

RESOLUTION 16-10-04

A RESOLUTION  
ACCEPTING THE AUDIT REPORT FOR FISCAL YEAR ENDED APRIL 30, 2016

**WHEREAS**, pursuant to the Illinois Municipal Auditing Law, the Village of Mahomet has issued an audit of the funds and accounts to be made by an accountant retained by the Village; and

**WHEREAS**, audit has been conducted in conformance with such requirements by Kemper CPA Group LLP of Champaign, Illinois.

**NOW THEREFORE BE IT RESOLVED BY THE VILLAGE BOARD OF TRUSTEES OF THE VILLAGE OF MAHOMET, ILLINOIS**, that:

Section 1. The Board of Trustees hereby accepts the Audit Report for fiscal year ended April 30, 2016.

Section 2: A copy of such report shall be made a part of the Village's public records and open to public inspection.

PRESENTED this 25<sup>th</sup> day of October 2016.

PASSED this 25<sup>th</sup> day of October 2016.

APPROVED this 25<sup>th</sup> day of October 2016.

  
VILLAGE PRESIDENT  
VILLAGE OF MAHOMET

ATTEST:



(SEAL)

  
VILLAGE CLERK  
VILLAGE OF MAHOMET

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Annual Financial Report**

**For the Year Ended April 30, 2016**

**VILLAGE OF MAHOMET**  
Mahomet, Illinois

Annual Financial Report  
For the Year Ended April 30, 2016

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## INDEPENDENT AUDITOR'S REPORT

To the President and Board of Trustees  
Village of Mahomet  
Mahomet, Illinois

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

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## **Opinions**

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

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Net Pension Liability & Related Ratios – Illinois Municipal Retirement Fund Regular Plan, Schedule of Employer Contributions – Illinois Municipal Retirement Fund Regular Plan, Schedule of Changes in the Net Pension Liability & Related Ratios – Illinois Municipal Retirement Fund SLEP Plan, Schedule of Employer Contributions – Illinois Municipal Retirement Fund SLEP Plan, Schedule of Changes in the Net Pension Liability & Related Ratios – Police Pension Trust Fund, Schedule of Employer Contributions – Police Pension Trust Fund, Schedule of Investment Returns – Police Pension Fund, and budgetary comparison information on pages 4a-4j and 50–59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Mahomet, Illinois's basic financial statements. The combining nonmajor fund financial statements and the Equalized Assessed Valuations, Tax Rates, Taxes Extended and Collected, and Legal Debt Margin are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements and the Equalized Assessed Valuations, Tax Rates, Taxes Extended and Collected, and Legal Debt Margin are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with

auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the Equalized Assessed Valuations, Tax Rates, Taxes Extended and Collected, and Legal Debt Margin are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Kemper CPA Group LLP*

Kemper CPA Group, LLP  
Certified Public Accountants and Consultants

Champaign, Illinois  
October 12, 2016

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Management's Discussion and Analysis**

April 30, 2016

As management of the Village of Mahomet, we offer readers of these financial statements a narrative overview and analysis of the financial activities of the Village of Mahomet for the fiscal year ended April 30, 2016.

**Financial Highlights**

- The total assets of the Village of Mahomet exceeded its liabilities at the close of the most recent fiscal year for both the governmental and business-type activities by a total of \$55,989,092 (*net position*).
- The Village's total net position increased by \$229,085 for the reporting year over the previous fiscal year. This increase is the net of a \$743,860 current-year increase and a \$(514,775) restatement of prior year's net position due to recognizing a net pension liability as the result of implementing GASB Statement No. 68.
- As of the close of the current fiscal year, the Village of Mahomet's governmental funds reported combined fund balances of \$4,697,002, an increase of \$561,612 over the prior year. Of this amount, \$1,508,188 is *available for spending* at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,508,188, or 51% of total general fund expenditures.
- The Village of Mahomet's total debt decreased by \$1,398,439 during the current fiscal year.

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the Village of Mahomet's basic financial statements. The Village's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the Village of Mahomet's finances, in a manner similar to private-sector business. They report all funds of the Village of Mahomet including governmental activities and business-type activities.

- The *statement of net position* presents information on the Village of Mahomet's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Net assets have been increasing over the past years.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Management's Discussion and Analysis**

April 30, 2016

- The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*.

The governmental activities of the Village of Mahomet include general government, public safety (police, ESDA), highways and streets, culture and recreation, community development, economic development, and interest on long-term debt. Business-type activities include water and sewer enterprise funds.

**Fund financial statements.** A fund is a grouping of related accounts which is used to maintain control over resources segregated for specific activities or objectives. The Village of Mahomet, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

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

The Village of Mahomet maintains 11 individual governmental funds. Information is presented separately in the governmental fund balance sheet as well as in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Tax Increment Financing Fund, which are both considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Village adopts an annual appropriated budget for its general fund and other major funds. Budgetary comparison statements have been provided for the general fund and other major governmental funds to demonstrate compliance with the budget.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Management's Discussion and Analysis**

April 30, 2016

***Business-type activities.*** The Village of Mahomet maintains basic public services by providing a combined water and sewer system for residents. These functions are accounted for in this audit as business-type activities or enterprise funds. The Village's total net position for all proprietary fund types was \$10,328,289 (*total net position*), including restricted net position of \$1,915,024.

***Fiduciary funds.*** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's programs. The accounting method used for fiduciary funds is similar to that used for proprietary funds. The only fiduciary fund utilized by the Village is the Policemen's Pension Trust Fund.

**Notes to the financial statements.** The notes provide additional information which is essential to full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. This required supplementary information includes information concerning the Village of Mahomet's progress in funding its obligation to provide pension benefits to its employees, budgetary comparison schedules for its major governmental funds and related footnotes. This report also contains additional supplementary information on governmental activities and legal debt margin calculations, assessed valuations, tax rates, taxes extended, and taxes collected.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Mahomet, assets exceeded liabilities by \$55,989,092 at the close of the fiscal year.

The largest portion of the Village's net position (85%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt still outstanding used to acquire those assets. The Village of Mahomet uses capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided by other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The following table reflects the condensed Statement of Net Position:

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Management's Discussion and Analysis**  
April 30, 2016

**Village of Mahomet's Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and Other Assets	\$ 8,375,092	\$ 7,894,728	\$ 4,838,170	\$ 5,419,418	\$ 13,213,262	\$ 13,314,146
Capital Assets	<u>46,653,568</u>	<u>47,095,140</u>	<u>20,380,303</u>	<u>20,209,303</u>	<u>67,033,871</u>	<u>67,304,443</u>
Total Assets	<u>55,028,660</u>	<u>54,989,868</u>	<u>25,218,473</u>	<u>25,628,721</u>	<u>80,247,133</u>	<u>80,618,589</u>
Deferred Outflows of Resources	<u>588,356</u>	<u>-</u>	<u>70,395</u>	<u>-</u>	<u>658,751</u>	<u>-</u>
Current Liabilities	756,036	952,388	1,008,274	392,996	1,764,310	1,345,384
Noncurrent Liabilities	<u>5,756,900</u>	<u>5,061,950</u>	<u>13,948,030</u>	<u>15,338,451</u>	<u>19,704,930</u>	<u>20,400,401</u>
Total Liabilities	<u>6,512,936</u>	<u>6,014,338</u>	<u>14,956,304</u>	<u>15,731,447</u>	<u>21,469,240</u>	<u>21,745,785</u>
Deferred Inflows of Resources	<u>3,443,277</u>	<u>3,112,797</u>	<u>4,275</u>	<u>-</u>	<u>3,447,552</u>	<u>3,112,797</u>
Net Position:						
Net Investment in Capital Assets	41,829,809	41,804,846	5,712,660	4,628,860	47,542,469	46,433,706
Restricted	1,811,789	1,455,357	1,915,024	4,331,279	3,726,813	5,786,636
Unrestricted	<u>2,019,205</u>	<u>2,602,530</u>	<u>2,700,605</u>	<u>937,135</u>	<u>4,719,810</u>	<u>3,539,665</u>
Total Net Position	<u>\$ 45,660,803</u>	<u>\$ 45,862,733</u>	<u>\$ 10,328,289</u>	<u>\$ 9,897,274</u>	<u>\$ 55,989,092</u>	<u>\$ 55,760,007</u>

A portion of the Village's net position (7%) represents resources which are subject to external restrictions on how they may be used.

**Governmental Activities.** Governmental activities increased the Village's net position by \$257,835, which represents 35% of the Change in Net Position of the Village. The Village implemented an electricity infrastructure maintenance fee upon the delivery of electricity with the Village of Mahomet in April 2015. This new revenue source increased revenues by \$192,441.

**Business-Type Activities.** There was an increase in net position over the previous fiscal year of \$486,025, which represents 65% of the Change in Net Position of the Village. The increase is due to an increase in charges for services and an increased number of water/wastewater customers. The excess revenues are being set aside for future infrastructure investments.

The following table summarizes the revenues and expenses of the Village's activities:

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Management's Discussion and Analysis**

April 30, 2016

**Village of Mahomet's Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$ 492,130	\$ 341,925	\$ 2,256,412	\$ 2,179,639	\$ 2,748,542	\$ 2,521,564
Operating grants & contributions	-	52,200	-	-	-	52,200
General revenues:						
Property taxes	2,983,648	2,860,885	39,203	39,390	3,022,851	2,900,275
Other taxes	2,197,709	2,264,214	-	-	2,197,709	2,264,214
Investment earnings	7,018	5,793	7,182	6,505	14,200	12,298
Miscellaneous	301,710	55,340	-	-	301,710	55,340
Total revenues	<u>5,982,215</u>	<u>5,580,357</u>	<u>2,302,797</u>	<u>2,225,534</u>	<u>8,285,012</u>	<u>7,805,891</u>
Expenses:						
General government	759,247	571,288	-	-	759,247	571,288
Public safety	1,138,345	1,170,771	-	-	1,138,345	1,170,771
Highways and streets	1,676,586	1,728,774	-	-	1,676,586	1,728,774
Culture and recreation	413,272	366,815	-	-	413,272	366,815
Planning and zoning	393,576	445,298	-	-	393,576	445,298
Economic development	1,231,826	1,167,237	-	-	1,231,826	1,167,237
Interest on long-term debt	151,527	150,108	190,019	-	341,546	150,108
Water department	-	-	751,752	892,877	751,752	892,877
Sewer department	-	-	835,002	620,471	835,002	620,471
Total expenses	<u>5,764,380</u>	<u>5,600,291</u>	<u>1,776,772</u>	<u>1,513,348</u>	<u>7,541,152</u>	<u>7,113,639</u>
Excess (deficiency) of revenues over expenses	<u>217,835</u>	<u>(19,934)</u>	<u>526,025</u>	<u>712,186</u>	<u>743,860</u>	<u>692,252</u>
Other financing sources (uses):						
Transfers in (out)	<u>40,000</u>	<u>30,000</u>	<u>(40,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>
Change in net position	257,835	10,066	486,025	682,186	743,860	692,252
Beginning net position,						
as originally reported	45,862,733	47,242,072	9,897,274	9,215,088	55,760,007	56,457,160
Restatement	(459,765)	(1,389,405)	(55,010)	-	(514,775)	(1,389,405)
Beginning net position, as restated	<u>45,402,968</u>	<u>45,852,667</u>	<u>9,842,264</u>	<u>9,215,088</u>	<u>55,245,232</u>	<u>55,067,755</u>
Ending net position	<u>\$45,660,803</u>	<u>\$45,862,733</u>	<u>\$10,328,289</u>	<u>\$9,897,274</u>	<u>\$55,989,092</u>	<u>\$55,760,007</u>

Revenues for governmental activities for the Village of Mahomet are generated from a number of different sources and for the most part are dependent upon different financial factors. The majority of general revenue is derived from property taxes, which provides long-term stability, though there is a healthy balance of support from sales, income, and utility taxes.

Highways and streets expenses constituted the largest single category of expense within governmental activities, totaling \$1,676,586, or 29% of total expenses of \$5,764,380. Economic development expenses were next at \$1,231,826, or 21% of total expenses in governmental activities.

Business-type activities include revenues and expenses for water and sewer utility provision. Charges for services exceeded expenditures in the reporting year by \$486,025. These excess revenues are being set aside for future infrastructure investment.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Management's Discussion and Analysis**

April 30, 2016

**Financial Analysis of the Government's Funds**

As noted earlier, the Village of Mahomet uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the Village's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Village's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Village of Mahomet's governmental funds reported combined fund balances of \$4,697,002, an increase of \$561,612 over the prior year. Of these fund balances, \$1,508,188, or 32%, constitutes *unassigned fund balance*, which is available for spending at the government's discretion.

The General Fund balance increased \$423,970 due to the increase in Income Tax revenue and the implementation of the Infrastructure Maintenance fee.

The Tax Increment Financing Fund increased by \$73,757 due to an increase in property taxes.

**Business-type funds.** Enterprise, proprietary, or business-type funds are used to account for business-type activities such as services provided to the public. For the Village of Mahomet, these activities are financed by user charges, including water and sewer utility billings and water and sewer system connection fees. These funds experienced an increase of \$486,025 in net position.

**Budgetary Highlights**

The Village staff develops a working budget prior to the beginning of each fiscal year. This working budget is based on Village Board goals regarding which programs to fund, capital projects and purchases desired, levels of taxation, types and amounts of user fees, estimates of State revenues, historical operating expenses and desired cash reserves and fund balance. The working budget is presented to the Village Board and adopted by a majority vote. The Village staff uses this budget to guide operations throughout the fiscal year.

The legal spending limits of the Village of Mahomet, as well as most municipal governments, are set by the appropriation ordinance. The appropriation ordinance is also developed by Village staff, taking into account the maximum acceptable spending for operations and other possible contingencies. The appropriation ordinance is passed by the Village Board in accordance with State statutes. If the municipality has erred by underestimating the appropriation ordinance for a particular year, there are few remedies available to correct the error.

During the fiscal year 2016, the budget was not amended. Explanations of significant variations between the final budget and actual operations in the General Fund are as follows:

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**Management's Discussion and Analysis**

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- In the General Fund, revenues were underestimated. The final budgeted amount was \$2,661,693, with actual revenues being \$2,973,453, a positive variance in the amount of \$311,760. Income tax revenue was higher than anticipated. The State had discussed decreasing the income tax revenue, so the Village budgeted conservatively.
- Expenses in the General Fund, which include general government, public safety (police, ESDA), highways and streets, planning and zoning, economic development, debt service, and capital outlay, had a final budgeted amount of \$3,729,975, with actual expenditures being \$2,970,899. The fiscal year ended with a positive variance in the amount of \$759,076.
- Actual revenues of \$1,622,352 in the Tax Increment Financing fund were below the budgeted amount of \$1,654,145 by \$31,793. This was due to overestimating the projection of real estate taxes in the Tax Increment Financing District.

