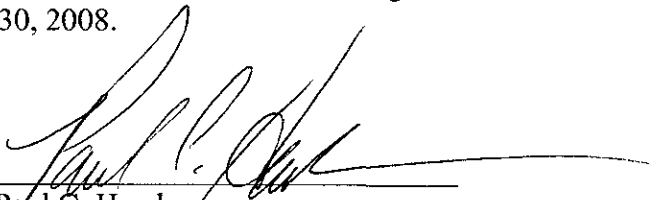
**TOTAL ESTIMATED REVENUES \$461,000.00**

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, 2007 to April 30, 2008.

Date: July 11, 2007

  
\_\_\_\_\_  
Paul C. Hendren

Subscribed and sworn to  
before me this 11<sup>th</sup>  
day of July, 2007.

  
\_\_\_\_\_  
Notary Public



**FILED**

OCT 17 2007

*Mark Sheldon*  
CHAMPAIGN COUNTY CLERK

# Village of Philo

Philo, Illinois

ANNUAL FINANCIAL REPORT

For the Year Ended

April 30, 2007

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

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# STAN FELLER, CPA

Accountant - Tax Consultant

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## 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, 2007, 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.

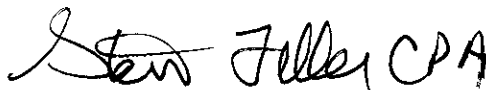
As described in Note 1, the Village prepares its financial statements on a modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

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, 2007, 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  
July 9, 2007



## VILLAGE OF PHILO

## STATEMENT OF NET ASSETS - MODIFIED CASH BASIS

April 30, 2007

	Governmental	Business -Type	Totals
<u>Assets</u>	<u>Activities</u>	<u>Activities</u>	
Cash	\$573,480	\$0	\$573,480
Capital assets net of accumulated depreciation	855,320	0	855,320
Total Assets	1,428,800	0	1,428,800
 <u>Liabilities</u>			
Payroll taxes withholding	0	0	0
Meter deposits	0	0	0
General Obligation Debt Certificates			
Due within one year	24,000		24,000
Due in more than one year	365,000		365,000
Total Liabilities	389,000	0	389,000
 <u>Net assets</u>			
Investment in fixed assets, net of related debt	466,320	0	466,320
Restricted	25,431	0	25,431
Unrestricted	548,049	0	548,049
Total net assets	\$1,039,800	\$0	\$1,039,800

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, 2007

Functions/Programs	Program Revenues				Net (Expense) Revenue and changes in Net Assets		
	Expenses	Operating Charges for Services	Capital Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Primary Government:</b>							
<i>Governmental activities</i>							
General Government	\$102,209	\$8,740	\$0	\$0	(\$93,469)	\$0	(\$93,469)
Public Safety	16,759	0	0	0	(16,759)	0	(16,759)
Public Works	274,381	0	0	0	(274,381)	0	(274,381)
Culture and Recreation	134,196	23,401	0	0	(110,795)	0	(110,795)
Total governmental activities	<u>527,545</u>	<u>32,141</u>	<u>0</u>	<u>0</u>	<u>(495,404)</u>	<u>0</u>	<u>(495,404)</u>
<i>Business-type activity</i>							
Water	63	0	0	0	0	(63)	(63)
Total primary government	<u>\$102,272</u>	<u>\$8,740</u>	<u>\$0</u>	<u>\$0</u>	<u>(495,404)</u>	<u>(63)</u>	<u>(495,467)</u>

## General revenues

Taxes			
Property taxes	125,136	0	125,136
State income taxes	109,497	0	109,497
State replacement taxes	2,569	0	2,569
Sales tax	94,966	0	94,966
State motor fuel tax	38,015	0	38,015
Recycling	2,100	0	2,100
Licenses, permits	3,251	0	3,251
Franchise taxes	20,198	0	20,198
Investment income	20,019	0	20,019
Other	9,498	0	9,498
Sale of lot to Aqua	30,000	0	30,000
Transfers - internal activity	31,367	(31,367)	0
Total general revenues and transfers	<u>486,616</u>	<u>(31,367)</u>	<u>455,249</u>
Change in net assets			
	(8,788)	(31,430)	(40,218)
Net assets - beginning	1,048,588	31,430	1,080,018
Net assets - ending	<u>\$1,039,800</u>	<u>\$0</u>	<u>\$1,039,800</u>

