



C. J. SCHLOSSER
& COMPANY, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF WOOD RIVER, ILLINOIS

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED
APRIL 30, 2017

233 East Center Drive, P.O. Box 416
Alton, Illinois 62002
(618) 465-7717 Fax (618) 465-7710

80 Edwardsville Professional Park
Edwardsville, Illinois 62025
(618) 656-2146 Fax (618) 656-2147

One Westbury Drive, Suite 420
St. Charles, Missouri 63301
(636) 723-7611 Fax (636) 947-4558



www.cjsco.com

CITY OF WOOD RIVER, ILLINOIS

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CITY OF WOOD RIVER, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the City Council
Wood River, IL

Report on the Financial Statements

We have audited the accompanying financial statements of the of the City of Wood River, Illinois as of and for the year ended April 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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 City of Wood River, Illinois as of April 30, 2017, 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 (pages 3 to 10), budgetary comparison information (pages 61 to 66) and schedules of pension funding information (pages 67 to 76) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wood River, Illinois' basic financial statements. The combining and individual nonmajor fund financial statements and other schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

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

C. J. Schloss & Company LLC

Certified Public Accountants
Alton, Illinois

October 10, 2017

CITY OF WOOD RIVER, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

APRIL 30, 2017

This section of the City of Wood River's annual financial report presents an easy to read analysis of the City's financial performance for the fiscal year ended April 30, 2017. The MD&A provides an analysis of the overall financial position and results of the previous year's operations in order to assess whether the City's finances have improved or deteriorated since the previous year. The analysis describes capital asset and long-term debt activity and concludes with information regarding currently known facts, decisions, or conditions that are expected to have a significant effect on the City's future financial position and operations. Please read this analysis in conjunction with the City's financial statements, including all supplementary information and note disclosures.

Using this Annual Report

The financial statements' focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison, and enhance the City's accountability.

Government-Wide Financial Statements

The government-wide financial statements are designed to be corporate-like and consist of a statement of net position and a statement of activities. The statements are prepared using the economic resources measurement focus and accrual basis of accounting. These statements report all of the assets, liabilities, revenues, and expenses of the City. Each statement distinguishes between the governmental and business-type activities of the City and presents a total for the City as a whole in a separate column. Fiduciary activities (firefighter and police pension funds), whose resources are not available to finance the City's programs, are excluded from the government-wide financial statements.

The focus of the statement of net position (the "unrestricted net position") is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations.

The statement of activities is focused on both the gross and net cost of various activities (including governmental and business-type) that are supported by the City's general tax and other revenues. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

CITY OF WOOD RIVER, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Fund-based Financial Statements

The fund-based financial statements consist of a series of statements that provide information about the City's major and non-major governmental, enterprise, and fiduciary funds.

-Governmental fund financial statements (including the general fund, special revenue, debt service and capital projects funds) are prepared using the current financial resources measurement focus and the modified-accrual basis of accounting. The statements consist of a balance sheet and a statement of revenues, expenditures, and changes in fund balances.

-Proprietary fund financial statements (enterprise funds) and fiduciary fund financial statements (firefighter and police pension) are prepared using the economic resources measurement focus and the accrual basis of accounting. The statements consist of a statement of net position, a statement of revenues, expenses, and changes in fund net position, and a statement of cash flows. The fiduciary fund statements include a statement of fiduciary net position and a statement of changes in fiduciary net position.

The fund financial statements include a reconciliation between the government-wide and fund financial statements because of the differences in basis of accounting. The differences are primarily regarding how fixed assets, debt and pension liabilities are treated and the timing for recording some revenues and expenses.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure-roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. GASB #34 requires that these assets be valued and reported within the governmental column of the government-wide statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) that periodically measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The City has chosen to depreciate assets over their useful life.

Financial Analysis of the City as a Whole

Net Position

The City's overall financial position deteriorated over the past year as combined net position from fiscal year 2016 decreased by \$998,778. Governmental activities had a decrease in net position of \$1,056,625 and business-type activities had an increase of \$57,847. Net position for governmental activities totals \$56.2 million with 119% being invested in capital assets (buildings, roads, equipment, etc.). The net position of the business-type activities totals \$22.1 million with 79% invested in capital assets.

CITY OF WOOD RIVER, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Listed below are the City's assets at April 30, 2017 and 2016, including a column noting changes (increases/decreases) from 2016.

	Total Primary Government		
	<u>2017</u>	<u>2016</u>	<u>Inc/(Dec)</u>
Other Assets	\$ 13,866,166	\$ 12,961,677	\$ 904,489
Capital Assets	<u>92,103,266</u>	<u>93,198,575</u>	<u>(1,095,309)</u>
Total Assets	<u>\$ 105,969,432</u>	<u>\$ 106,160,252</u>	<u>\$ (190,820)</u>

Listed below are the City's liabilities at April 30, 2017 and 2016, including a column noting changes (increases/decreases) from 2016.

	Total Primary Government		(Increase)/
	<u>2017</u>	<u>2016</u>	<u>Decrease</u>
Accounts payable	\$ 309,007	\$ 507,783	\$ 198,776
Accrued payroll	197,103	175,215	(21,888)
Accrued interest payable	27,739	24,777	(2,962)
Non-current liabilities:			
Restricted:			
Meter deposits	31,100	32,655	1,555
Due within one year	1,187,332	1,085,834	(101,498)
Due in more than one year	<u>28,882,045</u>	<u>30,349,928</u>	<u>1,467,883</u>
Total liabilities	<u>\$ 30,634,326</u>	<u>\$ 32,176,192</u>	<u>\$ 1,541,866</u>

CITY OF WOOD RIVER, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Changes in Net Position

The City's total revenues increased by \$1,853,829 or 12.6%. Expenses decreased by \$5,139,689 or 22.6%. Net position for the City decreased \$998,778.

Statement of Changes in Net Position

	Governmental <u>Activities</u> <u>2017</u>	Business - Type <u>Activities</u> <u>2017</u>	Primary Government <u>Total</u> <u>2017</u>	Primary Government <u>Total</u> <u>2016</u>
REVENUES				
Program Revenues:				
Charges for Services:	\$ 2,454,770	\$ -	\$ 2,454,770	\$ 2,335,311
Water	-	1,341,592	1,341,592	1,155,302
Sewer	-	2,926,860	2,926,860	2,297,738
Golf	-	736,540	736,540	767,457
Aquatic	-	224,732	224,732	188,703
Capital Grants	913,940	-	913,940	406,700
Operating Grants	80,124	-	80,124	60,168
General Revenues:				
Property Taxes	1,677,154	-	1,677,154	1,671,712
Replacement Taxes	288,492	-	288,492	262,088
Intergovernmental	5,327,202	-	5,327,202	4,898,010
Utility taxes	376,067	-	376,067	394,644
Franchise Fees	223,920	-	223,920	230,485
Miscellaneous	71,492	(21,309)	50,183	99,429
Transfers	13,704	(13,704)	-	-
TOTAL REVENUES	<u>11,426,865</u>	<u>5,194,711</u>	<u>16,621,576</u>	<u>14,767,747</u>
EXPENSES				
General Government	2,587,187	-	2,587,187	2,623,887
Public Safety	5,272,907	-	5,272,907	9,781,187
Public Works	2,412,559	-	2,412,559	2,843,061
Sanitation	590,430	-	590,430	589,571
Education & Recreation	1,603,760	-	1,603,760	1,803,320
Interest	16,647	-	16,647	11,648
Water	-	1,513,828	1,513,828	1,592,771
Sewer	-	2,565,054	2,565,054	2,487,847
Golf	-	779,816	779,816	809,276
Aquatic	-	278,166	278,166	217,475
TOTAL EXPENSES	<u>12,483,490</u>	<u>5,136,864</u>	<u>17,620,354</u>	<u>22,760,043</u>
CHANGE IN NET POSITION	(1,056,625)	57,847	(998,778)	(7,992,296)
NET POSITION BEGINNING	<u>57,215,578</u>	<u>22,008,480</u>	<u>79,224,058</u>	<u>87,216,354</u>
NET POSITION ENDING	<u>\$ 56,158,953</u>	<u>\$ 22,066,327</u>	<u>\$ 78,225,280</u>	<u>\$ 79,224,058</u>

CITY OF WOOD RIVER, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Governmental Activities

Revenues for governmental activities increased by \$1,391,990 or 13.9% to a total of \$11,426,865. Expenses decreased by \$5,169,184 or 29.3% to a total of \$12,483,490. Excess of revenues over expenses is (\$1,056,625) for the fiscal year ended April 30, 2017.

Business-type Activities

Revenues for the City's business-type activities increased by \$461,839 or 9.8%. Aquatic Center program revenues increased by \$36,029 and golf program revenues decreased by \$30,917. Water service revenues increased by \$186,290 and sewer service revenues increased by \$629,122. Miscellaneous revenues decreased \$56,290 and amounts transferred to business-type activities from governmental activities decreased \$302,395. Expenses for the business-type activities increased by \$29,495. Fund net position for the City's business-type activities increased by \$57,847 or 0.3% from fiscal year 2016. The total fund net position for business-type activities is \$22.1 million for fiscal year 2017 with \$4.74 million unrestricted.

Financial Analysis of the City's Fund Financial Statements

For the fiscal year ended April 30, 2017 the governmental funds reflect a \$743,852 increase in fund balance. Governmental fund revenue increased \$754,774, primarily due to the City receiving the second installment of the donation agreement with BP Amoco for the construction of a new police station. Governmental fund expenses increased \$861,576 primarily due to the walking path project at Belk Park, 6th Street road improvement construction engineering costs, infrastructure improvements paid from Business Park TIF funds and tax rebates paid to developers from Riverbend Business District #1. The General Fund's fund balance decreased \$87,818. There were General Fund revenue decreases for property taxes, state income tax, grant revenues and licenses, permits and fees. General Fund expenses increased for general government, public safety, cultural and recreational and debt service. In addition, net transfers in to the General Fund from other funds were \$302,004 higher and proceeds from debt were \$65,861 higher in fiscal year 2017 than fiscal year 2016. The General Fund revenues decreased 5.8% or \$346,780, while expenses increased by 4.0% or \$271,114 with a (deficiency) of revenues over expenditures of (\$1,356,801) before other financing sources (uses).

City of Wood River's Status of Reserves

Governmental Funds	FY 16/17	FY 15/16	Increase/(Decrease)
General	1,975,013	2,062,831	(87,818)
Insurance	542,842	480,255	62,587
Capital Improvement and Development	1,763,119	1,094,907	668,212
Non-Major	1,536,976	1,436,105	100,871

CITY OF WOOD RIVER, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Capital Asset and Debt Administration

At the end of fiscal year 2017, the City had \$92.1 million invested in a broad range of capital assets including police, fire, public works, parks, aquatic and golf facilities and equipment, as well as roads, water and sewer lines, etc. Governmental funds had \$67.6 million and Business-type activities had \$24.5 million invested at the end of fiscal year 2017, net of depreciation (see note 6).

Changes in Capital Assets
FOR THE YEAR ENDED APRIL 30, 2017

	Governmental Capital Assets 4/30/2016	Increases	Decreases	Depreciation	Governmental Capital Assets 4/30/2017
Capital Assets not being Depreciated					
Land	\$ 13,780,330	\$ 140,080	\$ -	\$ -	\$ 13,920,410
Land right of way	16,809,767	-	-	-	16,809,767
Total	<u>30,590,097</u>	<u>140,080</u>	<u>-</u>	<u>-</u>	<u>30,730,177</u>
Capital Assets being Depreciated (net of depreciation)					
Buildings	2,223,064	632,052	-	109,838	2,745,278
Machinery and Equipment	616,431	9,539	-	76,691	549,279
Vehicles	353,126	331,941	-	157,513	527,554
Infrastructure	34,326,752	168,207	-	1,487,576	33,007,383
Total	<u>37,519,373</u>	<u>1,141,739</u>	<u>-</u>	<u>1,831,618</u>	<u>36,829,494</u>
Total Governmental Capital Assets	<u>\$ 68,109,470</u>	<u>\$ 1,281,819</u>	<u>\$ -</u>	<u>\$ 1,831,618</u>	<u>\$ 67,559,671</u>
	Business-type Capital Assets 4/30/2016	Increases	Decreases	Depreciation	Business-type Capital Assets 4/30/2017
Capital Assets not being Depreciated					
Land	\$ 1,012,334	\$ -	\$ -	\$ -	\$ 1,012,334
Total	<u>1,012,334</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,012,334</u>
Capital Assets being Depreciated (net of depreciation)					
Buildings	723,184	-	4,761	43,256	675,167
Machinery and Equipment	2,738,963	72,966	-	187,888	2,624,041
Vehicles	203,642	138,055	49,200	45,855	246,642
Infrastructure	20,410,982	213,358	-	638,929	19,985,411
Total	<u>24,076,771</u>	<u>424,379</u>	<u>53,961</u>	<u>915,928</u>	<u>23,531,261</u>
Total Business-type Capital Assets	<u>\$ 25,089,105</u>	<u>\$ 424,379</u>	<u>\$ 53,961</u>	<u>\$ 915,928</u>	<u>\$ 24,543,595</u>

CITY OF WOOD RIVER, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Debt Outstanding

The City does not have bonded indebtedness. The City's loans/capital leases for governmental activities total \$815,766. The City's legal debt margin is \$9,389,639 (see note 5).

Capital leases/loans/debt certificates in the business-type activities total \$7,216,200 and include debt for golf course equipment, a dump truck, and various water and sewer system upgrades.

General Fund Budgetary Highlights

Budget amendments require passage of an ordinance by City Council. The City Council revised the FY 2017 budget to adjust for reallocation of expenses between line items within individual funds. Amendments were made increasing the budget for higher than anticipated expenses in the golf course and aquatic center funds, payments of accrued vacation and sick time due to an unexpected retirement and the mid-year creation of the Riverbend Business District #1 fund. Amendments were also made to increase the budget for unforeseen professional service expenses, debt service and capital outlay.

Economic Factors

The City's statutory debt limit is 8.625% of the Equalized Assessed Valuation of all taxable property within the boundaries of the City. The most recent assessed valuation for the City is \$118,323,541 and \$3,944,110 for the TIF increment. The assessed valuation for the City increased by \$822,607, or 0.7% from last year. The increase was due to the general economy. The City's tax rate decreased by \$0.0157 for a current rate of \$1.7454 in comparison to last year's rate of \$1.7611. The tax rate has remained stable, decreasing three consecutive years and is \$.0406 lower than the rate of eleven years ago (\$1.7860 was the 2005 levy). This year is the second consecutive year of increased assessed valuation after four consecutive decreases, but still well below the high of \$128,894,456 in 2010. The 2016 tax rate was the fourth-highest rate since 2006 with 2009 being the lowest.

The City's population declined by 5.7% or 639 when comparing the 2010 census total of 10,657 to the 2000 census total of 11,296. The 1990 census total was 11,490. The City has had steady construction activity in the Rock Hill Trails and Heritage Trails subdivisions during the last four years. Rock Hill Trails is a 170-acre site annexed into the City in 2007. Site preparation also began in fiscal year 2017 in the Lincoln School subdivision. This development will include nine single-family homes in an older section of town with hopes of revitalizing surrounding properties as well. Currently the City is looking for a developer to begin home construction. New residential subdivisions in the planning stages include Kendall Estates Phases III and IV (36 homes) and Grand View Hills (82 homes). Grand View Hills is a 45-acre parcel that was annexed into the City in 2006.

