

VILLAGE OF BEECHER, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2018

VILLAGE OF BEECHER, ILLINOIS

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FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Financial Statements and Schedules
- Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the Village's independent auditing firm.



INDEPENDENT AUDITORS' REPORT

August 22, 2018

The Honorable Village President
Members of the Board of Trustees
Village of Beecher, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Beecher, Illinois, as of and for the year ended April 30, 2018, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 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 Village'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 Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Beecher, Illinois, as of April 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Beecher, Illinois' basic financial statements. The combining and individual fund financial statements and budgetary comparison schedules, and supplemental schedules, are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.


LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF BEECHER, ILLINOIS

Management's Discussion and Analysis April 30, 2018

Our discussion and analysis of the Village of Beecher, Illinois (Village's) financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2018. Please read it in conjunction with Village's financial statements, which begin on page 3.

FINANCIAL HIGHLIGHTS

- The Village's net position decreased as a result of this year's operations. Net position of business-type activities increased by \$114,801, or 1.2 percent and net position of the governmental activities decreased by \$147,214, or less than one percent.
- During the year, government-wide revenues totaled \$5,167,626, while expenses totaled \$5,200,039, resulting in a decrease to net position of \$32,413.
- The Village's net position totaled \$27,675,101 on April 30, 2018, which includes \$25,487,858 net investment in capital assets, \$581,020 subject to external restrictions, and \$1,606,223 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported a deficit this year of \$35,718, resulting in ending fund balance of \$631,936, a decrease of 5.3 percent.

USING THIS ANNUAL REPORT

Government-Wide Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 3 - 6) provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. Fund financial statements begin on page 7. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds.

The government-wide financial statements provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business. The government wide financial statements can be found on pages 3 - 6 of this report.

VILLAGE OF BEECHER, ILLINOIS

Management's Discussion and Analysis April 30, 2018

USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements – Continued

The Statement of Net Position (presented under the full accrual basis of accounting) reports information on all of the Village's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Village's property tax base equalized assessed value and the condition of the roads as well as water and sewer systems, is needed to determine the overall health of the Village.

The Statement of Activities (presented under the full accrual basis of accounting) presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, public works, culture and recreation, and interest on long-term debt. The business-type activities of the Village include water, sewer and refuse operations.

Fund Financial Statements

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

Governmental Funds

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

VILLAGE OF BEECHER, ILLINOIS

Management's Discussion and Analysis April 30, 2018

USING THIS ANNUAL REPORT – Continued

Governmental Funds – Continued

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

The Village maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, and the Joint Fuel Fund, which are considered major funds.

The Village adopts an annual appropriation ordinance for all of the governmental funds, except the Preserve Cardinal Creek Escrow Fund and Nantucket Escrow Fund. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 7 - 10 of this report.

Proprietary Funds

The Village maintains one type of proprietary funds: enterprise. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village utilizes enterprise funds to account for its water and sewer and refuse operations.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Water and Sewer Fund, which is considered to be a major fund of the Village.

The basic proprietary fund financial statements can be found on pages 11 - 13 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 14 - 42 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's I.M.R.F. employee pension obligations and budgetary comparison schedules for the General Fund and major special revenue funds. Required supplementary information can be found on pages 43 - 46 of this report. Individual fund budgetary schedules can be found on pages 47 - 67 of this report.

VILLAGE OF BEECHER, ILLINOIS

Management's Discussion and Analysis April 30, 2018

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village, assets/deferred outflows exceeded liabilities/deferred inflows by \$27,675,101.

	Net Position					
	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Current Assets	\$ 2,599,587	2,608,037	1,447,145	1,020,248	4,046,732	3,628,285
Capital Assets	18,130,938	18,396,107	10,285,362	9,635,497	28,416,300	28,031,604
Net Pension Asset	37,138	-	16,547	-	53,685	-
Total Assets	20,767,663	21,004,144	11,749,054	10,655,745	32,516,717	31,659,889
Deferred Outflows	124,902	168,838	55,651	75,630	180,553	244,468
Total Assets/Deferred Outflows	20,892,565	21,172,982	11,804,705	10,731,375	32,697,270	31,904,357
Long-Term Debt Outstanding	1,000,639	1,588,203	1,388,922	642,823	2,389,561	2,231,026
Other Liabilities	252,966	264,715	566,198	562,748	819,164	827,463
Total Liabilities	1,253,605	1,852,918	1,955,120	1,205,571	3,208,725	3,058,489
Deferred Inflows	1,548,686	1,082,576	264,758	55,778	1,813,444	1,138,354
Total Liabilities/Deferred Inflows	2,802,291	2,935,494	2,219,878	1,261,349	5,022,169	4,196,843
Net Position						
Net Investment in Capital Assets	17,059,205	17,234,061	8,428,653	8,794,797	25,487,858	26,028,858
Restricted	581,020	560,652	-	-	581,020	560,652
Unrestricted	450,049	442,775	1,156,174	675,229	1,606,223	1,118,004
Total Net Position	18,090,274	18,237,488	9,584,827	9,470,026	27,675,101	27,707,514

A large portion of the Village's net position, \$25,487,858 or 92.1 percent, reflects its investment in capital assets (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$581,020 or 2.1 percent, of the Village's net position represents resources that are subject to external restrictions on how they may be used. The remaining 5.8 percent, or \$1,606,223, represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.

VILLAGE OF BEECHER, ILLINOIS

Management's Discussion and Analysis April 30, 2018

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Revenues						
Program Revenues						
Charges for Services	\$ 607,539	609,418	1,770,248	1,638,798	2,377,787	2,248,216
Operating Grants/Contrib.	115,720	118,879	-	-	115,720	118,879
General Revenues						
Property Taxes	953,165	958,713	-	-	953,165	958,713
State Income Taxes	395,282	412,034	-	-	395,282	412,034
State Sales Taxes	593,638	571,657	147,838	91,108	741,476	662,765
Other Taxes	297,895	288,337	189,429	190,145	487,324	478,482
Interest Income	2,542	2,250	1,507	1,190	4,049	3,440
Miscellaneous	53,319	54,045	39,504	28,817	92,823	82,862
Total Revenues	3,019,100	3,015,333	2,148,526	1,950,058	5,167,626	4,965,391
Expenses						
General Government	614,504	629,142	-	-	614,504	629,142
Public Safety	1,282,014	1,262,665	-	-	1,282,014	1,262,665
Public Works	1,024,204	992,019	-	-	1,024,204	992,019
Culture and Recreation	260,731	275,140	-	-	260,731	275,140
Interest on Long-Term Debt	30,084	154,338	-	-	30,084	154,338
Water and Sewer	-	-	1,686,598	1,959,569	1,686,598	1,959,569
Refuse	-	-	301,904	295,736	301,904	295,736
Total Expenses	3,211,537	3,313,304	1,988,502	2,255,305	5,200,039	5,568,609
Change in Net Position Before Transfers	(192,437)	(297,971)	160,024	(305,247)	(32,413)	(603,218)
Transfers	45,223	72,268	(45,223)	(72,268)	-	-
Change in Net Position	(147,214)	(225,703)	114,801	(377,515)	(32,413)	(603,218)
Net Position - Beginning as Restated	18,237,488	18,463,191	9,470,026	9,847,541	27,707,514	28,310,732
Net Position - Ending	18,090,274	18,237,488	9,584,827	9,470,026	27,675,101	27,707,514

Net position of the governmental activities decreased less than one percent (\$18,090,274 compared to the beginning total of \$18,237,488). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints was \$450,049.

Net position of business-type activities increased 1.2 percent (\$9,584,827 compared to the beginning balance of \$9,470,026). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints was \$1,156,174.

VILLAGE OF BEECHER, ILLINOIS

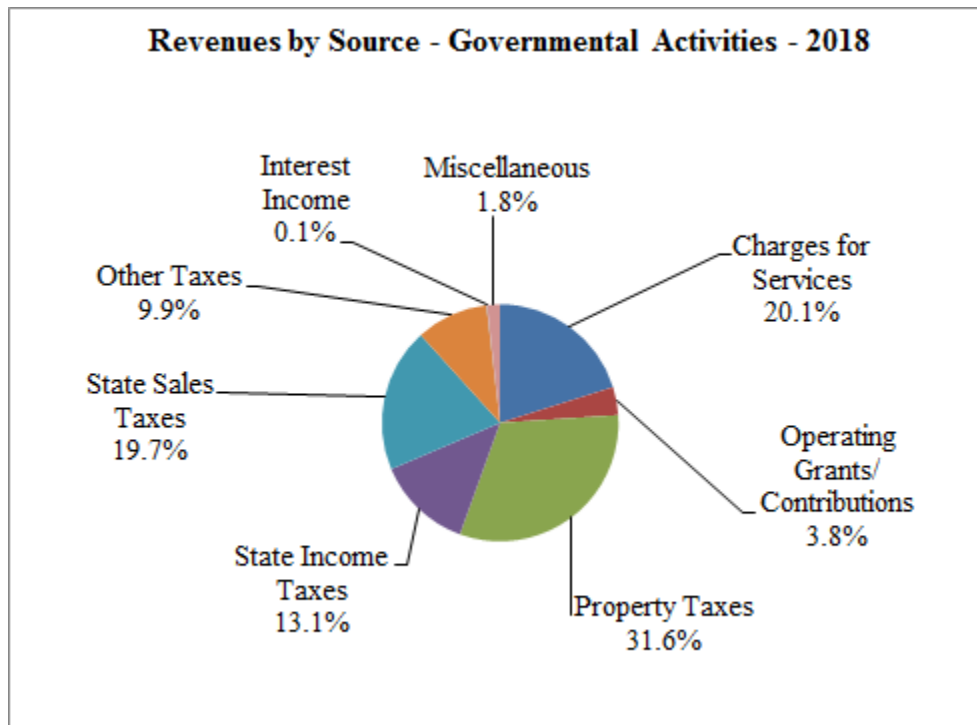
Management's Discussion and Analysis April 30, 2018

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities

Revenues for governmental activities totaled \$3,019,100, while the cost of all governmental functions totaled \$3,211,537. This results in a deficit of \$192,437 prior to transfers in of \$45,223. In 2017, expenses of \$3,313,304 exceeded revenues of \$3,015,333, resulting in a deficit of \$297,971 prior to transfers in of \$72,268. The deficit in 2018 is due primarily to the planned use of reserves for noncapitalized capital improvements, i.e. street resurfacing.

The following table graphically depicts the major revenue sources of the Village. It depicts very clearly the reliance of property taxes, state income taxes and state sales taxes to fund governmental activities. It also clearly identifies the less significant percentage the Village receives from other taxes.



