

VILLAGE OF OGDEN, ILLINOIS

Ogden, Illinois

**Financial Statements
and Supplementary Information**

For the Year Ended

April 30, 2018

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INDEPENDENT AUDITOR'S REPORT

Board of Village Trustees
Village of Ogden, Illinois
Ogden, Illinois

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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



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

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

Opinions

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the modified cash basis financial position of the governmental activities, business-type activities, and each major fund of the Village as of April 30, 2018, the respective changes in modified cash basis financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, Library Fund, and Motor Fuel Tax Fund for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis of Accounting

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

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The supplementary information contained in Schedule 1 and Table 1 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information contained in Schedule 1 and Table 1 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended April 30, 2018, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with

auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Martin Hood LLC

Champaign, Illinois

September 24, 2018

VILLAGE OF OGDEN, ILLINOIS
 Statement of Net Position - Modified Cash Basis
 April 30, 2018

	Governmental Activities	Business-Type Activities	Total
Assets			
Current			
Cash	\$ 549,788	\$ 115,717	\$ 665,505
Investments	115,683	36,840	152,523
Total Current Assets	<u>665,471</u>	<u>152,557</u>	<u>818,028</u>
Capital Assets, Net	-	153,524	153,524
Total Assets	<u>665,471</u>	<u>306,081</u>	<u>971,552</u>
Liabilities			
	<u>-</u>	<u>-</u>	<u>-</u>
Net Position			
Net Investment in Capital Assets	-	153,524	153,524
Restricted for:			
Streets	30,969	-	30,969
Unrestricted	634,502	152,557	787,059
Total Net Position	<u>\$ 665,471</u>	<u>\$ 306,081</u>	<u>\$ 971,552</u>

See Accompanying Notes

VILLAGE OF OGDEN, ILLINOIS
Statement of Activities - Modified Cash Basis
For the Year Ended April 30, 2018

Functions/Programs:	Program Revenues			Net (Expense) Revenues and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:						
General Government Administration	\$ 132,608	\$ 22,071	\$ -	\$ (110,537)	\$ -	\$ (110,537)
Public Works	177,716	-	-	(177,716)	-	(177,716)
Culture and Recreation	46,469	1,227	629	(44,613)	-	(44,613)
Total Governmental Activities	<u>356,793</u>	<u>23,298</u>	<u>629</u>	<u>(332,866)</u>	<u>-</u>	<u>(332,866)</u>
Business-Type Activities:						
Water	125,437	88,867	-	-	(36,570)	(36,570)
Sewer	43,552	47,878	-	-	4,326	4,326
Total Business-Type Activities	<u>168,989</u>	<u>136,745</u>		<u>-</u>	<u>(32,244)</u>	<u>(32,244)</u>
Total Government	<u>\$ 525,782</u>	<u>\$ 160,043</u>	<u>\$ 629</u>	<u>(332,866)</u>	<u>(32,244)</u>	<u>(365,110)</u>
General Revenues						
Taxes:						
Property Tax				74,611	-	74,611
Income Taxes				85,799	-	85,799
Municipal Utility Tax				19,377	-	19,377
Sales Tax				112,425	-	112,425
Motor Fuel Tax				20,601	-	20,601
Road and Bridge Allocation				8,110	-	8,110
Use Tax				21,012	-	21,012
Other Taxes				30,411	-	30,411
Interest Income				1,883	485	2,368
Miscellaneous				8,751	-	8,751
Total General Revenues				<u>382,980</u>	<u>485</u>	<u>383,465</u>
Transfers				<u>(8,503)</u>	<u>8,503</u>	<u>-</u>
Change in Net Position				<u>41,611</u>	<u>(23,256)</u>	<u>18,355</u>
Net Position, May 1, 2017, As Previously Reported				623,860	169,429	793,289
Prior Period Adjustment				-	159,908	159,908
Net Position, May 1, 2017, As Revised				<u>623,860</u>	<u>329,337</u>	<u>953,197</u>
Net Position, April 30, 2018				<u>\$ 665,471</u>	<u>\$ 306,081</u>	<u>\$ 971,552</u>