The City has diverse industrial, retail, and service employment opportunities within the community and in the surrounding area. Residents also commute to employment opportunities in the region, downtown St. Louis and St. Louis County. The largest employer within the City is the Wal-Mart SuperCenter Store and the largest employer within the region is Olin Corporation of East Alton.

CITY OF WOOD RIVER, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The City is involved in extensive redevelopment plans associated with the extension of IL-255 through portions of the corporate boundaries and also promoting available space for projects within the Business Park TIF district. Outlots on the \$44,000,000 regional shopping plaza known as Wood River Plaza continue to be marketed. Wood River Plaza occupies seventy-two acres near the IL-255/Route 111 interchange and includes a 204,000 square foot Wal-Mart SuperCenter. Spaces in the strip centers and outlots have been leased out to national tenants such as Wendy's restaurant, Hibbett Sports, Game Stop, Dollar Tree and Subway among others. The overall project continues to generate significant revenue to the City through sales tax, property tax, and utility taxes.

The east side of the City showcases the homes of the Federico Chrysler-Dodge, Auto Centers Nissan, Federico KIA and Jack Schmitt Chevrolet auto dealerships. Automobile sales accounted for nearly one-third of the sales tax collected by the City in calendar year 2016 and grew approximately 2% from the prior year.

The City's total retail sales for calendar year 2016 was \$295.2 million as compared to \$292.6 million in calendar year 2015.

The City has broken ground on a new \$7 million police station on land and with funds that are to be donated by BP Amoco. The station will be located on the corner of Route 143 and 6th Street and will greatly improve the police department's facilities.

Currently, the General Fund cash balance exceeds a two and one-half month operating reserve. With rising personnel costs and aging infrastructure and equipment, the City Council continues to analyze various methods to reduce costs and generate additional revenues via economic growth and development. Water and sewer rates were increased on May 1, 2017 in the second year of a five-year plan in order to raise funds for expected future EPA mandates involving the wastewater treatment plant and to upgrade aging water and sewer lines throughout the City. After the five years ends, annual 3% rate increases are scheduled. The City is also working towards extending the Business Park TIF an additional twelve years to provide additional funds for wastewater treatment plant upgrades. The City is operating with reduced staff, keeping several positions vacant after retirements under the early retirement incentive programs in 2003 and 2013-2014. The City Council and management have restructured staffing levels and eliminated full-time positions in various departments in order to operate as efficiently and economically as possible. Within the City's most recent overall budget, personnel costs comprise 41.7% of total expenditures.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance, City of Wood River, 111 North Wood River Avenue, Wood River, IL 62095.

CITY OF WOOD RIVER, ILLINOIS

STATEMENT OF NET POSITION
APRIL 30, 2017

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 4,714,202	\$ 2,448,855	\$ 7,163,057
Investments	52,143	3,219,021	3,271,164
Receivables (Net of allowance for uncollectible):			
Intergovernmental	1,393,722	-	1,393,722
Accounts	114,316	402,167	516,483
Interest/Other	1,110,865	97,170	1,208,035
Prepaid Expenses	266,266	-	266,266
Inventory	-	16,339	16,339
Internal Balances	130,249	(130,249)	-
Restricted Assets - Cash and Investments	-	31,100	31,100
Capital Assets:			
Land	30,730,177	1,012,334	31,742,511
Buildings and Improvements	9,770,306	5,825,148	15,595,454
Machinery and Equipment	1,462,644	5,617,905	7,080,549
Vehicles	2,812,340	729,280	3,541,620
Utility Systems/Infrastructure	92,044,288	30,339,017	122,383,305
Accumulated Depreciation	<u>(69,260,084)</u>	<u>(18,980,089)</u>	<u>(88,240,173)</u>
Net Capital Assets	<u>67,559,671</u>	<u>24,543,595</u>	<u>92,103,266</u>
 Total Assets	 <u>75,341,434</u>	 <u>30,627,998</u>	 <u>105,969,432</u>
<u>Deferred Outflows of Resources</u>			
Future Pension Expense	<u>2,499,503</u>	<u>399,838</u>	<u>2,899,341</u>
<u>Liabilities</u>			
Accounts Payable	216,908	92,099	309,007
Accrued Payroll and Benefits	158,326	38,777	197,103
Accrued Interest Payable	10,820	16,919	27,739
Liabilities Payable from Restricted Assets:			
Customer Deposits	-	31,100	31,100
Noncurrent Liabilities:			
Due Within One Year	611,776	575,556	1,187,332
Due in More Than One Year	<u>20,674,987</u>	<u>8,207,058</u>	<u>28,882,045</u>
Total Liabilities	<u>21,672,817</u>	<u>8,961,509</u>	<u>30,634,326</u>
<u>Deferred Inflows of Resources</u>			
Unearned Revenue	<u>9,167</u>	<u>-</u>	<u>9,167</u>
<u>Net Position</u>			
Net Investment in Capital Assets	66,743,905	17,327,395	84,071,300
Restricted	2,036,613	-	2,036,613
Unrestricted	<u>(12,621,565)</u>	<u>4,738,932</u>	<u>(7,882,633)</u>
Total Net Position	<u>\$ 56,158,953</u>	<u>\$ 22,066,327</u>	<u>\$ 78,225,280</u>

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

CITY OF WOOD RIVER, ILLINOIS

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2017

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<u>Functions/Programs</u>							
Governmental Activities:							
General Government	\$ 2,587,187	\$ 1,435,551	\$ -	\$ -	\$ (1,151,636)		\$ (1,151,636)
Public Safety	5,272,907	208,417	61,440	800,000	(4,203,050)		(4,203,050)
Public Works	2,412,559	-	7,193	10,790	(2,394,576)		(2,394,576)
Sanitation	590,430	683,350	-	-	92,920		92,920
Development	256,394	-	-	-	(256,394)		(256,394)
Cultural and Recreational	1,347,366	127,452	11,491	103,150	(1,105,273)		(1,105,273)
Interest on Long-term Debt	16,647	-	-	-	(16,647)		(16,647)
Total Governmental Activities	<u>12,483,490</u>	<u>2,454,770</u>	<u>80,124</u>	<u>913,940</u>	<u>(9,034,656)</u>		<u>(9,034,656)</u>
Business-type Activities:							
Water	1,513,828	1,341,592	-	-		\$ (172,236)	(172,236)
Sewer	2,565,054	2,926,860	-	-		361,806	361,806
Golf Course	779,816	736,540	-	-		(43,276)	(43,276)
Aquatic Center	278,166	224,732	-	-		(53,434)	(53,434)
Total Business-type Activities	<u>5,136,864</u>	<u>5,229,724</u>	<u>-</u>	<u>-</u>		<u>92,860</u>	<u>92,860</u>
Total Government	<u>\$ 17,620,354</u>	<u>\$ 7,684,494</u>	<u>\$ 80,124</u>	<u>\$ 913,940</u>	<u>(9,034,656)</u>	<u>92,860</u>	<u>(8,941,796)</u>
General Revenues:							
Property Tax, Levied for General Purposes					1,677,154	-	1,677,154
Sales and Use Tax					3,722,860	-	3,722,860
Income Tax					1,004,825	-	1,004,825
Corporate Personal Property Tax					288,492	-	288,492
Motor Fuel Tax					270,118	-	270,118
Telecommunications Tax					193,020	-	193,020
Other					136,379	-	136,379
Utility Tax					376,067	-	376,067
Franchise Fees					223,920	-	223,920
Gain (Loss) on Asset Disposal					-	(53,961)	(53,961)
Investment Earnings					15,281	32,652	47,933
Miscellaneous					56,211	-	56,211
Transfers					13,704	(13,704)	-
Total General Revenues and Transfers					<u>7,978,031</u>	<u>(35,013)</u>	<u>7,943,018</u>
Change in Net Position					<u>(1,056,625)</u>	<u>57,847</u>	<u>(998,778)</u>
Net Position - Beginning					<u>57,215,578</u>	<u>22,008,480</u>	<u>79,224,058</u>
Net Position - Ending					<u>\$ 56,158,953</u>	<u>\$ 22,066,327</u>	<u>\$ 78,225,280</u>

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

CITY OF WOOD RIVER, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS
APRIL 30, 2017

	General <u>Fund</u>	Insurance <u>Fund</u>	Capital Improvements and Development <u>Fund</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
<u>Assets</u>					
Cash and Cash Equivalents	\$ 1,468,961	\$ 229,756	\$ 1,575,048	\$ 1,440,437	\$ 4,714,202
Investments	-	52,143	-	-	52,143
Receivables (Net of allowance for uncollectible):					
Property Tax	485,891	300,069	-	849,330	1,635,290
Intergovernmental	1,180,205	-	46,747	166,770	1,393,722
Other	-	-	26,537	114,316	140,853
Prepaid Expenses	-	266,266	-	-	266,266
Due From Other Funds	-	-	130,249	-	130,249
Total Assets	<u>\$ 3,135,057</u>	<u>\$ 848,234</u>	<u>\$ 1,778,581</u>	<u>\$ 2,570,853</u>	<u>\$ 8,332,725</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>					
Liabilities:					
Accrued Payroll and Benefits	\$ 150,900	\$ -	\$ -	\$ 7,426	\$ 158,326
Accounts Payable	83,634	5,323	329	127,622	216,908
Total Liabilities	<u>234,534</u>	<u>5,323</u>	<u>329</u>	<u>135,048</u>	<u>375,234</u>
Deferred Inflows of Resources:					
Unearned Revenue	<u>925,510</u>	<u>300,069</u>	<u>15,133</u>	<u>898,829</u>	<u>2,139,541</u>
Fund Balances:					
Nonspendable	-	266,266	-	-	266,266
Restricted	-	-	653,650	1,382,963	2,036,613
Committed	-	-	1,109,469	-	1,109,469
Assigned	-	276,576	-	154,013	430,589
Unassigned	1,975,013	-	-	-	1,975,013
Total Fund Balances	<u>1,975,013</u>	<u>542,842</u>	<u>1,763,119</u>	<u>1,536,976</u>	<u>5,817,950</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance:	<u>\$ 3,135,057</u>	<u>\$ 848,234</u>	<u>\$ 1,778,581</u>	<u>\$ 2,570,853</u>	<u>\$ 8,332,725</u>

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

CITY OF WOOD RIVER, ILLINOIS

RECONCILIATION OF THE BALANCE SHEET OF THE
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED APRIL 30, 2017

Amounts reported for governmental fund balances are different because:

Fund balances - total governmental funds	\$ 5,817,950
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the balance sheet of the governmental funds.	67,559,671
Some receivables are not available to pay current-period expenditures and, therefore, are deferred in the governmental funds balance sheet, but recognized as revenue as economic financial resources.	1,579,412
Accrued interest payable on the long-term debt is not reported as a liability on the balance sheet of the governmental funds.	(10,820)
Accrued compensated absences are not reported as a liability on the balance sheet of the governmental funds.	(1,474,421)
Net pension liabilities and the related future pension expense are not reported as assets and liabilities on the balance sheet of the governmental funds.	(16,497,073)
Long-term debt (e.g., bonds, leases) is not reported as a liability on the balance sheet of the governmental funds.	<u>(815,766)</u>
Net position of governmental activities	<u>\$ 56,158,953</u>

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

CITY OF WOOD RIVER, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2017

	General <u>Fund</u>	Insurance <u>Fund</u>	Capital Improvements and Development <u>Fund</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Revenues:					
Property Tax	\$ 517,259	\$ 296,813	\$ -	\$ 863,082	\$ 1,677,154
Utility Tax	-	-	376,067	-	376,067
Hotel/Motel Tax	6,915	-	-	-	6,915
Intergovernmental:					
Sales and Use Tax	3,245,643	-	-	401,998	3,647,641
State Income Tax	861,990	-	-	-	861,990
Telecommunications Tax	-	-	194,513	-	194,513
Corporate Replacement Tax	221,235	-	-	86,432	307,667
Motor Fuel Tax	-	-	-	270,118	270,118
Other	129,629	-	-	-	129,629
Grant Revenue	46,562	-	84,590	10,715	141,867
Licenses, Permits and Fees	103,525	-	-	-	103,525
Charges for Services	458,300	-	-	783,458	1,241,758
Fines and Forfeitures	31,328	-	-	4,531	35,859
Investment Earnings	3,229	1,637	4,453	5,962	15,281
Insurance Reimbursements	-	1,297,548	-	-	1,297,548
Miscellaneous	15,150	-	833,338	49,130	897,618
Total Revenues	<u>5,640,765</u>	<u>1,595,998</u>	<u>1,492,961</u>	<u>2,475,426</u>	<u>11,205,150</u>
Expenditures:					
Current:					
General Government	1,025,775	1,408,411	-	63,615	2,497,801
Public Safety	3,797,219	-	1,120	32,498	3,830,837
Public Works	652,060	-	151,660	127,860	931,580
Sanitation	-	-	-	590,430	590,430
Development	256,394	-	-	-	256,394
Cultural and Recreational	665,595	-	97,191	483,890	1,246,676
Capital Outlay	361,941	-	593,002	316,086	1,271,029
Debt Service:					
Principal	230,732	-	17,794	-	248,526
Interest and Charges	7,850	-	3,939	-	11,789
Total Expenditures	<u>6,997,566</u>	<u>1,408,411</u>	<u>864,706</u>	<u>1,614,379</u>	<u>10,885,062</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,356,801)</u>	<u>187,587</u>	<u>628,255</u>	<u>861,047</u>	<u>320,088</u>
Other Financing Sources (Uses):					
Proceeds from Debt	278,060	-	132,000	-	410,060
Operating Transfers In	1,028,483	-	274,507	-	1,302,990
Operating Transfers Out	(37,560)	(125,000)	(366,550)	(760,176)	(1,289,286)
Total Other Financing Sources (Uses)	<u>1,268,983</u>	<u>(125,000)</u>	<u>39,957</u>	<u>(760,176)</u>	<u>423,764</u>
Net Change in Fund Balances	(87,818)	62,587	668,212	100,871	743,852
Fund Balance, Beginning of Year	<u>2,062,831</u>	<u>480,255</u>	<u>1,094,907</u>	<u>1,436,105</u>	<u>5,074,098</u>
Fund Balance, End of Year	<u>\$ 1,975,013</u>	<u>\$ 542,842</u>	<u>\$ 1,763,119</u>	<u>\$ 1,536,976</u>	<u>\$ 5,817,950</u>

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

CITY OF WOOD RIVER, ILLINOIS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2017

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

Net change in fund balances - total governmental funds	\$ 743,852
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$1,831,618) exceeded capital outlays (\$1,271,029) and contributed capital (\$10,790) in the current year.	(549,799)
Accrued compensated absences are reported in the government-wide statement of activities and changes in net assets, but do not require the use of current financial resources; therefore, accrued compensated absences are not reported as expenditures in governmental funds. This is the change in accrued compensated absences.	(93,643)
Net pension liabilities and the related future pension expense are reported in the government-wide statement of activities and changes in net position, but do not require the use of current financial resources; therefore, these amounts are not reported as expenditures in governmental funds. This is the change in the net pension liability.	(1,187,864)
The issuance of long-term debt (e.g., bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of those differences in the treatment of long-term debt and related items.	(161,535)
Some intergovernmental revenues will not be collected for several months after the City's fiscal year end. They are not considered "available" revenues in the governmental funds. This is the change in deferred revenues between fiscal years.	197,221
Accrued interest expense on long-term debt is reported in the government-wide statement of activities and changes in net assets, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as expenditures in governmental funds.	<u>(4,857)</u>
Change in net position of governmental activities	<u>\$ (1,056,625)</u>

