

City of Oregon

Oregon, Illinois

Annual Financial Report

April 30, 2016

City of Oregon, Illinois

Year Ended April 30, 2016

Table of Contents

Independent Auditor's Report	1 - 2
Management Discussion and Analysis	3 - 8
Basic Financial Statements	
Statement of Net Position - Modified Cash Basis	9
Statement of Activities - Modified Cash Basis	10
Balance Sheet - Governmental Funds – Modified Cash Basis	11
Reconciliation of the Governmental Funds Balance Sheet – Modified Cash Basis to the Statement of Net Position - Modified Cash Basis	12
Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Funds – Modified Cash Basis	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds – Modified Cash Basis to the Statement of Activities - Modified Cash Basis	14
Statement of Net Position - Modified Cash Basis - Proprietary Funds	15
Statement of Revenues, Expenses, and Changes in Net Position - Modified Cash Basis - Proprietary Funds	16
Statement of Cash Flows – Modified Cash Basis - Proprietary Funds	17
Notes to Financial Statements	18 - 41

City of Oregon, Illinois

Year Ended April 30, 2016

Table of Contents (Continued)

Other Information

IMRF Multiyear Schedule of Contributions	42
Schedule of Changes in Net Pension Liability for IMRF	43
Notes to Other Information	44
Schedule of Revenues and Expenditures/Expenses Compared with Budget – Modified Cash Basis:	
General Fund	45 - 46
Police Fund	47 - 48
Civil Defense Fund	49
IMRF Fund	50
Economic Development Fund	51
Street and Alley Fund	52
Motor Fuel Tax Fund	53
City Group Insurance Fund	54
Road and Bridge Fund	55
Water and Sewer Fund	56 - 57
Nonmajor Governmental Funds - Combining Balance Sheet – Modified Cash Basis	58 - 59
Nonmajor Governmental Funds - Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Modified Cash Basis	60 - 61
Schedule of Tort Expenditures – Modified Cash Basis	62
Schedule of Long-term Debt – Business-type Activities	63
Assessed Valuations, Rates, Extensions, and Collections	64
Schedule of Information Required by Alternate Revenue Source Bonds	65
Independent Auditor's Report on Compliance with Revenue Bond Ordinance No. 2013-103	66

Independent Auditor's Report

Honorable Mayor and Council
City of Oregon
Oregon, Illinois

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information of the City of Oregon, Illinois, as of April 30, 2016, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Emphasis of Matter

The City adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB 68*, during the year ended April 30, 2016. Statement No. 68 and No. 71 changed the footnotes related to the retirement system the City participates in. Our opinions are not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Oregon, Illinois' basic financial statements. The Management's Discussion and Analysis on page 3 through 8 and the additional schedules listed in the table of contents as other information, pages 42 through 65, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

The image shows a handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Freeport, Illinois
July 6, 2016

Management Discussion and Analysis

City of Oregon, Illinois

Management Discussion and Analysis

As management of City of Oregon, Illinois, we offer the readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Oregon, Illinois for the year ended April 30, 2016.

The MD&A (other information) is provided at the beginning of the report to provide an overview of the City's financial position at April 30, 2016 and the results of operations for the year. This summary should not be taken as a replacement for the annual financial report, which consists of the financial statements, notes to the financial statements, and other information.

Using This Financial Report

The financial section of this annual report consists of four parts - Independent Auditor's Report, the MD&A (this section), the basic financial statements, and other information. The basic financial statements include two kinds of statements that present different views of the City:

Government -Wide Financial Statements

The first two statements are government-wide financial statements that provide both short term and long term information about the City's overall financial status, similar to a private sector business. In the government-wide financial statements the City's activities are shown in two categories - governmental activities and business-type activities. The City's governmental activities are general government, public safety, public works, and culture and recreation. These activities are largely financed with sales taxes, income taxes, property taxes, and user fees. The City's business-type activities include water and sewer. These activities are largely financed with user fees.

The statement of net position – modified cash basis presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. To assess the overall health of the City you need to consider additional non-financial factors such as the condition of the City's buildings and facilities.

The statement of activities – modified cash basis presents information showing how the government's net position changed during the most recent fiscal year. The financial statements are prepared under the modified cash basis of accounting, whereby revenues are recognized when cash is received and expenditures when payment is made.

City of Oregon, Illinois

Management Discussion and Analysis

Fund Financial Statements

The fund financial statements provide more detailed information about the City's funds - not the City as a whole. Funds are accounting devices the City uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by state law, while others are established to control and manage money for particular purposes or to show that the City is properly using certain revenues.

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

The City maintains twenty individual governmental funds. Information is presented separately in the governmental fund balance sheet – modified cash basis and in the fund statement of revenues, expenditures, and the changes in fund balances – modified cash basis for all these funds. Nine of these twenty-two funds are considered major funds. More detail of the individual revenues and expenditures for these funds is presented in the other information section of this report.

The City maintains one individual business-type fund. Information is presented separately in the proprietary statement of net position – modified cash basis and in the proprietary statement of revenues, expenses, and the changes in net position – modified cash basis for this fund. This fund is considered a major fund of the City. More detail of the individual revenues and expenditures for these funds is presented in the other information section of this report.

The City adopts annual budgets for all funds. The term budget, used throughout the financial statements, represents the estimated revenues and appropriations set forth in the City's annual appropriation ordinance. A budgetary comparison statement has been provided for the major funds only.

City of Oregon, Illinois

Management Discussion and Analysis

Financial Highlights

- The City's General Fund beginning balance as of May 1, 2015 was \$552,568. The revenue during the fiscal year May 1, 2015 thru April 30, 2016 was \$1,317,921 and the expenses were \$165,317, net transfers out of \$1,150,350, which leaves a balance of \$554,822.
- The City's Police Fund beginning balance as of May 1, 2015 was \$28,401. The revenue during the fiscal year May 1, 2015 thru April 30, 2016 was \$147,426 and the expenses were \$777,099, debt proceeds of \$62,433, transfers in of \$553,000, which leaves a balance of \$14,161.
- The City's Civil Defense Fund beginning balance as of May 1, 2015 was \$278,245. The revenue during the fiscal year May 1, 2015 thru April 30, 2016 was \$0 and the expenses were \$11,685, which leaves a balance of \$266,560.
- The City's IMRF Fund beginning balance as of May 1, 2015 was \$109,026. The revenue during the fiscal year May 1, 2015 thru April 30, 2016 was \$151,746 and the expenses were \$142,756, which leaves a balance of \$118,016.
- The City's Economic Development Fund beginning balance as of May 1, 2015 was \$111,743. The revenue during the fiscal year May 1, 2015 thru April 30, 2016 was \$67,312 and the expenses were \$74,188, which leaves a balance of \$104,867.
- The City's Street and Alley Fund beginning balance as of May 1, 2015 was \$8,522. The revenue during the fiscal year May 1, 2015 thru April 30, 2016 was \$79,516 and the expenses were \$448,386, debt proceeds of \$111,093, transfers in of \$254,000, which leaves a balance of \$4,745.
- The City's Motor Fuel Tax Fund beginning balance as of May 1, 2015 was \$326,127. The revenue during the fiscal year May 1, 2015 thru April 30, 2016 was \$95,682 and the expenses were \$74,857, which leaves a balance of \$346,952.
- The City's Group Insurance Fund beginning balance as of May 1, 2015 was \$30,462. The revenue during the fiscal year May 1, 2015 thru April 30, 2016 was \$66,710 and the expenses were \$282,486, transfers in of \$272,000, which leaves a balance of \$86,686.
- The City's Road and Bridge Fund beginning balance as of May 1, 2015 was \$446,142. The revenue during the fiscal year May 1, 2015 thru April 30, 2016 was \$353,724 and the expenses were \$592,844, which leaves a balance of \$439,124.

City of Oregon, Illinois

Management Discussion and Analysis

Condensed Financial Information

Net assets are summarized in the table below.

Condensed Statements of Net Position – Modified Cash Basis as of April 30, 2016 and April 30, 2015

	Governmental Activities		Business-type Activities	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Assets:				
Current Assets	\$2,302,758	\$2,214,971	\$1,204,709	\$1,218,664
Non-current Assets:				
Capital (Fixed) assets	<u>2,041,311</u>	<u>1,620,285</u>	<u>5,785,349</u>	<u>5,845,121</u>
Total Assets	<u>4,344,069</u>	<u>3,835,256</u>	<u>6,990,058</u>	<u>7,063,785</u>
Liabilities:				
Current Liabilities	71,838	38,407	383,441	377,670
Non-current Liabilities	<u>378,799</u>	<u>54,140</u>	<u>4,802,514</u>	<u>5,168,051</u>
Total liabilities	<u>450,637</u>	<u>92,547</u>	<u>5,185,955</u>	<u>5,545,721</u>
Net Assets:				
Net investments in capital				
assets	1,692,876	1,527,738	2,676,949	2,524,534
Restricted	1,555,258	1,476,976	599,740	599,740
Unrestricted	<u>645,298</u>	<u>737,995</u>	<u>(1,472,586)</u>	<u>(1,606,210)</u>
Total net position	<u>\$3,893,432</u>	<u>\$3,742,710</u>	<u>\$ 1,804,103</u>	<u>\$ 1,518,064</u>

Current assets consist of cash and investments.

One of the City's largest asset groups is its capital assets. This includes buildings and improvements, infrastructure, equipment, and vehicles.

Current liabilities consist mainly of refundable deposits and current portion of long term debt.

Bonds payable, notes payable, and the IEPA loan constitute the City's long-term debt.

The City's net position consists of capital assets net of related debt, restricted and unrestricted net position.

City of Oregon, Illinois

Management Discussion and Analysis

Condensed Financial Information (Continued)

Revenues, expenses, and changes in net position are summarized in the table below.

Condensed Statement of Activities – Modified Cash Basis For Fiscal Year Ending April 30, 2016 and April 30, 2015

	Governmental Activities		Business-type Activities	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Revenues:				
Program:				
Charges for services	\$ 441,780	\$ 425,453	\$1,150,894	\$1,161,486
Operating grants & contributions	121,630	128,765	-	-
Capital grants & contributions	-	-	-	-
General:				
Property & other taxes	2,095,810	2,054,909	-	-
Interest	11,008	3,173	1,368	1,579
Other	<u>94,065</u>	<u>31,953</u>	<u>-</u>	<u>-</u>
Total revenues	<u>2,764,293</u>	<u>2,644,253</u>	<u>1,152,262</u>	<u>1,163,065</u>
Expenses:				
General government	349,934	391,808	-	-
Public safety	1,291,266	1,260,743	-	-
Public works	937,385	646,538	-	-
Culture & recreation	30,836	30,832	-	-
Interest	4,151	2,980	-	-
Water & sewer	<u>-</u>	<u>-</u>	<u>866,223</u>	<u>834,944</u>
Total expenses	2,613,571	2,332,901	866,223	834,944
Excess before transfers	150,722	311,352	286,039	328,121
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>\$ 150,722</u>	<u>\$ 311,352</u>	<u>\$ 286,039</u>	<u>\$ 328,121</u>

Major sources of operating revenues for the City include: Property and state taxes, charges for services, & fines & fees.