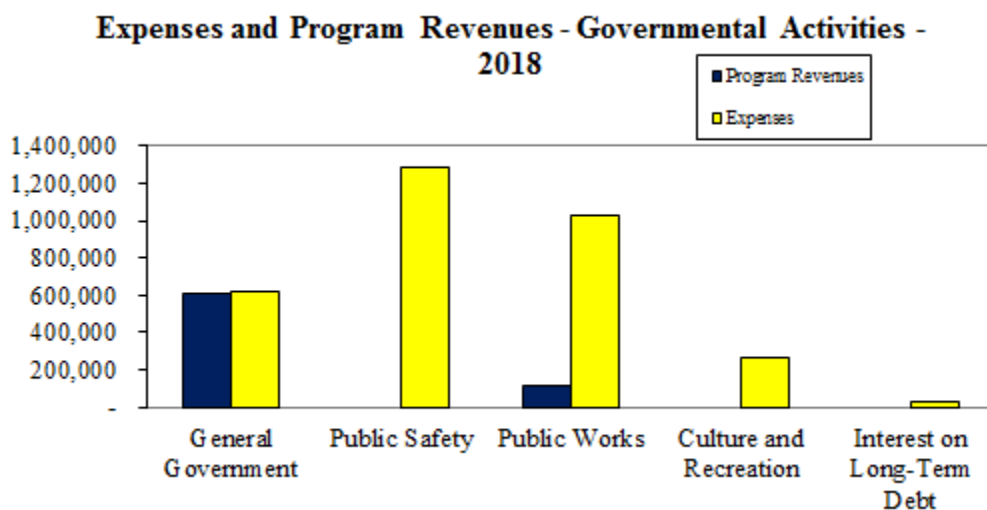
VILLAGE OF BEECHER, ILLINOIS

Management's Discussion and Analysis April 30, 2018

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities – Continued

The following 'Expenses and Program Revenues' Tables identify those governmental functions where program expenses greatly exceed revenues. The Public Safety, Public Works and Culture and Recreation functions are run for the maintenance of the Village's public safety, parks and public buildings, and generally do not offer revenue producing programs.



Business-Type Activities

The following tables compare revenues to expenses in the Water and Sewer and Refuse Funds. Revenues of the Village's business-type activities were \$2,148,526, while expenses were \$1,988,502, resulting in a surplus of \$160,024 prior to transfers out of \$45,223. The surplus in 2018 is due primarily to the increase in charges for services of \$131,450 over the prior year.

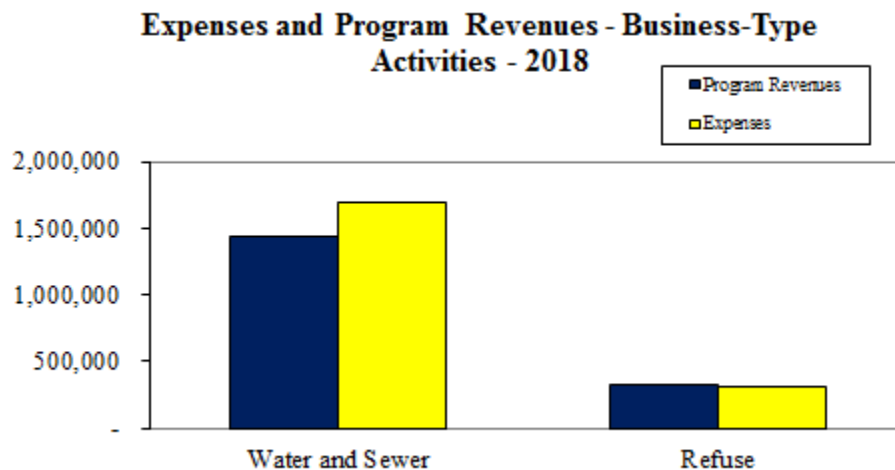
The Village has experienced a steady decline in its volume of billed water from a peak of 121,300,000 gallons in 2007 to 111,200,000 gallons in 2016. The annual \$0.10 increase in water and sewer rates has not been sufficient to cover the increased cost of operations, and in the future the Village may have to consider a rate adjustment to make up for the operating loss. Water pumped has also declined relative to water billed from a peak of 163,500,000 in 2007 to 151,400,000 in 2016. One of the reasons for this steep decline in usage is less watering of newly-sodded yards created by new home construction. Another possible reason is use of more efficient water fixtures and appliances.

VILLAGE OF BEECHER, ILLINOIS

Management's Discussion and Analysis April 30, 2018

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Business-Type Activities – Continued



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$1,246,121, which is \$828 less than the beginning fund balances of \$1,246,949. Of the \$1,246,121 total, \$518,910, or approximately 41.6 percent, of the fund balance constitutes unassigned fund balance.

VILLAGE OF BEECHER, ILLINOIS

Management's Discussion and Analysis April 30, 2018

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued

Governmental Funds – Continued

The General Fund reported a negative change in fund balance for the year of \$35,718, a decrease of 5.3 percent. This was due in large part to expenditures public works being over budget. Specifically, the budgeted amount for this expenditure source totaled \$414,931 and the actual amount totaled \$457,661.

The General Fund is the chief operating fund of the Village. At April 30, 2018, unassigned fund balance in the General Fund was \$518,910, which represents 82.1 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 21.9 percent of total General Fund expenditures.

Proprietary funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Village reports the Water and Sewer Fund as a major proprietary fund. This fund accounts for all of the operations of the municipal water and sewer systems. The Village provides fresh water from three medium shaft ground supply wells and also owns and maintains its own wastewater treatment facility. The spread between purchase and usage rates is intended to finance the operations of the waterworks and sewerage systems, including labor costs, supplies, and infrastructure maintenance. The monthly service fees are intended for replacement and/or extension of infrastructure.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Village made one budget amendment to the General Fund during the year. General Fund actual revenues for the year totaled \$2,377,567, compared to budgeted revenues of \$2,466,728. State income taxes were almost \$45,000 below the budgeted amount to be collected, one grant distribution was not received during the fiscal year, and miscellaneous revenues were lower than expected.

The General Fund actual expenditures for the year were \$55,743 lower than budgeted (\$2,372,587 actual compared to \$2,428,330 budgeted). The general government, public safety and culture and recreation functions' actual expenditures were lower than budgeted expenditures by \$78,771, \$17,898, and \$1,804, respectively. The public works function expenditures was over budget by \$42,730.

VILLAGE OF BEECHER, ILLINOIS

Management's Discussion and Analysis April 30, 2018

CAPITAL ASSETS

The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2018, was \$28,416,300 (net of accumulated depreciation). This investment in capital assets includes land and right of way, land improvements, buildings, equipment and vehicles, storm sewers, transportation network, and water and sewer systems.

Capital Assets - Net of Depreciation						
	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Land and Right of Way	\$ 6,739,597	6,739,597	69,255	69,255	6,808,852	6,808,852
Land Improvements	412,849	404,210	-	-	412,849	404,210
Buildings	1,009,657	1,033,721	-	-	1,009,657	1,033,721
Equipment and Vehicles	348,219	308,072	133,202	150,575	481,421	458,647
Storm Sewers	6,073,088	6,235,324	-	-	6,073,088	6,235,324
Transportation Network	3,547,528	3,675,183	-	-	3,547,528	3,675,183
Water System	-	-	5,252,600	4,385,480	5,252,600	4,385,480
Sewer System	-	-	4,830,305	5,030,187	4,830,305	5,030,187
Totals	18,130,938	18,396,107	10,285,362	9,635,497	28,416,300	28,031,604

The capital expenses for fiscal year 2018 were:

Land Improvement	\$ 40,900
Equipment and Vehicles	75,811
Water System	<u>1,004,730</u>
Total	<u><u>1,121,441</u></u>

Additional information on the Village's capital assets can be found in note 3 on pages 25 - 26 of this report.

DEBT ADMINISTRATION

At year-end, the Village had total outstanding debt of \$2,928,442 as compared to \$2,002,746 the previous year, a decrease of 23.3 percent. The following is a comparative statement of outstanding debt:

VILLAGE OF BEECHER, ILLINOIS

Management's Discussion and Analysis April 30, 2018

DEBT ADMINISTRATION – Continued

	Long-Term Debt Outstanding					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2018	2017	2018	2017	2018	2017
General Obligation Bonds	\$ 1,025,000	1,085,000	-	-	1,025,000	1,085,000
Debt Certificates	46,733	77,046	420,600	490,700	467,333	567,746
IEPA Loans Payables	-	-	1,086,109	-	1,086,109	-
Promissory Note Payable	-	-	350,000	350,000	350,000	350,000
Total	1,071,733	1,162,046	1,856,709	840,700	2,928,442	2,002,746

State statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 8.625 percent of its total assessed valuation. The current debt limit for the Village is \$8,077,951.

Additional information on the Village's long-term debt can be found in Note 3 on pages 28 - 31 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Village's elected and appointed officials considered many factors when setting the fiscal-year 2019 budget, including tax rates, and fees that will be charged for its various activities. One of those factors is the economy. The Village is faced with a similar economic environment as many of the other local municipalities are faced with, including inflation and unemployment rates.

The Village has adopted a policy of not increasing the property tax levy since 2011 while maintaining a balanced budget. This policy reduces the Village's ability to increase its expenditures for operating activities over an extended period of time. Video gaming revenue has been used to offset the impacts of the frozen tax levy. It is anticipated that this policy will continue.

The Village entered into a loan agreement with the IEPA for \$1,300,000 in FY 2017 for the replacement of the watermain on Penfield, Birch and Elm Streets and proceeds from the watermain replacement charge will be used to pay off this loan. The largest capital improvement project in the Village's history, valued at \$10 million, is the Wastewater Treatment Plant (WWTP) Rehabilitation Project, scheduled to begin in 2018. The Village has been able to secure a loan for this project from the IEPA at 1.12% for 30 years, creating an estimated annual loan repayment of \$389,334. Utility Taxes (\$200,490), current sewer debt charges (\$98,900) and the new ½ infrastructure sales tax (\$132,000) will be used to pay off this loan, with any remaining utility taxes being transferred to the Sewer Fund for operations. The Village has also identified increased annual operating costs of \$111,000 for the new WWTP facility beginning in 2019 and a sewer rate increase of between \$0.50 and \$1.00 per 1000 gl. may be required to cover these new expenses. However, until the loan repayment schedule is solidified and more defined estimates are obtained the exact amount of the increase is not known.