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

CITY OF WOOD RIVER, ILLINOIS

STATEMENT OF NET POSITION PROPRIETARY FUNDS APRIL 30, 2017

	Business-Type Activities--Enterprise Funds				
	<u>Water</u>	<u>Sewer</u>	<u>Golf Course</u>	<u>Nonmajor Aquatic Center</u>	<u>Total</u>
<u>Assets</u>					
Current Assets:					
Cash	\$ 232,762	\$ 2,164,686	\$ 39,234	\$ 12,173	\$ 2,448,855
Investments	-	3,219,021	-	-	3,219,021
Receivables (Net of allowance for uncollectible):					
Accounts	72,300	51,607	-	-	123,907
Unbilled Revenue	111,381	166,879	-	-	278,260
Other	-	97,170	-	-	97,170
Inventory, at Cost	-	-	16,339	-	16,339
Total Current Assets	<u>416,443</u>	<u>5,699,363</u>	<u>55,573</u>	<u>12,173</u>	<u>6,183,552</u>
Noncurrent Assets:					
Restricted Assets:					
Cash and Cash Equivalents:					
Customer Deposits	<u>31,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,100</u>
Capital Assets:					
Land	-	852,334	160,000	-	1,012,334
Buildings and Improvements	-	-	3,178,153	2,646,995	5,825,148
Machinery and Equipment	3,869,669	813,737	474,215	460,284	5,617,905
Vehicles	149,598	563,830	15,852	-	729,280
Utility Systems	<u>7,707,221</u>	<u>22,631,796</u>	<u>-</u>	<u>-</u>	<u>30,339,017</u>
Total	<u>11,726,488</u>	<u>24,861,697</u>	<u>3,828,220</u>	<u>3,107,279</u>	<u>43,523,684</u>
Accumulated Depreciation	<u>(5,401,366)</u>	<u>(7,654,995)</u>	<u>(2,971,220)</u>	<u>(2,952,508)</u>	<u>(18,980,089)</u>
Net Capital Assets	<u>6,325,122</u>	<u>17,206,702</u>	<u>857,000</u>	<u>154,771</u>	<u>24,543,595</u>
Total Noncurrent Assets	<u>6,356,222</u>	<u>17,206,702</u>	<u>857,000</u>	<u>154,771</u>	<u>24,574,695</u>
Total Assets	<u>\$ 6,772,665</u>	<u>\$ 22,906,065</u>	<u>\$ 912,573</u>	<u>\$ 166,944</u>	<u>\$ 30,758,247</u>
<u>Deferred Outflows of Resources</u>					
Future Pension Expense	<u>\$ 205,975</u>	<u>\$ 171,432</u>	<u>\$ 22,431</u>	<u>\$ -</u>	<u>\$ 399,838</u>

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

CITY OF WOOD RIVER, ILLINOIS

STATEMENT OF NET POSITION PROPRIETARY FUNDS APRIL 30, 2017

	Business-Type Activities--Enterprise Funds				
	<u>Water</u>	<u>Sewer</u>	<u>Golf Course</u>	<u>Nonmajor Aquatic Center</u>	<u>Total</u>
<u>Liabilities:</u>					
Current Liabilities:					
Accrued Payroll and Benefits	\$ 18,244	\$ 17,021	\$ 3,423	\$ 89	\$ 38,777
Accrued Vacation	41,468	24,433	4,286	-	70,187
Accounts Payable	37,149	30,783	11,865	12,302	92,099
Due to Other Funds	-	-	130,249	-	130,249
Accrued Interest	736	14,596	1,587	-	16,919
Current Portion of					
Long-Term Debt	<u>57,713</u>	<u>401,206</u>	<u>46,450</u>	<u>-</u>	<u>505,369</u>
Total Current Liabilities	<u>155,310</u>	<u>488,039</u>	<u>197,860</u>	<u>12,391</u>	<u>853,600</u>
Liabilities Payable from					
Restricted Assets:					
Customer Deposits	<u>31,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,100</u>
Noncurrent Liabilities:					
Accrued Sick Leave	124,508	65,108	4,152	-	193,768
Net Pension Liability	668,575	560,538	73,346	-	1,302,459
Long-Term Debt	<u>248,468</u>	<u>6,401,139</u>	<u>61,224</u>	<u>-</u>	<u>6,710,831</u>
Total Noncurrent Liabilities	<u>1,041,551</u>	<u>7,026,785</u>	<u>138,722</u>	<u>-</u>	<u>8,207,058</u>
Total Liabilities	<u>1,227,961</u>	<u>7,514,824</u>	<u>336,582</u>	<u>12,391</u>	<u>9,091,758</u>
<u>Net Position:</u>					
Net Investment in Capital Assets	6,018,941	10,404,357	749,326	154,771	17,327,395
Unrestricted	<u>(268,262)</u>	<u>5,158,316</u>	<u>(150,904)</u>	<u>(218)</u>	<u>4,738,932</u>
Total Net Position	<u>\$ 5,750,679</u>	<u>\$ 15,562,673</u>	<u>\$ 598,422</u>	<u>\$ 154,553</u>	<u>\$ 22,066,327</u>

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

CITY OF WOOD RIVER, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED APRIL 30, 2017

	<u>Business-Type Activities--Enterprise Funds</u>				
	<u>Water</u>	<u>Sewer</u>	<u>Golf Course</u>	<u>Nonmajor Aquatic Center</u>	<u>Total</u>
Operating Revenues:					
Charges for Services	\$ 1,341,592	\$ 2,926,860	\$ 736,540	\$ 224,732	\$ 5,229,724
Operating Expenses:					
Personal Services	684,388	660,848	119,282	114,874	1,579,392
Materials and Supplies	255,145	27,816	86,453	75,416	444,830
Contractual Services	283,713	1,251,178	485,927	70,020	2,090,838
Depreciation	280,259	536,979	80,834	17,856	915,928
Total Operating Expenses	<u>1,503,505</u>	<u>2,476,821</u>	<u>772,496</u>	<u>278,166</u>	<u>5,030,988</u>
Operating Income (Loss)	<u>(161,913)</u>	<u>450,039</u>	<u>(35,956)</u>	<u>(53,434)</u>	<u>198,736</u>
Nonoperating Revenues (Expenses):					
Investment Earnings	1,034	31,270	275	73	32,652
Loss on Disposal of Assets	-	-	(53,961)	-	(53,961)
Interest and Fiscal Charges	<u>(10,323)</u>	<u>(88,233)</u>	<u>(7,320)</u>	<u>-</u>	<u>(105,876)</u>
Total Nonoperating Revenues (Expenses)	<u>(9,289)</u>	<u>(56,963)</u>	<u>(61,006)</u>	<u>73</u>	<u>(127,185)</u>
Income (Loss) Before Contributions and Transfers	<u>(171,202)</u>	<u>393,076</u>	<u>(96,962)</u>	<u>(53,361)</u>	<u>71,551</u>
Transfers In (Out)	<u>203,558</u>	<u>(253,822)</u>	<u>18,560</u>	<u>18,000</u>	<u>(13,704)</u>
Change in Net Position	32,356	139,254	(78,402)	(35,361)	57,847
Net Position - Beginning of Year	<u>5,718,323</u>	<u>15,423,419</u>	<u>676,824</u>	<u>189,914</u>	<u>22,008,480</u>
Net Position - End of Year	<u>\$ 5,750,679</u>	<u>\$ 15,562,673</u>	<u>\$ 598,422</u>	<u>\$ 154,553</u>	<u>\$ 22,066,327</u>

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

CITY OF WOOD RIVER, ILLINOIS

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED APRIL 30, 2017

	<u>Business-Type Activities--Enterprise Funds</u>				
	<u>Water</u>	<u>Sewer</u>	<u>Golf Course</u>	<u>Nonmajor Aquatic Center</u>	<u>Total</u>
Cash Flows from Operating Activities:					
Receipts from Customers	\$ 1,300,059	\$ 2,899,372	\$ 736,540	\$ 224,732	\$ 5,160,703
Payments to Suppliers	(771,169)	(1,592,605)	(607,250)	(142,800)	(3,113,824)
Payments to Employees	(426,704)	(351,021)	(85,477)	(106,627)	(969,829)
Net Cash Provided (Used) by Operating Activities	<u>102,186</u>	<u>955,746</u>	<u>43,813</u>	<u>(24,695)</u>	<u>1,077,050</u>
Cash Flows from Noncapital Financing Activities:					
Payments from (to) Other Funds	<u>203,558</u>	<u>(253,822)</u>	<u>148,809</u>	<u>18,000</u>	<u>116,545</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>203,558</u>	<u>(253,822)</u>	<u>148,809</u>	<u>18,000</u>	<u>116,545</u>
Cash Flows from Capital and Related Financing Activities:					
Principal Payments on Long-Term Debt	(56,092)	(396,158)	(215,055)	-	(667,305)
Interest Paid on Debt	(10,458)	(89,194)	(8,119)	-	(107,771)
Customer Deposits	(1,555)	-	-	-	(1,555)
Cash Payments for Capital Assets	(149,243)	(206,070)	(16,800)	-	(372,113)
Net Cash Provided (Used) by Capital Related Financing Activities	<u>(217,348)</u>	<u>(691,422)</u>	<u>(239,974)</u>	<u>-</u>	<u>(1,148,744)</u>
Cash Flows from Investing Activities:					
Net Change in Investments	-	(36,458)	-	-	(36,458)
Interest Received	<u>1,034</u>	<u>31,270</u>	<u>275</u>	<u>73</u>	<u>32,652</u>
Net Cash Provided (Used) by Investing Activities	<u>1,034</u>	<u>(5,188)</u>	<u>275</u>	<u>73</u>	<u>(3,806)</u>
Net Increase (Decrease) in Cash Cash Equivalents	89,430	5,314	(47,077)	(6,622)	41,045
Cash and Cash Equivalents, Beginning of Year	<u>174,432</u>	<u>2,159,372</u>	<u>86,311</u>	<u>18,795</u>	<u>2,438,910</u>
Cash and Cash Equivalents, End of Year	<u>\$ 263,862</u>	<u>\$ 2,164,686</u>	<u>\$ 39,234</u>	<u>\$ 12,173</u>	<u>\$ 2,479,955</u>

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

CITY OF WOOD RIVER, ILLINOIS

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED APRIL 30, 2017

	<u>Business-Type Activities--Enterprise Funds</u>				
	<u>Water</u>	<u>Sewer</u>	<u>Golf Course</u>	<u>Nonmajor Aquatic Center</u>	<u>Total</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	\$ (161,913)	\$ 450,039	\$ (35,956)	\$ (53,434)	\$ 198,736
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation	280,259	536,979	80,834	17,856	915,928
(Increase) Decrease in Assets:					
Accounts Receivable	(16,387)	34,462	-	-	18,075
Unbilled Revenue	(25,146)	(61,950)	-	-	(87,096)
Inventory	-	-	(1,999)	-	(1,999)
Future Pension Expense	58,414	(6,971)	5,668	-	57,111
Increase (Decrease) in Liabilities:					
Accrued Payroll and Benefits	14,531	19,743	2,979	89	37,342
Net Pension Liability	(31,292)	103,084	(4,814)	-	66,978
Accounts Payable	(16,280)	(119,640)	(2,899)	10,794	(128,025)
Net Cash Provided (Used) by Operating Activities	<u>\$ 102,186</u>	<u>\$ 955,746</u>	<u>\$ 43,813</u>	<u>\$ (24,695)</u>	<u>\$ 1,077,050</u>
Reconciliation of Cash and Cash Equivalents:					
Current Assets	\$ 232,762	\$ 2,164,686	\$ 39,234	\$ 12,173	\$ 2,448,855
Restricted Assets	<u>31,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,100</u>
Total Cash and Cash Equivalents	<u>\$ 263,862</u>	<u>\$ 2,164,686</u>	<u>\$ 39,234</u>	<u>\$ 12,173</u>	<u>\$ 2,479,955</u>

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

CITY OF WOOD RIVER, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND - POLICE AND FIREFIGHTERS' PENSION TRUST FUNDS
APRIL 30, 2017

	<u>Police Pension</u>	<u>Firefighters' Pension</u>
<u>Assets</u>		
Cash and Cash Equivalents	\$ 270,690	\$ 45,886
Investments	8,648,565	5,123,318
Receivables (Net of Allowance for Doubtful Accounts):		
Interest Receivable	35,058	16,292
Employer - Taxes	<u>517,429</u>	<u>318,527</u>
Total Assets	<u>9,471,742</u>	<u>5,504,023</u>
<u>Liabilities</u>		
Accounts Payable	<u>-</u>	<u>2,544</u>
<u>Net Position</u>		
Held in Trust For Pension Benefits and Other Purposes	<u>\$ 9,471,742</u>	<u>\$ 5,501,479</u>

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

CITY OF WOOD RIVER, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUND - POLICE AND FIREFIGHTERS' PENSION TRUST FUNDS FOR THE YEAR ENDED APRIL 30, 2017

	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Additions:		
Employer Contributions - Taxes	\$ 517,319	\$ 318,511
Employee Contributions	118,221	64,591
Investment Earnings:		
Interest and Dividends	175,315	128,495
Unrealized/Realized Gain (Loss) on Investments	<u>396,997</u>	<u>236,098</u>
Total Investment Earnings	572,312	364,593
Less: Investment Expense	<u>26,195</u>	<u>18,327</u>
Net Investment Earnings	<u>546,117</u>	<u>346,266</u>
Total Additions	<u>1,181,657</u>	<u>729,368</u>
Deductions:		
Benefit Payments	733,203	419,369
Administrative Expenses	<u>11,339</u>	<u>9,413</u>
Total Deductions	<u>744,542</u>	<u>428,782</u>
Change in Net Position	437,115	300,586
Net Position - Beginning of Year	<u>9,034,627</u>	<u>5,200,893</u>
Net Position - End of Year	<u>\$ 9,471,742</u>	<u>\$ 5,501,479</u>

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

CITY OF WOOD RIVER, ILLINOIS

NOTES TO FINANCIAL STATEMENTS APRIL 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Wood River, Illinois have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

(a) The financial reporting entity

The City is a political subdivision of the State of Illinois. These financial statements present the government and its component units. Component units are legally separate entities for which the City, as the primary government, is financially accountable. The City defines its reporting entity in accordance with Codification of Governmental Accounting and Financial Reporting Standards, Section 2100. To be considered financially accountable, the organization must be fiscally dependent on the City or the City must appoint a majority of the board of the organization and either (1) be able to impose its will on the organization or (2) the relationship must have the potential for creating a financial benefit to or imposing a financial burden on the City. The City did not have any component units as of April 30, 2017.

(b) Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

(c) Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental revenues, permits and fees associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized, when applicable, as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

The General Fund is the main operating fund of the City. This fund is used to account for all financial resources not required to be accounted for in a separate fund. This fund reports all general tax revenues and other revenues that are not restricted by law or contractual agreement to a separate fund.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The Insurance Fund accounts for the financial transactions related to providing for the insurance coverages of the City.

The Capital Improvements and Development Fund accounts for utility taxes and telecommunication taxes that are committed for expenses for development costs as determined by the City.

The government reports the following major proprietary funds:

The Water and Sewer Funds account for the activities of the water and sewer operations. The City operates water and sewerage treatment plants, water distribution systems and pump stations, and sewer collection and lift station systems.