City of Oregon, Illinois

Management Discussion and Analysis

Management's Analysis of the City's Overall Financial Position and Results of Operations

Governmental reporting requirements affect the City's reporting model, but not the day-to-day operations or the budgeting process of the City. The City's total net position increased \$436,761 from the prior year. The General Fund had an increase in fund balance of \$2,254. The Water and Sewer Fund had an increase in net position of \$286,039. Fund balances in the other fund types are limited in use according to the source of revenue.

General Fund Budgetary Comparison

The City adopted the budget (annual appropriation ordinance) in July of 2015. The budget for all funds is prepared on the cash basis of accounting. This is the same basis used in budgetary comparisons. This allows for comparability between budget and actual amounts.

The General Fund revenues were \$142,921 more than budgeted due mainly to more state income and sales tax than budgeted. General Fund expenses were \$491,883 under budget. Not including Inter-Fund Transfers, the General Fund had a net gain of \$1,152,604 for the fiscal year. Including Inter-Fund Transfers the General Fund had an increase of \$2,254.

Capital Assets/Long term Debt

The City has elected to prospectively report infrastructure assets. Therefore infrastructure assets constructed in years prior to 2004 are not included in capital assets. During fiscal year 2016, the City purchased police vehicles for \$90,615, land of \$129,900, a dump truck for \$111,093, and incurred street project costs of \$223,832. In the Water and Sewer Fund, the City added \$32,947 for infrastructure for well upgrades and some general equipment of \$125,470. As of April 30, 2016, \$5,618,687 of principal is outstanding on various loans. See notes to financial statements for additional information on Capital Assets (Note 6) and on Long-Term Debt (Note 9).

Factors or Conditions Impacting Future Periods

Financial and budget planning is directly related to and supportive of the City's strategic plan and operational needs. The City's financial outlook is influenced by factors such as: the economy, employment, and commercial and residential growth.

Contacting the City's Financial Management

This financial report is designed to provide citizens, taxpayers and customers with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the City of Oregon, City Clerk, 115 N. Third St., Oregon, IL 61061.

Basic Financial Statements

City of Oregon, Illinois

Statement of Net Position - Modified Cash Basis

April 30, 2016

	Governmental Activities	Business-type Activities	Total
Assets			
Current assets			
Cash and cash equivalents	\$ 1,955,806	\$ 604,969	\$ 2,560,775
Restricted assets - cash	-	599,740	599,740
Investments	346,952	-	346,952
Total current assets	2,302,758	1,204,709	3,507,467
Noncurrent assets:			
Capital Assets (Net of accumulated depreciation)	2,041,311	5,785,349	7,826,660
Total assets	4,344,069	6,990,058	11,334,127
Liabilities			
Current liabilities			
Refundable deposits	-	17,905	17,905
Payroll withholdings	-	-	-
Current portion long term debt	71,838	365,536	437,374
Total current liabilities	71,838	383,441	455,279
Noncurrent liabilities			
Bonds payable	-	2,765,000	2,765,000
Loans - IEPA	-	2,037,514	2,037,514
Notes payable	378,799	-	378,799
Total noncurrent liabilities	378,799	4,802,514	5,181,313
Total liabilities	450,637	5,185,955	5,636,592
Net Position			
Net investment in capital assets	1,692,876	2,676,949	4,369,825
Restricted for:			
Debt	-	599,740	599,740
Other purposes	1,555,258	-	1,555,258
Unrestricted	645,298	(1,472,586)	(827,288)
Total net position	\$ 3,893,432	\$ 1,804,103	\$ 5,697,535

City of Oregon, Illinois

Statement of Activities - Modified Cash Basis

For the year ended April 30, 2016

Functions/Programs	Expenses	Charges for Services	Program Revenue	
			Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 349,934	\$ 177,653	\$ -	\$ -
Public safety and health	1,291,266	264,127	2,650	-
Public works	937,385	-	118,980	-
Culture and recreation	30,836	-	-	-
Interest	4,151	-	-	-
Total governmental activities	2,613,571	441,780	121,630	-
Business-type activities:				
Water and Sewer	\$ 866,223	\$ 1,150,894	\$ -	\$ -
General revenues:				
Taxes:				
Property taxes				
Sales taxes				
Other				
Interest				
Miscellaneous				
Total general revenues				
Transfers				
Change in net position				
Net position - beginning				
Net position - ending				

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (172,281)	\$ -	\$ (172,281)
(1,024,489)	-	(1,024,489)
(818,405)	-	(818,405)
(30,836)	-	(30,836)
(4,151)	-	(4,151)
(2,050,161)	-	(2,050,161)
-	284,671	284,671
623,868	-	623,868
792,969	-	792,969
678,973	-	678,973
11,008	1,368	12,376
94,065	-	94,065
2,200,883	1,368	2,202,251
-	-	-
150,722	286,039	436,761
3,742,710	1,518,064	5,260,774
\$ 3,893,432	\$ 1,804,103	\$ 5,697,535

City of Oregon, Illinois

Balance Sheet Governmental Funds - Modified Cash Basis

April 30, 2016

	General Fund	Police Fund	Civil Defense Fund	IMRF Fund	Economic Development Fund
Assets					
Cash and cash equivalents	\$ 554,822	\$ 14,161	\$ 266,560	\$ 118,016	\$ 104,867
Investments	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	\$ 554,822	\$ 14,161	\$ 266,560	\$ 118,016	\$ 104,867
Liabilities and Fund Balances					
Current liabilities					
Payroll withholdings	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
Total liabilities	-	-	-	-	-
Fund balances:					
Restricted for:					
Special revenue funds	-	14,161	266,560	118,016	-
Committed	-	-	-	-	104,867
Assigned	-	-	-	-	-
Unassigned	554,822	-	-	-	-
Total fund balances	554,822	14,161	266,560	118,016	104,867
Total liabilities and fund balances	\$ 554,822	\$ 14,161	\$ 266,560	\$ 118,016	\$ 104,867

Street and Alley Fund	Motor Fuel Tax Fund	City Group Insurance Fund	Road and Bridge Fund	Other Governmental Funds	Total Governmental Funds
\$ 4,745	\$ -	\$ 86,686	\$ 439,124	\$ 366,825	\$ 1,955,806
-	346,952	-	-	-	346,952
-	-	-	-	-	-
<u>\$ 4,745</u>	<u>\$ 346,952</u>	<u>\$ 86,686</u>	<u>\$ 439,124</u>	<u>\$ 366,825</u>	<u>\$ 2,302,758</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
4,745	346,952	86,686	439,124	279,014	1,555,258
-	-	-	-	38,340	143,207
-	-	-	-	49,471	49,471
-	-	-	-	-	554,822
<u>4,745</u>	<u>346,952</u>	<u>86,686</u>	<u>439,124</u>	<u>366,825</u>	<u>2,302,758</u>
<u>\$ 4,745</u>	<u>\$ 346,952</u>	<u>\$ 86,686</u>	<u>\$ 439,124</u>	<u>\$ 366,825</u>	<u>\$ 2,302,758</u>

City of Oregon, Illinois

Reconciliation of the Governmental Funds Balance Sheet - Modified Cash Basis to the Statement of Net Position - Modified Cash Basis

April 30, 2016

Total fund balances - governmental funds	\$ 2,302,758
Amounts reported for governmental activities in the statement of net position - modified cash basis are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$4,960,802 and the accumulated depreciation is \$2,919,491.	2,041,311
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(450,637)
<hr/>	
Total net position - governmental activities	\$ 3,893,432

City of Oregon, Illinois

Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds - Modified Cash Basis

For the year ended April 30, 2016

	General Fund	Police Fund	Civil Defense Fund	IMRF Fund
Revenues				
Taxes	\$ 1,180,423	\$ 66,921	\$ -	\$ 151,746
Intergovernmental receipts	-	2,650	-	-
Charges for services	10,185	10,000	-	-
Uses of money and property	2,391	-	-	-
Fines and penalties	-	52,362	-	-
Miscellaneous receipts	4,432	15,493	-	-
Licenses and permits	120,490	-	-	-
Total revenues	1,317,921	147,426	-	151,746
Expenditures				
Current:				
General government	160,466	-	-	17,769
Public safety	-	645,507	11,685	96,485
Public works and street maintenance	-	-	-	28,501
Culture and recreation	-	-	-	-
Debt service	-	24,643	-	-
Capital outlay:				
General government	4,851	-	-	-
Public safety	-	106,949	-	-
Public works and street maintenance	-	-	-	-
Culture and recreation	-	-	-	-
Total expenditures	165,317	777,099	11,685	142,756
Excess (deficiency) of revenues over expenditures	1,152,604	(629,673)	(11,685)	8,990
Other Financing Sources (Uses)				
Debt proceeds	-	62,433	-	-
Transfers in	-	553,000	-	-
Transfers out	(1,150,350)	-	-	-
Total other financing sources and uses	(1,150,350)	615,433	-	-
Net change in fund balances	2,254	(14,240)	(11,685)	8,990
Fund balances - beginning	552,568	28,401	278,245	109,026
Fund balances - ending	\$ 554,822	\$ 14,161	\$ 266,560	\$ 118,016

See accompanying notes to financial statements.