**Capital Asset and Debt Administration**

**Capital assets.** The Village's investment in capital assets totaled \$67,033,871 for its governmental (\$46,653,568) and business-type (\$20,380,303) activities as of April 30, 2016. This investment in capital assets includes land, buildings and improvements, equipment, water/wastewater distribution system, and infrastructure.

Following is a comparative statement of capital assets, net of depreciation:

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 1,568,213	\$ 1,568,213	\$ 103,466	\$ 103,466	\$ 1,671,679	\$ 1,671,679
Construction in Progress	-	-	-	14,351,454	-	14,351,454
Buildings	3,416,648	3,231,696	4,233,318	4,575,020	7,649,966	7,806,716
Equipment	985,601	1,159,620	105,150	124,327	1,090,751	1,283,947
Infrastructure	40,683,106	41,135,611	15,938,369	1,055,036	56,621,475	42,190,647
Total	<u>\$ 46,653,568</u>	<u>\$ 47,095,140</u>	<u>\$ 20,380,303</u>	<u>\$ 20,209,303</u>	<u>\$ 67,033,871</u>	<u>\$ 67,304,443</u>

Additional information on the Village's capital assets can be found in Note 3 in the Notes to Basic Financial Statements of this report.

**Long-term debt.** At the end of the current fiscal year, the Village of Mahomet had total bonded debt outstanding of \$6,115,000. Of this amount, \$520,000 counts against the Village's statutory debt limitation of 8.625% of total assessed valuation. The entire amount is backed by the full faith and credit of the Village. Following is a comparative statement of outstanding debt:

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Management's Discussion and Analysis**

April 30, 2016

	Governmental Activities		Business-type activities		Total	
	2016	2015	2016	2015	2015	2014
General Obligation Bonds-						
Alternate Revenue Bonds	\$ 4,235,000	\$ 4,610,000	\$ 1,880,000	\$ 2,200,000	\$ 6,115,000	\$ 6,810,000
Notes Payable	<u>588,759</u>	<u>680,294</u>	<u>12,787,643</u>	<u>13,380,443</u>	<u>13,376,402</u>	<u>14,060,737</u>
Total	<u>\$ 4,823,759</u>	<u>\$ 5,290,294</u>	<u>\$ 14,667,643</u>	<u>\$ 15,580,443</u>	<u>\$ 19,491,402</u>	<u>\$ 20,870,737</u>

The Village of Mahomet's total debt decreased by \$1,379,335 during the current fiscal year. Additional information on the Village's long-term debt can be found in Note 4 in the Notes to Basic Financial Statements of this report.

**Economic Factors and Next Year's Budgets and Rates**

The equalized assessed value (EAV) of taxable property in the Village of Mahomet for 2015 levy year was \$169,328,648, which represents one-third market value. Residential developments constitute 90% of the EAV. The Village's tax rate at December 31, 2015, was \$.9189 per \$100 of assessed value. Keeping the Village's tax rate low has been a long-standing goal for the Village of Mahomet. The percentage of real estate taxes collected has been over 96 percent in past years.

One of the Village's largest single sources of revenue is property taxes, which are extremely stable. Increases in the Village's annual levy are limited by the Property Tax Extension Limitation Law (PTELL). PTELL limits the increase in the property tax extensions (total taxes billed for non-home-rule taxing districts) to the lower of the National Consumer Price Index or 5%, excluding any new growth. For the 2015 calendar year, the rate was 0.8%. The rate for 2016 calendar year is 0.7%.

State shared revenues are estimated for the 2016/2017 fiscal year to increase to \$102.00 per capita for income tax. Estimations for State Use Tax are expected to be \$23.50 per capita for out-of-state purchases. Motor Fuel Tax estimates are expected to increase to \$25.90 for the upcoming fiscal year. The total per capita revenue estimates for fiscal year 2016 was \$142.20 with an estimated increase in FY 2017 to \$151.40 per capita. The revenue streams for State shared revenues have increased over the past few years due to the increased population. A special census expected to be completed in early 2017 should result in a village population of 8,500-9,000.

Residential construction continues at the pace of the last couple of years, with permits for 77 new single-family homes issued between January 1 and September 30, 2016. In 2015, only four (4) communities within a 100-mile radius of Mahomet issued more single-family home construction permits than Mahomet did—Springfield, Peoria, Bloomington, and Chatham. Since 2010, over 400 new homes have been constructed.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Management's Discussion and Analysis**

April 30, 2016

Thornewood Phase 5 Subdivision in north Mahomet is underway, along with Harvest Edge Subdivisions and the last phase of Prairie Crossing. Each major subdivision has a different target market: under \$300K; \$275-\$350K; and over \$400K. These three subdivisions cost over \$5 million to construct. While the roads and storm sewers will be owned by the Village in all, only Harvest Edge is within the Village's water and wastewater service area.

Years of discussions with potential developers are coming to fruition by the recent construction starts of commercial buildings. A 12,660 square foot shopping center is underway on Main Street near Lombard. A new locally owned frozen yogurt business is under construction on Lombard on a site which was formerly an old home and a phone company utility building. Both of these new developments are infill in our Core Commercial area. While a couple of businesses closed in downtown, it was not long before the two properties were sold and occupied by new offices, including a high-volume residential real estate brokerage company and a University of Illinois affiliated department. Primelight Studios photography studio opened, and the space formerly occupied by a household goods type store has active leads for multiple tenants to take over the space. A key commercial operation at the I-74/Prairieview Road interchange is moving to another location in Mahomet, and the building/land that they previously occupied has been sold to a regionally known landscaping company that will expand their retail sales. A commercial lot platted for over 16 years adjacent to that property will be home to a new bank early next year. A split commercial/multi-family 11 acre parcel with traffic signal access along U.S. Route 150 sold after over 3 years of active brokerage.

The Village parks looks forward to completing a number of projects that will advance the quality of life for our residents. First, the Route 47 North Bikepath project has been completed. The path connects the community to the North expanding the path system from our commercial area under the I-74 overpass to Briar Cliff subdivision and Lake of the Woods Forest Preserve. Furthermore, the parks and recreation department completed phase II of the Taylor Park renovations. New fencing was installed on both fields, providing a safer and aesthetically clean-looking facility. Additionally, the department completed removal of the South field lighting and constructed new, more efficient and safe field lights. Finally, the parks department has been awarded a Illinois Department of Natural Resources grant application for the kayak/canoe access at the Sangamon River Greenway. If state funds are released, the 100% IDNR funded grant project will provide ADA access for kayak/canoe and park visitors. Another grant has been submitted to help fund the Mahomet River Trail. This 1 mile segment will provide a connection from the Bikepath Bridge along the River and Barber Park to the Sangamon River Greenway. This critical connector will provide off-street transportation for walkers and bikers over the Sangamon River, essentially connecting our community north and south, positively impacting the entire community.

Long-term financial planning—Management's top priority for the next several years will continue to center on the rehabilitation of the Village's aging infrastructure. In May 2016, the Village approved the five-year capital plan in conjunction with the 2016 budget. The five-year plan provides a blueprint for future spending over the next five years, including the funding of the Village's streets, as well as other infrastructure projects and capital equipment purchases. The Capital Improvement Program for fiscal year 2016/17 has 120 projects with an estimated

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Management's Discussion and Analysis**

April 30, 2016

cost of \$1,852,399. The Program will be utilized by the current Board in developing a financing framework and setting priorities for individual projects.

Water and wastewater revenues are reviewed annually to see if an increase in water/wastewater rates are currently needed. The increase in water revenues will be utilized to retire current debt for the Water Treatment plant and for upcoming water capital improvement projects. The wastewater rates have been reviewed and will not have an annual increase this year due to substantial increases in the previous years. The wastewater revenues are utilized to retire current debt issued for the East Mahomet Interceptor Sanitary Sewer project and to repay the IEPA loan associated with the \$14 million Wastewater Treatment Plant expansion. Ordinance 16-03-01 provides that water usage charges shall increase on May 1, 2016, at a rate of \$.03 per 100 gallons. Water and wastewater connection fees remained the same as last year.

The IMRF contribution rate for calendar year 2016 is 9.63%, an increase over the 2015 rate of 9.16%. The employee contribution will remain at 4.50%. The SLEP rate for 2016 is 12.57%, an increase from last year's rate of 12.07%. The employee contribution for SLEP is 7.50%. Each year, an independent actuary calculates an employer contribution rate for each employer. In addition to retirement benefits, IMRF also provides death and disability benefits. Employer contributions are paid directly from the water/wastewater funds and levied funds for IMRF.

The Village will face some long-term financial challenges with increased benefit cost for employees, e.g., health insurance, funding for pension plans and staffing levels. The police pension fund was established and an ordinance adopted December 20, 2011, mandated by the 2010 census numbers. The future pension costs for the police department will have an unfunded accrued liability in the amount of \$768,365. The Village funds the police pension by real estate levy and a transfer from General Corporate. The Village will continue to levy taxes for contributions to the IMRF, Social Security, and Police Pension funds. The Village will need to focus on finding more effective measures to reduce expenditures, staffing, and continue to provide quality services to a growing community.

There are currently no other known contingencies that would force a major change in the Village's budgeting, spending, or taxation.

**Requests for Information**

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Village Treasurer Jeanne Schacht, Village of Mahomet, 503 E. Main, P.O. 259, Mahomet, IL 61853 or call 217/586-4456 or email [jschacht@mahomet-il.gov](mailto:jschacht@mahomet-il.gov).

## **BASIC FINANCIAL STATEMENTS**

# VILLAGE OF MAHOMET

Mahomet, Illinois

## Statement of Net Position

April 30, 2016

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b><u>Assets:</u></b>			
Cash and cash equivalents	\$ 3,906,995	\$ 2,668,919	\$ 6,575,914
Receivables, net	27,968	214,944	242,912
Due from governmental entities	3,529,057	39,283	3,568,340
Prepaid items	61,162	18,065	79,227
Restricted assets:			
Cash and cash equivalents	849,910	1,896,959	2,746,869
Capital assets not being depreciated:			
Land	1,568,213	103,466	1,671,679
Capital assets, net of accumulated depreciation:			
Buildings and improvements	3,416,648	4,233,318	7,649,966
Equipment	985,601	105,150	1,090,751
Infrastructure	40,683,106	15,938,369	56,621,475
Total assets	55,028,660	25,218,473	80,247,133
<b><u>Deferred Outflows of Resources:</u></b>			
Deferred outflows related to pensions	588,356	70,395	658,751
Total deferred outflows of resources	588,356	70,395	658,751
<b><u>Liabilities:</u></b>			
Accounts payable	161,592	54,132	215,724
Accrued expenses	58,632	23,909	82,541
Unearned revenues	56,455	-	56,455
Current portion of long-term debt	479,357	930,233	1,409,590
Noncurrent liabilities:			
Accrued compensated absences	228,176	68,919	297,095
Net pension liability	1,184,322	141,701	1,326,023
Long-term debt	4,344,402	13,737,410	18,081,812
Total liabilities	6,512,936	14,956,304	21,469,240
<b><u>Deferred Inflows of Resources:</u></b>			
Unavailable revenue - property taxes	3,407,544	-	3,407,544
Deferred inflows related to pensions	35,733	4,275	40,008
Total deferred inflows of resources	3,443,277	4,275	3,447,552
<b><u>Net Position:</u></b>			
Net investment in capital assets	41,829,809	5,712,660	47,542,469
Restricted for:			
Prepaid items	61,162	18,065	79,227
Debt service	513,540	1,896,959	2,410,499
Capital projects	321,065	-	321,065
Other	916,022	-	916,022
Unrestricted	2,019,205	2,700,605	4,719,810
Total net position	\$ 45,660,803	\$ 10,328,289	\$ 55,989,092

The notes to basic financial statements are an integral part of this statement.

# VILLAGE OF MAHOMET

Mahomet, Illinois

## Statement of Activities

For the Year Ended April 30, 2016

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
	Expenses	Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
<b>Functions/Programs:</b>						
Governmental activities:						
General government	\$ 759,247	\$ 353,475	\$ -	\$ (405,772)	\$ -	\$ (405,772)
Public safety	1,138,345	21,653	-	(1,116,692)	-	(1,116,692)
Highways and streets	1,676,586	-	-	(1,676,586)	-	(1,676,586)
Culture and recreation	413,272	117,002	-	(296,270)	-	(296,270)
Planning and zoning	393,576	-	-	(393,576)	-	(393,576)
Economic development	1,231,826	-	-	(1,231,826)	-	(1,231,826)
Interest on long-term debt	151,527	-	-	(151,527)	-	(151,527)
Total governmental activities	<u>5,764,380</u>	<u>492,130</u>	<u>-</u>	<u>(5,272,250)</u>	<u>-</u>	<u>(5,272,250)</u>
Business-type activities:						
Water	751,752	715,213	-	-	(36,539)	(36,539)
Sewer	835,002	1,541,199	-	-	706,197	706,197
Total business-type activities	<u>1,586,753</u>	<u>2,256,412</u>	<u>-</u>	<u>-</u>	<u>669,659</u>	<u>669,659</u>
Total functions/programs	<u>\$ 7,351,133</u>	<u>\$ 2,748,542</u>	<u>\$ -</u>	<u>(5,272,250)</u>	<u>669,659</u>	<u>(4,602,591)</u>
<b>General revenues:</b>						
Taxes:						
Property taxes				2,983,648	39,203	3,022,851
Motor fuel taxes				197,022	-	197,022
Replacement taxes				5,860	-	5,860
Income taxes				742,397	-	742,397
Sales taxes				732,195	-	732,195
Utility taxes				520,235	-	520,235
Interest income				7,018	7,182	14,200
Interest expense				-	(190,019)	(190,019)
Miscellaneous income				301,710	-	301,710
Transfers				40,000	(40,000)	-
Total general revenues				<u>5,530,085</u>	<u>(183,634)</u>	<u>5,346,451</u>
Change in net position				257,835	486,025	743,860
<b>Net position - beginning, as originally reported</b>				45,862,733	9,897,274	55,760,007
<b>Restatement</b>				<u>(459,765)</u>	<u>(55,010)</u>	<u>(514,775)</u>
<b>Net position - beginning, as restated</b>				<u>45,402,968</u>	<u>9,842,264</u>	<u>55,245,232</u>
<b>Net position - ending</b>				<u>\$ 45,660,803</u>	<u>\$ 10,328,289</u>	<u>\$ 55,989,092</u>

The notes to basic financial statements are an integral part of this statement.

