

# **CITY OF ZION, ILLINOIS**

FINANCIAL STATEMENTS  
For the Year Ended April 30, 2012

# CITY OF ZION, ILLINOIS

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CliftonLarsonAllen LLP  
8338 Corporate Drive, Suite 300  
Racine, Wisconsin 53406

262-884-1040 Phone | 262-884-8063 Fax  
[www.cliftonlarsonallen.com](http://www.cliftonlarsonallen.com)

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and  
Members of the City Council  
City of Zion, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Zion, Illinois as of and for the year ended April 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Zion's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Zion's Police Pension Fund and the City of Zion's Firemen's Pension Fund. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Zion's Police Pension Fund or the City of Zion's Firemen Pension Fund, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, 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 City of Zion, Illinois, as of April 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 17, 2013, on our consideration of the City of Zion, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and schedules of funding progress on pages iii through ix and 58 through 62 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Zion, Illinois' financial statements as a whole. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of other auditors, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*CliftonLarsonAllen LLP*

Racine, Wisconsin  
April 17, 2013

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

With this discussion and analysis, the Financial Management of the City of Zion offers this overview of the City's financial performance for the year ending April 30, 2012. Management suggests that this narrative be read in conjunction with the additional information as provided in the following financial statements.

### **Financial Highlights**

- ◆ The City's total net assets at April 30, 2012 were \$26,355,159. The term "net assets" represents the difference between total assets and total liabilities.
- ◆ Net assets decreased \$2,446,959 for the fiscal year ending April 30, 2012.
- ◆ Net assets may serve, over time, as a useful indicator of a government's financial position. Of the net asset balance, \$5,427,654 is restricted and \$23,439,481 is invested in capital assets net of related debt.
- ◆ The City's long-term liabilities decreased by \$3,655,887 as the result of the city making timely scheduled debt principal retirements and contributions to OPEB and pension liabilities. This decrease was offset by an increase of \$3,697,544 from bonds issued and increases to pension liabilities and other post employment benefit obligations as detailed in Note J to the financial statements.

### **Overview of the Financial Statements**

Management's discussion and analysis serves as an introduction to the City's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. The Statement of Net Assets and the Statement of Activities provide information about the City as a whole and present a longer-term view of the City's finances. Fund financial statements, for governmental activities, tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements report the City's operations in more detail than the government-wide statements by providing information about the City's most financially significant funds.

Total capital outlay in the governmental funds was \$1,229,973, which is included in expenditures on the fund financial statements. When capital additions are netted with depreciation expense on the entity-wide statements for governmental activities of \$1,176,107, this results in a difference of \$53,866 representing a reconciling item between the two presentations. Payments received related to a note receivable that was issued on a sale of City property totaling \$40,000 also represent a reconciling item on the Statement of Activities.

Additionally, financing activities such as proceeds from issuance of new bonds and principal pay downs of existing bonds are shown as other financing sources and debt service expenses in the fund financial statements. For the year ending April 30, 2012, the net effect of financing activities on the net assets of the governmental activities was (\$108,696).

In accordance with GASB 34 and 45, for the year ending April 30, 2012, net changes pension obligations or assets related to fire and police as well as certain post employment benefits related to providing post employment health insurance coverage were required to be reported as a liability in the financial statements. The effect of the recording of this liability and the related expenses on the net assets of the governmental activities was \$264,196.

#### **a. Entity-wide financial statements**

The financial statements of the City are intended to provide the reader with an understanding of the financial position of the City as of the close of the fiscal year and the results of activities for the year then ended. The fund financial statements focus on current financial resources while government-wide financial statements are similar to a commercial business. In the

Statement of Net Assets and the Statement of Activities, the City is divided into two kinds of activities:

- i) Governmental activities where most of the City's basic services are reported including police, fire, street maintenance, and general administration. Revenue from various fees, sales and property taxes finance most of these activities.
- ii) Business-type activities where the City charges a fee to customers to help cover all or most of the cost of the services provided. The City's water, sewer, and waste collection activities are reported as business-type activities.

The Statement of Net Assets provides information on the City's assets and liabilities. Increases to net assets occur when revenues exceed expenses.

The Statement of Activities reflects the results of the government's revenues, expenses and activities during the year and the corresponding effect on net asset balances. This statement shows the source of revenues and how those revenues were used to provide services.

In addition to the basic financial statements, notes to the financial statements provide further information to the reader and should be considered an integral part of the financial statements.

Budgetary comparison schedules are also provided as required supplementary information, which is useful in comparing how expenditures were made in comparison to budgeted amounts.

#### b. Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance and related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

- i) Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the year. This information is useful in evaluating the City's near-term financing requirements.
- ii) Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City maintains proprietary funds for its water and sewer and waste collection efforts.
- iii) Fiduciary funds are used for resources held for the benefit of parties outside the City. The only fiduciary funds utilized by the City are the Police and Firemen's Pension Funds. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City's programs.

# Financial Analysis

## Condensed Statement of Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Cash and equivalents	\$ 10,286,822	\$ 8,890,554	\$ 89,914	\$ 1,039,971	\$ 10,376,736	\$ 9,930,525
Investments	0	0	892,664	2,940,556	892,664	2,940,558
Taxes receivable	6,859,512	6,406,881	0	0	6,859,512	6,406,881
Note receivable – current	1,354,167	1,383,333	0	0	1,354,167	1,383,333
Other current assets	2,766,274	1,808,529	1,181,603	1,334,579	3,947,877	3,143,108
Total current assets	21,266,775	18,167,444	1,271,517	3,266,903	22,538,292	21,434,347
Investments	0	0	892,664	2,940,556	892,664	2,940,558
Internal balances	(1,313,288)	(6,274,013)	1,313,288	6,274,013	0	0
Note receivable – non-current	11,093,062	13,224,268	0	0	12,406,350	19,498,281
Other non-current assets	110,034	0	0	0	110,034	0
Capital assets, net of depreciation	32,048,876	31,995,009	5,539,197	5,760,645	37,588,073	37,755,654
Total assets	\$ 63,205,459	\$ 57,112,708	\$ 9,016,666	\$ 15,301,561	\$ 72,222,125	\$ 72,414,269
Current liabilities	\$ 13,387,970	\$ 7,948,926	\$ 980,833	\$ 908,130	\$ 14,368,803	\$ 8,857,056
Non-current liabilities	29,716,043	29,468,580	1,782,120	2,707,172	31,498,163	32,175,752
Total liabilities	\$ 43,104,013	\$ 37,417,506	\$ 2,762,953	\$ 3,615,302	\$ 45,866,966	\$ 41,032,808
Net assets						
Invested in capital assets, net of related debt	\$ 19,531,148	\$ 21,029,352	\$ 3,592,077	\$ 3,667,178	\$ 23,123,225	\$ 24,696,530
Restricted	2,102,265	3,168,214	3,325,389	9,654,860	5,427,654	12,823,074
Unrestricted	(1,531,967)	(4,502,364)	(663,753)	(1,635,779)	(2,195,720)	(6,138,143)
Total net assets	\$ 20,101,446	\$ 19,695,202	\$ 6,253,713	\$ 11,686,259	\$ 26,355,159	\$ 31,381,461

At April 30, 2011, current assets exceed current liabilities by \$7,878,805 for governmental activities and \$290,684 for business-type activities.

## Condensed Statement of Activities

	Governmental Activities		Business-type Activities		Totals	
	2012	2011	2012	2011	2012	2011
Revenues						
Program revenues						
Charges for services	\$ 5,434,197	\$ 5,382,649	\$ 4,707,135	\$ 4,787,747	\$ 10,141,332	\$ 10,170,396
Operating grants and contributions	0	7,500	0	0	0	7,500
Capital grants and contributions	165,389	1,225,457	0	0	165,389	1,225,457
General revenues						
Property taxes	6,131,831	6,387,451	0	0	6,131,831	6,387,451
Sales taxes	2,263,284	2,481,114	0	0	2,263,284	2,481,114
Utility taxes	1,785,950	1,947,703	0	0	1,785,950	1,947,703
Income taxes	2,026,398	1,692,223	0	0	2,026,398	1,692,223
Interest	1,307,003	1,416,201	9,976	58,856	1,316,979	1,475,057
Other	1,366,838	1,097,074	0	0	1,366,838	1,097,074
Total revenues	20,480,890	21,637,372	4,717,111	4,846,603	25,198,001	26,483,975
Expenses						
General government	2,361,715	1,864,290	0	0	2,361,715	1,864,290
Public health and safety	11,041,832	10,439,167	0	0	11,041,832	10,439,167
Public works and engineering	3,610,593	3,749,415	0	0	3,610,593	3,749,415
Economic development and promotion	3,595,947	3,142,436	0	0	3,595,947	3,142,436
Debt service	1,849,216	1,996,297	0	0	1,849,216	1,996,297
Water and sewer	0	0	3,478,284	3,332,472	3,478,284	3,332,472
Waste collection	0	0	1,707,373	1,793,751	1,707,373	1,793,751
Total expenses	22,459,303	21,191,605	5,185,657	5,126,223	27,644,960	26,317,828
Transfers	4,964,000	0	(4,964,000)	0	0	0
(Decrease) increase in net assets	2,985,587	445,767	(5,432,546)	(279,620)	(2,446,959)	166,147
Net assets, beginning, as restated	17,115,859	19,249,435	11,686,259	11,965,879	28,802,118	31,215,314
	\$ 20,101,446	\$ 19,695,202	\$ 6,253,713	\$ 11,965,879	\$ 26,355,159	\$ 31,381,461

The statement of activities shows the nature and source of the changes in net assets during the current fiscal year. All revenues were used to fund current expenses.

### Significant Events

Due to the housing market impact combined with general economic trends, the Equalized Assessed Valuation (EAV) of property in the City decreased, which results in a corresponding decrease in tax revenue into the City for use in meeting the needs of our residents. EAV for the 2012 fiscal year was \$346,682,497. All departments were presented with new spending guidelines, which resulted in narrowing the gap between original budgeted spending and the lowered expectation from permit fees and property taxes.

Early in the 2012 fiscal year, there was approximately \$2,200,000 of expenses incurred related to investment in a baseball stadium project. These economic development costs will not be a recurring item in subsequent periods.

During the 2012 fiscal year there was a \$4,964,000 permanent transfer recorded between the water and sewer fund and the general fund to eliminate a significant portion of the interfund loan that was recorded in prior periods.

### Fund Activity

	Restated Balance		Expenditures/ Expenses	Other Financing	Balance
	April 30, 2011	Revenues		Source (Use)	April 30, 2012
<b>Governmental funds</b>					
General	(\$ 2,935,281)	\$ 12,352,240	\$ 17,727,746	\$ 9,587,226	\$ 1,276,439
Bond Expense	0	0	46,000	46,000	0
Development TIF Area #1	(1,431,668)	1,290,384	1,094,394	(111,594)	(1,347,272)
Bond Debt Service	7,601,261	231	2,936,938	3,057,614	7,722,168
Capital Projects Hospital	13,838,896	1,297,818	0	(2,689,485)	12,447,229
Other	(71,052)	5,580,217	3,027,591	(2,450,761)	30,813
	<u>\$ 17,002,156</u>	<u>\$ 20,520,890</u>	<u>\$ 24,832,669</u>	<u>\$ 7,439,000</u>	<u>\$ 20,129,377</u>
<b>Proprietary funds</b>					
Water and Sewer	\$ 12,155,801	\$ 3,208,936	\$ 3,375,371	(\$5,056,937)	\$ 6,932,429
Waste Collection	(469,542)	1,498,199	1,707,373	0	(678,716)
	<u>\$ 11,686,259</u>	<u>\$ 4,707,135</u>	<u>\$ 5,082,744</u>	<u>(\$5,056,937)</u>	<u>\$ 6,253,713</u>
<b>Fiduciary funds</b>					
Police pension	\$ 24,040,943	\$ 2,103,034	\$ 1,767,816	\$ 0	\$ 24,376,161
Firemen's pension	13,933,877	1,484,721	1,152,428	0	14,266,170
	<u>\$ 37,974,820</u>	<u>\$ 3,587,755</u>	<u>\$ 2,920,244</u>	<u>\$ 0</u>	<u>\$ 38,642,331</u>



## Budgetary Highlights

The financial statements show a comparison of actual activity to budgeted amounts. Budgeted amounts are used for management internal control purposes. Appropriated amounts represent the City's legal ability to spend and are always in an amount larger than that budgeted in each fund. Revisions were made to the budget, primarily, due to unexpected budgetary needs that arose after formal adoption of the final budget.

## Capital Assets

The City's investment in capital assets (net of accumulated depreciation) as of April 30, 2012 is \$32,048,876 for Governmental Funds and \$5,539,197 for Business Type Funds.

Capital asset activity for governmental activities for the year ended April 30, 2012 and 2011 are detailed as follows:

	2012	2011	Increase (Decrease)
Capital assets not being depreciated			
Land and improvements	\$ 2,120,285	\$ 2,120,285	\$ 0
Capital assets being depreciated			
Buildings and improvements	11,997,548	10,767,575	1,229,973
Machinery and equipment	5,120,235	5,120,235	0
Roads and bridges	29,259,705	29,259,705	0
Total capital assets being depreciated	46,377,488	45,147,515	1,229,973
Less accumulated depreciation for:			
Buildings and improvements	5,080,538	4,862,967	217,571
Machinery and equipment	4,822,387	4,449,045	373,342
Roads and bridges	6,545,972	5,960,778	585,194
Total accumulated depreciation	16,448,897	15,272,790	1,176,107
Total capital assets being depreciated, net	29,928,591	29,874,725	53,866
Governmental activities capital assets, net	\$ 32,048,876	\$ 31,995,010	\$ 53,866

Capital asset activity for business-type activities for the year ended April 30, 2012 and 2011 was as follows:

	2012	2011	Increase (Decrease)
Capital assets not being depreciated			
Land and improvements	\$ 431,831	\$ 431,831	\$ 0
Capital assets being depreciated			
Water mains and plants	12,065,579	12,029,308	36,271
Machinery and equipment	1,280,936	1,231,650	49,286
Total capital assets being depreciated	13,346,515	13,260,958	85,557
Less accumulated depreciation for:			
Water mains and plants	7,016,534	6,720,207	296,327
Machinery and equipment	1,222,615	1,211,937	10,678
Total accumulated depreciation	8,239,149	7,932,144	307,005
Total capital assets being depreciated, net	5,107,366	5,328,814	(221,448)
Business-type activities capital assets, net	\$ 5,539,197	\$ 5,760,645	(\$ 221,448)

## Debt

The following is a summary of the City's general long-term debt activity for the year ended April 30, 2012 and 2011.

	2012	2011	Increase (Decrease)
Governmental Activities			
Other Liabilities			
Capital Leases	\$ 0	\$ 65,657	(\$ 65,657)
Net Pension Obligation	384,953	217,329	167,624
Net OPEB Obligation	316,256	228,580	87,676
Bonds payable			
General Obligation Bonds, Series 2002 (Midwestern Regional Medical Center)	19,475,000	20,825,000	(1,350,000)
General Obligation Bonds, Series 2002A (Special Tax Allocation Fund)	2,525,000	2,920,000	(395,000)
General Obligation Bonds, Series 2002B (Motor Fuel Tax Road Bonds)	2,355,000	2,625,000	(270,000)
General Obligation Bonds, Series 2004A (Special Tax Allocation Fund Alternate)	1,575,000	1,760,000	(185,000)
General Obligation Bonds, Series 2003 (Motor Fuel Tax Road Bonds)	1,275,000	1,400,000	(125,000)
General Obligation Limited Tax Debt Certificates, Series 2007	2,035,000	2,195,000	(160,000)
General Obligation Bonds, Series 2012 (Special Tax Allocation Fund Alternate)	2,500,000	0	2,500,000
Discount on Issuance	(63,528)	(46,890)	(16,638)
Governmental Long-Term Liability Totals	<u>32,377,681</u>	<u>32,164,676</u>	<u>213,005</u>
Business-Type Activities			
General Obligation Refunding Bonds (Waterworks and Sewerage System Alternate Revenue Source), Series 2006	2,180,000	2,180,000	(155,000)
Discount on Bonds Issued	(16,242)	(18,046)	1,804
Deferred Amount of Refund	(61,638)	(68,486)	6,848
Government-Wide Long-Term Liability Totals	<u>\$ 34,324,801</u>	<u>\$ 34,258,144</u>	<u>\$ 66,657</u>

## Economic Factors and the Next Year's Budgets and Rates

Projected growth and development in the communities served by the City will increase the tax base of the City in the coming year. Beginning four months into the 2007 fiscal year, housing starts began to slow not only in the City, but also around the country. Housing developments have continued to slow and will negatively impact the City especially in the area of permits. Additionally, home vacancies and foreclosures continue to increase resulting in decreased EAV and decrease in utility consumption and revenue while increasing needs of services to monitor for crime and other risks. While interest commercial development is beginning to increase with the scheduled expansions of the largest employer in town (and largest contributor to the tax base), it will only provide a temporary increase in permit revenue. The city continues to seek out opportunities to reduce expenses and to generate additional revenue in an effort to serve Zion residents and other stakeholders. Additional revenue streams related to increases in permit fee percentages and ambulance fees have subsequently been implemented to add additional and increased revenue streams.

The Estimated Assessed Valuation (EAV) of property within the City decreased by \$52,467,228 during the 2012 assessment year to \$346,682,497.

The City operates under the Property Tax Extension Limitation Law, popularly known as the "tax cap", which states that the total of certain levies (not including bond levies) may not increase by more than the lesser of 5% of prior year total or the prior year percentage increase in the Consumer Price Index.

All of the above factors were considered in preparing the City of Zion's budget for the 2012-2013 fiscal year.

**Request for Information**

This financial report is designed to provide a general overview of the City's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Clerk, City of Zion.

**CITY OF ZION, ILLINOIS**

***BASIC FINANCIAL STATEMENTS***

# CITY OF ZION, ILLINOIS

## STATEMENT OF NET ASSETS

April 30, 2012

### ASSETS

	Governmental Activities	Business-Type Activities	Total Governmental Funds
<b>CURRENT ASSETS</b>			
Cash and equivalents	\$ 10,286,822	\$ 89,914	\$ 10,376,736
Taxes receivable, net of allowance for uncollectables	6,859,512	0	6,859,512
Net trade accounts receivable	352,098	1,018,926	1,371,024
Note receivable - current portion	1,354,167	0	1,354,167
Other receivables and current assets	463,943	34,791	498,734
Due from other governmental agencies	1,611,959	0	1,611,959
Prepaid insurance	296,874	127,886	424,760
Issuance cost	41,400	0	41,400
Total Current Assets	<u>21,266,775</u>	<u>1,271,517</u>	<u>22,538,292</u>
<b>NONCURRENT ASSETS</b>			
Investments	0	892,664	892,664
Internal balances	(1,313,288)	1,313,288	0
Note receivable - long-term portion	11,093,062	0	11,093,062
Net pension asset	110,034	0	110,034
Capital assets, net of accumulated depreciation	32,048,876	5,539,197	37,588,073
Total Noncurrent Assets	<u>41,938,684</u>	<u>7,745,149</u>	<u>49,683,833</u>
<b>TOTAL ASSETS</b>	<u>\$ 63,205,459</u>	<u>\$ 9,016,666</u>	<u>\$ 72,222,125</u>

### LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>			
Accounts payable	\$ 1,167,149	\$ 180,561	\$ 1,347,710
Due to other governmental agencies	69,271	0	69,271
Due to fiduciary funds	1,724,486	0	1,724,486
Current portion of long-term debt	2,661,638	165,000	2,826,638
Accrued payroll	770,952	87,361	858,313
Unearned revenue	6,986,574	244,180	7,230,754
Other liabilities	7,900	0	7,900
Customer deposits	0	211,330	211,330
Accrued interest	0	92,401	92,401
Total Current Liabilities	<u>13,387,970</u>	<u>980,833</u>	<u>14,368,803</u>
<b>NONCURRENT LIABILITIES</b>			
Long-term obligations - net of current portion	29,716,043	1,782,120	31,498,163
Total Noncurrent Liabilities	<u>29,716,043</u>	<u>1,782,120</u>	<u>31,498,163</u>
<b>TOTAL LIABILITIES</b>	<u>43,104,013</u>	<u>2,762,953</u>	<u>45,866,966</u>
<b>NET ASSETS</b>			
Investment in capital assets, net of related debt	19,847,404	3,592,077	23,439,481
Restricted for:			
Debt service	150,255	201,231	351,486
Capital projects	135	3,124,158	3,124,293
Other purposes	1,951,875	0	1,951,875
Unrestricted	( 1,848,223)	( 663,753)	( 2,511,976)
<b>TOTAL NET ASSETS</b>	<u>20,101,446</u>	<u>6,253,713</u>	<u>26,355,159</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 63,205,459</u>	<u>\$ 9,016,666</u>	<u>\$ 72,222,125</u>

The accompanying notes are an integral part of this statement.

**CITY OF ZION, ILLINOIS**

STATEMENT OF ACTIVITIES  
For the Year Ended April 30, 2012

		Program Revenues	
	Expenses	Charges for Services	Operating Grants and Contributions
<b>FUNCTIONS/PROGRAMS</b>			
Governmental activities:			
General government	\$ 2,361,715	\$ 4,812,133	\$ 0
Public health and safety	11,041,832	436,756	0
Public works and engineering	3,610,593	175,308	0
Economic development and promotion	3,595,947	10,000	0
Debt service	1,849,216	0	0
	<u>22,459,303</u>	<u>5,434,197</u>	<u>0</u>
Total governmental activities			
Business-type activities:			
Water and sewer	3,478,284	3,208,936	0
Waste collection	1,707,373	1,498,199	0
	<u>5,185,657</u>	<u>4,707,135</u>	<u>0</u>
Total business-type activities			
	<u>\$ 27,644,960</u>	<u>\$ 10,141,332</u>	<u>\$ 0</u>
Total primary government			
		General revenues:	
		Property taxes	
		Sales taxes	
		Income taxes	
		Motor fuel tax	
		Utility taxes	
		Other taxes	
		Interest	
		Total general revenues	
		Transfers	
		Change in net assets	
		Net assets - beginning, as restated	
		Net assets - ending	

Net (Expense) Revenue and Changes in Net Assets			
Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
\$ 22,575	\$ 2,472,993	\$ 0	\$ 2,472,993
100,660	( 10,504,416)	0	( 10,504,416)
0	( 3,435,285)	0	( 3,435,285)
42,154	( 3,543,793)	0	( 3,543,793)
0	( 1,849,216)	0	( 1,849,216)
<u>165,389</u>	<u>( 16,859,717)</u>	<u>0</u>	<u>( 16,859,717)</u>
0	0	( 269,348)	( 269,348)
0	0	( 209,174)	( 209,174)
<u>0</u>	<u>0</u>	<u>( 478,522)</u>	<u>( 478,522)</u>
<u>\$ 165,389</u>	<u>( 16,859,717)</u>	<u>( 478,522)</u>	<u>( 17,338,239)</u>
	6,131,831	0	6,131,831
	2,263,284	0	2,263,284
	2,026,398	0	2,026,398
	709,727	0	709,727
	1,785,950	0	1,785,950
	657,111	0	657,111
	1,307,003	9,976	1,316,979
	<u>14,881,304</u>	<u>9,976</u>	<u>14,891,280</u>
	<u>4,964,000</u>	<u>( 4,964,000)</u>	<u>0</u>
	2,985,587	( 5,432,546)	( 2,446,959)
	<u>17,115,859</u>	<u>11,686,259</u>	<u>28,802,118</u>
	<u>\$ 20,101,446</u>	<u>\$ 6,253,713</u>	<u>\$ 26,355,159</u>

The accompanying notes are an integral part of this statement.

**CITY OF ZION, ILLINOIS**  
**GOVERNMENTAL FUNDS**

BALANCE SHEET  
April 30, 2012

**ASSETS**

	General	Bond Expense	Development TIF Area #1
<b>ASSETS</b>			
Cash and equivalents	\$ 1,098,354	\$ 0	\$ 0
Taxes receivable, net of allowance for uncollectables	1,503,285	0	1,650,661
Accounts receivable	352,098	0	0
Notes receivable	0	0	0
Other receivables and current assets	442,876	0	0
Due from other governmental agencies	1,564,564	0	0
Due from other funds	2,462,047	0	0
Prepaid insurance	296,874	0	0
	<u>\$ 7,720,098</u>	<u>\$ 0</u>	<u>\$ 1,650,661</u>
<b>TOTAL ASSETS</b>	<u>\$ 7,720,098</u>	<u>\$ 0</u>	<u>\$ 1,650,661</u>

**LIABILITIES AND FUND BALANCES**

<b>LIABILITIES</b>			
Accounts payable	\$ 909,405	\$ 0	\$ 210,001
Due to other governmental agencies	0	0	0
Due to other funds	0	0	1,137,271
Due to fiduciary funds	1,724,486	0	0
Accrued payroll	263,012	0	0
Deferred revenue - property taxes	1,503,285	0	1,650,661
Deferred revenue - other	722,283	0	0
Escrow payable	4,500	0	0
Advance from water and sewer fund	1,313,288	0	0
Other liabilities	3,400	0	0
	<u>6,443,659</u>	<u>0</u>	<u>2,997,933</u>
<b>TOTAL LIABILITIES</b>	<u>6,443,659</u>	<u>0</u>	<u>2,997,933</u>

**FUND BALANCES**

<b>FUND BALANCES</b>			
Nonspendable	296,874	0	0
Restricted	0	0	0
Unassigned (deficit)	979,565	0	( 1,347,272)
	<u>1,276,439</u>	<u>0</u>	<u>( 1,347,272)</u>
<b>TOTAL FUND BALANCES</b>	<u>1,276,439</u>	<u>0</u>	<u>( 1,347,272)</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 7,720,098</u>	<u>\$ 0</u>	<u>\$ 1,650,661</u>



Bond Debt Service	Capital Projects Hospital	Nonmajor Governmental Funds	Total Governmental Funds
\$ 7,722,168	\$ 0	\$ 1,466,300	\$ 10,286,822
0	0	3,705,566	6,859,512
0	0	0	352,098
0	12,447,229	0	12,447,229
0	0	21,067	463,943
0	0	47,395	1,611,959
0	0	0	2,462,047
0	0	0	296,874
<u>\$ 7,722,168</u>	<u>\$ 12,447,229</u>	<u>\$ 5,240,328</u>	<u>\$ 34,780,484</u>
\$ 0	\$ 0	\$ 47,743	\$ 1,167,149
0	0	69,271	69,271
0	0	1,324,776	2,462,047
0	0	0	1,724,486
0	0	62,159	325,171
0	0	3,705,566	6,859,512
0	0	0	722,283
0	0	0	4,500
0	0	0	1,313,288
0	0	0	3,400
<u>0</u>	<u>0</u>	<u>5,209,515</u>	<u>14,651,107</u>
0	0	0	296,874
7,722,168	12,447,229	1,407,868	21,577,265
0	0	( 1,377,055)	( 1,744,762)
<u>7,722,168</u>	<u>12,447,229</u>	<u>30,813</u>	<u>20,129,377</u>
<u>\$ 7,722,168</u>	<u>\$ 12,447,229</u>	<u>\$ 5,240,328</u>	<u>\$ 34,780,484</u>

The accompanying notes are an integral part of this statement.