The Golf Fund accounts for the operations related to the City operated golf course.

Additionally, the government reports the following fund type:

The pension trust funds account for the activities of the police and fire pension funds, which accumulate resources for pension benefit payments to qualified public safety employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are reimbursements between funds for direct costs applicable to the other fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 City's enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of connection fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

(d) Assets, liabilities and net assets or equity

Deposits and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposits and short-term investments with original maturities of three months or less.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The City is authorized by state statute to invest in obligations of the United States of America, insured interest bearing accounts of banks, savings and loan associations or credit unions, certain short-term obligations of corporations organized in the United States, money market mutual funds that invest in obligations of the United States of America or its agencies or are guaranteed by the full faith and credit of the United States of America. The pension trust funds are also allowed to invest limited percentages of their monies in mutual funds and equity securities.

Investments are recorded in all funds at fair value. Investment income is recognized as earned. Gains or losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

Receivables and payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

Unbilled water, sewer and garbage service receivables are recorded at year-end. They are determined by taking cycle billings subsequent to April 30 and prorating the applicable number of days to the current fiscal year.

The City levied its property taxes on December 5, 2016 based upon the assessed valuation as of the previous January 1. Property taxes are due in four installments in the following year, usually beginning in June, and are considered delinquent after the due dates. Property taxes for 2016 become an enforceable lien in January 2017. Because this tax levy will be used to pay for expenses budgeted in fiscal year 2018, this tax levy is shown as a receivable and as deferred inflow of resources as of April 30, 2017 in the governmental funds statements and eliminated in the statement of activities. Tax revenues reflected in these financial statements are taxes collected on the 2015 levy.

Inventory

Inventory reported in the enterprise funds are valued at the lower of cost (first-in, first-out) or market.

Restricted assets - Business-Type Activities

These accounts accumulate to provide funds to offset the existing liability for customer utility deposits.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Capital assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The government generally defines capital assets as assets with an initial, individual cost of more than \$20,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects when constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	25 - 40
Infrastructure	20 - 50
Distribution systems	50
Vehicles	5 - 15
Office and other equipment	5 - 15
Golf course	10 - 50
Pool and slide	15 - 30

Prepaid expenses

Payments made to vendors for services that will benefit periods beyond the fiscal year end are reported as prepaid expenses.

Compensated absences

In the governmental fund financial statements, vested and accumulated vacation and sick pay that is expected to be liquidated with expendable available resources is reported as an expenditure and a fund liability. Vested and accumulated vacation and sick pay of proprietary funds are recorded as an expense and a liability of those funds as the benefits accrue to employees. The government-wide financial statements report the amounts in the same method as reported in the proprietary funds.

Sick pay is earned at a rate of 144 hours per year (police personnel 216 per year and fire personnel 432 per year) and accumulated up to 2,080 hours per employee for all full time City employees except firefighters, who can accumulate up to 2,756 hours. Retired or terminated employees may be

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

compensated for ½ of their sick hour balance at retirement or separation depending on whether they are covered for the benefit by the collective bargaining agreement or the personnel code. Each employee earns vacation time up to a maximum of 204 hours (firefighters 360 hours) at their anniversary date. At April 30, 2017, employees have accumulated \$410,604 in accrued vacation and \$1,327,772 in accrued sick pay.

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 assets. Bond premiums and discounts are deferred and amortized over the life of the bonds.

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.

Fund balances

In the fund financial statements, the City classifies the fund balances based upon the following criteria:

Nonspendable - includes amounts that cannot be spent because they are either 1) not in spendable form, or 2) legally or contractually required to remain intact.

Restricted - balances with constraints that are either externally imposed by creditors or imposed by law through constitutional provisions or enabling legislation.

Committed - balances that are to be only used for specific purposes pursuant to constraints imposed by formal action of the City Council, the government's highest level of decision-making authority.

Assigned - balances that are constrained by the City Council's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned - the residual classification of the General Fund balance.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The following details the description and amount of all constraints recorded by the City in the fund financial statements:

<u>Governmental Funds</u>	
Nonspendable:	
Prepaid Insurance	\$ 266,266
Restricted:	
TIF Balances	\$ 304,984
Library	178,578
Business District	64,310
Motor Fuel Tax	539,178
Refuse	208,836
Capital Development (Police Station)	653,650
Retirement Fund	87,077
	<u>\$ 2,036,613</u>
Committed:	
Capital Development	<u>\$ 1,109,469</u>
Assigned:	
Recreation Fund	\$ 154,013
Insurance Fund	276,576
	<u>\$ 430,589</u>

When expenditures are incurred for which the City has both restricted and unrestricted funds available, the City spends any restricted funds before using unrestricted sources. Likewise, the City uses committed, assigned and then unassigned balances, in that order, when spending amounts for which all three categories are available.

Budget Policy and Practices

The City followed these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to April 30, the Director of Finance and the City Manager prepared a "City Manager's Proposed Budget" which was distributed to the City Council for their review.
2. The City Council conducts budget review sessions.
3. A public hearing is conducted to obtain taxpayer comments.
4. The City Council adopts the proposed budget.
5. Amendments to the budget affect transfers of amounts between line items. All amendments are approved by the City Council.
6. The budget is prepared on a cash basis of accounting.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Risk Management

The City is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions and natural disasters for which the City carries commercial insurance. There has been no significant reduction in coverage from the prior year.

Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. These estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenditures. Actual results could vary from estimates that were used.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

Governmental & Business-Type Activities

At April 30, 2017, the carrying amount of the City's deposits was \$5,966,173 and the bank balance was \$5,964,512. The deposits were comprised of interest checking, money market and savings accounts.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the City's name. As of April 30, 2017, all of the deposits of the City were covered by FDIC insurance or collateralized by the financial institutions.

At April 30, 2017, the City had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
The Illinois Funds	Daily	\$ 434,805
Illinois Metropolitan Investment Fund	Daily	1,134,231
FHLB	0.02	149,979
FFCB	0.55	199,892
Municipal Bonds	0.48	2,577,921
Cash on Hand		2,320
Deposits as reported above		<u>5,966,173</u>
Total deposits and investments		<u>\$ 10,465,321</u>
As Reported in the Statement of Net Position:		
Cash and Cash Equivalents		\$ 7,163,057
Investments		3,271,164
Restricted Cash and Investments		<u>31,100</u>
		<u>\$ 10,465,321</u>

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Interest Rate Risk. The City's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. As of April 30, 2017, the credit ratings of the City's investments are as follows:

<u>Investment</u>	<u>Standard & Poor's Rating</u>	<u>Moody's Investors Service Rating</u>
Illinois Metropolitan Investment Fund	--	Aaa
The Illinois Funds	AAAm	--
FFCB	AA+	Aaa
FHLB	AA+	Aaa
Municipal Bonds	AAA to A+	Aaa to A2

The Illinois Funds and the Illinois Metropolitan Investment Fund are pooled investments that are operated by the State of Illinois as a not-for-profit common law trust and are not registered with the SEC. The funds are monitored regularly through the State by internal and external audits. The goals of the funds are to provide liquidity and to maintain balances that are equal to the par value of the invested shares with no loss to market fluctuations. The fair value of the City's position in the pool is the same as the value of the pool shares.

Concentration of Credit Risk. As of April 30, 2017, the City did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2017, the City has no foreign currency risk.

Police Pension Fund

At April 30, 2017, the carrying amount and the bank balance of the Police Pension Fund's deposits were \$270,690. The deposits were comprised of a money market account.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the Police Pension's deposits may not be returned to it. The Police Pension requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the Police Pension's name.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

As of April 30, 2017, the Police Pension Fund had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
US Treasury Notes	4.44	\$ 2,032,129
US Treasury Bonds	24.49	318,653
Government National Mortgage Association	9.91	6,027
Federal National Mortgage Association	5.25	105,611
Federal Agricultural Mortgage Corporation	1.08	20,088
Federal Farm Credit Bank	17.63	152,789
Federal Home Loan Bank	5.24	239,301
Corporate Bonds	8.76	1,840,299
Mutual Funds	--	3,933,668
Deposits as reported above		270,690
Total deposits and investments		<u>\$ 8,919,255</u>

Interest Rate Risk. The Police Pension Fund's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. As of April 30, 2017, the Police Pension Fund investments had the following credit risks:

<u>Investment</u>	<u>Standard & Poor's Rating</u>	<u>Moody's Investors Service Rating</u>
Corporate Bonds	AAA to BBB	Aaa to Baa3
Federal Home Loan Bank	AA+	Aaa
Federal National Mortgage Association	AA+	Aaa
Federal Farm Credit Bank	AA+	Aaa

Concentration of Credit Risk. As of April 30, 2017, the Police Pension Fund did not have a concentration of credit risk in any one investment.

Foreign Currency Risk. As of April 30, 2017, the Police Pension Fund has no foreign currency risk.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Firefighter's Pension Fund

At April 30, 2017, the carrying amount and the bank balance of the Firefighter's Pension Fund's deposits was \$45,886. The deposits were comprised of money market accounts.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the Firefighter's Pension Fund's deposits may not be returned to it. The Firefighter's Pension Fund requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the Firefighter's Pension Fund's name.

As of April 30, 2017, the Firefighter's Pension Fund had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
U.S. Treasury Notes	2.61	\$ 1,150,976
Federal Home Loan Bank	4.80	635,621
Federal National Mortgage Association	4.12	189,408
Federal Home Loan Mortgage Corporation	5.56	72,190
Federal Farm Credit Bank	5.15	568,284
TN Valley Authority	4.86	103,198
Mutual Funds	--	2,403,641
Deposits as reported above		<u>45,886</u>
Total deposits and investments		<u>\$ 5,169,204</u>

Interest Rate Risk. The Firefighter's Pension Fund's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. As of April 30, 2017, the Firefighter's Pension Fund credit risk ratings were as follows:

<u>Investment</u>	<u>Standard & Poor's Rating</u>	<u>Moody's Investors Service Rating</u>
Federal Home Loan Mortgage Corporation	AA+	Aaa
Federal Home Loan Bank	AA+	Aaa
Federal National Mortgage Association	AA+	Aaa
Federal Farm Credit Bank	AA+	Aaa

Concentration of Credit Risk. As of April 30, 2017, the Firefighter's Pension Fund did not have a concentration of credit risk in any one investment.

Foreign Currency Risk. As of April 30, 2017, the Firefighter's Pension Fund has no foreign currency risk.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 3: RECEIVABLES

City receivables, as reported in the statement of net position, including the applicable allowances for uncollectible accounts, are as follows as of April 30, 2017:

	<u>General</u>	<u>Other Major Funds</u>	<u>Enterprise Funds</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Intergovernmental	\$ 1,180,205	\$ 46,747	\$ -	\$ 166,770	\$ 1,393,722
Licenses/Fees/Other	1,084,328	26,537	97,170	-	1,208,035
Accounts	-	-	343,884	124,185	468,069
Unbilled Services	-	-	278,260	73,708	351,968
Gross Receivables	2,264,533	73,284	719,314	364,663	3,421,794
Less: Allowance for uncollectible	-	-	219,977	83,577	303,554
Net Total Receivables	<u>\$ 2,264,533</u>	<u>\$ 73,284</u>	<u>\$ 499,337</u>	<u>\$ 281,086</u>	<u>\$ 3,118,240</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

The City entered into an agreement with a developer that provided an advance of \$1,000,000 in addition to related attorney fees of \$84,328. These amounts will be repaid to the City through incremental sales taxes in future years. The balance of \$1,084,328 has been added to the government-wide financial statements as an additional account receivable.

NOTE 4: LONG-TERM DEBT

The City enters into long-term debt agreements to provide funds for the acquisition and construction of equipment and major capital projects. The City has entered into the following long-term debt agreements:

Governmental

The City entered into a loan agreement on September 1, 2008 for \$250,000 to provide funding for the purchase of a fire truck. The loan is to be repaid in annual principal installments of \$12,500. The balance is to be repaid by the General Fund. The outstanding balance as of April 30, 2017 is \$137,500.

The City entered into a lease purchase agreement on March 23, 2012 for \$198,609 to refinance prior debt for the purchase of a fire truck. The lease is to be repaid in annual installments of \$31,561, including interest at 2.75 percent. The balance is to be repaid by the General Fund. The outstanding balance as of April 30, 2017 is \$60,611.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The City entered into a lease purchase agreement on August 27, 2012 for \$186,350 to provide for the purchase of a street sweeper. The lease purchase is to be repaid in annual installments of \$21,733, including interest at 2.89 percent. The balance is to be repaid by the Capital Improvement Fund. The outstanding balance as of April 30, 2017 is \$118,288.

The City entered into a lease purchase agreement on September 5, 2012 for \$49,626 to provide funding for the purchase of a bobcat. The lease purchase is to be repaid in annual installments of \$10,639, including interest at 2.37 percent. The balance is to be repaid by the General Fund. The balance as of April 30, 2017 is \$10,354.

The City entered into a lease purchase agreement on June 12, 2014 for \$48,103 to provide funding for the purchase of a salt spreader and snow plow. The lease purchase is to be repaid in annual installments of \$12,597, including interest at 2.25 percent. The balance is to be repaid by the General Fund. The balance as of April 30, 2017 is \$12,297.

The City entered into a lease purchase agreement on August 10, 2015 for \$130,000 to provide funding for the purchase of seven police vehicles. The lease purchase is to be repaid in 2 annual installments of \$66,663, including interest at 1.95 percent. The balance is to be repaid by the General Fund. The balance as of April 30, 2017 is \$65,390.

The City entered into a lease purchase agreement on November 18, 2015 for \$82,199 to provide funding for the purchase of a paver. The lease purchase is to be repaid in 4 annual installments of \$21,740, including interest at 2.29 percent. The balance is to be repaid by the General Fund. The balance as of April 30, 2017 is \$62,346.

The City entered into a lease purchase agreement on August 2, 2016 for \$278,060 to provide funding for the purchase of nine police vehicles. The lease purchase is to be repaid by an initial payment of \$61,097 and 3 annual installments of \$75,596, including interest at 2.25 percent. The balance is to be repaid by the General Fund. The balance as of April 30, 2017 is \$216,980.

The City entered into a loan agreement on August 3, 2016 for \$132,000 to provide funding for park improvements. The loan is to be repaid by 4 annual installments of \$35,512, including interest at 3.00 percent. The balance is to be repaid with reductions in future Madison County Community Development grant funds. The balance as of April 30, 2017 is \$132,000.

Business-type

The City entered into general obligation debt certificates on April 2, 2012 to refinance existing debt certificates that provided funding for various water improvements. The debt certificates are to be repaid in 10 annual installments

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

including interest at 2.89 percent. The balance is to be repaid by the Water Fund. The outstanding balance as of April 30, 2017 is \$306,181.

The City entered into a lease purchase agreement on September 11, 2012 for \$64,942 to provide funding for the purchase of a mower and roller. The lease purchase is to be repaid in annual installments of \$10,325, including interest at 2.71 percent. The balance is to be repaid by the Golf Fund. The outstanding balance as of April 30, 2017 is \$29,237.

The City entered into a loan agreement with Madison County Community Development on April 30, 2013 to provide funding for improvements at the wastewater treatment plant. The loan amount is \$80,000, which is to be repaid in monthly installments of \$952. The balance is to be repaid by the Sewer Fund. The outstanding balance as of April 30, 2017 is \$34,285.