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Balance Sheet - Governmental Funds**

April 30, 2016

	<u>General</u>	<u>Tax Increment Financing</u>	<u>Other Governmental</u>	<u>Total</u>
<b><u>Assets:</u></b>				
Cash and cash equivalents	\$ 1,796,805	\$ 815,848	\$ 1,294,342	\$ 3,906,995
Due from other governments	1,286,419	1,730,410	512,228	3,529,057
Utility taxes receivable	-	-	27,968	27,968
Prepaid insurance	-	-	61,162	61,162
Restricted assets:				
Cash and cash equivalents	441,155	-	408,755	849,910
Total assets	<u>\$ 3,524,379</u>	<u>\$ 2,546,258</u>	<u>\$ 2,304,455</u>	<u>\$ 8,375,092</u>
<b><u>Liabilities:</u></b>				
Accounts payable	144,277	-	17,315	161,592
Accrued salaries	46,167	-	6,332	52,499
Unearned revenue	-	-	56,455	56,455
Total liabilities	<u>190,444</u>	<u>-</u>	<u>80,102</u>	<u>270,546</u>
<b><u>Deferred Inflows of Resources:</u></b>				
Unavailable revenue - property taxes	<u>1,208,092</u>	<u>1,730,411</u>	<u>469,041</u>	<u>3,407,544</u>
<b><u>Fund balance:</u></b>				
Nonspendable				
Prepaid items	-	-	61,162	61,162
Restricted				
Debt service	441,155	-	72,385	513,540
Capital projects	-	321,065	-	321,065
Highways and streets	-	-	343,758	343,758
Public safety	-	-	8,640	8,640
Economic development	-	494,782	-	494,782
Retirement	-	-	63,811	63,811
Insurance	-	-	5,031	5,031
Assigned				
Capital projects	176,500	-	994,471	1,170,971
Culture and recreation	-	-	206,054	206,054
Unassigned	<u>1,508,188</u>	<u>-</u>	<u>-</u>	<u>1,508,188</u>
Total fund balance	<u>2,125,843</u>	<u>815,847</u>	<u>1,755,312</u>	<u>4,697,002</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 3,524,379</u>	<u>\$ 2,546,258</u>	<u>\$ 2,304,455</u>	<u>\$ 8,375,092</u>

The notes to basic financial statements are an integral part of this statement.

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Reconciliation of the Balance Sheet to the Statement of Net Position**

**Governmental Funds**

April 30, 2016

Total fund balance		\$	4,697,002
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets used in governmental activities of \$59,485,803, net of accumulated depreciation of \$12,832,235, are not financial resources and therefore are not reported in the governmental funds.			
			46,653,568
Some liabilities are not due and payable in the current period and therefore are not reported in the governmental funds as follows:			
Accrued compensated absences	\$	(228,176)	
Accrued interest payable		(6,133)	
Net pension liability		(1,184,322)	
Notes and bonds payable		<u>(4,823,759)</u>	(6,242,390)
Pension-related deferred outflows and deferred inflows of resources are not due and payable in the current year and therefore are not reported in the governmental funds as follows:			
Deferred outflows related to pensions	\$	588,356	
Deferred inflows related to pensions		<u>(35,733)</u>	<u>552,623</u>
Net position of governmental activities		\$	<u>45,660,803</u>

The notes to basic financial statements are an integral part of this statement.

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Statement of Revenues, Expenditures, and Changes in Fund Balances**

**Governmental Funds**

For the Year Ended April 30, 2016

	<b>General</b>	<b>Tax Increment Financing</b>	<b>Other Governmental</b>	<b>Total Governmental Funds</b>
<b><u>Revenues:</u></b>				
Property taxes	\$ 910,506	\$ 1,620,893	\$ 452,249	\$ 2,983,648
Motor fuel taxes	-	-	197,022	197,022
Replacement income taxes	5,860	-	-	5,860
Income taxes	872,501	-	-	872,501
Sales taxes	797,050	-	-	797,050
Utility taxes	-	-	531,788	531,788
Permits and licenses	353,475	-	-	353,475
Fines	19,790	-	1,863	21,653
Rentals and fees	-	-	117,002	117,002
Interest income	3,351	1,459	2,208	7,018
Miscellaneous	10,920	-	218,480	229,400
Total revenues	2,973,453	1,622,352	1,520,612	6,116,417
<b><u>Expenditures:</u></b>				
Current				
General government	578,380	-	92,197	670,577
Public safety	937,779	-	9,810	947,589
Highways and streets	599,895	-	205,717	805,612
Culture and recreation	-	-	346,698	346,698
Planning and zoning	393,576	-	-	393,576
Economic development	52,506	1,179,320	-	1,231,826
Debt Service:				
Principal	141,535	265,000	60,000	466,535
Interest and fiscal charges	67,218	69,275	12,225	148,718
Capital outlay	200,010	-	393,540	593,550
Total expenditures	2,970,899	1,513,595	1,120,187	5,604,681
Excess of revenues over (under) expenditures	2,554	108,757	400,425	511,736
<b><u>Other Financing Sources (Uses):</u></b>				
Sale of assets	9,876	-	-	9,876
Transfers in	597,380	394,341	272,686	1,264,407
Transfers out	(185,840)	(429,341)	(609,226)	(1,224,407)
Total other financing sources (uses)	421,416	(35,000)	(336,540)	49,876
Net change in fund balances	423,970	73,757	63,885	561,612
<b>Fund balances - beginning</b>	1,701,873	742,090	1,691,427	4,135,390
<b>Fund balances - ending</b>	\$ 2,125,843	\$ 815,847	\$ 1,755,312	\$ 4,697,002

The notes to basic financial statements are an integral part of this statement.

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
to the Statement of Activities**

**Governmental Funds**

For the Year Ended April 30, 2016

Net change in fund balances - total governmental funds	\$	561,612
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
Capital asset purchases		593,550
Net capital asset sales, disposals, and trade-ins		(96)
Depreciation expense		(1,035,026)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		(143,982)
In the governmental funds, new debt is an other financing source and repayment of bond and loan principal is an expenditure, but new debt increases long-term liabilities in the Statement of Net Position and the repayment reduces long-term liabilities.		466,535
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Accrued compensated absences		(10,015)
Accrued interest		(2,809)
Pension expense is recorded as contributions are paid in the governmental funds but as the change in the net pension liability in the Statement of Activities.		
Pension contributions paid		225,519
Pension expense		(397,452)
Change in Net Position of Governmental Activities	\$	<u>257,835</u>

The notes to basic financial statements are an integral part of this statement.

## VILLAGE OF MAHOMET

Mahomet, Illinois

### Statement of Net Position - Proprietary Funds

April 30, 2016

	Waterworks	Sewerage	Total
<b><u>ASSETS</u></b>			
<b><u>Current assets:</u></b>			
Cash and cash equivalents	\$ 410,189	\$ 2,258,730	\$ 2,668,919
Property taxes receivable	39,283	-	39,283
Accounts receivable, net	64,170	150,774	214,944
Prepaid insurance	7,407	10,658	18,065
Total current assets	521,049	2,420,162	2,941,211
<b><u>Noncurrent assets:</u></b>			
Cash - restricted	266,400	1,630,559	1,896,959
Capital assets:			
Property, plant and equipment	8,699,610	20,660,201	29,359,811
Accumulated depreciation	(6,230,181)	(2,749,327)	(8,979,508)
Total noncurrent assets	2,735,829	19,541,433	22,277,262
Total assets	3,256,878	21,961,595	25,218,473
 <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Deferred outflows related to pensions	32,628	37,767	70,395
 <b><u>LIABILITIES</u></b>			
<b><u>Current liabilities:</u></b>			
Accounts payable	27,961	26,171	54,132
Accrued expenses	15,722	8,187	23,909
Notes payable - current	-	600,233	600,233
General Obligation bonds - current	225,000	105,000	330,000
Total current liabilities	268,683	739,591	1,008,274
<b><u>Noncurrent liabilities:</u></b>			
Accrued compensated absences	31,475	37,444	68,919
Net pension liability	65,679	76,022	141,701
Notes payable	-	12,187,410	12,187,410
General Obligation bonds	1,340,000	210,000	1,550,000
Total noncurrent liabilities	1,437,154	12,510,876	13,948,030
Total liabilities	1,705,837	13,250,467	14,956,304
 <b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Deferred inflows related to pensions	1,982	2,294	4,275
 <b><u>NET POSITION</u></b>			
Net investment in capital assets	904,429	4,808,231	5,712,660
Restricted for:			
Prepaid items	7,407	10,658	18,065
Debt service	266,400	1,630,559	1,896,959
Unrestricted	403,452	2,297,153	2,700,605
Total net position	\$ 1,581,688	\$ 8,746,601	\$ 10,328,289

The notes to basic financial statements are an integral part of this statement.

# VILLAGE OF MAHOMET

Mahomet, Illinois

## Statement of Revenues, Expenses, and Changes in Net Position

### Proprietary Funds

For the Year Ended April 30, 2016

	<b>Waterworks</b>	<b>Sewerage</b>	<b>Total</b>
<b><u>Operating Revenues:</u></b>			
Charges for services	\$ 709,992	\$ 1,541,067	\$ 2,251,059
Miscellaneous	5,221	132	5,353
Total operating revenues	715,213	1,541,199	2,256,412
<b><u>Operating Expenses:</u></b>			
Personal services	183,330	220,341	403,670
Supplies and materials	138,538	145,493	284,031
Contractual services	87,731	143,055	230,786
Depreciation and amortization expense	342,153	326,113	668,266
Total operating expenses	751,752	835,002	1,586,753
Operating income (loss)	(36,539)	706,197	669,659
<b><u>Nonoperating Revenues (Expenses):</u></b>			
Property taxes	39,203	-	39,203
Interest income	1,153	6,029	7,182
Interest expense	(40,917)	(149,102)	(190,019)
Total nonoperating revenues (expenses)	(561)	(143,073)	(143,634)
Income (loss) before transfers in (out)	(37,100)	563,124	526,025
Transfers in (out)	41,289	(81,289)	(40,000)
Change in net position	4,189	481,835	486,025
<b>Net position - beginning, as originally reported</b>	1,602,996	8,294,278	9,897,274
<b>Restatement</b>	(25,497)	(29,513)	(55,010)
<b>Net position - beginning, as restated</b>	1,577,499	8,264,765	9,842,264
<b>Net position - ending</b>	\$ 1,581,688	\$ 8,746,601	\$ 10,328,289

The notes to basic financial statements are an integral part of this statement.

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Statement of Cash Flows**

**Proprietary Funds**

For the Year Ended April 30, 2016

<b><u>Cash Flows from Operating Activities:</u></b>	<b><u>Waterworks</u></b>	<b><u>Sewerage</u></b>	<b><u>Totals</u></b>
Receipts from users	\$ 705,621	\$ 1,538,300	\$ 2,243,921
Payments to suppliers	(222,925)	(287,928)	(510,853)
Payments to employees	(179,820)	(210,547)	(390,367)
Other receipts (payments)	5,221	132	5,353
Net cash provided (used) by operating activities	<u>308,097</u>	<u>1,039,957</u>	<u>1,348,054</u>
<b><u>Cash Flows from Noncapital Financing Activities:</u></b>			
Property taxes	39,393	-	39,393
Operating transfers in	611,434	1,405,042	2,016,476
Operating transfers out	(570,145)	(1,486,331)	(2,056,476)
Net cash provided (used) by noncapital financing activities	<u>80,682</u>	<u>(81,289)</u>	<u>(607)</u>
<b><u>Cash Flows from Capital and Related Financing Activities:</u></b>			
Sale (purchase) of capital assets	(295,633)	(543,632)	(839,265)
Interest paid on capital debt	(45,600)	(150,168)	(195,768)
Capital debt proceeds	-	-	-
Principal paid on capital debt	(210,000)	(702,800)	(912,800)
Net cash provided (used) by capital and related financing activities	<u>(551,233)</u>	<u>(1,396,600)</u>	<u>(1,947,833)</u>
<b><u>Cash Flows from Investing Activities:</u></b>			
Investment income	1,153	6,029	7,182
Net cash provided (used) by investing activities	<u>1,153</u>	<u>6,029</u>	<u>7,182</u>
Net increase (decrease) in cash and cash equivalents	(161,301)	(431,903)	(593,204)
<b>Cash and cash equivalents, beginning of the year</b>	<u>837,890</u>	<u>4,321,192</u>	<u>5,159,082</u>
<b>Cash and cash equivalents, end of the year</b>	<u>\$ 676,589</u>	<u>\$ 3,889,289</u>	<u>\$ 4,565,878</u>
<b><u>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position</u></b>			
Cash and cash equivalents in current assets	410,189	2,258,730	2,668,919
Restricted cash and cash equivalents	266,400	1,630,559	1,896,959
<b>Total cash and cash equivalents, end of year</b>	<u>\$ 676,589</u>	<u>\$ 3,889,289</u>	<u>\$ 4,565,878</u>
<b><u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u></b>			
Operating income (loss)	\$ (36,539)	\$ 706,197	\$ 669,659
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation and amortization	342,153	326,113	668,266
Change in assets, liabilities, deferred inflows, and deferred outflows:			
(Increase) decrease - accounts receivable	(4,371)	(2,767)	(7,138)
(Increase) decrease - prepaid insurance	(601)	(4,408)	(5,009)
Increase (decrease) - accounts payable	3,945	5,028	8,973
Increase (decrease) - accrued expenses	(6,025)	(1,243)	(7,268)
Increase (decrease) - net pension liability and related deferred inflows and outflows	9,535	11,037	20,571
Total adjustments	<u>344,636</u>	<u>333,760</u>	<u>678,395</u>
Net cash provided (used) by operating activities	<u>\$ 308,097</u>	<u>\$ 1,039,957</u>	<u>\$ 1,348,054</u>

The notes to basic financial statements are an integral part of this statement.