Economic Development Fund	Street and Alley Fund	Motor Fuel Tax Fund	City Group Insurance Fund	Road and Bridge Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 49,580	\$ -	\$ 66,710	\$ 306,609	\$ 273,821	\$ 2,095,810
-	23,615	95,365	-	-	-	121,630
-	-	-	-	-	187,080	207,265
-	-	317	-	-	8,300	11,008
-	-	-	-	-	14,685	67,047
20,334	6,321	-	-	47,115	370	94,065
46,978	-	-	-	-	-	167,468
67,312	79,516	95,682	66,710	353,724	484,256	2,764,293
-	-	-	35,162	-	177,351	390,749
-	-	-	190,925	-	289,329	1,233,932
-	289,597	74,857	56,398	-	15,000	464,354
-	-	-	-	-	30,836	30,836
-	22,318	-	-	576	-	47,537
74,188	-	-	-	-	-	79,039
-	-	-	-	-	-	106,949
-	136,471	-	-	592,268	-	728,739
-	-	-	-	-	-	-
74,188	448,386	74,857	282,486	592,844	512,516	3,082,134
(6,876)	(368,870)	20,825	(215,776)	(239,120)	(28,260)	(317,841)
-	111,093	-	-	232,102	-	405,628
-	254,000	-	272,000	-	71,350	1,150,350
-	-	-	-	-	-	(1,150,350)
-	365,093	-	272,000	232,102	71,350	405,628
(6,876)	(3,777)	20,825	56,224	(7,018)	43,090	87,787
111,743	8,522	326,127	30,462	446,142	323,735	2,214,971
\$ 104,867	\$ 4,745	\$ 346,952	\$ 86,686	\$ 439,124	\$ 366,825	\$ 2,302,758

City of Oregon, Illinois

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis of Governmental Funds to the Statement of Activities Modified Cash Basis

For the year ended April 30, 2016

Excess (deficiency) of revenues and other sources over (under) expenditures and other uses- Governmental funds	\$ 87,787
Amounts reported for governmental activities in the statement of activities - modified cash basis are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities - modified cash basis, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which depreciation expense \$134,414 is less than capitalized fixed assets of \$555,440 in the period.	421,026
Debt proceeds are reported in governmental funds as an other financing source.	(405,628)
Debt payments are reported in governmental funds as expenditures. However, only the interest on the debt is recorded in the statement of activities - modified cash basis. This is the amount of debt payments in the period.	47,537
Change in net position of governmental activities	\$ 150,722

City of Oregon, Illinois

Statement of Net Position - Modified Cash Basis Proprietary Funds

April 30, 2016

	Water and Sewer Fund
Assets	
Current assets:	
Cash	\$ 604,969
Restricted assets - cash	599,740
Total current assets	1,204,709
Noncurrent assets:	
Capital Assets (Net of accumulated depreciation):	5,785,349
Total Assets	6,990,058
Liabilities	
Current liabilities	
Refundable deposits	17,905
Payroll withholdings	-
Current portion of bonds payable	220,000
Current portion of IEPA loan payable	145,536
Total current liabilities	383,441
Noncurrent liabilities	
Bonds payable	2,765,000
Loans - IEPA	2,037,514
Total noncurrent liabilities	4,802,514
Total liabilities	5,185,955
Net Position	
Net investment in capital assets	2,676,949
Restricted	599,740
Unrestricted	(1,472,586)
Net position - unrestricted	\$ 1,804,103

City of Oregon, Illinois

Statement of Revenues, Expenses and Changes in Net Position Modified Cash Basis - Proprietary Funds

For the year ended April 30, 2016

	Water and Sewer Fund
Revenues	
Charges for services	\$ 1,150,894
Intergovernmental receipts	-
Total revenue	1,150,894
Expenses	
Personnel services	195,869
Contractual services	305,895
Commodities	5,904
Capital outlay	26,349
Miscellaneous	15,262
Depreciation	218,189
Total expenses	767,468
Operating income (loss)	383,426
Other financing sources (uses)	
Operating transfer out	-
Non-operating revenue (expenses):	
Interest income	1,368
Interest expense	(98,755)
Total non-operating revenue (expenses)	(97,387)
Capital grants	-
Increase in net position	286,039
Net position - beginning	1,518,064
Net position - ending	\$ 1,804,103

City of Oregon, Illinois

Statement of Cash Flows - Modified Cash Proprietary Funds

For the year ended April 30, 2016

	Water and Sewer Fund
<i>Cash Flows From Operating Activities</i>	
Cash received for services	\$ 1,151,665
Cash payments to suppliers	(353,410)
Cash payments to employees	(195,869)
Net cash provided by operating activities	602,386
<i>Cash Flows From Capital and Related Financing Activities</i>	
Interest expense	(98,755)
Purchase of capital assets	(158,417)
Principal receipts (payments) on borrowings	(360,537)
Net cash (used in) capital financing activities	(617,709)
<i>Cash Flows From Investing Activities</i>	
Sale of investments	-
Interest income	1,368
Net cash provided by investing activities	1,368
Net decrease in cash and cash equivalents	(13,955)
Cash and cash equivalents - beginning	1,218,664
Cash and cash equivalents - ending	\$ 1,204,709
Reconciliation of operating income to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 383,426
Adjustments to reconcile operating income to net cash provided by (used in) operations	
Increase (decrease) in refundable deposits	771
Increase (decrease) in payroll withholdings	-
Transfers out	-
Depreciation	218,189
Net cash provided by (used in) operations	\$ 602,386

City of Oregon, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies

The City of Oregon was incorporated in 1870, under the provisions of the State of Illinois.

Reporting Entity

The City of Oregon operates under an elected Mayor/Commission form of government. The City's major operations include general government, public safety, water and sewer systems and streets.

In evaluating how to define the government, for financial reporting purposes, the City has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic - but not the only - criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity is conducted within the geographic boundaries of the City and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the City is able to exercise oversight responsibilities.

This report includes all of the funds and account groups of the City, which is a primary reporting unit. It includes all activities considered to be part of (controlled by or dependent on) the City as set forth under the GAAP criteria.

Government Wide, Fund Financial Statements and Basis of Accounting

Financial statements are prepared using the modified cash basis of accounting for all of the City's activities.

The government wide financial statements (i.e., the Statement of Net Position – Modified Cash Basis and the Statement of Activities – Modified Cash Basis) report information on all of the nonfiduciary activities of the City. For the most part, the effect of the interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expense of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

City of Oregon, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Government Wide, Fund Financial Statements and Basis of Accounting (Continued)

Earnings on investments, not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds and proprietary funds.

The government wide financial statements are reported using the economic resources measurement focus and the modified cash basis of accounting. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The various funds are grouped in the financial statements into five generic fund types as follows:

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 other funds.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts) that are legally restricted to expenditures for specified purposes.

City of Oregon, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

Governmental Funds:

Debt Service Fund

The Bond and Interest Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds

The Capital Projects Funds account for all resources used for the acquisition or construction of a specific capital facility by the City, except those financed by the Enterprise Fund.

Proprietary Fund - Enterprise

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* 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 enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major funds:

Governmental Funds:

General Fund

The general fund is the general operating fund of the City. It is used to account for all the financial resources except those required to be accounted for in another fund.

Police Protection Fund

The fund records the revenues of the City's levied property taxes for police protection and fines. These funds are then expended for cost of the police protection.

City of Oregon, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Governmental Funds (Continued):

Civil Defense

This fund records the revenues and expenditures for the City's preparation and the carrying out of all emergency functions.

IMRF

This fund records the revenues and expenditures for the City's defined benefit pension plan.

Economic Development Fund

This fund encourages the rehabilitation of the business district. This fund records the revenues of the City's franchise licenses.

Streets and Alleys Fund

This fund records the revenues of property taxes for road and bridge. These funds are then expended for the maintenance of roads and bridges.

Motor Fuel Tax Fund

This fund records the revenues of the City's share of state gasoline taxes. These funds are then expended for the maintenance of roads and bridges. State of Illinois law requires separate accounting for such revenues and expenditures.

City Group Insurance Fund

This fund records the revenues and expenditures for the City's group health insurance.

Road and Bridge Fund

This fund records the revenues of the City's levied sales tax and funds are expended for road and bridge capital projects.

Under the Governmental Accounting Standards Board (GASB) issued Statement 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, the City may report any governmental or enterprise fund (but not internal service funds or fiduciary funds) as a major fund if the government's officials believe the fund is "particularly important to financial statement users". The City has chosen to include the IMRF, Economic Development, and Insurance funds as major funds even though the fund calculations do not classify them as major funds. The City views these funds particularly important to the financial users.

City of Oregon, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Enterprise Funds:

Water and Sewer Fund To account for the costs related to the operation of the City's water and sewer system. Funding is provided by user fees.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All Governmental Funds and Proprietary Funds are accounted for using the modified cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles. Revenues are recorded when cash is received and expenditures are recorded when checks are written. Therefore, accrued income and expenses, payables and deferred expenses, which may be material in amount, are not reflected in the accompanying financial statements. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources when they are needed.

Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

All Proprietary Funds (Water and Sewer Enterprise Funds) are accounted for on the modified cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles, and not on a cost of services or "capital maintenance" measurement focus. Therefore, not all assets and liabilities (whether current or noncurrent) associated with the fund activities are included on the combined statements. Infrastructure assets in the Proprietary Funds are capitalized on a prospective basis beginning May 1, 2005.

Budgets and Budgetary Accounting

The term budget, used throughout the financial statements represents the estimated revenues and appropriations set forth in the City's annual appropriation ordinance adopted for the fiscal year ended April 30, 2016.

The budgetary figures presented in the accompanying financial statements are presented on the cash basis method of accounting which is consistent with the basis used for the actual figures.

City of Oregon, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Budgets and Budgetary Accounting (Continued)

Unexpended budgeted amounts lapse at the end of each year. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised at budgetary line items.

Budgeted amounts are as originally approved, or as amended by the City Council.

Cash and Investments

Cash consists of demand deposits and savings accounts, both easily accessible and with short-term duration. Investments as of April 30, 2016 consist of certificates of deposit and money market accounts. Deposits and investments are stated at cost or amortized cost which approximates market.

Although money market accounts appear to be easily accessible, they are considered to be investments for the City's purposes. Statutes authorize the City to invest in: 1) securities guaranteed by the full faith and credit of the United States of America; 2) deposits or other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; 3) short-term obligations of corporations organized in the United States which meet other restrictions as defined in Illinois Revised Statutes Chapter 35, Paragraph 902, as amended; 4) money market funds registered under the Investment Company Act of 1940; 5) short-term discount obligations of the Federal National Mortgage Association; 6) shares or other forms of securities legally issuable by savings and loan associations; 7) various share accounts of a credit union chartered under the laws of the State of Illinois or the laws of the United States provided the principal office of any such credit union is located within the State of Illinois; 8) a Public Treasurer's Investment Pool created under Section 17 of "An Act to revise the law in relation to the State Treasurer", approved April 23, 1873, as amended. Bank and savings and loan investments may only be made in institutions which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

Investments are stated at cost, which approximates market.

For purposes of the statement of cash flows, cash equivalents include money market accounts and any highly liquid debt instruments purchased with a maturity of less than three months. There were no cash equivalents as of April 30, 2016.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

City of Oregon, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Fund Balance

Beginning with fiscal year 2012, the City implemented GASB Statement 54 *"Fund Balance and Reporting and Governmental Fund Type Definitions"*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Non-spendable fund balance - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.

Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. The City has the following balances that are restricted at year end.

a.	Police (tax levy)	\$ 14,161
b.	Civil Defense (restricted contributions)	266,560
c.	IMRF (tax levy)	118,016
d.	Street and Alley (tax levy)	4,745
e.	Motor Fuel Tax (motor fuel tax receipts)	346,952
f.	City Group Insurance (tax levy)	86,686
g.	Recreation (tax levy)	64,552
h.	Street Lighting (tax levy)	269
i.	School Crossing Guard (tax levy)	23
j.	Tort Liability (tax levy)	14,375
k.	Band Fund (tax levy)	6,748
l.	City Audit (tax levy)	36,177
m.	City Social Security (tax levy)	38
n.	Unemployment Insurance (tax levy)	39,490
o.	Coliseum (tax levy)	117,342
p.	Road and Bridge (tax levy)	<u>439,124</u>
Total		<u>\$1,555,258</u>

Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint. The City has the following balances that are committed at year end.

City of Oregon, Illinois

Notes to Financial Statements

Note 1 Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

a.	Economic Development	\$104,867
b.	City Hall	38,340
c.	Chlorination of Sewage	<u>-</u>
	Total	<u>\$143,207</u>

Assigned fund balances - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegate the authority. The City has the following balances that are assigned at year end.

Public Health	<u>\$49,471</u>
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Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The City Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the Commissioners through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or other purpose). When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: Committed, Assigned, and Unassigned.

Note 2 Proprietary Fund – Restricted Assets

The ordinance authorizing the bond issue of 2013 for \$3,605,000 imposed certain covenants and financial requirements on the City. The bond ordinance requires that all monies held in the proprietary fund be segregated and restricted in separate special reserve accounts, in the priority indicated by the order of the following:

<u>Account</u>	<u>Amount</u>	<u>Purpose</u>
Bond proceeds Account of 2013	The balance of all issued bond proceeds.	Moneys in the account shall be used for the finance and refinance of certain sewer repairs, rehabilitation and sewer system replacements and related improvements.

City of Oregon, Illinois

Notes to Financial Statements

Note 2 Proprietary Fund - Restricted Assets (Continued)

<u>Account</u>	<u>Amount</u>	<u>Purpose</u>
Operation and Maintenance	Sufficient amount to pay all reasonable and necessary costs for the current month.	Paying the cost of operation and maintenance of the system.
Bond and Interest	A fraction of the amount sufficient to pay principal and interest maturing during the next twelve months.	Paying principal and interest.
Sinking Fund	1/12 of the amount payable on the next installment date	Paying of sinking fund installments.
Depreciation	Amount to be adequate and reasonable.	Paying cost of any unusual and extraordinary maintenance, repairs, and/or replacements.
Surplus	All remaining funds after crediting above accounts.	All lawful purposes.

The City has established the following accounts to meet the ordinance requirements and to account for the bond proceeds restricted for Waterworks and Sewerage Improvements.

	Restricted Cash Balances <u>4/30/2016</u>
Restricted assets:	
Operations and Maintenance Account	\$ 65,444
Bond and Interest Account	130,106
Sinking Fund Account	204,167
Depreciation Account	<u>200,023</u>
Total restricted assets	<u>\$599,740</u>

City of Oregon, Illinois

Notes to Financial Statements

Note 3 Pension Plan

Plan description – The City's employees are provided with pensions through the Illinois Municipal Retirement Fund (IMRF) —an agent multiple-employer defined benefit pension plan. Established by the Illinois State Legislature for the benefit of Illinois municipal employed outside the city of Chicago, IMRF is governed by the Illinois Pension Code. IMRF issues a publicly available financial report that can be obtained at <http://imrf.org>.

Benefits provided - IMRF provides retirement, disability, and death benefits. Benefits are established by statute and may only be changed by the General Assembly. The benefit provisions in effect on the member's date of participation determine a member's minimum benefit while the benefit provisions in effect on the member's date of termination determine a member's maximum benefit. Public Act 96-0889 added a new section to the Pension Code that applies different benefits to anyone who first contributes to IMRF on or after January 1, 2011 and does not have any other previous service credit with one of the reciprocal retirement systems in Illinois.

Members who first participate on or after that date are members of Tier II. Anyone who made contributions to IMRF prior to January 1, 2011 remain participants of Tier I. Tier I retirement benefit are determined by the average of the four highest years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. The pension amount is 1 2/3 percent of the final rate of earnings for each of the first fifteen years of service and 2 percent for each year of service credit in excess of fifteen years, up to a maximum of 75 percent of the final rate of earnings.

Tier II benefits are determined by the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Pension earnings are initially capped at \$110,631 increasing annually by 3 percent or the consumer price index, whichever is less.

Employees Covered by the Benefit Terms - At the December 31st 2015 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	18
Inactive employees entitled to but not yet receiving benefits	8
Active employees	18
<hr/>	
Total	44

Contributions - Employees are required to contribute 4.5 percent of their annual pay as set by statute. The statutes require each participating employer to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. Employer contributions for disability benefits, death benefits and the supplemental retirement benefits are pooled. 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.

Net Pension Liability - The employer's Net Pension Liability was measured as of December 31, 2015, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

City of Oregon, Illinois

Notes to Financial Statements

Note 3 Pension Plan (Continued)

Actuarial assumptions - The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Aggregate Entry Age Normal
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage growth	4.0%
Price Inflation	2.75% - approximate, No explicit price inflation assumption is used in this valuation
Salary Increases	3.75% to 14.50% including inflation
Investment Rate of Return	7.49%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes	There were no benefit changes during the year.
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A detailed description of the actuarial assumptions and methods can be found in the December 31, 2015 Illinois Municipal Retirement Fund annual actuarial valuation report.

City of Oregon, Illinois

Notes to Financial Statements

Note 3 Pension Plan (Continued)

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study dated April 15, 2016 for the period January 1, 2015 through December 31, 2015. As a result of the December 31, 2015 actuarial experience study, new assumptions for the assumed rate of return, salary increase, inflation and related economic assumptions were adopted in the December 31, 2015 actuarial valuation to more closely reflect actual experience.

Discount rate - The discount rate used to measure the total pension liability was 7.49 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Due to the City preparing its financial statements on the modified cash basis of accounting, pension liabilities and deferred inflows and outflows referred to throughout the note disclosure are not recognized in the actual financial statements.

Changes in Net Pension Liability

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
Balance January 1, 2015	\$5,129,593	\$4,804,982	\$324,611
Service costs	117,175	-	117,175
Interest on total pension liability	380,957	-	380,957
Difference between expected and actual experience	(41,767)	-	(41,767)
Changes in assumptions	7,653	-	7,653
Employer contributions	-	154,052	(154,052)
Employee contributions	-	47,449	(47,449)
Net investment income	-	23,985	(23,985)
Benefit payments – net of refunds	(217,498)	(217,498)	-
Administrative expense	-	-	-
Other changes (net transfer)	-	(39,520)	39,520
Net changes	246,520	(31,532)	278,052
Balances as of December 31, 2015	\$5,376,113	\$4,773,450	\$602,663

City of Oregon, Illinois

Notes to Financial Statements

Note 3 Pension Plan (Continued)

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.49 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.49 percent) or 1-percentage-point higher (8.49 percent) than the current rate:

	1% Decrease (6.49%)	Current Rate (7.49%)	1% Increase (8.49%)
City's proportionate share of the net Pension liability	\$1,436,443	\$602,663	\$(70,404)

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF financial report which is publicly available at <http://imrf.org>.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended December 31, 2015; the City recognized pension expense of \$154,052. At December 31, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources, which are not reported due to the modified cash basis of accounting:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ -	\$33,704
Changes in assumptions	6,176	-
Net difference between projected and actual earnings	267,446	-
Employer contributions subsequent to the measurement date	42,766	-
Total	\$316,388	\$33,704

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2016	\$60,275
2017	60,275
2018	60,275
2019	60,277
2020	(1,184)

City of Oregon, Illinois

Notes to Financial Statements

Note 4 Common Bank Account

Separate bank accounts are not maintained for all City funds; instead, certain funds maintain their cash balances in a common checking account and a common state investment pool account, with the accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

Occasionally certain funds participating in the common bank account will incur overdrafts (deficit cash balances) in the account. A deficit in one fund restricts the cash available for use by other funds in the same common bank account. Deficit cash balances are classified as due to other funds in the financial statements. There were no deficit cash fund balances at fiscal year end.

Note 5 Cash and Investments

Deposits As of April 30, 2016, the carrying amount of the City's deposits into checking, savings, money market accounts and certificates of deposit was \$3,507,461 and the bank balance was \$3,602,988. The City's total collateral, including Federal Deposit Insurance and collateral held by a pledging bank's trust department, was \$3,602,988.

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits might not be recovered. Neither the state nor the City has a deposit policy for custodial credit risk. As of April 30, 2016, the City had \$0 that was exposed to custodial credit risk and was uninsured and uncollateralized. For financial statement purposes, certificates of deposit with maturity dates greater than 90 days are shown as investments.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the City investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Concentration of Credit Risk

The City has no investments in any one issuer that represents 5% or more of the total City's investments.

City of Oregon, Illinois

Notes to Financial Statements

Note 6 Property, Plant and Equipment

Capital assets, which include buildings and improvements, infrastructure, equipment and vehicles, are reported in the government-wide financial statements. The City defines capital assets as assets with an initial individual cost of more than \$5,000 for equipment and vehicles, \$10,000 for building and improvements, and \$50,000 for infrastructure assets, and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. For those assets for which historical cost is not available, the City has estimated historical cost by using current costs and adjusting for inflation. The cost of normal maintenance and repair that do not add to the value of the asset or materially extend the useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital assets, except construction in progress, are being depreciated using the straight line method over the following useful lives:

Buildings & Improvements	20 - 40 years
Infrastructure	40 years
Equipment & Vehicles	5 - 7 years

The City has elected to record infrastructure assets on a prospective basis.

Capital assets in the governmental fund financial statements are reported as expenditures when incurred.