The City entered into an agreement with the IEPA on February 7, 2011 to provide funding for sewer infrastructure improvements. The loan, in the approved amount of \$9,936,067, was drawn on as needed to provide funding for the improvements. The loan is to be repaid in 39 semi-annual installments including interest at 1.25 percent. The balance is to be repaid by the Sewer Fund. The total outstanding balance as of April 30, 2017 is \$6,701,592.

The City entered into a loan agreement with Madison County Community Development on May 15, 2013 for \$85,000 to provide funding for the purchase of golf course mowers. The loan amount is to be repaid in annual installments of \$18,560, with a final payment of \$16,170. The balance is to be repaid with reductions in future Madison County Community Development grant funds. The outstanding balance as of April 30, 2017 is \$15,577.

The City entered into a lease purchase agreement on May 12, 2014 for \$41,349 to provide funding for the purchase of a tee mower and two workmen. The lease purchase is to be repaid in annual installments of \$10,763, including interest at 2.30 percent. The balance is to be repaid by the Golf Fund. The balance as of April 30, 2017 is \$10,594.

The City entered into a lease purchase agreement on November 18, 2015 for \$87,634 to provide funding for the purchase of a dump truck. The lease purchase is to be repaid in 4 annual installments of \$23,179, including interest at 2.29 percent. The balance is to be repaid by the Sewer Fund. The balance as of April 30, 2017 is \$66,468.

The City entered into a lease purchase agreement on March 22, 2017 for \$52,266 to provide funding for the purchase of a Kubota tractor. The lease purchase is to be repaid in 5 annual installments of \$11,070, including interest at 2.63 percent. The balance is to be repaid by the Golf Fund. The balance as of April 30, 2017 is \$52,266.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The annual requirements to retire other long-term debt are as follows:

Fiscal Year Ended April 30,	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 271,360	\$ 17,121	\$ 505,369	\$ 94,811
2019	187,648	10,996	485,465	87,832
2020	160,553	6,531	492,756	80,407
2021	66,925	2,819	455,516	72,848
2022	33,030	1,204	462,849	65,963
2023-2027	83,750	611	2,008,681	245,044
2028-2032	12,500	-	1,699,528	145,992
2033-2034	-	-	1,106,036	8,363
	<u>\$ 815,766</u>	<u>\$ 39,282</u>	<u>\$ 7,216,200</u>	<u>\$ 801,260</u>

The following is a summary of changes in long-term liabilities for the year ended April 30, 2017.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retired</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities:</u>					
Lease/loan agreements	\$ 654,231	\$ 410,060	\$ 248,525	\$ 815,766	\$ 271,360
Net pension liability	20,096,716	-	1,100,140	18,996,576	-
Compensated absences	1,380,778	93,643	-	1,474,421	340,416
Governmental activities long-term liabilities	<u>\$ 22,131,725</u>	<u>\$ 503,703</u>	<u>\$ 1,348,665</u>	<u>\$ 21,286,763</u>	<u>\$ 611,776</u>
<u>Business-type Activities:</u>					
Lease/loan agreements	7,468,966	52,266	611,213	6,910,019	447,656
Debt certificates	362,273	-	56,092	306,181	57,713
Net pension liability	1,235,481	66,978	-	1,302,459	-
Compensated absences	237,317	26,638	-	263,955	70,187
Business-type activities long-term liabilities	<u>\$ 9,304,037</u>	<u>\$ 145,882</u>	<u>\$ 667,305</u>	<u>\$ 8,782,614</u>	<u>\$ 575,556</u>

NOTE 5: LEGAL DEBT MARGIN

The computation of legal debt margin at April 30, 2017 is as follows:

Assessed Valuation	<u>\$ 118,323,541</u>
Bonded Debt Limit*	\$ 10,205,405
Bonded Indebtedness	<u>815,766</u>
Legal Debt Margin	<u>\$ 9,389,639</u>

The bonded indebtedness of the City of Wood River, Illinois is limited by Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes to 8.625% of the assessed valuation of taxable tangible property.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 6: CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2017 was as follows:

	Beginning Balance	Additions/ Completions	Retirements/ Deletions	Ending Balance
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 13,780,330	\$ 140,080	\$ -	\$ 13,920,410
Land right-of-way	16,809,767	-	-	16,809,767
Total capital assets not being depreciated	30,590,097	140,080	-	30,730,177
Capital assets, being depreciated:				
Buildings and improvements	9,138,254	632,052	-	9,770,306
Machinery and equipment	1,453,105	9,539	-	1,462,644
Vehicles	2,504,374	331,941	23,975	2,812,340
Infrastructure	91,876,081	168,207	-	92,044,288
Total capital assets being depreciated	104,971,814	1,141,739	23,975	106,089,578
Less accumulated depreciation for:				
Buildings and improvements	6,915,190	109,838	-	7,025,028
Machinery and equipment	836,674	76,691	-	913,365
Vehicles	2,151,248	157,513	23,975	2,284,786
Infrastructure	57,549,329	1,487,576	-	59,036,905
Total accumulated depreciation	67,452,441	1,831,618	23,975	69,260,084
Total capital assets, being depreciated, net	37,519,373	(689,879)	-	36,829,494
Governmental activities capital assets, net	\$ 68,109,470	\$ (549,799)	\$ -	\$ 67,559,671
<u>Business-type activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 1,012,334	\$ -	\$ -	\$ 1,012,334
Capital assets, being depreciated:				
Buildings and improvements	5,838,432	-	13,284	5,825,148
Utility systems	30,125,659	213,358	-	30,339,017
Machinery and equipment	5,603,263	72,966	58,324	5,617,905
Vehicles	775,725	138,055	184,500	729,280
Total capital assets, being depreciated	42,343,079	424,379	256,108	42,511,350
Less accumulated depreciation for:				
Buildings and improvements	5,115,248	43,256	8,523	5,149,981
Utility systems	9,714,677	638,929	-	10,353,606
Machinery and equipment	2,864,300	187,888	58,324	2,993,864
Vehicles	572,083	45,855	135,300	482,638
Total accumulated depreciation	18,266,308	915,928	202,147	18,980,089
Total capital assets, being depreciated, net	24,076,771	(491,549)	53,961	23,531,261
Business-type activities capital assets, net	\$ 25,089,105	\$ (491,549)	\$ 53,961	\$ 24,543,595

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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

Governmental activities:	
General government	\$ 45,409
Public safety	188,349
Streets and highways, including depreciation of general infrastructure assets	1,530,340
Cultural and recreational	<u>67,520</u>
Total depreciation expense - governmental activities	<u>\$ 1,831,618</u>
Business-type activities:	
Water	\$ 280,259
Sewer	536,979
Golf course	80,834
Aquatic center	<u>17,856</u>
	<u>\$ 915,928</u>

NOTE 7: RETIREMENT AND PENSION FUND COMMITMENTS

1. Illinois Municipal Retirement Fund

Plan Description. The City's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2016 was 22.83 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Covered Employees. The following types of employees comprise the membership of the plan.

Retirees and Beneficiaries	93
Inactive, non-Retired Members	26
Active Members	<u>41</u>
Total	<u>160</u>

Discount Rate. GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.78%; and the resulting single discount rate is 7.50%.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Actuarial Valuation Date	12/31/16
Measurement Date of the Net Pension Liability	12/31/16
Fiscal Year End	04/30/17

Development of the Single Discount Rate as of December 31, 2016	
Long-Term Expected Rate of Investment Return	7.50%
Long-Term Municipal Bond Rate	3.78%
Last year ending December 31 in the 2017 to 2116 projection period for which projected benefit payments are fully funded	2115
Resulting Single Discount Rate based on the above development	7.50%
Single Discount Rate calculated using December 31, 2015 Measurement Date	7.48%

The Long-Term Municipal Bond Rate is based on the Bond Buyer 20-Bond Index of general obligation municipal bonds as of December 31, 2016.

Actuarial Assumptions. The following are the actuarial assumptions used in the calculation of the net pension liability.

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10 year rolling period Taxing bodies: 27 year closed period until remaining period reaches 15 years (then 15 year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.50%
Price Inflation	2.75% - approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific table was used with fully generational projection scale MP-2014.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Net Pension Liability. The following is a summary of the Net Pension Liability as shown as a liability in the financial statements.

Total pension liability	
Service Cost	\$ 235,078
Interest on the Total Pension Liability	1,448,374
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	336,219
Changes of assumptions	(44,895)
Benefit payments, including refunds of employee contributions	<u>(1,386,852)</u>
Net change in total pension liability	\$ 587,924
Total pension liability - beginning	<u>19,939,182</u>
Total pension liability - ending	<u><u>\$ 20,527,106</u></u>
Plan fiduciary net position	
Contributions - employer	\$ 517,451
Contributions - employee	101,995
Net investment income	1,261,868
Benefit payments, including refunds of employee contributions	(1,386,852)
Other (Net Transfer)	<u>193,601</u>
Net change in plan fiduciary net position	\$ 688,063
Plan fiduciary net position - beginning	<u>16,136,157</u>
Plan fiduciary net position - ending	<u><u>\$ 16,824,220</u></u>
Net pension liability/(asset)	<u><u>\$ 3,702,886</u></u>
Plan fiduciary net position as a percentage of the total pension liability	81.96%
Covered valuation payroll	\$ 2,266,539
Net pension liability as a percentage of covered valuation payroll	163.37%

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	<u>6.50%</u>	<u>7.50%</u>	<u>8.50%</u>
Total Pension Liability	\$ 22,948,940	\$ 20,527,106	\$ 18,531,367
Plan Fiduciary Net Position	<u>16,824,220</u>	<u>16,824,220</u>	<u>16,824,220</u>
Net Pension Liability/(Asset)	<u>\$ 6,124,720</u>	<u>\$ 3,702,886</u>	<u>\$ 1,707,147</u>

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 390,096	\$ -
Changes in assumptions	8,407	30,586
Subsequent contributions	142,160	
Net difference between projected and actual earnings on pension plan investments	<u>680,932</u>	<u>58,539</u>
Total	<u>\$ 1,221,595</u>	<u>\$ 89,125</u>

Year Ending <u>December 31,</u>	Net Deferred Outflows of Resources
2017	\$ 582,992
2018	338,994
2019	225,118
2020	(14,634)
2021	<u>-</u>
	<u>\$ 1,132,470</u>

2. Elected County Official (ECO)

Plan Description. The City's defined benefit pension plan for certain City ECO eligible employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. Membership in ECO is based on several factors including the member's role at the employer and type of appointment. ECO is an alternative benefit plan for elected officials and is now closed to new members. The Plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

Funding Policy. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The annual employer annual required contribution for calendar year 2016 was \$0. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Covered Employees. The following types of employees comprise the membership of the plan.

Retirees and Beneficiaries	0
Inactive, non-Retired Members	0
Active Members	<u>0</u>
Total	<u>0</u>

Discount Rate. GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.78%; and the resulting single discount rate is 7.50%.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Actuarial Valuation Date	12/31/16
Measurement Date of the Net Pension Liability	12/31/16
Fiscal Year End	04/30/17

Development of the Single Discount Rate as of December 31, 2016	
Long-Term Expected Rate of Investment Return	7.50%
Long-Term Municipal Bond Rate	3.78%
Last year ending December 31 in the 2017 to 2116 projection period for which projected benefit payments are fully funded	2116
Resulting Single Discount Rate based on the above development	7.50%
Single Discount Rate calculated using December 31, 2015 Measurement Date	7.50%

The Long-Term Municipal Bond Rate is based on the Bond Buyer 20-Bond Index of general obligation municipal bonds as of December 31, 2016.

Actuarial Assumptions. The following are the actuarial assumptions used in the calculation of the net pension liability.

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10 year rolling period Taxing bodies: 27 year closed period until remaining period reaches 15 years (then 15 year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.50%
Price Inflation	2.75% - approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific table was used with fully generational projection scale MP-2014.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Net Pension Liability. The following is a summary of the Net Pension Liability as shown as a liability in the financial statements.

Total pension liability

Service Cost	\$ -
Interest on the Total Pension Liability	18,769
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	(269,024)
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	-
Net change in total pension liability	\$ (250,255)
Total pension liability - beginning	250,255
Total pension liability - ending	<u>\$ -</u>

Plan fiduciary net position

Contributions - employer	\$ -
Contributions - employee	-
Net investment income	18,769
Benefit payments, including refunds of employee contributions	-
Other (Net Transfer)	(269,065)
Net change in plan fiduciary net position	\$ (250,296)
Plan fiduciary net position - beginning	250,296
Plan fiduciary net position - ending	<u>\$ -</u>

Net pension liability/(asset)	<u>\$ -</u>
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Plan fiduciary net position as a percentage of the total pension liability	0.00%
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Covered valuation payroll	\$ -
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Net pension liability as a percentage of covered valuation payroll	0.00%
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CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	<u>6.50%</u>	<u>7.50%</u>	<u>8.50%</u>
Total Pension Liability	\$ -	\$ -	\$ -
Plan Fiduciary Net Position	-	-	-
Net Pension Liability/(Asset)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	<u>9,572</u>	<u>8,070</u>
Total	<u>\$ 9,572</u>	<u>\$ 8,070</u>

Year Ending December 31,	Net Deferred Outflows of Resources
2017	\$ 1,174
2018	1,174
2019	1,173
2020	(2,019)
2021	-
	<u>\$ 1,502</u>

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Firefighters' Pension Fund

a) Plan Description

Plan Administration. The Board consists of two members appointed by the City, two active members of the fire department elected by the membership, and one retired member of the fire department elected by the membership.

Plan Membership as of April 30, 2017:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	12
Active Plan Members	<u>10</u>
Total	<u>22</u>

Benefits Provided.

The Plan provides retirement, termination, disability, and death benefits.

Normal Retirement:

Tier 1: Age 50 and 20 years of Credited Service. Tier 2: Age 55 with 10 years of Credited Service. Benefit: Tier 1: 50% of annual salary attached to rank on last day of service plus 2.5% of annual salary for each year over 20 years, up to a maximum of 75% of salary. The minimum monthly benefit is \$1,159.27 per month. Tier 2: 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service. The maximum benefit is 75% of average salary.

Cost of Living Adjustment:

Tier 1 Retirees: An annual increase equal to 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55. Disabled Retirees: An annual increase equal to 3.00% per year of the original benefit amount beginning at age 60. Those that become disabled prior to age 60 receive an increase of 3.00% of the original benefit amount for each year since benefit commencement upon reaching age 60. Tier 2: An annual increase each January 1 equal to 3.00% per year or one-half of the annual unadjusted percentage increase in the consumer price index for the twelve months ending with the September preceding each November 1, whichever is less, of the original pension after the attainment of age 60 or first anniversary of pension start date whichever is later.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Disability Benefit:

Eligibility: Total and permanent as determined by the Board of Trustees. Seven years of service required for non-service connected disability. Benefit: A maximum of: a.) 65% of salary attached to the rank held by the member on last day of service, and; b.) The monthly retirement pension that the member is entitled to receive if he or she retired immediately. For non-service connected disabilities, a benefit of 50% of salary attached to rank held by member on last day of service.

Pre-Retirement Death Benefit:

Service Incurred: 100% of salary attached to rank held by member on last day of service. Non-Service Incurred: A maximum of: a.) 54% of salary attached to the rank held by member on last day of service, and; b.) The monthly retirement pension earned by the deceased member at time of death, regardless of whether death occurs before or after age 50.

Vesting (Termination):

Less than 10 years: Refund of Member Contributions.