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Statement of Fiduciary Net Position**

**Fiduciary Fund**

April 30, 2016

	<b><u>Police Pension Trust Fund</u></b>
<b><u>Assets:</u></b>	
Cash and cash equivalents	\$ 385,502
Investments, at fair value	
Fixed income securities	665,312
Domestic equity securities	<u>76,346</u>
Total assets	<u>1,127,160</u>
<b><u>Liabilities:</u></b>	
Total liabilities	<u>-</u>
<b>Net Position Restricted for Pensions</b>	<b><u>\$ 1,127,160</u></b>

The notes to basic financial statements are an integral part of this statement.

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Fund**

For the Year Ended April 30, 2016

	<b><u>Police Pension Trust Fund</u></b>
<b><u>Additions:</u></b>	
Employer contributions	\$ 144,627
Employee contributions	<u>38,991</u>
Total contributions	<u>183,618</u>
Investment income	
Net appreciation in fair value of investments	2,265
Interest and dividends	<u>9,874</u>
Total investment income	12,139
Less investment expense	<u>(1,459)</u>
Total additions	<u>194,298</u>
<b><u>Deductions:</u></b>	
Administrative costs	<u>8,484</u>
Total deductions	<u>8,484</u>
<b>NET INCREASE</b>	185,814
<b><u>Net Position Restricted for Pensions</u></b>	
Net position - beginning of year	<u>941,346</u>
Net position - ending of year	<u>\$ 1,127,160</u>

The notes to basic financial statements are an integral part of this statement.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Village of Mahomet have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

In the year ended April 30, 2016, the Village implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. The implementation of GASB Statement No. 68 established new financial reporting requirements for state and local governments which provide their employees with pension benefits, including additional note disclosures and required supplementary information. In addition, the Statement of Net Position includes liabilities for the government's proportionate share of employee pension plans. The implementation of GASB Statement No. 71 resolved an issue related to amounts associated with contributions, if any, made by a state or local government employer or non-employer contributing entity to a defined benefit pension plan after the measurement date of the government's net pension liability.

**1.A. REPORTING ENTITY**

This report includes all of the funds of the Village of Mahomet. The reporting entity for the Village consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the Village's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit or impose a financial burden on the Village. Regardless of whether the component unit has a board or how its board is appointed, the Village is financially accountable if the component unit is fiscally dependent on the Village and can possibly provide a financial benefit or impose a financial burden on the Village. Pursuant to these criteria, no component units were identified for inclusion in the accompanying financial statements.

**1.B. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through October 12, 2016, the date when the financial statements were available to be issued.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**

April 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.C. BASIS OF PRESENTATION**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The basic financial statements include both government-wide financial statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements which provide more detailed financial information.

The Statement of Net Position and Statement of Activities display information about the Village as a whole. These statements include the financial activities of the Village. For the most part, the effect of interfund activity has been removed from these statements. The statements distinguish between those activities of the Village that are governmental in nature (which normally are supported by taxes and intergovernmental revenues) and those that are considered business-type activities (which rely to a significant extent on fees and charges for support). The Statement of Net Position presents the financial condition of the governmental and business-type activities of the Village at year end.

Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity.

Taxes and other items not properly included in program revenues are reported instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the Village.

**FUND FINANCIAL STATEMENTS**

The Village uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Transactions related to certain functions or activities are segregated into separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Village at a more detailed level than the government-wide statements.

Funds are organized into two major categories: governmental, proprietary, and fiduciary. The focus of the fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds, if any, are aggregated and presented in a single column. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.C. BASIS OF PRESENTATION (continued)**

**FUND FINANCIAL STATEMENTS (continued)**

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the Village are described below.

**Governmental Funds**

Governmental funds are those through which most governmental functions of the Village are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Village's major governmental funds:

**General Fund**

The General Fund is the primary operating fund of the Village and is 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.

**Major Special Revenue Funds**

Special revenue funds are used to account for the proceeds of the 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 one major special revenue fund:

<u>Fund</u>	<u>Brief Description</u>
Tax Increment Financing	Accounts for the incremental property taxes realized within the Tax Increment Financing district of the Village. Expenditure of these revenues is restricted to capital improvements and redevelopment and to other taxing bodies.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.C. BASIS OF PRESENTATION (continued)**

**FUND FINANCIAL STATEMENTS (continued)**

**Governmental Funds (continued)**

**Nonmajor Special Revenue Funds**

The Village also uses the following nonmajor special revenue funds:

<u>Fund</u>	<u>Brief Description</u>
Forfeited Funds	Accounts for revenues received from DUI and Drug fines.
IMRF	Accounts for property taxes levied and makes the required payments to the Illinois Municipal Retirement Fund (IMRF).
Recreation	Accounts for revenues and expenses for the various recreation programs of the Village. Registration fees provide most of the revenues for operating expenses.
Social Security	Accounts for property taxes levied and makes the required payments to the federal government.
Parks	Accounts for property taxes levied for maintaining the parks in the Village.
Insurance	Accounts for property taxes levied for making the required insurance payments of the Village.
Transportation System Capital Improvement	Accounts for capital improvements to the street system of the Village. Telecommunication taxes provide the revenue for these improvements.
Utility Tax	Accounts for electric and gas taxes which are used to support the Village's Police and Parks departments.
Motor Fuel Tax	Accounts for revenues received and expenditures paid for street maintenance.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.C. BASIS OF PRESENTATION (continued)**

**FUND FINANCIAL STATEMENTS (continued)**

**Proprietary Funds**

Proprietary funds are used to account for activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and payments relating to the government's business activities are accounted for through proprietary funds. Operating revenues include charges for services. Operating expenses include costs of services as well as materials, contracts, personnel, and depreciation. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

**Enterprise Funds**

Enterprise funds are used to account for business-type activities provided to the general public. These activities are financed by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector. The Village reports the following enterprise funds:

<u>Fund</u>	<u>Brief Description</u>
Waterworks	Accounts for revenues received and expenses paid for operating the water system.
Sewerage	Accounts for revenues received and expenses paid for operating the sewer system.

**Fiduciary Fund**

Fiduciary funds are used to account for assets held by the government in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the government under the terms of a formal trust agreement. The Village maintains one pension trust fiduciary fund:

<u>Fund</u>	<u>Brief Description</u>
Policemen's Pension Trust	Accounts for the activity of a defined-benefit single-employer pension plan that covers all eligible Village police officers. Revenues to make benefit payments are partially obtained from property taxes.

The Village's fiduciary fund is presented in the fiduciary fund financial statements. Since by definition these assets are held for the benefit of a third party and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

**GOVERNMENTAL FUNDS**

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.

In the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus and the accrual basis method of accounting. On this basis, revenues, expenses, gains, losses, assets, liabilities, and deferred inflows and outflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which the taxes are levied. Grants are recognized as revenue when eligibility requirements are met, such as allowable costs having been incurred.

The governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. Generally only current financial assets and liabilities are included on the governmental funds' balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period.

Revenues are recognized when they become measurable and available. *Available* is defined as collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues received more than 60 days after the end of the current period are deferred in the governmental fund financial statements but are recognized as current revenues in the government-wide financial statements. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

**PROPRIETARY FUNDS**

The proprietary funds' financial statements use the economic resources measurement focus and the accrual basis of accounting. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (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 position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, and expenses are recognized in the period in which the liability is incurred.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (continued)**

**PROPRIETARY FUNDS (continued)**

Proprietary fund operating revenues consist of charges for services and miscellaneous revenue resulting from the provision of services to users. Operating expenses are expenses incurred in providing the services, such as personal services, materials and supplies, and contractual services.

**FIDUCIARY FUNDS**

The measurement focus for fiduciary funds is the flow of economic resources. All fiduciary funds are accounted for using the accrual basis method of accounting. On this basis, revenues are recognized when they are earned and expenses are recognized when they are incurred.

Fiduciary fund additions consist of employer and employee contributions and earnings on investments. Deductions include employee benefit payments and administrative contractual services.

**1.E. ASSETS, LIABILITIES, AND EQUITY**

**CASH AND CASH EQUIVALENTS**

For the purpose of financial reporting, cash and cash equivalents include all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less.

**RESTRICTED ASSETS**

Certain debt proceeds of the Village's General, Transportation System Capital Improvement, Waterworks, and Sewerage funds as well as certain resources set aside for their repayment are classified as restricted assets. Cash in the Forfeited Funds and Motor Fuel Tax funds is legally restricted for specific purposes and is also classified as restricted.

**CAPITAL ASSETS**

The Village's GAAP basis of accounting reports capital assets and reports depreciation where appropriate. The accounting treatment of property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.E. ASSETS, LIABILITIES, AND EQUITY (continued)**

**CAPITAL ASSETS (continued)**

In the government-wide financial statements, capital assets are accounted for as assets in the Statement of Net Position. 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, 2004. Prior to May 1, 2004, governmental funds' infrastructure assets were not capitalized. Donated fixed assets are valued at their fair market value on the date donated.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is computed using the straight-line method over the estimated useful life of the asset. A capitalization threshold of \$5,000 is used to report equipment capital assets, \$5,000 for building capital assets, and \$20,000 for infrastructure capital assets. The range of estimated useful lives by type of asset is as follows:

Buildings	50-100 years
Improvements other than buildings	40-80 years
Machinery, furniture, and equipment	3-20 years
Vehicles	4-8 years
Infrastructure	40-80 years

Within the business-type activities and enterprise funds, major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities and enterprise funds is included as part of the capitalized value of the assets constructed. During the year, \$24,791 of interest was capitalized and \$190,019 was charged to expense in the business-type activities.

In the governmental fund financial statements, capital assets acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

**LONG-TERM DEBT**

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

Long-term debt of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources, and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same in the fund financial statements as in the government-wide statements.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.E. ASSETS, LIABILITIES, AND EQUITY (continued)**

**EQUITY CLASSIFICATION**

**Government-wide Statements**

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

- a. Net investment in capital assets: Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the 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 position: Consists of net position with constraints placed on its use by either (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 position: All other net position that does not meet the definition of restricted or net investment in capital assets.

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

**Fund Financial Statements**

Governmental fund equity is classified as fund balance. Fund balance is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources in a governmental fund. Proprietary fund equity is classified the same as in the government-wide statements.

Governmental fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Committed fund balance is a limitation imposed by the Village board through approval of resolutions. The Village board must take the same level of action to remove or rescind the limitation. Assigned fund balance is a limitation imposed by a designee of the Village board. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative fund balance in other governmental funds represents excess of expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

- a. Nonspendable: Amounts that cannot be spent because they either are not in spendable form or are legally or contractually required to be maintained intact.
- b. Restricted: Resources that are subject to constraints imposed by external parties or enabling legislation.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.E. ASSETS, LIABILITIES, AND EQUITY (continued)**

**EQUITY CLASSIFICATION (continued)**

**Fund Financial Statements (continued)**

- c. Committed: Amounts constrained for specific purposes by the Village Board of Trustees through formal action (ordinance or resolution). The Village Board must take the same level of action to remove or rescind the limitation.
- d. Assigned: Amounts that are constrained by Village management to be used for specific purposes but are neither restricted nor committed.
- e. Unassigned: The residual classification for the general fund, the net resources that cannot be properly classified in one of the preceding four categories. Other governmental funds report deficit fund balance as unassigned.

When both restricted and unrestricted fund balances are available for use, it is the Village's policy to use restricted fund balance first, then committed fund balance, assigned fund balance, and finally unassigned fund balance when expenditures are incurred for purposes for which any of those fund balance classifications can be used.

**1.F. REVENUES, EXPENDITURES, AND EXPENSES**

**PROGRAM REVENUES**

In the Statement of Activities, revenues that are derived directly from each activity or from parties outside the Village's taxpayers are reported as program revenues. The Village has the following program revenues:

General government: Permits, licenses, fees, police fines and parking fees, and recreation registration fees

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

**OPERATING REVENUES AND EXPENSES**

Operating revenues and expenses for proprietary funds result from providing services and producing and delivering goods or services. They also include all revenues and expenses not related to financing or investing activities.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.G. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES**

Interfund activity is reported as either loans, services provided, reimbursements, or transfers. On the fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as “Due to/Due from Other Funds.” Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers, which are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in enterprise funds. Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statements. The only interfund balances which remain on the government-wide statements are those between governmental and business-type activities. These amounts are reflected as “Due to/Due from Other Funds” on the Statement of Net Position and as “Transfers” on the Statement of Activities.

**1.H. PROPERTY TAXES**

The Village passed its annual tax levy ordinance on November 24, 2015. The taxes are extended by the Champaign County Clerk against the equalized assessed valuation as of January 1 of the calendar year that the levy ordinance is enacted. Property taxes become a lien at that time. Property tax bills are due and payable in two installments: the first half due in June and the balance in September. Receipts are remitted to the Village by the Champaign County Collector soon after collection. Delinquent property tax bills are sold in October.

The property tax revenues recorded in the current-year financial statements represent the collections of the 2014 property tax levy. The 2015 property tax levy has been recorded as a receivable and a deferred inflow since this amount is normally not collected within a time period to be available and is intended to finance the operations of fiscal year 2017. No provision has been made for delinquent property taxes since in past years the amount has averaged less than one percent per year.

**1.I. USE OF ESTIMATES**

The preparation of financial statements in conformity accounting principles generally accepted in the United States of America 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 MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.J. COMPENSATED ABSENCES**

Village employees are granted vacation, compensatory, sick, and personal time in various amounts. Vacation, compensatory, and personal time may be accumulated, and upon separation from service, employees are eligible to receive payment for their accumulated time. Sick time is granted to union employees with no payout provision. Nonunion employees who previously had accumulated sick time can only use this time for a personal disability or for retirement (inclusion in IMRF service time). Such amounts are accrued when incurred in the government-wide and proprietary fund financial statements. Governmental funds record as an expenditure the amounts paid during the year that are liquidated with expendable resources. Governmental and business-type activities have recorded \$228,176 and \$68,919, respectively, as compensated absences. Compensated absences are classified as noncurrent on the government-wide financial statements.

**1.K. PREPAID ITEMS**

In governmental and business-type funds, prepaid expenditures/expenses are deferred and expensed over the term when the services are received.

**1.L. ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS**

The Village's allowance for estimated uncollectible receivables at April 30, 2016, is \$2,000 in the Waterworks Fund and \$3,000 in the Sewerage Fund.

**1.M. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES**

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension expense and employer pension contributions after the measurement date but before the end of the employer's reporting period.