The governmental activities capital asset activity for the year ended April 30, 2016 is as follows:

	<u>Balance</u> <u>May 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>April 30, 2016</u>
Cost:				
Buildings and improvements	\$1,600,077	\$ -	\$ -	\$1,600,077
Infrastructure	1,632,727	353,732	-	1,986,459
Equipment	517,106	-	-	517,106
Vehicles	<u>655,452</u>	<u>201,708</u>	<u>-</u>	<u>857,160</u>
	<u>\$4,405,362</u>	<u>\$555,440</u>	<u>\$ -</u>	<u>\$4,960,802</u>
Accumulated Depreciation:				
Buildings and improvements	\$1,433,805	\$ 10,046	\$ -	\$1,443,851
Infrastructure	293,763	42,418	-	336,181
Equipment	514,569	2,200	-	516,769
Vehicles	<u>542,940</u>	<u>79,750</u>	<u>-</u>	<u>622,690</u>
	<u>\$2,785,077</u>	<u>\$134,414</u>	<u>\$ -</u>	<u>\$2,919,491</u>

City of Oregon, Illinois

Notes to Financial Statements

Note 6 Property, Plant and Equipment (Continued)

	Balance May 1, 2015	Additions	Deletions	Balance April 30, 2016
Total Capital Assets, Net:				
Buildings and improvements	\$ 166,272	\$(10,046)	\$ -	\$ 156,226
Infrastructure	1,338,964	311,314	-	1,650,278
Equipment	2,537	(2,200)	-	337
Vehicles	<u>112,512</u>	<u>121,958</u>	<u>-</u>	<u>234,470</u>
	<u>\$1,620,285</u>	<u>\$421,026</u>	<u>\$ -</u>	<u>\$2,041,311</u>

The business-type activities capital asset activity for the year ended April 30, 2016 is as follows:

	Balance May 1, 2015	Additions	Deletions	Balance April 30, 2016
Cost:				
Buildings and improvements	\$ 420,641	\$ -	\$ -	\$ 420,641
Infrastructure	6,213,003	32,947	-	6,245,950
Equipment	834,983	55,590	-	890,573
Vehicles	<u>88,353</u>	<u>69,880</u>	<u>-</u>	<u>158,233</u>
	<u>\$7,556,980</u>	<u>\$158,417</u>	<u>\$ -</u>	<u>\$7,715,397</u>

Accumulated Depreciation:

Buildings and improvements	\$ 420,641	\$ -	\$ -	\$ 420,641
Infrastructure	535,244	162,317	-	697,561
Equipment	720,070	38,693	-	758,763
Vehicles	<u>35,904</u>	<u>17,179</u>	<u>-</u>	<u>53,083</u>
	<u>\$1,711,859</u>	<u>\$218,189</u>	<u>\$ -</u>	<u>\$1,930,048</u>

Total Capital Assets, Net:

Buildings and improvements	\$ -	\$ -	\$ -	\$ -
Infrastructure	5,677,759	(129,370)	-	5,548,389
Equipment	114,913	16,897	-	131,810
Vehicles	<u>52,449</u>	<u>52,701</u>	<u>-</u>	<u>105,150</u>
	<u>\$5,845,121</u>	<u>\$(59,772)</u>	<u>\$ -</u>	<u>\$5,785,349</u>

City of Oregon, Illinois

Notes to Financial Statements

Note 6 Property, Plant and Equipment (Continued)

Depreciation expense was charged to function/programs of the primary government as follows:

Governmental activities:	
General government	\$ 10,046
Public safety	43,379
Streets and public improvements	80,989
Recreation and parks	<u>-</u>
Total depreciation expense, governmental activities	<u>\$134,414</u>
Business-type activities:	
Water and Sewer	<u>\$218,189</u>
Total depreciation expense, business-type activities	<u>\$218,189</u>

Note 7 Property Taxes

The City is responsible for assessing property taxes whereas the County in which the City resides is responsible for collecting and distributing property taxes in accordance with enabling state legislation. Property taxes attach as an enforceable lien on property as of January 1 and may be paid in two equal installments. The first installment is normally due on or before June 1 and the second installment is normally due on or before September 1. The City receives significant distributions of tax receipts approximately one month after these due dates. Payments made after the September 1 installment date are assessed interest at the rate of 1% for farmland and 1-1/2% for all others. The 2014 levy was passed by the Board on December 16, 2014. The 2015 levy was passed by the Board on November 24, 2015. The amounts reported in the financial statements relate entirely to the 2014 levy, the 2015 levy will be reported as revenue for the fiscal year ending April 30, 2017.

Note 8 Accumulated Unpaid Vacation and Sick Pay

The City follows the policy of allowing unused sick days to accumulate up to a maximum of 240 days. Unused sick days are not payable to an employee upon termination. However, the unused days are added to an employee's retirement benefits upon retirement. Unused vacation days may be carried over to the next year only upon approval by the City Council. At this time, a reasonable estimate for vacation days and of the total discounted liability for sick days unused at retirement is not being maintained.

City of Oregon, Illinois

Notes to Financial Statements

Note 9 Long-Term Debt

Notes Payable

On January 12, 2011, the City borrowed \$99,283 at 3.75% interest from First National Bank and Trust Company to purchase a plow truck. The note is payable in quarterly installments of \$5,423 on January 12, 2011 and was paid off during fiscal year 2016.

On December 3, 2012, the City borrowed \$50,114 at 2.75% interest from First National Bank and Trust Company to purchase a plow truck. The note is payable in annual installments of \$10,747 and matures on June 25, 2017.

On December 11, 2013, the City borrowed \$33,864 at 2.24% interest from First National Bank and Trust Company to purchase a squad car. The note is payable in monthly installments of \$739 and matures on December 11, 2017.

On December 29, 2014, the City borrowed \$30,245 at 2.39% interest from First National Bank and Trust Company to purchase a squad car. The note is payable in monthly installments of \$662 and matures on December 29, 2018.

On March 22, 2016, the City borrowed \$111,093 at 2.50% interest from First National Bank and Trust Company to purchase a dump truck. The note is payable in monthly installments of \$1,973 and matures on March 21, 2021.

On February 12, 2016, the City obtained a line of credit of \$140,000 at 3.10% interest from The National Bank & Trust Company to fund the utility installation on vacant lots. The balance of the loan on April 30, 2016 was \$102,202. The note is payable in monthly interest only payments of \$264 through August 12, 2016. After August 12, 2016, the note will convert to a fully amortizing loan on the outstanding principal balance with quarterly principal and interest payments beginning November 12, 2016 of \$4,071. This note will mature on August 8, 2021 with a final payment of \$35,660.

On March 7, 2016, the City borrowed \$129,900 at 2.99% interest from The Harvard state Bank for the 2nd Street property. The note is payable in monthly installments of \$899 and matures on March 7, 2031.

On May 21, 2015, the City borrowed \$62,433 at 2.50% interest from The First National Bank and Trust Company for police trucks. The note is payable in monthly installments of \$936 and matures on May 21, 2021.

City of Oregon, Illinois

Notes to Financial Statements

Note 9 Long-Term Debt (Continued)

IEPA Loan and General Obligation Bonds

On October 19, 2009, the City entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Infrastructure Financial Assistance Section for the wastewater treatment plant upgrade. The note is non-interest bearing. The term of the loan is for 20 years with semi-annual repayments. The total amount drawn on the IEPA loan amount was \$2,814,141.

The City passed an ordinance for the issuance of \$3,605,000 Bond Series of 2013. The purpose of the bonds is to fund various capital projects and to refund the 2003 IEPA loan. Serial retirement of principal occurs on December 1, with interest payable on December 1 and June 1 of each year at rates of 2.00% - 4.00%, commencing December 1, 2013. These bonds mature on December 1, 2027.

Annual debt service requirements to maturity are as follows:

<u>Fiscal year ending April 30,</u>	<u>IEPA Loan Proprietary</u>		<u>Notes Payable General Long-Term Debt</u>		<u>2013 Alternate Revenue Source Bonds Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2017	\$ 145,536	\$ -	\$71,838	\$11,141	\$ 220,000	\$ 93,755
2018	145,536	-	76,698	9,638	225,000	89,355
2019	145,536	-	59,360	7,895	230,000	84,855
2020	145,536	-	55,628	6,421	235,000	80,255
2021	145,536	-	55,077	4,824	240,000	75,555
2022-2026	727,680	-	83,297	11,239	1,345,000	237,490
2027-2031	<u>727,690</u>	<u>-</u>	<u>48,738</u>	<u>3,686</u>	<u>490,000</u>	<u>22,102</u>
	<u>\$2,183,050</u>	<u>\$ -</u>	<u>\$450,637</u>	<u>\$54,844</u>	<u>\$2,985,000</u>	<u>\$683,367</u>

City of Oregon, Illinois

Notes to Financial Statements

Note 9 Long-Term Debt (Continued)

Changes in Long-Term Liabilities. During the year ended April 30, 2016, the following changes occurred in long-term liability accounts:

	<u>Balance May 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance April 30, 2016</u>	<u>Due Within One Year</u>
Business-type Activities:					
2010 IEPA loan	\$2,328,587	\$ -	\$145,537	\$2,183,050	\$145,536
2013 G.O. Bonds	3,200,000	-	215,000	2,985,000	220,000
Governmental Activities:					
2011 note payable	10,678	-	10,678	-	-
2012 note payable	30,521	-	9,897	20,624	10,172
2013 note payable	22,911	-	7,727	15,184	9,339
2014 note payable	28,437	-	7,962	20,475	7,534
2015 note payable	-	62,433	8,956	53,477	10,006
2016 note payable	-	111,093	1,742	109,351	21,188
2016 note payable	-	102,202	-	102,202	6,580
2016 note payable	<u>-</u>	<u>129,900</u>	<u>576</u>	<u>129,324</u>	<u>7,019</u>
Total	<u>\$5,621,134</u>	<u>\$ 405,628</u>	<u>\$408,075</u>	<u>\$5,618,687</u>	<u>\$437,374</u>

The Street and Alley Fund and Police Fund are typically used to pay the debt relating to the governmental activities.

The City is subject to a debt limitation of 8.625% of its assessed valuation of \$45,054,979. As of April 30, 2016 the City had \$3,435,355 of remaining legal debt margin.

Note 10 Net Position/Fund Balances

Net position reported on the government wide statement of net position at April 30, 2016:

Governmental Activities:

Net investment in capital assets

Capital assets, net of accumulated depreciation \$2,041,311

Less: related long-term debt outstanding 348,435

Total net investment in capital assets 1,692,876

Restricted -

State statutes and enabling legislation 1,555,258

Unrestricted

645,298

Total governmental activities net position

\$3,893,432

City of Oregon, Illinois

Notes to Financial Statements

Note 11 Deficit Net Position/Fund Balances

As of April 30, 2016, the following funds had a deficit net position/fund balance:

<u>Fund</u>	<u>Amount</u>
None	

Note 12 Excess of Actual Expenditures/Expenses Over Budget in Individual Funds

No funds had an excess of actual expenditures/expenses (exclusive of depreciation and amortization) over budget for the fiscal year.

Note 13 Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In order to handle such risks of loss, the City purchases insurance coverage through the Illinois Municipal League Risk Management Association and self insures for unemployment insurance purposes (See Note 15). The deductibles in effect through these policies as of April 30, 2016 vary with the type of coverage and risk involved. The amounts of settlements have not exceeded insurance coverage for any of the past three years.

Potentially, the City could be assessed additional premiums for its share of any losses of the insurance pool. Historically, the City has not been assessed any additional premiums.