VILLAGE OF BEECHER, ILLINOIS

Management's Discussion and Analysis April 30, 2018

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Village Administrator, 625 Dixie Highway, Beecher, IL 60401

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF BEECHER, ILLINOIS**Statement of Net Position****April 30, 2018**

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 1,267,687	1,190,642	2,458,329
Receivables - Net	1,076,373	340,965	1,417,338
Due from Other Governments	48,821	-	48,821
Internal Balances	127,537	(127,537)	-
Prepays	79,169	43,075	122,244
Total Current Assets	2,599,587	1,447,145	4,046,732
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	6,739,597	69,255	6,808,852
Depreciable Capital Assets	15,787,916	16,798,493	32,586,409
Accumulated Depreciation	(4,396,575)	(6,582,386)	(10,978,961)
	18,130,938	10,285,362	28,416,300
Net Pension Asset - IMRF	37,138	16,547	53,685
Total Noncurrent Assets	18,168,076	10,301,909	28,469,985
Total Assets	20,767,663	11,749,054	32,516,717
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	124,902	55,651	180,553
Total Assets and Deferred Outflows of Resources	20,892,565	11,804,705	32,697,270

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

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 104,689	71,575	176,264
Accrued Payroll	44,363	19,021	63,384
Accrued Interest Payable	7,961	7,815	15,776
Current Portion of Long-Term Debt	95,953	467,787	563,740
Total Current Liabilities	252,966	566,198	819,164
Noncurrent Liabilities			
Compensated Absences Payable	19,887	-	19,887
General Obligation Bonds Payable	965,000	-	965,000
Debt Certificates Payable	-	350,500	350,500
IEPA Loan Payable	15,752	1,038,422	1,054,174
Total Noncurrent Liabilities	1,000,639	1,388,922	2,389,561
Total Liabilities	1,253,605	1,955,120	3,208,725
DEFERRED INFLOWS OF RESOURCES			
Deferred Items - IMRF	594,223	264,758	858,981
Property Taxes	954,463	-	954,463
Total Deferred Inflows of Resources	1,548,686	264,758	1,813,444
Total Liabilities and Deferred Inflows of Resources	2,802,291	2,219,878	5,022,169
NET POSITION			
Net Investment in Capital Assets	17,059,205	8,428,653	25,487,858
Restricted - Ribbon of Hope	1,036	-	1,036
Restricted - Veterans Memorial	11,182	-	11,182
Restricted - Nuisance Abatement	17,115	-	17,115
Restricted - Asset Forfeiture	2,098	-	2,098
Restricted - Newsletter	2,426	-	2,426
Restricted - Joint Fuel	52,074	-	52,074
Restricted - Motor Fuel Tax	94,630	-	94,630
Restricted - Capital Improvements	400,459	-	400,459
Unrestricted	450,049	1,156,174	1,606,223
Total Net Position	18,090,274	9,584,827	27,675,101

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

VILLAGE OF BEECHER, ILLINOIS

Statement of Activities For the Fiscal Year Ended April 30, 2018

		Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
	Expenses			
Governmental Activities				
General Government	\$ 614,504	607,539	-	-
Public Safety	1,282,014	-	-	-
Public Works	1,024,204	-	115,720	-
Culture and Recreation	260,731	-	-	-
Interest on Long-Term Debt	30,084	-	-	-
Total Governmental Activities	3,211,537	607,539	115,720	-
Business-Type Activities				
Water and Sewer	1,686,598	1,439,567	-	-
Refuse	301,904	330,681	-	-
Total Business-Type Activities	1,988,502	1,770,248	-	-
Total Primary Government	5,200,039	2,377,787	115,720	-

General Revenues
Taxes
 Property
 Telecommunications
 Gaming
 Utility
Intergovernmental - Unrestricted
 State Income Taxes
 State Sales Taxes
 Replacement Taxes
 Other Taxes
Investment Income
Miscellaneous
Transfers - Internal Activity

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net (Expenses)/Revenues		
Primary Government		
Governmental Activities	Business-Type Activities	Totals
(6,965)	-	(6,965)
(1,282,014)	-	(1,282,014)
(908,484)	-	(908,484)
(260,731)	-	(260,731)
(30,084)	-	(30,084)
(2,488,278)	-	(2,488,278)
-	(247,031)	(247,031)
-	28,777	28,777
-	(218,254)	(218,254)
(2,488,278)	(218,254)	(2,706,532)
953,165	-	953,165
94,221	-	94,221
60,008	-	60,008
-	189,429	189,429
395,282	-	395,282
593,638	147,838	741,476
6,601	-	6,601
137,065	-	137,065
2,542	1,507	4,049
53,319	39,504	92,823
45,223	(45,223)	-
2,341,064	333,055	2,674,119
(147,214)	114,801	(32,413)
18,237,488	9,470,026	27,707,514
18,090,274	9,584,827	27,675,101

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

VILLAGE OF BEECHER, ILLINOIS**Balance Sheet - Governmental Funds****April 30, 2018**

	General	Special Revenue Joint Fuel	Nonmajor	Totals
ASSETS				
Cash and Investments	\$ 668,628	38,163	540,743	1,247,534
Receivables - Net of Allowances				
Taxes	1,076,373	-	-	1,076,373
Due from Other Governments	-	15,769	33,052	48,821
Prepays	79,169	-	-	79,169
Total Assets	1,824,170	53,932	573,795	2,451,897
LIABILITIES				
Accounts Payable	91,147	1,858	11,684	104,689
Accrued Payroll	44,363	-	-	44,363
Advances to Other Funds	102,261	-	-	102,261
Total Liabilities	237,771	1,858	11,684	251,313
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	954,463	-	-	954,463
Total Liabilities and Deferred Inflows of Resources	1,192,234	1,858	11,684	1,205,776
FUND BALANCES				
Nonspendable	79,169	-	-	79,169
Restricted	33,857	52,074	496,186	582,117
Committed	-	-	65,925	65,925
Unassigned	518,910	-	-	518,910
Total Fund Balances	631,936	52,074	562,111	1,246,121
Total Liabilities, Deferred Inflows of Resources and Fund Balances	1,824,170	53,932	573,795	2,451,897

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

VILLAGE OF BEECHER, ILLINOIS

Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

April 30, 2018

Total Governmental Fund Balances	\$ 1,246,121
 Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	18,130,938
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	(469,321)
Internal service funds are used by the Village to charge the costs of central services and vehicle replacement to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	249,951
A net pension asset is not considered to represent a financial resource and therefore is not reported in the funds.	37,138
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(24,859)
General Obligation Bonds Payable	(1,025,000)
Debt Certificates Payable	(46,733)
Accrued Interest Payable	(7,961)
	<hr/>
Net Position of Governmental Activities	<u><u>18,090,274</u></u>

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

VILLAGE OF BEECHER, ILLINOIS

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended April 30, 2018

	General	Special Revenue Joint Fuel	Nonmajor	Totals
Revenues				
Taxes	\$ 1,107,394	-	-	1,107,394
Intergovernmental	984,749	-	263,557	1,248,306
Charges for Services	97,934	164,111	202,034	464,079
Licenses and Permits	78,522	-	-	78,522
Fines and Forfeitures	64,938	-	-	64,938
Investment Income	1,471	79	992	2,542
Miscellaneous	42,559	-	10,760	53,319
Total Revenues	2,377,567	164,190	477,343	3,019,100
Expenditures				
Current				
General Government	594,660	-	-	594,660
Public Safety	1,299,030	-	-	1,299,030
Public Works	457,661	164,065	126,368	748,094
Culture and Recreation	21,236	-	201,033	222,269
Capital Outlay	-	-	83,485	83,485
Debt Service				
Principal Retirement	-	-	90,313	90,313
Interest and Fiscal Charges	-	-	27,300	27,300
Total Expenditures	2,372,587	164,065	528,499	3,065,151
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,980	125	(51,156)	(46,051)
Other Financing Sources (Uses)				
Transfers In	45,223	-	85,921	131,144
Transfers Out	(85,921)	-	-	(85,921)
	(40,698)	-	85,921	45,223
Net Change in Fund Balances	(35,718)	125	34,765	(828)
Fund Balances - Beginning	667,654	51,949	527,346	1,246,949
Fund Balances - Ending	631,936	52,074	562,111	1,246,121

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

VILLAGE OF BEECHER, ILLINOIS

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

For the Fiscal Year Ended April 30, 2018

Net Change in Fund Balances - Total Governmental Funds	\$ (828)
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Amounts reported for governmental activities in the Statement of Activities
are different because:

Governmental funds report capital outlays as expenditures. However, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	116,711
Depreciation Expense	(381,880)

Deferred outflows (inflows) of resources related to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(509,520)
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Internal service funds are used by the Village to charge the costs of
insurance to individual funds. The net revenue of certain activities
of internal service funds is reported with governmental activities.

	6,932
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The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Deductions to Compensated Absences Payable	608
Deductions to Net Pension Liability/(Asset) - IMRF	533,234
Retirement of Debt	90,313

Changes to accrued interest on long-term debt in the Statement of Activities
does not require the use of current financial resources and, therefore, are not
reported as expenditures in the governmental funds.

	<u>(2,784)</u>
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Changes in Net Position of Governmental Activities

	<u><u>(147,214)</u></u>
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The accompanying notes to the financial statements are an integral part of this statement.

VILLAGE OF BEECHER, ILLINOIS

Statement of Net Position - Proprietary Funds April 30, 2018

ASSETS	Business-Type Activities			Governmental Activities
	Water and Sewer	Refuse	Totals	Internal Service Capital Equipment Replacement
Current Assets				
Cash and Investments	\$ 1,119,861	70,781	1,190,642	20,153
Receivables - Net of Allowances				
Taxes	39,467	-	39,467	-
Accounts	233,984	67,514	301,498	-
Advances from Other Funds	-	-	-	229,798
Prepays	43,075	-	43,075	-
Total Current Assets	1,436,387	138,295	1,574,682	249,951
Noncurrent Assets				
Nondepreciable Capital Assets	69,255	-	69,255	-
Depreciable Capital Assets	16,758,593	39,900	16,798,493	-
Accumulated Depreciation	(6,542,486)	(39,900)	(6,582,386)	-
	10,285,362	-	10,285,362	-
Net Pension Asset - IMRF	16,547	-	16,547	-
Total Noncurrent Assets	10,301,909	-	10,301,909	-
Total Assets	11,738,296	138,295	11,876,591	249,951
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Items - IMRF	55,651	-	55,651	-
Total Assets and Deferred Outflows of Resources	11,793,947	138,295	11,932,242	249,951
LIABILITIES				
Current Liabilities				
Accounts Payable	46,314	25,261	71,575	-
Accrued Payroll	19,021	-	19,021	-
Advances to Other Funds	127,537	-	127,537	-
Accrued Interest Payable	7,815	-	7,815	-
Current Portion of Long-Term Debt	467,787	-	467,787	-
Total Current Liabilities	668,474	25,261	693,735	-
Noncurrent Liabilities				
Debt Certificate Payable	350,500	-	350,500	-
IEPA Loan Payable	1,038,422	-	1,038,422	-
Total Noncurrent Liabilities	1,388,922	-	1,388,922	-
Total Liabilities	2,057,396	25,261	2,082,657	-
DEFERRED INFLOWS OF RESOURCES				
Deferred Items - IMRF	264,758	-	264,758	-
Total Liabilities and Deferred Inflows of Resources	2,322,154	25,261	2,347,415	-
NET POSITION				
Net Investment in Capital Assets	8,428,653	-	8,428,653	-
Unrestricted	1,043,140	113,034	1,156,174	249,951
Total Net Position	9,471,793	113,034	9,584,827	249,951

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

VILLAGE OF BEECHER, ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds For the Fiscal Year Ended April 30, 2018