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources are reported in the governmental fund financial statements as unavailable revenue and represent the amount of assets that have been recognized for which the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental funds consist of property tax receivables not collected within 60 days after year end.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**1.M. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES (continued)**

Deferred inflows of resources in the Statement of Net Position consist of the unamortized portion of components of the net pension liability that will reduce pension expense in future years.

**NOTE 2. CASH AND INVESTMENTS**

At April 30, 2016, the carrying amount of the Village's cash, excluding the Police Pension Trust Fund, was \$9,322,783, and the bank balances totaled \$9,608,262. All account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000 or collateralized with securities of the U.S. government or municipal bonds held in the Village's name by financial institutions acting as the Village's agent.

**2.A. CASH – LEGAL AND CONTRACTUAL PROVISIONS**

Deposits and investments are limited by Public Funds Investment Act of the State of Illinois to the following:

- Bonds, notes, certificates of indebtedness, treasury bills which are guaranteed by the full faith and credit of the United States of America as to principal and interest.
- Bonds, notes, debentures or similar obligations of the United States of America or its agencies.
- Interest-bearing savings, certificates of deposit, or time deposits of any bank as defined by the Illinois Banking Act.
- Short term obligations of corporations organized in the U.S. with assets exceeding \$500,000,000 and other specified criteria.
- Money market mutual funds registered under the Investment Company Act of 1940 provided the portfolio is limited to obligations described in points 1 and 2 above.
- Federal National Mortgage Association.
- Public Treasurers' Investment Pools.
- Repurchase agreements of government securities within the meaning of the Government Securities Act of 1986.

**2.B. POLICE PENSION TRUST FUND**

At April 30, 2016, the Police Pension Trust Fund's carrying amount of cash was \$385,502, and the bank balance was \$389,002. The FDIC insures bank balances up to \$250,000. As of April 30, 2016, \$139,002 of the bank balance was collateralized with securities of the U.S. government or municipal bonds held in Police Pension Trust Fund's name by a financial institution acting as the fund's agent.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**

April 30, 2016

**NOTE 2. CASH AND INVESTMENTS (continued)**

**2.B. POLICE PENSION TRUST FUND (continued)**

TRUST FUND'S INVESTMENTS

The Police Pension Trust Fund is authorized to invest in bonds, notes, and other obligations of the U.S. government; corporate debentures and obligations; insured mortgage notes and loans; common and preferred stocks; stock options; and other investment vehicles as set forth in Illinois Compiled Statutes.

The Police Pension Trust Fund's policy is to maintain focus on its investment decision-making process. Specifically, the Police Pension Trust Fund's benefit liabilities extend many years into the future. As such, the investment focus is on long-term results.

The Police Pension Trust Fund reports investments at fair value. The Fund categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Police Pension Trust Fund has the following recurring fair value measurements as of April 30, 2016: U.S. Treasury securities of \$402,141, Tennessee Valley Authority bonds of \$100,393, and corporate bonds of \$151,528 are valued using quoted market prices (Level 1 inputs).

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Police Pension Trust Fund's investments at April 30, 2016.

	<u>Fair Value</u>	<u>Investment Maturities</u>			
		<u>Less than One Year</u>	<u>One to Five Years</u>	<u>Six to Ten Years</u>	<u>More than Ten Years</u>
U.S. Treasury Securities	\$402,141	\$99,985	\$302,156	\$ 0	\$ 0
Corporate Bonds	151,528	0	0	151,528	0
Tennessee Valley Authority	100,393	0	0	100,393	0
Total	654,062	<u>\$99,985</u>	<u>\$302,156</u>	<u>\$251,921</u>	<u>\$ 0</u>
Investments Not Sensitive to Interest Rate Risk:					
Money Market Funds	17,683				
Equity Mutual Funds	67,549				
REITS	2,364				
Total investments	<u>\$741,658</u>				

**Interest Rate Risk**

The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**VILLAGE OF MAHOMET**  
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**Notes to Basic Financial Statements**

April 30, 2016

**NOTE 2. CASH AND INVESTMENTS (continued)**

**2.B. POLICE PENSION TRUST FUND (continued)**

**Credit Risk**

The Police Pension Trust Fund's investment policy requires all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof or to corporate and municipal issues. All securities shall be of investment grade quality (that is, at the time of purchases, rated no lower than Baa1 by Moody's and no lower than BBB+ by Standard & Poor's). The Board, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate.

Credit ratings for the Police Pension Trust Fund's investments in debt securities at April 30, 2016 (excluding investments in U.S. Treasury securities, which are not considered to have credit risk) were as follows:

<u>Investment Type</u>	<u>Rating (Moody's)</u>
Tennessee Valley Authority bonds	Aaa
Corporate bonds	Aaa-Aa2

**Custodial Credit Risk**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Police Pension Trust Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Police Pension Trust Fund's investment policy requires that all investments be held with institutions that are in compliance with the net capital requirements of the Securities and Exchange Commission and the "Customer Protection Rule" (SEC Rule 15c3-3). Brokers must have insurance through the Securities Investors Protection Corporation (SIPC).

**Concentration of Credit Risk**

The Village places no limit on the amount the Police Pension Trust Fund may invest in any one issuer. At year end, the fund had investment concentrations in the following individual issuers (other than the U.S. government and mutual funds):

<u>Issuer</u>	<u>Investment Type</u>	<u>Investment Amount</u>	<u>Percentage of Total Investments</u>
Tennessee Valley Authority	Debt securities	\$100,393	13.5%
Chevron	Debt securities	75,322	10.2%
Microsoft	Debt securities	76,206	10.3%

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 3. CAPITAL ASSETS**

A summary of capital assets related to governmental and business-type activities is presented below:

	<u>Balance at</u> <u>May 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at</u> <u>April 30, 2016</u>	
<b>Governmental activities</b>					
Capital assets not being depreciated					
Land	\$ 1,568,213	\$ -	\$ -	\$ 1,568,213	
Other capital assets					
Buildings	2,654,840	134,260	-	2,789,100	
Other improvements	1,089,668	124,797	-	1,214,465	
Machinery and equipment	2,081,285	98,099	(41,345)	2,138,039	
Infrastructure	51,539,591	236,393	-	51,775,984	
Total other capital assets	<u>57,365,384</u>	<u>593,549</u>	<u>(41,345)</u>	<u>57,917,588</u>	
Total capital assets, governmental activities	58,933,597	593,549	(41,345)	59,485,801	
Less: Accumulated depreciation	<u>(11,838,457)</u>	<u>(1,035,026)</u>	<u>41,249</u>	<u>(12,832,234)</u>	
Net capital assets, governmental activities	<u>\$ 47,095,140</u>	<u>\$ (441,477)</u>	<u>\$ (96)</u>	<u>\$ 46,653,567</u>	
	<u>Balance at</u> <u>May 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Transfers</u>	<u>Balance at</u> <u>April 30, 2016</u>
<b>Business-type activities</b>					
Capital assets not being depreciated					
Land	\$ 103,466	\$ -	\$ -	\$ -	\$ 103,466
Construction in progress	14,351,455	515,639	-	(14,867,094)	-
Total not being depreciated	<u>14,454,921</u>	<u>515,639</u>	<u>-</u>	<u>(14,867,094)</u>	<u>103,466</u>
Other capital assets					
Buildings and improvements	7,921,330	-	-	-	7,921,330
Machinery and equipment	655,304	14,035	(15,522)	-	653,817
Infrastructure	5,504,513	309,591	-	14,867,094	20,681,198
Total other capital assets	<u>14,081,147</u>	<u>323,626</u>	<u>(15,522)</u>	<u>14,867,094</u>	<u>29,256,345</u>
Total capital assets, business-type activities	28,536,068	839,265	(15,522)	-	29,359,811
Less: Accumulated depreciation	<u>(8,326,763)</u>	<u>(668,266)</u>	<u>15,522</u>	<u>-</u>	<u>(8,979,507)</u>
Net capital assets, business-type activities	<u>\$ 20,209,305</u>	<u>\$ 170,999</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,380,304</u>

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 3. CAPITAL ASSETS (continued)**

Depreciation expense was charged to functions as follows in the Statement of Activities:

Governmental activities:	
General government	\$ 24,869
Public safety	72,609
Highways and streets	870,974
Culture and recreation	<u>66,574</u>
Total depreciation expense for governmental activities	<u>\$1,035,026</u>
Business-type activities:	
Water	\$342,153
Sewer	<u>326,113</u>
Total depreciation expense for business-type activities	<u>\$668,266</u>

**NOTE 4. LONG-TERM LIABILITIES**

The following is a summary of the Village's long-term liability transactions for the year ended April 30, 2016:

	<u>Balance at May 1, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at April 30, 2016</u>	<u>Amounts Due within One Year</u>
Governmental activities					
Capital leases payable					
Commerce bank	\$ 680,294	\$ -	\$ (91,535)	\$ 588,759	\$ 93,357
General obligation bonds					
Series 2012	580,000	-	(60,000)	520,000	61,000
Series 2012A	1,025,000	-	(105,000)	920,000	105,000
Series 2012B	1,605,000	-	(160,000)	1,445,000	165,000
Series 2013	1,400,000	-	(50,000)	1,350,000	55,000
Accrued compensated absences	<u>238,191</u>	<u>-</u>	<u>(10,015)</u>	<u>228,176</u>	<u>-</u>
Total long-term liabilities, governmental activities	<u>\$ 5,528,485</u>	<u>\$ -</u>	<u>\$(476,550)</u>	<u>\$ 5,051,935</u>	<u>\$479,357</u>

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 4. LONG-TERM LIABILITIES (continued)**

	Balance at May 1, 2015	Additions	Reductions	Balance at April 30, 2016	Amounts Due within One Year
Business-type activities					
Notes payable					
Illinois EPA	\$13,380,443	\$ -	\$(592,800)	\$12,787,643	\$600,233
General obligation bonds					
Series 2012A - Water	1,775,000	-	(210,000)	1,565,000	225,000
Series 2012A - Sewer	425,000	-	(110,000)	315,000	105,000
Accrued compensated absences	78,008	-	(9,089)	68,919	-
Total long-term liabilities, business-type activities	<u>\$15,658,451</u>	<u>\$ -</u>	<u>\$(921,889)</u>	<u>\$14,736,562</u>	<u>\$930,233</u>

Long-term obligations outstanding at April 30, 2016, comprise the following:

*General Obligation Bonds, Series 2012*—On February 23, 2012, the Village issued \$750,000 of general obligation bonds. The bonds are to be retired in annual installments ranging from \$53,000 to \$69,000 beginning December 1, 2012, through December 1, 2023, with interest payable semiannually at interest rates ranging from .90% to 2.75%. The bonds will be repaid from governmental funds via the Transportation System Capital Improvement Fund. These bonds were issued to provide financing for Village road systems.

*General Obligation Bonds Waterworks and Sewerage Refunding Bonds, Series 2012A* - On May 2, 2012, the Village issued \$4,055,000 of general obligation bonds with an average interest rate of 2.0% to 3.0%. These bonds refunded the General Obligation Waterworks and Sewerage Refunding Bonds, Series 2003A, with an average interest rate of 3.50% to 4.25%, and the General Obligation Waterworks and Sewerage Bonds, Series 2003B, with an average interest rate of 3.50% to 4.00%. These bonds also provide financing for a water and sewer project. The bonds are to be retired in annual installments ranging from \$125,000 to \$440,000 beginning December 1, 2013, through January 1, 2024, with interest payable semiannually at interest rates ranging from 2.00% to 3.00%. The bonds are being repaid from operating revenues of the governmental funds via the Tax Increment Financing Fund (\$1,225,000), Waterworks Fund (\$2,185,000) and the Sewerage Fund (\$645,000).

*General Obligation Bonds, Series 2012B* - On May 2, 2012, the Village issued \$1,920,000 of general obligation bonds. The bonds are to be retired in annual installments ranging from \$155,000 to \$185,000 beginning January 1, 2013, through January 1, 2024, with a final payment of \$395,000 and interest payable semiannually at interest rates ranging from 2.00% to 3.00%. The bonds are being repaid from incremental revenues of the governmental funds via the Tax Increment Financing Fund. These bonds were issued to provide financing for Village road systems within the Tax Increment Financing District.

**VILLAGE OF MAHOMET**  
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**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 4. LONG-TERM LIABILITIES (continued)**

*General Obligation Bonds, Series 2013* - On December 18, 2013, the Village issued \$1,400,000 of general obligation bonds. The bonds are to be retired in annual installments ranging from \$50,000 to \$100,000 beginning July 1, 2014, through January 1, 2034, with interest payable semiannually at interest rates ranging from 3.00% to 4.50%. The bonds are being repaid from governmental funds via the General Fund. These bonds were issued to provide financing for the Village Public Works building.

The annual debt service requirements for bonds payable are as follows:

<b>Year ending April 30,</b>	<b>Governmental Activities</b>		<b>Business-type Activities</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2017	\$ 386,000	\$ 127,540	\$ 330,000	\$ 48,750
2018	397,000	119,514	320,000	42,150
2019	403,000	109,748	330,000	34,152
2020	414,000	99,713	220,000	25,900
2021	421,000	89,287	225,000	20,400
2022-26	1,479,000	264,678	455,000	20,550
2027-31	445,000	123,775	-	-
2032-34	290,000	43,424	-	-
<b>Total</b>	<b>\$4,235,000</b>	<b>\$ 977,679</b>	<b>\$1,880,000</b>	<b>\$ 191,902</b>

Capital Leases – On November 1, 2013, the Village entered into a capital lease agreement at an interest rate of 1.976% with Commerce Bank to purchase various pieces of transportation department equipment. The lease obligation is effective during the period from November 1, 2013, through July 1, 2021. Annual lease payments of interest and principal began on July 1, 2014. Total payments for the equipment are \$840,585 (principal of \$775,000 and interest of \$65,585). The lease meets the criteria of a capital lease since it transfers risk and benefits of ownership to the lessee by the end of the lease term. Capital lease payments are reflected as debt service expenditures at the government fund reporting level. The assets acquired through the capital lease total \$775,000, and accumulated depreciation at year end was \$180,822. The General Fund is making the payments on the lease.