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, 2007

<u>Assets</u>	<u>General Funds</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash	\$515,489	\$57,991	\$573,480
<b>Total Assets</b>	<b><u>\$515,489</u></b>	<b><u>\$57,991</u></b>	<b><u>\$573,480</u></b>
 <u>Liabilities</u>			
Payroll taxes withholding	0	0	0
Due to General Fund	0	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>
 <u>Fund Balances</u>			
Unreserved	490,058		490,058
Reserved	25,431		25,431
Unreserved, reported in nonmajor special revenue funds		57,991	57,991
<b>Total Fund Balances</b>	<b><u>515,489</u></b>	<b><u>57,991</u></b>	<b>573,480</b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$515,489</u></b>	<b><u>\$57,991</u></b>	

**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	855,320
Some liabilities, including capital debt obligations payable, are not due and payable in the current period and therefore not reported in the funds	(389,000)
<b>Net Assets of governmental activities</b>	<b><u>\$1,039,800</u></b>

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, 2007

<u>Revenues:</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Totals Governmental Funds</u>
Property taxes	\$103,325	\$21,811	\$125,136
State income tax	109,497	0	109,497
State replacement tax	2,569	0	2,569
Sales tax	94,966	0	94,966
State motor fuel tax	0	38,015	38,015
Recycling	0	2,100	2,100
Licenses and permits	3,251	0	3,251
Aqua water franchise fees	11,929	0	11,929
Other franchise fees	8,269	0	8,269
Aqua lot purchase	30,000	0	30,000
Rent income	8,740	23,401	32,141
Interest	18,402	1,617	20,019
Other	6,800	2,698	9,498
<b>Total Revenues</b>	<b><u>397,748</u></b>	<b><u>89,642</u></b>	<b><u>487,390</u></b>
<b><u>Expenditures</u></b>			
General government	84,001	0	84,001
Public safety	0	16,759	16,759
Public works	179,113	79,828	258,941
Culture and recreation	28,652	68,735	97,387
Capital expenditures	0	19,499	19,499
Principle Payment	25,500	0	25,500
Interest Expense	18,208	0	18,208
<b>Total Expenditures Disbursed</b>	<b><u>335,474</u></b>	<b><u>184,821</u></b>	<b><u>520,295</u></b>
<b>Excess (deficiency) of revenues over expenditures paid</b>	<b><u>62,274</u></b>	<b><u>(95,179)</u></b>	<b><u>(32,905)</u></b>
<b>Other financing sources (uses)</b>			
Transfers in	31,367	90,500	121,867
Transfers (out)	<u>(90,500)</u>	0	<u>(90,500)</u>
<b>Total other financing sources (uses)</b>	<b><u>(59,133)</u></b>	<b><u>90,500</u></b>	<b><u>31,367</u></b>
<b>Net change in fund balances</b>	<b>3,141</b>	<b>(4,679)</b>	<b>(1,538)</b>
<b>Fund balances - beginning</b>	<b><u>512,348</u></b>	<b><u>62,670</u></b>	<b><u>575,018</u></b>
<b>Fund balances - ending</b>	<b><u>\$515,489</u></b>	<b><u>\$57,991</u></b>	<b><u>\$573,480</u></b>
<b>Reconciliation to the Statement of Activities:</b>			
<b>Net change in fund balances - total governmental funds</b>			<b>(\$1,538)</b>
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			
Capital Debt Payments			25,500
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expenses to allocate those expenditures over the life of the assets			
Capital asset purchases capitalized			0
Depreciation expense			(32,750)
<b>Change in Net Assets of Governmental Activities</b>			<b><u>(\$8,788)</u></b>

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, 2007

<u>Assets</u>	
Current assets	
Cash	\$0
Total current assets	0
Noncurrent assets	
capital assets, net of accumulated depreciation	0
Total noncurrent assets	0
Total assets	0
<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	0
Total net assets	\$0