	Business-Type Activities - Enterprise Funds			Governmental Activities Internal Service Capital Equipment Replacement
	Water and Sewer	Refuse	Totals	
Operating Revenues				
Charges for Services	\$ 1,439,567	330,681	1,770,248	-
Interfund Services	-	-	-	-
Total Operating Revenues	1,439,567	330,681	1,770,248	-
Operating Expenses				
Operations	1,306,460	301,904	1,608,364	-
Depreciation	354,866	-	354,866	-
Total Operating Expenses	1,661,326	301,904	1,963,230	-
Operating Income (Loss)	(221,759)	28,777	(192,982)	-
Nonoperating Revenues (Expenses)				
Investment Income	1,382	125	1,507	-
Utility Tax	189,429	-	189,429	-
Sales Tax	147,838	-	147,838	-
Other Income	24,875	3,560	28,435	6,932
Connection Fees	11,069	-	11,069	-
Interest Expense	(25,272)	-	(25,272)	-
	349,321	3,685	353,006	6,932
Income Before Transfers	127,562	32,462	160,024	6,932
Transfers Out	(20,000)	(25,223)	(45,223)	-
Change in Net Position	107,562	7,239	114,801	6,932
Net Position - Beginning	9,364,231	105,795	9,470,026	243,019
Net Position - Ending	9,471,793	113,034	9,584,827	249,951

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

VILLAGE OF BEECHER, ILLINOIS

**Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended April 30, 2018**

	Business-Type Activities - Enterprise Funds			Governmental Activities Internal Service Capital Equipment Replacement
	Water and Sewer	Refuse	Totals	
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 1,764,776	330,303	2,095,079	(24,395)
Payments to Employees	(424,933)	-	(424,933)	-
Payments to Suppliers	(941,590)	(299,273)	(1,240,863)	6,932
	398,253	31,030	429,283	(17,463)
Cash Flows from Noncapital Financing Activities				
Transfers Out	(20,000)	(25,223)	(45,223)	-
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(1,004,730)	-	(1,004,730)	-
Retirement of Debt	(76,221)	-	(76,221)	-
Debt Issuance	1,092,230	-	1,092,230	-
Interest Expense	(25,272)	-	(25,272)	-
	(13,993)	-	(13,993)	-
Cash Flows from Investing Activities				
Investment Income	1,382	125	1,507	-
Net Change in Cash and Cash Equivalents	365,642	5,932	371,574	(17,463)
Cash and Cash Equivalents - Beginning	754,219	64,849	819,068	37,616
Cash and Cash Equivalents - Ending	1,119,861	70,781	1,190,642	20,153
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(221,759)	28,777	(192,982)	-
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:				
Depreciation Expense	354,866	-	354,866	-
Other Income	365,636	3,560	369,196	6,932
(Increase) Decrease in Current Assets	(40,427)	(3,938)	(44,365)	(24,395)
Increase (Decrease) in Current Liabilities	(60,063)	2,631	(57,432)	-
Net Cash Provided by Operating Activities	398,253	31,030	429,283	(17,463)

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

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements

April 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Beecher (Village), Illinois, is a municipal corporation governed by an elected board. The Village operates under a Trustee-Village form of government and provides the following services: public safety, parks and recreation, public works, and water, sewer and refuse collection services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP in the United States). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP in the United States for state and local governments through its pronouncements (Statements and Interpretations).

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:

Village of Beecher

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Financial Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's public safety, public works, culture and recreation, and general administrative services are classified as governmental activities. The Village's water and sewer services and refuse services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements

April 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Financial Statements – Continued

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, culture and recreation, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, sales taxes, income taxes, interest income, etc.).

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

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

Fund Financial Statements

The financial transactions of the Village 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/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

Governmental Funds

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

General fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains five special revenue funds. The Joint Fuel Fund, a major fund, is used to account for the activities related to joint fuel purchase and consumption under intergovernmental agreements administered by the Village. Revenues reflect sales of fuel to other governments and the associated costs of fuel as an expenditure.

Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a nonmajor fund.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains three nonmajor capital projects funds.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two enterprise funds. The Water and Sewer Fund, a major fund, is used to account for water and sewer services to residents of the Village and other commercial users. The Refuse Fund, also a major fund, is used to account for refuse services to residents of the Village and other commercial users.

Internal service funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains one internal service fund. The Capital Equipment Replacement Fund is used to account for the replacement of vehicles and equipment owned by the Village for street maintenance, water and sewer systems, refuse collection, and parks and recreation. The Village's internal service fund is presented in the proprietary funds financial statements. Because the principal users of the internal services are the Village's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, public works, etc.).

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, income taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

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. The principal operating revenues of the Village's enterprise funds, and of the Village's internal service funds are charges to customers for sales and services.

The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service 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.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds' Statement of Cash Flows, cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the Village's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepaids are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, income taxes, and grants. Business-type activities report charges for services as their major receivables.

Capital Assets

Capital assets purchased or acquired with an original cost of \$25,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities) the government chose to include all such items regardless of their acquisition date. Infrastructure such as streets, traffic signals and storm sewers are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets – Continued

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings	30 - 50 Years
Land Improvements	30 - 50 Years
Equipment and Vehicles	5 - 15 Years
Water and Sewer Systems	20 - 50 Years
Transportation Network	10 - 40 Years

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition/reduction of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements

April 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

The Village Board receives a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them. A public hearing is conducted to obtain taxpayer comments. Prior to July 1, the budget is legally enacted through passage of the annual appropriation ordinance. Responsibility for control of and amendments to the budget rests with the Village Board.

Budget data is reported under the modified accrual basis of accounting.

The budget had one amendment during fiscal year 2018.

The Village does not budget for the Preserve at Cardinal Creek Escrow and Nantucket Escrow.

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following fund had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

Fund	Excess
July 4th Commission	\$ 50,621
Public Infrastructure	2,825
Sewer Account - Water and Sewer	141,324

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds.

Permitted Deposits and Investments – Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. The Illinois Fund is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$2,443,796 and the bank balances totaled \$2,463,400. In addition, the Village has \$14,533 invested in the Illinois Funds at year-end.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, no investment shall exceed two years' maturity, unless approved by President and Board of Trustees or there is no interest penalty or finance charge for withdrawal of the funds. The Illinois Funds has an average maturity of less than one year.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's investment policy does not mitigate credit risk. At year-end, the Village's investment in the Illinois Funds was rated AAAM by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires that any funds exceeding FDIC insurance amounts and deposited in financial institution shall be collateralized using publicly issued securities. The collateral amount shall be a minimum of 110% of the amount being collateralized. At year-end, all deposits were covered by FDIC insurance or collateral held by the Village or safekeeping in the Village's name.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy does not address custodial credit risk for investments. The Villages investment in the Illinois Funds is not subject to custodial credit risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy does not address concentration risk. At year-end, the Village does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

PROPERTY TAXES

Property taxes for 2017 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). The county installments are due June 1 and September 1. The counties collect such taxes and remit them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land and Right of Way	\$ 6,739,597	-	-	6,739,597
Depreciable Capital Assets				
Land Improvements	674,755	40,900	-	715,655
Buildings	1,172,075	-	-	1,172,075
Equipment and Vehicles	606,395	75,811	-	682,206
Storm Sewers	8,111,799	-	-	8,111,799
Transportation Network	5,106,181	-	-	5,106,181
	15,671,205	116,711	-	15,787,916
Less Accumulated Depreciation				
Land Improvements	270,545	32,261	-	302,806
Buildings	138,354	24,064	-	162,418
Equipment and Vehicles	298,323	35,664	-	333,987
Storm Sewers	1,876,475	162,236	-	2,038,711
Transportation Network	1,430,998	127,655	-	1,558,653
	4,014,695	381,880	-	4,396,575
Total Net Depreciable Capital Assets	11,656,510	(265,169)	-	11,391,341
Total Net Capital Assets	18,396,107	(265,169)	-	18,130,938

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 8,513
Public Safety	13,784
Public Works	321,121
Culture and Recreation	38,462
	<u>381,880</u>

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 69,255	-	-	69,255
Depreciable Capital Assets				
Equipment and Vehicles	553,382	-	-	553,382
Water System	6,354,952	1,004,730	-	7,359,682
Sewer System	8,885,429	-	-	8,885,429
	15,793,763	1,004,730	-	16,798,493
Less Accumulated Depreciation				
Equipment and Vehicles	402,807	17,373	-	420,180
Water System	1,969,472	137,610	-	2,107,082
Sewer System	3,855,242	199,882	-	4,055,124
	6,227,521	354,865	-	6,582,386
Total Net Depreciable Capital Assets	9,566,242	649,865	-	10,216,107
Total Net Capital Assets	9,635,497	649,865	-	10,285,362

Depreciation expense was charged to business-type as follows:

Water	\$ 143,045
Sewer	<u>211,821</u>
	<u>354,866</u>

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements

April 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Advances

Interfund advances represent payments for capital assets on behalf of these funds. These amounts will be paid over several years. Interfund advances as of the date of this report are as follows:

Receivable Fund	Payable Fund	Amount
Capital Equipment Replacement	General	\$ 102,261
Capital Equipment Replacement	Water and Sewer	<u>127,537</u>
		<u><u>229,798</u></u>

Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfers In	Transfers Out	Amount
General	Water	\$ 20,000 (1)
General	Refuse	25,223 (1)
Nonmajor Governmental	General	<u>85,921 (2)</u>
		<u><u>131,144</u></u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$1,100,000 General Obligation Bonds of 2009, due in annual installments of \$15,000 to \$165,000 plus interest at 3.00% to 5.45% through January 15, 2019.	Debt Service	\$ 55,000	-	25,000	30,000
\$1,030,000 General Obligation Refunding Bonds of 2017, due in annual installments of \$30,000 to \$100,000 plus interest at 2.60% through January 15, 2032.	Debt Service	1,030,000	-	35,000	995,000
		1,085,000	-	60,000	1,025,000

Debt Certificates

The Village issues debt certificates to provide funds for the acquisition of capital equipment. Debt Certificates are direct obligations and pledge the full faith and credit of the Village. Debt Certificates currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$701,000 General Obligation Limited Tax Debt Certificate of 2013 due in annual installments of \$70,100 through May 14, 2023, plus interest at 2.50%.	Water and Sewer	\$ 490,700	-	70,100	420,600
\$150,000 Debt Certificate of 2014 due in annual installments of \$31,692 through October 15, 2019, including interest at 2.15%.	Public Infrastructure	77,046	-	30,313	46,733
		567,746	-	100,413	467,333

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Promissory Note Payable

The Village entered into a promissory note payable for the purpose of covering the design cost for the sewer treatment plant. Promissory note payable has been issued for the business-type activities. Promissory notes payable are direct obligations and pledge the full faith and credit of the Village. The final repayment schedule for Promissory Note payable is not available at the time of issuance of this report. Promissory notes payable currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$350,000 Promissory Note of 2017 due in one annual installment plus interest at 1.24% through February 3, 2019.	Water and Sewer	\$ 350,000	-	-	350,000

IEPA Loans Payable

The Village has entered into loan agreements with the IEPA to provide low interest financing for water and sewer improvements. IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$1,087,891 IEPA Loan Payable of 2017 due in annual installments of \$65,304 through September 3, 2037, including interest at 1.64%.	Water and Sewer	\$ -	1,092,230	6,121	1,086,109

Defeased Debt

In prior years, the government defeased general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payment on the old bonds. Since the requirements which normally satisfy defeasance, have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Defeased bonds of \$920,000 remain outstanding as of the date of this report.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$701,000 General Obligation Limited Tax Debt Certificate of 2013 due in annual installments of \$70,100 through May 14, 2023, plus interest at 2.50%.	Water and Sewer	\$ 490,700	-	70,100	420,600
\$150,000 Debt Certificate of 2014 due in annual installments of \$31,692 through October 15, 2019, including interest at 2.15%.	Public Infrastructure	77,046	-	30,313	46,733
		567,746	-	100,413	467,333

For governmental activities, the compensated absences and the net pension liability/(asset) are generally liquidated by the General Fund. The general obligation bonds are being liquidated by the Debt Service Fund. In addition, the Debt Certificates are being liquidated by the Public Infrastructure Fund.