**CITY OF ZION, ILLINOIS**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
For the Year Ended April 30, 2012**

Total fund balances - governmental funds \$ 20,129,377

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:

Capital assets	\$ 48,497,773	
Accumulated depreciation	<u>( 16,448,897)</u>	
	Net capital assets	32,048,876

Some receivables that are not currently available are reported as deferred revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 595,221

Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities are as follows:

General Obligation Bonds payable	\$ 31,676,472	
Accrued vacation	445,781	
Other post employment benefits	316,256	
Net pension liability	384,953	
Net pension asset	<u>(110,034)</u>	
	Total long-term liabilities	<u>( 32,713,428)</u>

Costs related to the issuance of long-term debt are recorded as expenditure when incurred in governmental funds, but are capitalized and amortized over the life of the debt issue in the statement of net assets. 41,400

Net assets of governmental activities \$ 20,101,446

The accompanying notes are an integral part of this statement.

**CITY OF ZION, ILLINOIS**  
**GOVERNMENTAL FUNDS**

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
For the Year Ended April 30, 2012

	General	Bond Expense	Development TIF Area #1
<b>REVENUES</b>			
Property taxes	\$ 796,012	\$ 0	\$ 1,290,384
Other taxes	6,441,576	0	0
Charges for services	610,344	0	0
Permits and other fees	3,832,858	0	0
Intergovernmental	328,463	0	0
Grants and donations	165,389	0	0
Interest	8,023	0	0
Miscellaneous	169,575	0	0
<b>TOTAL REVENUES</b>	<b>12,352,240</b>	<b>0</b>	<b>1,290,384</b>
<b>EXPENDITURES</b>			
Current			
General government	1,428,109	0	0
Public health and safety	10,164,630	0	0
Public works and engineering	2,353,614	0	0
Economic development and promotion	2,361,868	0	1,092,244
Capital outlay	1,419,525	0	2,150
Debt service			
Bond issuance cost	0	46,000	0
Principal retirement	0	0	0
Interest and fiscal charges	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>17,727,746</b>	<b>46,000</b>	<b>1,094,394</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>( 5,375,506)</b>	<b>( 46,000)</b>	<b>195,990</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Bond issuance discount	0	( 25,000)	0
Bond proceeds	0	2,500,000	0
Transfers in	9,920,339	0	421,676
Transfers (out)	( 333,113)	( 2,429,000)	( 533,270)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>9,587,226</b>	<b>46,000</b>	<b>( 111,594)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>4,211,720</b>	<b>0</b>	<b>84,396</b>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>( 2,992,168)</b>	<b>0</b>	<b>( 800,371)</b>
<b>PRIOR PERIOD ADJUSTMENT</b>	<b>56,887</b>	<b>0</b>	<b>( 631,297)</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 1,276,439</b>	<b>\$ 0</b>	<b>(\$ 1,347,272)</b>

Bond Debt Service	Capital Projects Hospital	Nonmajor Governmental Funds	Total Governmental Funds
\$ 0	\$ 0	\$ 4,045,435	\$ 6,131,831
0	0	291,166	6,732,742
0	0	0	610,344
0	0	395,600	4,228,458
0	0	709,727	1,038,190
0	0	0	165,389
231	1,297,818	932	1,307,004
0	0	137,357	306,932
<u>231</u>	<u>1,297,818</u>	<u>5,580,217</u>	<u>20,520,890</u>
0	0	116,431	1,544,540
0	0	366,032	10,530,662
0	0	982,219	3,335,833
0	0	137,854	3,591,966
0	0	31,979	1,453,654
0	0	0	46,000
1,510,000	0	975,000	2,485,000
1,426,938	0	418,076	1,845,014
<u>2,936,938</u>	<u>0</u>	<u>3,027,591</u>	<u>24,832,669</u>
( 2,936,707)	1,297,818	2,552,626	( 4,311,779)
0	0	0	( 25,000)
0	0	0	2,500,000
3,057,614	0	1,570,365	14,969,994
0	( 2,689,485)	( 4,021,126)	( 10,005,994)
<u>3,057,614</u>	<u>( 2,689,485)</u>	<u>( 2,450,761)</u>	<u>7,439,000</u>
120,907	( 1,391,667)	101,865	3,127,221
<u>7,601,261</u>	<u>13,838,896</u>	<u>1,907,724</u>	<u>19,555,342</u>
<u>0</u>	<u>0</u>	<u>( 1,978,776)</u>	<u>( 2,553,186)</u>
<u>\$ 7,722,168</u>	<u>\$ 12,447,229</u>	<u>\$ 30,813</u>	<u>\$ 20,129,377</u>

The accompanying notes are an integral part of this statement.

**CITY OF ZION, ILLINOIS**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended April 30, 2012

Net change in fund balances - total governmental funds \$ 3,127,221

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceed depreciation in the current period.

Capital outlay	\$	1,229,973
Depreciation		<u>( 1,176,107)</u>

Capital outlay in excess of depreciation and dispositions 53,866

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds:

Increase in other post employment benefits	(\$	87,676)
Increase in net pension obligation		( 167,624)
Decrease in net pension asset		<u>( 8,896)</u>

Total expenses of non-current resources ( 264,196)

Some revenues reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds:

-

The issuance of long-term debt is an other financing source in the fund statements but an increase in long-term liabilities on the government wide statements.

Issuance of General Obligation Bonds	(\$	2,500,000)
Bond discount		25,000
Issuance expense		<u>46,000</u>

Net bond issuance ( 2,429,000)

Collections on receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are not recognized as revenue when earned in the government-wide financial statements.

Payments received on note receivable issued for sale of City property	(\$	<u>40,000)</u>
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Total receipts from non-current assets ( 40,000)

The issuance of long-term debt (e.g., bonds, leases, etc.) provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds.

Principal retirement	\$	2,550,657
Amortization of issuance costs and discounts		<u>( 12,961)</u>

Net effect of bond activity 2,537,696

Change in net assets of governmental activities \$ 2,985,587

The accompanying notes are an integral part of this statement.

**CITY OF ZION, ILLINOIS**  
**PROPRIETARY FUNDS**

STATEMENT OF NET ASSETS  
April 30, 2012

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	Waste Collection	Totals
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and equivalents	\$ 89,914	\$ 0	\$ 89,914
Trade accounts receivable	351,360	173,938	525,298
Due from other funds	804,045	0	804,045
Unbilled trade accounts	493,628	0	493,628
Other receivables	34,791	0	34,791
Prepaid expenses	3,452	124,434	127,886
	<u>1,777,190</u>	<u>298,372</u>	<u>2,075,562</u>
<b>TOTAL CURRENT ASSETS</b>			
<b>NONCURRENT ASSETS</b>			
Investments	892,664	0	892,664
Advance to general fund	1,313,288	0	1,313,288
Capital assets:			
Land	352,575	79,256	431,831
Buildings and improvements	0	45,496	45,496
Water mains and related infrastructure	12,020,083	0	12,020,083
Equipment	1,109,047	171,889	1,280,936
Accumulated depreciation	( 8,021,764)	( 217,385)	( 8,239,149)
Total capital assets, net of accumulated depreciation	<u>5,459,941</u>	<u>79,256</u>	<u>5,539,197</u>
<b>TOTAL NONCURRENT ASSETS</b>	<u>7,665,893</u>	<u>79,256</u>	<u>7,745,149</u>
<b>TOTAL ASSETS</b>	<u>\$ 9,443,083</u>	<u>\$ 377,628</u>	<u>\$ 9,820,711</u>

Business-Type Activities - Enterprise Funds		
Water and Sewer	Waste Collection	Totals

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable	\$ 172,442	\$ 8,119	\$ 180,561
Unearned income - unearned collection fees	0	244,180	244,180
Accrued payroll and related expenses	87,361	0	87,361

TOTAL CURRENT LIABILITIES	259,803	252,299	512,102
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**PAYABLE FROM RESTRICTED ASSETS**

Customer deposits	211,330	0	211,330
Current portion of General Obligation Bonds	165,000	0	165,000
Accrued interest	92,401	0	92,401

TOTAL PAYABLE FROM RESTRICTED ASSETS	468,731	0	468,731
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**NONCURRENT LIABILITIES**

Due to other funds	0	804,045	804,045
General Obligation Bonds	1,782,120	0	1,782,120

TOTAL NONCURRENT LIABILITIES	1,782,120	804,045	2,586,165
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TOTAL LIABILITIES	2,510,654	1,056,344	3,566,998
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**NET ASSETS (DEFICIT)**

Invested in capital assets, net of related debt	3,512,821	79,256	3,592,077
Restricted for:			
Bond retirement	201,231	0	201,231
Construction	3,124,158	0	3,124,158
Unrestricted (Deficit)	94,219	( 757,972)	( 663,753)

TOTAL NET ASSETS (DEFICIT)	6,932,429	( 678,716)	6,253,713
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TOTAL LIABILITIES AND NET ASSETS	\$ 9,443,083	\$ 377,628	\$ 9,820,711
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The accompanying notes are an integral part of this statement.

**CITY OF ZION, ILLINOIS**  
**PROPRIETARY FUNDS**

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
For the Year Ended April 30, 2012

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	Waste Collection	Totals
<b>OPERATING REVENUES</b>			
Charges for services	\$ 3,208,936	\$ 1,498,199	\$ 4,707,135
 TOTAL REVENUES	 3,208,936	 1,498,199	 4,707,135
<b>OPERATING EXPENSES</b>			
Personal services	848,841	0	848,841
Contractual services	1,335,205	1,697,346	3,032,551
Materials and supplies	98,983	10,027	109,010
Repairs and maintenance	785,337	0	785,337
Depreciation	307,005	0	307,005
 TOTAL OPERATING EXPENSES	 3,375,371	 1,707,373	 5,082,744
 (LOSS) FROM OPERATIONS	 ( 166,435)	 ( 209,174)	 ( 375,609)
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest income	9,976	0	9,976
Interest and fiscal charges	( 102,913)	0	( 102,913)
 TOTAL NONOPERATING REVENUES (EXPENSES)	 ( 92,937)	 0	 ( 92,937)
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers (out)	( 4,964,000)	0	( 4,964,000)
 TOTAL OTHER FINANCING SOURCES (USES)	 ( 4,964,000)	 0	 ( 4,964,000)
 CHANGE IN NET ASSETS	 ( 5,223,372)	 ( 209,174)	 ( 5,432,546)
 NET ASSETS - BEGINNING OF YEAR	 12,155,801	 ( 469,542)	 11,686,259
 NET ASSETS - END OF YEAR	 \$ 6,932,429	 (\$ 678,716)	 \$ 6,253,713

The accompanying notes are an integral part of this statement.



**CITY OF ZION, ILLINOIS**  
**PROPRIETARY FUNDS**

STATEMENT OF CASH FLOWS  
For the Year Ended April 30, 2012

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	Waste Collection	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 3,191,214	\$ 1,596,887	\$ 4,788,101
Cash payments to suppliers for goods and services	( 2,104,051)	( 1,549,727)	( 3,653,778)
Cash payments to employees for services	( 811,879)	0	( 811,879)
Cash payments to other funds for services	( 82,500)	( 82,500)	( 165,000)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	192,784	( 35,340)	157,444
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Advances to other funds	4,159,955	35,340	4,195,295
Transfers (to) from other funds	( 4,964,000)	0	( 4,964,000)
NET CASH (USED) PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	( 804,045)	35,340	( 768,705)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition or construction of capital assets	( 85,557)	0	( 85,557)
Retirement of bonds	( 155,000)	0	( 155,000)
Interest paid on bonds	( 104,629)	0	( 104,629)
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	( 345,186)	0	( 345,186)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net investment activity	( 311)	0	( 311)
Interest on cash and equivalents	6,701	0	6,701
NET CASH PROVIDED BY INVESTING ACTIVITIES	6,390	0	6,390
<b>NET (DECREASE) IN CASH AND EQUIVALENTS</b>	( 950,057)	0	( 950,057)
CASH AND EQUIVALENTS - BEGINNING OF YEAR	1,039,971	0	1,039,971
CASH AND EQUIVALENTS - END OF YEAR	\$ 89,914	\$ 0	\$ 89,914
<b>RECONCILIATION OF (LOSS) FROM OPERATIONS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
(LOSS) FROM OPERATIONS	(\$ 166,435)	(\$ 209,174)	(\$ 375,609)
Adjustments to reconcile (loss) from operations to net cash provided (used) by operating activities:			
Depreciation	307,005	0	307,005
Amortization of bond discount	8,653	0	8,653
Changes in assets and liabilities:			
Decrease in accounts receivable	19,171	100,733	119,904
(Increase) in unbilled water usage	( 13,474)	0	( 13,474)
(Increase) in other receivables	( 21,119)	0	( 21,119)
(Increase) decrease in prepaid expenses	( 1,887)	69,552	67,665
Increase in accounts payable	26,208	5,594	31,802
Increase in accrued payroll and related expenses	36,962	0	36,962
(Decrease) in deferred revenue	0	( 2,045)	( 2,045)
(Decrease) in customer deposits	( 2,300)	0	( 2,300)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 192,784	(\$ 35,340)	\$ 157,444

The accompanying notes are an integral part of this statement.

**CITY OF ZION, ILLINOIS**  
**FIDUCIARY FUNDS**

STATEMENT OF FIDUCIARY NET ASSETS  
April 30, 2012

	Pension Trust Funds		
	Police Pension	Firemen's Pension	Totals
<b>ASSETS</b>			
Cash and equivalents	\$ 575,216	\$ 2,828,865	\$ 3,404,081
Investments			
U.S. government and agency obligations	10,059,806	2,073,174	12,132,980
Insurance company contracts	0	2,488,322	2,488,322
Corporate bonds	479,601	2,409,130	2,888,731
Equity securities and mutual funds	11,177,093	2,951,361	14,128,454
Receivables			
Property taxes	967,244	752,301	1,719,545
Property taxes - prior levy	965,942	762,376	1,728,318
Replacement taxes	47,601	0	47,601
Accrued interest	103,658	3,041	106,699
	24,376,161	14,268,570	38,644,731
<b>TOTAL ASSETS</b>			
	24,376,161	14,268,570	38,644,731
<b>LIABILITIES - Pension withholdings</b>	0	2,400	2,400
<b>NET ASSETS - Held in trust for pension benefits</b>	\$ 24,376,161	\$ 14,266,170	\$ 38,642,331

The accompanying notes are an integral part of this statement.

**CITY OF ZION, ILLINOIS**  
**FIDUCIARY FUNDS**

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
For the Year Ended April 30, 2012

	Pension Trust Funds		
	Police Pension	Firemen's Pension	Totals
<b>ADDITIONS</b>			
Contributions			
Employer - property and replacement taxes	\$ 967,244	\$ 753,351	\$ 1,720,595
Employee - participant salary deductions	359,221	178,526	537,747
<b>TOTAL CONTRIBUTIONS</b>	<b>1,326,465</b>	<b>931,877</b>	<b>2,258,342</b>
Investment income			
Net appreciation in fair value of investments	424,981	311,317	736,298
Interest and dividend income	431,101	306,206	737,307
Total investment income	856,082	617,523	1,473,605
Less: investment expense	( 79,513)	( 65,019)	( 144,532)
<b>NET INVESTMENT INCOME</b>	<b>776,569</b>	<b>552,504</b>	<b>1,329,073</b>
Miscellaneous income	0	340	340
<b>TOTAL ADDITIONS</b>	<b>2,103,034</b>	<b>1,484,721</b>	<b>3,587,755</b>
<b>DEDUCTIONS</b>			
Pension benefits			
Retirees	1,267,537	403,000	1,670,537
Disability pensions	331,518	598,951	930,469
Survivors pensions	135,051	119,514	254,565
Administration	33,710	30,963	64,673
<b>TOTAL DEDUCTIONS</b>	<b>1,767,816</b>	<b>1,152,428</b>	<b>2,920,244</b>
<b>NET INCREASE</b>	<b>335,218</b>	<b>332,293</b>	<b>667,511</b>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - BEGINNING OF YEAR</b>	<b>24,040,943</b>	<b>13,933,877</b>	<b>37,974,820</b>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - END OF YEAR</b>	<b>\$ 24,376,161</b>	<b>\$ 14,266,170</b>	<b>\$ 38,642,331</b>

The accompanying notes are an integral part of this statement.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Zion, Illinois (the “City”), was incorporated in 1902 and is located in the northeast part of the state in the County of Lake. The City operates under a commission form of government made up of five elected officials (four commissioners, and the mayor). The City’s major operations include public health and safety (police and fire), public works and engineering, economic development and promotion, and other general administrative governmental services. In addition, the City owns and operates a water and sewer system as well as provides waste collection services.

The financial statements of the City of Zion are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the City has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the City has chosen not to do so. The more significant accounting policies established in GAAP and used by the City are discussed below.

#### **Reporting Entity**

As required by accounting principles generally accepted in the United States of America, these financial statements present the City and any component units: entities for which the City is considered to be financially accountable. The City has determined that no such entities are required to be included in the City’s financial statements.

#### **Government-Wide Statements**

The City’s basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City’s major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City’s public health and safety, public works and engineering, economic development and promotion, and other general administrative governmental services are classified as governmental activities. The City’s water and sewer, and waste collection services are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are presented on a consolidated basis, and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City’s net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The City first utilizes restricted resources to finance qualifying activities.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **Government-Wide Statements (continued)**

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (public health and safety, public works and engineering, etc.) The functions are also supported by general governmental revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and fees, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (public health and safety, public works and engineering, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs by function are normally covered by general revenue (property, sales or use taxes, intergovernmental revenues, interest, etc.)

The government-wide focus is more on the sustainability of the City as an entity and the change in the City's net assets resulting from the current year's activities.

#### **Fund Financial Statements**

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- 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.
- c. Any other governmental or enterprise fund that the City believes is important to financial statement users may be reported as a major fund.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### **Fund Financial Statements (continued)**

The following fund types are used by the City:

#### **Governmental Funds:**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of fund balance and changes in fund balance (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:

- **General Fund** – The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- **Special Revenue Funds** – Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted by enacted legislation to expenditures for specified purposes, or that require separate accounting because of regulatory or administrative action.
- **Debt Service Funds** – Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.
- **Capital Projects Funds** – Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type funds).

#### **Proprietary Funds:**

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, net assets, and cash flows. Accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The following is a description of the proprietary funds of the City:

- **Enterprise Funds** – Enterprise funds (Water and Sewer and Waste Collection) are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Fund Financial Statements (continued)

##### **Fiduciary Funds:**

Fiduciary funds (Police Pension and Firemen's Pension funds) are used to report assets held in a trustee or agency capacity for others and therefore are not available to support City programs. The reporting focus is on net assets and changes in net assets and are reported using accounting principles similar to proprietary funds.

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

##### **Major and Nonmajor Funds:**

The funds are further classified as major or nonmajor as follows:

<b>Fund</b>	<b>Brief Description</b>
<b><u>Major:</u></b>	
General	See above for description.
<b>Special Revenue Funds:</b>	
Development TIF Area #1	Accounts for revenues and expenditures for encouraging private and commercial redevelopment and investing through incremental property tax revenues.
<b>Debt Service Funds:</b>	
Bond Expense Fund	Accounts for resources used in the issuance of new bonds.
Bond Debt Service	Accounts for the accumulation of funds for the periodic payment of principal and interest on outstanding bonds.
<b>Capital Projects Funds:</b>	
Capital Projects Hospital	Accounts for financial resources collected and used for the capital additions of local medical facilities.
<b><u>Nonmajor:</u></b>	
<b>Special Revenue Funds:</b>	
911 Emergency Surcharge	Accounts for revenues and expenditures of the E-911 service that is legally restricted for public safety use.
Zion-Newport Fire Station	Accounts for revenues and expenditures directly related to the operation of the Zion-Newport fire station.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Fund Financial Statements (continued)

#### Major and Nonmajor Funds (continued)

##### Nonmajor (continued)

##### Special Revenue Funds (continued):

Emergency Service Rescue	Accounts for revenues and expenditures of City rescue efforts and is restricted for public safety use.
Street and Bridge	Accounts for revenues and expenditures of upkeep and maintenance of City infrastructure and is restricted for that purpose.
Illinois Municipal Retirement	Accounts for employer contributions to the Illinois Municipal Retirement Fund and is restricted for that use.
FICA	Accounts for employer contributions to the Social Security Administration and is restricted for that use.
Motor Fuel Tax	Accounts for revenues and expenditures relating to the funds received from the State of Illinois for the City's share of motor fuel taxes.
Development TIF Area #2	Accounts for revenues and expenditures restricted for encouraging private and commercial redevelopment and investing through incremental property tax revenues.
Development TIF Area #3	Accounts for revenues and expenditures restricted for encouraging private and commercial redevelopment and investing through incremental property tax revenues.
Development TIF Area #4	Accounts for revenues and expenditures restricted for encouraging private and commercial redevelopment and investing through incremental property tax revenues.
Impact Fee	Accounts for restricted revenues and expenditures relating to the impact of development on the City.
Impact Fee – Fire/Rescue	Accounts for restricted revenues and expenditures relating to the impact of development on the fire and rescue district.
Impact Fee – Other Government Agencies	Accounts for restricted revenues and expenditures relating to the impact of development on other local governmental bodies.



# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Fund Financial Statements (continued)

#### Major and Nonmajor Funds (continued)

#### Nonmajor (continued)

#### Special Revenue Funds (continued):

Economic Development Accounts for restricted revenues and expenditures of promoting City development and growth (this fund was consolidated into the General fund during the year ended April 30, 2011).

Police Protection Accounts for revenues and expenditures of City law enforcement efforts and is restricted for public safety use.

Liability Insurance Accounts for restricted revenues and expenditures relating to insurance funding requirements of the City.

Audit Accounts for restricted revenues and expenditures relating to financial reporting requirements of the City.

Civil Defense Accounts for revenues and expenditures restricted for supplemental public safety services. (This fund was consolidated into the General Fund during the year ended April 30, 2012.)

Drug Traffic Prevention Accounts for revenues and expenditures relating to funds received as forfeitures from the Lake County courts and is restricted for that use.

Industrial Development Accounts for restricted revenues and expenditures of promotion City development and growth.

Cable Commission Accounts for revenues and expenditures restricted for City promotional activities.

Hotel/Motel Tax Accounts for revenues and expenditures of hotel/motel tax restricted by local ordinance for the promotion of convention and tourism.

Fire Protection Accounts for restricted revenues and expenditures relating to insurance funding requirements of the City.

#### Capital Project Funds:

TIF #1 Capital Projects Accounts for financial resources restricted for the acquisition or construction of major capital additions within the boundaries of the Development TIF Area #1.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### **Fund Financial Statements (continued)**

#### **Major and Nonmajor Funds (continued)**

##### **Nonmajor (continued)**

##### Capital Project Funds (continued):

Capital Projects	Accounts for financial resources collected and restricted for the capital additions of local medical facilities.
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##### Debt Service Funds:

TIF #1 Bond Series 2002A	Accounts restricted for the accumulation of resources for the periodic payment of principal and interest on Bond Series 2002A.
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Bond Series 2002B Road Bond	Accounts restricted for the accumulation of resources for the periodic payment of principal and interest on Bond Series 2002B.
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Bond Series 2003 Road Bond	Accounts restricted for the accumulation of resources for the periodic payment of principal and interest on Bond Series 2003.
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Area 3 South Sheridan Rd. Project	Accounts restricted for the accumulation of resources for the periodic payment of principal and interest on Bond Series 2004A.
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#### **Measurement Focus and Basis of Accounting**

On the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the “current financial resources” measurement focus, or the “economic resources” measurement focus is used as appropriate:

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

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **Measurement Focus and Basis of Accounting (continued)**

##### **Accrual**

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred or when the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

##### **Modified Accrual**

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Measurable” means knowing or being able to reasonably estimate the amount. “Available” means collectible within the current period or within 60 days after year-end.

Expenditures (including capital outlay) are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Sales taxes are considered “measurable” when in the hands of the State Comptroller and are recognized at that time. Other major revenues that are determined to not be susceptible to accrual because they are either not available soon enough to pay liabilities of the current period, or are not objectively measurable, include delinquent property taxes, licenses, permits, fines, forfeitures, franchise fees and hotel/motel occupancy taxes. See Note E for property tax accrual policy.

#### **Financial Statement Amounts**

##### **Cash and Equivalents:**

For the purpose of the Statement of Net Assets, the City has defined cash and equivalents to include cash on hand, demand deposits, and cash with brokers and fiscal agents. For purposes of the statement of cash flows, the City considers all highly liquid investments purchased that will mature within 90 days or less to be cash equivalents.