Notes Payable – The Village entered into a loan agreement with the Illinois Environmental Protection Agency for \$13,473,000 for the sewer treatment plant. The total amount drawn on the note was \$13,380,443 on completion of the project. The note bears interest at 1.25% and requires semi-annual payments of interest and principal for a twenty-year term upon completion of the plant. The sewer fund is repaying this loan.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 4. LONG-TERM LIABILITIES (continued)**

The annual debt service requirements for capital leases and notes payable are as follows:

Year ending April 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2017	\$ 93,357	\$ 11,716	\$ 600,233	\$ 157,976
2018	95,215	9,859	607,759	150,449
2019	97,109	7,964	615,380	142,829
2020	99,042	3,031	623,096	135,112
2021	101,013	4,060	630,909	127,299
2022-26	103,023	2,262	3,275,214	515,838
2027-31	-	-	3,485,770	305,273
2032-34	-	-	2,949,282	81,197
Total	<u>\$ 588,759</u>	<u>\$ 38,892</u>	<u>\$12,787,643</u>	<u>\$1,615,973</u>

**NOTE 5. DEFERRED COMPENSATION PLAN**

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and administered by Nationwide Retirement Solutions. The plan, available to all full-time Village employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement death, or unforeseeable emergency. Contributions to the plan are recorded on the Village's books as current salaries expenditures. All assets and income of the plan are held in trust by the plan administrator for the exclusive benefit of the participants and their beneficiaries. The Village does not take an active role in the managing the plan assets. Therefore, in accordance with GASB Statement No. 32, the deferred compensation plan is not reported in the Village's financial statements.

**NOTE 6. PENSION AND RETIREMENT FUND COMMITMENTS**

**6.A. ILLINOIS MUNICIPAL RETIREMENT FUND**

The Village's defined benefit pension plan, Illinois Municipal Retirement (IMRF), for Regular and Sheriff's Law Enforcement Personnel (SLEP) employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Village's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer agent public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section below. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](http://www.imrf.org).

**VILLAGE OF MAHOMET**  
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**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 6. PENSION AND RETIREMENT FUND COMMITMENTS (continued)**

**6.A. ILLINOIS MUNICIPAL RETIREMENT FUND (continued)**

**BENEFITS PROVIDED**

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

**VILLAGE OF MAHOMET**  
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Notes to Basic Financial Statements  
April 30, 2016

**NOTE 6. PENSION AND RETIREMENT FUND COMMITMENTS (continued)**

**6.A. ILLINOIS MUNICIPAL RETIREMENT FUND (continued)**

EMPLOYEES COVERED BY BENEFIT TERMS

As of December 31, 2015, the following employees were covered by the benefit terms:

	<b>IMRF Regular Plan</b>	<b>IMRF SLEP Plan</b>
Retirees and Beneficiaries currently receiving benefits	6	0
Inactive Plan Members entitled to but not yet receiving benefits	15	0
Active Plan Members	<u>22</u>	<u>1</u>
<b>Total</b>	43	1

CONTRIBUTIONS

As set by statute, the Village's Regular Plan members are required to contribute 4.5% of their annual covered salary, and the Village's SLEP Plan members are required to contribute 7.5%. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2015 was 9.16% for the Regular Plan and 12.07% for the SLEP plan. For the calendar year ended December 31, 2015, the Village contributed \$101,695 to the Regular Plan and \$10,511 to the SLEP Plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

NET PENSION LIABILITY

The Village's net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

ACTUARIAL ASSUMPTIONS

The following are the methods and assumptions used to determine total pension liability at December 31, 2015:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 3.5%.

**VILLAGE OF MAHOMET**  
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Notes to Basic Financial Statements  
April 30, 2016

**NOTE 6. PENSION AND RETIREMENT FUND COMMITMENTS (continued)**

**6.A. ILLINOIS MUNICIPAL RETIREMENT FUND (continued)**

ACTUARIAL ASSUMPTIONS (continued)

- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for **Mortality** (for nondisabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for nondisabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Portfolio Target Percentage</b>	<b>Long-Term Expected Real Rate of Return</b>
Domestic Equity	38%	7.60%
International Equity	17%	7.80%
Fixed Income	27%	3.00%
Real Estate	8%	6.15%
Alternative Investments	9%	5.25-8.50%
Cash Equivalents	<u>1%</u>	2.25%
Total	100%	

**VILLAGE OF MAHOMET**  
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**Notes to Basic Financial Statements**  
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**NOTE 6. PENSION AND RETIREMENT FUND COMMITMENTS (continued)**

**6.A. ILLINOIS MUNICIPAL RETIREMENT FUND (continued)**

**SINGLE DISCOUNT RATE**

A Single Discount Rate of 7.49% was used to measure the total pension liability for the Regular Plan, and 7.35% for the SLEP Plan. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.49% for the Regular Plan and 7.35% for the SLEP Plan.

**CHANGES IN THE NET PENSION LIABILITY**

<b><u>Regular Plan</u></b>	<b>Total Pension Liability (A)</b>	<b>Plan Fiduciary Net Position (B)</b>	<b>Net Pension Liability (A) - (B)</b>
	<u>(A)</u>	<u>(B)</u>	<u>(A) - (B)</u>
<b>Balances at December 31, 2014</b>	\$ 3,747,999	\$ 3,689,346	\$ 58,653
<b>Changes for the year:</b>			
Service Cost	114,884	-	114,884
Interest on the Total Pension Liability	282,641	-	282,641
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	70,445	-	70,445
Changes of Assumptions	5,995	-	5,995
Contributions - Employer	-	101,695	(101,695)
Contributions - Employees	-	49,960	(49,960)
Net Investment Income	-	18,641	(18,641)
Benefit Payments, including Refunds of Employee Contributions	(73,779)	(73,779)	-
Other (Net Transfer)	-	(169,359)	169,359
Net Changes	<u>400,186</u>	<u>(72,842)</u>	<u>473,028</u>
<b>Balances at December 31, 2015</b>	<u>\$ 4,148,185</u>	<u>\$ 3,616,504</u>	<u>\$ 531,681</u>

**VILLAGE OF MAHOMET**  
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**Notes to Basic Financial Statements**  
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**NOTE 6. PENSION AND RETIREMENT FUND COMMITMENTS (continued)**

**6.A. ILLINOIS MUNICIPAL RETIREMENT FUND (continued)**

**CHANGES IN THE NET PENSION LIABILITY (continued)**

<b><u>SLEP Plan</u></b>	<b>Total Pension Liability (A)</b>	<b>Plan Fiduciary Net Position (B)</b>	<b>Net Pension Liability (A) - (B)</b>
<b>Balances at December 31, 2014</b>	\$ 64,534	\$ 50,630	\$ 13,904
<b>Changes for the year:</b>			
Service Cost	15,493	-	15,493
Interest on the Total Pension Liability	5,356	-	5,356
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	3,177	-	3,177
Changes of Assumptions	694	-	694
Contributions - Employer	-	10,511	(10,511)
Contributions - Employees	-	6,531	(6,531)
Net Investment Income	-	296	(296)
Benefit Payments, including Refunds of Employee Contributions	-	-	-
Other (Net Transfer)	-	(4,689)	4,689
Net Changes	<u>24,720</u>	<u>12,649</u>	<u>12,071</u>
<b>Balances at December 31, 2015</b>	<u>\$ 89,254</u>	<u>\$ 63,279</u>	<u>\$ 25,975</u>

**SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE**

The following presents the plans' net pension liabilities, calculated using a Single Discount Rate of 7.49% for the Regular Plan and 7.35% for the SLEP Plan, as well as what the plans' net pension liabilities would be if they were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	<b>1% Lower</b>	<b>Current Discount Rate</b>	<b>1% Higher</b>
<b>Regular Plan</b>	<b>(6.49%)</b>	<b>(7.49%)</b>	<b>(8.49%)</b>
Net Pension Liability	\$1,184,556	\$531,681	\$ 2,450
<b>SLEP Plan</b>	<b>(6.35%)</b>	<b>(7.35%)</b>	<b>(8.35%)</b>
Net Pension Liability	\$ 68,671	\$ 25,975	\$ 15,277

**PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

For the year ended April 30, 2016, the Village recognized IMRF pension expense of \$323,871. At April 30, 2016, the Village reported deferred outflows or resources and deferred inflows of resources related to IMRF pensions from the following sources:

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 6. PENSION AND RETIREMENT FUND COMMITMENTS (continued)**

**6.A. ILLINOIS MUNICIPAL RETIREMENT FUND (continued)**

**PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (continued)**

<b>Deferred Amounts Related to Pensions</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ 61,003	\$ -
Changes of assumptions	5,557	-
Net difference between projected and actual earnings on pension plan investments	<u>206,874</u>	<u>-</u>
Total Deferred Amounts to be recognized in pension expense in future periods	273,434	-
<i>Pension Contributions made subsequent to the Measurement Date</i>	<u>74,804</u>	<u>-</u>
<b>Total Deferred Amounts Related to Pensions</b>	<b><u>\$348,238</u></b>	<b><u>\$ -</u></b>

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

<b>Year Ending April 30,</b>	<b>Net Deferred Outflows of Resources</b>
2017	\$140,274
2018	65,470
2019	65,470
2020	65,468
2021	10,853
Thereafter	<u>703</u>
Total	<b><u>\$348,238</u></b>

**6.B. POLICE PENSION FUND**

The Police Pension Fund was organized in December 2011 and is exempt from federal income tax. The pension fund is created and operated under state laws that provide for a fund to be established to provide retirement, death, and disability benefits for police officers and their dependents. The fund is managed by a board of five trustees made up of two persons appointed by the president of the Village and three persons elected by the members of the fund.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**

April 30, 2016

**NOTE 6. PENSION AND RETIREMENT FUND COMMITMENTS (continued)**

**6.B. POLICE PENSION FUND (continued)**

The defined benefits and employee and employer contribution levels are governed by Illinois State Statutes and may be amended only by the Illinois General Assembly. The Village of Mahomet accounts for the plan as a fiduciary pension trust fund. The Police Pension Fund's financial information is included within this financial report issued by the Village of Mahomet; a separate publicly available financial report that includes financial statements and required supplementary information will not be issued.

The financial statements of the Police Pension Fund are prepared using the accrual basis of accounting. Employee contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value.

**PLAN DESCRIPTION**

The Police Pension Fund is a defined-benefit single-employer pension plan that covers all sworn police personnel. Although this is a single-employer plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. This fund is accounted for and reported as a pension trust fund.

Following is a summary of the police pension plan as provided in the Illinois Statutes.

The police pension plan provides retirement benefits as well as death and disability benefits. There are two tiers or levels of benefits depending on when a participant enters a plan.

The police pension plan has no Tier 1 employees. Tier 2 employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service with the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes shall not exceed \$106,800 however, that amount shall increase annually by the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under age 55).

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

Notes to Basic Financial Statements  
April 30, 2016

**NOTE 6. PENSION AND RETIREMENT FUND COMMITMENTS (continued)**

**6.B. POLICE PENSION FUND (continued)**

PLAN DESCRIPTION (continued)

The monthly benefit of a Tier 2 police officer shall be increased annually age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually each January thereafter. The increase is the lesser of 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year

EMPLOYEES COVERED BY BENEFIT TERMS

At April 30, 2015, the measurement date, membership consisted of:

	<u>Police Pension Fund</u>
Retirees and Beneficiaries currently receiving benefits	0
Inactive Plan Members entitled to but not yet receiving benefits	0
Active Plan Members	<u>8</u>
<b>Total</b>	<b>8</b>

CONTRIBUTIONS

Police officers are required by ILCS to contribute 9.91% of their base salary to the Police Pension Fund. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village of Mahomet is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of past service cost by the year 2040. For the fiscal year ended April 30, 2016, the Village contributed \$144,627 to the pension fund.

NET PENSION LIABILITY

The Village's net pension liability was measured as of April 30, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

Notes to Basic Financial Statements  
April 30, 2016

**NOTE 6. PENSION AND RETIREMENT FUND COMMITMENTS (continued)**

**6.B. POLICE PENSION FUND (continued)**

ACTUARIAL ASSUMPTIONS

The following are the methods and assumptions used to determine total pension liability at April 30, 2015:

- **Actuarial Cost Method:** Entry Age Normal
- **Amortization Method:** Level Dollar
- **Amortization Period:** Ends in fiscal year 2041
- **Asset Valuation Method:** 5-year smoothed market, no corridor
- **Salary Increases:** Graded rates from 4.86% at age 25 to 1.12% at age 55, plus 1.50% inflation allowance
- **Payroll Growth:** 3.50% per year
- **Investment Rate of Return:** 6.50% per year
- **Retirement Rates:** From 0.36 at age 50 to 1.00 at age 69
- **Mortality:** Active lives – RP-2000 Combined Healthy Mortality Table (male) with blue-collar adjustment projected by Scale BB to 2015; Disabled lives – RP-2000 Combined Healthy Mortality Table (male) with blue-collar adjustment projected by Scale BB to 2015 with a 150% load for participants under age 50

SINGLE DISCOUNT RATE

A Single Discount Rate of 6.0099% was used to measure the total pension liability for the Police Pension Fund. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary position is insufficient to pay benefits).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 6.50%, the municipal bond rate is 3.62%, and the resulting single discount rate is 6.0099%.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 6. PENSION AND RETIREMENT FUND COMMITMENTS (continued)**

**6.B. POLICE PENSION FUND (continued)**

**CHANGES IN THE NET PENSION LIABILITY**

<b><u>Police Pension Fund</u></b>	<b>Total Pension Liability (A)</b>	<b>Plan Fiduciary Net Position (B)</b>	<b>Net Pension Liability (A) - (B)</b>
<b>Balances at April 30, 2014</b>	\$ 1,369,929	\$ 685,674	\$ 684,255
<b>Changes for the year:</b>			
Service Cost	116,352	-	116,352
Interest on the Total Pension Liability	82,331	-	82,331
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(42,978)	-	(42,978)
Changes of Assumptions	184,077	-	184,077
Contributions - Employer	-	217,260	(217,260)
Contributions - Employees	-	37,774	(37,774)
Net Investment Income	-	6,950	(6,950)
Benefit Payments, including Refunds of Employee Contributions	-	-	-
Other (Net Transfer)	-	(6,312)	6,312
Net Changes	<u>339,782</u>	<u>255,672</u>	<u>84,110</u>
<b>Balances at April 30, 2015</b>	<u>\$ 1,709,711</u>	<u>\$ 941,346</u>	<u>\$ 768,365</u>

**SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE**

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 6.01%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

<b><u>Police Pension Fund</u></b>	<b>1% Lower (5.01%)</b>	<b>Current Discount Rate (6.01%)</b>	<b>1% Higher (7.01%)</b>
Net Pension Liability	\$1,063,516	\$768,365	\$528,669

**PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

For the year ended April 30, 2016, the Village recognized Police Pension Fund pension expense of \$121,135. At April 30, 2016, the Village reported deferred outflows or resources and deferred inflows of resources related to IMRF pensions from the following sources:

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

Notes to Basic Financial Statements  
April 30, 2016

**NOTE 6. PENSION AND RETIREMENT FUND COMMITMENTS (continued)**

**6.B. POLICE PENSION FUND (continued)**

**PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (continued)**

<b>Deferred Amounts Related to Pensions</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual experience	\$ -	\$ 40,008
Changes of assumptions	171,356	-
Net difference between projected and actual earnings on pension plan investments	<u>36,263</u>	<u>-</u>
Total Deferred Amounts to be recognized in pension expense in future periods	207,619	40,008
<i>Pension Contributions made subsequent to the Measurement Date</i>	<u>144,627</u>	<u>-</u>
<b>Total Deferred Amounts Related to Pensions</b>	<b><u>\$352,246</u></b>	<b><u>\$ 40,008</u></b>

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

<b>Year Ending April 30,</b>	<b>Net Deferred Outflows of Resources</b>
2017	\$165,634
2018	21,007
2019	21,007
2020	21,007
2021	11,941
Thereafter	<u>71,642</u>
Total	<b><u>\$312,238</u></b>

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 7. OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

The Village does not maintain a retiree healthcare plan. The Village is not required by law or contractual agreement to provide funding for retiree health costs other than the pay-as-you-go amount necessary to provide current benefits to retirees. Any participating retired plan members would contribute 100 percent of their premium costs. An implicit rate subsidy exists even though any retirees would contribute 100 percent of their premium because of the pooled aspects of providing health benefit coverage. The subsidy is a result of the basic nature of insurance: one risk group subsidizes another to arrive at a blended premium. The Village's current employees subsidize older retirees. The Village has unionized workers and contribution requirements can be changed by the Village board at any time.