Note 14 Contingency

The City is a defendant in claims relating to personal injury. Part of the claims may be insured but subject to varying deductibles and some of the claims may be uninsured. The amount of liability, if any, from the claims cannot be determined with certainty; however, management is of the opinion that the outcome of the claims will not have a material adverse impact on the City's financial position. Due to uncertainties in the settlement process, it is at least reasonably possible that management's estimate of the outcome will change within the next year.

Note 15 Self Insurance Plan

The City is self-insured for unemployment insurance. The City is therefore liable to the State for any payments made to any of its former employees claiming unemployment benefits. For the year ended April 30, 2016, there were no payments made for unemployment benefit claims.

City of Oregon, Illinois

Notes to Financial Statements

Note 16 Transfers

Below are the interfund transfers as of April 30, 2016:

	<u>Operating Transfers in</u>	<u>Operating Transfers out</u>
General Fund:		
Police Fund	\$ -	\$ (553,000)
IMRF Fund	-	-
Street and Alley Fund	-	(254,000)
City Group Insurance Fund	-	(272,000)
Non Major Governmental Funds	-	(71,350)
Total General Fund	-	(1,150,350)
Police Fund:		
General Fund	553,000	-
Street and Alley Fund:		
General Fund	254,000	-
IMRF Fund:		
General Fund	-	-
City Group Insurance Fund:		
General Fund	272,000	-
Non Major Governmental Funds:		
General Fund	71,350	-
Total all funds	<u>\$1,150,350</u>	<u>\$(1,150,350)</u>

The purpose of these transfers was to subsidize the costs provided by the various funds shown above to the General Fund.

Note 17 Other Postemployment Benefits

In July 2004, the Governmental Accounting Standards Board issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This statement requires a systematic, accrual basis measurement and recognition of other postemployment benefit (OPEB) expense over a period that approximates employees' years of service. The Statement also requires the information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. The City elected to not adopt the new standards related to other postemployment benefits and believe this amount to be immaterial to the financial statements.

City of Oregon, Illinois

Notes to Financial Statements

Note 18 Impact of Pending Accounting Principles

GASB issued Statement No. 72, *Fair Value Measurement and Application* addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement when a market price is not readily determinable, and establishes a 3-level hierarchy of fair value that will be disclosed in the notes to the financial statements, based on the presence or absence of observable market inputs. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2015. The City has not determined the effect of this Statement.

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statement Nos. 67 and 68* addresses accounting and financial reporting for pensions that were not covered by GASB Statement No. 68, because the plan assets are not held in trust. The provisions in Statement 73 are effective for fiscal years beginning after June 15, 2015. The City has not determined the effect of this Statement.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* addresses the accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017. The City has not determined the effect of this Statement.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* identifies – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP). Authoritative sources of GAAP now include (1) GASB pronouncements, (2) GASB implementation guides, and (3) AICPA literature specifically cleared by the GASB. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. The City has not determined the effect of this Statement.

GASB Statement No. 77, *Tax Abatement Disclosures* requires governments that enter into tax abatement agreements to disclose the certain information about the agreements to allow readers of the financial statements to better access the revenue-generating capacity of the government. The provisions in Statement No. 77 are effective for reporting periods beginning after December 15, 2015. The City has not determined the effect of this Statement.

City of Oregon, Illinois

Notes to Financial Statements

Note 18 Impact of Pending Accounting Principles (Continued)

GASB Statement No. 80, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14* amends the blending requirements by requiring the blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. The City has not determined the effect of this Statement.

GASB Statement No. 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73* addresses issues regarding the presentation of payroll related measures in requirement supplementary information, the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The City has not determined the effect of this Statement.

Note 19 New GASB Statements

GASB Statement No. 68, *Accounting and Financial Reporting for Pension—an amendment of GASB Statement No. 27* is effective for periods beginning after June 15, 2014. This statement establishes new requirements for governments to report a “net pension liability” for the unfunded portion of its IMRF pension plan. The City has implemented this statement in the year ended April 30, 2016.

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68* is effective for periods beginning after June 30, 2014. The Statement amends the new requirements for governments reporting a net pension liability. The City has implemented this statement in the year ended April 30, 2016.

Other Information

City of Oregon, Illinois

Other Information

**Illinois Municipal Retirement Fund (IMRF)
Multiyear Schedule of Contributions
Last 10 Calendar Years (prospective from 2015)**

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$154,053*	\$154,052	\$1	\$1,054,432	14.61%

* Estimated based on contribution rate of 14.61% and covered valuation payroll of \$1,054,432.

The City implemented GASB Statement No. 68 in 4/30/16.

City of Oregon, Illinois

Other Information - Illinois Municipal Retirement Fund (IMRF) Multiyear Schedule of Changes in Net Pension Liability and Related Ratios IMRF Regular Plan Last 10 Calendar Years (schedule to be built prospectively from 2015)

	2015	2014	2013	2012
Calendar year ending December 31,				
Service cost	\$117,175			
Interest on the total pension liability	380,957			
Benefit changes	0			
Difference between expected and actual experience	(41,767)			
Assumption changes	7,653			
Benefit payments and refunds	(217,498)			
Net change in total pension liability	246,520			
Total pension liability - beginning	5,129,593			
Total pension liability - ending (a)	\$5,376,113			
Plan fiduciary net position:				
Employer contributions	\$154,052			
Employee contributions	47,449			
Pension plan net investment income	23,985			
Benefit payments and refunds	(217,498)			
Other	(39,520)			
Net change in plan fiduciary net position	(31,532)			
Plan fiduciary net position - beginning	4,804,982			
Plan fiduciary net position - ending (b)	\$4,773,450			
Net pension liability(asset) - Ending (a) - (b)	602,663			
Plan fiduciary net position as a percentage of total pension liability	88.79%			
Covered valuation payroll	1,054,432			
Net pension liability as a percentage of covered valuation payroll	57.16%			

The City implemented GASB 68 in April 30, 2016.

2011

2010

2009

2008

2007

2006

Notes to Other Information

Valuation date:

Notes	Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.
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Methods and Assumptions Used to Determine 2015 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	<p>Non-Taxing bodies: 10-year rolling period.</p> <p>Taxing bodies (Regular, SLEP and ECO groups): 28-year closed period until remaining period reaches 15 years (then 15-year rolling period).</p> <p>Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.</p> <p>SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 23 years for most employers (two employers were financed over 32 years).</p>
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	4.00%
Price Inflation	3.0% - approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	4.40% to 16.00% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2011 valuation pursuant to an experience study of the period 2008-2010.
Mortality	RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men 120% of the table rates were used. For women 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2013 actuarial valuation

City of Oregon, Illinois

General Fund Schedule of Revenues and Expenditures Compared with Budget - Modified Cash Basis

Year ended April 30, 2016

	Original and Final Budget	Actual	Over (Under) Budget
Revenues			
Taxes:			
State income tax	\$ 350,000	\$ 404,567	\$ 54,567
Replacement tax	68,000	54,247	(13,753)
Local taxes	69,000	78,386	9,386
Utility taxes	36,000	29,615	(6,385)
State telecommunications tax	100,000	90,432	(9,568)
State sales tax	485,000	523,176	38,176
Total taxes	1,108,000	1,180,423	72,423
Charges for services:			
Other	6,500	10,185	3,685
Total charges for services	6,500	10,185	3,685
Use of money and property:			
Interest on investments	2,000	2,391	391
Miscellaneous revenues:			
Miscellaneous revenues	-	4,432	4,432
Total miscellaneous revenues	-	4,432	4,432
Licenses and permits:			
Liquor license	14,000	18,308	4,308
Cable franchise fees	-	-	-
Other license fees	44,500	102,182	57,682
Total licenses	58,500	120,490	61,990
Total revenues	\$ 1,175,000	\$ 1,317,921	\$ 142,921

City of Oregon, Illinois

General Fund (Continued) Schedule of Revenues and Expenditures Compared with Budget - Modified Cash Basis

Year ended April 30, 2016

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures			
General government:			
Personnel services:			
Salaries - city officials	\$ 53,500	\$ 42,562	\$ (10,938)
Salary - clerk/treasurer	73,000	62,544	(10,456)
Total personnel services	126,500	105,106	(21,394)
Contractual services:			
Dues	2,000	1,592	(408)
Legal service	54,500	25,862	(28,638)
Printing and publishing	5,000	1,033	(3,967)
Travel and training - council	5,000	2,928	(2,072)
Travel and training - clerk's office	6,000	339	(5,661)
Christmas lighting	-	-	-
Engineering services	55,000	2,472	(52,528)
Telephone	9,000	6,259	(2,741)
City Hall Clock Maintenance	1,200	580	(620)
Gas	2,000	-	(2,000)
Total contractual services	139,700	41,065	(98,635)
Commodities:			
Office supplies and postage	8,000	3,129	(4,871)
Gas and oil	10,000	9,726	(274)
Total commodities	18,000	12,855	(5,145)
Miscellaneous	8,000	1,440	(6,560)
Capital outlay:			
Building improvements	-	-	-
Purchase equipment	140,000	4,851	(135,149)
Total capital outlay	140,000	4,851	(135,149)
Contingency:			
Contingency	225,000	-	(225,000)
Total general government	\$ 657,200	\$ 165,317	\$ (491,883)
Other financing sources (uses):			
Operating transfers in	\$ -	\$ -	\$ -
Operating transfers out	-	(1,150,350)	(1,150,350)
Total other financing sources (uses)	\$ -	\$ (1,150,350)	\$ (1,150,350)

City of Oregon, Illinois

Police Fund Schedule of Revenues and Expenditures Compared with Budget - Modified Cash Basis

Year ended April 30, 2016

	Original and Final Budget	Actual	Over (Under) Budget
Revenues			
Taxes:			
Property taxes - corporate	\$ 78,063	\$ 66,921	\$ (11,142)
Intergovernmental revenues:			
Cops fast grant/other	600	2,650	2,050
Charges for services:			
Oregon Park District	10,000	10,000	-
Fines and penalties:			
Police fines	43,700	39,517	(4,183)
Police reports	300	220	(80)
Towing fee	15,000	9,045	(5,955)
Parking fines	4,500	3,580	(920)
Total fines and penalties	63,500	52,362	(11,138)
Miscellaneous revenues	3,050	15,493	12,443
Total revenues	\$ 155,213	\$ 147,426	\$ (7,787)
Expenditures			
Public safety and health:			
Personnel services:			
Salaries - police	\$ 680,000	\$ 570,710	\$ (109,290)
Total personnel services	680,000	570,710	(109,290)
Contractual services:			
Maintenance - equipment	9,000	4,951	(4,049)
Maintenance - vehicles	20,000	8,808	(11,192)
Dues	4,000	4,511	511
Travel and training	23,000	10,304	(12,696)
Printing and publishing	1,500	1,504	4
Utilities - telephone	8,000	8,395	395
Total contractual services	65,500	38,473	(27,027)