10 or more years: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is based on the monthly salary attached to the Member's rank at separation from service. The following schedule applies:

<u>Service</u>	<u>% of Salary</u>
10	15.0%
11	17.6%
12	20.4%
13	23.4%
14	26.6%
15	30.0%
16	33.6%
17	37.4%
18	41.4%
19	45.6%

Contributions.

Employee: 9.455% of Salary. City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of 90% of the accrued past service liability by December 31, 2040.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

b) Investments

Investment Policy:

The following was the Board's adopted asset allocation policy as of April 30, 2017:

<u>Asset Class</u>	<u>Target Allocation</u>
Fixed Income	40 - 80%
Equity	10 - 45%
Cash and Equivalent	0 - 20%

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's fiduciary net position.

Rate of Return:

For the year ended April 30, 2017, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 7.28%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

c) Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor on April 30, 2017 were as follows:

Total Pension Liability	\$ 12,056,881
Plan Fiduciary Net Position	<u>(5,501,479)</u>
Net Pension Liability	<u>\$ 6,555,402</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	45.6%
Covered Employee Payroll	\$667,640
Employer's Net pension Liability as a % of Employee Payroll	981.9%

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation April 30, 2017 using the following actuarial assumptions.

Inflation	2.50%
Projected Increase in Total Payroll	3.25%
Investment Rate of Return	6.00%
Mortality Table: L&A 2016 Illinois Firefighters Mortality Rates	
Retirement Rate: L&A 2016 Illinois Firefighters capped at age 65	
Disability Rate: L&A 2016 Illinois Firefighters Disability Rates	

The long-term expected rate of return on pension plan investments was determined using the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) and 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 by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of April 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
US Govt Fixed Income	0.50 - 2.00%
US Large Cap Equities	4.50 - 5.00%
US Mid/Small Cap Equities	5.00 - 7.00%
Emerging Markets Equity	8.00%

Discount Rate:

The discount rate used to measure the total pension liability was 5.71 percent. The projection of cash flows was used to determine the extent which the plan's future net position will be able to cover future benefit payments. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future projected benefit payments through 2063. To the extent future benefit payments are not covered by the plan's net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The Net Pension Liability was determined using the discount rate of 5.71% as stated in the prior paragraph. The following table displays the sensitivity of the resulting change had the rate been 1% higher or lower.

	1% Decrease	Current Discount Rate	1% Increase
	<u>4.71%</u>	<u>5.71%</u>	<u>6.71%</u>
Net Pension Liability	\$ 8,496,558	\$ 6,555,402	\$ 4,997,559

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of May 01, 2016	\$ 11,610,237	\$ 5,200,893	\$ 6,409,344
Changes for a year			
Service Cost	252,585	-	252,585
Interest	650,971	-	650,971
Differences between expected and actual experience	576,785	-	576,785
Changes of assumptions	(614,329)	-	(614,329)
Changes of benefit terms	-	-	-
Contributions - employer	-	318,511	(318,511)
Contributions - employee	-	64,591	(64,591)
Net investment income	-	346,266	(346,266)
Benefit payments, including refunds	(419,368)	(419,368)	-
Administrative	-	(9,414)	9,414
Net Changes	<u>446,644</u>	<u>300,586</u>	<u>146,058</u>
Balances as of April 30, 2017	<u>\$ 12,056,881</u>	<u>\$ 5,501,479</u>	<u>\$ 6,555,402</u>

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. For the year ended April 30, 2017, the City recognized a pension expense of \$807,620. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 565,320	\$ -
Changes in assumptions	746,120	512,450
Net difference between projected and actual earnings on pension plan investments	<u>231,701</u>	<u>28,466</u>
Total	<u>\$ 1,543,141</u>	<u>\$ 540,916</u>

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

<u>Year Ending</u> <u>December 31,</u>	<u>Net Deferred</u> <u>Outflows of</u> <u>Resources</u>
2018	\$ 269,924
2019	269,924
2020	269,923
2021	192,692
2022	(50)
Thereafter	<u>(188)</u>
	<u>\$ 1,002,225</u>

3. Police Pension Fund

a) Plan Description

Plan Administration. The Board consists of two members appointed by the City, two active members of the police department elected by the membership, and one retired member of the police department elected by the membership.

Plan Membership as of April 30, 2017:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	17
Inactive Plan Members Entitled to But Not	
Currently Receiving Benefits	2
Active Plan Members	<u>18</u>
Total	<u>37</u>

Benefits Provided.

The Plan provides retirement, termination, disability, and death benefits.

Normal Retirement:

Tier 1: Age 50 and 20 years of Credited Service. Tier 2: Age 55 with 10 years of Credited Service. Benefit: Tier 1: 50% of annual salary attached to rank on last day of service plus 2.5% of annual salary for each year over 20 years, up to a maximum of 75% of salary. The minimum monthly benefit is \$1,000 per month. Tier 2: 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service. The maximum benefit is 75% of average salary.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Cost of Living Adjustment:

Tier 1 Retirees: An annual increase equal to 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55. Tier 2: An annual increase each January 1 equal to 3.00% per year or one-half of the annual unadjusted percentage increase in the consumer price index for the twelve months ending with the September preceding each November 1, whichever is less, of the original pension after the attainment of age 60 or first anniversary of pension start date whichever is later.

Disability Benefit:

Eligibility: Total and permanent as determined by the Board of Trustees. Benefit: A maximum of: a.) 65% of salary attached to the rank held by the member on last day of service, and; b.) The monthly retirement pension that the member is entitled to receive if he or she retired immediately. For non-service connected disabilities, a benefit of 50% of salary attached to rank held by member on last day of service.

Pre-Retirement Death Benefit:

Service Incurred: 100% of salary attached to rank held by member on last day of service. Non-Service Incurred: A maximum of: a.) 50% of salary attached to the rank held by member on last day of service, and; b.) The monthly retirement pension earned by the deceased member at time of death, regardless of whether death occurs before or after age 50. For non-service deaths with less than 10 years of service, a refund of member contributions is provided.

Vesting (Termination):

Less than 10 years: Refund of Member Contributions.

10 or more years: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination times creditable service.

Contributions.

Employee: 9.91% of Salary. City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of 90% of the accrued past service liability over a period ending in 2040.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Investments

Investment Policy:

The following was the Board's adopted asset allocation policy as of April 30, 2017:

<u>Asset Class</u>	<u>Target Allocation</u>
Fixed Income	53 - 100%
Equities	0 - 45%
Cash/Cash Equivalents	2 - 10%

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's fiduciary net position.

Rate of Return:

For the year ended April 30, 2017, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 6.71%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

b) Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor on April 30, 2017 were as follows:

Total Pension Liability	\$ 19,512,488
Plan Fiduciary Net Position	<u>(9,471,741)</u>
Net Pension Liability	<u>\$ 10,040,747</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	48.5%
Covered Employee Payroll	\$1,197,643
Employer's Net Pension Liability as a % of Employee Payroll	838.4%

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of April 30, 2017 using the following actuarial assumptions.

Inflation	2.50%
Projected Increase in Total Payroll	3.25%
Investment Rate of Return	6.50%
Mortality Table: L&A 2016 Illinois Police Mortality Rates	
Retirement Rate: L&A 2016 Illinois Police Retirement capped at age 65	
Disability Rate: L&A 2016 Illinois Police Disability Rates	

The long-term expected rate of return on pension plan investments was determined using the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) and 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 by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of April 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
US Govt Fixed Income	0.50 – 2.00%
US Large Cap Equities	4.50 – 5.50%
US Mid/Small Cap Equities	5.00 – 5.50%
Emerging Markets Equity	6.50%

Discount Rate:

The discount rate used to measure the total pension liability was 5.95 percent. The projection of cash flows was used to determine the extent which the plan's future net position will be able to cover future benefit payments. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future projected benefit payments through 2062. To the extent future benefit payments are not covered by the plan's net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments.

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The Net Pension Liability was determined using the discount rate of 5.95% as stated in the prior paragraph. The following table displays the sensitivity of the resulting change had the rate been 1% higher or lower.

	1% Decrease	Current Discount Rate	1% Increase
	<u>4.95%</u>	<u>5.95%</u>	<u>6.95%</u>
Net Pension Liability	\$ 13,188,892	\$ 10,040,747	\$ 7,520,335

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of May 01, 2016	\$ 20,154,495	\$ 9,034,627	\$ 11,119,868
Changes for a year			
Service Cost	388,148	-	388,148
Interest	1,177,380	-	1,177,380
Differences between expected and actual experience	51,424	-	51,424
Changes of assumptions	(1,525,756)	-	(1,525,756)
Changes of benefit terms	-	-	-
Contributions - employer	-	517,319	(517,319)
Contributions - employee	-	118,221	(118,221)
Net investment income	-	546,117	(546,117)
Benefit payments, including refunds	(733,203)	(733,203)	-
Administrative	-	(11,340)	11,340
Net Changes	(642,007)	437,114	(1,079,121)
Balances as of April 30, 2017	<u>\$ 19,512,488</u>	<u>\$ 9,471,741</u>	<u>\$ 10,040,747</u>

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. For the year ended April 30, 2017, the City recognized a pension expense of \$1,194,232. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 526,880	\$ -
Changes in assumptions	1,059,634	1,294,930
Net difference between projected and actual earnings on pension plan investments	471,560	-
Total	<u>\$ 2,058,074</u>	<u>\$ 1,294,930</u>

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

<u>Year Ending</u> <u>December 31,</u>	<u>Net Deferred</u> <u>Outflows of</u> <u>Resources</u>
2018	\$ 319,294
2019	319,294
2020	319,290
2021	164,368
2022	(223,046)
Thereafter	<u>(136,056)</u>
	<u>\$ 763,144</u>

NOTE 8: INTERFUND TRANSFERS

The following is a summary of interfund transfers for the year ended April 30, 2017:

Governmental Activities:

General Fund Transfer From (To):	
Water Fund	\$ 91,246
Sewer Fund	194,633
Refuse Fund	145,809
Golf Course Fund	(18,560)
Business Park Special Allocation TIF Fund	31,565
Insurance Fund	125,000
Municipal Retirement Fund	100,000
Library Fund	5,230
Aquatic Center Fund	(18,000)
Recreation Fund	9,000
Capital Improvement and Development Fund	300,000
Motor Fuel Tax Fund	25,000
Insurance Fund Transfer From (To) General Fund	(125,000)
Motor Fuel Tax Fund Transfer From (To) General Fund	(25,000)
Business Park Special Allocation TIF Fund Transfer (To):	
General Fund	(31,565)
Water Fund	(122,021)
Sewer Fund	(21,203)
Capital Improvement and Development Fund Transfer From (To):	
Water Fund	(66,550)
General Fund	(300,000)
Recreation Fund Transfer From (To) General Fund	(9,000)
Municipal Retirement Fund Transfer To General Fund	(100,000)
Library Fund Transfer From (To) General Fund	(5,230)
Refuse Fund Transfer (To):	
General Fund	(145,809)
Water Fund	<u>(25,841)</u>
	<u>\$ 13,704</u>

CITY OF WOOD RIVER, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 8: INTERFUND TRANSFERS (continued)

Business-type Activities:

Water Fund Transfer From (To):	
General Fund	(91,246)
Sewer Fund	80,392
Refuse Fund	25,841
Business Park Special Allocation TIF Fund	122,021
Capital Improvement and Development Fund	66,550
Sewer Fund Transfer From (To):	
General Fund	(194,633)
Water Fund	(80,392)
Business Park Special Allocation TIF Fund	21,203
Golf Fund Fund Transfer From (To):	
General Fund	18,560
Aquatic Center Fund Fund Transfer From (To):	
General Fund	<u>18,000</u>
	<u>\$ (13,704)</u>

The City makes transfers between funds to reimburse for costs related to a specific fund that was originally paid from another fund or to reimburse for overhead costs.

NOTE 9: INTERFUND RECEIVABLES

For the year ended April 30, 2017, the Golf Course Funds owed the Capital Improvements and Development Fund \$130,249.

NOTE 10: TAX ABATEMENTS

Property tax value abatements within the City, related to the Riverbend Enterprise Zone (REZ), were \$1,471,400 and \$1,437,610 for the tax levy years 2016 and 2015, respectively. The 2016 levy is shown as a receivable and as deferred inflow of resources as of April 30, 2017 in the governmental funds statements and eliminated in the statement of activities. Tax revenues reflected in these financial statements are taxes collected on the 2015 levy. The abated tax on the REZ property related to the City is \$25,681 and \$25,318 for the tax levy years 2016 and 2015, respectively.

For the year ended April 30, 2017, local sales tax rebated to developers totaled \$228,518 and Business District sales tax rebated to developers totaled \$90,868.

NOTE 11: SUBSEQUENT EVENT

The City has evaluated events occurring after the financial statement date through October 10, 2017 in order to determine their potential for recognition or disclosure in the financial statements. The latter date is the same date the financial statements were available to be issued.

CITY OF WOOD RIVER, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Property Tax	\$ 521,900	\$ 521,900	\$ 517,258
Intergovernmental:			
Sales and Use Tax	3,107,500	3,107,500	3,238,047
Replacement Tax	178,000	178,000	206,775
State Income Tax	1,050,000	1,050,000	1,014,682
Grants	8,802	8,802	28,002
Other	96,500	96,500	126,374
Other Local Taxes	6,000	6,000	6,915
Licenses, Fees and Permits	88,700	88,700	103,525
Charges for Services	456,578	456,578	463,008
Fines	31,300	31,300	31,328
Investment Earnings	4,000	4,000	3,229
Miscellaneous Revenues and Reimbursements	900	900	11,649
Total Receipts	<u>5,550,180</u>	<u>5,550,180</u>	<u>5,750,792</u>
Disbursements:			
Legislative			
Personnel	26,291	26,291	25,134
Materials/Supplies	4,100	4,100	2,882
Dues/Subscriptions/Training	20,350	20,350	16,925
Services	19,200	19,200	13,367
Miscellaneous	4,473	4,473	4,373
Total Legislative	<u>74,414</u>	<u>74,414</u>	<u>62,681</u>
Administration			
Personnel	307,401	303,373	296,062
Materials/Supplies	7,600	7,600	6,594
Dues/Subscriptions/Training	2,500	2,500	1,326
Services	9,700	13,728	13,727
Miscellaneous	3,621	3,621	3,121
Total Administration	<u>330,822</u>	<u>330,822</u>	<u>320,830</u>
Finance			
Personnel	327,656	327,656	317,678
Materials/Supplies	18,100	18,100	15,333
Dues/Subscriptions/Training	8,600	8,600	2,440
Services	62,600	62,600	51,618
Miscellaneous	17,837	17,837	17,246
Capital	5,000	5,000	-
Total Finance	<u>439,793</u>	<u>439,793</u>	<u>404,315</u>