The Village had no retirees included in its healthcare plan during the year ending April 30, 2016. As a result, the Village's implicit liability is immaterial for the year ending April 30, 2016.

**NOTE 8. COMMITMENTS**

As of April 30, 2016, the Village had the following commitments with respect to capital projects and debt service:

<b>Project</b>	<b>Remaining Commitment</b>	<b>Expected Date of Completion</b>
Vehicle replacement	\$ 176,500	2017
TIF District projects	321,065	2017
Wastewater treatment projects	510,000	2017
Park improvements	300,500	2017
Transportation capital projects	467,691	2017
Debt service & reserve	2,410,499	—

**NOTE 9. MOTOR FUEL TAX ALLOTMENT**

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

**NOTE 10. RISK MANAGEMENT**

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. There have been no significant reductions in insurance coverage from the prior year, and the amount of settlements have not exceeded coverage in any of the past three fiscal years. The Village handles these risks as follows.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
 April 30, 2016

**NOTE 10. RISK MANAGEMENT (continued)**

Illinois Municipal League Risk Management Association—The Village participates in the Illinois Municipal League Risk Management Association (IMLRMA). IMLRMA is an association of municipalities in Illinois formed under the Illinois Intergovernmental Corporation Statute to pool their risk management needs. The pool is self-sustaining through member premiums and provides the following types of coverage: worker’s compensation, auto liability and comprehensive general liability, portable equipment, auto physical damage, and property. An annual premium is charged to cover expected claims and administrative costs. The Village and other participating entities cover loss experiences that exceed predictions through additional premiums. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Village.

**NOTE 11. REVENUES DUE FROM STATE AND COUNTY GOVERNMENTS**

The following is a breakdown of the amounts due from the State and County governments in the government-wide financial statements at April 30, 2016:

<u>Champaign County:</u>	
Property taxes	\$3,187,821
Police fines and fees	1,859
<u>State of Illinois:</u>	
Sales tax	92,818
Use tax	27,132
Income tax	214,628
Corporate pers. repl. tax	896
Telecommunications tax	26,668
Motor Fuel Tax	<u>16,518</u>
Total	<u>\$3,568,340</u>

**NOTE 12. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

Transfers to/from other funds at April 30, 2016, consist of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major governmental funds:		
General Fund	\$ 597,380	\$ 185,840
Tax Increment Financing Fund	394,341	429,341
Nonmajor governmental funds	272,686	609,226
Major enterprise funds:		
Waterworks Fund	41,289	-
Sewerage Fund	<u>-</u>	<u>81,289</u>
Total transfers	<u>\$1,305,696</u>	<u>\$1,305,696</u>

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Basic Financial Statements**  
April 30, 2016

**NOTE 12. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (continued)**

General Fund transfers to other funds are to cover operating expenses. Transfers into the General Fund are for capital asset purchases and debt service. Transfers from the Sewerage Fund to the Waterworks Fund are for debt service.

**NOTE 13. RESTATEMENT**

The Village implemented GASB Statement No. 68, as discussed in Note 1, and consequently recognized deferred outflows and inflows of resources related to pensions and net pension liability in the current year. The net opening balance of deferred outflows and inflows of resources and net pension liability was \$514,775. To recognize these pension-related opening balances, on the government-wide Statement of Activities, the opening net position of the governmental activities has been restated by \$(459,765), and that of the business-type activities by \$(55,010). The opening net position of the Waterworks Fund has been restated by \$(25,497), and that of the Sewerage Fund by \$(29,513).

**REQUIRED SUPPLEMENTARY INFORMATION**

# VILLAGE OF MAHOMET

Mahomet, Illinois

## Schedule of Changes in the Net Pension Liability & Related Ratios

### Illinois Municipal Retirement Fund Regular Plan

Calendar Year 2015

Calendar Year Ended December 31,	<u>2015</u>
<b>Total Pension Liability</b>	
Service Cost	\$ 114,884
Interest on the Total Pension Liability	282,641
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience of the Total Pension Liability	70,445
Changes of Assumptions	5,995
Benefit Payments, including Refunds of Employee Contributions	(73,779)
<b>Net Change in Total Pension Liability</b>	<u>400,186</u>
<b>Total Pension Liability - Beginning</b>	<u>3,747,999</u>
<b>Total Pension Liability - Ending (A)</b>	<u><u>\$ 4,148,185</u></u>
 <b>Plan Fiduciary Net Position</b>	
Contributions - Employer	\$ 101,695
Contributions - Employees	49,960
Net Investment Income	18,641
Benefit Payments, including Refunds of Employee Contributions	(73,779)
Other (Net Transfer)	(169,359)
<b>Net Change in Plan Fiduciary Net Position</b>	<u>(72,842)</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>3,689,346</u>
<b>Plan Fiduciary Net Position - Ending (B)</b>	<u><u>\$ 3,616,504</u></u>
 <b>Net Pension Liability (Asset) - Ending (A) - (B)</b>	<u><u>\$ 531,681</u></u>
 <b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	87.18%
 <b>Covered Valuation Payroll</b>	\$ 1,110,220
 <b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>	47.89%

#### Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Schedule of Employer Contributions**  
**Illinois Municipal Retirement Fund Regular Plan**  
 Calendar Year 2015

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2015	\$ 101,696	\$ 101,695	\$ 1	\$ 1,110,220	9.16%

**Notes to Schedule:**

***Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2015 Contribution Rate \****

**Valuation Date:**

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine 2015 Contribution Rates:**

<i>Actuarial Cost Method:</i>	Aggregate entry age = normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	29-year closed period
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	4%
<i>Price Inflation:</i>	3%, approximate; no explicit price inflation assumption is used in this valuation.
<i>Salary Increases:</i>	4.40% to 16%, including inflation
<i>Investment Rate of Return:</i>	7.50%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.
<i>Mortality:</i>	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to nondisabled lives set forward 10 years.

***Other Information:***

*Notes:* There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2012, actuarial valuation; note two-year lag between valuation and rate setting.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

# VILLAGE OF MAHOMET

Mahomet, Illinois

## Schedule of Changes in the Net Pension Liability & Related Ratios

### Illinois Municipal Retirement Fund SLEP Plan

Calendar Year 2015

Calendar Year Ended December 31,	<u>2015</u>
<b>Total Pension Liability</b>	
Service Cost	\$ 15,493
Interest on the Total Pension Liability	5,356
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience of the Total Pension Liability	3,177
Changes of Assumptions	694
Benefit Payments, including Refunds of Employee Contributions	-
<b>Net Change in Total Pension Liability</b>	<u>24,720</u>
<b>Total Pension Liability - Beginning</b>	<u>64,534</u>
<b>Total Pension Liability - Ending (A)</b>	<u>\$ 89,254</u>
<b>Plan Fiduciary Net Position</b>	
Contributions - Employer	\$ 10,511
Contributions - Employees	6,531
Net Investment Income	296
Benefit Payments, including Refunds of Employee Contributions	-
Other (Net Transfer)	(4,689)
<b>Net Change in Plan Fiduciary Net Position</b>	<u>12,649</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>50,630</u>
<b>Plan Fiduciary Net Position - Ending (B)</b>	<u>\$ 63,279</u>
<b>Net Pension Liability (Asset) - Ending (A) - (B)</b>	<u>\$ 25,975</u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	70.90%
<b>Covered Valuation Payroll</b>	\$ 87,076
<b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>	29.83%

#### Notes to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Schedule of Employer Contributions**  
**Illinois Municipal Retirement Fund SLEP Plan**  
 Calendar Year 2015

Calendar Year Ended December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2015	\$ 10,510	\$ 10,511	\$ (1)	\$ 87,076	12.07%

**Notes to Schedule:**

***Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2015 Contribution Rate \****

**Valuation Date:**

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine 2015 Contribution Rates:**

<i>Actuarial Cost Method:</i>	Aggregate entry age = normal
<i>Amortization Method:</i>	Level percentage of payroll, closed
<i>Remaining Amortization Period:</i>	29-year closed period
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	4%
<i>Price Inflation:</i>	3%, approximate; no explicit price inflation assumption is used in this valuation.
<i>Salary Increases:</i>	4.40% to 16%, including inflation
<i>Investment Rate of Return:</i>	7.50%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.
<i>Mortality:</i>	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to nondisabled lives set forward 10 years.

***Other Information:***

*Notes:* There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2012, actuarial valuation; note two-year lag between valuation and rate setting.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

# VILLAGE OF MAHOMET

Mahomet, Illinois

## Schedule of Changes in the Net Pension Liability & Related Ratios

### Police Pension Trust Fund

For the Year Ended April 30, 2015

Year Ended April 30,	<u>2015</u>
<b>Total Pension Liability</b>	
Service Cost	\$ 116,352
Interest on the Total Pension Liability	82,331
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(42,978)
Changes of Assumptions	184,077
Benefit Payments, including Refunds of Employee Contributions	-
<b>Net Change in Total Pension Liability</b>	<u>339,782</u>
<b>Total Pension Liability - Beginning</b>	<u>1,369,929</u>
<b>Total Pension Liability - Ending (A)</b>	<u><u>\$ 1,709,711</u></u>
 <b>Plan Fiduciary Net Position</b>	
Contributions - Employer	\$ 217,260
Contributions - Employees	37,774
Net Investment Income	6,950
Benefit Payments, including Refunds of Employee Contributions	-
Other (Net Transfer)	(6,312)
<b>Net Change in Plan Fiduciary Net Position</b>	<u>255,672</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>685,674</u>
<b>Plan Fiduciary Net Position - Ending (B)</b>	<u><u>\$ 941,346</u></u>
 <b>Net Pension Liability (Asset) - Ending (A) - (B)</b>	<u><u>\$ 768,365</u></u>
 <b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	55.06%
 <b>Covered Valuation Payroll</b>	431,059
 <b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>	178.25%

#### **Notes to Schedule:**

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Schedule of Employer Contributions**  
**Police Pension Trust Fund**

April 30, 2015

<u>Fiscal Year Ended April 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a Percentage of Covered Valuation Payroll</u>
2015	\$ 131,763	\$ 217,260	\$ (85,497)	\$ 431,059	50.40%

**Notes to Schedule:**

**Valuation Date:**

Notes Actuarially determined contribution rates are calculated as of May 1 each year prior to the beginning of the year in which contributions are reported.

**Methods and Assumptions Used to Determine Total Pension Liability and Contribution Rates:**

<i>Actuarial Cost Method:</i>	Entry age normal
<i>Amortization Method:</i>	Level dollar
<i>Amortization Period:</i>	Ends in fiscal year 2041
<i>Asset Valuation Method:</i>	5-year smoothed market; no corridor
<i>Wage Growth:</i>	3.50%
<i>Salary Increases:</i>	Graded rates from 4.86% at age 25 to 1.12% at age 55, plus 1.50% inflation allowance
<i>Investment Rate of Return:</i>	6.50%
<i>Retirement Age:</i>	Rates from 0.36 at age 50 to 1.00 at age 69
<i>Mortality:</i>	Active lives – RP-2000 Combined Healthy Mortality Table (male) with blue-collar adjustment projected by Scale BB to 2015; Disabled lives – RP-2000 Combined Healthy Mortality Table (male) with blue-collar adjustment projected by Scale BB to 2015 with a 150% load for participants under age 50

**Other Information:** There were no benefit changes during the year.  
Municipal contributions at 100% based upon 5-year historical average.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Schedule of Investment Returns - Police Pension Fund**

April 30, 2016

Annual Money-Weighted Rate  
of Return, Net of Investment Expense

1.48%

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Budgetary Comparison Schedule (Budgetary Basis) - General Fund**

For the Year Ended April 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues:</u></b>				
Property taxes	\$ 909,619	\$ 909,619	\$ 910,506	\$ 887
Replacement taxes	6,000	6,000	5,860	(140)
Income taxes	610,761	610,761	872,501	261,740
Sales taxes	777,900	777,900	797,050	19,150
Permits, licenses and cable fees	315,600	315,600	353,475	37,875
Fines	34,500	34,500	19,790	(14,710)
Interest income	2,313	2,313	3,351	1,038
Miscellaneous	5,000	5,000	10,920	5,920
Total revenues	<u>2,661,693</u>	<u>2,661,693</u>	<u>2,973,453</u>	<u>311,760</u>
<b><u>Expenditures:</u></b>				
Current				
General government	676,833	676,833	578,380	98,453
Public safety	1,050,002	1,050,002	937,779	112,223
Highways and streets	902,354	902,354	599,895	302,459
Planning and zoning	501,388	501,388	393,576	107,812
Economic development	110,550	110,550	52,506	58,044
Debt service				
Principal	55,000	55,000	141,535	(86,535)
Interest expense and fiscal charges	59,048	59,048	67,218	(8,170)
Capital outlay	374,800	374,800	200,010	174,790
Total expenditures	<u>3,729,975</u>	<u>3,729,975</u>	<u>2,970,899</u>	<u>759,076</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,068,282)</u>	<u>(1,068,282)</u>	<u>2,554</u>	<u>1,070,836</u>
<b><u>Other financing sources (uses):</u></b>				
Sale of assets	1,100	1,100	9,876	8,776
Transfers in	619,008	619,008	597,380	(21,628)
Transfers out	(84,524)	(84,524)	(185,840)	(101,316)
Total other financing sources (uses)	<u>535,584</u>	<u>535,584</u>	<u>421,416</u>	<u>(114,168)</u>
Net change in fund balances	(532,698)	(532,698)	423,970	956,668
<b>Fund balances - beginning</b>	<u>1,701,873</u>	<u>1,701,873</u>	<u>1,701,873</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 1,169,175</u>	<u>\$ 1,169,175</u>	<u>\$ 2,125,843</u>	<u>\$ 956,668</u>

The notes to budgetary comparison schedules are an integral part of this statement.