##### **Investments:**

Investments are stated at fair value (quoted market price or the best available estimate).

##### **Interfund Receivables and Payables:**

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Assets. See Note K for details of interfund transactions, including receivables and payables at year-end.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **Financial Statement Amounts (continued)**

##### **Receivables:**

GASB No. 33 “Accounting and Financial Reporting for Nonexchange Transactions” requires the recognition of receivables associated with nonexchange transactions as follows:

- Derived tax receivables (such as sales and use taxes, motor fuel taxes, and hotel/motel taxes) are recognized when the underlying exchange transaction has occurred.
- Imposed nonexchange receivables (such as property taxes, fines, and penalties) are recognized when an enforceable legal claim on the resources has arisen.
- Government-mandated and voluntary nonexchange receivables (such as state mandated road improvements, grants, and donations) are recognized when all eligibility requirements have been met.

##### **Prepaid Expenses:**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the government-wide financial statements.

##### **Capital Assets:**

The accounting treatment over 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.

##### **Government-wide Statements:**

In the government-wide financial statements, capital assets having a useful life greater than one year are reported at historical cost or estimated historical cost and capitalized using the following dollar thresholds: \$10,000 for small equipment, \$25,000 for land, \$25,000 for machinery and equipment, \$100,000 for buildings and improvements, \$200,000 for roads and bridges.

Business-type activity capital assets are reported at historical cost or estimated historical cost and capitalized using the following dollar thresholds: \$10,000 for small equipment, \$25,000 for machinery and equipment, \$100,000 for buildings and improvements, and \$200,000 for infrastructure and other assets related to the network of infrastructure.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **Financial Statement Amounts (continued)**

##### Government-wide Statements (continued):

Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on assets is provided on the straight-line basis over the following estimated useful lives:

Vehicles	3 years
Equipment	3 years
Machinery and equipment	5 years
Buildings and improvements	20 – 40 years
Water and sewer infrastructure	50 years
Roads and bridges	50 years

##### Fund Financial Statements:

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

#### **Compensated Absences:**

The City, as outlined in the Employee Policy Handbook, provides sick pay and vacation benefits as follows:

Sick pay benefits accrue at the rate of 96 hours (144 for firemen) per year and can be accumulated up to a maximum of 1,120 hours (1,680 for firemen). These benefits are not paid out upon separation from employment.

Vacation benefits accrue based on completed years of service, and are allowed to be carried over annually. Accrued vacation is paid out upon termination, death, and retirement. As of April 30, 2012, the total accrued vacation recorded as a liability is \$61,667 for enterprise funds and \$445,781 for governmental activities.

#### **Deferred Revenues:**

Deferred revenues include amounts collected before revenue recognition criteria are met. The deferred revenue consists primarily of property taxes in the governmental funds.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **Financial Statement Amounts (continued)**

##### **Long-Term Debt:**

The accounting treatment of long-term debt 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.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements, net of any premium or discount. The long-term debt consists primarily of bonds and notes payable. See Note J for details of long-term debt.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of the principal and interest is reported as an expenditure. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

##### **Equity Classifications:**

#### **Government-wide Statements**

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

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

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

##### **Fund Balances:**

Effective May 1, 2011, the City adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. In addition, GASB 54 modified certain fund type definitions and provided guidance for classification of stabilization amounts on the face of the balance sheet.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial Statement Amounts (continued)

##### **Fund Balances (continued):**

Within the governmental fund types, the City's fund balances are reported in one of the following classifications:

Nonspendable – includes amounts that cannot be spent because they are either; (1) not in spendable form; or (2) legally or contractually required to be maintained intact.

Restricted – includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either; (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or; (2) imposed by law through constitutional provisions or enabling legislation.

Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the City uses the same action it originally took to commit the amounts to remove the commitment. The specified highest level of decision-making authority rests with the City Council. The City passes ordinances and resolutions to commit their fund balances.

Assigned – includes amounts that are constrained by the City's *intent* to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: (1) the City Council itself; (2) a body of officials to which the Council has delegated the authority to assign amounts to be used for specific purposes. The City's Council has not delegated authority to any other body or official to assign amounts for a specific purpose within the General Fund.

Unassigned – includes the residual fund balance that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

In the General Fund, the City considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unassigned fund balance is available, followed by committed amounts then assigned amounts. Unassigned amounts are used only after the other categories of fund balance have been fully utilized.

In governmental funds other than the General Fund, the City considers restricted amounts to have been spent last. When an expenditure is incurred, the City will first utilize committed amounts, followed by assigned amounts.

##### **Use of Estimates:**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial Statement Amounts (continued)

##### **New Accounting Pronouncements:**

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, will be effective for the City beginning with its year ending April 30, 2013. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

- a) Financial Accounting Standards Board (FASB) Statements and Interpretations
- b) Accounting Principles Board Opinions
- c) Accounting Research Bulletins of the American Institute of Certified Public Accountants (AICPA) Committee on Accounting Procedure

GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, will be effective for the City beginning with its year ending April 30, 2013. This statement will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed.

GASB issued Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions-an amendment of GASB Statement No. 53*, will be effective for the City beginning with its year ending April 30, 2013. This statement will improve financial reporting by clarifying whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, will be effective for the City beginning with its year ending April 30, 2014. This Statement establishes accounting and financial reporting standards that reclassify and recognize, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements, deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations.



# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### **NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **Financial Statement Amounts (continued)**

##### **New Accounting Pronouncements (continued):**

GASB Statement No. 66, *Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62*, will be effective for the City beginning with its year ending April 30, 2014. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted for the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement amends Statement No. 10 by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. This Statement also amends Statement No. 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate.

GASB Statement No. 67, *Financial Reporting for Pension Plans*, will be effective for the City beginning with its year ended April 30, 2015. This statement builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. This statement enhances note disclosures and RSI for both defined benefit and defined contribution pension plans and requires the presentation of new information about annual money-weighted rates of return in the notes to the financial statements and in 10-year RSI schedules.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, will be effective for the City beginning with its year ended April 30, 2016. This statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI).

Management has not currently determined what impact, if any, these Statements may have on its financial statements.

### **NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

#### **Budgetary Control**

The City prepares an appropriation ordinance annually and makes it available to public inspection prior to council approval of the ordinance in the middle of July. The level of budgetary control, on which expenditures may not legally exceed appropriations, is in accordance with Illinois Compiled Statutes. The City also adopts an annual budget, reflected in the fund financial statements, which sets forth estimated revenues and expenditures. The budget is used for management control only as the appropriation ordinance is what sets the legal restrictions on expenditures/expenses. All appropriations lapse at year-end.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)</b>
--

**Deficit Fund Equity of Individual Funds**

The following funds had deficit fund equity as of April 30, 2012:

<u>Special Revenue Funds</u>	
Fire Protection	\$ 571,257
911 Emergency Surcharge	277,777
Street and Bridge	55,674
Illinois Municipal Retirement	158,337
Development TIF Area #1	1,347,272
Impact Fee – Fire/Rescue	68,389
Police Protection	22,929
FICA	141,922
<u>Debt Service Funds</u>	
Area 3 South Sheridan Rd. Project	\$ 1,538
<u>Capital Projects Funds</u>	
Capital Projects Fund	\$ 79,232
<u>Enterprise Funds</u>	
Waste Collection	\$ 678,716

**Excess of Actual Expenditures/Expenses Over Budget in Individual Funds**

The following is detail of the appropriation ordinance, amended budget, and actual expenditures/expenses (including transfers out) by individual fund. The surplus/(deficit) column is determined by comparing actual expenditures/expenses with the approved appropriations.

	Budgeted	Appropriation	Actual	Surplus/(Deficit)
<u>General Fund</u>	\$ 17,445,317	\$ 21,703,575	\$ 18,060,859	\$ 3,642,716
<u>Special Revenue Funds</u>				
911 Emergency Surcharge	\$ 214,200	\$ 464,200	\$ 194,489	\$ 269,711
Zion-Newport Fire Station	180	500	99	401
Emergency Service Rescue	750,401	750,401	748,834	1,567
Fire Protection	902,078	902,078	900,194	1,884
Street and Bridge	356,898	649,578	381,438	268,140
Illinois Municipal Retirement Fund	351,251	340,000	387,532	( 47,532)
FICA	360,000	360,000	373,935	( 13,935)
Development TIF Area #1	1,716,643	1,655,461	1,627,664	27,797
Development TIF Area #2	0	0	9,612	( 9,612)
Development TIF Area #3	644,488	586,126	622,849	( 36,723)
Motor Fuel Tax	582,360	582,360	569,747	12,613
Liability Insurance	902,078	950,000	900,195	49,805
Drug Traffic Prevention	44,749	44,749	40,513	4,236
Industrial Development	375,000	375,000	374,285	715

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)</b>
--

**Excess of Actual Expenditures/Expenses Over Budget in Individual Funds (continued)**

	Budgeted	Appropriation	Actual	Surplus/(Deficit)
<u>Special Revenue Funds (continued)</u>				
Hotel/Motel Tax	138,741	95,583	151,919	( 56,336)
	\$ 7,339,067	\$ 7,756,036	\$ 7,170,418	\$ 585,618
 <u>Capital Projects Funds</u>				
Capital Projects – Hospital	\$ 2,682,975	\$ 2,652,600	\$ 2,689,485	(\$ 36,885)
	\$ 2,682,975	\$ 2,652,600	\$ 2,689,485	(\$ 36,885)
 <u>Debt Service Funds</u>				
TIF #1 Bond Series 2002A	\$ 533,985	\$ 533,985	\$ 533,270	\$ 715
Area 3 South Sheridan Road Project (Debt Service)	201,062	201,096	200,328	768
Bond Debt Service	2,936,938	2,682,975	2,936,938	( 253,963)
Series 2002B Road Bond	397,360	397,360	396,645	715
Series 2003 Road Bond	263,548	263,548	262,833	715
Series 2006 Water Bonds	0	255,170	0	255,170
Bond Expense	70,897	0	2,500,000	( 2,500,000)
	\$ 4,403,790	\$ 4,334,134	\$ 6,830,014	(\$ 2,495,880)
 <u>Enterprise Funds</u>				
Water and Sewer	\$ 3,689,936	\$ 4,375,216	\$ 8,442,284	(\$ 4,067,068)
Waste Collection	1,609,439	1,609,439	1,707,373	( 97,934)
	\$ 5,299,375	\$ 5,984,655	\$ 10,149,657	(\$ 4,165,002)

**Revenue Restrictions**

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

- Foreign Fire Tax – To be used for fire protection services
- Emergency Surcharge Tax – To be used for E-911 emergency services
- Water, Sewer and Waste – To be used for utility operations, improvements, and debt service
- Motor Fuel Tax – To be used for infrastructure improvements and maintenance
- Hotel/Motel Tax – To be used for convention and tourism
- Impact Fees – To be used to improve infrastructure for the impact of new developments
- Forfeiture Revenue – To be used to aid in the deterrence of drug related offenses

For the year ended April 30, 2012, management asserts the City complied, in all material respects, with these revenue restrictions.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### NOTE C – DEPOSITS AND INVESTMENTS

#### Deposits

As of April 30, 2012, a reconciliation of cash and investments (including fiduciary fund assets) as shown on the Statement of Net Assets is as follows:

Carrying amount of deposits	\$ 13,780,817
Carrying amount of investments	<u>32,531,151</u>
Total	<u>\$ 46,311,968</u>
Government-wide financial statement of net assets:	
Cash and cash equivalents	\$ 10,376,736
Investments	<u>892,664</u>
Total	<u>\$ 11,269,400</u>
Statement of fiduciary net assets:	
Cash and cash equivalents	\$ 3,404,081
Investments	<u>31,638,487</u>
Total	<u>\$ 35,042,568</u>

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Pledged collateral will be held in safekeeping by an independent third party depository or by the Federal Reserve Bank. At year-end the carrying amount of the City's deposits totaled \$11,269,400 and the bank balances totaled \$11,242,278. Of the bank balances, \$607,313 were covered by federal depository insurance, \$500,000 were covered by the Securities Investor Protection Corporation, \$940,539 were uninsured and collateralized by U.S. Government securities held by the pledging institution's trust department in the City's name or through specific pledging of the third party plan administrator, \$752,518 were deposited in the Illinois Funds, a state investment pool, and \$8,441,909 were uninsured/uncollateralized. Due to the nature of the Illinois Funds, they are included as deposit balances on the balance sheet. The City does not have a custodial credit risk policy for deposits.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the Securities and Exchange Commission as an investment company, but does comply with the Public Funds Investment Act, 30 ILCS 235. Investments in Illinois Funds are valued at Illinois Fund's share price, the price for which the investment could be sold. The Illinois Funds are rated AAAM by Standards & Poor's. At April 30, 2012 the Illinois Funds weighted average maturity is the dollar weighted maturity of all of the holding of the fund. This number represents the theoretical number of days before all of the investments would mature and thus be re-invested.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE C – DEPOSITS AND INVESTMENTS (continued)</b>
--

### Investments

#### Operating Funds

Authorized investments – The City’s investment policy allows for deposits/investments in local government investment pools or trust funds organized by either the State of Illinois or by intergovernmental legislation, the State of Illinois Public Treasurer’s Investment Pool, the Illinois Municipal League Local Government Investment Trust, Illinois Metropolitan Investment Fund (IMET), funds managed, operated and administered by a bank, subsidiary of a bank or subsidiary of a bankholding company, U.S. government obligations, U.S. government agency obligations and U.S. government instrumentality obligations which have a liquid market with a readily determinable market value, certificates of deposit and other evidences of deposit at financial institutions, bankers’ acceptances and commercial paper rated in the highest tier by a nationally recognized rating agency, investment-grade obligations of state and local governments and public authorities, money market mutual funds regulated by the Securities and Exchange Commission and whose portfolio consist only of dollar-denominated securities, interest-bearing demand checking accounts, passbook savings account of banks and savings and loan associations insured by FDIC, insured demand accounts and investment instruments of credit unions whose principal office is located in Illinois.

Interest rate risk: In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio so that securities mature to meet cash requirements for ongoing operations thereby avoiding the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market funds or similar investment pools.

As of April 30, 2012, the City had the following investments and maturities:

	Fair Value	Investment Maturities (in Years)			More Than 10
		Less Than 1	1-5	6-10	
Certificates of deposit	\$ 892,664	\$ 0	\$ 892,664	\$ 0	\$ 0
Total	\$ 892,664	\$ 0	\$ 892,664	\$ 0	\$ 0

Credit risk: Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The City’s investment policy limits its exposure to credit risk primarily by limiting investments to the safest type of securities, pre-qualify the financial institutions, brokers/dealers, intermediaries and advisors with which the City does business.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE C – DEPOSITS AND INVESTMENTS (continued)</b>
--

**Investments (continued)**

Concentration of credit risk: To limit the exposure to concentration credit risk, the City's investment policy diversifies their investment portfolio so that potential losses on individual securities will be minimized.

Custodial credit risk: The City limits its exposure to custodial credit risk by utilizing a third party custodian for all investments. For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party.

Both the Police and Firemen's Pension Funds invest in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the next term and that such changes could materially affect participants' account balances and the amounts reported in the statement of plan net assets. Investments and daily activities of the funds are managed by the fund's respective boards.

The City is authorized by state statutes and its own local ordinances to invest in obligations of the U.S. Treasury, agencies and instrumentalities, commercial paper noted within the three highest classifications by at least two standard rating services, obligations of states and their political subdivisions, savings accounts, credit union shares and the Illinois Public Treasurers Investment Pool.

**Police Pension Fund**

As of April 30, 2012, the Police Pension Fund had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury Bonds, Notes	\$ 4,297,210	\$ 357,328	\$ 2,066,940	\$ 1,872,942	\$ 0
Governmental National Mortgage	272,913	0	0	0	272,913
Federal Farm Credit Bank	589,254	0	589,254	0	0
Federal Home Loan Mortgage	451,399	0	320,156	127,034	4,209
Federal National Mortgage	4,449,030	639,220	2,229,990	511,545	1,068,275
Corporate Debt Obligations	479,601	111,617	367,984	0	0
Equities & Mutual Funds	11,177,093	11,177,093	0	0	0
Total	\$ 21,716,500	\$ 12,285,258	\$ 5,574,324	\$ 2,511,521	\$ 1,345,397

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Fund's investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE C – DEPOSITS AND INVESTMENTS (continued)</b>
--

**Investments (continued)**

**Police Pension Fund (continued)**

Credit risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The investments in the securities of U.S. government agencies were all rated AAA by Standard & Poor's or by Moody's Investors Services. The Pension Fund's investment policy prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return.

Custodial credit risk – deposits: In the case of deposits, this is the risk that, in the event of a bank failure, the Fund's deposits may not be returned to it. At April 30, 2012, all of the Pension Fund's deposits were covered by federal depository or equivalent insurance.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk disclosures. In accordance with the Pension Fund's investment policy the Pension Fund limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Pension Fund, to act as custodian for its securities and collateral.

Concentration of credit risk: This is the risk of loss attributed to the magnitude of the Fund's investment in a single issuer. In accordance with the Fund's investment policy, investments are diversified to ensure that adverse or unexpected results will not have an excessively detrimental impact on the entire portfolio. As of April 30, 2012, the Pension Fund had no individual investments exceeding 5% of net plan assets.

**Firemen's Pension Fund**

As of April 30, 2012, the Firemen's Pension Fund had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
Money Market Accounts	\$ 2,689,700	\$ 2,689,700	\$ 0	\$ 0	\$ 0
Governmental National Mortgage	2,073,174	0	0	0	2,073,174
Corporate Bonds	2,409,130	2,409,130	0	0	0
Common Stocks	2,584,837	2,584,837	0	0	0
Equity Mutual Funds	366,524	366,524	0	0	0
Insurance Contracts	2,488,322	2,488,322	0	0	0
Total	\$ 12,611,687	\$ 10,538,513	\$ 0	\$ 0	\$ 2,073,174

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### NOTE C – DEPOSITS AND INVESTMENTS (continued)

#### **Investments (continued)**

##### **Firemen's Pension Fund (continued)**

**Interest rate risk:** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Fund's investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

**Credit risk:** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The investments in the securities of U.S. government agencies were all rated AAA by Standard & Poor's or by Moody's Investors Services. The Pension Fund's investment policy prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return.

**Custodial credit risk – deposits:** In the case of deposits, this is the risk that, in the event of a bank failure, the Fund's deposits may not be returned to it. At April 30, 2012, all of the Pension Fund's deposits were covered by federal depository or equivalent insurance.

**Custodial credit risk – investments:** For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk disclosures. In accordance with the Pension Fund's investment policy the Pension Fund limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Pension Fund, to act as custodian for its securities and collateral.

**Concentration of credit risk:** This is the risk of loss attributed to the magnitude of the Fund's investment in a single issuer. In accordance with the Fund's investment policy, investments are diversified to ensure that adverse or unexpected results will not have an excessively detrimental impact on the entire portfolio. As of April 30, 2012, the Pension Fund has no investments exceeding 5% of net plan assets.



# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### NOTE D – ACCOUNTS RECEIVABLE

Accounts receivable of the business-type activities of \$1,018,926 consists entirely of utilities trade accounts receivable and related liens. Trade accounts receivable, other receivables and current assets of the governmental activities of \$1,950,859 primarily consist of, administrative adjudication (73%) and utility taxes and franchise fees (18%). Remaining categories make up less than 10% individually. Receivables detail at April 30, 2012, are as follows:

	Governmental Activities	Business-type Activities	Total
Trade accounts receivable	\$ 1,598,761	\$ 1,018,926	\$ 2,617,687
Other receivables/current assets	352,098	34,791	386,889
Allowance for doubtful accounts	( 1,134,818)	0	( 1,134,818)
	\$ 816,041	\$ 1,053,717	\$ 1,869,758

### NOTE E – PROPERTY TAXES

#### **General Property Taxes**

The Lake County Property Assessor as of January 1 assesses real and personal property values on a countywide basis, each year. The City levies a property tax millage rate upon the taxable value, which will provide revenue required for the fiscal year beginning May 1. The tax levy must be filed with the County Clerk no later than the last Tuesday in December.

Property taxes levied by the City and all other tax authorities within the county are centrally billed and collected by Lake County, with monthly remittance to the City of the proportional share of collected taxes. Taxes are billed on May 1, at which time the property owner can elect to pay the bill in full or in two installments due around June 1 and September 1. Full payment is due no later than the September date.

After the September date, unpaid amounts become delinquent with interest and penalties added thereafter.

Beginning December 1, tax certificates representing delinquent amounts are sold by Lake County, with remittance to the City for its share of those receipts. Liens are attached on January 1 of each tax year. 2011 taxes became an enforceable lien on January 1, 2012.

At April 30, uncollected current year amounts are classified as delinquent taxes receivable and offset by an allowance for uncollectibles in a like amount. Generally, the City collects more than 99% of current year property taxes during the year in which they are due. Delinquent taxes collected in subsequent periods are recognized as revenues for the fiscal year in which they are received.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

**NOTE E – PROPERTY TAXES (continued)**

**General Property Taxes (continued)**

Tax Increment Financing Districts

The City has established several Tax Increment Financing Districts. At the time each District was formed, the County Clerk certified the assessed valuation of the property in the District. Each year the City receives property taxes equal to the increase in the assessed valuation over the initial certified valuation multiplied by the tax rate of all taxing bodies, including the City. The monies received have been placed in Special Revenue Funds called Development TIF Areas #1, #3 and #4 respectively. Eligible expenditures are as stated in approved project and plan documents, which involve redevelopment projects within each TIF District. During the year ended April 30, 2011, TIF #4 was rolled into the TIF Area #3 district. The incremental increase of assessed valuation as assessed and equalized by the State Department of Revenue and extension for the year 2011 was as follows:

TIF #1 assessed valuation was \$12,105,819 and the tax extension was \$1,667,334.  
TIF #3 assessed valuation was \$5,035,034 and the tax extension was \$640,189.

Assessed Valuations, Rates, Extensions, and Collections

<u>TAX LEVY YEAR</u>	<u>2011</u>	<u>2010</u>
ASSESSED VALUATIONS	<u>\$ 346,682,497</u>	<u>\$ 399,149,725</u>
<u>TAX RATE/\$100 EAV</u>		
General Fund	0.438	0.200
Fire Fund	0.217	0.226
Street and Bridge Fund	0.061	0.063
IMRF	0.102	0.088
Social Security	0.073	0.063
Police Pension	0.279	0.242
Firemen's Pension	0.220	0.191
Emergency Rescue Service	0.181	0.188
Liability Insurance Fund	<u>0.261</u>	<u>0.226</u>
TOTALS	<u>1.832</u>	<u>1.487</u>

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE E – PROPERTY TAXES (continued)</b>
--

**General Property Taxes (continued)**

Assessed Valuations, Rates, Extensions and Collections (continued)

TAX EXTENSIONS	2012	2011
<u>TAX LEVY YEAR</u>	<u>4/30/2013</u>	<u>4/30/2012</u>
Fiscal Year Collected		
Purpose of Levy:		
General Fund	\$ 1,518,470	\$ 798,299
Fire Fund	752,301	902,078
Street and Bridge Fund	211,476	251,464
IMRF	353,616	351,252
Social Security	253,078	251,464
Police Pension	967,244	965,942
Firemen’s Pension	762,702	762,376
Emergency Rescue Service	627,495	750,401
Liability Insurance Fund	904,841	902,078
TOTALS	<u>\$ 6,351,223</u>	<u>\$ 5,935,354</u>
Collections		<u>\$ 5,920,833</u>
% of Collections		<u>99.76%</u>

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE F – CAPITAL ASSETS – GOVERNMENTAL ACTIVITIES</b>
--

Capital asset activity for governmental activities for the year ended April 30, 2012 was as follows:

	Balance May 1, 2011	Additions	Deletions	Balance April 30, 2012
Capital assets not being depreciated:				
Land	\$ 2,120,285	\$ 0	\$ 0	\$ 2,120,285
Capital assets being depreciated:				
Building and improvements	10,767,575	1,229,973	0	11,997,548
Machinery and equipment	5,120,235	0	0	5,120,235
Roads and bridges	29,259,705	0	0	29,259,705
Total capital assets being depreciated	45,147,515	1,229,973	0	46,377,488
Less accumulated depreciation for:				
Buildings and improvements	4,862,967	217,571	0	5,080,538
Machinery and equipment	4,449,045	373,342	0	4,822,387
Road and bridges	5,960,778	585,194	0	6,545,972
Total accumulated depreciation	15,272,790	1,176,107	0	16,448,897
 Total capital assets being depreciated, net	 29,874,725	 53,866	 0	 29,928,591
 Governmental activities capital assets, net	 \$ 31,995,010	 \$ 53,866	 \$ 0	 \$32,048,876

Depreciation expense was charged to the functions of the City as follows:

General government	\$ 35,303
Public health and safety	425,619
Public works and engineering	671,754
Economic development and promotion	43,431
 Total depreciation expense - governmental activities	 \$ 1,176,107

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE G – CAPITAL ASSETS – BUSINESS-TYPE ACTIVITIES</b>
---

Capital asset activity for business-type activities for the year ended April 30, 2012 was as follows:

	Balance May 1, 2011	Additions	Deletions	Balance April 30, 2012
Capital assets not being depreciated:				
Land	\$ 431,831	\$ 0	\$ 0	\$ 431,831
Capital assets being depreciated:				
Water mains and plant	12,029,308	36,271	0	12,065,579
Machinery and equipment	1,231,650	49,286	0	1,280,936
Total capital assets being depreciated	13,260,958	85,557	0	13,346,515
Less accumulated depreciation for:				
Water mains and plant	6,720,207	296,327	0	7,016,534
Machinery and equipment	1,211,937	10,678	0	1,222,615
Total accumulated depreciation	7,932,144	307,005	0	8,239,149
Total capital assets being depreciated, net	5,328,814	( 221,448)	0	5,107,366
Business-type activities capital assets, net	\$ 5,760,645	(\$ 221,448)	\$ 0	\$ 5,539,197

<b>NOTE H – RETIREMENT FUND COMMITMENTS</b>
---

***Defined Benefit Pension Plan - Illinois Municipal Retirement Fund***

Plan Description

The employer's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The employer plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

Funding Policy

As set by statute, your employer Regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2011 used by the employer was 10.49% of annual covered payroll. The employer annual required contribution rate for calendar year 2011 was 11.59%. The employer 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE H – RETIREMENT FUND COMMITMENTS (continued)</b>
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***Defined Benefit Pension Plan - Illinois Municipal Retirement Fund (continued)***

Annual Pension Cost

For calendar year ending December 31, 2011, the employer's actual contributions for pension cost for the Regular were \$360,624. Its required contribution for calendar year 2011 was \$398,440. The required contribution for 2011 was determined as part of the December 31, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Regular plan's unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level percentage of projected payrolls on an open 30 year basis.