For business-type activities, the net pension liability/(asset), the IEPA Loans Payable, the Debt Certificates and the Promissory Note Payable are being liquidated by the Water and Sewer Fund.

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979." The indebtedness limitation set forth in this Section shall not apply to any indebtedness of any municipality incurred to finance the cost of the acquisition, construction or improvement of water or wastewater treatment facilities mandated by an enforceable compliance schedule developed in connection with the federal Clean Water Act or a compliance order issued by the United States Environmental Protection Agency or the Illinois Pollution Control Board.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin – Continued

Assessed Valuation - 2017	\$ 93,657,407
Legal Debt Limit - 8.625% of Assessed Value	8,077,951
Amount of Debt Applicable to Limit	1,071,733
Legal Debt Margin	7,006,218

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities				Business-Type Activities					
	General		Debt		Debt		Promisory		IEPA	
	Obligation Bonds		Certificates		Certificates		Note		Loan Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 60,000	27,295	30,981	711	70,100	9,765	350,000	4,968	47,687	17,617
2020	60,000	25,090	15,752	94	70,100	7,988	-	-	48,472	16,832
2021	65,000	23,530	-	-	70,100	6,231	-	-	49,270	16,034
2022	65,000	21,840	-	-	70,100	4,435	-	-	50,081	15,223
2023	65,000	20,150	-	-	70,100	2,658	-	-	50,906	14,398
2024	70,000	18,460	-	-	70,100	881	-	-	51,745	13,559
2025	70,000	16,640	-	-	-	-	-	-	52,597	12,707
2026	75,000	14,820	-	-	-	-	-	-	53,462	11,842
2027	75,000	12,870	-	-	-	-	-	-	54,342	10,962
2028	75,000	10,920	-	-	-	-	-	-	55,238	10,066
2029	80,000	8,970	-	-	-	-	-	-	56,147	9,157
2030	80,000	6,890	-	-	-	-	-	-	57,072	8,232
2031	85,000	4,810	-	-	-	-	-	-	58,011	7,293
2032	100,000	2,600	-	-	-	-	-	-	58,967	6,337
2033	-	-	-	-	-	-	-	-	59,938	5,366
2034	-	-	-	-	-	-	-	-	60,925	4,379
2035	-	-	-	-	-	-	-	-	61,929	3,375
2036	-	-	-	-	-	-	-	-	62,949	2,355
2037	-	-	-	-	-	-	-	-	63,985	1,319
2038	-	-	-	-	-	-	-	-	32,386	266
Totals	1,025,000	214,885	46,733	805	420,600	31,958	350,000	4,968	1,086,109	187,319

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION CLASSIFICATION

Net investment in capital assets was comprised of the following as of April 30, 2018:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 18,130,938
Less Capital Related Debt:	
General Obligation Bonds of 2009	(30,000)
General Obligation Refunding Bonds of 2017	(995,000)
Debt Certificate of 2014	<u>(46,733)</u>
Net Investment in Capital Assets	<u><u>17,059,205</u></u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	10,285,362
Less Capital Related Debt:	
General Obligation Limited Tax Debt Certificate of 2013	(420,600)
IEPA Loan Payable	(1,086,109)
Promissory Note Payable of 2017	<u>(350,000)</u>
Net Investment in Capital Assets	<u><u>8,428,653</u></u>

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS

In the governmental funds financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Revenue Joint Fuel	Nonmajor	Totals
Fund Balances				
Nonspendable				
Prepays	\$ 79,169	-	-	79,169
Restricted				
Ribbon of Hope	1,036	-	-	1,036
Veterans Memorial	11,182	-	-	11,182
Nuisance Abatement	17,115	-	-	17,115
Asset Forfeiture	2,098	-	-	2,098
Newsletter	2,426	-	-	2,426
Joint Fuel	-	52,074	-	52,074
Motor Fuel Tax	-	-	94,630	94,630
Debt Service	-	-	1,097	1,097
Capital Improvements	-	-	400,459	400,459
	33,857	52,074	496,186	582,117
Committed				
Beautification and Festivals	-	-	54,754	54,754
Youth Programs	-	-	11,171	11,171
	-	-	65,925	65,925
Unassigned	518,910	-	-	518,910
Total Fund Balances	631,936	52,074	562,111	1,246,121

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; 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.

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Village's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The Village has established a fund balance policy for the General Fund. The policy requires unassigned fund balance to be maintained in the General Fund equivalent to \$250,000.

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health; natural disasters; illness of employees; and injuries to the Village's employees. The Village purchases third party indemnity insurance for employee health, dental, and vision.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

Eastern Will Council of Mayors for Health Management (Eastern Will)

The Village is also a member of an organization of municipalities forming the Eastern Will Benefits Council (Eastern Will) which participates in the Intergovernmental Personnel Benefits Cooperative (IPBC), a cooperative formed for the purpose of administering personnel health benefit programs for its member units' employees. The Eastern Will Board of Directors is represented by a delegate from each of the members.

Eastern Will members' costs of the IPBC Administrative Fund and Benefit Pool, as calculated by IPBC, are shared by each member in the same proportion as its participating employees bear to the total participating employees of eastern Will. Benefit Pool Costs are calculated based on health programs as follows:

	PPO	HMO
Member Responsible	Claims under \$30,000	Claims under \$75,000
Shared Among Members of IPBC	Claims between \$30,000 and \$125,000	
Reinsured	Claims over \$125,000	Claims over \$75,000

The Village's payments are recorded in the financial statements as expenditures/expenses in the appropriate funds, and reflect its share of premium payments and any deficits of Eastern Will. Dividends declared by IPBC allocable to Eastern Will are available to reduce future premium payments.

In September 2014, the police personnel began health insurance coverage under a separate health and welfare policy with the Teamsters Local 727.

COMMITMENTS

The Village has entered into an intergovernmental agreement with various municipalities and fire protection districts in the area to establish Laraway Communications Center for the maintenance and operations of a centralized public safety communications system. During fiscal year ended April 30, 2018, the Village paid \$36,969 to Laraway Communications Center.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES

Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

SALES TAX REBATE AGREEMENTS

The Village of Beecher has entered into various tax rebate agreements with various entities under Village code. Under these agreements, the Village rebates a portion of sales, hotel, and places for eating taxes. For the fiscal year ended April 30, 2018, the Village rebated a total of \$121,412 in taxes under these agreements.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

The Village the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

Plan Descriptions

Plan Administration. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements

April 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

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

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

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

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

Plan Membership. As of December 31, 2017, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	8
Inactive Plan Members Entitled to but not yet Receiving Benefits	8
Active Plan Members	<u>21</u>
Total	<u><u>37</u></u>

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2018, the Village's contribution was 10.99% of covered payroll.

Net Pension Liability/(Asset). The Village's net pension liability/(asset) was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2017, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.50%
Salary Increases	3.39% to 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). 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-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions – Continued. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.00%
Domestic Equities	37.00%	6.85%
International Equities	18.00%	6.75%
Real Estate	9.00%	5.75%
Blended	7.00%	2.65% - 7.35%
Cash and Cash Equivalents	1.00%	2.25%

Discount Rate

The discount rate used to measure the total pension liability was 7.50%, the same rate as in the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability(asset) to changes in the discount rate. The table below presents the net pension liability/(asset) of the Village calculated using the discount rate as well as what the Village's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate Sensitivity – Continued

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability/(Asset)	\$ 730,252	(53,685)	(686,064)

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Balances at December 31, 2016	\$ 5,376,496	4,658,177	718,319
Changes for the year:			
Service Cost	140,213	-	140,213
Interest on the Total Pension Liability	402,973	-	402,973
Difference Between Expected and Actual Experience of the Total Pension Liability	(294,067)	-	(294,067)
Changes of Assumptions	(175,198)	-	(175,198)
Contributions - Employer	-	143,385	(143,385)
Contributions - Employees	-	58,770	(58,770)
Net Investment Income	-	748,464	(748,464)
Benefit Payments, including Refunds of Employee Contributions	(147,260)	(147,260)	-
Other (Net Transfer)	-	(104,694)	104,694
Net Changes	(73,339)	698,665	(772,004)
Balances at December 31, 2017	5,303,157	5,356,842	(53,685)

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements April 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2018, the Village recognized pension expense of \$111,094. At April 30, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	(382,092)	(382,092)
Change in Assumptions	4,228	(156,115)	(151,887)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	133,190	(320,774)	(187,584)
Total Pension Expense to be Recognized in Future Periods	137,418	(858,981)	(721,563)
Pension Contributions Made Subsequent to the Measurement Date	43,135	-	43,135
Total Deferred Amounts Related to IMRF	180,553	(858,981)	(678,428)

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

Fiscal Year	Net Deferred (Inflows) of Resources
2019	\$ (132,183)
2020	(132,184)
2021	(191,619)
2022	(190,633)
2023	(74,944)
Thereafter	-
Total	(721,563)

VILLAGE OF BEECHER, ILLINOIS

Notes to the Financial Statements

April 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Village has evaluated its potential other post-employment benefits liability. For employees retiring at age 62 who have 25 or more years of continuous service to the Village, the Village will pay up to 50% of the premium cost. The Village has evaluated its OPEB obligation under the alternative measurement method for plans with less than 100 members and determined that there is no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Therefore, the Village has not recorded a liability as of April 30, 2018.

SUBSEQUENT EVENT

On March 22, 2018, the Village approved an ordinance issuing \$10,000,000 of IEPA Loan Payable. The loan is due in annual installments beginning January 9, 2020, with interest at 1.1200% through July 9, 2049. A final repayment schedule is not available. As of April 30, 2018, the Village has not drawn on the loan.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedules
General Fund
Joint Fuel – Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF BEECHER, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information Schedule of Employer Contributions April 30, 2018

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 135,725	\$ 135,725	\$ -	\$ 1,191,617	11.39%
2017	144,527	144,527	-	1,243,778	11.62%
2018	144,802	144,802	-	1,318,081	10.99%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMFR specific mortality table was used with fully generational projection scale MP-2014 (base year 2012).

