



Phillips, Salmi & Associates, LLC

Certified Public Accountants

CITY OF CANTON, ILLINOIS
ANNUAL FINANCIAL REPORT
For the year ended April 30, 2012

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Phillips, Salmi & Associates, LLC

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

To the City Council
City of Canton, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Canton, Illinois, as of and for the year ended April 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

As discussed in Note 1, except for the Pension Trust Funds financial statements, the City of Canton, Illinois, prepares its financial statements on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The City of Canton, Illinois, prepares its Pension Trust Funds financial statements on the accrual basis of accounting, which is the basis of accounting generally accepted in the United States of America.

The Pension Trust Funds did not obtain actuarial valuations for the current year due to changes in state law. Accounting principles generally accepted in the United States of America require Pension Trust Funds to disclose information from actuarial valuations that are dated within one year of the financial statement date. The amount by which this departure would affect the assets, fund balances, and revenues of the Pension Trust Funds is not reasonably determinable.

In our opinion, except for the Pension Trust Funds, 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 Canton, Illinois as of April 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with the basis of accounting described in Note 1. In our opinion, except for the effects of not obtaining current actuarial valuations, the Pension Trust Funds financial statements present fairly, in all material respects, the assets, liabilities, and net assets of the City of Canton, Illinois' Pension Trust Funds as of April 30, 2012, and the respective changes in net assets, thereof, for the year ended, in conformity with generally accepted accounting principles.



CITY OF CANTON, ILLINOIS
STATEMENT OF NET ASSETS - MODIFIED CASH BASIS
April 30, 2012

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 4,466,772	\$ 550,668	\$ 5,017,440
Investments	428,061	-	428,061
Restricted assets	-	4,709,399	4,709,399
Due from other governments	10,954	-	10,954
Internal Balances	469,749	(469,749)	-
Economic development loans receivable	22,757	-	22,757
Capital Assets:			
Non-depreciable	112,191	4,213,353	4,325,544
Depreciable, net	8,073,676	31,941,368	40,015,044
Total Assets	\$ 13,584,160	\$ 40,945,039	\$ 54,529,199
<u>LIABILITIES</u>			
Payroll liabilities payable	\$ 6,213	\$ 900	\$ 7,113
Current portion of bonds and loans payable	40,000	1,465,579	1,505,579
Non-Current Liabilities:			
Bonds payable after one year	-	18,595,000	18,595,000
Unamortized premium on bonds payable	-	46,110	46,110
Loans due after one year	7,040,000	1,724,945	8,764,945
Total Liabilities	7,086,213	21,832,534	28,918,747
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	-	17,505,267	17,505,267
Restricted for:			
System improvements	-	2,897,891	2,897,891
Debt service	-	932,782	932,782
Operations and maintenance	-	284,289	284,289
Repair and replacement	-	178,785	178,785
Perpetual care and maintenance	-	415,652	415,652
Special police expenditures	93,360	-	93,360
Workers compensation insurance	34,404	-	34,404
Redevelopment	2,588,310	-	2,588,310
Retirement	21,433	-	21,433
Motor Fuel Tax	672,307	-	672,307
Housing	18,317	-	18,317
Small business loans	80,326	-	80,326
Capital projects	293,570	-	293,570
Unrestricted (deficit)	2,695,920	(3,102,161)	(406,241)
Total Net Assets	6,497,947	19,112,505	25,610,452
	\$ 13,584,160	\$ 40,945,039	\$ 54,529,199

See Notes to Financial Statments.

CITY OF CANTON, ILLINOIS
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
YEAR ENDED APRIL 30, 2012

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities				
General government	\$ 2,442,574	\$ 98,677	\$ -	\$ -
Public safety	4,837,476	44,794	13,026	368
Public works	971,758	145,090	40,161	66,391
Community development	1,203,738	-	3,225	765,160
Buildings and grounds	190,609	-	-	-
Sanitation	544,355	499,600	-	-
Interest on long-term debt	121,100	-	-	-
Total governmental activities	10,311,610	788,161	56,412	831,919
Business-type activities:				
Water and sewer utilities	5,564,740	5,537,386	-	-
Cemetery operations	119,624	85,061	-	-
Total business-type activities	5,684,364	5,622,447	-	-
Total primary government	\$ 15,995,974	\$ 6,410,608	\$ 56,412	\$ 831,919
General Revenues				
Local taxes				
State taxes and allotments				
Interest and investment income				
Miscellaneous				
Gain on sale of fixed assets				
Transfers in (out)				
Total general revenues, special items and transfers				
Change in net assets				
Net assets - beginning				
Net assets - ending				

See Notes to Financial Statements.

**Net (Expense) Revenue and Changes
in Net Assets - Primary Government**

Governmental Activities	Business-type Activities	Total
\$ (2,343,897)	\$ -	\$ (2,343,897)
(4,779,288)	-	(4,779,288)
(720,116)	-	(720,116)
(435,353)	-	(435,353)
(190,609)	-	(190,609)
(44,755)	-	(44,755)
(121,100)	-	(121,100)
<u>(8,635,118)</u>	<u>-</u>	<u>(8,635,118)</u>
-	(27,354)	(27,354)
-	(34,563)	(34,563)
<u>-</u>	<u>(61,917)</u>	<u>(61,917)</u>
(8,635,118)	(61,917)	(8,697,035)
3,717,295	-	3,717,295
4,332,602	-	4,332,602
23,522	25,022	48,544
323,681	-	323,681
31,632	-	31,632
(136,786)	136,786	-
<u>8,291,946</u>	<u>161,808</u>	<u>8,453,754</u>
(343,172)	99,891	(243,281)
<u>6,841,119</u>	<u>19,012,614</u>	<u>25,853,733</u>
<u>\$ 6,497,947</u>	<u>\$ 19,112,505</u>	<u>\$ 25,610,452</u>

See Notes to Financial Statements.

CITY OF CANTON, ILLINOIS
STATEMENT OF ASSETS, LIABILITIES, AND FUND EQUITY
MODIFIED CASH BASIS - GOVERNMENTAL FUND TYPES
April 30, 2012

	General	Canton 1 Tax Increment Financing District	3rd Avenue Grants
<u>ASSETS</u>			
Cash and cash equivalents	\$ 857,789	\$ 2,482,030	\$ 46,023
Investments	428,061	-	-
D.C.C.A. loans receivable	-	-	-
Due from other governments	9,842	1,112	-
Due from other funds	1,352,034	928,007	-
Total assets	<u>\$ 2,647,726</u>	<u>\$ 3,411,149</u>	<u>\$ 46,023</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Current liabilities:			
Due to other funds	\$ 618,348	\$ 822,839	\$ 928,007
Payroll taxes withheld	3,548	-	-
Total current liabilities	<u>621,896</u>	<u>822,839</u>	<u>928,007</u>
Fund equity:			
Fund balances:			
Restricted for:			
Special police expenditures	1,700	-	-
Workers compensation insurance	34,404	-	-
Redevelopment	-	2,588,310	-
Retirement	-	-	-
Motor Fuel Tax	-	-	-
Housing	-	-	-
Small business loans	-	-	-
Capital projects	-	-	-
Assigned for:			
Garbage expenditures	229,676	-	-
Tourism promotion expenditures	48,806	-	-
Special police expenditures	10,245	-	-
Fire technical rescue fund expenditures	15,798	-	-
Working cash	-	-	-
Unassigned	1,685,201	-	(881,984)
Total fund balances	<u>2,025,830</u>	<u>2,588,310</u>	<u>(881,984)</u>
Total liabilities & fund balances	<u>\$ 2,647,726</u>	<u>\$ 3,411,149</u>	<u>\$ 46,023</u>

See Notes to Financial Statements.

Other Governmental Funds	Total Governmental Funds
\$ 1,080,930	\$ 4,466,772
-	428,061
22,757	22,757
-	10,954
641,781	2,921,822
<u>\$ 1,745,468</u>	<u>\$ 7,850,366</u>
\$ 82,879	\$ 2,452,073
2,665	6,213
<u>85,544</u>	<u>2,458,286</u>
91,660	93,360
-	34,404
-	2,588,310
21,433	21,433
672,307	672,307
18,317	18,317
80,326	80,326
293,570	293,570
-	229,676
-	48,806
-	10,245
-	15,798
561,136	561,136
(78,825)	724,392
<u>1,659,924</u>	<u>5,392,080</u>
<u>\$ 1,745,468</u>	<u>\$ 7,850,366</u>

See Notes to Financial Statements.

CITY OF CANTON, ILLINOIS
RECONCILIATION OF THE STATEMENT OF ASSETS, LIABILITIES,
AND FUND EQUITY - MODIFIED CASH BASIS - GOVERNMENTAL FUND
TO THE STATEMENT OF NET ASSETS
April 30, 2012

Total fund balance - total governmental funds	
Amounts reported for <i>governmental activities</i> in the statement of net assets are different because:	\$ 5,392,080
Capital assets of \$12,350,185 net of accumulated depreciation of \$4,164,318 are not financial resources and, therefore, are not reported in the funds.	8,185,867
Long-term liabilities are not due and payable in the current period and are not reported in the funds.	<u>(7,080,000)</u>
Net assets of governmental activities	<u><u>\$ 6,497,947</u></u>

See Notes to Financial Statements.

CITY OF CANTON, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURE, AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
Year ended April 30, 2012

	<u>General</u>	<u>Canton 1 Tax Increment Financing District</u>	<u>3rd Avenue Grants</u>
<u>REVENUES RECEIVED</u>			
Local taxes	\$ 2,624,312	\$ 507,135	\$ -
Intergovernmental	3,954,875	93,750	227,138
Licenses and permits	98,696	-	-
Fines	86,081	-	-
Charges for services	544,375	-	-
Interest	18,093	769	-
Franchise fees	145,090	-	-
Other	100,498	58,961	-
	<u>7,572,020</u>	<u>660,615</u>	<u>227,138</u>
<u>EXPENDITURES DISBURSED</u>			
General government	1,744,518	-	-
Buildings and grounds	188,583	-	-
Public safety	4,666,355	-	-
Public works/transportation	752,586	-	-
Sanitation	508,978	-	-
Community development	-	441,273	-
Capital outlay	158,362	687,651	753,924
Debt service:			
Principal	40,000	-	-
Interest	1,100	120,000	-
	<u>8,060,482</u>	<u>1,248,924</u>	<u>753,924</u>
Revenues received over (under) expenditures disbursed before other financing sources (uses)	(488,462)	(588,309)	(526,786)
<u>OTHER FINANCING SOURCES (USES)</u>			
Debt proceeds	-	7,000,000	-
Debt refunded	-	(4,000,000)	-
Debt issuance costs	-	(216,055)	-
Proceeds from sale of equipment	31,938	-	-
Operating transfers in	-	-	-
Operating transfers out	(55,679)	(128,072)	-
	<u>(23,741)</u>	<u>2,655,873</u>	<u>-</u>
Change in fund balance	(512,203)	2,067,564	(526,786)
FUND BALANCE, beginning	<u>2,538,033</u>	<u>520,746</u>	<u>(355,198)</u>
FUND BALANCE, ending	<u><u>\$ 2,025,830</u></u>	<u><u>\$ 2,588,310</u></u>	<u><u>\$ (881,984)</u></u>

See Notes to Financial Statements.