City of Oregon, Illinois

Police Fund (Continued) Schedule of Revenues and Expenditures Compared with Budget - Modified Cash Basis

Year ended April 30, 2016

	Original and Final Budget	Actual	Over (Under) Budget
Expenditures (Continued)			
Public safety and health (continued):			
Commodities:			
Office supplies and postage	1,500	4,676	3,176
Clothing and uniforms	11,000	7,579	(3,421)
Admin. towing disbursements	30,000	2,616	(27,384)
Gas and oil	40,000	19,578	(20,422)
Total commodities	82,500	34,449	(48,051)
Miscellaneous:			
Other miscellaneous expenditures	20,000	9,256	(10,744)
Capital outlay:			
Equipment	49,500	7,668	(41,832)
Vehicles	65,000	87,445	22,445
Office equipment	6,000	11,836	5,836
Total capital outlay	120,500	106,949	(13,551)
Contingencies	35,000	17,262	(17,738)
Total public safety and health	\$ 1,003,500	\$ 777,099	\$ (226,401)
Other financing sources:			
Debt proceeds	\$ -	\$ 62,433	\$ 62,433
Operating transfers in	-	553,000	553,000
Total other financing sources	\$ -	\$ 615,433	\$ 615,433

City of Oregon, Illinois

Civil Defense Fund Schedule of Revenues and Expenditures Compared with Budget - Modified Cash Basis

Year ended April 30, 2016

	Original and Final Budget	Actual	Over (Under) Budget
Revenues			
Miscellaneous revenues:			
Other income	\$ -	\$ -	\$ -
Expenditures			
Public safety and health:			
Personnel services - salaries	\$ 200	\$ -	\$ (200)
Contractual services:			
Travel and training	200	-	(200)
Telephone	5,000	1,506	(3,494)
Total contractual services	5,200	1,506	(3,694)
Commodities:			
Miscellaneous	-	-	-
Supplies and materials	102,000	10,179	(91,821)
Total public safety and health	\$ 107,400	\$ 11,685	\$ (95,715)
Other financing sources:			
Operating transfers out	\$ -	\$ -	\$ -
Total other financing sources (uses)	\$ -	\$ -	\$ -

City of Oregon, Illinois

IMRF Fund Schedule of Revenues and Expenditures Compared with Budget - Modified Cash Basis

Year ended April 30, 2016

	Original and Final Budget	Actual	Over (Under) Budget
Revenues			
Taxes:			
Property tax	\$ 136,000	\$ 130,020	\$ (5,980)
Replacement taxes	-	21,726	21,726
Total taxes	136,000	151,746	15,746
Use of money and property:			
Interest on investments	-	-	-
Total revenues	\$ 136,000	\$ 151,746	\$ 15,746
Expenditures			
Personnel services - IMRF	\$ 180,000	\$ 142,756	\$ (37,244)
Other financing sources:			
Operating transfers in	\$ -	\$ -	\$ -
Total other financing sources	\$ -	\$ -	\$ -

City of Oregon, Illinois

Economic Development Fund Schedule of Revenues and Expenditures Compared with Budget - Modified Cash Basis

Year ended April 30, 2016

	Original and Final Budget	Actual	Over (Under) Budget
Revenues			
Taxes:			
Telecommunication tax	\$ -	\$ -	\$ -
Intergovernmental revenues:			
State grants	-	-	-
Federal grant	-	-	-
Total intergovernmental revenues	-	-	-
Licenses and permits:			
Cablevision franchise	41,000	46,978	5,978
Use of money and property -			
Interest on investments	-	-	-
Miscellaneous revenues	-	20,334	20,334
Total revenues	\$ 41,000	\$ 67,312	\$ 26,312

Expenditures			
General government:			
Capital outlay:			
Economic development expenditures	\$ 311,000	\$ 74,188	\$ (236,812)
Other financing sources (uses):			
Debt proceeds	\$ -	\$ -	\$ -
Operating transfers out	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -

City of Oregon, Illinois

Street and Alley Fund

Schedule of Revenues and Expenditures

Compared with Budget - Modified Cash Basis

Year ended April 30, 2016

	Original and Final Budget	Actual	Over (Under) Budget
Revenues			
Taxes:			
Property taxes - corporate	\$ 47,350	\$ 49,580	\$ 2,230
Utility tax	-	-	-
Total intergovernmental revenues	47,350	49,580	2,230
Intergovernmental revenues:			
FEMA - Snow removal	-	-	-
State of Illinois - highway maintenance	-	23,615	23,615
Total intergovernmental revenues	-	23,615	23,615
Miscellaneous revenues	7,500	6,321	(1,179)
Total revenues	\$ 54,850	\$ 79,516	\$ 24,666
Expenditures			
Streets and public improvements:			
Personnel services - salaries	\$ 275,000	\$ 168,585	\$ (106,415)
Contractual services:			
Maintenance - buildings	40,000	665	(39,335)
Maintenance - equipment	25,000	240	(24,760)
Maintenance - vehicles	5,000	2,128	(2,872)
Travel and training	2,000	549	(1,451)
Contract labor	90,000	75,719	(14,281)
Telephone	3,500	2,987	(513)
Total contractual services	165,500	82,288	(83,212)
Commodities:			
Supplies and materials	75,000	34,531	(40,469)
Equipment maintenance materials	20,000	16,949	(3,051)
Gas and oil	33,500	7,937	(25,563)
Total commodities	128,500	59,417	(69,083)
Miscellaneous disbursements	70,000	1,625	(68,375)
Capital outlay:			
Equipment	250,000	136,471	(113,529)
Total streets and public improvements	\$ 889,000	\$ 448,386	\$ (440,614)
Other financing sources			
Debt proceeds	\$ -	\$ 111,093	\$ 111,093
Operating transfers in	-	254,000	254,000
Total other financing sources	\$ -	\$ 365,093	\$ 365,093

City of Oregon, Illinois

Motor Fuel Tax Fund Schedule of Revenues and Expenditures Compared with Budget - Modified Cash Basis

Year ended April 30, 2016

	Original and Final Budget	Actual	Over (Under) Budget
Revenues			
Intergovernmental receipts - motor fuel tax allotments and other	\$ 86,250	\$ 95,365	\$ 9,115
Use of money and property - Interest on investments	150	317	167
Total revenues	\$ 86,400	\$ 95,682	\$ 9,282
Expenditures			
Streets and public improvements:			
Contractual services:			
Maintenance - grounds	\$ 175,000	\$ 65,997	\$ (109,003)
Engineering	40,000	8,852	(31,148)
Total contractual services	215,000	74,849	(140,151)
Commodities - maintenance materials	15,000	8	(14,992)
Total streets and public improvements	\$ 230,000	\$ 74,857	\$ (155,143)

City of Oregon, Illinois

City Group Insurance Fund Schedule of Revenues and Expenditures Compared with Budget - Modified Cash Basis

Year ended April 30, 2016

	Original and Final Budget	Actual	Over (Under) Budget
Revenues			
Taxes			
Property taxes	\$ 56,183	\$ 66,710	\$ 10,527
Use of money and property - Interest on investments	-	-	-
Total revenues	\$ 56,183	\$ 66,710	\$ 10,527
Expenditures			
General Government:			
Personnel services:			
Group insurance	\$ 395,000	\$ 279,888	\$ (115,112)
Life insurance	5,000	2,598	(2,402)
Total personnel services	\$ 400,000	\$ 282,486	\$ (117,514)
Other financing sources:			
Operating transfers in	\$ -	\$ 272,000	\$ 272,000
Total other financing sources (uses)	\$ -	\$ 272,000	\$ 272,000

City of Oregon, Illinois

Road and Bridge Fund Schedule of Revenues and Expenditures Compared with Budget - Modified Cash Basis

Year ended April 30, 2016

	Original and Final Budget	Actual	Over (Under) Budget
Revenues			
Taxes			
Property taxes	\$ 40,000	\$ 36,816	\$ (3,184)
Sales tax	295,000	269,793	(25,207)
Utility taxes	-	-	-
Total taxes	335,000	306,609	(28,391)
Intergovernmental revenues:			
Grant	-	-	-
Miscellaneous revenues	-	47,115	47,115
Total intergovernmental revenues	-	47,115	47,115
Total revenues	\$ 335,000	\$ 353,724	\$ 18,724
Expenditures			
Public Works:			
Capital Outlay:			
Improvements	\$ 1,640,000	\$ 592,844	\$ (1,047,156)
Total capital outlay	\$ 1,640,000	\$ 592,844	\$ (1,047,156)
Other financing sources:			
Debt proceeds	\$ -	\$ 232,102	\$ 232,102
Operating transfers	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -

City of Oregon, Illinois

Water and Sewer Fund Schedule of Revenues and Expenses Compared with Budget - Modified Cash Basis

Year ended April 30, 2016

	Original and Final Budget	Actual	Over (Under) Budget
Operating revenues			
Charges for services:			
Water - sewer revenues	\$ 1,172,000	\$ 1,118,407	\$ (53,593)
Sale of meters	2,000	975	(1,025)
Turn on fees	1,500	1,620	120
Main taps	500	150	(350)
Sewer hook up fees	9,000	4,000	(5,000)
Water hook up fees	5,000	2,400	(2,600)
Other charges for services	16,000	23,342	7,342
Total charges for services	1,206,000	1,150,894	(55,106)
Intergovernmental revenues:			
IEPA grants	-	-	-
Total operating revenues	\$ 1,206,000	\$ 1,150,894	\$ (55,106)
Operating expenses			
Waterworks and sewerage:			
Personnel services:			
Salaries	\$ 300,000	\$ 195,869	\$ (104,131)
Contractual services - sewer:			
Engineering services	800,000	119,785	(680,215)
Maintenance	70,000	48,647	(21,353)
Professional services	371,000	137,463	(233,537)
Total contractual services - sewer	1,241,000	305,895	(935,105)
Contractual services - water:			
Engineering services	50,000	-	50,000
Contract labor	-	-	-
Power	2,500	-	2,500
Total contractual services - water	52,500	-	(52,500)
Total contractual services	1,293,500	305,895	(987,605)
Commodities - water & sewer:			
Office supplies and postage	10,000	5,904	(4,096)

City of Oregon, Illinois

Water and Sewer Fund (Continued) Schedule of Revenues and Expenses Compared with Budget - Modified Cash Basis