Trend Information

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage Of APC Contributed	Net Pension Obligation
12/31/11	\$ 398,440	91 %	\$ 0
12/31/10	381,577	87 %	0
12/31/09	325,765	100 %	0

Funded Status and Funding Progress

As of December 31, 2011, the most recent actuarial valuation date, the Regular plan was 76.40 percent funded. The actuarial accrued liability for benefits was \$10,130,688 and the actuarial value of assets was \$7,739,554, resulting in an underfunded actuarial accrued liability (UAAL) of \$2,391,134. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$3,437,793 and the ratio of the UAAL to the covered payroll was 70 percent. The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### NOTE H – RETIREMENT FUND COMMITMENTS (continued)

#### ***Police and Firemen’s Pension Funds***

##### POLICE PENSION FUND

Police sworn personnel of the City of Zion are covered by the Zion Police Pension Plan of the City of Zion which is a defined benefit single-employer pension plan administered by the Zion Police Pension Fund. The Zion Police Pension Fund issues a separate financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Zion Police Pension Fund, 2101 Salem Blvd., Zion, Illinois 60099.

Membership in the plan as of April 30, 2012 consisted of the following classes of participants:

Retirees and beneficiaries receiving benefits	35
Members entitled to benefits but not yet receiving them	1
Active members	47
Total Members	<u>83</u>

##### Benefit Provisions

Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (Chapter 40 5/ Article 3) and may be amended only by the Illinois legislature. The Zion Police Pension Fund provides retirement benefits as well as survivor and disability benefits. Retirement benefits are summarized below:

##### *Initial Retirement Benefits*

Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension 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.

##### *Partially Vested Retirees*

Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and will receive a reduced benefit.

##### *Pension Increases*

Pensions are increased following the first anniversary of the date of retirement, or upon reaching the age of at least 55 years, whichever comes later, by 3% of the original pension for each year elapsed since the pension began. On each January 1 thereafter, pension recipients receive an additional increase of 3% of the current benefit amount.

##### *Statutory Requirements*

Per the Illinois State Statutes, active members are required to contribute 9.91% of their base salary to the fund. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City of Zion is required to contribute the remaining amounts necessary, after net investment income, to finance the Plan (including administrative costs) at an actuarially determined rate. By the year 2033, plan net assets must accumulate to the point where past service costs are fully funded. As those service costs have not yet been fully funded, the entire amount of net assets is a legally required reserve.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### NOTE H – RETIREMENT FUND COMMITMENTS (continued)

#### *Police and Firemen's Pension Funds (continued)*

##### FIREMEN'S PENSION FUND

Firemen sworn personnel of the City of Zion are covered by the Zion Firemen's Pension Fund, which is a defined benefit single-employer pension plan administered by the Zion Firemen's Pension Fund. The Zion Firemen's Pension Fund issues a separate financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Zion Firemen's Pension Fund, 2828 Sheridan Road, Zion, Illinois 60099.

Membership in the plan as of April 30, 2012 consisted of the following classes of participants:

Retirees and beneficiaries receiving benefits	20
Members entitled to benefits but not yet receiving them	0
Active members	<u>23</u>
Total Members	43

##### Benefit Provisions

Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (Chapter 40 5/ Article 4) and may be amended only by the Illinois legislature. The Firemen's Pension Fund provides retirement benefits as well as death and disability benefits. Retirement benefits are summarized below:

##### Initial Retirement Benefits

Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held in the fire service at the date of retirement or for one year prior to the last day, whichever is greater. The pension is increased by 2.5% of such salary for each additional year over of service over 20 years up to 30 years of service to a maximum of 75% of such salary.

##### Partially Vested Retirees

Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit.

##### Pension Increases

Pensions are increased following the first anniversary of the date of retirement, or upon reaching the age of at least 55 years, whichever comes later, by 3% of the original pension for each year elapsed since the pension began. On each January 1 thereafter, pension recipients receive an additional increase of 3% of the current benefit amount.

##### Statutory Requirements

Per the Illinois State Statutes, active members are required to contribute 9.455% of their base salary to the fund. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City of Zion is required to contribute the remaining amounts necessary, after net investment, to finance the Plan (including administrative costs) at an actuarially determined rate. By the year 2033, plan net assets must accumulate to the point where past service costs are fully funded. As those service costs have not yet been fully funded, the entire amount of net assets is a legally required reserve.



# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE H – RETIREMENT FUND COMMITMENTS (continued)</b>
---

***Police and Firemen’s Pension Funds Annual Pension Cost and Net Pension Obligation (Asset)***

The City’s annual pension cost and net pension obligation (asset) for the year ended April 30, 2012 were as follows:

	Police Pension	Fire Pension
Annual Required Contribution	\$ 1,134,868	\$ 762,247
Less: Contributions Made	967,244	753,351
Increase in Net Pension Obligation (Asset)	167,624	8,896
Net Pension Obligation (Asset):		
Beginning of Year	217,329	( 118,930)
End of Year	\$ 384,953	(\$ 110,034)

The annual required contribution for the current year was determined as part of the April 30, 2011 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.00% investment rate of return and (b) 5.50% projected salary increases. The method used to determine the actuarial value of assets was their market value. The unfunded actuarial accrued liability is being amortized in accordance with Sec. 3-127 of the IL Pension Code.

	Annual Pension Cost	Percentage Contribution	Net Pension (Asset) Obligation
<b>Police Pension</b>			
4/30/10	\$ 959,006	82.34%	(\$ 24,640)
4/30/11	963,072	79.92%	217,329
4/30/12	967,244	85.23%	384,953
<b>Firemen’s Pension</b>			
4/30/10	\$ 806,784	93.73%	(\$ 164,475)
4/30/11	809,459	94.37%	( 118,930)
4/30/12	753,351	98.83%	( 110,034)

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE H – RETIREMENT FUND COMMITMENTS (continued)</b>
---

***Police and Firemen’s Pension Funds Annual Pension Cost and Net Pension Obligation (Asset)  
(continued)***

	Actuarial Valuation Date		
	4/30/2011	4/30/2010	4/30/2009
Police Pension			
Actuarial Accrued Liability (AAL)	\$ 35,677,194	\$ 36,097,622	\$ 33,878,113
Actuarial Value of Assets	24,040,943	21,708,401	19,033,493
Unfunded AAL (UAAL)	\$ 11,636,251	\$ 14,389,221	\$ 14,844,620
Funded Ratio	67.40%	60.10%	56.20%
Covered Payroll	\$ 3,142,185	\$ 3,327,537	\$ 3,102,790
UAAL as % of Covered Payroll	370.30%	432.40%	478.40%

	Actuarial Valuation Date		
	4/30/2011	4/30/2010	4/30/2009
Firemen’s Pension			
Actuarial Accrued Liability (AAL)	\$ 23,548,513	\$ 22,577,182	\$ 21,759,260
Actuarial Value of Assets	13,933,877	13,693,252	12,795,369
Unfunded AAL (UAAL)	\$ 9,614,636	\$ 8,883,930	\$ 8,963,891
Funded Ratio	59.20%	60.70%	58.80%
Covered Payroll	\$ 1,809,402	\$ 1,760,975	\$ 1,749,489
UAAL as % of Covered Payroll	531.40%	504.50%	512.40%

***Other Post Employment Benefits***

The City provides certain healthcare insurance benefits for retired employees. In accordance with the personnel policy, substantially all of the City’s employees may become eligible for those benefits if they reach normal retirement age while working for the City. A separate, audited GAAP-basis postemployment benefit plan report is not available.

The City’s annual other post employment benefit (OPEB) cost is calculated on the annual required contribution (ARC). Actuarial calculations reflect a long-term perspective. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. For fiscal year 2012, the City’s annual OPEB cost was \$236,757. The calculations are based on the OPEB benefits provided under the substantive plan in effect at the time of each evaluation of the pattern of sharing costs between the employer and plan members to this point.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE H – RETIREMENT FUND COMMITMENTS (continued)</b>
---

***Other Post Employment Benefits (continued)***

Annual Required Contribution	\$ 241,222
Interest on Net OPEB Obligation	6,857
Adjustment to the ARC	<u>( 11,322)</u>
Annual OPEB Cost	236,757
Estimated Employer Contributions	<u>( 149,081)</u>
Change in Net OPEB Obligation	87,676
Net OPEB Obligation – May 1, 2011	228,580
Net OPEB Obligation – April 30, 2012	<u>\$ 316,256</u>
	Actuarial Valuation Date <u>4/30/2010</u>
Actuarial Accrued Liability (AAL)	<u>\$ 3,582,705</u>
Actuarial Value of Assets	<u>0</u>
Unfunded AAL	<u>\$ 3,582,705</u>
Funded Ratio	0.00%
Covered Payroll	N/A
AAL as % of Covered Payroll	N/A

Actuarial calculations are performed by the City triennially. The following actuarial methods and assumptions were derived from the most recent actuarial valuation performed December 29, 2010. In the actuarial valuation for the fiscal year ended April 30, 2012, the projected unit credit method was used. The actuarial assumptions included an annual healthcare cost trend rate of 7% for medical and 4% for dental initially, reduced by decrements to an ultimate of 5% for medical and 4% for dental. The Unfunded Accrued Actuarial Liability (equal to AAL) is being amortized as a level percentage of projected payrolls over 30 years. A discount rate of 3% was used. Probabilities of death for participants were according to the RP-2000 Combined Mortality Table for males and females for IMRF employees and the 71 GAM Mortality Table (gender-distinct) for police and firefighter employees. It was estimated that 10% of future retirees will elect medical and dental coverage at retirement (100% of future retirees eligible for coverage under the Public Safety Employees Benefits Act (PSEBA) will elect it). Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### NOTE I – NOTES RECEIVABLE – CAPITAL PROJECTS FUND

First mortgage note, Series 2002, was executed by Zion Healthcare Properties, Inc. for \$30,000,000 as security for the Taxable General Obligation Bonds (Alternate Revenue Source), Series 2002 (Midwest Regional Medical Center). Monthly interest and principal payments are received by a third party acting as the paying agent and transferred to the Debt Service Fund to fund the debt service requirements of the long-term general obligation bonds payable. See Note J for related General Obligation Bonds Payable. The balance of the note as of April 30, 2012 was \$12,447,229. The current portion receivable as of April 30, 2012 was \$1,354,167.

### NOTE J – LONG-TERM DEBT

The following is a summary of the City's general long-term debt activity for the year ended April 30, 2012:

Governmental Activities	5/01/2011	Increases	Retirements	4/30/2012	Current Portion
Other Liabilities					
Capital Lease	\$ 65,657	\$ 0	\$ 65,657	\$ 0	0
Net OPEB Obligation	228,580	87,676	0	316,256	0
Net Pension Liability	217,329	1,134,868	967,244	384,953	0
Long-term Obligations					
General Obligation Bonds, Series 2002 (Midwestern Regional Medical Center)	20,825,000	0	1,350,000	19,475,000	1,450,000
General Obligation Bonds, Series 2002A (Special Tax Allocation Fund)	2,920,000	0	395,000	2,525,000	430,000
General Obligations Bonds, Series 2002B (Motor Fuel Tax Road Bonds)	2,625,000	0	270,000	2,355,000	300,000
General Obligations Bonds, Series 2003 (Motor Fuel Tax Road Bonds)	1,760,000	0	185,000	1,575,000	195,000
General Obligation Bonds, Series 2004A (Special Tax Allocation Fund Alternate Revenue Source)	1,400,000	0	125,000	1,275,000	130,000
General Obligation Limited Tax Dept Certificates, Series 2007	2,195,000	0	160,000	2,035,000	165,000
General Obligation Bonds, Series 2012 (Special Tax Allocation Fund Alternate Revenue Source)	0	2,500,000	0	2,500,000	0
Discount on Issuance, General Obligation Bonds, Series 2012 (Special Tax Allocation Fund Alternate Revenue Source)	( 46,890)	( 25,000)	( 8,362)	( 63,528)	( 8,362)
Governmental Long-Term Liability Totals	32,164,676	3,697,544	3,509,539	32,377,681	2,661,638
Business-Type Activities					
General Obligation Refunding Bonds (Waterworks and Sewerage System Alternate Revenue Source), Series 2006	2,180,000	0	155,000	2,025,000	165,000
Discount on Bonds Issued	( 18,046)	0	( 1,804)	( 16,242)	0
Deferred Amount of Refund	( 68,486)	0	( 6,848)	( 61,638)	0
Government Wide Long-Term Debt Totals	\$ 34,258,144	\$ 3,697,544	\$ 3,655,887	\$ 34,324,801	\$ 2,826,638

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE J – LONG-TERM DEBT (continued)</b>
--

Debt outstanding as of April 30, 2012, consisted of the following:

Taxable General Obligation Bonds, Series 2002 - Midwestern Regional Medical Center Project (Alternate Revenue Source)

Taxable General Obligation Bonds, Series 2002- Midwestern Regional Medical Center Project (Alternate Revenue Source), were issued May 15, 2002 in the original amount of \$30,000,000 with varying interest rates, ranging from 5.00% to 6.25%, payable June 1 and December 1 each year. The proceeds are being used to (a) refund Series 1991 bond issue; (b) to provide funds to pay or reimburse the cost of constructing, furnishing and equipping a new three-floor addition to the hospital; and (c) to pay certain costs of issuance. The debt service requirements are provided for through reimbursements from the Midwestern Regional Medical Center. The debt service requirements are as follows:

Year Ending April 30,	Principal	Interest	Total
2013	\$ 1,450,000	\$ 1,210,840	\$ 2,660,840
2014	1,525,000	1,119,532	2,644,532
2015	1,625,000	1,024,410	2,649,410
2016	1,725,000	922,384	2,647,384
2017	1,850,000	812,708	2,662,708
2018-2022	11,300,000	2,025,651	13,325,651
	\$ 19,475,000	\$ 7,115,525	\$ 26,590,525

General Obligation Bonds (Special Tax Allocation Fund Alternate Revenue Source) 2002-A

General Obligation Bonds, Series 2002-A were issued on June 1, 2002 in the amount of \$4,975,000 with varying interest rates, ranging from 3.35% to 5.00%, payable June 30 and December 30 each year. Proceeds will be used to finance various street improvements designated as the Sheridan Road Redevelopment Project (generally along Sheridan Road from 25<sup>th</sup> street to 29<sup>th</sup> street), and to pay the costs of issuance. These bonds are secured by (a) incremental taxes received from the Sheridan Road Redevelopment Project Area, and (b) from taxes to be levied upon all of the taxable property in the City. Debt service requirements to maturity are as follows:

Year Ending April 30,	Principal	Interest	Total
2013	\$ 430,000	\$ 120,405	\$ 550,405
2014	465,000	101,055	566,055
2015	500,000	79,433	579,433
2016	545,000	56,683	601,683
2017	585,000	29,250	614,250
	\$ 2,525,000	\$ 386,826	\$ 2,911,826

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE J – LONG-TERM DEBT (continued)</b>
--

General Obligation Bonds (Combined Zion Energy LLC Agreement Fees and Motor Fuel Tax Receipts Alternate Revenue Source), Series 2002-B

General Obligation Bonds, Series 2002-B were issued on June 1, 2002 in the amount of \$5,000,000 with varying interest rates, ranging from 3.35% to 5.05%, payable June 30 and December 30 each year. Proceeds are being used to finance various street improvements throughout the city and to pay the costs of issuance. These bonds are secured by (a) revenues from fees received by the City under the host agreement with Zion Energy LLC, (b) collections distributed to the City from taxes imposed by the State of Illinois pursuant to the Motor Fuel Tax Law, and (c) from taxes to be levied upon all of the taxable property in the City. Debt service requirements to maturity are as follows:

Year Ending April 30,	Principal	Interest	Total
2013	\$ 300,000	\$ 114,280	\$ 414,280
2014	300,000	101,980	401,980
2015	310,000	86,830	396,830
2016	330,000	71,950	401,950
2017	355,000	55,945	410,945
2018 - 2019	760,000	57,890	817,890
	\$ 2,355,000	\$ 488,875	\$ 2,843,875

General Obligation Bonds (Combined Zion Energy LLC Agreement Fees and Motor Fuel Tax Receipts Alternate Revenue Source), Series 2003

General Obligation Bonds, Series 2003 were issued on January 1, 2003 in the amount of \$3,000,000 with varying interest rates, ranging from 3.20% to 5.00%, payable June 30 and December 30 each year, commencing December 30, 2003. Proceeds are being used to finance various street improvements throughout the city and to pay the costs of issuance. These bonds are secured by (a) revenues from fees received by the City under the host agreement with Zion Energy LLC, (b) collections distributed to the City from taxes imposed by the State of Illinois pursuant to the Motor Fuel Tax Law, and (c) from taxes to be levied upon all of the taxable property in the City. Debt service requirements to maturity are as follows:

Year Ending April 30,	Principal	Interest	Total
2013	\$ 195,000	\$ 70,133	\$ 265,133
2014	200,000	62,333	262,333
2015	215,000	53,933	268,933
2016	225,000	44,688	269,688
2017	235,000	34,675	269,675
2018 – 2019	505,000	36,215	541,215
	\$ 1,575,000	\$ 301,977	\$ 1,876,977

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE J – LONG-TERM DEBT (continued)</b>
--

General Obligation Bonds (Area 3 South Sheridan Road Special Tax Allocation Fund Alternate Revenue Source), Series 2004

General Obligation Bonds, Series 2004 were issued on August 1, 2004 in the amount of \$2,200,000 with varying interest rates, ranging from 4.45% to 5.7%, payable June 30 and December 30 each year, commencing December 30, 2004. Proceeds are being used to provide for the payment and reimbursement of certain qualified redevelopment project costs within the South Sheridan Road Tax Increment Redevelopment Area Number 3 and to pay the costs of issuance. These bonds are secured by (a) incremental taxes received from the South Sheridan Road Tax Increment Redevelopment Area Number 3, and (b) from taxes to be levied upon all of the taxable property in said City, without limitation as to rate or amount. Debt service requirements to maturity are as follows:

Year Ending			
April 30,	Principal	Interest	Total
2013	\$ 130,000	\$ 69,300	\$ 199,300
2014	140,000	63,515	203,515
2015	145,000	57,285	202,285
2016	155,000	49,020	204,020
2017	160,000	40,185	200,185
2018 – 2020	545,000	63,555	608,555
	\$ 1,275,000	\$ 342,860	\$ 1,617,860

General Obligation Limited Tax Debt Certificates, Series 2007

General Obligation Limited Tax Debt Certificates, Series 2007 were issued on October 3, 2007 in the amount of \$2,500,000 with an interest rate of 4.40%, payable January 1 and July 1 each year, commencing July 1, 2008. Proceeds are being used to provide for the payment and reimbursement of certain capital project costs. Debt service requirements to maturity are as follows:

Year Ending			
April 30,	Principal	Interest	Total
2013	\$ 165,000	\$ 87,083	\$ 252,083
2014	175,000	79,987	254,987
2015	180,000	72,463	252,463
2016	190,000	64,723	254,723
2017	200,000	56,553	256,553
2018 - 2022	1,125,000	148,770	1,273,770
	\$ 2,035,000	\$ 509,579	\$ 2,544,579

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE J – LONG-TERM DEBT (continued)</b>
--

General Obligation Refunding Bonds (Waterworks and Sewerage System Alternate Revenue Source), Series 2006

General Obligation Refunding Bonds were issued on May 1, 2006 in the amount of \$2,480,000 with varying interest rates, ranging from 3.60% to 4.20%, payable May 1 and November 1 each year. Proceeds have been used to reduce remaining principal of the Series 2001 issue.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$102,730. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2021 using the straight-line method. The advance refunding was completed to reduce its total debt service payments over the next 15 years by \$484,825 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$140,180.

General Obligation Refunding Bonds (Waterworks and Sewerage System Alternate Revenue Source), Series 2006 (continued)

Debt service requirements to maturity are as follows:

Year Ending April 30,	Principal	Interest	Total
2013	\$ 165,000	\$ 85,877	\$ 250,877
2014	175,000	79,457	254,457
2015	180,000	72,667	252,667
2016	190,000	65,497	255,497
2017	195,000	56,918	251,918
2018 - 2022	1,120,000	129,689	1,249,689
	\$ 2,025,000	\$ 490,105	\$ 2,515,105



# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE J – LONG-TERM DEBT (continued)</b>
--

General Obligation Bonds (Special Tax Allocation Fund Alternate Revenue Source), Series 2012

General Obligation Bonds, Series 2012 were issued on March 23, 2012 in the amount of \$2,500,000 with an interest rate of 6.00%, payable December 30 each year. Proceeds will be used to finance various expenditures incurred for ordinary and necessary municipal purposes of the City. These bonds are secured by (a) collections distributed to the City from those taxes imposed pursuant to the Income Tax Act, and (b) from distributions to the City by the State of Illinois of collections of sales taxes. Debt service requirements to maturity are as follows:

Year Ending April 30,	Principal	Interest	Total
2013	\$ 0	\$ 114,167	\$ 114,167
2014	0	150,000	150,000
2015	0	150,000	150,000
2016	285,000	150,000	435,000
2017	305,000	132,800	437,900
2018 - 2022	1,910,000	358,800	2,268,800
	\$ 2,500,000	\$ 1,055,867	\$ 3,555,867

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE K – INTERFUND TRANSACTIONS AND BALANCES</b>
---

Interfund transfers among funds reported within the same activities column are eliminated from that column in the government-wide statement of activities.