Other Governmental Funds	Total Governmental Funds
\$ 585,848	\$ 3,717,295
940,945	5,216,708
-	98,696
82,097	168,178
-	544,375
4,660	23,522
-	145,090
269	159,728
<u>1,613,819</u>	<u>10,073,592</u>
641,778	2,386,296
-	188,583
20,137	4,686,492
9,985	762,571
-	508,978
528,891	970,164
605,712	2,205,649
-	40,000
-	121,100
<u>1,806,503</u>	<u>11,869,833</u>
(192,684)	(1,796,241)
-	7,000,000
-	(4,000,000)
-	(216,055)
-	31,938
46,965	46,965
-	(183,751)
<u>46,965</u>	<u>2,679,097</u>
(145,719)	882,856
<u>1,805,643</u>	<u>4,509,224</u>
<u>\$ 1,659,924</u>	<u>\$ 5,392,080</u>

See Notes to Financial Statements.

CITY OF CANTON, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS -
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
April 30, 2012

Net change in fund balances - total governmental funds	\$ 882,856
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated lives and reported as depreciation expense. This is the amount by which capital outlay of \$2,205,649 exceeded depreciation of \$471,371 in the current period.	1,734,278
Losses on disposal of capital assets are not reported in governmental funds.	(306)
The proceeds of debt issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which debt proceeds of \$7,000,000 exceeded repayments of \$4,040,000.	<u>(2,960,000)</u>
Change in net assets of governmental activities	<u>\$ (343,172)</u>

See Notes to Financial Statements.

CITY OF CANTON, ILLINOIS
STATEMENT OF NET ASSETS - MODIFIED CASH BASIS -
PROPRIETARY FUNDS
April 30, 2012

	<u>Water & Sewer</u>	<u>Cemetery</u>	<u>Total</u>
<u>ASSETS</u>			
Unrestricted current assets:			
Cash and cash equivalents	\$ 472,515	\$ 78,153	\$ 550,668
Restricted current assets:			
Cash and cash equivalents	3,158,224	315,652	3,473,876
Investments	1,135,523	100,000	1,235,523
Total restricted current assets	4,293,747	415,652	4,709,399
Total current assets	4,766,262	493,805	5,260,067
Capital assets, net of accumulated depreciation	36,103,999	50,722	36,154,721
Total assets	<u>\$ 40,870,261</u>	<u>\$ 544,527</u>	<u>\$ 41,414,788</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Current liabilities (payable from current assets):			
Payroll taxes payable	\$ -	\$ 900	\$ 900
Due to other funds	469,540	209	469,749
Current portion of long-term liabilities	1,465,579	-	1,465,579
Total	1,935,119	1,109	1,936,228
Long-term liabilities:			
Illinois EPA loan payable	1,724,945	-	1,724,945
Revenue bonds payable	18,595,000	-	18,595,000
Unamortized premium on bonds payable	46,110	-	46,110
Total long-term liabilities, net of current portion	20,366,055	-	20,366,055
Total liabilities	22,301,174	1,109	22,302,283
Fund equity:			
Net assets:			
Invested in capital assets net of related debt	17,454,545	50,722	17,505,267
Restricted for:			
System improvements	2,897,891	-	2,897,891
Debt Service	932,782	-	932,782
Operation and maintenance	284,289	-	284,289
Repair and replacement	178,785	-	178,785
Perpetual care and maintenance	-	415,652	415,652
Unrestricted	(3,179,205)	77,044	(3,102,161)
Total fund equity	18,569,087	543,418	19,112,505
Total liabilities and fund equity	<u>\$ 40,870,261</u>	<u>\$ 544,527</u>	<u>\$ 41,414,788</u>

See Notes to Financial Statements.

CITY OF CANTON, ILLINOIS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS -
MODIFIED CASH BASIS - PROPRIETARY FUNDS
Year ended April 30, 2012

	<u>Water & Sewer Fund</u>	<u>Cemetery Fund</u>	<u>Total Enterprise Funds</u>
<u>OPERATING REVENUES</u>			
Charges for service and sales	\$ 5,482,884	\$ 84,855	\$ 5,567,739
Other income	<u>54,502</u>	<u>206</u>	<u>54,708</u>
Total operating revenues	<u>5,537,386</u>	<u>85,061</u>	<u>5,622,447</u>
<u>OPERATING EXPENSES</u>			
Operations and maintenance	3,136,794	111,132	3,247,926
Depreciation	<u>1,340,186</u>	<u>8,492</u>	<u>1,348,678</u>
Total operating expenses	<u>4,476,980</u>	<u>119,624</u>	<u>4,596,604</u>
Operating income (loss)	<u>1,060,406</u>	<u>(34,563)</u>	<u>1,025,843</u>
<u>NONOPERATING REVENUE & EXPENSES</u>			
Interest income	22,237	2,785	25,022
Interest expense	<u>(1,087,760)</u>	<u>-</u>	<u>(1,087,760)</u>
	<u>(1,065,523)</u>	<u>2,785</u>	<u>(1,062,738)</u>
Net loss before transfers	(5,117)	(31,778)	(36,895)
<u>OTHER FINANCING SOURCES</u>			
Operating transfers in	<u>81,107</u>	<u>55,679</u>	<u>136,786</u>
Change in net assets	75,990	23,901	99,891
NET ASSETS, beginning	<u>18,493,097</u>	<u>519,517</u>	<u>19,012,614</u>
NET ASSETS, ending	<u><u>\$ 18,569,087</u></u>	<u><u>\$ 543,418</u></u>	<u><u>\$ 19,112,505</u></u>

See Notes to Financial Statements.

CITY OF CANTON, ILLINOIS
STATEMENT OF CASH FLOWS -
MODIFIED CASH BASIS - PROPRIETARY FUNDS
Year ended April 30, 2012

	<u>Water & Sewer</u>	<u>Cemetery Fund</u>	<u>Total Enterprise Funds</u>
<u>Cash flows from operating activities:</u>			
Cash received from customers	\$ 5,537,386	\$ 85,061	\$ 5,622,447
Cash payments to suppliers for goods & services	(1,850,068)	(25,819)	(1,875,887)
Cash payments to employees for services	(1,286,726)	(85,316)	(1,372,042)
Net cash provided by (applied to) operating activities	<u>2,400,592</u>	<u>(26,074)</u>	<u>2,374,518</u>
<u>Cash flows from noncapital financing activities:</u>			
Operating transfers in	81,107	55,679	136,786
Receipt/(repayment) of loans from other funds	123,182	(39)	123,143
Net cash provided by noncapital financing activities	<u>204,289</u>	<u>55,640</u>	<u>259,929</u>
<u>Cash flows from capital and related financing activities:</u>			
Principal paid on IL EPA loan	(151,156)	-	(151,156)
Principal paid on Alt. Rev. Source bonds	(1,245,000)	-	(1,245,000)
Interest paid	(1,087,760)	-	(1,087,760)
Property and equipment purchases	(2,790,343)	(2,195)	(2,792,538)
Net cash applied to capital and related financing activities	<u>(5,274,259)</u>	<u>(2,195)</u>	<u>(5,276,454)</u>
<u>Cash flows from investing activities:</u>			
Interest income received	18,341	2,785	21,126
Redemption (purchase) of investments	(10,710)	95,000	84,290
Net cash provided by investing activities	<u>7,631</u>	<u>97,785</u>	<u>105,416</u>
Net increase (decrease) in cash and cash equivalents	(2,661,747)	125,156	(2,536,591)
Cash and cash equivalents - beginning of year	<u>6,292,486</u>	<u>268,649</u>	<u>6,561,135</u>
Cash and cash equivalents - end of year	<u><u>\$ 3,630,739</u></u>	<u><u>\$ 393,805</u></u>	<u><u>\$ 4,024,544</u></u>

See Notes to Financial Statements.

CITY OF CANTON, ILLINOIS
STATEMENT OF CASH FLOWS
MODIFIED CASH BASIS - PROPRIETARY FUNDS
Year ended April 30, 2012

	<u>Water & Sewer Fund</u>	<u>Cemetery Fund</u>	<u>Total Enterprise Funds</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (APPLIED TO) OPERATING ACTIVITIES:			
Operating income (loss)	\$ 1,060,406	\$ (34,563)	\$ 1,025,843
Adjustments to reconcile operating income (loss) to net cash provided (applied to) operating activities:			
Depreciation	1,340,186	8,492	1,348,678
Change in assets and liabilities:			
Increase (decrease) in other liabilities	<u>-</u>	<u>(3)</u>	<u>(3)</u>
Net cash provided by (applied to) operating activities	<u><u>\$ 2,400,592</u></u>	<u><u>\$ (26,074)</u></u>	<u><u>\$ 2,374,518</u></u>

**PRESENTATION OF CASH AND CASH
EQUIVALENTS ON THE STATEMENT OF NET
ASSETS PROPRIETARY FUNDS**

	<u>Water & Sewer Fund</u>	<u>Cemetery Fund</u>	<u>Total Enterprise Funds</u>
Cash and cash equivalents	\$ 472,515	\$ 78,153	\$ 550,668
Restricted cash and cash equivalents	<u>3,158,224</u>	<u>315,652</u>	<u>3,473,876</u>
Cash and cash equivalents at end of year	<u><u>\$ 3,630,739</u></u>	<u><u>\$ 393,805</u></u>	<u><u>\$ 4,024,544</u></u>

See Notes to Financial Statements.

CITY OF CANTON, ILLINOIS
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
April 30, 2012

	Police Pension Trust Fund	Fire Pension Trust Funds	Total Pension Trust Funds	Private Purpose Trust Fund
<u>ASSETS</u>				
Cash and short-term investments	\$ 420,657	\$ 293,922	\$ 714,579	\$ 14,709
Receivables				
Employer	283,313	483,975	767,288	-
Interest and other	39,935	25,230	65,165	-
Total receivables	323,248	509,205	832,453	-
Investments, at fair value	12,257,570	5,590,657	17,848,227	-
Total assets	<u>\$ 13,001,475</u>	<u>\$ 6,393,784</u>	<u>\$ 19,395,259</u>	<u>\$ 14,709</u>

**NET ASSETS HELD IN TRUST FOR PENSION
BENEFITS AND OTHER PURPOSES**

(A Schedule of funding progress for
each pension plan is presented
on page 49)

<u>\$ 13,001,475</u>	<u>\$ 6,393,784</u>	<u>\$ 19,395,259</u>	<u>\$ 14,709</u>
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See Notes to Financial Statements.