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, 2007

Operating Revenues

Water sales	\$0
<hr/>	
Total operating revenues	0

Operating Expenses

Personnel services	0
Employee taxes - benefits	0
Engineering services	0
Other professional services	0
Office postage and supplies	63
Salt and chemicals	0
Repairs and maintenance	0
Utilities	0
Water purchases	0
Depreciation	0
<hr/>	
Total operating expenses	63
<hr/>	
Operating income (loss)	(63)
<hr/>	
Loss on sale of system fixed assets	0
Non operating revenue - interest income	0
<hr/>	
<u>Net income (loss) before contributions and transfers</u>	(63)
<hr/>	
Capital contributions	0
Transfers in	0
Transfers out	(31,367)
<hr/>	
Change in net assets	(31,430)
<hr/>	
Beginning net assets	31,430
<hr/>	
Ending net assets	\$0

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, 2007

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$0
Payments to suppliers	(63)
Payments to employees	0
Net Cash Provided by Operating Activities	<u>(63)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Transfers to other funds	(31,367)
Transfers from other funds	0
Net cash Provided by Noncapital Financing Activities	<u>(31,367)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

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

CASH FLOWS FROM INVESTING ACTIVITIES

Interest	0
Net cash Provided by Investing Activities	<u>0</u>

Net Increase in Cash and Cash Equivalents (31,430)

Cash:

Beginning	31,430
Ending	<u><u>\$0</u></u>

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

Operating income(loss)	(\$63)
Adjustments to reconcile operating income to net cash provided used by operating activities:	
Depreciation expense	0
Change in assets and liabilities	
Due from other governments	
Refundable deposits	
Miscellaneous non-operating receipts	
Net cash provided by operating activities	<u><u>(\$63)</u></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, 2007

**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, 2007

**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. The water system was sold last year and the majority of the cash was transferred to the general fund. It was kept open for this year to pay any bills that may occur. It was closed out to the general fund at the end of the current year.

**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, 2007

**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 twelve months or less. Trust account investments in open-ended mutual fund shares are also considered cash equivalents.

INVESTMENTS

There are no investments to report, other than in cash and cash equivalents.

VILLAGE OF PHILO  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2007

**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, 2007

**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 7, 2005. The County collects the Village’s property taxes in two installments. The bills were sent in May 2006. The County collected the taxes and mailed to the Village their money in seven distribution checks, with the final payment in November 2006.

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, 2007

**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, 2007

**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 July 12, 2006 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, 2007, 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, 2007. The categories of custodial credit risk are defined as follows:

Category 1 – Insured by Federal Deposit Insurance Corporation (FDIC) or collateralized with securities held by the village or by its agent in its name

VILLAGE OF PHILO  
 NOTES TO FINANCIAL STATEMENTS  
 April 30, 2007

**3.A. CASH AND INVESTMENTS – continued**

Category 2 – Uninsured but collateralized with securities held by the pledging financial institution’s trust department or agent in the Village’s name

Category 3 – Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the Village’s name; or properly collateralized with no written and approved collateral agreement.

<u>Type of Deposits</u>	<u>Total Bank Balance</u>	<u>Custody Credit Risk Category</u>			
		<u>1</u>	<u>2</u>	<u>3</u>	
Insured deposits	100,000	100,000			
Uninsured deposits:					
Collateralized	485,558		485,558		
Uncollateralized					Total Carrying Value
Total Deposits	<u>585,558</u>	<u>100,000</u>	<u>485,558</u>	<u>0</u>	573,480
Petty cash					<u>0</u>
					<u>573,480</u>

Reconciliation to Government-Wide Statement of Net Assets:

	Cash and cash equivalents	573,480
	Investments	<u>0</u>
		573,480
Less:	Investments in mutual funds recorded as cash and cash equivalents	<u>0</u>
		<u>\$573,480</u>

Investments and custodial Credit Risk

Investments are limited by State law.