Year ended April 30, 2016

	Original and Final Budget	Actual	Over (Under) Budget
Operating expenses (continued)			
Waterworks and sewerage (continued):			
Miscellaneous:			
Sewer	100,000	15,262	(84,738)
Water	-	-	-
Total miscellaneous	100,000	15,262	(84,738)
Depreciation	-	218,189	218,189
Capital outlay - Equipment:			
Water	350,000	-	(350,000)
Sewer	385,000	26,349	(358,651)
Total Capital outlay	735,000	26,349	(708,651)
Total waterworks and sewerage	\$ 2,438,500	\$ 767,468	\$ (1,671,032)
Other financing sources (uses):			
Operating transfers in	\$ -	\$ -	\$ -
Nonoperating revenue (expenses)			
Interest on investments	\$ 1,500	\$ 1,368	\$ (132)
Interest expense	(230,000)	(98,755)	131,245
Total nonoperating revenue (expenses)	\$ (228,500)	\$ (97,387)	\$ 131,113
Other financing sources:			
Operating transfers out	\$ -	\$ -	\$ -
Total other financing uses	\$ -	\$ -	\$ -

City of Oregon, Illinois

Nonmajor Governmental Funds Combining Balance Sheet Modified Cash Basis

April 30, 2016

	Total Nonmajor Governmental Funds	Street Lighting Fund	Recreation Fund	School Crossing Guard Fund
Assets				
Cash	\$ 366,825	\$ 269	\$ 64,552	\$ 23
Due from other funds	-	-	-	-
Investments, at cost	-	-	-	-
Total assets	\$ 366,825	\$ 269	\$ 64,552	\$ 23
Liabilities				
Payroll withholdings	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Total liabilities	-	-	-	-
Fund Balances				
Fund balances	366,825	269	64,552	23
Total liabilities and fund balance	\$ 366,825	\$ 269	\$ 64,552	\$ 23

Tort Liability Fund	Band Fund	City Audit Fund	City Social Security Fund	Unemploy- ment Insurance Fund
\$ 14,375	\$ 6,748	\$ 36,177	\$ 38	\$ 39,490
-	-	-	-	-
-	-	-	-	-
\$ 14,375	\$ 6,748	\$ 36,177	\$ 38	\$ 39,490
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
14,375	6,748	36,177	38	39,490
\$ 14,375	\$ 6,748	\$ 36,177	\$ 38	\$ 39,490

City of Oregon, Illinois

Nonmajor Governmental Funds Combining Balance Sheet Modified Cash Basis (Continued)

April 30, 2016

	Public Health Fund	Coliseum Fund	City Hall Fund
Assets			
Cash	\$ 49,471	\$ 117,342	\$ 38,340
Investments, at cost	-	-	-
Total assets	\$ 49,471	\$ 117,342	\$ 38,340
Liabilities			
Payroll withholdings	\$ -	\$ -	\$ -
Due to other funds	-	-	-
Total liabilities	-	-	-
Fund Balances			
Fund balances	49,471	117,342	38,340
Total liabilities and fund balance	\$ 49,471	\$ 117,342	\$ 38,340

City of Oregon, Illinois

Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis

Year ended April 30, 2016

	Total Nonmajor Governmental Funds	Street Lighting Fund	Recreation Fund	School Crossing Guard Fund
Revenues				
Taxes	\$ 273,821	\$ 22,418	\$ 8,518	\$ 8,934
Charges for service	187,080	-	-	-
Uses of money and property	8,300	-	-	-
Fines and penalties	14,685	-	-	-
Miscellaneous receipts	370	-	-	-
Total revenues	484,256	22,418	8,518	8,934
Expenditures				
Current:				
General government	177,351	-	-	-
Public safety and health	289,329	39,342	-	16,948
Public works	15,000	-	-	-
Recreation and parks	30,836	-	10,650	-
Capital outlay:				
Streets and public improvements	-	-	-	-
Recreation and parks	-	-	-	-
Total expenditures	512,516	39,342	10,650	16,948
Excess of revenues over (under) expenditures	(28,260)	(16,924)	(2,132)	(8,014)
Other financing sources (uses)				
Operating transfers in	71,350	17,000	-	4,200
Operating transfers out	-	-	-	-
Total other financing sources (uses)	71,350	17,000	-	4,200
Excess of revenues and other sources over (under) expenditures and other uses	43,090	76	(2,132)	(3,814)
Fund balance - Beginning	323,735	193	66,684	3,837
Fund balance - Ending	\$ 366,825	\$ 269	\$ 64,552	\$ 23

Tort Liability Fund	Band Fund	City Audit Fund	City Social Security Fund	Unemploy- ment Insurance Fund
\$ 121,055	\$ 2,689	\$ 33,536	\$ 43,492	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
121,055	2,689	33,536	43,492	-
92,856	-	28,390	43,636	-
7,500	-	-	-	-
15,000	-	-	-	-
-	3,175	-	-	-
-	-	-	-	-
-	-	-	-	-
115,356	3,175	28,390	43,636	-
5,699	(486)	5,146	(144)	-
-	-	-	150	-
-	-	-	-	-
-	-	-	150	-
5,699	(486)	5,146	6	-
8,676	7,234	31,031	32	39,490
\$ 14,375	\$ 6,748	\$ 36,177	\$ 38	\$ 39,490

City of Oregon, Illinois

Nonmajor Governmental Funds (Continued) Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis

Year ended April 30, 2016

	Public Health Fund	Coliseum Fund	City Hall Fund
Revenues			
Taxes	\$ -	\$ 33,179	\$ -
Charges for service	187,080	-	-
Uses of money and property	-	8,300	-
Fines and penalties	14,685	-	-
Miscellaneous receipts	370	-	-
Total revenues	202,135	41,479	-
Expenditures			
Current:			
General government	-	-	12,469
Public safety and health	225,539	-	-
Public works	-	-	-
Recreation and parks	-	17,011	-
Capital outlay:			
Streets and public improvements	-	-	-
Recreation and parks	-	-	-
Total expenditures	225,539	17,011	12,469
Excess of revenues over (under) expenditures disbursed	(23,404)	24,468	(12,469)
Other financing sources (uses)			
Operating transfers in	-	-	50,000
Operating transfers out	-	-	-
Total other financing sources (uses)	-	-	50,000
Excess of revenues and other sources over (under) expenditures and other uses	(23,404)	24,468	37,531
Fund balance - Beginning	72,875	92,874	809
Fund balance - Ending	\$ 49,471	\$ 117,342	\$ 38,340

City of Oregon, Illinois

Schedule of Tort Expenditures - Modified Cash Basis

Year ended April 30, 2016

Insurance	\$ 85,356
Salaries	30,000
<hr/>	
Total	\$ 115,356
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City of Oregon, Illinois

Schedule of Long-Term Debt - Business-type Activities

Year ended April 30, 2016

Year ended April 30	2010 IEPA Loan Payable		2013 G.O. Bonds Payable	
	Principal	Interest	Principal	Interest
2017	\$ 145,536	\$ -	\$ 220,000	\$ 93,755
2018	145,536	-	225,000	89,355
2019	145,536	-	230,000	84,855
2020	145,536	-	235,000	80,255
2021	145,536	-	240,000	75,555
2022	145,536	-	250,000	65,955
2023	145,536	-	260,000	55,955
2024	145,536	-	265,000	49,325
2025	145,536	-	280,000	38,725
2026	145,536	-	290,000	27,525
2027	145,536	-	300,000	15,925
2028	145,536	-	190,000	6,175
2029	145,536	-	-	-
2030	145,536	-	-	-
2031	145,546	-	-	-
	\$ 2,183,050	\$ -	\$ 2,985,000	\$ 683,360

City of Oregon, Illinois

Assessed Valuations, Rates, Extensions, and Collections

April 30, 2016

Fund	2015 Levy	
	Taxes	
	Rate	Extended
General	0.33300	\$ 150,033
Police protection	0.07500	33,791
Recreation	0.01917	8,637
Coliseum	0.07466	33,638
Illinois municipal retirement	0.30772	138,643
Audit	0.07547	34,003
Liability insurance	0.27241	122,734
Social security	0.10089	45,456
Band	0.00605	2,726
Street Lighting	0.05045	22,730
School Crossing Guard	0.02000	9,011
Totals	1.33482	\$ 601,402

Year	Valuations	Collections
2015	\$ 45,054,979	\$ -
2014	\$ 44,680,667	\$ 623,868
2013	\$ 47,308,298	\$ 626,012

Included in the collections is the City's share of Road & Bridge property taxes.

2014 Levy			2013 Levy		
Taxes			Taxes		
Rate		Extended	Rate		Extended
0.33300	\$	148,786	0.33300	\$	157,537
0.07500		33,510	0.07500		35,481
0.01907		8,521	0.01911		9,041
0.07428		33,189	0.07441		35,202
0.29109		130,061	0.26145		123,687
0.07508		33,546	0.07522		35,585
0.27102		121,094	0.24134		114,174
0.09737		43,506	0.08749		41,390
0.00602		2,690	0.00603		2,853
0.05019		22,425	0.05028		23,787
0.02000		8,936	0.02000		9,461
1.31212	\$	586,264	1.24333	\$	588,198

City of Oregon, Illinois

Schedule of Information Required by Alternate Revenue Source Bonds

April 30, 2016

Insurer	Coverage Period From/To	Coverage/ Amount
Illinois Municipal League Insurance Company	12/31/15-12/31/16	Crime - Forgery/ Theft/ Computer Fraud/ Employee Dishonesty \$100,000 - each occurrence
Illinois Municipal League Insurance Company	12/31/15-12/31/16	General Liability \$1,000,000- each occurrence
Illinois Municipal League Insurance Company	12/31/15-12/31/16	Umbrella \$7,000,000
Illinois Municipal League Insurance Company	12/31/15-12/31/16	Automobile Liability & Uninsured Motorist \$1,000,000
Illinois Municipal League Risk Fund	12/31/15-12/31/16	Worker's Compensation/ Statutory
Illinois Municipal League Insurance Company	12/31/15-12/31/16	Property & Inland Marine \$250,000,000 - each occurrence



**Independent Auditor's Report on Compliance with
General Obligation Bond (Alternate Revenue Source)
Bond Ordinance No. 2013-103**

The Honorable Mayor and
Council
City of Oregon, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements as listed in the table of contents, of the City of Oregon, Illinois as of April 30, 2016, and for the year then ended, and have issued our opinion thereon dated July 6, 2016.

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the terms, covenants, provisions or conditions of Sewerage Revenue Bond Ordinance No. 2013-103 insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above-referenced terms, covenants, provisions, or conditions of the Ordinance, insofar as they relate to accounting matters.

This report is intended for the information of City Council, management, and bond holders. However, this report is a matter of public record and its distribution is not limited.

Wipfli LLP

Freeport, Illinois
July 6, 2016