CITY OF CANTON, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
Year ended April 30, 2012

	Police Pension Trust Fund	Fire Pension Trust Fund	Total Pension Trust Funds	Private Purpose Trust Fund
<u>ADDITIONS</u>				
Contributions				
Employer	\$ 314,144	\$ 540,952	\$ 855,096	\$ -
Plan member	124,045	89,763	213,808	-
Total contributions	<u>438,189</u>	<u>630,715</u>	<u>1,068,904</u>	<u>-</u>
Investment income				
Net appreciation (depreciation) in fair value of investments	(355,051)	81,321	(273,730)	-
Interest income	190,728	109,913	300,641	8
Dividend income	156,541	55,428	211,969	-
	<u>(7,782)</u>	<u>246,662</u>	<u>238,880</u>	<u>8</u>
Total additions	<u>430,407</u>	<u>877,377</u>	<u>1,307,784</u>	<u>8</u>
<u>DEDUCTIONS</u>				
Benefits	654,467	771,717	1,426,184	-
Administrative expense	89,002	40,057	129,059	-
Total deductions	<u>743,469</u>	<u>811,774</u>	<u>1,555,243</u>	<u>-</u>
NET INCREASE (DECREASE)	(313,062)	65,603	(247,459)	8
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS AND OTHER PURPOSES				
Beginning of year	<u>13,314,537</u>	<u>6,328,181</u>	<u>19,642,718</u>	<u>14,701</u>
End of year	<u>\$ 13,001,475</u>	<u>\$ 6,393,784</u>	<u>\$ 19,395,259</u>	<u>\$ 14,709</u>

See Notes to Financial Statements.



CITY OF CANTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2012

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Canton, Illinois is a non home-rule unit and operates under a Mayor-Aldermanic Form of government. The City provides the following services to its citizens: general government, public safety (police and fire), streets, sanitation, cemetery, economic development and water and sewer utilities.

A. FINANCIAL REPORTING ENTITY AND BASIS OF PRESENTATION

1. FINANCIAL REPORTING ENTITY

Financial criteria set forth in GASB Statement No. 14, The Financial Reporting Entity, have been reviewed to determine whether outside agencies with activities, which benefit the citizens of the City, should be included within its financial reporting entity. The criteria include, whether the City exercises significant oversight responsibility on the agencies' selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of public service, and special financing relationships. It has been determined that no other outside agency meets the above criteria, and therefore, no other agency has been included as component unit in the City's financial statements.

The accounts of the Parlin-Ingersoll Library are excluded from the accompanying financial statements because the City does not fund the Library and the Library's board of trustees controls operations. Although the Mayor appoints the trustees, the City does not exercise any other form of control over library operations, thus the Library has not been included in these statements.

2. BASIS OF PRESENTATION – GOVERNMENT – WIDE FINANCIAL STATEMENTS

The Statement of Net Assets and Statement of Activities display information about the City government as a whole. They include all funds of the City except for the fiduciary funds that are reported in separate statements. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

3. BASIS OF PRESENTATION – FUND FINANCIAL STATEMENTS

Fund financial statements of the City are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. Major individual governmental and proprietary funds are reported in separate columns with composite columns for other non-major funds. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

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

The funds of the City are described as follows:

Governmental Fund Types:

General Fund

The General Fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds. The General Fund includes the City's General Fund, Liability Insurance Fund, Unemployment Compensation Fund, Worker's Compensation Fund, Firework's Fund, Tourism Fund, Fire Technical Rescue Fund, Volunteer Worker Fund, Big Toot Fund, and Prism Fund.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of the specific revenue sources that are either legally restricted to expenditures for specified purposes or designated to finance particular functions or activities of the City. The reporting entity includes the following special revenue funds, which are reported as non-major funds with the exception of the Canton 1 Tax Increment Financing District:

<u>Fund</u>	<u>Brief Description</u>
Working Cash Fund	Accounts for assets legally restricted for providing short-term working cash loans to other funds.
Civil Defense Fund	Accounts for real estate taxes legally restricted for providing Civil Defense activities to the public.

Illinois Municipal Retirement/ Social Security	Accounts for real estate taxes legally restricted for Social Security Fund and providing retirement benefits to employees.
Motor Fuel Tax	Accounts for motor fuel taxes legally restricted for street and alley improvements.
Canton 1 Tax Increment Financing District	Accounts for revenues legally restricted for development projects within the designated tax increment financing project area.
Canton 2 Tax Increment Financing District	Accounts for revenues legally restricted for development projects within the designated tax increment financing project area.
4A Tax Increment Financing District	Accounts for revenues legally restricted for development projects within the designated tax increment financing project area.
Audit Fund	Accounts for real estate taxes legally restricted for obtaining required annual financial statement audit services.
Drug Prevention Fund	Accounts for fine and forfeiture revenues designated for prevention and awareness activities.
DUI Fund	Accounts for the fine revenues designated for capital expenditures.
Gambling Fund	Accounts for proceeds of pull-tab and gaming taxes designated for public safety services.
CDAP Flex Grant Fund	Accounts for the grant revenues received for local business building exterior improvements.
IHDA HOME Grant Fund	Accounts for the grant revenues received for local residential remodeling projects.
DCCA Loan Fund	Accounts for grant revenues legally restricted for making economic development loans to businesses and other organizations.

Capital Projects Funds

Account for the financial resources used for the acquisition or construction of major capital facilities, property development, and environmental assessment and remediation, other than those financed by the enterprise funds. The reporting entity includes the following capital project funds which are reported as non-major funds, with the exception of the 3rd Avenue Grants:

<u>Fund</u>	<u>Brief Description</u>
Illinois Brownfield Grant	Accounts for federal pass-through grant revenue restricted for environmental assessment and remediation projects of the former International Harvester Project Site.
USEPA Brownfield Grant	Accounts for federal grant revenue restricted for environmental assessment and remediation projects at the former International Harvester Project Site.
IT&EC Environmental Remediation Fund	Accounts for settlement proceeds restricted for remediation activities at the former International Harvester Project Site.
3 rd Avenue Grants	Accounts for the 3 rd Avenue grant proceeds and expenditures.

Proprietary Fund Types:

Enterprise Funds

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

<u>Fund</u>	<u>Brief Description</u>
Water Works and Sewer Fund	Accounts for the providing of public water and waste water treatment services as well as lake recreational activities.
Cemetery Fund	Accounts for the activities of operating and maintaining Greenwood Cemetery.

Fiduciary Fund Types:

Trust and Agency Funds

Account for assets held by the City in a trustee capacity of as an agent for individuals, private organizations or other governments. These include the police and fire pension trust funds, and the private purpose trust fund. The Private Purpose trust fund includes the Orendorf Fence and Hildebrand Trust which stipulate that only income from amounts donated can be spent for cemetery maintenance expenditures. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations. The City does not have an agency fund.

B. MEASUREMENT FOCUS

Measurement focus is a term used to describe “how” transactions are recorded within the various financial statements.

In the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined in item “C” below. Internal activity (transactions between or within funds) are reclassified and eliminated with the government-wide statements. Reimbursements are reported as a reduction of expenses.

In the fund financial statements, the “current financial resources” measurement focus as applied to the modified cash basis of accounting:

- a. The governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable resources at the end of the period.
- b. The proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent, financial, or nonfinancial) associated with their activities are reported. Proprietary fund equity is classified as net assets.
- c. The Pension Trust Funds financial statements are prepared using economic resources measurement focus and the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

C. BASIS OF ACCOUNTING

Basis of accounting is a term to describe "when" transactions are recorded in the financial statements.

In the government-wide Statement of Net Assets and Statement of Activities and the fund financial statement, governmental and business-like activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, net assets/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for depreciation in the government-wide statements, and the proprietary fund statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as water deposits, accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in these financial statements.

As a result of the use of this modified cash basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements as applicable to modified cash basis reporting. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, as applicable to modified cash basis reporting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

D. CASH AND CASH EQUIVALENTS

Cash from certain City funds is invested in time deposits with an original maturity of three months or more when purchased. These accounts are classified as investments and are recorded at cost.

For purposes of the statement of cash flows, the Enterprise Funds consider all highly liquid investments (including restricted assets) with maturity of three months or less when purchased to be cash equivalents. Certificates of deposits are considered cash equivalents if the original maturity is three months or less.

Illinois Funds, a money market mutual fund created by the Illinois State Legislature and controlled by the Illinois State Treasurer, is reported at a \$1 per share value, which equals the City's fair value in the pool.

E. INVESTMENTS

Investments are comprised of non-negotiable certificates of deposit, money market mutual funds, insurance contracts, and U.S. government obligations and mutual funds, which are owned by the Pension Trust Funds and the Enterprise Fund, are reported at fair value. Fair value is based on published prices on major exchanges as of April 30, 2012.

F. CAPITAL ASSETS

1. GOVERNMENT-WIDE FINANCIAL STATEMENTS – CAPITAL ASSETS

In the government-wide financial statements, capital assets arising from cash transactions are accounted for as assets in the Statement of Net Assets. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable. Estimated historical cost was used to value the majority of the assets acquired prior to May 1, 2004. Prior to May 1, 2004, governmental funds' infrastructure assets were not capitalized. Infrastructure assets acquired since May 1, 2004, are recorded at cost.

Depreciation of all exhaustible capital assets arising from cash transactions is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful live using the straight-line method of depreciation. A capitalization threshold of \$5,000 is used to record all capital assets. The range of the estimated useful lives by type of asset is as follows:

Buildings	40 years
Improvements other than building	20 years
Machinery, furniture, and equipment	5-12 years
Utility property and improvements	15-25 years
Infrastructure	40 years

2. FUND FINANCIAL STATEMENTS – CAPITAL ASSETS

In the fund financial statements, capital assets arising from cash transactions acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets acquired for use in proprietary fund operations are accounted for the same as in the government-wide statements.

G. LONG-TERM DEBT

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

Long-term debt arising from cash basis transactions of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as the treatment in the government-wide statements.

H. EQUITY CLASSIFICATION

Equity is classified as net assets in the government-wide statements, and is displayed in three components:

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

Government fund equity is classified as fund balance in the fund financial statements, and proprietary fund equity is classified the same as in the government-wide statements.

I. PROGRAM REVENUES

In the Statement of Activities, modified cash basis revenues that are derived directly from each activity or from parties outside the City’s taxpayers are reported as program revenues. The City has the following program revenues, if any, in each activity:

General Government	Fees, permits and hall rentals.
Public Safety	Contract with schools.
Public Works	Charges for maintenance services.
Community Development	Grant funded capital projects.
Sanitation	Garbage service fees.