Due From/Due To Other Funds:

At April 30, 2012, interfund receivables and payables consisted of the following:

Fund	Due From/ Advance To Other Funds	Due To/ Advance From Other Funds
General Fund		
TIF Area #1	\$ 1,137,271	\$ 0
Water and Sewer	0	1,313,288
Nonmajor Governmental	1,324,776	0
	2,462,047	1,313,288
TIF Area #1		
General Fund	0	1,137,271
	0	1,137,271
Water and Sewer Fund		
General Fund	1,313,288	0
Waste Collection	804,045	0
	2,117,333	0
Waste Collection		
Water and Sewer Fund	0	804,045
	0	804,045
Nonmajor Governmental		
General Fund	0	1,324,776
	0	1,324,776
Total	\$ 4,579,380	\$ 4,579,380

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### **NOTE K – INTERFUND TRANSACTIONS AND BALANCES (continued)**

#### Due From/Due To Other Funds (continued):

- General Fund - \$1,137,271 is due from Development TIF Area #1 for cash overdrafts deemed to have been funded by the General Fund. \$1,324,776 is due from other Nonmajor Governmental funds deemed to have been funded by the General Fund. Additionally, the finance committee approved a permanent transfer of \$4,964,000 forgiving the prior year advances from General Fund to Water and Sewer Fund. The remaining balance is to be repaid through fiscal year 2021, with the first installment beginning May 1, 2012. The balance shall accrue interest at the Federal funds rate, plus 0.25% (0.25% - 0.50% as of April 30, 2012), the balance as of April 30, 2012 was \$1,313,288.
- Development TIF Area #1 - \$1,137,271 is due to the General Fund for cash overdrafts deemed to have been funded by the General Fund; all repayments are expected within one year.
- Water and Sewer Fund – \$804,045 is due from Waste Collection Fund for cash overdrafts deemed to have been funded by the Water and Sewer Fund. Additionally, the finance committee approved a permanent transfer of \$4,964,000 forgiving the prior year advances from General Fund to Water and Sewer Fund. The remaining advance is to be repaid through fiscal year 2021, with the first installment beginning May 1, 2012. The balance shall accrue interest at the Federal funds rate, plus 0.25% (0.25% - 0.50% as of April 30, 2012), the balance as of April 30, 2012 was \$1,313,288.
- Waste Collection - \$804,045 is due to the Water and Sewer Fund for cash overdrafts deemed to have been funded by the Water and Sewer Fund; all repayments are expected within one year.
- Nonmajor Governmental Funds - \$1,324,776 is due to the General Fund for cash overdrafts deemed to have been funded by the General Fund.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE K – INTERFUND TRANSACTIONS AND BALANCES (continued)</b>
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The following transfers were made during the year ended April 30, 2012:

Fund	Transfers In	Transfers Out
<b>General Fund</b>		
Expense Fund – Bond Sale	\$ 2,314,833	\$ 0
Bond Debt Service	0	253,962
Water and Sewer	4,964,000	0
Nonmajor Governmental	2,641,506	79,151
	9,920,339	333,113
<b>Expense Fund – Bond Sale</b>		
General Fund	0	2,314,833
Debt Service Fund	0	114,167
	0	2,429,000
<b>TIF Area #1</b>		
Nonmajor Governmental	421,676	533,270
	421,676	533,270
<b>Bond Debt Service</b>		
General Fund	253,962	0
Debt Service	114,167	0
Capital Projects – Hospital	2,689,485	0
	3,057,614	0
<b>Capital Projects – Hospital</b>		
Bond Debt Service	0	2,689,485
	0	2,689,485
<b>Water and Sewer</b>		
General Fund	0	4,964,000
	0	4,964,000
<b>Nonmajor Governmental</b>		
General Fund	79,151	2,641,506
TIF Area #1	533,270	421,676
Nonmajor Governmental	957,944	957,944
	1,570,365	4,021,126
<b>Total</b>	<b>\$ 14,969,994</b>	<b>\$ 14,969,994</b>

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### **NOTE K – INTERFUND TRANSACTIONS AND BALANCES (continued)**

#### Transfers (continued):

- General Fund - \$333,113 transfer to Bond Debt Service fund for required debt service payments. \$4,964,000 of net transfers in from Water and Sewer for loan repayment and forgiveness of outstanding loan amount. \$2,641,506 of net transfers in from nonmajor governmental funds is the result of transfers in for various purposes to fund governmental services such as cable commission, police protections, liability insurance, street and bridge, TIF funds and industrial development offset by transfers out to fund governmental services such as audit, economic development and civil defense. \$2,314,833 transfer in from Bond Expense fund is the result of a bond issuance.
- Bond Expense Fund - \$2,314,833 net transfer of bond proceeds out to the General Fund. \$114,167 net transfer out to Debt Service Fund to cover debt services costs.
- Development TIF Area #1 - \$533,270 transfer out to nonmajor governmental funds to cover expenditures relating to various capital improvement projects. \$421,676 transfer in from nonmajor governmental funds to cover expenses.
- Bond Debt Service - \$253,962 transfer from General Fund for required debt service payments. \$114,167 transfer from Expense Fund to cover bond issuance principle and interest. \$2,689,485 transferred from Capital Projects – Hospital fund for required debt service payments.
- Capital Projects – Hospital - \$2,689,485 transferred to the Bond Debt Service fund for required debt service payments.
- Nonmajor Governmental - \$2,641,506 net transfer out to General Fund for various purposes to fund governmental services such as cable commission, police protections, liability insurance, street and bridge, TIF funds and industrial development offset by transfers in to fund governmental services such as audit, economic development and civil defense. \$533,270 net transfer in from TIF Area #1 to cover expenditures relating to various capital improvement projects.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE L – NET ASSETS</b>
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The following table shows the net assets restricted for other purposes as shown on the Statement of Net Assets:

Activity	Restricted by	Amount
TIF #1 Bond Series 2002A	Bond Ordinance	\$ 53,881
Bond Series 2002B Road Bond	Bond Ordinance	56,264
Bond Series 2003 Road Bond	Bond Ordinance	40,110
Total Restricted Net Assets for Debt Service – Governmental Activities		\$ 150,255

Activity	Restricted by	Amount
TIF #1 Bond Series 2002A	Bond Ordinance	\$ 135
Total Restricted Net Assets for Capital Projects		\$ 135

Activity	Restricted by	Amount
Liability Insurance	Law	\$ 15,793
Emergency Service Rescue	Law	167,335
Zion-Newport Fire Station	Law	206,593
Development TIF Area #3	Law	233,987
Development TIF Area #4	Law	5,679
Capital Projects – Hospital	Ordinance	694,397
Impact Fees	Ordinance	183,413
Motor Fuel Tax	Law	292,998
Audit	Law	13,936
Drug Traffic Prevention	Law	60,088
Industrial Development	Ordinance	1,257
Cable Commission	Ordinance	21,571
Hotel/Motel Tax	Law	54,828
Total Restricted Net Assets for Other Purposes		\$ 1,951,875

The following table shows the portion of net assets the City has invested in capital assets, net of related debt as of April 30, 2012:

	Total Governmental Activities	Business- Type Activities
Invested in Capital Assets	\$ 32,048,876	\$ 5,539,197
Related Debt	( 12,201,472)	( 1,947,120)
Total	\$ 19,847,404	\$ 3,592,077

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

<b>NOTE M – FUND BALANCES</b>
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Categories

At April 30, 2012, the City's fund balances were classified as follows:

	General	Bond Expense	Development TIF Area #1	Bond Debt Service	Capital Projects Hospital	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepays	\$ 296,874	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 296,874
Total	296,874	0	0	0	0	0	296,874
Restricted for							
Debt service	0	0	0	7,722,168	0	0	7,722,168
Capital projects	0	0	0	0	12,447,229	0	12,447,229
Other purposes	0	0	0	0	0	1,407,868	1,408,868
Total	0	0	0	7,722,168	12,447,229	1,407,868	21,577,265
Total	979,565	0	( 1,347,272)	0	0	( 1,377,055)	( 1,744,762)
Total Fund	\$1,469,813	\$ 0	(\$ 1,347,272)	\$ 7,722,168	\$ 12,447,229	\$ 30,813	\$ 20,129,377

<b>NOTE N – SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES AND COMMITMENTS</b>
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Federal and State Grants

The City has received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits can lead to questioned costs and potential request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. The amount of questioned costs, if any, which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

Contractual Agreement

*Computer Information System License Agreement*

The City maintained an agreement with a service provider for an annually renewable object code computer software license for non-exclusive use of various systems and services. As a condition of this contract the City is to pay \$50,000 on July 1<sup>st</sup> annually from July 1, 2009 through July 1, 2015.

# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### **NOTE N – SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES AND COMMITMENTS (continued)**

#### Contractual Agreement (continued)

The City maintained a note in relation to the Sheridan Road Development Project Area No. 1 TIF. The agreement is such that beginning on January 31 of the year following the tax year in which the equalized assessed valuation (EAV) of the property first exceeds the EAV of the property as of the date of the note, and each January 31 thereafter, payments will be due as detailed below with the final payment due and payable on November 1, 2017. Total payments from the City hereunder shall never exceed (i) the principal amount of the note or (ii) the total certified project costs of the developer, whichever amount is less. Payments to date total \$3,421,046 and total remaining payments (upon presentation of supporting documentation referred to within the agreement) to be paid from TIF are scheduled as follows:

Year Ending April 30,	
2013	\$ 715,717
2014	730,484
2015	745,622
2016	761,137
2017	777,041
2018	542,342
Total	<u>\$ 4,272,343</u>

### **NOTE O – RISK MANAGEMENT AND LITIGATION**

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and employees' health and life.

The City is covered by commercial insurers for losses relating to liability (law, public officials, general liability and auto liability) and workers' compensation up to the following limits through April 30, 2012:

Liability (non-law occurrences)	\$ 25,000 retained, up to \$10,000,000
Liability (law occurrences)	\$ 50,000 retained, up to \$10,000,000
Worker's compensation	up to statutory limits

The City is self-insured for employee health insurance. The City is insured with commercial insurers for stop-loss (\$75,000 per claimant, unless otherwise contractually stated) and aggregate loss claims (\$1,880,481 in the aggregate).

The City Attorney estimates that the amount of actual or potential claims against the City as of April 30, 2012, will be within the covered limits of the City's insurance policies and will not materially affect the financial condition of the City. Therefore, there is no provision for significant estimated claims.

Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.



# CITY OF ZION, ILLINOIS

## NOTES TO THE FINANCIAL STATEMENTS For the Year Ended April 30, 2012

### **NOTE O – RISK MANAGEMENT AND LITIGATION (continued)**

The City is party to various other legal proceedings that have occurred during normal governmental operations. While the outcome of these suits are not presently determinable, they are being defended by the City's insurance provider and are expected to be within the covered limits of the City's insurance policy. Therefore, no liability has been accrued at this time related to these proceedings.

The City is also party to a lawsuit brought by the operator of a minor league baseball team alleging breach of an operating agreement. The suit is in the early discovery stages and the City plans to defend any such claims that arise. The outcome of this suit is not presently determinable and no liability has been accrued at this time.

### **NOTE P – PRIOR PERIOD ADJUSTMENT**

During the year ended April 30, 2012, the City determined that accrued vacation had been improperly accrued in the General Fund. Liabilities were overstated by \$445,781 and total fund balance was understated by \$445,781. Additionally, property tax receipts that were restricted for the subsequent year's budget were being improperly classified as revenues in the current fiscal year. Deferred revenue was understated by \$388,894 in the General Fund, \$631,297 in the Development TIF Area #1 fund and \$1,978,776 in the nonmajor governmental funds. Fund balance was overstated in the respective funds by the same amount. Total net assets of the governmental activities was overstated by \$2,998,967. Additionally, income tax receivable that had been earned as of the end of the year, but had not been collected within the period of availability had been omitted from net assets on the governmental activities. Net assets were understated by \$518,023. Additionally, net pension liability of \$217,329 and net pension asset of \$118,930 had been omitted from the net assets of the governmental activities. Total beginning of the year fund balance as previously reported of \$19,555,342, beginning of the year governmental activities net assets as previously reported of \$19,695,202 have been restated for all such adjustments.

### **NOTE Q – SUBSEQUENT EVENTS**

Management evaluated subsequent events through April 17, 2013, the date the financial statements were available to be issued. Events or transactions occurring after April 30, 2012, but prior to April 17, 2013 that provided additional evidence about conditions that existed at April 30, 2012, have been recognized in the financial statements for the year ended April 30, 2012. Events or transactions that provided evidence about conditions that did not exist at April 30, 2012 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended April 30, 2012.

Effective December 1, 2012 the General Obligation Bonds, Series 2002 (Midwestern Regional Medical Center) bonds were paid in full by the Midwestern Regional Medical Center. As a result, the note receivable detailed in Note I was deemed fully collected as well as the full principal balance detailed in Note J being fully paid and satisfied. The City of Zion took delivery of a new ambulance on June 25, 2012. Related to this, the City entered into a three year installment agreement wherein three annual payments of \$54,359 are due starting on January 20, 2013. The City of Zion entered into an installment agreement effective August 15, 2012 for the purchase of ten new squad cars and the related outfitting costs. The installment agreement requires three annual payments of \$107,250 starting on August 15, 2012.

**CITY OF ZION, ILLINOIS**

***REQUIRED SUPPLEMENTARY  
INFORMATION***

**CITY OF ZION, ILLINOIS**  
**GENERAL FUND**

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

For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Taxes	\$ 7,924,723	\$ 7,924,723	\$ 7,237,588	(\$ 687,135)	\$ 7,355,676
Licenses, permits, and fees	2,817,912	2,817,912	3,407,272	589,360	3,174,478
Fines and forfeitures	275,600	275,600	425,586	149,986	320,868
Rental revenue	64,996	64,996	102,731	37,735	76,946
Charges for services	1,189,278	1,189,278	610,344	( 578,934)	590,781
Intergovernmental	97,352	97,352	328,463	231,111	139,240
Donations and grants	166,208	166,208	165,389	( 819)	1,079,457
Interest	20,000	20,000	8,023	( 11,977)	19,137
Sale of City property	20,000	20,000	52,487	32,487	20,272
Miscellaneous	1,800	1,800	14,357	12,557	118,795
<b>TOTAL REVENUES</b>	<u>12,577,869</u>	<u>12,577,869</u>	<u>12,352,240</u>	<u>( 225,629)</u>	<u>12,895,650</u>
<b>EXPENDITURES</b>					
General government	1,949,437	1,949,437	1,551,984	397,453	3,600,060
Public health and safety	9,643,227	9,643,227	10,256,430	( 613,203)	6,440,952
Public works and engineering	2,480,258	2,480,258	2,353,614	126,644	2,312,989
Economic development and promotion	3,052,456	3,052,456	3,565,718	( 513,262)	1,587,845
<b>TOTAL EXPENDITURES</b>	<u>17,125,378</u>	<u>17,125,378</u>	<u>17,727,746</u>	<u>( 602,368)</u>	<u>13,941,846</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>( 4,547,509)</u>	<u>( 4,547,509)</u>	<u>( 5,375,506)</u>	<u>( 827,997)</u>	<u>( 1,046,196)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	5,081,595	5,081,595	9,920,339	4,838,744	1,389,835
Transfers (out)	( 319,939)	( 319,939)	( 333,113)	( 13,174)	( 2,489,139)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>4,761,656</u>	<u>4,761,656</u>	<u>9,587,226</u>	<u>4,825,570</u>	<u>( 1,099,304)</u>
<b>NET CHANGE IN FUND BALANCE</b>	214,147	214,147	4,211,720	3,997,573	( 2,145,500)
<b>FUND BALANCE - BEGINNING OF YEAR, AS PREVIOUSLY STATED</b>	( 2,992,168)	( 2,992,168)	( 2,992,168)	0	( 846,668)
<b>PRIOR PERIOD ADJUSTMENT</b>	0	0	56,887	56,887	0
<b>FUND BALANCE - BEGINNING OF YEAR, AS RESTATED</b>	( 2,992,168)	( 2,992,168)	( 2,935,281)	56,887	( 846,668)
<b>FUND BALANCE - END OF YEAR</b>	<u>(\$ 2,778,021)</u>	<u>(\$ 2,778,021)</u>	<u>\$ 1,276,439</u>	<u>\$ 4,054,460</u>	<u>(\$ 2,992,168)</u>

**CITY OF ZION, ILLINOIS**  
**DEVELOPMENT TIF AREA #1 FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Property taxes	\$ 1,294,967	\$ 1,294,967	\$ 1,290,384	(\$ 4,583)	\$ 1,248,550
Miscellaneous	0	0	0	0	1,245
<b>TOTAL REVENUES</b>	<u>1,294,967</u>	<u>1,294,967</u>	<u>1,290,384</u>	<u>( 4,583)</u>	<u>1,249,795</u>
<b>EXPENDITURES</b>					
Contractual Services					
Promotional	1,016,046	1,016,046	1,016,046	0	1,024,019
Surplus distributions	70,000	70,000	70,000	0	70,000
Legal and professional	750	750	6,198	( 5,448)	1,460
Consultants	0	0	0	0	19,768
Appraisals	1,000	1,000	0	1,000	900
Miscellaneous	94,862	94,862	0	94,862	141,822
<b>Total Contractual Services</b>	<u>1,182,658</u>	<u>1,182,658</u>	<u>1,092,244</u>	<u>90,414</u>	<u>1,257,969</u>
Capital Outlay					
Proposed projects unapproved	0	0	2,150	( 2,150)	65,194
<b>Total Capital Outlay</b>	<u>0</u>	<u>0</u>	<u>2,150</u>	<u>( 2,150)</u>	<u>65,194</u>
<b>TOTAL EXPENDITURES</b>	<u>1,182,658</u>	<u>1,182,658</u>	<u>1,094,394</u>	<u>88,264</u>	<u>1,323,163</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>112,309</u>	<u>112,309</u>	<u>195,990</u>	<u>83,681</u>	<u>( 73,368)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	421,676	421,676	421,676	0	402,457
Transfers (out)	( 533,985)	( 533,985)	( 533,270)	715	( 513,648)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>( 112,309)</u>	<u>( 112,309)</u>	<u>( 111,594)</u>	<u>715</u>	<u>( 111,191)</u>
<b>NET CHANGE IN FUND BALANCE</b>	0	0	84,396	84,396	( 184,559)
<b>FUND BALANCE - BEGINNING OF YEAR AS PREVIOUSLY STATED</b>	( 800,371)	( 800,371)	( 800,371)	0	( 615,812)
<b>PRIOR PERIOD ADJUSTMENT</b>	0	0	( 631,297)	( 631,297)	0
<b>FUND BALANCE - BEGINNING OF YEAR AS RESTATED</b>	( 800,371)	( 800,371)	( 1,431,668)	( 631,297)	( 615,812)
<b>FUND BALANCE - END OF YEAR</b>	<u>(\$ 800,371)</u>	<u>(\$ 800,371)</u>	<u>(\$ 1,347,272)</u>	<u>(\$ 546,901)</u>	<u>(\$ 800,371)</u>

CITY OF ZION, ILLINOIS

FIREMEN'S PENSION FUND -  
SCHEDULE OF FUNDING PROGRESS

For the Last Ten Years

Actual Valuation Date	Actual Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
4/30/2011	\$ 13,933,877	\$ 23,548,513	\$ 9,614,636	59.20%	\$ 1,809,402	531.40%
4/30/2010	13,693,252	22,577,182	8,883,930	60.65%	1,760,975	504.49%
4/30/2009	12,795,369	21,759,260	8,963,891	58.80%	1,748,489	512.66%
4/30/2008	13,637,009	19,722,697	6,085,688	69.14%	1,988,787	306.00%
4/30/2007	13,640,413	17,689,858	4,049,445	77.11%	1,765,157	229.41%
4/30/2006	12,334,940	16,622,283	4,287,343	74.21%	1,664,019	257.65%
4/30/2005	11,066,554	15,541,204	4,474,650	71.21%	1,633,084	274.00%
4/30/2004	10,461,692	14,645,382	4,183,690	71.43%	1,537,854	272.05%
4/30/2003	9,019,712	13,954,497	4,934,785	64.64%	1,498,154	329.39%
4/30/2002	9,540,289	12,365,530	2,825,241	77.15%	1,336,495	211.39%
4/30/2001	9,637,334	11,589,785	1,952,451	83.15%	1,213,137	160.94%

CITY OF ZION, ILLINOIS

POLICE PENSION FUND -  
 SCHEDULE OF FUNDING PROGRESS  
 For the Last Ten Years

Actual Valuation Date	Actual Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
4/30/2011	\$ 24,040,943	\$ 35,677,194	\$ 11,636,251	67.40%	\$ 3,142,185	370.30%
4/30/2010	21,708,401	36,097,622	14,389,221	60.14%	3,327,537	432.43%
4/30/2009	19,033,493	33,878,113	14,844,620	56.18%	3,102,790	478.43%
4/30/2008	21,928,636	31,920,503	9,991,867	68.70%	3,247,083	307.72%
4/30/2007	21,330,882	30,280,276	8,949,394	70.44%	3,040,025	294.39%
4/30/2006	20,012,831	27,884,848	7,872,017	71.77%	2,876,578	273.66%
4/30/2005	17,999,273	26,684,892	8,685,619	67.45%	2,814,751	308.58%
4/30/2004	17,114,675	25,136,709	8,022,034	68.09%	2,513,128	319.21%
4/30/2003	15,206,409	23,921,295	8,714,886	63.57%	2,465,635	353.45%
4/30/2002	15,208,254	23,880,904	8,672,650	63.68%	2,552,298	339.80%
4/30/2001	15,123,147	21,336,821	6,213,674	70.88%	2,204,489	281.86%

CITY OF ZION, ILLINOIS

ILLINOIS MUNICIPAL RETIREMENT FUND -  
 SCHEDULE OF FUNDING PROGRESS  
 For the Last Ten Years

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2011	\$ 7,739,554	\$ 10,130,688	\$ 2,391,134	76.40%	\$ 3,437,793	69.55%
12/31/2010	7,435,033	9,825,500	2,390,467	75.67%	3,484,725	68.60%
12/31/2009	7,670,579	9,836,789	2,166,210	77.98%	3,757,380	57.65%
12/31/2008	7,469,860	9,297,972	1,828,112	80.34%	3,989,997	45.82%
12/31/2007	8,879,124	9,065,676	186,552	97.94%	3,829,299	4.87%
12/31/2006	8,439,470	8,381,557	(57,913)	100.69%	3,557,530	0.00%
12/31/2005	7,957,581	7,991,850	34,269	99.57%	3,291,964	1.04%
12/31/2004	7,292,851	7,524,552	231,701	96.92%	3,273,230	7.08%
12/31/2003	6,987,522	6,527,555	(459,967)	107.05%	3,076,454	0.00%
12/31/2002	6,651,205	5,942,003	(709,202)	111.94%	3,009,316	0.00%
12/31/2001	7,354,239	6,073,792	(1,280,447)	121.08%	2,745,803	0.00%

**CITY OF ZION, ILLINOIS**

***SUPPLEMENTARY INFORMATION***



**CITY OF ZION, ILLINOIS**  
**NON-MAJOR GOVERNMENTAL FUNDS**

COMBINING BALANCE SHEET  
April 30, 2012

**ASSETS**

	SPECIAL REVENUE FUNDS			
	911 Emergency Surcharge	Zion - Newport Fire Station	Emergency Service Rescue	Street and Bridge
<b>ASSETS</b>				
Cash and equivalents	\$ 0	\$ 206,593	\$ 167,335	\$ 0
Taxes receivable, net of allowance for uncollectables of \$46,580	0	0	621,220	209,362
Due from other governmental agencies	0	0	0	0
Other assets	21,067	0	0	0
<b>TOTAL ASSETS</b>	<b>\$ 21,067</b>	<b>\$ 206,593</b>	<b>\$ 788,555</b>	<b>\$ 209,362</b>

**LIABILITIES AND FUND BALANCES**

<b>LIABILITIES</b>				
Accounts payable	\$ 11,187	\$ 0	\$ 0	\$ 0
Due to other governmental agencies	0	0	0	0
Due to other funds	287,657	0	0	55,674
Accrued payroll	0	0	0	0
Deferred revenue - property taxes	0	0	621,220	209,362
<b>TOTAL LIABILITIES</b>	<b>298,844</b>	<b>0</b>	<b>621,220</b>	<b>265,036</b>
<b>FUND BALANCES (DEFICIT)</b>				
Restricted	0	206,593	167,335	0
Unassigned	( 277,777)	0	0	(55,674)
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>( 277,777)</b>	<b>206,593</b>	<b>167,335</b>	<b>( 55,674)</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 21,067</b>	<b>\$ 206,593</b>	<b>\$ 788,555</b>	<b>\$ 209,362</b>

SPECIAL REVENUE FUNDS

Illinois Municipal Retirement	FICA	Motor Fuel Tax	Development TIF Area #2	Development TIF Area #3	Development TIF Area #4	Impact Fee
\$ 0	\$ 0	\$ 249,251	\$ 9,612	\$ 233,987	\$ 5,679	\$ 181,485
350,080	250,547	0	0	633,787	0	0
0	0	47,395	0	0	0	0
0	0	0	0	0	0	0
<u>\$ 350,080</u>	<u>\$ 250,547</u>	<u>\$ 296,646</u>	<u>\$ 9,612</u>	<u>\$ 867,774</u>	<u>\$ 5,679</u>	<u>\$ 181,485</u>
\$ 0	\$ 0	\$ 3,648	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	9,612	0	0	0
125,840	112,260	0	0	0	0	0
32,497	29,662	0	0	0	0	0
350,080	250,547	0	0	633,787	0	0
<u>508,417</u>	<u>392,469</u>	<u>3,648</u>	<u>9,612</u>	<u>633,787</u>	<u>0</u>	<u>0</u>
0	0	292,998	0	233,987	5,679	181,485
<u>(158,337)</u>	<u>( 141,922)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>( 158,337)</u>	<u>( 141,922)</u>	<u>292,998</u>	<u>0</u>	<u>233,987</u>	<u>5,679</u>	<u>181,485</u>
<u>\$ 350,080</u>	<u>\$ 250,547</u>	<u>\$ 296,646</u>	<u>\$ 9,612</u>	<u>\$ 867,774</u>	<u>\$ 5,679</u>	<u>\$ 181,485</u>

**CITY OF ZION, ILLINOIS**  
**NON-MAJOR GOVERNMENTAL FUNDS**

COMBINING BALANCE SHEET  
 April 30, 2012

**ASSETS**

	SPECIAL REVENUE FUNDS			
	Impact Fee - Fire/Rescue	Impact Fee - Other Gov't Agencies	Economic Development	Police Protection
<b>ASSETS</b>				
Cash and equivalents	\$ 0	\$ 2,788	\$ 0	\$ 0
Taxes receivable, net of allowance for uncollectables of \$46,580	0	0	0	0
Due from other governmental agencies	0	0	0	0
Other assets	0	0	0	0
<b>TOTAL ASSETS</b>	<u>\$ 0</u>	<u>\$ 2,788</u>	<u>\$ 0</u>	<u>\$ 0</u>

**LIABILITIES AND FUND BALANCES**

<b>LIABILITIES</b>				
Accounts payable	\$ 0	\$ 0	\$ 0	\$ 0
Due to other governmental agencies	0	860	0	0
Due to other funds	68,389	0	0	22,929
Accrued payroll	0	0	0	0
Deferred revenue - property taxes	0	0	0	0
<b>TOTAL LIABILITIES</b>	<u>68,389</u>	<u>860</u>	<u>0</u>	<u>22,929</u>
<b>FUND BALANCES</b>				
Restricted	0	1,928	0	0
Unassigned	( 68,389)	0	0	( 22,929)
<b>TOTAL FUND BALANCES</b>	<u>( 68,389)</u>	<u>1,928</u>	<u>0</u>	<u>( 22,929)</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 0</u>	<u>\$ 2,788</u>	<u>\$ 0</u>	<u>\$ 0</u>

SPECIAL REVENUE FUNDS

Liability Insurance	Audit	Civil Defense	Drug Traffic Prevention	Industrial Development	Cable Commission	Hotel/Motel Tax
\$ 15,793	\$ 13,936	\$ 0	\$ 119,246	\$ 1,257	\$ 21,571	\$ 87,377
895,792	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$ 911,585</u>	<u>\$ 13,936</u>	<u>\$ 0</u>	<u>\$ 119,246</u>	<u>\$ 1,257</u>	<u>\$ 21,571</u>	<u>\$ 87,377</u>
\$ 0	\$ 0	\$ 0	\$ 359	\$ 0	\$ 0	\$ 32,549
0	0	0	58,799	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
895,792	0	0	0	0	0	0
<u>895,792</u>	<u>0</u>	<u>0</u>	<u>59,158</u>	<u>0</u>	<u>0</u>	<u>32,549</u>
15,793	13,936	0	60,088	1,257	21,571	54,828
0	0	0	0	0	0	0
<u>15,793</u>	<u>13,936</u>	<u>0</u>	<u>60,088</u>	<u>1,257</u>	<u>21,571</u>	<u>54,828</u>
<u>\$ 911,585</u>	<u>\$ 13,936</u>	<u>\$ 0</u>	<u>\$ 119,246</u>	<u>\$ 1,257</u>	<u>\$ 21,571</u>	<u>\$ 87,377</u>