During the year ended April 30, 2007, the Village’s investments consisted of checking, savings accounts and certificates of deposit at the Philo Exchange Bank, Philo, Illinois.

**3.B. RESTRICTED ASSETS**

The \$ 25,431 shown as restricted assets is the money set a side for the Debt repayment.

VILLAGE OF PHILO  
 NOTES TO FINANCIAL STATEMENTS  
 April 30, 2007

3. C. CAPITAL ASSETS

Capital asset activity, resulting from modified cash basis transactions, for the fiscal year ended April 30, 2007, was as follows:

General Fixed Assets - Property and Equipment	<u>April 30, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>April 30, 2007</u>
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	<u>1,487,375</u>	<u>-</u>	<u>-</u>	<u>1,487,375</u>
Less Accum Depreciation	599,305	32,750	-	632,055
NET	<u>\$888,070</u>			<u>\$855,320</u>

Of the \$32,750 in general government depreciation, \$ 15, 440 was for the street department, and \$17,310 was for the civic center.

VILLAGE OF PHILO  
 NOTES TO FINANCIAL STATEMENTS  
 April 30, 2007

**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 15<sup>th</sup>, and interest only payments due on January 15<sup>th</sup> of each year.

**DEBT SERVICE REQUIREMENTS TO MATURITY**

<u>Date</u>	<u>Payment Amount</u>	<u>Interest</u>	<u>Principle</u>	<u>Balance</u>
				389,000.00
7/15/2007	34,674.70	8,674.70	26,000.00	363,000.00
1/15/2008	8,094.90	8,094.90	0.00	363,000.00
7/15/2008	35,094.90	8,094.90	27,000.00	336,000.00
1/15/2009	7,492.80	7,492.80	0.00	336,000.00
7/15/2009	36,492.80	7,492.80	29,000.00	307,000.00
1/15/2010	6,846.10	6,846.10	0.00	307,000.00
7/15/2010	36,846.10	6,846.10	30,000.00	277,000.00
1/15/2011	6,177.10	6,177.10	0.00	277,000.00
7/15/2011	37,177.10	6,177.10	31,000.00	246,000.00
1/15/2012	5,485.80	5,485.80	0.00	246,000.00
7/15/2012	37,485.80	5,485.80	32,000.00	214,000.00
1/15/2013	4,772.20	4,772.20	0.00	214,000.00
7/15/2013	38,772.20	4,772.20	34,000.00	180,000.00
1/15/2014	4,014.00	4,014.00	0.00	180,000.00
7/15/2014	39,014.00	4,014.00	35,000.00	145,000.00
1/15/2015	3,233.50	3,233.50	0.00	145,000.00
7/15/2015	40,233.50	3,233.50	37,000.00	108,000.00
1/15/2016	2,408.40	2,408.40	0.00	108,000.00
7/15/2016	41,408.40	2,408.40	39,000.00	69,000.00
1/15/2017	1,538.70	1,538.70	0.00	69,000.00
7/15/2017	41,538.70	1,538.70	40,000.00	29,000.00
1/15/2018	646.70	646.70	0.00	29,000.00
7/15/2018	29,646.70	646.70	29,000.00	0.00
	499,095.10	110,095.10	389,000.00	

VILLAGE OF PHILO  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2007

**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, 2007

**NOTE 4. OTHER NOTES - continued**

**4.C. COMMITMENTS AND CONTINGENCIES**

COMMITMENTS

During the last fiscal year the village sold the waterworks system to Consumers Illinois Water Company (CIWC). 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.

The water fund was kept open for the current year to account for any outstanding bills and was closed at the end of the year into the general fund.