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF BEECHER, ILLINOIS**Illinois Municipal Retirement Fund****Required Supplementary Information****Schedule of Changes in the Employer's Net Pension Liability****April 30, 2018**

	12/31/2015	12/31/2016	12/31/2017
Total Pension Liability			
Service Cost	\$ 145,091	140,517	140,213
Interest	363,567	378,804	402,973
Differences Between Expected and Actual Experience	(176,431)	(57,240)	(294,067)
Change of Assumptions	7,594	(15,580)	(175,198)
Benefit Payments, Including Refunds of Member Contributions	(126,752)	(127,942)	(147,260)
Net Change in Total Pension Liability	213,069	318,559	(73,339)
Total Pension Liability - Beginning	4,844,868	5,057,937	5,376,496
Total Pension Liability - Ending	5,057,937	5,376,496	5,303,157
Plan Fiduciary Net Position			
Contributions - Employer	\$ 135,725	144,527	143,385
Contributions - Members	53,623	55,970	58,770
Net Investment Income	21,504	298,969	748,464
Benefit Payments, Including Refunds of Member Contributions	(126,752)	(127,942)	(147,260)
Other (Net Transfer)	(103,690)	36,728	(104,694)
Net Change in Plan Fiduciary Net Position	(19,590)	408,252	698,665
Plan Net Position - Beginning	4,269,515	4,249,925	4,658,177
Plan Net Position - Ending	4,249,925	4,658,177	5,356,842
Employer's Net Pension Liability/(Asset)	\$ 808,012	718,319	(53,685)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.02%	86.64%	101.01%
Covered Payroll	\$ 1,191,617	1,243,778	1,294,092
Employer's Net Pension Liability as a Percentage of Covered Payroll	67.81%	57.75%	(4.15%)

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF BEECHER, ILLINOIS

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2018

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 1,110,041	1,110,041	1,107,394
Intergovernmental	1,014,806	1,029,806	984,749
Charges for Services	91,333	89,533	97,934
Licenses and Permits	84,938	84,938	78,522
Fines and Forfeitures	76,900	76,900	64,938
Investment Income	1,610	1,610	1,471
Miscellaneous	73,900	73,900	42,559
Total Revenues	2,453,528	2,466,728	2,377,567
Expenditures			
Current			
General Government	658,431	673,431	594,660
Public Safety	1,316,928	1,316,928	1,299,030
Public Works	414,931	414,931	457,661
Culture and Recreation	23,040	23,040	21,236
Total Expenditures	2,413,330	2,428,330	2,372,587
Excess (Deficiency) of Revenues Over (Under) Expenditures	40,198	38,398	4,980
Other Financing Sources (Uses)			
Disposal of Capital Assets	500	500	-
Transfers In	45,223	45,223	45,223
Transfers Out	(85,921)	(85,921)	(85,921)
	(40,198)	(40,198)	(40,698)
Change in Fund Balance	-	(1,800)	(35,718)
Fund Balance - Beginning			667,654
Fund Balance - Ending			631,936

VILLAGE OF BEECHER, ILLINOIS

Joint Fuel - Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2018

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services	\$ 178,640	178,640	164,111
Investment Income	-	-	79
Total Revenues	178,640	178,640	164,190
Expenditures			
Public Works			
Supplies	178,640	178,640	164,065
Change in Fund Balance	-	-	125
Fund Balance - Beginning			51,949
Fund Balance - Ending			52,074

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Enterprise Funds
- Budgetary Comparison Schedule – Internal Service Fund

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

Joint Fuel Fund

The Joint Fuel Fund is used to account for the activities related to joint fuel purchase and consumption under intergovernmental agreements administered by the Village. Revenues reflect sales of fuel to other governments and the associated costs of fuel as an expenditure.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for revenue from the state gasoline tax restricted by the state for roadway improvements and maintenance.

July 4th Commission Fund

The July 4th Commission Fund is used to account for to provide a family-oriented celebration over the Fourth of July holiday in addition to providing funds for the maintenance and improvements to Firemen's Park.

Beautification Fund

The Beautification Fund is used to account for the planting of flowers and other visibly attractive amenities to improve the appearance and quality of life for Village residents and visitors.

Youth Commission Fund

The Youth Commission Fund is used to account for providing alternatives for youth activities and recreation outside of organized sports programs.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

DEBT SERVICE FUND

The Debt Service Fund is used to account for funds restricted, committed or assigned for principal retirements, interest and fiscal charges for debt issues.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for all resources used for the acquisition of capital assets by the Village, except those financed by Proprietary and Trust Funds, including general and infrastructure capital assets.

Public Infrastructure Fund

The Public Infrastructure Fund is used to account for for the collection of the ½% additional municipal sales tax for public infrastructure projects.

Preserve at Cardinal Creek Escrow Fund

The Preserve at Cardinal Creek Escrow Fund is used to account for the public improvements necessary for the completion of the subdivision per approved plans.

Nantucket Escrow Fund

The Nantucket Escrow Fund is used to account for the public improvements necessary for the completion of the subdivision per approved plans.

ENTERPRISE FUNDS

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Water and Sewer Fund

The Water and Sewer Fund is used to account for water and sewer services to residents of the Village and other commercial users.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

ENTERPRISE FUNDS – CONTINUED

Refuse Fund

The Refuse Fund is used to account for refuse services to residents of the Village and other commercial users.

INTERNAL SERVICE FUND

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

Capital Equipment Replacement Fund

The Capital Equipment Replacement Fund is used to account for the replacement of vehicles and equipment owned by the Village for street maintenance, water and sewer systems, refuse collection, and parks and recreation.

VILLAGE OF BEECHER, ILLINOIS**General Fund****Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2018**

	Budget		Actual
	Original	Final	
Taxes			
Property	\$ 967,217	967,217	953,165
Telecommunication	106,600	106,600	94,221
Video Gaming	36,224	36,224	60,008
Total Taxes	1,110,041	1,110,041	1,107,394
Intergovernmental			
State Income	440,259	440,259	395,282
State Replacement	5,420	5,420	6,601
Sales	425,312	425,312	445,801
State Use	100,315	100,315	114,657
Grants	33,500	48,500	17,591
Miscellaneous	10,000	10,000	4,817
Total Intergovernmental	1,014,806	1,029,806	984,749
Charges for Services			
Impact Fees	-	-	3,763
Re-Inspection Fees	100	100	-
Mosquito Abatement Program Fees	20,040	20,040	20,504
Fingerprint Fees	1,800	-	680
Franchise Fees	69,393	69,393	72,987
Charges for Services	91,333	89,533	97,934
Licenses and Permits	84,938	84,938	78,522
Fines and Forfeitures			
Court and Local Fines	76,900	76,900	64,938
Investment Income	1,610	1,610	1,471
Miscellaneous			
Reimbursed Expenditures	9,000	9,000	-
Miscellaneous Income	64,900	64,900	42,559
Total Miscellaneous	73,900	73,900	42,559
Total Revenues	2,453,528	2,466,728	2,377,567

VILLAGE OF BEECHER, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual For the Fiscal Year Ended April 30, 2018

	Budget		Actual
	Original	Final	
General Government			
Administrative Department	\$ 300,838	300,838	268,086
Comprehensive Expenditures	109,108	124,108	92,072
Inspectional Services	33,683	33,683	27,498
Buildings, Public Properties and Capital Improvements	73,795	73,795	78,938
Tax Rebates and Incentives	141,007	141,007	128,066
Total General Government	658,431	673,431	594,660
Public Safety			
Emergency Services and Disaster Agency	31,182	31,182	30,848
Police Department	1,285,746	1,285,746	1,268,182
Total Public Safety	1,316,928	1,316,928	1,299,030
Public Works			
Health and Sanitation Department	5,000	5,000	50,321
Streets and Alleys Department	409,931	409,931	407,340
Total Public Works	414,931	414,931	457,661
Culture and Recreation			
Parks	23,040	23,040	21,236
Total Expenditures	2,413,330	2,428,330	2,372,587

VILLAGE OF BEECHER, ILLINOIS**Nonmajor Governmental Funds****Combining Balance Sheet****April 30, 2018**

	Special Revenue	Debt Service	Capital Projects	Totals
ASSETS				
Cash and Investments	\$ 162,260	1,097	377,386	540,743
Due from Other Governments	9,979	-	23,073	33,052
Total Assets	172,239	1,097	400,459	573,795
LIABILITIES				
Accounts Payable	11,684	-	-	11,684
FUND BALANCES				
Restricted	94,630	1,097	400,459	496,186
Committed	65,925	-	-	65,925
Total Fund Balances	160,555	1,097	400,459	562,111
Total Liabilities and Fund Balances	172,239	1,097	400,459	573,795

VILLAGE OF BEECHER, ILLINOIS**Nonmajor Governmental Funds****Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2018**

	Special Revenue	Debt Service	Capital Projects	Totals
Revenues				
Intergovernmental	\$ 115,720	-	147,837	263,557
Charges for Services	202,034	-	-	202,034
Investment Income	307	15	670	992
Miscellaneous	10,760	-	-	10,760
Total Revenues	328,821	15	148,507	477,343
Expenditures				
Public Works	126,368	-	-	126,368
Culture and Recreation	201,033	-	-	201,033
Capital Outlay	6,577	-	76,908	83,485
Debt Service				
Principal Retirement	-	60,000	30,313	90,313
Interest and Fiscal Charges	-	25,921	1,379	27,300
Total Expenditures	333,978	85,921	108,600	528,499
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,157)	(85,906)	39,907	(51,156)
Other Financing Sources				
Transfers In	-	85,921	-	85,921
Change in Fund Balances	(5,157)	15	39,907	34,765
Fund Balances - Beginning	165,712	1,082	360,552	527,346
Fund Balances - Ending	160,555	1,097	400,459	562,111

VILLAGE OF BEECHER, ILLINOIS**Nonmajor Governmental - Special Revenue Funds****Combining Balance Sheet
April 30, 2018**

	Motor Fuel Tax	July 4th Commission	Beautification	Youth Commission	Totals
ASSETS					
Cash and Investments	\$ 96,335	53,139	1,615	11,171	162,260
Due from Other Governments	9,979	-	-	-	9,979
Total Assets	106,314	53,139	1,615	11,171	172,239
LIABILITIES					
Accounts Payable	11,684	-	-	-	11,684
FUND BALANCES					
Restricted	94,630	-	-	-	94,630
Committed	-	53,139	1,615	11,171	65,925
Total Fund Balances	94,630	53,139	1,615	11,171	160,555
Total Liabilities and Fund Balances	106,314	53,139	1,615	11,171	172,239

VILLAGE OF BEECHER, ILLINOIS**Nonmajor Governmental - Special Revenue Funds****Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2018**

	Motor Fuel Tax	July 4th Commission	Beautification	Youth Commission	Totals
Revenues					
Intergovernmental	\$ 115,720	-	-	-	115,720
Charges for Services	-	202,034	-	-	202,034
Investment Income	185	87	4	31	307
Miscellaneous	-	-	530	10,230	10,760
Total Revenues	115,905	202,121	534	10,261	328,821
Expenditures					
Public Works	126,368	-	-	-	126,368
Culture and Recreation	-	190,621	2,057	8,355	201,033
Capital Outlay	6,577	-	-	-	6,577
Total Expenditures	132,945	190,621	2,057	8,355	333,978
Change in Fund Balances	(17,040)	11,500	(1,523)	1,906	(5,157)
Fund Balances - Beginning	111,670	41,639	3,138	9,265	165,712
Fund Balances - Ending	94,630	53,139	1,615	11,171	160,555