CITY OF WOOD RIVER, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Disbursements (Continued):			
Legal			
Services	55,000	55,000	48,661
Miscellaneous	842	842	842
Total Legal	<u>55,842</u>	<u>55,842</u>	<u>49,503</u>
Building & Zoning			
Personnel	105,355	105,355	100,688
Materials/Supplies	7,650	7,650	5,700
Dues/Subscriptions/Training	3,000	3,000	135
Services	21,800	21,800	10,035
Miscellaneous	1,344	1,344	1,344
Capital	<u>27,647</u>	<u>27,647</u>	<u>26,282</u>
Total Building & Zoning	<u>166,796</u>	<u>166,796</u>	<u>144,184</u>
City Hall Maintenance			
Materials/Supplies	3,850	3,850	3,126
Services	55,100	55,100	47,162
Miscellaneous	<u>7,499</u>	<u>7,499</u>	<u>7,499</u>
Total City Hall Maintenance	<u>66,449</u>	<u>66,449</u>	<u>57,787</u>
Street Maintenance			
Personnel	340,026	340,026	317,584
Materials/Supplies	65,000	65,000	37,641
Dues/Subscriptions/Training	550	550	50
Services	130,853	130,773	71,331
Miscellaneous	87,426	87,426	87,381
Capital	<u>1,030</u>	<u>1,110</u>	<u>1,110</u>
Total Street Maintenance	<u>624,885</u>	<u>624,885</u>	<u>515,097</u>
Parks & Recreation			
Personnel	266,544	258,305	248,348
Materials/Supplies	21,200	21,200	21,152
Dues/Subscriptions/Training	2,900	2,900	2,747
Services	56,000	56,000	55,659
Miscellaneous	19,127	5,627	5,627
Capital	<u>-</u>	<u>21,739</u>	<u>21,739</u>
Total Parks & Recreation	<u>365,771</u>	<u>365,771</u>	<u>355,272</u>

CITY OF WOOD RIVER, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - GENERAL FUND FOR THE YEAR ENDED APRIL 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Disbursements (Continued):			
Street Lighting			
Services	209,000	209,000	208,229
Total Street Lighting	209,000	209,000	208,229
Band			
Materials/Supplies	250	107	107
Services	14,000	14,143	14,143
Miscellaneous	309	309	309
Total Band	14,559	14,559	14,559
Parks Maintenance			
Personnel	247,161	236,189	236,189
Materials/Supplies	42,200	41,919	36,825
Dues/Subscriptions/Training	250	250	28
Services	16,750	28,003	28,003
Miscellaneous	9,373	9,373	9,373
Capital	16,200	16,200	16,096
Total Parks Maintenance	331,934	331,934	326,514
Police Department			
Personnel	1,811,589	1,811,589	1,796,188
Materials/Supplies	95,754	74,556	70,734
Dues/Subscriptions/Training	7,800	7,800	7,425
Services	94,820	116,018	116,018
Miscellaneous	164,609	164,609	164,609
Total Police Department	2,174,572	2,174,572	2,154,974
Police Communications Center			
Personnel	467,789	467,789	451,059
Materials/Supplies	4,300	4,300	3,873
Dues/Subscriptions/Training	1,200	1,200	1,122
Services	26,670	26,670	10,972
Total Police Communications Center	499,959	499,959	467,026
Animal Control Department			
Personnel	22,444	22,444	21,773
Materials/Supplies	6,000	6,000	3,593
Services	2,400	2,400	526
Miscellaneous	201	201	201
Total Animal Control Department	31,045	31,045	26,093

CITY OF WOOD RIVER, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Disbursements (Continued):			
Fire Department			
Personnel	1,080,182	1,117,548	1,117,547
Materials/Supplies	58,750	58,750	42,619
Dues/Subscriptions/Training	8,600	8,600	3,906
Services	67,550	67,550	58,070
Miscellaneous	73,407	73,407	73,210
Capital	20,000	20,000	18,984
Total Fire Department	<u>1,308,489</u>	<u>1,345,855</u>	<u>1,314,336</u>
Disaster Preparedness			
Personnel	995	995	995
Materials/Supplies	1,000	1,000	-
Services	2,000	2,000	1,331
Total Disaster Preparedness	<u>3,995</u>	<u>3,995</u>	<u>2,326</u>
Capital	<u>383,396</u>	<u>383,396</u>	<u>372,209</u>
Total Disbursements	<u>7,081,721</u>	<u>7,119,087</u>	<u>6,795,935</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>(1,531,541)</u>	<u>(1,568,907)</u>	<u>(1,045,143)</u>
Other Financing Sources:			
Operating Transfers In	1,287,336	1,287,336	1,067,336
Operating Transfers Out	<u>(31,000)</u>	<u>(31,000)</u>	<u>(19,000)</u>
Total Other Financing Sources	<u>1,256,336</u>	<u>1,256,336</u>	<u>1,048,336</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements	<u>\$ (275,205)</u>	<u>\$ (312,571)</u>	3,193
Change in intergovernmental revenue on modified accrual basis			(127,381)
Change in deferred revenue on modified accrual basis			(4,709)
Change in accrued payroll on modified accrual basis			(11,642)
Change in accounts payable on modified accrual basis			<u>52,721</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (87,818)</u>

CITY OF WOOD RIVER, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CASH BASIS)
INSURANCE FUND
FOR THE YEAR ENDED APRIL 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Property Tax	\$ 300,000	\$ 300,000	\$ 296,813
Insurance Reimbursements	1,312,787	1,312,787	1,297,548
Investment Earnings	750	750	1,637
Total Receipts	<u>1,613,537</u>	<u>1,613,537</u>	<u>1,595,998</u>
Disbursements:			
General Government - Miscellaneous	<u>1,470,550</u>	<u>1,470,550</u>	<u>1,440,421</u>
Total Disbursements	<u>1,470,550</u>	<u>1,470,550</u>	<u>1,440,421</u>
Excess of Receipts Over Disbursements	<u>\$ 142,987</u>	<u>\$ 142,987</u>	<u>155,577</u>
Other Financing Sources:			
Transfers In (Out)	<u>(125,000)</u>	<u>(125,000)</u>	<u>(125,000)</u>
Excess of Receipts and Other			
Financing Sources Over Disbursements	<u>\$ 17,987</u>	<u>\$ 17,987</u>	30,577
Change for reporting on modified accrual basis:			
Change in prepaid expenses on modified accrual basis			<u>32,010</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 62,587</u>

CITY OF WOOD RIVER, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CASH BASIS)
CAPITAL IMPROVEMENTS AND DEVELOPMENT FUND
FOR THE YEAR ENDED APRIL 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Utility Tax	\$ 400,000	\$ 400,000	\$ 377,764
Telecommunications Tax	210,000	210,000	196,766
Grant Revenue	178,000	178,000	84,590
Investment Earnings	2,500	2,500	4,453
Miscellaneous	<u>30,000</u>	<u>30,000</u>	<u>833,338</u>
Total Receipts	<u>820,500</u>	<u>820,500</u>	<u>1,496,911</u>
Disbursements:			
Current:			
Public Works	406,791	406,791	253,753
Cultural and Recreational	7,500	7,500	1,760
Capital Outlay	7,320,095	7,320,095	594,121
Debt Service	<u>206,550</u>	<u>206,550</u>	<u>88,283</u>
Total Disbursements	<u>7,940,936</u>	<u>7,940,936</u>	<u>937,917</u>
Excess of Receipts Over Disbursements	<u>(7,120,436)</u>	<u>(7,120,436)</u>	<u>558,994</u>
Other Financing Sources:			
Proceeds from Debt	-	-	132,000
Transfers In (Out)	<u>(530,000)</u>	<u>(530,000)</u>	<u>(25,493)</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements	<u>\$ (7,650,436)</u>	<u>\$ (7,650,436)</u>	665,501
Change for reporting on modified accrual basis:			
Change in intergovernmental receivables on modified accrual basis			(2,253)
Change in accounts payable on modified accrual basis			6,662
Change in accounts receivable on modified accrual basis			<u>(1,698)</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 668,212</u>

CITY OF WOOD RIVER, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND
APRIL 30, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:			
Service cost	\$ 388,148	\$ 362,046	\$ 426,604
Interest	1,177,380	935,917	883,886
Differences between expected and actual experience	51,424	726,070	-
Changes in assumptions	(1,525,756)	1,592,114	-
Benefit payments, including refunds	<u>(733,203)</u>	<u>(710,916)</u>	<u>(678,095)</u>
Net change in total pension liability	(642,007)	2,905,231	632,395
Total pension liability - beginning	<u>20,154,495</u>	<u>17,249,264</u>	<u>16,616,869</u>
Total pension liability - ending	<u>\$ 19,512,488</u>	<u>\$ 20,154,495</u>	<u>\$ 17,249,264</u>
Plan Fiduciary Net Position			
Contributions - employer	517,319	475,526	453,461
Contributions - employee	118,221	150,760	112,087
Net investment income	546,117	(136,607)	394,086
Benefit payments, including refunds	(733,203)	(710,916)	(678,095)
Administrative	<u>(11,340)</u>	<u>(10,100)</u>	<u>(8,230)</u>
Net change in plan fiduciary net position	437,114	(231,337)	273,309
Plan fiduciary net position - beginning	<u>9,034,627</u>	<u>9,265,964</u>	<u>8,992,655</u>
Plan fiduciary net position - ending	<u>\$ 9,471,741</u>	<u>\$ 9,034,627</u>	<u>\$ 9,265,964</u>
Net Pension Liability	<u>\$ 10,040,747</u>	<u>\$ 11,119,868</u>	<u>\$ 7,983,300</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>48.54%</u>	<u>44.83%</u>	<u>53.72%</u>
Covered-employee payroll	<u>\$ 1,197,643</u>	<u>\$ 1,400,239</u>	<u>\$ 1,460,969</u>
Net position liability as a percentage of covered-employee payroll	<u>838.38%</u>	<u>794.14%</u>	<u>546.44%</u>

CITY OF WOOD RIVER, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTER'S PENSION FUND

APRIL 30, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:			
Service Cost	\$ 252,585	\$ 234,126	\$ 265,655
Interest	650,972	526,087	544,350
Differences between expected and actual experience	576,785	125,970	-
Changes in assumptions	(614,330)	1,116,404	-
Benefit payments, including refunds	<u>(419,368)</u>	<u>(414,806)</u>	<u>(378,187)</u>
Net change in total pension liability	446,644	1,587,781	431,818
Total pension liability - beginning	<u>11,610,237</u>	<u>10,022,456</u>	<u>9,590,638</u>
Total pension liability - ending	<u><u>\$ 12,056,881</u></u>	<u><u>\$ 11,610,237</u></u>	<u><u>\$ 10,022,456</u></u>
Plan Fiduciary Net Position			
Contributions - employer	318,511	297,756	291,031
Contributions - employee	64,591	63,298	61,367
Net investment income	346,266	(68,194)	169,570
Benefit payments, including refunds	(419,368)	(414,806)	(378,187)
Administrative	<u>(9,414)</u>	<u>(7,252)</u>	<u>(4,195)</u>
Net change in plan fiduciary net position	300,586	(129,198)	139,586
Plan fiduciary net position - beginning	<u>5,200,893</u>	<u>5,330,091</u>	<u>5,190,505</u>
Plan fiduciary net position - ending	<u><u>\$ 5,501,479</u></u>	<u><u>\$ 5,200,893</u></u>	<u><u>\$ 5,330,091</u></u>
Net Pension Liability	<u><u>\$ 6,555,402</u></u>	<u><u>\$ 6,409,344</u></u>	<u><u>\$ 4,692,365</u></u>
Plan fiduciary net position as a percentage of the total pension liability	<u>45.63%</u>	<u>44.80%</u>	<u>53.18%</u>
Covered-employee payroll	<u><u>\$ 667,640</u></u>	<u><u>\$ 826,739</u></u>	<u><u>\$ 803,173</u></u>
Net position liability as a percentage of covered-employee payroll	<u>981.88%</u>	<u>775.26%</u>	<u>584.23%</u>

CITY OF WOOD RIVER, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
APRIL 30, 2017

	<u>2016</u>	<u>2015</u>
Total Pension Liability:		
Service Cost	\$ 235,078	\$ 206,508
Interest	1,448,374	1,397,338
Difference between expected and actual experience	336,219	418,857
Assumption changes	(44,895)	21,865
Benefit payments, including refunds	<u>(1,386,852)</u>	<u>(1,316,353)</u>
Net change in total pension liability	587,924	728,215
Total pension liability - beginning	<u>19,939,182</u>	<u>19,210,967</u>
Total pension liability - ending	<u>\$ 20,527,106</u>	<u>\$ 19,939,182</u>
Plan Fiduciary Net Position		
Contributions - employer	517,451	353,931
Contributions - employee	101,995	102,016
Net investment income	1,261,868	79,482
Benefit payments, including refunds	(1,386,852)	(1,316,353)
Other	<u>193,601</u>	<u>590,567</u>
Net change in plan fiduciary net position	688,063	(190,357)
Plan fiduciary net position - beginning	<u>16,136,157</u>	<u>16,326,514</u>
Plan fiduciary net position - ending	<u>\$ 16,824,220</u>	<u>\$ 16,136,157</u>
Net Pension Liability	<u>\$ 3,702,886</u>	<u>\$ 3,803,025</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>81.96%</u>	<u>80.93%</u>
Covered-employee Payroll	<u>\$ 2,266,539</u>	<u>\$ 2,224,414</u>
Net position liability as a percentage of covered-employee payroll	<u>163.37%</u>	<u>170.97%</u>

CITY OF WOOD RIVER, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ECO FUND
APRIL 30, 2017

	<u>2016</u>	<u>2015</u>
Total Pension Liability:		
Service Cost	\$ -	\$ -
Interest	18,769	15,834
Difference between expected and actual experience	(269,024)	23,303
Assumption changes	-	-
Benefit payments, including refunds	-	-
Net change in total pension liability	<u>(250,255)</u>	<u>39,137</u>
Total pension liability - beginning	<u>250,255</u>	<u>211,118</u>
Total pension liability - ending	<u><u>\$ -</u></u>	<u><u>\$ 250,255</u></u>
Plan Fiduciary Net Position		
Contributions - employer	-	-
Contributions - employee	-	-
Net investment income	18,769	1,016
Benefit payments, including refunds	-	-
Other	<u>(269,065)</u>	<u>46,023</u>
Net change in plan fiduciary net position	<u>(250,296)</u>	<u>47,039</u>
Plan fiduciary net position - beginning	<u>250,296</u>	<u>203,257</u>
Plan fiduciary net position - ending	<u><u>\$ -</u></u>	<u><u>\$ 250,296</u></u>
Net Pension Liability	<u><u>\$ -</u></u>	<u><u>\$ (41)</u></u>
Plan fiduciary net position as a percentage of the total pension liability	<u>0.00%</u>	<u>100.02%</u>
Covered-employee Payroll	<u>\$ -</u>	<u>\$ -</u>
Net position liability as a percentage of covered-employee payroll	<u>0.00%</u>	<u>0.00%</u>

CITY OF WOOD RIVER, ILLINOIS

**SCHEDULE OF CONTRIBUTIONS
POLICE PENSION FUND
APRIL 30, 2017**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 517,404	\$ 477,414	\$ 458,124
Contributions in relation to actuarial determined contribution	<u>517,319</u>	<u>475,526</u>	<u>453,461</u>
Contribution deficiency (excess)	<u>\$ 85</u>	<u>\$ 1,888</u>	<u>\$ 4,663</u>
 Covered-employee Payroll	 <u>1,197,643</u>	 <u>1,400,239</u>	 <u>1,460,969</u>
 Contributions as a percentage of covered-employee payroll	 <u>43.19%</u>	 <u>33.96%</u>	 <u>31.04%</u>

Actuarial valuations are performed as of April 30 of each year with the related contributions to be made in the following year. Actuarial valuation date for above is April 30, 2016.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Percentage of Payroll
Remaining Amortization Period:	24 years
Asset Valuation Method:	Gains and losses recognized over a five year period
Actuarial Assumptions:	
Interest Rate	6.50%
Payroll Growth	3.25%
Inflation Rate	2.50%