**CITY OF ZION, ILLINOIS**  
**NON-MAJOR GOVERNMENTAL FUNDS**

COMBINING BALANCE SHEET  
April 30, 2012

**ASSETS**

	SPECIAL REVENUE FUNDS		DEBT SERVICE FUNDS	
	Fire Protection	Total Special Revenue Funds	TIF #1 Bond Series 2002A	Bond Series 2002B Road Bond
<b>ASSETS</b>				
Cash and equivalents	\$ 0	\$ 1,315,910	\$ 53,881	\$ 56,264
Taxes receivable, net of allowance for uncollectables of \$46,580	744,778	3,705,566	0	0
Due from other governmental agencies	0	47,395	0	0
Other assets	0	21,067	0	0
<b>TOTAL ASSETS</b>	<b>\$ 744,778</b>	<b>\$ 5,089,938</b>	<b>\$ 53,881</b>	<b>\$ 56,264</b>

**LIABILITIES AND FUND BALANCES**

<b>LIABILITIES</b>				
Accounts payable	\$ 0	\$ 47,743	\$ 0	\$ 0
Due to other governmental agencies	0	69,271	0	0
Due to other funds	571,257	1,244,006	0	0
Accrued payroll	0	62,159	0	0
Deferred revenue - property taxes	744,778	3,705,566	0	0
<b>TOTAL LIABILITIES</b>	<b>1,316,035</b>	<b>5,128,745</b>	<b>0</b>	<b>0</b>
<b>FUND BALANCES</b>				
Restricted	0	1,257,478	53,881	56,264
Unassigned	( 571,257)	( 1,296,285)	0	0
<b>TOTAL FUND BALANCES</b>	<b>( 571,257)</b>	<b>( 38,807)</b>	<b>53,881</b>	<b>56,264</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 744,778</b>	<b>\$ 5,089,938</b>	<b>\$ 53,881</b>	<b>\$ 56,264</b>

DEBT SERVICE FUNDS			CAPITAL PROJECTS FUNDS			Total Nonmajor Governmental Funds
Bond Series 2003 Road Bond	Area 3 South Sheridan Rd. Project	Total Debt Service Funds	TIF #1 Capital Projects	Capital Projects	Total Capital Projects Funds	
\$ 40,110	\$ 0	\$ 150,255	\$ 135	\$ 0	\$ 135	\$ 1,466,300
0	0	0	0	0	0	3,705,566
0	0	0	0	0	0	47,395
0	0	0	0	0	0	21,067
<u>\$ 40,110</u>	<u>\$ 0</u>	<u>\$ 150,255</u>	<u>\$ 135</u>	<u>\$ 0</u>	<u>\$ 135</u>	<u>\$ 5,240,328</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 47,743
0	0	0	0	0	0	69,271
0	1,538	1,538	0	79,232	79,232	1,324,776
0	0	0	0	0	0	62,159
0	0	0	0	0	0	3,705,566
0	1,538	1,538	0	79,232	79,232	5,209,515
40,110	0	150,255	135	0	135	1,407,868
0	( 1,538)	( 1,538)	0	( 79,232)	( 79,232)	( 1,377,055)
40,110	( 1,538)	148,717	135	( 79,232)	( 79,097)	30,813
<u>\$ 40,110</u>	<u>\$ 0</u>	<u>\$ 150,255</u>	<u>\$ 135</u>	<u>\$ 0</u>	<u>\$ 135</u>	<u>\$ 5,240,328</u>

**CITY OF ZION, ILLINOIS**  
**NON-MAJOR GOVERNMENTAL FUNDS**

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES  
 For the Year Ended April 30, 2012

	SPECIAL REVENUE FUNDS			
	911 Emergency Surcharge	Zion - Newport Fire Station	Emergency Service Rescue	Street and Bridge
<b>REVENUES</b>				
Property taxes	\$ 0	\$ 0	\$ 748,834	\$ 250,938
Other taxes	169,289	0	0	0
Permits and other fees	0	0	0	0
Intergovernmental	0	0	0	0
Interest	0	237	0	0
Miscellaneous	25,200	0	0	87,568
<b>TOTAL REVENUES</b>	<b>194,489</b>	<b>237</b>	<b>748,834</b>	<b>338,506</b>
<b>EXPENDITURES</b>				
Current				
General government	0	0	0	0
Public health and safety	123,541	99	0	0
Public works and engineering	0	0	0	381,438
Economic development and promotion	0	0	0	0
Capital Outlay	31,979	0	0	0
Debt Service				
Principal retirement	0	0	0	0
Interest and fiscal charges	0	0	0	0
Tax debt certificate issuance costs	0	0	0	0
Total Debt Service	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>155,520</b>	<b>99</b>	<b>0</b>	<b>381,438</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>38,969</b>	<b>138</b>	<b>748,834</b>	<b>( 42,932)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of city property	0	0	0	0
Transfers in	0	98,139	0	0
Transfers (out)	( 38,969)	0	( 748,834)	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>( 38,969)</b>	<b>98,139</b>	<b>( 748,834)</b>	<b>0</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>0</b>	<b>98,277</b>	<b>0</b>	<b>( 42,932)</b>
<b>FUND BALANCE - BEGINNING OF YEAR AS PREVIOUSLY STATED</b>	<b>( 277,777)</b>	<b>108,316</b>	<b>532,892</b>	<b>109,759</b>
<b>PRIOR PERIOD ADJUSTMENT</b>	<b>0</b>	<b>0</b>	<b>( 365,557)</b>	<b>( 122,501)</b>
<b>FUND BALANCE - BEGINNING OF YEAR AS RESTATED</b>	<b>( 277,777)</b>	<b>108,316</b>	<b>167,335</b>	<b>( 12,742)</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>(\$ 277,777)</b>	<b>\$ 206,593</b>	<b>\$ 167,335</b>	<b>(\$ 55,674)</b>

SPECIAL REVENUE FUNDS

Illinois Municipal Retirement	FICA	Motor Fuel Tax	Development TIF Area #2	Development TIF Area #3	Development TIF Area #4	Impact Fee
\$ 350,518	\$ 250,939	\$ 0	\$ 0	\$ 643,817	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	10,600
0	0	709,727	0	0	0	0
0	0	695	0	0	0	0
0	0	0	0	0	0	0
<u>350,518</u>	<u>250,939</u>	<u>710,422</u>	<u>0</u>	<u>643,817</u>	<u>0</u>	<u>10,600</u>
60,597	55,834	0	0	0	0	0
85,252	116,627	0	0	0	0	0
233,242	194,437	173,102	0	0	0	0
8,441	7,037	0	9,612	845	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>387,532</u>	<u>373,935</u>	<u>173,102</u>	<u>9,612</u>	<u>845</u>	<u>0</u>	<u>0</u>
( 37,014)	( 122,996)	537,320	( 9,612)	642,972	0	10,600
0	0	0	0	0	0	0
0	49,367	0	0	0	0	0
0	0	( 396,645)	0	( 622,004)	0	0
0	49,367	( 396,645)	0	( 622,004)	0	0
( 37,014)	( 73,629)	140,675	( 9,612)	20,968	0	10,600
49,789	54,207	152,323	9,612	531,230	5,679	170,885
( 171,112)	( 122,500)	0	0	( 318,211)	0	0
( 121,323)	( 68,293)	152,323	9,612	213,019	5,679	170,885
<u>(\$ 158,337)</u>	<u>(\$ 141,922)</u>	<u>\$ 292,998</u>	<u>\$ 0</u>	<u>\$ 233,987</u>	<u>\$ 5,679</u>	<u>\$ 181,485</u>



**CITY OF ZION, ILLINOIS**  
**NON-MAJOR GOVERNMENTAL FUNDS**

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES  
 For the Year Ended April 30, 2012

	SPECIAL REVENUE FUNDS			
	Impact Fee - Fire/Rescue	Impact Fee - Other Gov't Agencies	Economic Development	Police Protection
<b>REVENUES</b>				
Property taxes	\$ 0	\$ 0	\$ 0	\$ 0
Other taxes	0	0	0	0
Permits and other fees	10,000	0	0	0
Intergovernmental	0	0	0	0
Interest	0	0	0	0
Miscellaneous	0	0	0	0
<b>TOTAL REVENUES</b>	<u>10,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXPENDITURES</b>				
Current				
General government	0	0	0	0
Public health and safety	0	0	0	0
Public works and engineering	0	0	0	0
Economic development and promotion	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service				
Principal retirement	0	0	0	0
Interest and fiscal charges	0	0	0	0
Tax debt certificate issuance costs	0	0	0	0
Total Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL EXPENDITURES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>10,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of city property	0	0	0	0
Operating transfers in	0	0	0	0
Operating transfers (out)	0	0	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>NET CHANGE IN FUND BALANCES</b>	10,000	0	0	0
<b>FUND BALANCE - BEGINNING OF YEAR</b>	( 78,389)	1,928	0	( 22,929)
<b>PRIOR PERIOD ADJUSTMENT</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>FUND BALANCE - BEGINNING OF YEAR AS RESTATED</b>	( 78,389)	1,928	0	( 22,929)
<b>FUND BALANCE - END OF YEAR</b>	<u>(\$ 68,389)</u>	<u>\$ 1,928</u>	<u>\$ 0</u>	<u>(\$ 22,929)</u>

SPECIAL REVENUE FUNDS

Liability Insurance	Audit	Civil Defense	Drug Traffic Prevention	Industrial Development	Cable Commission	Hotel/Motel Tax
\$ 900,195	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	121,877
0	0	0	0	375,000	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	95	24,494	0	0	0
<u>900,195</u>	<u>0</u>	<u>95</u>	<u>24,494</u>	<u>375,000</u>	<u>0</u>	<u>121,877</u>
0	0	0	0	0	0	0
0	0	0	40,513	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	111,919
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	40,513	0	0	111,919
<u>900,195</u>	<u>0</u>	<u>95</u>	<u>( 16,019)</u>	<u>375,000</u>	<u>0</u>	<u>9,958</u>
0	0	0	0	0	0	0
0	0	29,783	0	0	0	0
<u>( 900,195)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>( 374,285)</u>	<u>0</u>	<u>( 40,000)</u>
<u>( 900,195)</u>	<u>0</u>	<u>29,783</u>	<u>0</u>	<u>( 374,285)</u>	<u>0</u>	<u>( 40,000)</u>
0	0	29,878	( 16,019)	715	0	( 30,042)
455,240	13,936	( 29,878)	76,107	542	21,571	84,870
<u>( 439,447)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
15,793	13,936	( 29,878)	76,107	542	21,571	84,870
<u>\$ 15,793</u>	<u>\$ 13,936</u>	<u>\$ 0</u>	<u>\$ 60,088</u>	<u>\$ 1,257</u>	<u>\$ 21,571</u>	<u>\$ 54,828</u>

**CITY OF ZION, ILLINOIS**  
**NON-MAJOR GOVERNMENTAL FUNDS**

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES  
 For the Year Ended April 30, 2012

	SPECIAL REVENUE FUNDS		DEBT SERVICE FUNDS	
	Fire Protection	Total Special Revenue Funds	TIF #1 Bond Series 2002A	Bond Series 2002B Road Bond
<b>REVENUES</b>				
Property taxes	\$ 900,194	\$ 4,045,435	\$ 0	\$ 0
Other taxes	0	291,166	0	0
Permits and other fees	0	395,600	0	0
Intergovernmental	0	709,727	0	0
Interest	0	932	0	0
Miscellaneous	0	137,357	0	0
<b>TOTAL REVENUES</b>	<b>900,194</b>	<b>5,580,217</b>	<b>0</b>	<b>0</b>
<b>EXPENDITURES</b>				
Current				
General government	0	116,431	0	0
Public health and safety	0	366,032	0	0
Public works and engineering	0	982,219	0	0
Economic development and promotion	0	137,854	0	0
Capital Outlay	0	31,979	0	0
Debt Service				
Principal retirement	0	0	395,000	270,000
Interest and fiscal charges	0	0	138,270	126,645
Tax debt certificate issuance costs	0	0	0	0
Total Debt Service	0	0	533,270	396,645
<b>TOTAL EXPENDITURES</b>	<b>0</b>	<b>1,634,515</b>	<b>533,270</b>	<b>396,645</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>900,194</b>	<b>3,945,702</b>	<b>( 533,270)</b>	<b>( 396,645)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of city property	0	0	0	0
Operating transfers in	0	177,289	533,270	396,645
Operating transfers (out)	( 900,194)	( 4,021,126)	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>( 900,194)</b>	<b>( 3,843,837)</b>	<b>533,270</b>	<b>396,645</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>0</b>	<b>101,865</b>	<b>0</b>	<b>0</b>
FUND BALANCE - BEGINNING OF YEAR	( 131,809)	1,838,104	53,881	56,264
PRIOR PERIOD ADJUSTMENT	( 439,448)	( 1,978,776)	0	0
FUND BALANCE - BEGINNING OF YEAR AS RESTATED	( 571,257)	137,105	53,881	56,264
FUND BALANCE - END OF YEAR	<u>(\$ 571,257)</u>	<u>(\$ 38,807)</u>	<u>\$ 53,881</u>	<u>\$ 56,264</u>

DEBT SERVICE FUNDS			CAPITAL PROJECTS FUNDS			Total Nonmajor Governmental Funds
Bond Series 2003 Road Bond	Area 3 South Sheridan Rd. Project	Total Debt Service Funds	TIF #1 Capital Projects	Capital Projects	Total Capital Projects Funds	
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,045,435
0	0	0	0	0	0	291,166
0	0	0	0	0	0	395,600
0	0	0	0	0	0	709,727
0	0	0	0	0	0	932
0	0	0	0	0	0	137,357
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,580,217</u>
0	0	0	0	0	0	116,431
0	0	0	0	0	0	366,032
0	0	0	0	0	0	982,219
0	0	0	0	0	0	137,854
0	0	0	0	0	0	31,979
185,000	125,000	975,000	0	0	0	975,000
77,833	75,328	418,076	0	0	0	418,076
0	0	0	0	0	0	0
<u>262,833</u>	<u>200,328</u>	<u>1,393,076</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,393,076</u>
<u>262,833</u>	<u>200,328</u>	<u>1,393,076</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,027,591</u>
<u>( 262,833)</u>	<u>( 200,328)</u>	<u>( 1,393,076)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,552,626</u>
0	0	0	0	0	0	0
262,833	200,328	1,393,076	0	0	0	1,570,365
0	0	0	0	0	0	( 4,021,126)
<u>262,833</u>	<u>200,328</u>	<u>1,393,076</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>( 2,450,761)</u>
0	0	0	0	0	0	101,865
40,110	( 1,538)	148,717	135	( 79,232)	( 79,097)	1,907,724
0	0	0	0	0	0	( 1,978,776)
40,110	( 1,538)	148,717	135	( 79,232)	( 79,097)	206,725
<u>\$ 40,110</u>	<u>(\$ 1,538)</u>	<u>\$ 148,717</u>	<u>\$ 135</u>	<u>(\$ 79,232)</u>	<u>(\$ 79,097)</u>	<u>\$ 30,813</u>

**CITY OF ZION, ILLINOIS**  
**GENERAL FUND**

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Taxes					
Property	\$ 798,299	\$ 798,299	\$ 796,012	(\$ 2,287)	\$ 838,552
Sales	2,734,952	2,734,952	2,263,284	( 471,668)	2,481,114
Utility	1,977,852	1,977,852	1,785,950	( 191,902)	1,947,703
Income	1,953,040	1,953,040	2,026,398	73,358	1,692,223
Replacement	449,080	449,080	350,857	( 98,223)	384,725
Entertainment	11,500	11,500	15,087	3,587	11,359
Total Taxes	<u>7,924,723</u>	<u>7,924,723</u>	<u>7,237,588</u>	<u>( 687,135)</u>	<u>7,355,676</u>
Licenses, Permits, and Fees					
Business licenses	65,000	65,000	68,570	3,570	77,010
Vehicle licenses	65,000	65,000	120,522	55,522	157,729
Permits	783,000	783,000	763,221	( 19,779)	1,321,417
Franchise fees	228,912	228,912	264,431	35,519	229,430
Host fees	1,100,000	1,100,000	1,449,780	349,780	1,272,918
Game licenses	1,000	1,000	0	( 1,000)	1,098
Gas generating fee	50,000	50,000	50,000	0	50,000
Ambulance Fees	500,000	500,000	634,215	134,215	0
Other	25,000	25,000	56,533	31,533	64,876
Total Licenses, Permits, and Fees	<u>2,817,912</u>	<u>2,817,912</u>	<u>3,407,272</u>	<u>589,360</u>	<u>3,174,478</u>
Fines and Forfeitures					
Property violation fines	65,600	65,600	145,183	79,583	78,141
Animal control fines	8,000	8,000	7,828	( 172)	9,807
Traffic fines	170,000	170,000	247,541	77,541	195,334
Non-traffic fines	32,000	32,000	25,034	( 6,966)	37,586
Total Fines and Forfeitures	<u>275,600</u>	<u>275,600</u>	<u>425,586</u>	<u>149,986</u>	<u>320,868</u>
Rental Revenue	64,996	64,996	102,731	37,735	76,946
Charges for Services					
Water department service charges	82,500	82,500	82,500	0	82,500
Waste department service charges	82,500	82,500	82,500	0	82,500
Other public works charges	100,000	100,000	77,140	( 22,860)	125,915
Insurance payments	230,000	230,000	261,641	31,641	231,591
Reimbursement of City expenses	694,278	694,278	106,563	( 587,715)	68,275
Total Charges for Services	<u>1,189,278</u>	<u>1,189,278</u>	<u>610,344</u>	<u>( 578,934)</u>	<u>590,781</u>
Intergovernmental	97,352	97,352	328,463	231,111	139,240
Donations and Grants	166,208	166,208	165,389	( 819)	1,079,457
Interest	20,000	20,000	8,023	( 11,977)	19,137
Sale of City Property	20,000	20,000	52,487	32,487	20,272
Miscellaneous	1,800	1,800	14,357	12,557	118,795
<b>TOTAL REVENUES</b>	<u>\$ 12,577,869</u>	<u>\$ 12,577,869</u>	<u>\$ 12,352,240</u>	<u>(\$ 225,629)</u>	<u>\$ 12,895,650</u>

**CITY OF ZION, ILLINOIS**  
**GENERAL FUND**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>EXPENDITURES</b>					
General Government					
Legislative					
Personal services	\$ 253,409	\$ 253,409	\$ 265,230	(\$ 11,821)	\$ 333,018
Contractual services	59,543	59,543	99,218	( 39,675)	64,994
Materials and supplies	13,250	13,250	7,438	5,812	8,912
Repairs and maintenance	2,000	2,000	48	1,952	2,310
	<u>328,202</u>	<u>328,202</u>	<u>371,934</u>	<u>( 43,732)</u>	<u>409,234</u>
Public Affairs - Legal					
Contractual services	616,450	616,450	309,130	307,320	498,133
	<u>616,450</u>	<u>616,450</u>	<u>309,130</u>	<u>307,320</u>	<u>498,133</u>
Accounts and Finance					
Personal services	319,605	319,605	305,934	13,671	332,084
Contractual services	213,519	213,519	215,181	( 1,662)	146,437
Materials and supplies	31,816	31,816	18,644	13,172	34,292
Repairs and maintenance	1,000	1,000	0	1,000	0
	<u>565,940</u>	<u>565,940</u>	<u>539,759</u>	<u>26,181</u>	<u>512,813</u>
Public Property					
Contractual services	265,747	265,747	173,929	91,818	194,278
Materials and supplies	1,650	1,650	4,606	( 2,956)	1,359
Repairs and maintenance	36,760	36,760	28,751	8,009	16,002
Capital outlay	134,688	134,688	123,875	10,813	1,950,300
	<u>438,845</u>	<u>438,845</u>	<u>331,161</u>	<u>107,684</u>	<u>2,161,939</u>
Debt Service					
Interest and fiscal charges	0	0	0	0	17,941
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>17,941</u>
Total General Government	<u>1,949,437</u>	<u>1,949,437</u>	<u>1,551,984</u>	<u>397,453</u>	<u>3,600,060</u>
Public Health and Safety					
Police Department					
Personal services	4,512,511	4,512,511	4,729,770	( 217,259)	4,365,437
Contractual services	1,274,691	1,274,691	1,323,706	( 49,015)	1,612,796
Materials and supplies	308,225	308,225	279,147	29,078	215,768
Repairs and maintenance	95,564	95,564	95,922	( 358)	87,016
Capital outlay	70,000	70,000	69,859	141	69,859
	<u>6,260,991</u>	<u>6,260,991</u>	<u>6,498,404</u>	<u>( 237,413)</u>	<u>6,350,876</u>

**CITY OF ZION, ILLINOIS**  
**GENERAL FUND**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>EXPENDITURES (continued)</b>					
Public Health and Safety (continued)					
Fire Department					
Personal services	2,302,538	2,302,538	2,240,424	62,114	0
Contractual services	664,685	664,685	1,125,442	( 460,757)	0
Materials and supplies	120,368	120,368	88,958	31,410	0
Repairs and maintenance	104,572	104,572	87,988	16,584	0
Capital outlay	21,942	21,942	21,941	1	0
	<u>3,214,105</u>	<u>3,214,105</u>	<u>3,564,753</u>	<u>( 350,648)</u>	<u>0</u>
Civil Defense					
Personal services	10,000	10,000	9,809	191	0
Contractual services	9,900	9,900	41,167	( 31,267)	0
Materials and supplies	22,250	22,250	16,128	6,122	0
Repairs and maintenance	25,000	25,000	18,304	6,696	0
	<u>67,150</u>	<u>67,150</u>	<u>85,408</u>	<u>( 18,258)</u>	<u>0</u>
Public Health					
Personal services	50,886	50,886	57,061	( 6,175)	52,617
Contractual services	11,708	11,708	22,340	( 10,632)	15,331
Materials and supplies	1,250	1,250	1,292	( 42)	1,129
Repairs and maintenance	3,542	3,542	3,106	436	756
	<u>67,386</u>	<u>67,386</u>	<u>83,799</u>	<u>( 16,413)</u>	<u>69,833</u>
Fire and Police Commission					
Personal services	1,800	1,800	1,200	600	0
Contractual services	31,595	31,595	22,866	8,729	18,836
Materials and supplies	200	200	0	200	207
Miscellaneous	0	0	0	0	1,200
	<u>33,595</u>	<u>33,595</u>	<u>24,066</u>	<u>9,529</u>	<u>20,243</u>
<b>Total Public Health and Safety</b>	<u>9,643,227</u>	<u>9,643,227</u>	<u>10,256,430</u>	<u>( 613,203)</u>	<u>6,440,952</u>
Public Works and Engineering					
Planning and Zoning					
Contractual services	16,500	16,500	10,927	5,573	669
	<u>16,500</u>	<u>16,500</u>	<u>10,927</u>	<u>5,573</u>	<u>669</u>
Public Works					
Personal services	889,172	889,172	828,313	60,859	884,314
Contractual services	598,678	598,678	672,130	( 73,452)	582,172
Materials and supplies	324,150	324,150	223,033	101,117	236,094
Repairs and maintenance	104,000	104,000	91,817	12,183	118,837
	<u>1,916,000</u>	<u>1,916,000</u>	<u>1,815,293</u>	<u>100,707</u>	<u>1,821,417</u>
Public Service Program					
Personal services	80,804	80,804	93,841	( 13,037)	79,908
Contractual services	25,330	25,330	10,966	14,364	25,281
Materials and supplies	6,770	6,770	3,289	3,481	4,472
	<u>112,904</u>	<u>112,904</u>	<u>108,096</u>	<u>4,808</u>	<u>109,661</u>

**CITY OF ZION, ILLINOIS**  
**GENERAL FUND**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>EXPENDITURES (continued)</b>					
Public Works and Engineering (continued)					
Inspection					
Personal services	238,724	238,724	247,551	( 8,827)	256,225
Contractual services	172,580	172,580	154,239	18,341	106,625
Materials and supplies	15,050	15,050	15,610	( 560)	15,757
Repairs and maintenance	3,400	3,400	1,789	1,611	2,548
	<u>429,754</u>	<u>429,754</u>	<u>419,189</u>	<u>10,565</u>	<u>381,155</u>
Lake Mound Cemetery					
Contractual services	100	100	103	( 3)	0
Repairs and maintenance	5,000	5,000	6	4,994	87
	<u>5,100</u>	<u>5,100</u>	<u>109</u>	<u>4,991</u>	<u>87</u>
Total Public Works and Engineering	<u>2,480,258</u>	<u>2,480,258</u>	<u>2,353,614</u>	<u>126,644</u>	<u>2,312,989</u>
Economic Development and Promotion					
Community Economic Development					
Personal services	73,130	73,130	73,051	79	131,547
Contractual services	1,161,609	1,161,609	1,681,162	( 519,553)	( 225,205)
Materials and supplies	6,200	6,200	4,402	1,798	8,418
Repairs and maintenance	1,250	1,250	356	894	580
Capital outlay	1,400,000	1,400,000	1,203,850	196,150	1,295,644
	<u>2,642,189</u>	<u>2,642,189</u>	<u>2,962,821</u>	<u>( 320,632)</u>	<u>1,210,984</u>
Liquor Commission					
Personal services	1,500	1,500	1,400	100	0
Contractual services	3,450	3,450	1,450	2,000	0
	<u>4,950</u>	<u>4,950</u>	<u>2,850</u>	<u>2,100</u>	<u>0</u>
City Contributions					
Contractual services	374,047	374,047	568,643	( 194,596)	345,448
	<u>374,047</u>	<u>374,047</u>	<u>568,643</u>	<u>( 194,596)</u>	<u>345,448</u>
Jubilee Days					
Contractual services	31,270	31,270	31,404	( 134)	31,413
	<u>31,270</u>	<u>31,270</u>	<u>31,404</u>	<u>( 134)</u>	<u>31,413</u>
Total Economic Development and Promotion	<u>3,052,456</u>	<u>3,052,456</u>	<u>3,565,718</u>	<u>( 513,262)</u>	<u>1,587,845</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 17,125,378</u>	<u>\$ 17,125,378</u>	<u>\$ 17,727,746</u>	<u>(\$ 602,368)</u>	<u>\$ 13,941,846</u>