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

J. OPERATING REVENUE AND EXPENSES

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

K. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES

In the process of aggregating the financial information for the government-wide Statement of Net Assets and Statement of Activities, some amounts reported as interfund activity, if any, and balances in the fund financial statements have been eliminated or reclassified.

Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

1. Interfund loans – Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
2. Interfund services – Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
3. Interfund reimbursements – Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid from them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund transfers – Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

1. Internal balances – Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the Statement of Net Assets, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
2. Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

L. FUND BALANCE

Governmental fund equity is classified as fund balance. The components of fund balance are:

- Non-spendable – consists of resources that cannot be spent because of their form.
- Restricted – consists of resources which have limitations imposed by enabling legislation and limitations imposed by creditors, grantors, or contributors.
- Committed – consists of resources which have limitations imposed by the governing board through formal action.
- Assigned – consists of resources which have limitations resulting from intended use.
- Unassigned – consists of the residual net resources of a fund.

The City's assigned fund balance is reporting authorized by the City Council.

The City's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. If different levels of unrestricted funds are available for spending, the City considers committed funds to be expended first followed by assigned and, lastly unassigned funds.

M. ACCOUNTING ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues collected, expenditures paid, and other changes in fund equity during the reporting period. Actual results could differ from those estimates.

NOTE 2. TAX LEVIES AND COLLECTIONS

Property taxes attach as an enforceable lien on property as of January 1: The City adopted its 2011 tax levy on December 6, 2011. The City must submit its tax levy to the county clerk on or before the last Tuesday in December. The county clerk extends the amount called for under the respective funds and within the constraints of each fund's maximum tax rate. The county treasurer normally mails property tax bills to the taxpayers during May of the following year.

The bills are due in early June and September by the county treasurer who remits the tax collected in June, July, August, September and November to the City. As of April 30, 2012, the City had received all of its 2010 levy and none of its 2011 levy.

Following is a schedule of tax rates by fund for the 2011 levy per \$100 of equalized assessed valuation:

Fund	Rate	Maximum Allowable Rate
Governmental Fund Types:		
Corporate	.0175	.2500
Fire Protection	.1430	.1500
Police Protection	.0735	.0750
Civil Defense	.0032	.0500
I.M.R.F.	.2891	
Social Security	.1968	
Liability Insurance	.1850	
Audit	.0240	
Workman's Compensation	.2168	
Proprietary Fund:		
Cemetery Fund	.0231	.0250
Fiduciary Fund Type:		
Fire Pension	.4298	
Police Pension	.2516	
	<u>1.8534</u>	

The City also receives road and bridge property taxes. However, these taxes are levied by Canton and Buckheart Townships.

NOTE 3. CASH AND INVESTMENTS

Investment risks include: credit risk (custodial credit risk and concentrations of credit risk), interest rate risk, and foreign currency risk. Deposit risks include: custodial credit risk and foreign currency risk.

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's deposit policy provides that all deposits be guaranteed by the U.S. government, insured by the Federal Deposit Insurance Corporation (FDIC), or fully collateralized with securities held by the City or its agent in the City's name or by its counterparty's trust department or agent in the City's name.

The City's cash and cash equivalents at April 30, 2012 consisted of deposits with financial institutions and the Illinois Funds Money Market Fund. The Illinois Funds have a credit rating of AAAM, by an independent rating agency, indicating a strong capacity to maintain principal stability and to limit exposure to principal losses due to credit, market, and liquidity risks. The monies invested in the Illinois Funds by the individual participants are pooled together and invested in U.S. Treasury bills and notes backed by the full faith and credit of the U.S. Treasury. In addition, monies are invested in fully collateralized time deposits in Illinois financial institutions, in collateralized repurchase agreements, and in treasury mutual funds that invest in U.S. Treasury obligations and collateralized repurchase agreements.

At April 30, 2012, all the City's deposits, excluding cash on hand, were covered by federal depository insurance, by collateral held by the financial institution's trust department or agent in the City's name, or invested in Illinois Funds Money Market Fund.

Investments

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

Type of Investment	Fair Value/ Carrying Amount	Average Credit Quality/ Ratings (1)	Weighted Average Years to Maturity (2)
Primary Government			
Certificates of deposit	\$ 1,663,584	N/A	0.33
Fiduciary Funds			
Certificates of deposit	\$ 242,368	N/A	3.50
State & Local government	359,838	N/A	2.22
U.S. Government obligations and agency securities	7,540,067	N/A	5.17
Annuities	687,864	N/A	N/A
Common stock	2,829,016	N/A	N/A
Mutual funds	6,176,444	N/A	N/A
Total Fiduciary Investments	<u>\$ 17,835,597</u>		

(1) Ratings are provided where applicable to indicate associated credit risk. N/A indicates not applicable. Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk.

(2) Interest rate risk is estimated using the weighted average years to maturity method.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investing for the Fiduciary Fund is performed in accordance with investment policies adopted by the Board of Trustees complying with Illinois Compiled Statutes. Funds shall be invested as per Illinois Pension Code Section 3-135 and by the Public Funds Investment Act (20 ILCS 235/01).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Fund's policy provides that investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer, or an individual class of securities while the Fund maintains sufficient liquidity. Investment guidelines have been established for monies invested to meet approximate market rates of return on its investments, consistent with constraints established by its safety objectives, cash flow considerations, and Illinois State laws that restrict the placement of public funds.

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities in the possession of an outside party. The City's policy provides that investments be diversified or collateralized to avoid incurring unreasonable risks regarding specific security types and/or financial institutions. Investments are insured by FDIC insurance or collateralized with securities held by the City or its agent in the City's name.

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. Investments representing 5% or more of total investments at April 30, 2012 are as follows:

Bank of Farmington Certificates of Deposit	\$1,663,584
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NOTE 4. CAPITAL ASSETS

Capital assets activity, resulting from modified cash basis transactions, for the year ended April 30, 2012, is as follows:

	Ending Balance 4/30/2011	Additions	Deletions	Ending Balance 4/30/2012
Governmental Activities:				
Non-Depreciable Assets:				
Land	\$ 35,000	\$ -	\$ -	\$ 35,000
Work in progress	443,431	-	366,240	77,191
Depreciable Assets:				
Buildings & Infrastructure	5,941,984	2,467,463	-	8,409,447
Equipment	1,212,985	63,150	8,889	1,267,246
Motor Vehicles	2,553,923	41,275	33,897	2,561,301
	<u>10,187,323</u>	<u>2,571,888</u>	<u>409,026</u>	<u>12,350,185</u>
Accumulated depreciation				
Buildings & Infrastructure	878,541	229,999	-	1,108,540
Equipment	792,863	102,704	8,889	886,678
Motor Vehicles	2,064,024	138,668	33,592	2,169,100
	<u>3,735,428</u>	<u>471,371</u>	<u>42,481</u>	<u>4,164,318</u>
Governmental activities capital assets, net	<u>\$ 6,451,895</u>	<u>\$ 2,100,517</u>	<u>\$ 366,545</u>	<u>\$ 8,185,867</u>

Business-Type Activities:

	Ending Balance 4/30/2011	Additions	Deletions	Ending Balance 4/30/2012
<u>Greenwood Cemetery Fund</u>				
Mowers and equipment	\$ 102,615	\$ 2,195	\$ -	\$ 104,810
Vehicle	15,266	-	-	15,266
Fence	1,097	-	-	1,097
Building	43,685	-	-	43,685
Land improvements	9,532	-	-	9,532
	172,195	2,195	-	174,390
Accumulated depreciation	115,176	8,492	-	123,668
<u>Greenwood Cemetery Fund</u>				
Capital Assets, net	57,019	(6,297)	-	50,722
<u>Water & Sewer Fund</u>				
Water plant	9,363,159	13,843,859	148,644	23,058,374
Sewer plant	15,303,559	3,405,549	-	18,709,108
Water extensions	1,308,818	140,107	-	1,448,925
Sewer extensions	4,164,964	181,645	-	4,346,609
Office equipment	8,362	-	-	8,362
Water equipment	879,123	38,189	5,494	911,818
Sewer equipment	675,009	67,221	2,735	739,495
Work in progress	19,099,580	936,552	15,822,779	4,213,353
	50,802,574	18,613,122	15,979,652	53,436,044
Accumulated depreciation	16,148,732	1,340,186	156,873	17,332,045
<u>Water and Sewer Fund</u>				
Capital Assets, net	34,653,842	17,272,936	15,822,779	36,103,999
Total business-type activity capital asset, net	<u>\$34,710,861</u>	<u>\$17,266,639</u>	<u>\$ 15,822,779</u>	<u>\$36,154,721</u>

Depreciation expenses were charged to governmental functions:

General Government	\$ 56,278
Buildings and Grounds	2,026
Public Safety	150,984
Public Works	209,187
Community Development	17,519
Sanitation	35,377
Total	<u>\$ 471,371</u>

NOTE 5. LONG-TERM DEBT**Governmental Activities Long-term Debt:**

The City's governmental activities long-term debt as of April 30, 2012, consisted of the following:

1.0% Rural Development Loan:

On December 31, 1991, the City borrowed \$880,000 to finance certain development costs. Principal and interest on the loan, at a rate of 1.0% per year is payable in semi-annual installments on June 30 and December 30 of each year until maturity on December 31, 2013. The annual debt service requirements on this loan, to maturity, are as follows:

<u>Year Ending 4/30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 40,000	\$ 700	\$ 40,700
2014	40,000	300	40,300
	<u>\$ 80,000</u>	<u>\$ 1,000</u>	<u>\$ 81,000</u>

General Obligation Debt Certificates:

During 2012, the City issued \$7,000,000 Debt Certificates, Series 2011. This issuance is to finance various municipal improvements and to refund the outstanding balance on the 2009 debt certificate. Interest rates vary based on maturity and range from 3% to 4.625%. The debt service requirements on these debt certificates are as follows:

<u>Year Ending 4/30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ -	\$ 291,012	\$ 291,012
2014	100,000	280,118	380,118
2015	230,000	277,118	507,118
2016	255,000	267,918	522,918
2017	275,000	258,356	533,356
2018	315,000	248,732	563,732
2019	345,000	239,282	584,282
2020	370,000	228,586	598,586
2021	400,000	216,192	616,192
2022	425,000	201,792	626,792
2023	460,000	185,854	645,854
2024	495,000	167,684	662,684
2025	530,000	147,389	677,389
2026	605,000	124,864	729,864
2027	680,000	99,150	779,150
2028	730,000	70,252	800,252
2029	785,000	36,306	821,306
	<u>\$ 7,000,000</u>	<u>\$ 3,340,605</u>	<u>\$ 10,340,605</u>

Business-type Activities Long-term Debt:

The City's business-type activities long-term debt as of April 30, 2012, consisted of the following:

Illinois EPA Loan:

In connection with a waterworks and sewer system maintenance project the City borrowed \$3,012,062 on an Illinois EPA Construction loan, including \$84,002 of construction period interest. The loan is payable in semi-annual installments of \$104,543 including interest at a rate of 2.93%, due February 28 and August 28 of each year. The final payment is due August 28, 2022.