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, 2007

<b>Revenues</b>			
General tax levy			\$39,897.46
Road & bridge tax levy			53,457.20
Audit tax levy			3,490.85
Liability insurance tax levy			2,494.49
Social security tax levy			3,985.45
Municipal sales tax			94,965.86
State income tax			109,497.19
Personal property replacement tax			2,568.51
Building permits			1,826.05
Liquor licenses			1,425.00
Aqua water franchise			11,929.32
Other franchise			8,268.57
Aqua purchased lot			30,000.00
Rental income			8,740.00
Interest income			18,402.17
Miscellaneous			6,800.18
<b>Total Revenues</b>			<u>397,748.30</u>
<b>Expenditures</b>			
	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	
<b>General Government:</b>			
Salaries, wages	26,600	26,600	26,674.20
Payroll taxes, employee benefits	43,550	43,550	16,129.36
Office expense	10,000	10,000	7,363.36
Insurance	10,350	10,350	3,328.32
Legal and professional services	19,000	19,000	17,019.20
Utilities	3,000	3,000	1,429.95
Donations	7,000	7,000	6,750.00
Interest expense	20,000	20,000	18,207.95
Principle Payment	36,100	36,100	25,500.00
Capital expenditures	7,000	7,000	5,306.11
<b>Total General Government</b>			<u>127,708.45</u>
<b>Public works/transportation</b>			
Salaries	50,000	50,000	41,265.08
Miscellaneous public services	10,000	10,000	3,397.92
Maintenance shed, streets, etc	227,950	227,950	80,190.46
Supplies	25,000	25,000	18,956.28
Utilities - street lighting & shed	15,000	15,000	10,496.22
Engineering services	30,000	30,000	24,807.00
<b>Total public works/transportation</b>			<u>179,112.96</u>
<b>Recreation/Park</b>			
Salaries - parks	20,000	20,000	19,239.77
Utilities	3,000	3,000	2,706.76
Supplies	6,500	6,500	6,060.47
Maintenance	2,500	2,500	645.53
<b>Total Recreation/Park</b>			<u>28,652.53</u>
<b>Total Expenditures Disbursed</b>	<u>572,550</u>		<u>335,473.94</u>
Revenues received over(under) expenditures disbursed			
Before other financing sources(uses)			62,274.36
Other financing sources(uses)			
General Obligation Debt Certificates			0.00
Transfers in			31,366.94
Transfers out			-90,500.00
<b>Total revenues and other sources over(under) expenditures and other uses</b>			<u>3,141.30</u>
<b>Fund Balance - beginning</b>			<u>512,347.92</u>
<b>Fund Balance - ending</b>			<u>\$515,489.22</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, 2007

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	\$26	\$7	\$270	\$20	\$515	\$57,153	\$57,991
Total Assets	<u>26</u>	<u>7</u>	<u>270</u>	<u>20</u>	<u>515</u>	<u>57,153</u>	<u>57,991</u>
Fund Balances							
Unreserved, reported in nonmajor special revenue funds	<u>26</u>	<u>7</u>	<u>270</u>	<u>20</u>	<u>515</u>	<u>57,153</u>	<u>57,991</u>
Total Fund Balances	<u>\$26</u>	<u>\$7</u>	<u>\$270</u>	<u>\$20</u>	<u>\$515</u>	<u>\$57,153</u>	<u>\$57,991</u>

VILLAGE OF PHILO  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Modified Cash Basis  
NONMAJOR GOVERNMENTAL FUNDS  
Year Ended April 30, 2007

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	\$4,967	\$365	\$0	\$6,494	\$9,985	\$0	\$21,811
Motor Fuel Tax Allotment	0	0	0	0	0	38,015	38,015
Recycling etc.	0	0	0	2,100	0	0	2,100
Interest	0	0	0	0	0	1,617	1,617
Fines	0	0	0	0	2,698	0	2,698
Rental income	0	0	23,401	0	0	0	23,401
Miscellaneous	0	0	0	0	0	0	0
<b>Total revenues</b>	<b>4,967</b>	<b>365</b>	<b>23,401</b>	<b>8,594</b>	<b>12,683</b>	<b>39,632</b>	<b>89,642</b>
<b>Expenditures</b>							
General government	0	0	0	0	0	0	0
Public works and transportation	0	0	0	37,620	0	42,208	79,828
Public safety	0	3,164	0	0	13,595	0	16,759
Culture and recreation	8,073	0	60,662	0	0	0	68,735
Social services	0	0	0	0	0	0	0
Capital expenditures	0	0	19,499	0	0	0	19,499
<b>Total expenditures</b>	<b>8,073</b>	<b>3,164</b>	<b>80,161</b>	<b>37,620</b>	<b>13,595</b>	<b>42,208</b>	<b>184,821</b>
Excess (deficiency) of revenues over expenditures	(3,106)	(2,799)	(56,760)	(29,026)	(912)	(2,576)	(95,179)
<b>Other financing sources (uses)</b>							
Transfer in	2,700	2,800	55,000	29,000	1,000	0	90,500
Transfer out	0	0	0	0	0	0	0
<b>Fund balances - beginning</b>	<b>432</b>	<b>6</b>	<b>2,030</b>	<b>46</b>	<b>427</b>	<b>59,729</b>	<b>62,670</b>
<b>Fund balances - ending</b>	<b>\$26</b>	<b>\$7</b>	<b>\$270</b>	<b>\$20</b>	<b>\$515</b>	<b>\$57,153</b>	<b>\$57,991</b>