**CITY OF ZION, ILLINOIS**  
**BOND EXPENSE FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
TOTAL REVENUES	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>EXPENDITURES</b>					
Debt Service					
Bond issuance costs	70,897	70,897	46,000	24,897	0
Total Debt Service	70,897	70,897	46,000	24,897	0
TOTAL EXPENDITURES	70,897	70,897	46,000	24,897	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	( 70,897)	( 70,897)	( 46,000)	24,897	0
<b>OTHER FINANCING SOURCES (USES)</b>					
Bond issuance discount	0	0	( 25,000)	( 25,000)	0
Bond proceeds	0	0	2,500,000	2,500,000	0
Transfers (out)	( 2,314,936)	( 2,314,936)	( 2,429,000)	( 114,064)	0
TOTAL OTHER FINANCING SOURCES (USES)	( 2,314,936)	( 2,314,936)	46,000	2,360,936	0
NET CHANGE IN FUND BALANCE	( 2,385,833)	( 2,385,833)	0	2,385,833	0
FUND BALANCE - BEGINNING OF YEAR	0	0	0	0	0
FUND BALANCE - END OF YEAR	<u>(\$ 2,385,833)</u>	<u>(\$ 2,385,833)</u>	<u>\$ 0</u>	<u>\$ 2,385,833</u>	<u>\$ 0</u>

**CITY OF ZION, ILLINOIS**  
**BOND DEBT SERVICE FUND**

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

For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Interest	\$ 0	\$ 0	\$ 231	\$ 231	\$ 0
<b>TOTAL REVENUES</b>	<u>0</u>	<u>0</u>	<u>231</u>	<u>231</u>	<u>0</u>
<b>EXPENDITURES</b>					
Debt Service					
Principal retirement	1,510,000	1,510,000	1,510,000	0	1,430,000
Interest and fiscal charges	1,426,938	1,426,938	1,426,938	0	1,510,103
Total Debt Service	<u>2,936,938</u>	<u>2,936,938</u>	<u>2,936,938</u>	<u>0</u>	<u>2,940,103</u>
<b>TOTAL EXPENDITURES</b>	<u>2,936,938</u>	<u>2,936,938</u>	<u>2,936,938</u>	<u>0</u>	<u>2,940,103</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>( 2,936,938)</u>	<u>( 2,936,938)</u>	<u>( 2,936,707)</u>	<u>231</u>	<u>( 2,940,103)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	<u>2,936,938</u>	<u>2,936,938</u>	<u>3,057,614</u>	<u>120,676</u>	<u>2,937,109</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>2,936,938</u>	<u>2,936,938</u>	<u>3,057,614</u>	<u>120,676</u>	<u>2,937,109</u>
<b>NET CHANGE IN FUND BALANCES</b>	0	0	120,907	120,907	( 2,994)
<b>FUND BALANCE - BEGINNING OF YEAR</b>	7,601,261	7,601,261	7,601,261	0	7,604,255
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 7,601,261</u>	<u>\$ 7,601,261</u>	<u>\$ 7,722,168</u>	<u>\$ 120,907</u>	<u>\$ 7,601,261</u>

**CITY OF ZION, ILLINOIS**  
**CAPITAL PROJECTS - HOSPITAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Interest	\$ 2,682,975	\$ 2,682,975	\$ 1,297,818	(\$ 1,385,157)	\$ 1,377,600
TOTAL REVENUES	<u>2,682,975</u>	<u>2,682,975</u>	<u>1,297,818</u>	<u>( 1,385,157)</u>	<u>1,377,600</u>
<b>EXPENDITURES</b>					
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,682,975</u>	<u>2,682,975</u>	<u>1,297,818</u>	<u>( 1,385,157)</u>	<u>1,377,600</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers (out)	( 2,682,975)	( 2,682,975)	( 2,689,485)	( 6,510)	( 2,683,850)
TOTAL OTHER FINANCING SOURCES (USES)	<u>( 2,682,975)</u>	<u>( 2,682,975)</u>	<u>( 2,689,485)</u>	<u>( 6,510)</u>	<u>( 2,683,850)</u>
NET CHANGE IN FUND BALANCES	0	0	( 1,391,667)	( 1,391,667)	( 1,306,250)
FUND BALANCE - BEGINNING OF YEAR	13,838,896	13,838,896	13,838,896	0	15,145,146
FUND BALANCE - END OF YEAR	<u>\$ 13,838,896</u>	<u>\$ 13,838,896</u>	<u>\$ 12,447,229</u>	<u>(\$ 1,391,667)</u>	<u>\$ 13,838,896</u>

**CITY OF ZION, ILLINOIS**  
**WATER AND SEWER FUND**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
BUDGET AND ACTUAL

For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>OPERATING REVENUES</b>					
Water sales	\$ 2,345,000	\$ 2,345,000	\$ 2,331,555	(\$ 13,445)	\$ 2,332,866
Sewer service charge	650,000	650,000	713,283	63,283	719,180
Connection fees	54,200	54,200	17,244	( 36,956)	109,155
Turn on fees and miscellaneous	80,000	80,000	101,241	21,241	80,163
Penalties	40,000	40,000	40,221	221	41,520
Meter sales and repairs	13,000	13,000	5,392	( 7,608)	14,997
<b>TOTAL REVENUES</b>	<b>3,182,200</b>	<b>3,182,200</b>	<b>3,208,936</b>	<b>26,736</b>	<b>3,297,881</b>
<b>OPERATING EXPENSES</b>					
Personal Services					
Regular water	746,038	746,038	787,832	( 41,794)	688,120
Overtime	26,767	26,767	29,013	( 2,246)	42,152
Clerk	31,349	31,349	31,996	( 647)	29,270
Total Personal Services	804,154	804,154	848,841	( 44,687)	759,542
Contractual Services					
Purchase of water	1,063,000	1,063,000	1,019,361	43,639	1,058,590
Consultants and legal	30,000	30,000	4,400	25,600	19,403
Memberships	1,000	1,000	329	671	483
Consultant - IT	20,000	20,000	6,475	13,525	1,980
Service charge	82,500	82,500	82,500	0	82,500
Insurance	33,030	33,030	59,963	( 26,933)	8,583
Hospitalization and life	172,979	172,979	132,508	40,471	101,017
Telephone	13,500	13,500	12,736	764	13,160
Travel and conference	5,000	5,000	1,755	3,245	2,090
Professional	3,000	3,000	29	2,971	17,642
Contingent	0	0	831	( 831)	2,602
Newsletter	6,000	6,000	4,934	1,066	4,806
Utilities	20,000	20,000	9,369	10,631	11,801
Equipment rental	2,500	2,500	0	2,500	260
Agent fees	0	0	0	0	593
Training	3,500	3,500	15	3,485	0
Total Contractual Services	1,456,009	1,456,009	1,335,205	120,804	1,325,510
Materials and Supplies					
Uniforms	6,000	6,000	4,299	1,701	670
Gas and oil	88,000	88,000	50,535	37,465	69,091
Office and related expenses	12,000	12,000	17,771	( 5,771)	17,306
Computer software	2,000	2,000	2,625	( 625)	0
Computer supplies	2,500	2,500	796	1,704	670
Meter repair parts	5,000	5,000	0	5,000	0
Small tools	5,000	5,000	3,322	1,678	2,090
Miscellaneous	84,800	84,800	19,635	65,165	32,458
Total Materials and Supplies	205,300	205,300	98,983	106,317	122,285

**CITY OF ZION, ILLINOIS**  
**WATER AND SEWER FUND**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
BUDGET AND ACTUAL

For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>OPERATING EXPENSES (continued)</b>					
Repairs and Maintenance					
Repair parts	\$ 2,500	\$ 2,500	\$ 50	\$ 2,450	\$ 10
Sanitary sewer system	40,000	40,000	39,966	34	32,579
Sewer equipment	25,000	25,000	2,721	22,279	2,251
Office equipment	0	0	314	( 314)	43,039
Distribution system	569,803	569,803	508,368	61,435	528,563
Motor equipment	47,500	47,500	50,756	( 3,256)	21,964
Buildings and grounds	15,000	15,000	19,874	( 4,874)	0
Water meters	110,500	110,500	163,288	( 52,788)	86,451
Total Repairs and Maintenance	<u>810,303</u>	<u>810,303</u>	<u>785,337</u>	<u>24,966</u>	<u>714,857</u>
Capital Outlay					
Motor equipment	30,000	30,000	0	30,000	0
Sewer projects	122,000	122,000	0	122,000	0
Total Capital Outlay	<u>152,000</u>	<u>152,000</u>	<u>0</u>	<u>152,000</u>	<u>0</u>
Depreciation	0	0	307,005	( 307,005)	295,728
<b>TOTAL OPERATING EXPENSES</b>	<u>3,427,766</u>	<u>3,427,766</u>	<u>3,375,371</u>	<u>52,395</u>	<u>3,217,922</u>
<b>(LOSS) INCOME FROM OPERATIONS</b>	<u>( 245,566)</u>	<u>( 245,566)</u>	<u>( 166,435)</u>	<u>79,131</u>	<u>79,959</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest income	0	0	9,976	9,976	58,856
Principal	( 165,000)	( 165,000)	0	165,000	0
Interest and fiscal charges	( 97,170)	( 97,170)	( 102,913)	( 5,743)	( 114,550)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<u>( 262,170)</u>	<u>( 262,170)</u>	<u>( 92,937)</u>	<u>169,233</u>	<u>( 55,694)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	16,241	16,241	0	( 16,241)	0
Transfers (out)	0	0	( 4,964,000)	( 4,964,000)	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>16,241</u>	<u>16,241</u>	<u>( 4,964,000)</u>	<u>( 4,980,241)</u>	<u>0</u>
<b>CHANGE IN NET ASSETS</b>	<u>( 491,495)</u>	<u>( 491,495)</u>	<u>( 5,223,372)</u>	<u>( 4,731,877)</u>	<u>24,265</u>
<b>NET ASSETS - BEGINNING OF YEAR</b>	12,155,801	12,155,801	12,155,801	0	12,131,536
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 11,664,306</u>	<u>\$ 11,664,306</u>	<u>\$ 6,932,429</u>	<u>(\$ 4,731,877)</u>	<u>\$ 12,155,801</u>

**CITY OF ZION, ILLINOIS**  
**WASTE COLLECTION FUND**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
BUDGET AND ACTUAL

For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>OPERATING REVENUES</b>					
Waste collection fees	\$ 1,389,969	\$ 1,389,969	\$ 1,474,647	\$ 84,678	\$ 1,371,646
Landfill siting fees	0	0	0	0	100,000
Garbage cart revenue	16,500	16,500	23,552	7,052	18,220
<b>TOTAL REVENUES</b>	<u>1,406,469</u>	<u>1,406,469</u>	<u>1,498,199</u>	<u>91,730</u>	<u>1,489,866</u>
<b>OPERATING EXPENSES</b>					
Contractual Services					
Contracted waste collection	919,304	919,304	995,813	( 76,509)	946,698
Garbage cart lease	18,019	18,019	35,655	( 17,636)	34,214
Compost dumping	202,008	202,008	202,003	5	202,003
Leaf and chip dumping	40,000	40,000	39,690	310	33,480
Recycling	259,608	259,608	259,598	10	259,598
Recycling bins	0	0	1,350	( 1,350)	1,350
Service charge	82,500	82,500	82,500	0	82,500
Landfill closing costs	75,000	75,000	78,521	( 3,521)	66,980
Legal fees	5,000	5,000	2,216	2,784	157,763
Total Contractual Services	<u>1,601,439</u>	<u>1,601,439</u>	<u>1,697,346</u>	<u>( 95,907)</u>	<u>1,784,586</u>
Materials and Supplies					
Office and related expenses	8,000	8,000	10,027	( 2,027)	9,165
Total Materials and Supplies	<u>8,000</u>	<u>8,000</u>	<u>10,027</u>	<u>( 2,027)</u>	<u>9,165</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>1,609,439</u>	<u>1,609,439</u>	<u>1,707,373</u>	<u>( 97,934)</u>	<u>1,793,751</u>
<b>INCOME FROM OPERATIONS</b>	<u>( 202,970)</u>	<u>( 202,970)</u>	<u>( 209,174)</u>	<u>( 6,204)</u>	<u>( 303,885)</u>
<b>CHANGE IN NET ASSETS</b>	<u>( 202,970)</u>	<u>( 202,970)</u>	<u>( 209,174)</u>	<u>( 6,204)</u>	<u>( 303,885)</u>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>( 469,542)</u>	<u>( 469,542)</u>	<u>( 469,542)</u>	<u>0</u>	<u>( 165,657)</u>
<b>NET ASSETS - END OF YEAR</b>	<u><u>(\$ 672,512)</u></u>	<u><u>(\$ 672,512)</u></u>	<u><u>(\$ 678,716)</u></u>	<u><u>(\$ 6,204)</u></u>	<u><u>(\$ 469,542)</u></u>

**CITY OF ZION, ILLINOIS**  
**911 EMERGENCY SURCHARGE FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Emergency surcharge tax	\$ 175,000	\$ 175,000	\$ 169,289	(\$ 5,711)	\$ 158,123
Miscellaneous	39,200	39,200	25,200	( 14,000)	32,396
<b>TOTAL REVENUES</b>	<u>214,200</u>	<u>214,200</u>	<u>194,489</u>	<u>( 19,711)</u>	<u>190,519</u>
<b>EXPENDITURES</b>					
Contractual Services					
Consultant - IT	6,000	6,000	0	6,000	0
Telephone service	41,500	41,500	43,488	( 1,988)	21,506
Total Contractual Services	<u>47,500</u>	<u>47,500</u>	<u>43,488</u>	<u>4,012</u>	<u>21,506</u>
Repairs and Maintenance					
Equipment	74,050	74,050	80,053	( 6,003)	26,808
Capital Outlay					
Building and equipment	32,000	32,000	31,979	21	0
Debt Service					
Principal retirement	0	0	0	0	224,492
Interest and fiscal charges	0	0	0	0	2,383
Total Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>226,875</u>
<b>TOTAL EXPENDITURES</b>	<u>153,550</u>	<u>153,550</u>	<u>155,520</u>	<u>( 1,970)</u>	<u>275,189</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>60,650</u>	<u>60,650</u>	<u>38,969</u>	<u>( 21,681)</u>	<u>( 84,670)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	0	0	0	0	180,733
Transfers (out)	( 60,650)	( 60,650)	( 38,969)	21,681	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>( 60,650)</u>	<u>( 60,650)</u>	<u>( 38,969)</u>	<u>21,681</u>	<u>180,733</u>
<b>NET CHANGE IN FUND BALANCE</b>	0	0	0	0	96,063
<b>FUND BALANCE - BEGINNING OF YEAR</b>	( 277,777)	( 277,777)	( 277,777)	0	( 373,840)
<b>FUND BALANCE - END OF YEAR</b>	<u>(\$ 277,777)</u>	<u>(\$ 277,777)</u>	<u>(\$ 277,777)</u>	<u>\$ 0</u>	<u>(\$ 277,777)</u>

**CITY OF ZION, ILLINOIS**  
**ZION-NEWPORT FIRE STATION**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Interest	\$ 0	\$ 0	\$ 237	\$ 237	\$ 5,090
<b>TOTAL REVENUES</b>	<u>0</u>	<u>0</u>	<u>237</u>	<u>237</u>	<u>5,090</u>
<b>EXPENDITURES</b>					
Miscellaneous	180	180	99	81	235,153
<b>TOTAL EXPENDITURES</b>	<u>180</u>	<u>180</u>	<u>99</u>	<u>81</u>	<u>235,153</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>( 180)</u>	<u>( 180)</u>	<u>138</u>	<u>318</u>	<u>( 230,063)</u>
<b>OTHER FINANCING SOURCES</b>					
Transfers in	98,139	98,139	98,139	0	98,138
Transfers (out)	0	0	0	0	( 235,032)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>98,139</u>	<u>98,139</u>	<u>98,139</u>	<u>0</u>	<u>( 136,894)</u>
<b>NET CHANGE IN FUND BALANCE</b>	97,959	97,959	98,277	318	( 366,957)
<b>FUND BALANCE - BEGINNING OF YEAR</b>	108,316	108,316	108,316	0	475,273
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 206,275</u>	<u>\$ 206,275</u>	<u>\$ 206,593</u>	<u>\$ 318</u>	<u>\$ 108,316</u>



**CITY OF ZION, ILLINOIS**  
**EMERGENCY SERVICE RESCUE FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Property taxes	\$ 750,401	\$ 750,401	\$ 748,834	(\$ 1,567)	\$ 747,871
Interest	0	0	0	0	1,457
<b>TOTAL REVENUES</b>	<u>750,401</u>	<u>750,401</u>	<u>748,834</u>	<u>( 1,567)</u>	<u>749,328</u>
<b>TOTAL EXPENDITURES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>750,401</u>	<u>750,401</u>	<u>748,834</u>	<u>( 1,567)</u>	<u>749,328</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers (out)	( 750,401)	( 750,401)	( 748,834)	1,567	( 745,845)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>( 750,401)</u>	<u>( 750,401)</u>	<u>( 748,834)</u>	<u>1,567</u>	<u>( 745,845)</u>
<b>NET CHANGE IN FUND BALANCE</b>	0	0	0	0	3,483
<b>FUND BALANCE - BEGINNING OF YEAR, AS PREVIOUSLY STATED</b>	532,892	532,892	532,892	0	529,409
<b>PRIOR PERIOD ADJUSTMENT</b>	<u>0</u>	<u>0</u>	<u>( 365,557)</u>	<u>( 365,557)</u>	<u>0</u>
<b>FUND BALANCE - BEGINNING OF YEAR, AS RESTATED</b>	532,892	532,892	167,335	( 365,557)	529,409
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 532,892</u>	<u>\$ 532,892</u>	<u>\$ 167,335</u>	<u>(\$ 365,557)</u>	<u>\$ 532,892</u>

**CITY OF ZION, ILLINOIS**  
**FOREIGN FIRE TAX FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
TOTAL REVENUES	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>EXPENDITURES</b>					
TOTAL EXPENDITURES	0	0	0	0	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0	0	0	0	0
NET CHANGE IN FUND BALANCE	0	0	0	0	0
FUND BALANCE - BEGINNING OF YEAR	0	0	0	0	0
FUND BALANCE - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CITY OF ZION, ILLINOIS**  
**STREET AND BRIDGE FUND**

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

For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Property taxes	\$ 251,464	\$ 251,464	\$ 250,938	(\$ 526)	\$ 290,978
Donations and grants	99,000	99,000	87,568	( 11,432)	107,000
<b>TOTAL REVENUES</b>	<u>350,464</u>	<u>350,464</u>	<u>338,506</u>	<u>( 11,958)</u>	<u>397,978</u>
<b>EXPENDITURES</b>					
Contractual Services					
Streets and alleys	356,898	356,898	381,438	( 24,540)	161,575
Total Contractual Services	<u>356,898</u>	<u>356,898</u>	<u>381,438</u>	<u>( 24,540)</u>	<u>161,575</u>
<b>TOTAL EXPENDITURES</b>	<u>356,898</u>	<u>356,898</u>	<u>381,438</u>	<u>( 24,540)</u>	<u>161,575</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>( 6,434)</u>	<u>( 6,434)</u>	<u>( 42,932)</u>	<u>( 36,498)</u>	<u>236,403</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers (out)	0	0	0	0	( 224,659)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>( 224,659)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>( 6,434)</u>	<u>( 6,434)</u>	<u>( 42,932)</u>	<u>( 36,498)</u>	<u>11,744</u>
<b>FUND BALANCE - BEGINNING OF YEAR AS PREVIOUSLY STATED</b>	109,759	109,759	109,759	0	98,015
<b>PRIOR PERIOD ADJUSTMENT</b>	<u>0</u>	<u>0</u>	<u>( 122,501)</u>	<u>( 122,501)</u>	<u>0</u>
<b>FUND BALANCE - BEGINNING OF YEAR AS RESTATED</b>	109,759	109,759	( 12,742)	( 122,501)	98,015
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 103,325</u>	<u>\$ 103,325</u>	<u>(\$ 55,674)</u>	<u>(\$ 158,999)</u>	<u>\$ 109,759</u>

**CITY OF ZION, ILLINOIS**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Property taxes	\$ 351,251	\$ 351,251	\$ 350,518	(\$ 733)	\$ 356,869
TOTAL REVENUES	351,251	351,251	350,518	( 733)	356,869
<b>EXPENDITURES</b>					
Contractual Services					
Illinois Municipal Retirement Fund					
City contributions	351,251	351,251	387,532	( 36,281)	341,943
TOTAL EXPENDITURES	351,251	351,251	387,532	( 36,281)	341,943
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0	0	( 37,014)	( 37,014)	14,926
FUND BALANCE - BEGINNING OF YEAR AS PREVIOUSLY STATED	49,789	49,789	49,789	0	34,863
PRIOR PERIOD ADJUSTMENT	0	0	( 171,112)	( 171,112)	0
FUND BALANCE - BEGINNING OF YEAR AS RESTATED	49,789	49,789	( 121,323)	( 171,112)	34,863
FUND BALANCE - END OF YEAR	<u>\$ 49,789</u>	<u>\$ 49,789</u>	<u>(\$ 158,337)</u>	<u>(\$ 208,126)</u>	<u>\$ 49,789</u>

**CITY OF ZION, ILLINOIS**  
**FICA FUND**

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

For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Property taxes	\$ 251,464	\$ 251,464	\$ 250,939	(\$ 525)	\$ 278,018
TOTAL REVENUES	251,464	251,464	250,939	( 525)	278,018
<b>EXPENDITURES</b>					
Contractual Services					
FICA City share	360,000	360,000	373,935	( 13,935)	354,767
TOTAL EXPENDITURES	360,000	360,000	373,935	( 13,935)	354,767
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	( 108,536)	( 108,536)	( 122,996)	( 14,460)	( 76,749)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	49,367	49,367	49,367	0	0
TOTAL OTHER FINANCING SOURCES (USES)	49,367	49,367	49,367	0	0
NET CHANGE IN FUND BALANCE	( 59,169)	( 59,169)	( 73,629)	( 14,460)	( 76,749)
FUND BALANCE - BEGINNING OF YEAR AS PREVIOUSLY STATED	54,207	54,207	54,207	0	130,956
PRIOR PERIOD ADJUSTMENT	0	0	( 122,500)	( 122,500)	0
FUND BALANCE - BEGINNING OF YEAR AS RESTATED	54,207	54,207	( 68,293)	( 122,500)	130,956
FUND BALANCE - END OF YEAR	(\$ 4,962)	(\$ 4,962)	(\$ 141,922)	(\$ 136,960)	\$ 54,207

**CITY OF ZION, ILLINOIS**  
**MOTOR FUEL TAX FUND**

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

For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Motor fuel tax allotments	\$ 627,415	\$ 627,415	\$ 709,727	\$ 82,312	\$ 690,845
Intergovernmental	20,000	20,000	0	( 20,000)	0
Interest	0	0	695	695	950
<b>TOTAL REVENUES</b>	<u>647,415</u>	<u>647,415</u>	<u>710,422</u>	<u>63,007</u>	<u>691,795</u>
<b>EXPENDITURES</b>					
Contracted Projects					
Miscellaneous projects	150,000	150,000	143,863	6,137	125,226
06-00080-00-RS-2006 St. Imp.	0	0	0	0	7,479
08-00000-00-GM	0	0	5,436	( 5,436)	25,792
09-00082-00-RS	0	0	0	0	396
11-00000-00-GM Gen Maint	35,000	35,000	23,803	11,197	0
Total Contracted Projects	<u>185,000</u>	<u>185,000</u>	<u>173,102</u>	<u>11,898</u>	<u>158,893</u>
<b>TOTAL EXPENDITURES</b>	<u>185,000</u>	<u>185,000</u>	<u>173,102</u>	<u>11,898</u>	<u>158,893</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>462,415</u>	<u>462,415</u>	<u>537,320</u>	<u>74,905</u>	<u>532,902</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers (out)	( 397,360)	( 397,360)	( 396,645)	715	( 397,773)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>( 397,360)</u>	<u>( 397,360)</u>	<u>( 396,645)</u>	<u>715</u>	<u>( 397,773)</u>
<b>NET CHANGE IN FUND BALANCE</b>	65,055	65,055	140,675	75,620	135,129
<b>FUND BALANCE - BEGINNING OF YEAR</b>	152,323	152,323	152,323	0	17,194
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 217,378</u>	<u>\$ 217,378</u>	<u>\$ 292,998</u>	<u>\$ 75,620</u>	<u>\$ 152,323</u>

**CITY OF ZION, ILLINOIS**  
**DEVELOPMENT TIF AREA #2 FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 83
TOTAL REVENUES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>83</u>
<b>EXPENDITURES</b>					
Contractual Services					
Other contractual services	<u>0</u>	<u>0</u>	<u>9,612</u>	<u>( 9,612)</u>	<u>0</u>
Total Contractual Services	<u>0</u>	<u>0</u>	<u>9,612</u>	<u>( 9,612)</u>	<u>0</u>
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>9,612</u>	<u>( 9,612)</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>0</u>	<u>0</u>	<u>( 9,612)</u>	<u>( 9,612)</u>	<u>83</u>
NET CHANGE IN FUND BALANCE	0	0	( 9,612)	( 9,612)	83
FUND BALANCE - BEGINNING OF YEAR	9,612	9,612	9,612	0	9,529
FUND BALANCE - END OF YEAR	<u>\$ 9,612</u>	<u>\$ 9,612</u>	<u>\$ 0</u>	<u>(\$ 9,612)</u>	<u>\$ 9,612</u>