See Accompanying Notes

VILLAGE OF OGDEN, ILLINOIS
 Balance Sheet - Modified Cash Basis
 Governmental Funds
 April 30, 2018

	General Fund	Library Fund	Motor Fuel Tax Fund	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ASSETS				
Cash	\$ 507,445	\$ 11,374	\$ 30,969	\$ 549,788
Investments	115,683	-	-	115,683
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 623,128</u>	<u>\$ 11,374</u>	<u>\$ 30,969</u>	<u>\$ 665,471</u>
LIABILITIES AND FUND BALANCES				
Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances				
Restricted	-	-	30,969	30,969
Committed	36,930	-	-	36,930
Unassigned	586,198	11,374	-	597,572
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>623,128</u>	<u>11,374</u>	<u>30,969</u>	<u>665,471</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 623,128</u>	<u>\$ 11,374</u>	<u>\$ 30,969</u>	<u>\$ 665,471</u>
Reconciliation to the Statement of Net Position				
Total Fund Balances				\$ 665,471
Differences				<u>-</u>
Net Position of Governmental Activities				<u>\$ 665,471</u>

See Accompanying Notes

VILLAGE OF OGDEN, ILLINOIS
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Modified Cash Basis
Governmental Funds
For the Year Ended April 30, 2018

	General Fund	Library Fund	Motor Fuel Tax Fund	Total
Revenues				
Local Receipts:				
Property Tax	\$ 39,760	\$ 34,851	\$ -	\$ 74,611
Municipal Utility Tax	19,377	-	-	19,377
Road and Bridge Allocation	8,110	-	-	8,110
Non-Home Rule Sales Tax	44,965	-	-	44,965
Intergovernmental Receipts:				
Income Tax	85,799	-	-	85,799
Sales Tax	67,460	-	-	67,460
Motor Fuel Tax	-	-	20,601	20,601
Use Tax	21,012	-	-	21,012
Other Taxes	30,411	-	-	30,411
Grants	-	629	-	629
Other Receipts:				
Interest	1,834	20	29	1,883
Rent	15,220	-	-	15,220
Licenses and Fees	6,851	1,227	-	8,078
Miscellaneous	7,719	1,032	-	8,751
Total Revenues	<u>348,518</u>	<u>37,759</u>	<u>20,630</u>	<u>406,907</u>
Expenditures				
Current:				
General Government	132,608	-	-	132,608
Culture and Recreation	-	46,469	-	46,469
Public Works	118,693	-	19,354	138,047
Capital Outlay	39,669	-	-	39,669
Total Expenditures	<u>290,970</u>	<u>46,469</u>	<u>19,354</u>	<u>356,793</u>
Excess (Deficit) of Revenues Over Expenditures	57,548	(8,710)	1,276	50,114
Other Financing Sources (Uses)				
Transfers In (Out)	(8,671)	-	168	(8,503)
Net Change in Fund Balances	48,877	(8,710)	1,444	41,611
Fund Balances, May 1, 2017	<u>574,251</u>	<u>20,084</u>	<u>29,525</u>	<u>623,860</u>
Fund Balances, April 30, 2018	<u>\$ 623,128</u>	<u>\$ 11,374</u>	<u>\$ 30,969</u>	<u>\$ 665,471</u>
Reconciliation to the Statement of Activities:				
Net Change in Fund Balances				\$ 41,611
Differences				-
Change in Net Position of Governmental Activities				<u>\$ 41,611</u>

See Accompanying Notes

VILLAGE OF OGDEN, ILLINOIS
 Statement of Expenditures - Budget and Actual - Modified Cash Basis
Major Governmental Funds
 For the Year Ended April 30, 2018

	Budget		Actual	(Over) Under Budget
	Original	Final		
General Fund				
<i>Current</i>				
General Government	\$ 192,650	\$ 192,650	\$ 132,608	\$ 60,042
Public Works	494,000	494,000	118,693	375,307
Emergency Services and Disaster	11,200	11,200	-	11,200
<i>Capital Outlay</i>	125,000	125,000	39,669	85,331
Total Fund Expenditures	<u>\$ 822,850</u>	<u>\$ 822,850</u>	<u>\$ 290,970</u>	<u>\$ 531,880</u>
 Library Fund				
<i>Current</i>				
Culture and Recreation	<u>\$ 57,350</u>	<u>\$ 57,350</u>	<u>\$ 46,469</u>	<u>\$ 10,881</u>
 Motor Fuel Tax Fund *				
<i>Current</i>				
Public Works	<u>\$ 37,000</u>	<u>\$ 37,000</u>	<u>\$ 19,354</u>	<u>\$ 17,646</u>