The debt service requirements to maturity, on this loan, are as follows:

Year(s) ended 4/30	Principal	Interest	Total
2013	\$ 155,579	\$ 53,507	\$ 209,086
2014	160,131	48,955	209,086
2015	164,817	44,269	209,086
2016	169,639	39,447	209,086
2017	174,603	34,283	208,886
2018	179,712	29,374	209,086
2019	184,971	24,115	209,086
2020	190,383	18,703	209,086
2021	195,954	13,132	209,086
2022	201,688	7,398	209,086
2023	103,047	1,505	104,552
	<u>\$ 1,880,524</u>	<u>\$ 314,688</u>	<u>\$ 2,195,212</u>

General Obligations Bonds (Alternate Revenue Source):

On October 1, 2005 the City issued \$26,430,000 of General Obligation bonds (alternate revenue source) in connection with water and sewer system improvements. Principal on the bonds is payable in annual installments ranging from \$550,000 to \$2,145,000 due December 1. Interest on the bonds is payable semi-annually on June 1 and December 1, at rates ranging from 3.10% to 5.00%. The bonds mature on December 1, 2023. In connection with the issuance the City received \$70,000 in premiums on the bond issue. This premium is being amortized on a straight-line basis over the life of the bonds. The unamortized premium on the bond issue at April 30, 2012, was \$46,110.

The General Obligation Refunding Bonds and the General Obligation Bonds bond ordinances stipulate that monies held in the water and sewer fund shall be aggregated and restricted to separate reserve accounts in the priority indicated by the order of the following:

Account	Amount	Expenditures
System Improvements	2005 G.O. Alternate Bond proceeds plus interest earned on invested proceeds net of allowable project costs.	Paying of costs of Water and Sewer plant and system improvements.
Operations and Maintenance	Monthly amounts sufficient to pay current operations and maintenance expenses.	Paying of operations and maintenance expenses.
Depreciation	Monthly deposits as deemed necessary.	Cost of extraordinary repairs and placements to the existing system.
Surplus	All remaining money after the deposits to the Operations and Depreciation accounts.	Paying of bond principal and interest maturities, repairs and replacements and deficiencies to accounts listed above.

The debt service requirements to maturity, on this bond, are as follows:

Year(s) ended 4/30	Principal	Interest	Total
2013	\$ 1,310,000	\$ 967,580	\$ 2,277,580
2014	1,375,000	902,080	2,277,080
2015	1,445,000	833,330	2,278,330
2016	1,515,000	761,080	2,276,080
2017	1,590,000	685,330	2,275,330
2018	1,670,000	620,140	2,290,140
2019	1,735,000	550,000	2,285,000
2020	1,805,000	463,250	2,268,250
2021	1,880,000	373,000	2,253,000
2022	1,960,000	279,000	2,239,000
2023	2,145,000	181,000	2,326,000
2024	1,475,000	73,750	1,548,750
	<u>\$ 19,905,000</u>	<u>\$ 6,689,540</u>	<u>\$ 26,594,540</u>

Changes in Long-Term Debt:

The following is a summary of the changes in each type of long-term debt during the year ended April 30, 2012:

	Balance April 30, 2011	Additions	Reductions	Balance April 30, 2012	Amounts Due within One Year
Changes in governmental activities Long-Term Debt:					
Contracts and loans payable:					
2009 Debt Certificate	\$ 4,000,000	\$ -	\$ 4,000,000	\$ -	\$ -
Rural Development loan	120,000	-	40,000	80,000	40,000
2011 Debt Certificate	-	7,000,000	-	7,000,000	-
Total long-term debt, governmental activities	\$ 4,120,000	\$7,000,000	\$4,040,000	\$ 7,080,000	\$ 40,000
Changes in business-type activities Long-Term Debt:					
IL EPA loan	\$ 2,031,680	\$ -	\$ 151,156	\$ 1,880,524	\$ 155,579
General obligation bonds (alternate revenue source)	21,150,000	-	1,245,000	19,905,000	1,310,000
Total long-term debt business-type activities	\$ 23,181,680	\$ -	\$1,396,156	\$ 21,785,524	\$ 1,465,579

NOTE 6. DEFICIT FUND BALANCES

The following City funds have a deficit fund/equity balance as of April 30, 2012.

3 rd Avenue Grants	\$881,948
Civil Defense	79,240
Audit	129

NOTE 7.**RISK MANAGEMENT**

The City has joined together with other local governments in Illinois to form the Municipal Insurance Cooperative Agency (MICA). MICA is a public entity risk pool operating a common risk management and insurance program for its member government. MICA maintains self-insured retention limits of \$150,000 for property claims, \$200,000 limit on liability claims, \$400,000 limit on worker's compensation claims, and a \$50,000 limit on crime claims. In addition, MICA maintains a \$2,000,000 reinsurance contract for total loss aggregate of \$10,500,000. The City pays an annual premium to MICA based upon the City's share of liability exposure and prior experience within the pool to cover potential claims to the total loss aggregate. Amounts paid into the pool in excess of claims for any coverage year are rebated back to members in subsequent periods. The City records such rebates as miscellaneous revenue in the Risk Management Fund in the year in which they are received.

NOTE 8.**DEFINED BENEFIT PENSION PLANS****Illinois Municipal Retirement Fund (IMRF)**

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 City's employer plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, the City's plan members are required to contribute 4.50 percent of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2011 used by the employer was 11.40 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2011 was 12.90 percent of annual covered payroll. The City 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.

Annual Pension Cost. For calendar year ending December 31, 2011, the City's annual pension cost was \$386,459 for the Regular plan. Its required contribution was \$437,308.

TREND INFORMATION

Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/11	\$437,308	88%	\$-
12/31/10	420,419	80	-
12/31/09	309,052	100	-

The required contribution for 2011 was determined as part of the December 31, 2009, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually.

The actuarial value of plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at the December 31, 2009, valuation was 30 years.

Funded Status and Funding Progress. As of December 31, 2011, the most recent actuarial valuation date, the Regular plan was 66.67% funded. The actuarial accrued liability for benefits was \$9,473,027 and the actuarial value of assets was \$6,315,286, resulting in an underfunded actuarial accrued liability (UAAL) of \$3,157,741. The covered payroll for calendar year 2011 (annual payroll of active employees covered by the plan) was \$3,389,988 and the ratio of the UAAL to the covered payroll was 93%.

The schedule of the fund progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Police Pension Fund

Plan Description:

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan and which is administered by a board of trustees appointed by the Mayor and elected by pension members. The plan issues a stand-alone financial report that is filed with the Illinois Department of Insurance. A copy of the report may be obtained from the City. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (40ILCS 5/3) and may be amended only by the Illinois legislature. The city accounts for the plan as a pension trust fund.

At April 30, 2010, the Police Pension Plan membership consisted of:

Retirees and Beneficiaries currently Receiving Benefits	16
Terminated Employees Entitles to Benefits but not yet Receiving Them	<u>2</u>
	18
Current Employees	<u>23</u>
Total	<u><u>41</u></u>

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, and 1% of such salary for each additional year of service over 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

The monthly pension of a police officer who is retired with 20 or more years of service after January 1, 1977 shall be increases annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% simple interest annually thereafter.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaved covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The city is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary.

Annual Pension Cost and Net Pension Obligation – The City's annual pension cost of \$293,312 was equal to the previous year's required and actual contribution. The City did not obtain an actuarial valuation for the year ending April 30, 2012. The City based the current year contribution based on the previous year's actuarial valuation using the entry age normal cost funding method. The actuarial assumption included (a) 7.0% investment rate of return and (b) projected salary increases of 5.5%. Both (a) and (b) included an inflation component of 3% and post-retirement benefit increases of 3%. The actuarial value of plan assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period.

The Police Pension Fund's unfunded actuarial liability is being amortized as a level percentage of projected payroll. The remaining amortization period at April 30, 2010, is 23.1699 years.

Annual Pension Cost and Net Pension Obligation -- The City's annual pension cost and net pension obligation to the Police Pension Fund for fiscal year ended April 30, 2011 were:

Annual required contributions	\$293,312
Interest on net pension obligations	-
Adjustments to annual required contribution	-
Annual pension cost	293,312
Annual contributions made	313,027
Decrease in net pension obligation	(19,715)
Net pension obligation, beginning of year	2,669
Net pension obligation, end of year	<u>\$ 17,046</u>

<u>Three-Year Trend Information</u>			
<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2012	N/A	N/A	N/A
2011	\$293,312	100.0	\$ -
2010	342,743	99.2	2,669

As of April 30, 2010, the most recent actuarial valuation date, the Police Pension Plan was 87.7% funded. The actuarial accrued liability for benefits was \$13,925,954 and the actuarial value of assets was \$12,216,346, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,709,608. The covered payroll (annual payroll of active employees covered by the plan) was \$1,214,589 and the ratio of the UAAL to the covered payroll was 140.76%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Fire Pension Fund

Plan Description

Fire sworn personnel are covered by the Fire Pension Plan which is a defined benefit single-employer pension plan and which is administered by a board of trustees appointed by the Mayor and elected by pension members. The Plan issues a stand-alone financial report that is filed with the Illinois Department of Insurance. A copy of the report may be obtained from the City. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois Compiled Statutes (401ILCS 5/4) and may be amended only by the Illinois legislature. The city accounts for the plan as pension trust fund. At April 30, 2010, the Fire Pension Plan membership consisted of:

Retirees and Beneficiaries currently Receiving Benefits	18	
Terminated Employees Entitles to Benefits but not yet Receiving Them	-	
	18	
Current Employees	17	
Total		<u>35</u>

The Fire Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one-twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977, shall be increases 3% annually.

Covered employees are required to contribute 9.455% of their salary to the Fire Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. The City funded 99.6% of its 2010 actuarially calculated contribution of \$541,145. The Fire Pension Fund's unfunded actuarial liability is being amortized as a level percentage of projected payroll. The remaining amortization period at April 30, 2010, is 23.1699 years.

Annual Pension Cost and Net Pension Obligation – The City's annual pension cost and net pension obligation to the Firefighters' Pension Plan for the prior year were as follows:

Annual required contributions	\$541,145
Interest on net pension obligations	-
Adjustments to annual required contribution	-
Annual pension cost	<u>541,145</u>
Annual contributions made	<u>539,185</u>
Increase in net pension obligation	1,960
Net pension obligation, beginning of year	<u>25,721</u>
Net pension obligation, end of year	<u>\$ 27,681</u>

The City did not obtain an actuarial valuation for the year ending April 30, 2012. The City based the current year contribution based on the previous year's actuarial valuation using the entry age normal cost funding method. The actuarial assumption included (a) 7.0% investment rate of return and (b) projected salary increases of 5.5%. Both (a) and (b) included an inflation component of 3% and post-retirement benefit increases of 3%. The actuarial value of plan assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period.