**CITY OF ZION, ILLINOIS**  
**DEVELOPMENT TIF AREA #3 FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Property taxes	\$ 644,488	\$ 644,488	\$ 643,817	(\$ 671)	\$ 737,707
Interest	0	0	0	0	1,864
<b>TOTAL REVENUES</b>	<u>644,488</u>	<u>644,488</u>	<u>643,817</u>	<u>( 671)</u>	<u>739,571</u>
<b>EXPENDITURES</b>					
Contractual Services					
Legal	0	0	95	( 95)	0
Promotional	0	0	0	0	12,009
Consultants	0	0	0	0	3,675
Contracted services	0	0	0	0	54,336
Professional	750	750	750	0	750
Appraisal	1,000	1,000	0	1,000	1,000
Business grants	20,000	20,000	0	20,000	20,000
Total Contractual Services	<u>21,750</u>	<u>21,750</u>	<u>845</u>	<u>20,905</u>	<u>91,770</u>
<b>TOTAL EXPENDITURES</b>	<u>21,750</u>	<u>21,750</u>	<u>845</u>	<u>20,905</u>	<u>91,770</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>622,738</u>	<u>622,738</u>	<u>642,972</u>	<u>20,234</u>	<u>647,801</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers (out)	( 622,738)	( 622,738)	( 622,004)	734	( 653,223)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>( 622,738)</u>	<u>( 622,738)</u>	<u>( 622,004)</u>	<u>734</u>	<u>( 653,223)</u>
<b>NET CHANGE IN FUND BALANCES</b>	0	0	20,968	20,968	( 5,422)
<b>FUND BALANCE - BEGINNING OF YEAR AS PREVIOUSLY STATED</b>	531,230	531,230	531,230	0	536,652
<b>PRIOR PERIOD ADJUSTMENT</b>	0	0	( 318,211)	( 318,211)	0
<b>FUND BALANCE - BEGINNING OF YEAR AS RESTATED</b>	531,230	531,230	213,019	( 318,211)	536,652
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 531,230</u>	<u>\$ 531,230</u>	<u>\$ 233,987</u>	<u>(\$ 297,243)</u>	<u>\$ 531,230</u>



**CITY OF ZION, ILLINOIS**  
**DEVELOPMENT TIF AREA #4 FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Property taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,630
Interest	0	0	0	0	49
<b>TOTAL REVENUES</b>	0	0	0	0	5,679
<b>EXPENDITURES</b>					
<b>TOTAL EXPENDITURES</b>	0	0	0	0	0
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	0	0	0	0	5,679
<b>FUND BALANCE - BEGINNING OF YEAR</b>	5,679	5,679	5,679	0	0
<b>FUND BALANCE - END OF YEAR</b>	\$ 5,679	\$ 5,679	\$ 5,679	\$ 0	\$ 5,679

**CITY OF ZION, ILLINOIS**  
**IMPACT FEE FUND**

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

For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Impact fees	\$ 0	\$ 0	\$ 10,600	\$ 10,600	\$ 3,600
Interest	0	0	0	0	1,862
<b>TOTAL REVENUES</b>	<u>0</u>	<u>0</u>	<u>10,600</u>	<u>10,600</u>	<u>5,462</u>
<b>EXPENDITURES</b>					
<b>TOTAL EXPENDITURES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>0</u>	<u>0</u>	<u>10,600</u>	<u>10,600</u>	<u>5,462</u>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	170,885	170,885	170,885	0	165,423
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 170,885</u>	<u>\$ 170,885</u>	<u>\$ 181,485</u>	<u>\$ 10,600</u>	<u>\$ 170,885</u>

**CITY OF ZION, ILLINOIS**  
**IMPACT FEES - FIRE/RESCUE**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Impact fees	\$ 0	\$ 0	\$ 10,000	\$ 10,000	\$ 720
TOTAL REVENUES	<u>0</u>	<u>0</u>	<u>10,000</u>	<u>10,000</u>	<u>720</u>
<b>EXPENDITURES</b>					
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>0</u>	<u>0</u>	<u>10,000</u>	<u>10,000</u>	<u>720</u>
FUND BALANCE - BEGINNING OF YEAR	( 78,389)	( 78,389)	( 78,389)	0	( 79,109)
FUND BALANCE - END OF YEAR	<u>(\$ 78,389)</u>	<u>(\$ 78,389)</u>	<u>(\$ 68,389)</u>	<u>\$ 10,000</u>	<u>(\$ 78,389)</u>

**CITY OF ZION, ILLINOIS**  
**IMPACT FEES - OTHER GOV'T AGENCIES**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 224
TOTAL REVENUES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>224</u>
<b>EXPENDITURES</b>					
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>224</u>
FUND BALANCE - BEGINNING OF YEAR	1,928	1,928	1,928	0	1,704
FUND BALANCE - END OF YEAR	<u>\$ 1,928</u>	<u>\$ 1,928</u>	<u>\$ 1,928</u>	<u>\$ 0</u>	<u>\$ 1,928</u>

**CITY OF ZION, ILLINOIS**  
**ECONOMIC DEVELOPMENT FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
TOTAL REVENUES	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>EXPENDITURES</b>					
TOTAL EXPENDITURES	0	0	0	0	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0	0	0	0	0
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	0	0	0	0	1,257,505
TOTAL OTHER FINANCING SOURCES (USES)	0	0	0	0	1,257,505
NET CHANGE IN FUND BALANCE	0	0	0	0	1,257,505
FUND BALANCE - BEGINNING OF YEAR	0	0	0	0	( 1,257,505)
FUND BALANCE - END OF YEAR	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CITY OF ZION, ILLINOIS**  
**POLICE PROTECTION FUND**

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

For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
TOTAL REVENUES	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>EXPENDITURES</b>					
TOTAL EXPENDITURES	0	0	0	0	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0	0	0	0	0
FUND BALANCE - BEGINNING OF YEAR	( 22,929)	( 22,929)	( 22,929)	0	( 22,929)
FUND BALANCE - END OF YEAR	<u>(\$ 22,929)</u>	<u>(\$ 22,929)</u>	<u>(\$ 22,929)</u>	<u>\$ 0</u>	<u>(\$ 22,929)</u>

**CITY OF ZION, ILLINOIS**  
**LIABILITY INSURANCE FUND**

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

For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Property taxes	\$ 902,078	\$ 902,078	\$ 900,195	(\$ 1,883)	\$ 983,757
Interest	0	0	0	0	138
Miscellaneous	0	0	0	0	18,095
<b>TOTAL REVENUES</b>	<u>902,078</u>	<u>902,078</u>	<u>900,195</u>	<u>( 1,883)</u>	<u>1,001,990</u>
<b>EXPENDITURES</b>					
<b>TOTAL EXPENDITURES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>902,078</u>	<u>902,078</u>	<u>900,195</u>	<u>( 1,883)</u>	<u>1,001,990</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers (out)	( 902,078)	( 902,078)	( 900,195)	1,883	( 1,061,882)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>( 902,078)</u>	<u>( 902,078)</u>	<u>( 900,195)</u>	<u>1,883</u>	<u>( 1,061,882)</u>
<b>NET CHANGE IN FUND BALANCE</b>	0	0	0	0	( 59,892)
<b>FUND BALANCE - BEGINNING OF YEAR AS PREVIOUSLY STATED</b>	455,240	455,240	455,240	0	515,132
<b>PRIOR PERIOD ADJUSTMENT</b>	<u>0</u>	<u>0</u>	<u>( 439,447)</u>	<u>( 439,447)</u>	<u>0</u>
<b>FUND BALANCE - BEGINNING OF YEAR AS RESTATED</b>	455,240	455,240	15,793	( 439,447)	515,132
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 455,240</u>	<u>\$ 455,240</u>	<u>\$ 15,793</u>	<u>(\$ 439,447)</u>	<u>\$ 455,240</u>

**CITY OF ZION, ILLINOIS**  
**AUDIT FUND**

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

For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 241
TOTAL REVENUES	0	0	0	0	241
<b>EXPENDITURES</b>					
Contractual Services					
Professional fees	0	0	0	0	61,696
TOTAL EXPENDITURES	0	0	0	0	61,696
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0	0	0	0	( 61,455)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	0	0	0	0	61,696
TOTAL OTHER FINANCING SOURCES (USES)	0	0	0	0	61,696
NET CHANGE IN FUND BALANCE	0	0	0	0	241
FUND BALANCE - BEGINNING OF YEAR	13,936	13,936	13,936	0	13,695
FUND BALANCE - END OF YEAR	\$ 13,936	\$ 13,936	\$ 13,936	\$ 0	\$ 13,936



**CITY OF ZION, ILLINOIS**  
**CIVIL DEFENSE FUND**

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

For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Boardup fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,231
Donations and grants	0	0	0	0	3,590
Miscellaneous	0	0	95	95	1,400
<b>TOTAL REVENUES</b>	<u>0</u>	<u>0</u>	<u>95</u>	<u>95</u>	<u>11,221</u>
<b>EXPENDITURES</b>					
Personal Services					
Director and assistant	0	0	0	0	8,000
Contractual Services					
Telephone service	0	0	0	0	5,366
Utilities	0	0	0	0	825
Total Contractual Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,191</u>
Materials and Supplies					
Uniforms	0	0	0	0	1,740
Gas and oil	0	0	0	0	13,118
Office and related expenditures	0	0	0	0	1,448
Communication	0	0	0	0	2,438
Computer and related	0	0	0	0	455
Donations used	0	0	0	0	8,733
Miscellaneous	0	0	0	0	38
Total Materials and Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>27,970</u>
Repairs and Maintenance					
Board up costs	0	0	0	0	3,643
Building and grounds	0	0	0	0	4,807
Motor equipment	0	0	0	0	8,367
Miscellaneous other equipment	0	0	0	0	12,635
Total Repairs and Maintenance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>29,452</u>
<b>TOTAL EXPENDITURES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>71,613</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>0</u>	<u>0</u>	<u>95</u>	<u>95</u>	<u>( 60,392)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	0	0	29,783	29,783	38,945
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>0</u>	<u>0</u>	<u>29,783</u>	<u>29,783</u>	<u>38,945</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>0</u>	<u>0</u>	<u>29,878</u>	<u>29,878</u>	<u>( 21,447)</u>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>( 29,878)</u>	<u>( 29,878)</u>	<u>( 29,878)</u>	<u>0</u>	<u>( 8,431)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>(\$ 29,878)</u></u>	<u><u>(\$ 29,878)</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 29,878</u></u>	<u><u>(\$ 29,878)</u></u>

**CITY OF ZION, ILLINOIS**  
**DRUG TRAFFIC PREVENTION**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Forfeitures	\$ 40,000	\$ 40,000	\$ 18,594	(\$ 21,406)	\$ 31,828
Grants	5,600	5,600	5,900	300	750
Interest	0	0	0	0	2,703
Miscellaneous	0	0	0	0	5,600
<b>TOTAL REVENUES</b>	<b>45,600</b>	<b>45,600</b>	<b>24,494</b>	<b>( 21,106)</b>	<b>40,881</b>
<b>EXPENDITURES</b>					
Contractual Services					
Miscellaneous	44,749	44,749	40,513	4,236	29,153
<b>Total Contractual Services</b>	<b>44,749</b>	<b>44,749</b>	<b>40,513</b>	<b>4,236</b>	<b>29,153</b>
Materials and Supplies					
Investigations	0	0	0	0	15,568
Firearms training	0	0	0	0	1,539
<b>Total Materials and Supplies</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17,107</b>
Capital Outlay					
Other equipment	0	0	0	0	22,700
<b>Total Capital Outlay</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22,700</b>
<b>TOTAL EXPENDITURES</b>	<b>44,749</b>	<b>44,749</b>	<b>40,513</b>	<b>4,236</b>	<b>68,960</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>851</b>	<b>851</b>	<b>( 16,019)</b>	<b>( 16,870)</b>	<b>( 28,079)</b>
FUND BALANCE - BEGINNING OF YEAR	76,107	76,107	76,107	0	104,186
FUND BALANCE - END OF YEAR	<u>\$ 76,958</u>	<u>\$ 76,958</u>	<u>\$ 60,088</u>	<u>(\$ 16,870)</u>	<u>\$ 76,107</u>

**CITY OF ZION, ILLINOIS**  
**INDUSTRIAL DEVELOPMENT FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Host fees	\$ 375,000	\$ 375,000	\$ 375,000	\$ 0	\$ 375,000
Interest	0	0	0	0	5
<b>TOTAL REVENUES</b>	<u>375,000</u>	<u>375,000</u>	<u>375,000</u>	<u>0</u>	<u>375,005</u>
<b>EXPENDITURES</b>					
<b>TOTAL EXPENDITURES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>375,000</u>	<u>375,000</u>	<u>375,000</u>	<u>0</u>	<u>375,005</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers (out)	( 375,000)	( 375,000)	( 374,285)	715	( 374,463)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>( 375,000)</u>	<u>( 375,000)</u>	<u>( 374,285)</u>	<u>715</u>	<u>( 374,463)</u>
<b>NET CHANGE IN FUND BALANCE</b>	0	0	715	715	542
<b>FUND BALANCE - BEGINNING OF YEAR</b>	542	542	542	0	0
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 542</u>	<u>\$ 542</u>	<u>\$ 1,257</u>	<u>\$ 715</u>	<u>\$ 542</u>

**CITY OF ZION, ILLINOIS**  
**CABLE COMMISSION FUND**

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

For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 178
TOTAL REVENUES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>178</u>
<b>EXPENDITURES</b>					
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>178</u>
FUND BALANCE - BEGINNING OF YEAR	21,571	21,571	21,571	0	21,393
FUND BALANCE - END OF YEAR	<u>\$ 21,571</u>	<u>\$ 21,571</u>	<u>\$ 21,571</u>	<u>\$ 0</u>	<u>\$ 21,571</u>

**CITY OF ZION, ILLINOIS**  
**HOTEL/MOTEL TAX FUND**

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

For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Hotel/motel room tax	\$ 156,518	\$ 156,518	\$ 121,877	(\$ 34,641)	\$ 87,849
Interest	0	0	0	0	2,023
<b>TOTAL REVENUES</b>	<u>156,518</u>	<u>156,518</u>	<u>121,877</u>	<u>( 34,641)</u>	<u>89,872</u>
<b>EXPENDITURES</b>					
Contractual Services					
Tax rebate	98,741	98,741	111,919	( 13,178)	96,426
Total Contractual Services	<u>98,741</u>	<u>98,741</u>	<u>111,919</u>	<u>( 13,178)</u>	<u>96,426</u>
<b>TOTAL EXPENDITURES</b>	<u>98,741</u>	<u>98,741</u>	<u>111,919</u>	<u>( 13,178)</u>	<u>96,426</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	57,777	57,777	9,958	( 47,819)	( 6,554)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers (out)	( 40,000)	( 40,000)	( 40,000)	0	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>( 40,000)</u>	<u>( 40,000)</u>	<u>( 40,000)</u>	<u>0</u>	<u>0</u>
<b>NET CHANGE IN FUND BALANCE</b>	17,777	17,777	( 30,042)	( 47,819)	( 6,554)
<b>FUND BALANCE - BEGINNING OF YEAR</b>	84,870	84,870	84,870	0	91,424
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 102,647</u>	<u>\$ 102,647</u>	<u>\$ 54,828</u>	<u>(\$ 47,819)</u>	<u>\$ 84,870</u>

**CITY OF ZION, ILLINOIS**  
**FIRE PROTECTION FUND**

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

For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Property taxes	\$ 902,078	\$ 902,078	\$ 900,194	(\$ 1,884)	\$ 899,519
Plan fees and permits	0	0	0	0	35,576
Grants and donations	0	0	0	0	46,500
Ambulance fees	0	0	0	0	437,309
Miscellaneous	0	0	0	0	7,929
<b>TOTAL REVENUES</b>	<b>902,078</b>	<b>902,078</b>	<b>900,194</b>	<b>( 1,884)</b>	<b>1,426,833</b>
<b>EXPENDITURES</b>					
Personal Services					
Regular firemen	0	0	0	0	1,816,879
Fire inspector	0	0	0	0	12,803
Overtime	0	0	0	0	239,015
Secretary	0	0	0	0	26,345
Total Personal Services	0	0	0	0	2,095,042
Contractual Services					
Public education	0	0	0	0	2,564
Memberships	0	0	0	0	6,549
Consultants	0	0	0	0	7,472
Insurance	0	0	0	0	267,752
Liability deductible	0	0	0	0	240
Hospitalization	0	0	0	0	297,003
Ambulance billing fees	0	0	0	0	36,052
Telephone service	0	0	0	0	19,946
Travel and conference	0	0	0	0	772
Schools, training and materials	0	0	0	0	16,326
Utilities	0	0	0	0	3,351
Fire extinguishers	0	0	0	0	580
Equipment rental	0	0	0	0	4,311
Total Contractual Services	0	0	0	0	662,918
Materials and Supplies					
EMS equipment	0	0	0	0	12,719
Donations used	0	0	0	0	7,573
Uniforms	0	0	0	0	11,981
Gas and oil	0	0	0	0	36,523
Office and related expenditures	0	0	0	0	3,871
Training materials and supplies	0	0	0	0	153
Computer and related	0	0	0	0	4,141
Knox boxes	0	0	0	0	2,914
Housekeeping supplies	0	0	0	0	4,139
Total Materials and Supplies	0	0	0	0	84,014

**CITY OF ZION, ILLINOIS**  
**FIRE PROTECTION FUND**

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

For the Year Ended April 30, 2012  
(With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>EXPENDITURES (continued)</b>					
Repairs and Maintenance					
Building and grounds	0	0	0	0	10,936
Motor equipment	0	0	0	0	49,954
Miscellaneous other equipment	0	0	0	0	16,108
Radio equipment	0	0	0	0	11,490
Total Repairs and Maintenance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>88,488</u>
Capital Outlay					
Other equipment	0	0	0	0	48,945
Grant purchases	0	0	0	0	12,000
Total Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>60,945</u>
Debt Service					
Principal	0	0	0	0	97,636
Interest	0	0	0	0	1,088
Total Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>98,724</u>
<b>TOTAL EXPENDITURES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,090,131</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>902,078</u>	<u>902,078</u>	<u>900,194</u>	<u>( 1,884)</u>	<u>( 1,663,298)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	0	0	0	0	1,739,575
Transfers (out)	<u>( 902,078)</u>	<u>( 902,078)</u>	<u>( 900,194)</u>	<u>1,884</u>	<u>( 98,139)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>( 902,078)</u>	<u>( 902,078)</u>	<u>( 900,194)</u>	<u>1,884</u>	<u>1,641,436</u>
<b>NET CHANGE IN FUND BALANCE</b>	0	0	0	0	( 21,862)
<b>FUND BALANCE - BEGINNING OF YEAR AS PREVIOUSLY STATED</b>	( 131,809)	( 131,809)	( 131,809)	0	( 109,947)
<b>PRIOR PERIOD ADJUSTMENT</b>	<u>0</u>	<u>0</u>	<u>( 439,448)</u>	<u>( 439,448)</u>	<u>0</u>
<b>FUND BALANCE - BEGINNING OF YEAR AS RESTATED</b>	( 131,809)	( 131,809)	( 571,257)	( 439,448)	( 109,947)
<b>FUND BALANCE - END OF YEAR</b>	<u>(\$ 131,809)</u>	<u>(\$ 131,809)</u>	<u>(\$ 571,257)</u>	<u>(\$ 439,448)</u>	<u>(\$ 131,809)</u>

**CITY OF ZION, ILLINOIS**  
**TIF #1 BOND SERIES 2002A FUND**

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

For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 931
<b>TOTAL REVENUES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>931</u>
<b>EXPENDITURES</b>					
Debt Service					
Principal retirement	395,000	395,000	395,000	0	360,000
Interest and fiscal charges	138,985	138,985	138,270	715	153,648
Total Debt Service	<u>533,985</u>	<u>533,985</u>	<u>533,270</u>	<u>715</u>	<u>513,648</u>
<b>TOTAL EXPENDITURES</b>	<u>533,985</u>	<u>533,985</u>	<u>533,270</u>	<u>715</u>	<u>513,648</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>( 533,985)</u>	<u>( 533,985)</u>	<u>( 533,270)</u>	<u>715</u>	<u>( 512,717)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	533,985	533,985	533,270	( 715)	513,648
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>533,985</u>	<u>533,985</u>	<u>533,270</u>	<u>( 715)</u>	<u>513,648</u>
<b>NET CHANGE IN FUND BALANCE</b>	0	0	0	0	931
<b>FUND BALANCE - BEGINNING OF YEAR</b>	53,881	53,881	53,881	0	52,950
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 53,881</u>	<u>\$ 53,881</u>	<u>\$ 53,881</u>	<u>\$ 0</u>	<u>\$ 53,881</u>



**CITY OF ZION, ILLINOIS**  
**BOND SERIES 2002B ROAD BOND FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 972
<b>TOTAL REVENUES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>972</u>
<b>EXPENDITURES</b>					
Debt Service					
Principal retirement	270,000	270,000	270,000	0	260,000
Interest and fiscal charges	127,360	127,360	126,645	715	137,773
Total Debt Service	<u>397,360</u>	<u>397,360</u>	<u>396,645</u>	<u>715</u>	<u>397,773</u>
<b>TOTAL EXPENDITURES</b>	<u>397,360</u>	<u>397,360</u>	<u>396,645</u>	<u>715</u>	<u>397,773</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>( 397,360)</u>	<u>( 397,360)</u>	<u>( 396,645)</u>	<u>715</u>	<u>( 396,801)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	397,360	397,360	396,645	( 715)	397,773
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>397,360</u>	<u>397,360</u>	<u>396,645</u>	<u>( 715)</u>	<u>397,773</u>
<b>NET CHANGE IN FUND BALANCE</b>	0	0	0	0	972
<b>FUND BALANCE - BEGINNING OF YEAR</b>	56,264	56,264	56,264	0	55,292
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 56,264</u>	<u>\$ 56,264</u>	<u>\$ 56,264</u>	<u>\$ 0</u>	<u>\$ 56,264</u>

**CITY OF ZION, ILLINOIS**  
**BOND SERIES 2003 ROAD BOND FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 692
<b>TOTAL REVENUES</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>692</u>
<b>EXPENDITURES</b>					
Debt Service					
Principal	185,000	185,000	185,000	0	175,000
Interest and fiscal charges	78,548	78,548	77,833	715	84,473
Total Debt Service	<u>263,548</u>	<u>263,548</u>	<u>262,833</u>	<u>715</u>	<u>259,473</u>
<b>TOTAL EXPENDITURES</b>	<u>263,548</u>	<u>263,548</u>	<u>262,833</u>	<u>715</u>	<u>259,473</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>( 263,548)</u>	<u>( 263,548)</u>	<u>( 262,833)</u>	<u>715</u>	<u>( 258,781)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	263,548	263,548	262,833	( 715)	259,473
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>263,548</u>	<u>263,548</u>	<u>262,833</u>	<u>( 715)</u>	<u>259,473</u>
<b>NET CHANGE IN FUND BALANCE</b>	0	0	0	0	692
<b>FUND BALANCE - BEGINNING OF YEAR</b>	40,110	40,110	40,110	0	39,418
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 40,110</u>	<u>\$ 40,110</u>	<u>\$ 40,110</u>	<u>\$ 0</u>	<u>\$ 40,110</u>

**CITY OF ZION, ILLINOIS**  
**AREA 3 SOUTH SHERIDAN ROAD PROJECT (DEBT SERVICE)**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
TOTAL REVENUES	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>EXPENDITURES</b>					
Debt Service					
Principal retirement	125,000	125,000	125,000	0	120,000
Interest and fiscal charges	76,062	76,062	75,328	734	80,766
Total Debt Service	<u>201,062</u>	<u>201,062</u>	<u>200,328</u>	<u>734</u>	<u>200,766</u>
TOTAL EXPENDITURES	<u>201,062</u>	<u>201,062</u>	<u>200,328</u>	<u>734</u>	<u>200,766</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>( 201,062)</u>	<u>( 201,062)</u>	<u>( 200,328)</u>	<u>734</u>	<u>( 200,766)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	<u>201,062</u>	<u>201,062</u>	<u>200,328</u>	<u>( 734)</u>	<u>200,766</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>201,062</u>	<u>201,062</u>	<u>200,328</u>	<u>( 734)</u>	<u>200,766</u>
NET CHANGE IN FUND BALANCE	0	0	0	0	0
FUND BALANCE - BEGINNING OF YEAR	( 1,538)	( 1,538)	( 1,538)	0	( 1,538)
FUND BALANCE - END OF YEAR	<u>(\$ 1,538)</u>	<u>(\$ 1,538)</u>	<u>(\$ 1,538)</u>	<u>\$ 0</u>	<u>(\$ 1,538)</u>

**CITY OF ZION, ILLINOIS**  
**TIF #1 CAPITAL PROJECTS FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2
TOTAL REVENUES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
<b>EXPENDITURES</b>					
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
FUND BALANCE - BEGINNING OF YEAR	135	135	135	0	133
FUND BALANCE - END OF YEAR	<u>\$ 135</u>	<u>\$ 135</u>	<u>\$ 135</u>	<u>\$ 0</u>	<u>\$ 135</u>

**CITY OF ZION, ILLINOIS**  
**CAPITAL PROJECTS FUND**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For the Year Ended April 30, 2012  
 (With Comparative Actual Totals for 2011)

	2012			Variance with Final Budget Positive (Negative)	2011
	Budgeted Amounts		Actual		Actual
	Original	Final			
<b>REVENUES</b>					
TOTAL REVENUES	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>EXPENDITURES</b>					
TOTAL EXPENDITURES	0	0	0	0	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0	0	0	0	0
FUND BALANCE - BEGINNING OF YEAR	( 79,232)	( 79,232)	( 79,232)	0	( 79,232)
FUND BALANCE - END OF YEAR	<u>(\$ 79,232)</u>	<u>(\$ 79,232)</u>	<u>(\$ 79,232)</u>	<u>\$ 0</u>	<u>(\$ 79,232)</u>