CITY OF WOOD RIVER, ILLINOIS

**SCHEDULE OF CONTRIBUTIONS
FIREFIGHTER'S PENSION FUND
APRIL 30, 2017**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 318,496	\$ 299,024	\$ 294,411
Contributions in relation to actuarial determined contribution	<u>318,511</u>	<u>297,756</u>	<u>291,031</u>
Contribution deficiency (excess)	<u>\$ (15)</u>	<u>\$ 1,268</u>	<u>\$ 3,380</u>
 Covered-employee Payroll	 <u>667,640</u>	 <u>826,739</u>	 <u>803,173</u>
 Contributions as a percentage of covered-employee payroll	 <u>47.71%</u>	 <u>36.02%</u>	 <u>36.24%</u>

Actuarial valuations are performed as of April 30 of each year with the related contributions to be made in the following year. Actuarial valuation date for above is April 30, 2016.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Percentage of Payroll
Remaining Amortization Period:	24 years
Asset Valuation Method:	Gains and losses recognized over a five year period
Actuarial Assumptions:	
Interest Rate	6.00%
Payroll Growth	3.25%
Inflation Rate	2.50%

CITY OF WOOD RIVER, ILLINOIS

**SCHEDULE OF CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
APRIL 30, 2017**

	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 517,451	\$ 353,904
Contributions in relation to actuarial determined contribution	<u>517,451</u>	<u>353,931</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (27)</u>
 Covered-employee Payroll	 <u>\$ 2,266,539</u>	 <u>\$ 2,224,414</u>
 Contributions as a percentage of covered-employee payroll	 <u>22.83%</u>	 <u>15.91%</u>

Actuarial valuation date for above is December 31, 2016.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	27 years
Asset Valuation Method:	Gains and losses recognized over a five year period
Actuarial Assumptions:	
Interest Rate (current and prior)	7.50%
Wage Growth	3.50%
Price Inflation	2.75%

CITY OF WOOD RIVER, ILLINOIS

SCHEDULE OF CONTRIBUTIONS

ECO FUND

APRIL 30, 2017

	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ -	\$ -
Contributions in relation to actuarial determined contribution	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
 Covered-employee Payroll	 <u>-</u>	 <u>-</u>
 Contributions as a percentage of covered-employee payroll	 <u>0.00%</u>	 <u>0.00%</u>

Actuarial valuation date for above is December 31, 2016.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	27 years
Asset Valuation Method:	Gains and losses recognized over a five year period
Actuarial Assumptions:	
Interest Rate (current and prior)	7.50%
Wage Growth	3.50%
Price Inflation	2.75%

CITY OF WOOD RIVER, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND
APRIL 30, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	6.71%	-1.26%	4.93%

CITY OF WOOD RIVER, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTER'S PENSION FUND
APRIL 30, 2017**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	7.28%	-1.12%	3.73%

CITY OF WOOD RIVER, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
APRIL 30, 2017

	Municipal Retirement Fund	Motor Fuel Tax Fund	Library Fund	Refuse Fund	Business Park Special Allocation TIF Fund	Riverbend Business District #1 Fund	Grand View Hills TIF Fund	Recreation Fund	Total Nonmajor Special Revenue Funds
<u>Assets</u>									
Cash and Cash Equivalents	\$ 81,817	\$ 543,093	\$ 197,508	\$ 143,134	\$ 300,583	\$ 15,888	\$ 4,401	\$ 154,013	\$ 1,440,437
Receivables (Net of allowance for uncollectible):									
Property Tax	35,024	-	358,520	90,044	364,000	-	1,742	-	849,330
Intergovernmental	7,720	23,333	4,707	-	-	131,010	-	-	166,770
Accounts	-	-	-	114,316	-	-	-	-	114,316
Total Assets	<u>\$ 124,561</u>	<u>\$ 566,426</u>	<u>\$ 560,735</u>	<u>\$ 347,494</u>	<u>\$ 664,583</u>	<u>\$ 146,898</u>	<u>\$ 6,143</u>	<u>\$ 154,013</u>	<u>\$ 2,570,853</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>									
Liabilities:									
Accrued Payroll and Benefits	\$ -	\$ -	\$ 6,620	\$ 806	\$ -	\$ -	\$ -	\$ -	\$ 7,426
Accounts Payable	-	27,248	15,582	47,808	-	36,984	-	-	127,622
Total Liabilities	-	27,248	22,202	48,614	-	36,984	-	-	135,048
Deferred Inflows of Resources:									
Unearned Revenue	37,484	-	359,955	90,044	364,000	45,604	1,742	-	898,829
Fund Balances:									
Restricted	87,077	539,178	178,578	208,836	300,583	64,310	4,401	-	1,382,963
Assigned	-	-	-	-	-	-	-	154,013	154,013
Total Fund Balances	<u>87,077</u>	<u>539,178</u>	<u>178,578</u>	<u>208,836</u>	<u>300,583</u>	<u>64,310</u>	<u>4,401</u>	<u>154,013</u>	<u>1,536,976</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 124,561</u>	<u>\$ 566,426</u>	<u>\$ 560,735</u>	<u>\$ 347,494</u>	<u>\$ 664,583</u>	<u>\$ 146,898</u>	<u>\$ 6,143</u>	<u>\$ 154,013</u>	<u>\$ 2,570,853</u>

CITY OF WOOD RIVER, ILLINOIS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2017

	Municipal Retirement Fund	Motor Fuel Tax Fund	Library Fund	Refuse Fund	Business Park Special Allocation TIF Fund	Riverbend Business District #1 Fund	Grand View Hills TIF Fund	Recreation Fund	Total Nonmajor Special Revenue Funds
Property Tax	\$ 34,632	\$ -	\$ 352,968	\$ 118,771	\$ 354,973	\$ -	\$ 1,738	\$ -	\$ 863,082
Intergovernmental Revenues:									
Corporate Replacement Tax	53,756	-	32,676	-	-	-	-	-	86,432
Sales Tax	-	-	-	-	-	401,998	-	-	401,998
Motor Fuel Tax	-	270,118	-	-	-	-	-	-	270,118
Grant Revenue	-	-	8,215	-	-	-	-	2,500	10,715
Fines and Fees	-	-	4,531	-	-	-	-	-	4,531
Charges for Services	-	-	7,822	683,350	-	-	-	92,286	783,458
Investment Earnings	378	2,656	730	586	1,262	-	1	349	5,962
Miscellaneous Income	-	-	8,499	-	-	-	-	40,631	49,130
Total Revenues	<u>88,766</u>	<u>272,774</u>	<u>415,441</u>	<u>802,707</u>	<u>356,235</u>	<u>401,998</u>	<u>1,739</u>	<u>135,766</u>	<u>2,475,426</u>
Expenditures:									
Current:									
General Government	-	-	-	-	-	63,181	434	-	63,615
Public Safety	-	-	-	-	-	-	-	32,498	32,498
Public Works	-	-	-	-	50,351	-	-	-	50,351
Streets and Highways	-	77,509	-	-	-	-	-	-	77,509
Sanitation	-	-	-	590,430	-	-	-	-	590,430
Cultural and Recreational	-	-	396,845	-	-	-	-	87,045	483,890
Capital Outlay	-	96,229	102,182	-	117,675	-	-	-	316,086
Total Expenditures	<u>-</u>	<u>173,738</u>	<u>499,027</u>	<u>590,430</u>	<u>168,026</u>	<u>63,181</u>	<u>434</u>	<u>119,543</u>	<u>1,614,379</u>
Excess (Deficiency) of Revenues Over Expenditures	88,766	99,036	(83,586)	212,277	188,209	338,817	1,305	16,223	861,047
Other Financing Sources (Uses):									
Transfers Out	<u>(100,000)</u>	<u>(25,000)</u>	<u>(5,230)</u>	<u>(171,650)</u>	<u>(174,789)</u>	<u>(274,507)</u>	<u>-</u>	<u>(9,000)</u>	<u>(760,176)</u>
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>(25,000)</u>	<u>(5,230)</u>	<u>(171,650)</u>	<u>(174,789)</u>	<u>(274,507)</u>	<u>-</u>	<u>(9,000)</u>	<u>(760,176)</u>
Net Change in Fund Balances	(11,234)	74,036	(88,816)	40,627	13,420	64,310	1,305	7,223	100,871
Fund Balances at Beginning of Year	<u>98,311</u>	<u>465,142</u>	<u>267,394</u>	<u>168,209</u>	<u>287,163</u>	<u>-</u>	<u>3,096</u>	<u>146,790</u>	<u>1,436,105</u>
Fund Balances at End of Year	<u>\$ 87,077</u>	<u>\$ 539,178</u>	<u>\$ 178,578</u>	<u>\$ 208,836</u>	<u>\$ 300,583</u>	<u>\$ 64,310</u>	<u>\$ 4,401</u>	<u>\$ 154,013</u>	<u>\$ 1,536,976</u>

CITY OF WOOD RIVER, ILLINOIS

**SCHEDULE OF TAX RATES, EXTENSIONS AND COLLECTIONS
APRIL 30, 2017**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Assessed Valuation	\$ 118,323,541	\$ 117,500,934	\$ 115,582,183	\$ 117,288,987	\$ 120,677,049	\$ 126,702,506	\$ 128,894,456	\$ 114,398,405	\$ 112,863,812	\$ 108,857,377
Tax Rates:										
General	\$ 0.1260	\$ 0.1203	\$ 0.1220	\$ 0.1160	\$ 0.1127	\$ 0.1950	\$ 0.1984	\$ 0.1264	\$ 0.1852	\$ 0.1901
Retirement	0.0296	0.0298	0.0303	0.0299	0.0291	0.0277	0.0272	0.0184	0.0223	0.0230
Fire Protection	0.0423	0.0554	0.0563	0.0555	0.0539	0.0514	0.0505	0.0491	0.0498	0.0515
Fire Pension	0.2692	0.2545	0.2548	0.2873	0.2643	0.1930	0.1897	0.2224	0.1888	0.1690
Police Protection	0.0423	0.0554	0.0563	0.0555	0.0539	0.0514	0.0505	0.0491	0.0498	0.0515
Police Pension	0.4373	0.4064	0.3964	0.3895	0.3638	0.3053	0.3001	0.3494	0.2766	0.2505
Garbage	0.0761	0.1022	0.1039	0.1024	0.0995	0.0948	0.0931	0.0875	0.0887	0.0905
Audit	0.0225	0.0227	0.0229	0.0223	0.0191	0.0182	0.0179	0.0144	0.0146	0.0147
Insurance	0.2536	0.2554	0.2596	0.2558	0.2486	0.2368	0.2328	0.2404	0.2881	0.2986
Street and Bridge	0.0589	0.0593	0.0599	0.0629	0.0612	0.0572	0.0381	0.0311	0.0392	0.0873
Street Lighting	0.0296	0.0298	0.0303	0.0256	0.0249	0.0237	0.0233	0.0175	0.0204	0.0203
Playground and Recreation	0.0550	0.0554	0.0563	0.0555	0.0539	0.0514	0.0505	0.0491	0.0498	0.0515
Band	-	0.0111	0.0117	0.0105	0.0083	0.0079	0.0078	0.0078	0.0079	0.0081
Library - General	0.2424	0.2379	0.2403	0.2422	0.2467	0.2478	0.2341	0.2443	0.2516	0.2527
Library - Other	0.0606	0.0655	0.0660	0.0644	0.0619	0.0566	0.0582	0.0629	0.0596	0.0577
	<u>\$ 1.7454</u>	<u>\$ 1.7611</u>	<u>\$ 1.7670</u>	<u>\$ 1.7753</u>	<u>\$ 1.7018</u>	<u>\$ 1.6182</u>	<u>\$ 1.5722</u>	<u>\$ 1.5698</u>	<u>\$ 1.5924</u>	<u>\$ 1.6170</u>
Tax Extensions:										
General	\$ 149,088	\$ 141,353	\$ 141,010	\$ 136,055	\$ 136,003	\$ 247,070	\$ 255,727	\$ 144,599	\$ 209,024	\$ 206,938
Retirement	35,024	35,015	35,022	35,070	35,117	35,097	35,059	21,049	25,169	25,037
Fire Protection	50,051	65,096	65,073	65,095	65,045	65,125	65,092	56,170	56,206	56,062
Fire Pension	318,527	299,040	294,503	336,971	318,949	244,536	244,513	254,422	213,087	183,969
Police Protection	50,051	65,096	65,073	65,095	65,045	65,125	65,092	56,170	56,206	56,062
Police Pension	517,429	477,524	458,168	456,841	439,023	386,823	386,812	399,708	312,182	272,688
Garbage	90,044	120,086	120,090	120,104	120,074	120,114	120,001	100,098	100,110	98,516
Audit	26,623	26,673	26,468	26,156	23,049	23,060	23,072	16,473	16,478	16,002
Insurance	300,068	300,097	300,051	300,025	300,003	300,032	300,066	275,014	325,160	325,048
Street and Bridge	69,693	69,678	69,234	73,775	73,854	72,474	49,109	35,578	44,243	95,032
Street Lighting	35,024	35,015	35,021	30,026	30,049	30,028	30,032	20,020	23,024	22,098
Playground and Recreation	65,078	65,096	65,073	65,095	65,045	65,125	65,092	56,170	56,206	56,062
Band	-	13,042	13,523	12,315	10,016	10,009	10,054	8,923	8,916	8,817
Library - General	286,816	279,535	277,744	284,074	297,710	313,969	301,742	279,475	283,965	275,082
Library - Other	71,704	76,963	76,284	75,534	74,699	71,713	75,016	71,957	67,267	62,811
Total	<u>\$ 2,065,220</u>	<u>\$ 2,069,309</u>	<u>\$ 2,042,337</u>	<u>\$ 2,082,231</u>	<u>\$ 2,053,681</u>	<u>\$ 2,050,300</u>	<u>\$ 2,026,479</u>	<u>\$ 1,795,826</u>	<u>\$ 1,797,243</u>	<u>\$ 1,760,224</u>
Tax Collections	<u>\$ -</u>	<u>\$ 2,048,192</u>	<u>\$ 2,033,424</u>	<u>\$ 2,062,193</u>	<u>\$ 2,048,815</u>	<u>\$ 2,035,370</u>	<u>\$ 2,018,853</u>	<u>\$ 1,785,881</u>	<u>\$ 1,781,381</u>	<u>\$ 1,795,351</u>
Percentage Collected	<u>0.00%</u>	<u>98.98%</u>	<u>99.56%</u>	<u>99.04%</u>	<u>99.76%</u>	<u>99.27%</u>	<u>99.62%</u>	<u>99.45%</u>	<u>99.12%</u>	<u>102.00%</u>



C. J. SCHLOSSER
& COMPANY, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

David M. Bartosiak
Cindy A. Tefteller
Kevin J. Tepen

INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH TAX INCREMENT FINANCING ACT

Honorable Mayor and Members
of the City Council
Wood River, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the City of Wood River, Illinois as of and for the year ended April 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Other Matters

The management of the City of Wood River, Illinois is responsible for the government's compliance with laws and regulations. In connection with our audit, referred to above, we selected and tested transactions and records to determine the government's compliance with 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act".

The results of our tests indicate that for the items tested, the City of Wood River, Illinois, complied with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act". Nothing came to our attention that caused us to believe that, for the items not tested, the City of Wood River, Illinois was not in compliance with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act".

C. J. Schlem & Co. LLC

Certified Public Accountants

October 10, 2017