Fiscal Year Ended	Three-Year Trend Information		
	Annual	Percentage	
	Pension Cost (APC)	of APC Contributed	Net Pension Obligation
2012	N/A	N/A	N/A
2011	\$541,145	99.6%	\$27,681
2010	515,255	99.0	25,721

As of April 30, 2010, the most recent actuarial valuation date, the Fire Pension Plan was 46.6% funded. The actuarial accrued liability for benefits was \$12,583,152 and the actuarial value of assets was \$5,864,602, resulting in an underfunded actuarial accrued liability (UAAL) of \$6,718,550. The covered payroll (annual payroll of active employees covered by the plan) was \$933,420 and the ratio of the UAAL to the covered payroll was 719.78%

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Police and Fire Pension Funds

A. Summary of the Plan's Significant Accounting Policies and Asset Matters

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when dues and payable in accordance with the terms of each plan.

Method Used to Value Investments

Investments are reported at fair value on the financial statements. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at a current exchange rates. For actuarial calculation purposes investments in the U.S. Government and Agency obligations are valued at amortized cost.

NOTE 9. VACATION, SICK PAY & PERSONAL DAYS BENEFITS

Accumulated unpaid vacation, sick pay and personal day benefits for all City employees that have not been accrued on the financial statements total \$837,127.

NOTE 10. INTERFUND BALANCES AND TRANSACTIONS

The following schedule reports interfund receivables and payables:

Amount	Due to Other Funds	Due from Other Funds
\$ 151	Special Revenue Fund: D.C.C.A.	Special Revenue Fund: Canton 1 TIF
515,688	Special Revenue Fund: Working Cash	General Fund
102,660	Special Revenue Fund: Motor Fuel Tax	General Fund
802,916	General Fund	Special Revenue Fund: Canton 1 TIF
928,007	Special Revenue Fund: Canton 1 TIF	Capital Projects Fund: 3 rd Avenue Grants
79,240	General Fund	Special Revenue Fund: Civil Defense
129	General Fund	Special Revenue Fund: Audit
209	General Fund	Enterprise Fund: Cemetery
1,751	Capital Projects Fund: IT & EC Environmental Escrow	Capital Projects Fund: USEPA Brownfield Grant
469,540	General Fund	Enterprise Fund: Water and Sewer
1,759	Special Revenue Fund: DUI	Special Revenue Fund: Drug Prevention

NOTE 11. COMMITMENT/SUBSEQUENT EVENTS

As of April 30, 2012, the City had approved and was committed to pay for the following significant projects:

- \$25,000 contract for 3rd Avenue extension, contract balance of \$15,000;
- \$1,549,000 contract for UV disinfection, contract balance of \$301,991;
- \$229,321 contract for chlorination, contract balance of \$4,586;
- \$4,320 contract for police squad room workstations, contract balance of \$4,320

Pursuant to the Brownfields Cooperative Agreement between the Illinois Environmental Protection Agency and the City, the City is required to repay a portion of the grant funds received due to the City selling a portion of the land under the agreement within 15 years of the date of the agreement. Total grant proceeds were \$425,000. The agreement specifies the City will repay a negotiated amount greater than 0% but not more than 80% of the proceeds received. Negotiations between the City and the Illinois Environmental Protection Agency are underway however no estimate of the potential liability can be reasonably estimated.

The City has evaluated subsequent events through October 15, 2012, the date which the financial statements were available to be issued.

NOTE 12. CONTINGENCIES

LITIGATION

The City is the defendant in several claims and lawsuits. Based on information of the City's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

NOTE 13. POST-EMPLOYMENT HEALTH CARE BENEFITS

In addition to the pension benefits described in Note 9, the City provides post-retirement hospital, health, life, and dental insurance coverage to retired employees in accordance with personnel policy or union contract. The portion of insurance coverage paid by the City varies depending on whether the employee was union or nonunion, the personnel policy in effect at the date of retirement, and the retiree's length of service. Generally, the City pays 100% of the retiree's insurance and a portion or all of the retiree's dependent coverage until the retiree reaches age 65. At age 65, the insurance coverage is terminated and the retiree can then make application to Medicare at his own expense. Retired employees are eligible for this coverage only if they also qualify for pension benefits under the Police, Fire, or IMRF pension fund.

As of December 31, 2010, the most recent actuarial valuation date, the City's actuarial accrued liability (AAL) and the unfunded actuarial accrued liability (UAAL) for post-employment health care benefits equals \$9,755,741. The \$9,755,741 unfunded actuarial accrued liability (UAAL) is comprised of \$5,554,258 for active employees and \$4,201,483 for retirees. Because the City is on a pay-as-you-go basis and does not have a fund set aside in an irrevocable trust for post-employment health care benefits, the \$9,755,741 unfunded actuarial accrued liability (UAAL) is equal to the \$9,755,741 actuarial accrued liability (AAL) less no assets set aside in an irrevocable trust. Based on a 25-year amortization of the UAAL, the annual required contribution (ARC) needed to fully fund the UAAL equals \$808,630.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CANTON, ILLINOIS
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
GENERAL FUND
Year ended April 30, 2012

	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE) VARIANCE FROM FINAL BUDGET
<u>Resources (inflows):</u>				
Local taxes:				
Property taxes	\$ 1,516,999	\$ 1,516,999	\$ 1,518,957	\$ 1,958
Utility tax	725,000	725,000	731,224	6,224
Telecommunications tax	369,000	369,000	332,640	(36,360)
Hotel/Motel taxes	50,000	50,000	41,491	(8,509)
Total local taxes	2,660,999	2,660,999	2,624,312	(36,687)
Intergovernmental:				
Sales tax	2,953,000	2,953,000	2,764,646	(188,354)
Income tax	1,299,000	1,299,000	1,070,458	(228,542)
Replacement tax	250,000	250,000	67,216	(182,784)
State reimbursements & grants	6,530	6,530	12,026	5,496
Federal grants	-	-	40,529	40,529
Total intergovernmental	4,508,530	4,508,530	3,954,875	(553,655)
Other:				
License and permits	83,000	83,000	98,696	15,696
Franchise fees	135,000	135,000	145,090	10,090
Fines and forfeitures	76,000	76,000	86,081	10,081
Charges for services	475,000	475,000	544,375	69,375
Donations	5,000	5,000	4,225	(775)
Interest income	55,000	55,000	18,093	(36,907)
Miscellaneous	109,800	109,800	96,273	(13,527)
Total other	938,800	938,800	992,833	54,033
Total resources (inflows)	8,108,329	8,108,329	7,572,020	(536,309)

CITY OF CANTON, ILLINOIS
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
GENERAL FUND (Continued)
Year ended April 30, 2012

	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE) VARIANCE FROM FINAL BUDGET
<u>Charges to expenditures (outflows):</u>				
General government:				
Salaries and benefits	\$ 662,964	\$ 662,964	\$ 691,876	\$ (28,912)
Supplies	22,200	22,200	20,793	1,407
Contractual services	703,067	829,781	885,159	(55,378)
Other charges and services	245,769	254,919	146,690	108,229
Capital outlay	25,000	105,000	66,979	38,021
Total general government	1,659,000	1,874,864	1,811,497	63,367
Public safety:				
Police:				
Salaries and benefits	2,564,132	2,564,132	2,494,782	69,350
Supplies	118,940	118,940	115,371	3,569
Contractual services	114,933	114,933	76,072	38,861
Capital outlay	48,900	48,900	41,275	7,625
Total police	2,846,905	2,846,905	2,727,500	119,405
Fire:				
Salaries and benefits	1,888,293	1,888,293	1,831,581	56,712
Supplies	54,648	54,648	63,652	(9,004)
Contractual services	92,793	92,793	84,897	7,896
Capital outlay	24,800	24,800	-	24,800
Total fire	2,060,534	2,060,534	1,980,130	80,404
Public Works/Transportation:				
Streets:				
Salaries and benefits	445,030	445,030	454,791	(9,761)
Supplies	163,150	163,150	171,558	(8,408)
Contractual services	170,550	170,550	126,237	44,313
Capital outlay	55,000	55,000	30,800	24,200
Total public works/ transportation	833,730	833,730	783,386	50,344

CITY OF CANTON, ILLINOIS
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
GENERAL FUND (Continued)
Year ended April 30, 2012

	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE) VARIANCE FROM FINAL BUDGET
Buildings and Grounds:				
Salaries and benefits	\$ 110,951	\$ 148,335	\$ 146,903	\$ 1,432
Supplies	26,320	26,320	26,960	(640)
Contractual services	12,400	12,400	14,720	(2,320)
Capital outlay	17,200	17,200	19,308	(2,108)
Total buildings and grounds	166,871	204,255	207,891	(3,636)
Sanitation:				
Salaries and benefits	258,577	258,577	260,893	(2,316)
Supplies	71,090	71,090	76,458	(5,368)
Contractual services	232,830	232,830	171,627	61,203
Capital outlay	135,000	135,000	-	135,000
Total sanitation	697,497	697,497	508,978	188,519
Debt Service:				
Principal	-	-	40,000	(40,000)
Interest expense	-	-	1,100	(1,100)
Total debt service	-	-	41,100	(41,100)
Other financing (sources) uses:				
Proceeds from sale of equipment	-	-	(31,938)	31,938
Operating transfers out:	-	-	55,679	(55,679)
Total other financing (sources) uses	-	-	23,741	(23,741)
Total charges to expenditures	8,264,537	8,517,785	8,084,223	433,562
BUDGETARY FUND				
BALANCE, ENDING	\$ (156,208)	\$ (409,456)	\$ (512,203)	\$ (969,871)

CITY OF CANTON, ILLINOIS
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS -
CANTON 1 TAX INCREMENT FINANCING DISTRICT FUND
Year ended April 30, 2012

	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE) VARIANCE FROM FINAL BUDGET
<u>REVENUES RECEIVED</u>				
Local taxes	\$ 400,000	\$ 400,000	\$ 507,135	\$ 107,135
Intergovernmental	-	-	93,750	93,750
Interest	4,000	4,000	769	(3,231)
Other	-	-	58,961	58,961
	<u>404,000</u>	<u>404,000</u>	<u>660,615</u>	<u>256,615</u>
<u>EXPENDITURES DISBURSED</u>				
Community development	6,868,334	6,868,334	441,273	6,427,061
Capital outlay	-	-	687,651	(687,651)
Debt service:				
Interest	-	-	120,000	(120,000)
	<u>6,868,334</u>	<u>6,868,334</u>	<u>1,248,924</u>	<u>5,619,410</u>
Revenues received over (under) expenditures disbursed before other financing sources (uses)	<u>\$ (6,464,334)</u>	<u>\$ (6,464,334)</u>	<u>\$ (588,309)</u>	<u>\$ 5,876,025</u>

CITY OF CANTON, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
ILLINOIS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2011	\$ 6,315,286	\$ 9,473,027	\$ 3,157,741	66.67%	\$ 3,389,988	93.15%
12/31/2010	6,500,155	8,884,651	2,384,496	73.16%	3,158,668	75.49%
12/31/2009	6,139,966	8,287,868	2,147,902	74.08%	3,143,967	68.32%

On a market value basis, the actuarial value of assets as of December 31, 2011, is \$5,959,143.