VILLAGE OF BEECHER, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2018

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 111,678	111,678	111,298
Grants	199,100	199,100	4,422
Investment Income	100	100	185
Total Revenues	310,878	310,878	115,905
Expenditures			
Public Works			
Contractual Services	182,953	182,953	62,364
Supplies	75,791	75,791	64,004
Capital Outlay	52,134	52,134	6,577
Total Expenditures	310,878	310,878	132,945
Change in Fund Balance	-	-	(17,040)
Fund Balance - Beginning			111,670
Fund Balance - Ending			94,630

VILLAGE OF BEECHER, ILLINOIS

July 4th Commission - Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2018

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services	\$ 140,000	140,000	202,034
Investment Income	-	-	87
Total Revenues	140,000	140,000	202,121
Expenditures			
Culture and Recreation			
Other Charges	140,000	140,000	190,621
Change in Fund Balance	-	-	11,500
Fund Balance - Beginning			41,639
Fund Balance - Ending			53,139

VILLAGE OF BEECHER, ILLINOIS

Beautification - Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2018

	Budget		Actual
	Original	Final	
Revenues			
Investment Income	\$ -	-	4
Miscellaneous	10,000	10,000	530
Total Revenues	10,000	10,000	534
Expenditures			
Culture and Recreation			
Other Charges	10,000	10,000	2,057
Change in Fund Balance	-	-	(1,523)
Fund Balance - Beginning			3,138
Fund Balance - Ending			1,615

VILLAGE OF BEECHER, ILLINOIS

Youth Commission - Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2018

	Budget		Actual
	Original	Final	
Revenues			
Investment Income	\$ -	-	31
Miscellaneous	18,200	18,200	10,230
Total Revenues	18,200	18,200	10,261
Expenditures			
Culture and Recreation			
Other Charges	18,200	18,200	8,355
Change in Fund Balance	-	-	1,906
Fund Balance - Beginning			9,265
Fund Balance - Ending			11,171

VILLAGE OF BEECHER, ILLINOIS**Debt Service Fund****Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2018**

	Budget		Actual
	Original	Final	
Revenues			
Investment Income	\$ -	-	15
Expenditures			
Debt Service			
Principal Retirement	60,000	60,000	60,000
Interest and Fiscal Charges	25,922	25,922	25,921
Total Expenditures	85,922	85,922	85,921
Excess (Deficiency) of Revenues Over (Under) Expenditures	(85,922)	(85,922)	(85,906)
Other Financing Sources			
Transfers In	85,922	85,922	85,921
Change in Fund Balance	-	-	15
Fund Balance - Beginning			1,082
Fund Balance - Ending			1,097

VILLAGE OF BEECHER, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Balance Sheet

April 30, 2018

	Public Infrastructure	Preserve at Cardinal Creek Escrow	Nantucket Escrow	Totals
ASSETS				
Cash and Investments	\$ 283,626	34,886	58,874	377,386
Sales Tax Receivable	23,073	-	-	23,073
Total Assets	306,699	34,886	58,874	400,459
FUND BALANCES				
Restricted	306,699	34,886	58,874	400,459

VILLAGE OF BEECHER, ILLINOIS**Nonmajor Governmental - Capital Projects Funds****Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2018**

	Public Infrastructure	Preserve at Cardinal Creek Escrow	Nantucket Escrow	Totals
Revenues				
Intergovernmental	\$ 147,837	-	-	147,837
Investment Income	489	66	115	670
Total Revenues	148,326	66	115	148,507
Expenditures				
Capital Outlay	72,825	-	4,083	76,908
Debt Service				
Principal Retirement	30,313	-	-	30,313
Interest and Fiscal Charges	1,379	-	-	1,379
Total Expenditures	104,517	-	4,083	108,600
Change in Fund Balances	43,809	66	(3,968)	39,907
Fund Balances - Beginning	262,890	34,820	62,842	360,552
Fund Balances - Ending	306,699	34,886	58,874	400,459

VILLAGE OF BEECHER, ILLINOIS

Public Infrastructure - Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2018

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Sales Taxes	\$ 138,424	138,424	147,837
Investment Income	100	100	489
Total Revenues	138,524	138,524	148,326
Expenditures			
Capital Outlay	70,000	70,000	72,825
Debt Service			
Principal Retirement	30,313	30,313	30,313
Interest and Fiscal Charges	1,379	1,379	1,379
Total Expenditures	101,692	101,692	104,517
Excess (Deficiency) of Revenues Over (Under) Expenditures	36,832	36,832	43,809
Other Financing (Uses)			
Transfers Out	(36,832)	(36,832)	-
Change in Fund Balance	-	-	43,809
Fund Balance - Beginning			262,890
Fund Balance - Ending			306,699

VILLAGE OF BEECHER, ILLINOIS**Water and Sewer - Enterprise Fund - by Account****Combining Statement of Net Position****April 30, 2018**

	Water Account	Sewer Account	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 829,941	289,920	1,119,861
Receivables - Net of Allowances			
Taxes	11,537	27,930	39,467
Accounts	130,477	103,507	233,984
Prepays	25,900	17,175	43,075
Total Current Assets	997,855	438,532	1,436,387
Noncurrent Assets			
Nondepreciable Capital Assets	69,255	-	69,255
Depreciable Capital Assets	7,567,258	9,191,335	16,758,593
Accumulated Depreciation	(2,265,742)	(4,276,744)	(6,542,486)
	5,370,771	4,914,591	10,285,362
Net Pension Asset - IMRF	9,055	7,492	16,547
Total Noncurrent Assets	5,379,826	4,922,083	10,301,909
Total Assets	6,377,681	5,360,615	11,738,296
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	30,454	25,197	55,651
Total Assets and Deferred Outflows of Resources	6,408,135	5,385,812	11,793,947
LIABILITIES			
Current Liabilities			
Accounts Payable	18,113	28,201	46,314
Accrued Payroll	11,910	7,111	19,021
Advances from Other Funds	47,103	80,434	127,537
Accrued Interest Payable	7,815	-	7,815
Current Portion of Long-Term Debt	117,787	350,000	467,787
Total Current Liabilities	202,728	465,746	668,474
Noncurrent Liabilities			
Debt Certificate Payable	350,500	-	350,500
IEPA Loan Payable	1,038,422	-	1,038,422
Total Noncurrent Liabilities	1,388,922	-	1,388,922
Total Liabilities	1,591,650	465,746	2,057,396
DEFERRED INFLOWS OF RESOURCES			
Deferred Items - IMRF	144,885	119,873	264,758
Total Liabilities and Deferred Inflows of Resources	1,736,535	585,619	2,322,154
NET POSITION			
Net Investment in Capital Assets	3,864,062	4,564,591	8,428,653
Unrestricted	807,538	235,602	1,043,140
Total Net Position	4,671,600	4,800,193	9,471,793

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

VILLAGE OF BEECHER, ILLINOIS

Water and Sewer - Enterprise Fund - by Account

Combining Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual For the Fiscal Year Ended April 30, 2018

	Water Account	Sewer Account	Totals
Operating Revenues			
Charges for Services			
Water Fees	\$ 744,500	-	744,500
Sewer Fees	-	622,411	622,411
Lift Station Fees	-	11,388	11,388
Water Tap In Fees	19,564	-	19,564
Sewer Tap In Fees	-	41,704	41,704
Total Operating Revenues	764,064	675,503	1,439,567
Operating Expenses			
Operations			
Salaries and Benefits	316,966	254,551	571,517
Building and Equipment Maintenance	112,605	30,326	142,931
Utilities	30,068	71,855	101,923
Contractual Services	144,155	242,450	386,605
Other Supplies	41,453	2,494	43,947
Other Operating Expenses	7,119	17,108	24,227
Capital Outlay	35,310	-	35,310
Depreciation	143,045	211,821	354,866
Total Operating Expenses	830,721	830,605	1,661,326
Operating Income (Loss)	(66,657)	(155,102)	(221,759)
Nonoperating Revenues (Expenses)			
Investment Income	939	443	1,382
Utility Tax	-	189,429	189,429
Sales Tax	73,919	73,919	147,838
Other Income	19,494	5,381	24,875
Connection Fees	11,069	-	11,069
Interest Expense	(17,420)	(7,852)	(25,272)
	88,001	261,320	349,321
Income Before Transfers	21,344	106,218	127,562
Transfers Out	-	(20,000)	(20,000)
Change in Net Position	21,344	86,218	107,562
Net Position - Beginning	4,650,256	4,713,975	9,364,231
Net Position - Ending	4,671,600	4,800,193	9,471,793

VILLAGE OF BEECHER, ILLINOIS**Water and Sewer - Enterprise Fund - by Account****Combining Statement of Cash Flows
For the Fiscal Year Ended April 30, 2018**

	Water Account	Sewer Account	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 842,182	922,594	1,764,776
Payments to Employees	(238,448)	(186,485)	(424,933)
Payments to Suppliers	(505,174)	(436,416)	(941,590)
	98,560	299,693	398,253
Cash Flows from Noncapital Financing Activities			
Transfers Out	-	(20,000)	(20,000)
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(1,004,730)	-	(1,004,730)
Retirement of Debt	(76,221)	-	(76,221)
Debt Issuance	1,092,230	-	1,092,230
Interest Expense	(17,420)	(7,852)	(25,272)
	(6,141)	(7,852)	(13,993)
Cash Flows from Investing Activities			
Investment Income	939	443	1,382
Net Change in Cash and Cash Equivalents	93,358	272,284	365,642
Cash and Cash Equivalents - Beginning	736,583	17,636	754,219
Cash and Cash Equivalents - Ending	829,941	289,920	1,119,861
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	(66,657)	(155,102)	(221,759)
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:			
Depreciation Expense	143,045	211,821	354,866
Other Income	97,527	268,109	365,636
(Increase) Decrease in Current Assets	(19,409)	(21,018)	(40,427)
Increase (Decrease) in Current Liabilities	(55,946)	(4,117)	(60,063)
Net Cash Provided by Operating Activities	98,560	299,693	398,253

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

VILLAGE OF BEECHER, ILLINOIS

Water Account - Enterprise Fund

Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual For the Fiscal Year Ended April 30, 2018

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Water Fees	\$ 713,377	713,377	744,500
Water Tap In Fees	-	-	19,564
Total Operating Revenues	713,377	713,377	764,064
Operating Expenses			
Operations			
Salaries and Benefits	309,959	309,959	316,966
Building and Equipment Maintenance	127,267	127,267	112,605
Utilities	33,333	33,333	30,068
Contractual Services	520,345	520,345	144,155
Other Supplies	41,858	41,858	41,453
Other Operating Expenses	9,180	9,180	7,119
Capital Outlay	9,286,400	9,286,400	35,310
Depreciation	-	-	143,045
Total Operating Expenses	10,328,342	10,328,342	830,721
Operating Income (Loss)	(9,614,965)	(9,614,965)	(66,657)
Nonoperating Revenues (Expenses)			
Investment Income	1,300	1,300	939
Debt Issuance	9,671,272	9,671,272	-
Sales Tax	138,424	138,424	73,919
Other Income	85,350	85,350	19,494
Connection Fees	8,000	8,000	11,069
Interest Expense	81,642	81,642	(17,420)
	9,985,988	9,985,988	88,001
Income Before Transfers	371,023	371,023	21,344
Transfers In	110,400	110,400	-
Transfers Out	(146,167)	(146,167)	-
	(35,767)	(35,767)	-
Change in Net Position	335,256	335,256	21,344
Net Position - Beginning			4,650,256
Net Position - Ending			4,671,600