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Budgetary Comparison Schedule (Budgetary Basis) - Tax Increment Financing Fund**

For the Year Ended April 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues:</u></b>				
Property taxes	\$ 1,653,430	\$ 1,653,430	\$ 1,620,893	\$ (32,537)
Interest income	715	715	1,459	744
Total revenues	<u>1,654,145</u>	<u>1,654,145</u>	<u>1,622,352</u>	<u>(31,793)</u>
<b><u>Expenditures:</u></b>				
Current				
Economic development	1,327,868	1,327,868	1,179,320	148,548
Debt service				
Principal	291,500	291,500	265,000	26,500
Interest expense and fiscal charges	76,203	76,203	69,275	6,928
Capital outlay	<u>88,000</u>	<u>88,000</u>	<u>-</u>	<u>88,000</u>
Total expenditures	<u>1,783,571</u>	<u>1,783,571</u>	<u>1,513,595</u>	<u>269,976</u>
Excess (deficiency) of revenues over (under) expenditures	(129,426)	(129,426)	108,757	238,183
<b><u>Other financing sources (uses):</u></b>				
Transfers in	394,313	394,313	394,341	28
Transfers out	<u>(472,244)</u>	<u>(472,244)</u>	<u>(429,341)</u>	<u>42,903</u>
Total other financing sources (uses)	<u>(77,931)</u>	<u>(77,931)</u>	<u>(35,000)</u>	<u>42,931</u>
Net change in fund balances	(207,357)	(207,357)	73,757	281,114
<b>Fund balances - beginning</b>	<u>742,090</u>	<u>742,090</u>	<u>742,090</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 534,733</u>	<u>\$ 534,733</u>	<u>\$ 815,847</u>	<u>\$ 281,114</u>

The notes to budgetary comparison schedules are an integral part of this statement.

**VILLAGE OF MAHOMET**  
**Mahomet, Illinois**

**Notes to Budgetary Comparison Schedules**  
April 30, 2016

**BUDGET LAW**

The Village board prepares its annual operating budget under the provisions of the Illinois Municipal Budget Law. In accordance with those provisions, the following process is used to adopt the annual budget:

- a. Prior to the end of the first quarter of each fiscal year, a board designated person or persons designated by the board submits to the board a proposed operating budget for the year commencing on May 1.
- b. Public hearings are conducted to obtain citizen comments. At least one public hearing must be held no later than 10 days prior to final approval of the budget.
- c. Subsequent to the public hearings the budget is adopted by the board.

The legal level of control at which expenditures may not legally exceed appropriations is at the fund level.

**BASIS OF ACCOUNTING**

The budget is prepared on the modified accrual basis of accounting.

**OTHER SUPPLEMENTARY INFORMATION**

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Combining Balance Sheet**  
**Nonmajor Governmental Funds**

April 30, 2016

	<u>Forfeited Funds</u>	<u>IMRF Fund</u>	<u>Recreation Fund</u>	<u>Social Security Fund</u>	<u>Parks Fund</u>
<b><u>Assets:</u></b>					
Cash	\$ -	\$ 22,872	\$ 158,579	\$ 40,939	\$ 412,922
Cash - restricted	8,640	-	-	-	-
Property taxes receivable	-	106,169	-	94,316	99,904
Due from State of Illinois	-	-	-	-	-
Utility taxes receivable	-	-	-	-	-
Prepaid insurance	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 8,640</u>	<u>\$ 129,041</u>	<u>\$ 158,579</u>	<u>\$ 135,255</u>	<u>\$ 512,826</u>
<b><u>Liabilities:</u></b>					
Accounts payable	\$ -	\$ -	\$ 11,161	\$ -	\$ 5,664
Accrued salaries	-	-	2,500	-	3,832
Unearned revenue	-	-	41,790	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>-</u>	<u>-</u>	<u>55,451</u>	<u>-</u>	<u>9,496</u>
<b><u>Deferred Inflows of Resources:</u></b>					
Unavailable revenue - property taxes	<u>-</u>	<u>106,169</u>	<u>-</u>	<u>94,316</u>	<u>99,904</u>
<b><u>Fund Balances:</u></b>					
Nonspendable	-	-	-	-	-
Restricted	8,640	22,872	-	40,939	-
Assigned	-	-	103,128	-	403,426
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	<u>8,640</u>	<u>22,872</u>	<u>103,128</u>	<u>40,939</u>	<u>403,426</u>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 8,640</u>	<u>\$ 129,041</u>	<u>\$ 158,579</u>	<u>\$ 135,255</u>	<u>\$ 512,826</u>

(continued)

**VILLAGE OF MAHOMET**

Mahomet, Illinois

**Combining Balance Sheet**

**Nonmajor Governmental Funds**

April 30, 2016

	<b>Insurance Fund</b>	<b>Transportation System Capital Improvement</b>	<b>Utility Tax</b>	<b>Motor Fuel Tax</b>	<b>Totals</b>
<b><u>Assets:</u></b>					
Cash	\$ 5,031	\$ 652,790	\$ 1,209	\$ -	\$ 1,294,342
Cash - restricted	-	72,385	-	327,730	408,755
Property taxes receivable	96,687	71,965	-	-	469,041
Due from State of Illinois	-	26,669	-	16,518	43,187
Utility taxes receivable	-	-	27,968	-	27,968
Prepaid insurance	61,162	-	-	-	61,162
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	\$ 162,880	\$ 823,809	\$ 29,177	\$ 344,248	\$ 2,304,455
<b><u>Liabilities:</u></b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 490	\$ 17,315
Accrued salaries	-	-	-	-	6,332
Unearned revenue	-	14,665	-	-	56,455
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	-	14,665	-	490	80,102
<b><u>Deferred Inflows of Resources:</u></b>					
Unavailable revenue - property taxes	96,687	71,965	-	-	469,041
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b><u>Fund Balances:</u></b>					
Nonspendable	61,162	-	-	-	61,162
Restricted	5,031	72,385	-	343,758	493,625
Assigned	-	664,794	29,177	-	1,200,525
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	66,193	737,179	29,177	343,758	1,755,312
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities, deferred inflows of resources and fund balances	\$ 162,880	\$ 823,809	\$ 29,177	\$ 344,248	\$ 2,304,455

**VILLAGE OF MAHOMET**

Mahomet, Illinois

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

**Nonmajor Governmental Funds**

For the Year Ended April 30, 2016

	<u>Forfeited Funds</u>	<u>IMRF Fund</u>	<u>Recreation Fund</u>	<u>Social Security Fund</u>	<u>Parks Fund</u>
<b><u>Revenues:</u></b>					
Property taxes	\$ -	\$ 88,179	\$ -	\$ 114,394	\$ 95,188
Motor fuel taxes	-	-	-	-	-
Rentals, fees, and services	-	-	116,882	-	120
Utility taxes	-	-	-	-	-
Fines	1,863	-	-	-	-
Interest income	18	61	200	92	533
Miscellaneous	-	-	24,112	-	3,839
	<u>1,881</u>	<u>88,240</u>	<u>141,194</u>	<u>114,486</u>	<u>99,680</u>
Total revenues					
<b><u>Expenditures:</u></b>					
Current					
General government	-	-	-	-	-
Public safety	9,810	-	-	-	-
Highways and streets	-	-	-	-	-
Culture and recreation	-	-	176,513	-	170,185
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	-	140,177
	<u>9,810</u>	<u>-</u>	<u>176,513</u>	<u>-</u>	<u>310,362</u>
Total expenditures					
Excess of revenues over (under) expenditures	<u>(7,929)</u>	<u>88,240</u>	<u>(35,319)</u>	<u>114,486</u>	<u>(210,682)</u>
<b><u>Other Financing Sources (Uses):</u></b>					
Operating transfers in	-	-	23,132	-	209,554
Operating transfers out	-	(80,891)	(5,000)	(101,335)	(7,000)
	<u>-</u>	<u>(80,891)</u>	<u>18,132</u>	<u>(101,335)</u>	<u>202,554</u>
Total other financing sources (uses)					
Net change in fund balances	<u>(7,929)</u>	<u>7,349</u>	<u>(17,187)</u>	<u>13,151</u>	<u>(8,128)</u>
<b>Fund balances, beginning of the year</b>	<u>16,569</u>	<u>15,523</u>	<u>120,315</u>	<u>27,788</u>	<u>411,554</u>
<b>Fund balances, end of the year</b>	<u>\$ 8,640</u>	<u>\$ 22,872</u>	<u>\$ 103,128</u>	<u>\$ 40,939</u>	<u>\$ 403,426</u>

(continued)

**VILLAGE OF MAHOMET**

Mahomet, Illinois

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

**Nonmajor Governmental Funds**

For the Year Ended April 30, 2016

	<b>Insurance Fund</b>	<b>Transportation System Capital Improvement</b>	<b>Utility Tax</b>	<b>Motor Fuel Tax</b>	<b>Totals</b>
<b><u>Revenues:</u></b>					
Property taxes	\$ 82,571	\$ 71,917	\$ -	\$ -	\$ 452,249
Motor fuel taxes	-	-	-	197,022	197,022
Rentals, fees, and services	-	-	-	-	117,002
Utility taxes	-	171,022	360,766	-	531,788
Fines	-	-	-	-	1,863
Interest income	48	747	97	412	2,208
Miscellaneous	-	189,240	-	1,289	218,480
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	82,619	432,926	360,863	198,723	1,520,612
<b><u>Expenditures:</u></b>					
Current					
General government	92,197	-	-	-	92,197
Public safety	-	-	-	-	9,810
Highways and streets	-	-	-	205,717	205,717
Culture and recreation	-	-	-	-	346,698
Debt service					
Principal retirement	-	60,000	-	-	60,000
Interest and fiscal charges	-	12,225	-	-	12,225
Capital outlay	-	236,393	-	16,970	393,540
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	92,197	308,618	-	222,687	1,120,187
Excess of revenues over (under) expenditures	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(9,578)	124,308	360,863	(23,964)	400,425
<b><u>Other Financing Sources (Uses):</u></b>					
Operating transfers in	5,000	35,000	-	-	272,686
Operating transfers out	-	-	(415,000)	-	(609,226)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	5,000	35,000	(415,000)	-	(336,540)
Net change in fund balances	(4,578)	159,308	(54,137)	(23,964)	63,885
<b>Fund balances</b> , beginning of the year	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	70,771	577,871	83,314	367,722	1,691,427
<b>Fund balances</b> , end of the year	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 66,193	\$ 737,179	\$ 29,177	\$ 343,758	\$ 1,755,312

# VILLAGE OF MAHOMET

Mahomet, Illinois

## Equalized Assessed Valuations, Tax Rates, Taxes Extended and Collected, and Legal Debt Margin

April 30, 2016

Tax Levy Year	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Equalized Assessed Valuation	\$ 169,328,648	\$ 161,118,680	\$ 153,001,608	\$ 148,738,628	\$ 148,616,600
 <b><u>Tax Rates</u></b>					
General	0.3440	0.3452	0.3414	0.3314	0.3098
Bond	0.0425	0.0447	0.0468	0.0482	0.0478
IMRF	0.0627	0.0548	0.0561	0.0560	0.0591
Fire protection	0.0232	0.0245	0.0255	0.0254	0.0252
Police protection	0.1186	0.1192	0.1177	0.1141	0.1129
Police pension	0.0557	0.0588	0.0638	0.0688	0.0707
Audit	0.0093	0.0098	0.0102	0.0082	0.0076
Liability insurance	0.0571	0.0513	0.0535	0.0509	0.0494
Street and bridge	0.0320	0.0320	0.0314	0.0316	0.0325
Park	0.0590	0.0592	0.0585	0.0568	0.0562
Public benefit	-	-	-	-	-
ESDA	0.0009	0.0009	0.0009	0.0009	0.0009
Social security	0.0557	0.0710	0.0714	0.0713	0.0535
Chloridine	-	-	-	-	-
1/2 road and bridge	<u>0.0582</u>	<u>0.0589</u>	<u>0.1179</u>	<u>0.1158</u>	<u>0.1109</u>
Total	<u>0.9189</u>	<u>0.9303</u>	<u>0.9951</u>	<u>0.9794</u>	<u>0.9365</u>
Taxes extended - in total	<u>\$ 1,555,998</u>	<u>\$ 1,498,841</u>	<u>\$ 1,432,413</u>	<u>\$ 1,415,990</u>	<u>\$ 1,353,008</u>
Taxes collected		<u>\$ 1,496,716</u>	<u>\$ 1,428,141</u>	<u>\$ 1,363,977</u>	<u>\$ 1,305,379</u>
Percentage of Extensions					
Collected		<u>99.86%</u>	<u>99.70%</u>	<u>96.33%</u>	<u>96.48%</u>

*Note: Does not include tax increment area.*

### Schedule of Legal Debt Margin

Assessed valuation	<u>\$ 169,328,648</u>
Debt limit - 8.625%	\$ 14,604,596
Outstanding general obligation bonds	6,115,000
Less alternate revenue source general obligation bonds	<u>(5,595,000)</u>
Legal debt margin	<u>\$ 14,084,596</u>