On a market value basis, the funded ratio would be 62.91%.

CITY OF CANTON, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
POLICE AND FIRE PENSION FUNDS

POLICE PENSION FUND

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liab. (AAL) - Entry Age	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2)-(1)	(5) Covered Payroll	(6) UAAL as a % of Covered Payroll (4)/(5)
4/30/2009	\$ 10,393,481	\$ 13,314,929	78.06%	\$ 2,921,448	\$ 1,201,736	243.10%
4/30/2010	12,216,346	13,925,954	87.72%	1,709,608	1,214,589	140.76%
4/30/2011	N/A	N/A	N/A	N/A	N/A	N/A

FIRE PENSION FUND

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liab. (AAL) - Entry Age	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2)-(1)	(5) Covered Payroll	(6) UAAL as a % of Covered Payroll (4)/(5)
4/30/2009	\$ 5,217,208	\$ 12,003,562	43.46%	\$ 6,786,354	\$ 828,499	819.11%
4/30/2010	5,864,602	12,583,152	46.61%	6,718,550	933,420	719.78%
4/30/2011	N/A	N/A	N/A	N/A	N/A	N/A

CITY OF CANTON, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
APRIL 30, 2012

NOTE 1. BUDGET ORDINANCE

ANNUAL BUDGET

In conformity with Illinois State law, the City adopts an annual cash basis budget ordinance in lieu of an appropriation ordinance during the first quarter of its fiscal year. A certified copy of the budget ordinance, along with an estimate of anticipated annual revenue for the period covering the budget ordinance, is required to be filed with the County Clerk within thirty days of its adoption. In accordance with governmental accounting standards the City's budget ordinance and related estimated revenues serve as its appropriate budget for the purpose of presenting budgetary comparison information for the fiscal year.

The City cannot legally overspend its budget ordinance. The budget ordinance must be published or posted within ten days after it is passed. The budget ordinance does not take effect until ten days after it is published or posted. The City adopted its budget ordinance on April 19, 2011.

The budget ordinance must be itemized and specific as to what will be needed. The budget ordinance sets a limit on expenditures thus actual expenditures cannot exceed the budgeted amount. Bond, special assessments and motor fuel tax funds are exempted from the budget process. If the City overspends its budget then any such expenditure shall be null and void and no money should be paid. The level of control (level at which expenditures may not exceed budget) is the Fund. The City did not exceed its budgeted expenditures.

The City may adopt an amended budget ordinance at any time during the fiscal year in an amount not in excess of any additional revenue that becomes available to the City. The City may also transfer budget items within departments if approved by 2/3 vote of the council. Finally, the budget ordinance may be amended by 2/3 vote if a situation arises that requires additional expenditures. The City amended its budget ordinance on April 17, 2012.

OTHER SUPPLEMENTARY INFORMATION

CITY OF CANTON, ILLNOIS
COMBINING STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES -
MODIFIED CASH BASIS -
NON-MAJOR GOVERNMENTAL FUNDS
April 30, 2012

	Total Non-Major Special Revenue Funds	Total Non- Major Capital Project Funds	Total Non-Major Governmental Funds
<u>ASSETS</u>			
Cash	\$ 807,132	\$ 273,798	\$ 1,080,930
Due from other funds	620,258	21,523	641,781
DCCA loans receivable	22,757	-	22,757
Total assets	<u>\$ 1,450,147</u>	<u>\$ 295,321</u>	<u>\$ 1,745,468</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Due to other funds	\$ 81,128	\$ 1,751	\$ 82,879
Payroll taxes	2,665	-	2,665
Total liabilities	<u>83,793</u>	<u>1,751</u>	<u>85,544</u>
Fund balances (deficit):			
Restricted	884,043	293,570	1,177,613
Assigned	561,136	-	561,136
Unassigned	(78,825)	-	(78,825)
Total fund balances (deficit)	<u>1,366,354</u>	<u>293,570</u>	<u>1,659,924</u>
Total liabilities & fund balances (deficit)	<u>\$ 1,450,147</u>	<u>\$ 295,321</u>	<u>\$ 1,745,468</u>

CITY OF CANTON, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - MODIFIED CASH BASIS - NON-MAJOR GOVERNMENTAL FUNDS
Year ended April 30, 2012

	Total Non-Major Special Revenue Funds	Total Non-Major Capital Project Funds	Total Non-Major Governmental Funds
<u>REVENUES</u>			
Local taxes:			
Property taxes	\$ 585,848	\$ -	\$ 585,848
Intergovernmental:			
Motor fuel taxes	371,941	-	371,941
Replacement taxes	55,109	-	55,109
Pull tab & jar games tax	3,232	-	3,232
Grant proceeds	510,663	-	510,663
Fines and forfeitures	82,097	-	82,097
Interest	4,643	17	4,660
Other	269	-	269
	<hr/>	<hr/>	<hr/>
Total revenues	1,613,802	17	1,613,819
	<hr/>	<hr/>	<hr/>
<u>EXPENDITURES</u>			
General governmental	641,778	-	641,778
Public safety			
Civil defense	1,195	-	1,195
Law enforcement	18,942	-	18,942
Capital outlay	32,350	-	32,350
Public works/transportation:			
Streets & sidewalks	9,985	-	9,985
Capital outlay	573,362	-	573,362
Community development:			
Other	528,391	500	528,891
	<hr/>	<hr/>	<hr/>
Total expenditures	1,806,003	500	1,806,503
	<hr/>	<hr/>	<hr/>
Revenue received over (under) expenditures	(192,201)	(483)	(192,684)
Other financing sources (uses):			
Operating transfers in (out)	46,965	-	46,965
	<hr/>	<hr/>	<hr/>
Revenue received and other financing sources over (under) expenditures disbursed and other financing uses	(145,236)	(483)	(145,719)
	<hr/>	<hr/>	<hr/>
Fund balance, beginning	1,511,590	294,053	1,805,643
	<hr/>	<hr/>	<hr/>
Fund balance, ending	<u>\$ 1,366,354</u>	<u>\$ 293,570</u>	<u>\$ 1,659,924</u>

CITY OF CANTON, ILLINOIS
COMBINING STATEMENT OF ASSETS, LIABILITES, AND FUND BALANCES -
MODIFIED CASH BASIS - NON-MAJOR SPECIAL REVENUE FUNDS
April 30, 2012

	SPECIAL REVENUE FUNDS					
	Working	Civil	Illinois Municipal Retirement Fund/Social Security	Motor Fuel Tax	Audit	Drug Prevention
	Cash	Defense				
<u>ASSETS</u>						
Cash	\$ 45,448	\$ -	\$ 24,098	\$ 569,647	\$ -	\$ 87,499
Due from general fund	515,688	-	-	102,660	-	-
Due from drug prevention fund	-	-	-	-	-	-
DCCA loans receivable	-	-	-	-	-	-
Total assets	<u>\$ 561,136</u>	<u>\$ -</u>	<u>\$ 24,098</u>	<u>\$ 672,307</u>	<u>\$ -</u>	<u>\$ 87,499</u>
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Due to general fund	\$ -	\$ 79,240	\$ -	\$ -	\$ 129	\$ -
Due to DUI fund	-	-	-	-	-	1,759
Payroll taxes	-	-	2,665	-	-	-
Total liabilities	<u>-</u>	<u>79,240</u>	<u>2,665</u>	<u>-</u>	<u>129</u>	<u>1,759</u>
Fund Balances (deficit):						
Restricted	-	-	21,433	672,307	-	85,740
Assigned	561,136	-	-	-	-	-
Unassigned	-	(79,240)	-	-	(129)	-
Total fund balances	<u>561,136</u>	<u>(79,240)</u>	<u>21,433</u>	<u>672,307</u>	<u>(129)</u>	<u>85,740</u>
Total liabilities & fund balances (deficit)	<u>\$ 561,136</u>	<u>\$ -</u>	<u>\$ 24,098</u>	<u>\$ 672,307</u>	<u>\$ -</u>	<u>\$ 87,499</u>

DUI Fund	Gambling	CDAP Housing Grant	DCCA Loan Fund	Total Non- Major Special Revenue Funds
\$ 4,161	\$ 544	\$ 18,317	57,418	\$ 807,132
-	-	-	151	618,499
1,759	-	-	-	1,759
-	-	-	22,757	22,757
<u>\$ 5,920</u>	<u>\$ 544</u>	<u>\$ 18,317</u>	<u>\$ 80,326</u>	<u>\$ 1,450,147</u>
\$ -	\$ -	\$ -	\$ -	\$ 79,369
-	-	-	-	1,759
-	-	-	-	2,665
-	-	-	-	83,793
5,920	-	18,317	80,326	884,043
-	-	-	-	561,136
-	544	-	-	(78,825)
<u>5,920</u>	<u>544</u>	<u>18,317</u>	<u>80,326</u>	<u>1,366,354</u>
<u>\$ 5,920</u>	<u>\$ 544</u>	<u>\$ 18,317</u>	<u>\$ 80,326</u>	<u>\$ 1,450,147</u>

CITY OF CANTON, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - MODIFIED CASH BASIS - NON-MAJOR SPECIAL REVENUE FUNDS
For the year ended April 30, 2012

	SPECIAL REVENUE FUNDS					
			Illinois Municipal Retirement Fund/Social Security	Motor Fuel Tax	4A Tax Increment Financing District	Canton 2 Tax Increment Financing District
<u>REVENUES</u>	Working Cash	Civil Defense				
Property taxes	\$ -	\$ 3,722	\$ 519,827	\$ -	\$ 35,236	\$ -
Intergovernmental:						
Motor fuel taxes	-	-	-	371,941	-	-
Replacement taxes	-	-	55,109	-	-	-
Pull tab & jar games tax	-	-	-	-	-	-
Grant proceeds	-	-	-	66,391	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest	-	-	-	2,273	-	-
Other	-	-	-	-	-	-
Total revenues	-	3,722	574,936	440,605	35,236	-
<u>EXPENDITURES</u>						
General government	-	-	602,728	-	-	-
Public safety						
Civil defense	-	1,195	-	-	-	-
Law enforcement	-	-	-	-	-	-
Capital outlay	-	32,350	-	-	-	-
Public works/transportation:						
Streets & sidewalks	-	-	-	9,985	-	-
Capital outlay	-	-	-	422,205	151,157	-
Community development:						
Other	-	-	-	-	42,870	44,437
Total expenditures	-	33,545	602,728	432,190	194,027	44,437
Revenue received over (under) expenditures	-	(29,823)	(27,792)	8,415	(158,791)	(44,437)
Other financing sources (uses):						
Operating transfers in (out)	-	-	-	-	2,528	44,437
Revenue received and other financing sources over (under) expenditures disbursed and other financing uses	-	(29,823)	(27,792)	8,415	(156,263)	-
Fund balance (deficit), beginning	561,136	(49,417)	49,225	663,892	156,263	-
Fund balance (deficit), ending	\$561,136	\$ (79,240)	\$ 21,433	\$672,307	\$ -	\$ -