VILLAGE OF BEECHER, ILLINOIS

Sewer Account - Enterprise Fund

Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual For the Fiscal Year Ended April 30, 2018

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Sewer and Debt Service Fees	\$ 589,333	589,333	622,411
Lift Station Fees	11,200	11,200	11,388
Sewer Tap In Fees	-	-	41,704
Total Operating Revenues	600,533	600,533	675,503
Operating Expenses			
Operations			
Salaries and Benefits	241,790	241,790	254,551
Building and Equipment Maintenance	32,400	32,400	30,326
Utilities	73,768	73,768	71,855
Contractual Services	107,302	107,302	242,450
Other Supplies	900	900	2,494
Other Operating Expenses	21,300	21,300	17,108
Depreciation	-	-	211,821
Total Operating Expenses	477,460	477,460	830,605
Operating Income (Loss)	123,073	123,073	(155,102)
Nonoperating Revenues (Expenses)			
Investment Income	-	-	443
Utility Tax	-	-	189,429
Sales Tax	-	-	73,919
Other Income	20,000	20,000	5,381
Interest Expense	-	-	(7,852)
	20,000	20,000	261,320
Income Before Transfers	143,073	143,073	106,218
Transfers Out	(20,000)	(20,000)	(20,000)
Change in Net Position	123,073	123,073	86,218
Net Position - Beginning			4,713,975
Net Position - Ending			4,800,193

VILLAGE OF BEECHER, ILLINOIS**Refuse - Enterprise Fund****Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2018**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Refuse Fees	\$ 322,299	322,299	330,681
Operating Expenses			
Operations			
Contractual Services	300,252	300,252	298,680
Other Supplies	8,000	8,000	3,224
Total Operating Expenses	308,252	308,252	301,904
Operating Income	14,047	14,047	28,777
Nonoperating Revenues			
Investment Income	-	-	125
Other Income	11,176	11,176	3,560
	11,176	11,176	3,685
Income Before Transfers	25,223	25,223	32,462
Transfers Out	(25,223)	(25,223)	(25,223)
Change in Net Position	-	-	7,239
Net Position - Beginning			105,795
Net Position - Ending			113,034

VILLAGE OF BEECHER, ILLINOIS**Capital Equipment Replacement - Internal Service Fund****Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2018**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 27,493	27,493	-
Operating Expenses			
Operations			
Capital Outlay	27,493	45,000	-
Operating Income (Loss)	-	(17,507)	-
Nonoperating Revenues			
Other Income	-	17,507	6,932
Change in Net Position	-	-	6,932
Net Position - Beginning			243,019
Net Position - Ending			249,951

SUPPLEMENTAL SCHEDULES

VILLAGE OF BEECHER, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2009

April 30, 2018

Date of Issue	April 22, 2007
Date of Maturity	January 15, 2019
Authorized Issue	\$1,100,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 5.45%
Interest Dates	January 15 and July 15
Principal Maturity Date	January 15
Payable at	Bond Trust Services of Rossville, Minnesota

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2019	\$ 30,000	1,425	31,425

VILLAGE OF BEECHER, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2017

April 30, 2018

Date of Issue	March 1, 2017
Date of Maturity	January 15, 2032
Authorized Issue	\$1,030,000
Denomination of Bonds	\$5,000
Interest Rate	2.60%
Interest Dates	January 15 and July 15
Principal Maturity Date	January 15
Payable at	JP Morgan Chase Bank, N.A.

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2019	\$ 30,000	25,870	55,870
2020	60,000	25,090	85,090
2021	65,000	23,530	88,530
2022	65,000	21,840	86,840
2023	65,000	20,150	85,150
2024	70,000	18,460	88,460
2025	70,000	16,640	86,640
2026	75,000	14,820	89,820
2027	75,000	12,870	87,870
2028	75,000	10,920	85,920
2029	80,000	8,970	88,970
2030	80,000	6,890	86,890
2031	85,000	4,810	89,810
2032	100,000	2,600	102,600
	<u>995,000</u>	<u>213,460</u>	<u>1,208,460</u>

VILLAGE OF BEECHER, ILLINOIS

Long-Term Debt Requirements

General Obligation Limited Tax Debt Certificate of 2013 April 30, 2018

Date of Issue	May 14, 2013
Date of Maturity	May 14, 2023
Authorized Issue	\$701,000
Interest Rate	2.50%
Interest Dates	May 14 and November 14
Principal Maturity Date	May 14
Payable at	First National Bank of Grant Park

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2019	\$ 70,100	9,765	79,865
2020	70,100	7,988	78,088
2021	70,100	6,231	76,331
2022	70,100	4,435	74,535
2023	70,100	2,658	72,758
2024	70,100	881	70,981
	420,600	31,958	452,558

VILLAGE OF BEECHER, ILLINOIS

Long-Term Debt Requirements

Debt Certificate of 2014

April 30, 2018

Date of Issue	October 15, 2014
Date of Maturity	October 15, 2019
Authorized Issue	\$150,000
Interest Rate	2.15%
Interest Dates	Monthly on the 15th
Principal Maturity Dates	Monthly on the 15th
Payable at	First Community Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2019	\$ 30,981	711	31,692
2020	15,752	94	15,846
	<u>46,733</u>	<u>805</u>	<u>47,538</u>

VILLAGE OF BEECHER, ILLINOIS

Long-Term Debt Requirements

Promissory Note Payable of 2017 (Loan #95470)

April 30, 2018

Date of Issue	August 3, 2016
Date of Maturity	February 3, 2019
Authorized Issue	\$350,000
Interest Rate	1.24%
Interest Date	Monthly
Principal Maturity Date	February 3
Payable at	First Community Bank and Trust

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2019	\$ 350,000	4,968	354,968

VILLAGE OF BEECHER, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2017 (Loan #L174036)

April 30, 2018

Date of Issue	September 3, 2017
Date of Maturity	September 3, 2037
Authorized Issue	\$1,087,891
Interest Rate	1.64%
Interest Dates	September 3 and March 3
Principal Maturity Dates	September 3 and March 3
Payable at	Illinois Environment Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2019	\$ 47,687	17,617	65,304
2020	48,472	16,832	65,304
2021	49,270	16,034	65,304
2022	50,081	15,223	65,304
2023	50,906	14,398	65,304
2024	51,745	13,559	65,304
2025	52,597	12,707	65,304
2026	53,462	11,842	65,304
2027	54,342	10,962	65,304
2028	55,238	10,066	65,304
2029	56,147	9,157	65,304
2030	57,072	8,232	65,304
2031	58,011	7,293	65,304
2032	58,967	6,337	65,304
2033	59,938	5,366	65,304
2034	60,925	4,379	65,304
2035	61,929	3,375	65,304
2036	62,949	2,355	65,304
2037	63,985	1,319	65,304
2038	32,386	266	32,652
	1,086,109	187,319	1,273,428

VILLAGE OF BEECHER, ILLINOIS

**Assessed Valuations, Tax Rates, Tax Extensions, and Tax Collections - Last Eight Tax Levy Years
April 30, 2018**

See Following Page

VILLAGE OF BEECHER, ILLINOIS

Assessed Valuations, Tax Rates, Tax Extensions, and Tax Collections - Last Nine Tax Levy Years April 30, 2018

	2009	2010	2011
Assessed Valuations	\$ 124,022,874	121,238,766	112,292,130
Tax Rates			
Corporate	0.2506	0.2652	0.2955
Police Protection	0.0601	0.0637	0.0702
Bond and Interest	0.0573	0.0583	0.0625
Audit	0.0059	0.0063	0.0069
Liability Insurance	0.0278	0.0295	0.0354
ESDA	0.0008	0.0009	0.0010
IMRF	0.0475	0.0504	0.0545
Social Security	0.0500	0.0530	0.0534
Public Benefits	0.0193	0.0205	0.0226
Total Tax Rates	0.5193	0.5478	0.6020
Tax Extensions			
Corporate	\$ 310,801	321,525	331,823
Police Protection	74,538	77,229	78,829
Bond and Interest	71,065	70,682	70,183
Audit	7,317	7,638	7,748
Liability Insurance	34,478	35,765	39,751
ESDA	992	1,091	1,123
IMRF	58,911	61,104	61,199
Social Security	62,011	64,257	59,964
Public Benefits	23,936	24,854	25,378
Total Tax Extensions	644,049	664,145	675,998
Tax Collections			
General Fund	\$ 566,163	605,909	605,885
Bond and Interest	71,036	70,682	69,656
	637,199	676,591	675,541
Road and Bridge - Township Levy	243,743	253,009	257,499
Total Collections	880,942	929,600	933,040
Percentage Collected			
Village Levy	98.94%	101.87%	99.93%

N/A - Not Available

2012	2013	2014	2015	2016	2017
104,589,158	96,955,460	93,015,518	92,054,706	92,588,237	93,657,407
0.3173	0.3423	0.3568	0.3605	0.3584	0.3543
0.0754	0.0813	0.0847	0.0856	0.1125	0.1112
0.0666	0.0764	0.0788	0.0841	0.0928	0.0933
0.0074	0.0079	0.0083	0.0083	0.0083	0.0082
0.0380	0.0410	0.0427	0.0431	0.0429	0.0424
0.0011	0.0012	0.0012	0.0012	0.0012	0.0012
0.0585	0.0631	0.0657	0.0664	0.0660	0.0653
0.0573	0.0618	0.0644	0.0651	0.0647	0.0640
0.0243	0.0262	0.0273	0.0276	-	-
0.6459	0.7012	0.7299	0.7419	0.7468	0.7399
331,861	331,879	331,879	331,857	331,836	331,828
78,860	78,825	78,784	78,799	104,162	104,147
69,656	74,074	73,296	77,418	85,922	87,383
7,740	7,659	7,720	7,640	7,685	7,680
39,744	39,752	39,718	39,676	39,720	39,711
1,150	1,163	1,116	1,105	1,111	1,124
61,185	61,179	61,111	61,124	61,108	61,158
59,930	59,918	59,902	59,928	59,905	59,941
25,415	25,402	25,393	25,407	-	-
675,541	679,851	678,919	682,954	691,449	692,972
598,223	597,167	604,241	613,045	604,792	N/A
69,574	74,018	73,129	78,378	85,913	N/A
667,797	671,185	677,370	691,423	690,705	N/A
254,551	257,107	263,653	267,287	262,460	N/A
922,348	928,292	941,023	958,710	953,165	N/A
98.85%	98.73%	99.77%	101.24%	99.89%	N/A

VILLAGE OF BEECHER, ILLINOIS

Disclosure of Tort Expenditures Under PA-91-0628
April 30, 2018

Liability and Workmen's Compensation Insurance

\$ 139,727