VILLAGE OF PHILO  
 Budgetary Comparison Schedule - Statement of Revenues, Expenditures, and Changes in fund Balances  
 MODIFIED CASH BASIS  
 Year Ended April 30, 2007

SPECIAL REVENUE FUNDS

	Forestry Fund			Civil Defense Fund			Meeting Center Fund			Garbage Fund			Police Fund			Motor Fuel Tax Fund		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Final		Original	Final		Original	Final		Original	Final		Original	Final		Original	Final	
<b>Revenues</b>																		
Property taxes	\$0	\$0	\$4,967	\$0	\$0	\$365	\$0	\$0	\$0	\$0	\$0	\$6,494	\$0	\$0	\$9,985	\$0	\$0	\$0
Motor Fuel Tax Allotment																		38,015
Recycling												2,100						
Interest																		1,617
Fines															2,698			
Rental									23,401									
Other																		
<b>Total Revenues</b>	<b>0</b>	<b>0</b>	<b>4,967</b>	<b>0</b>	<b>0</b>	<b>365</b>	<b>0</b>	<b>0</b>	<b>23,401</b>	<b>0</b>	<b>0</b>	<b>8,594</b>	<b>0</b>	<b>0</b>	<b>12,683</b>	<b>0</b>	<b>0</b>	<b>39,632</b>
<b>Expenditures</b>																		
General government																		
Public works and transportation										37,000	37,000	37,620				77,000	77,000	42,208
Public safety				3,800	3,800	3,164							23,600	23,600	13,595			
Culture and recreation	27,500	27,500	8,073				72,500	72,500	60,662									
Social services																		
Capital outlay							35,000	35,000	19,499									
<b>Total Expenditures</b>	<b>27,500</b>	<b>27,500</b>	<b>8,073</b>	<b>3,800</b>	<b>3,800</b>	<b>3,164</b>	<b>107,500</b>	<b>107,500</b>	<b>80,161</b>	<b>37,000</b>	<b>37,000</b>	<b>37,620</b>	<b>23,600</b>	<b>23,600</b>	<b>13,595</b>	<b>77,000</b>	<b>77,000</b>	<b>42,208</b>
Excess (deficiency) of revenues over expenditures	(27,500)	(27,500)	(3,106)	(3,800)	(3,800)	(2,799)	(107,500)	(107,500)	(56,760)	(37,000)	(37,000)	(29,026)	(23,600)	(23,600)	(912)	(77,000)	(77,000)	(2,576)
Other financing sources (uses)																		
Transfers in (out)	0	0	2,700	0	0	2,800	0	0	55,000	0	0	29,000	0	0	1,000	0	0	0
<b>Net change in fund balances</b>			<b>(406)</b>			<b>1</b>			<b>(1,760)</b>			<b>(26)</b>			<b>88</b>			<b>(2,576)</b>
Beginning Budgetary Fund Balance			432			6			2,030			46			427			59,729
<b>Ending Budgetary Fund Balance</b>			<b>\$26</b>			<b>\$7</b>			<b>\$270</b>			<b>\$20</b>			<b>\$515</b>			<b>\$57,153</b>

## 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.