Audit	Drug Prevention	DUI	Gambling	CDAP Flex Grant	CDAP Housing Grant	IHDA HOME Grant	DCCA Loan Fund	Total Non- Major Special Revenue Funds
\$ 27,063	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 585,848
-	-	-	-	-	-	-	-	371,941
-	-	-	-	-	-	-	-	55,109
-	-	-	3,232	-	-	-	-	3,232
-	-	-	-	17,886	147,500	278,886	-	510,663
-	78,547	3,550	-	-	-	-	-	82,097
-	-	-	-	-	-	-	2,370	4,643
-	-	64	-	-	30	-	175	269
27,063	78,547	3,614	3,232	17,886	147,530	278,886	2,545	1,613,802
39,050	-	-	-	-	-	-	-	641,778
-	-	-	-	-	-	-	-	1,195
-	4,203	11,545	3,194	-	-	-	-	18,942
-	-	-	-	-	-	-	-	32,350
-	-	-	-	-	-	-	-	9,985
-	-	-	-	-	-	-	-	573,362
-	-	-	-	17,886	144,183	278,886	129	528,391
39,050	4,203	11,545	3,194	17,886	144,183	278,886	129	1,806,003
(11,987)	74,344	(7,931)	38	-	3,347	-	2,416	(192,201)
-	-	-	-	-	-	-	-	46,965
(11,987)	74,344	(7,931)	38	-	3,347	-	2,416	(145,236)
11,858	11,396	13,851	506	-	14,970	-	77,910	1,511,590
\$ (129)	\$ 85,740	\$ 5,920	\$ 544	\$ -	\$ 18,317	\$ -	\$ 80,326	\$ 1,366,354

CITY OF CANTON, ILLINOIS
COMBINING STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES -
MODIFIED CASH BASIS - NON-MAJOR CAPITAL PROJECTS FUNDS
April 30, 2012

	Capital Projects Fund			Total Non-Major Capital Project Funds
	Illinois Brownfield Grant	USEPA Brownfield Grant	IT&EC Environmental Escrow	
<u>ASSETS</u>				
Cash	\$ 213	\$ -	\$ 273,585	\$ 273,798
Due from IH Site TIF Fund	-	19,772	-	19,772
Due from USEPA Brownfield Grant Fund	-	-	1,751	1,751
	<u>\$ 213</u>	<u>\$ 19,772</u>	<u>\$ 275,336</u>	<u>\$ 295,321</u>
<u>LAIBILITIES AND FUND BALANCES</u>				
Liabilities:				
Due to IT&EC Environmental Escrow	\$ -	\$ 1,751	\$ -	\$ 1,751
Fund balances:				
Restricted	<u>213</u>	<u>18,021</u>	<u>275,336</u>	<u>293,570</u>
Total Liabilities & Fund Balances	<u>\$ 213</u>	<u>\$ 19,772</u>	<u>\$ 275,336</u>	<u>\$ 295,321</u>

CITY OF CANTON, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES -
MODIFIED CASH BASIS - NON-MAJOR CAPITAL PROJECTS FUNDS
Year ended April 30, 2012

	Capital Projects Fund			Total Non-
	Illinois	USEPA	IT&EC	Major Capital
	Brownfield	Brownfield	Environmental	Project Funds
	Grant	Grant	Escrow	
<u>REVENUES</u>				
Other				
Interest	\$ -	\$ -	\$ 17	\$ 17
<u>EXPENDITURES</u>				
Community Development:				
Other	-	-	500	500
Revenue received under expenditures	-	-	(483)	(483)
Fund balance, beginning	213	18,021	275,819	294,053
Fund balance, ending	<u>\$ 213</u>	<u>\$ 18,021</u>	<u>\$ 275,336</u>	<u>\$ 293,570</u>

CITY OF CANTON, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS -
MODIFIED CASH BASIS - ENTERPRISE FUNDS
Year ended April 30, 2012

	Enterprise Funds		
	Water & Sewer	Greenwood Cemetery	Total
<u>OPERATING REVENUES</u>			
Charges for services	\$ 5,482,884	\$ 55,105	\$ 5,537,989
Lot sales	-	29,750	29,750
Lot leases	9,851	-	9,851
Fees & permits	41,216	-	41,216
Miscellaneous income	3,435	206	3,641
Total operating revenues	5,537,386	85,061	5,622,447
<u>OPERATING EXPENSES</u>			
Personal services	1,850,068	85,313	1,935,381
Supplies	530,028	12,551	542,579
Contractual services	734,498	13,268	747,766
Depreciation	1,340,186	8,492	1,348,678
Other	22,200	-	22,200
Total operating expenses	4,476,980	119,624	4,596,604
Operating income (loss)	1,060,406	(34,563)	1,025,843
<u>NON-OPERATING REVENUES (EXPENSES)</u>			
Interest expense	(1,087,760)	-	(1,087,760)
Interest income	22,237	2,785	25,022
Total nonoperating revenues (expenses)	(1,065,523)	2,785	(1,062,738)
Net loss before transfers	(5,117)	(31,778)	(36,895)
<u>OTHER FINANCING SOURCES</u>			
Transfers in	81,107	55,679	136,786
Increase in net assets	75,990	23,901	99,891
Net assets, beginning	18,493,097	519,517	19,012,614
Net assets, ending	\$ 18,569,087	\$ 543,418	\$ 19,112,505

CITY OF CANTON, ILLINOIS
SCHEDULE OF OPERATING EXPENDITURES OTHER THAN DEPRECIATION -
WATER AND SEWER FUND
Year ended April 30, 2012

	<u>General Administration</u>	<u>System Maintenance</u>	<u>Water</u>	<u>Waste- Water</u>
Salaries and wages	\$ 85,914	\$ 278,957	\$ 527,427	\$ 501,146
Group insurance	17,166	74,022	123,369	131,394
Maintenance:				
System	-	-	-	81,063
Building	-	-	3,336	9,488
Equipment	4,684	4,589	16,359	43,939
Utilities	20	3,898	119,730	193,177
Travel and training	-	-	89	2,702
Fuel and oil	-	13,237	10,595	20,585
Services	40,757	15,840	109,079	16,689
Supplies:				
Office	5,411	-	-	2,917
Maintenance	-	55,438	19,858	9,883
Operating	-	21,224	333,363	28,605
Rentals	-	643	-	26,500
Other	624	-	12,635	8,941
	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>\$ 154,576</u>	<u>\$ 467,848</u>	<u>\$ 1,275,840</u>	<u>\$ 1,077,029</u>

<u>Meters</u>	<u>Lake</u>	<u>Total</u>
\$ 93,199	\$ 3,000	\$ 1,489,643
14,474	-	360,425
-	3,606	84,669
-	-	12,824
14,565	4,535	88,671
552	13,682	331,059
-	-	2,791
5,613	700	50,730
-	4,976	187,341
-	-	8,328
-	-	85,179
1,295	1,304	385,791
-	-	27,143
-	-	22,200
<u>\$ 129,698</u>	<u>\$ 31,803</u>	<u>\$ 3,136,794</u>

CITY OF CANTON, ILLINOIS
SCHEDULE OF PROPERTY TAX LEVIES, RATES, EXTENSIONS,
COLLECTIONS, AND ASSESSED VALUATIONS

	2011 Tax Levy Year*				
	Levy	Rate	Extension	Collections	Levy
<u>General Fund:</u>					
Corporate	\$ 19,675	0.0175	\$ 19,706	-	\$ -
Fire Protection	160,954	0.1430	161,025	-	150,000
Police Protection	82,673	0.0735	82,764	-	72,000
Street & Bridge**	-	-	-	-	-
Liability Insurance	208,275	0.1850	208,319	-	190,905
Workmen's					
Compensation	244,092	0.2168	244,127	-	230,000
<u>Special Revenue Funds:</u>					
Civil Defense	3,600	0.0032	3,603	-	3,676
Social Security	221,504	0.1968	221,606	-	215,000
I.M.R.F.	325,530	0.2891	325,540	-	305,000
Audit	27,000	0.0240	27,025	-	27,000
<u>Enterprise Fund:</u>					
Cemetery	26,000	0.0231	26,012	-	26,000
<u>Pension Trust Funds:</u>					
Police Pension	283,313	0.2516	283,313	-	283,284
Fire Pension	483,922	0.4298	483,975	-	483,810
	<u>\$ 2,086,538</u>	<u>1.8534</u>	<u>\$ 2,087,015</u>	<u>\$ -</u>	<u>\$ 1,986,675</u>
Assessed valuation	<u>\$ 119,185,324</u>				

* Collections of 2011 tax levies not received until after April 30, 2012.

** Street and bridge taxes are levied by townships. The City then receives a portion of the tax levies. Total received during the year ended April 30, 2012, was \$83,503

2010 Tax Levy Year				2009 Tax Levy Year			
Rate	Extension	Collections	Levy	Rate	Extension	Collections	
-	\$ -	\$ -	\$ -	-	\$ -	\$ -	-
0.1330	150,062	149,972	150,000	0.1337	150,032	149,443	
0.0639	72,098	72,054	72,000	0.0642	72,042	71,759	
-	-	-	-	-	-	-	
0.1692	190,906	190,792	50,000	0.0446	50,048	49,853	
0.2039	230,058	229,919	230,000	0.2050	230,041	229,141	
0.0033	3,723	3,722	3,822	0.0035	3,928	3,912	
0.1906	215,052	214,922	215,000	0.1916	215,004	214,161	
0.2704	305,089	304,905	375,000	0.3342	375,024	373,553	
0.0240	27,079	27,064	50,000	0.0446	50,048	49,852	
0.0231	26,063	26,049	26,000	0.0232	26,034	25,933	
0.2511	283,313	283,142	306,430	0.2731	306,460	305,260	
0.4289	483,922	483,630	460,664	0.4106	460,756	458,949	
1.7614	\$ 1,987,365	\$ 1,986,171	\$ 1,938,916	1.7283	\$ 1,939,417	\$ 1,931,816	
<u>\$ 118,801,563</u>				<u>\$ 114,791,723</u>			