* Equals the Village Board approved project budget

See Accompanying Notes

VILLAGE OF OGDEN, ILLINOIS
 Balance Sheet - Modified Cash Basis
Proprietary Funds
 April 30, 2018

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
ASSETS			
Current Assets			
Cash	\$ 72,186	\$ 43,531	\$ 115,717
Investments	-	36,840	36,840
Total Current Assets	<u>72,186</u>	<u>80,371</u>	<u>152,557</u>
Capital Assets, Net			
Water	79,473	-	79,473
Sewer	-	74,051	74,051
Total Capital Assets, Net	<u>79,473</u>	<u>74,051</u>	<u>153,524</u>
 Total Assets	 <u>\$ 151,659</u>	 <u>\$ 154,422</u>	 <u>\$ 306,081</u>
LIABILITIES AND NET POSITION			
Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Position			
Net Investment in Capital Assets	79,473	74,051	153,524
Unrestricted	72,186	80,371	152,557
Total Net Position	<u>151,659</u>	<u>154,422</u>	<u>306,081</u>
 Total Liabilities and Net Position	 <u>\$ 151,659</u>	 <u>\$ 154,422</u>	 <u>\$ 306,081</u>

See Accompanying Notes

VILLAGE OF OGDEN, ILLINOIS
Statement of Revenues, Expenses, and
Changes in Net Position - Modified Cash Basis
Proprietary Funds
For the Year Ended April 30, 2018

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
Operating Revenues			
Service Fees	\$ 88,867	\$ 47,878	\$ 136,745
Operating Expenses			
Salaries and Payroll Taxes	27,227	6,081	33,308
Materials and Supplies	18,760	4,097	22,857
Contractual Services	75,153	24,451	99,604
Other	710	33	743
Depreciation	3,587	8,890	12,477
Total Operating Expenses	<u>125,437</u>	<u>43,552</u>	<u>168,989</u>
Operating Income (Loss)	(36,570)	4,326	(32,244)
Non-Operating Revenues (Expenses)			
Interest Income	<u>153</u>	<u>332</u>	<u>485</u>
Income (Loss) Before Transfers	(36,417)	4,658	(31,759)
Transfers In	<u>6,824</u>	<u>1,679</u>	<u>8,503</u>
Change in Net Position	<u>(29,593)</u>	<u>6,337</u>	<u>(23,256)</u>
Net Position, May 1, 2017, As Previously Reported	104,285	65,144	169,429
Prior Period Adjustment	<u>76,967</u>	<u>82,941</u>	<u>159,908</u>
Net Position, May 1, 2017, As Restated	<u>181,252</u>	<u>148,085</u>	<u>329,337</u>
Net Position, April 30, 2018	<u>\$ 151,659</u>	<u>\$ 154,422</u>	<u>\$ 306,081</u>

See Accompanying Notes

VILLAGE OF OGDEN, ILLINOIS
Statement of Cash Flows - Modified Cash Basis
Proprietary Funds
For the Year Ended April 30, 2018

	Enterprise Funds		
	Water Fund	Sewer Fund	Total
Cash Flows from Operating Activities			
Receipts from Customers	\$ 88,867	\$ 47,878	\$ 136,745
Payments to Vendors	(94,623)	(28,581)	(123,204)
Payments to Employees	(27,227)	(6,081)	(33,308)
Net Cash Provided by (Used in) Operating Activities	<u>(32,983)</u>	<u>13,216</u>	<u>(19,767)</u>
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	<u>(6,093)</u>	<u>-</u>	<u>(6,093)</u>
Cash Flows from Non-Capital Financing Activities			
Transfers In	<u>6,824</u>	<u>1,679</u>	<u>8,503</u>
Cash Flows from Investing Activities			
Receipt of Interest	153	332	485
Purchase of Investments	<u>-</u>	<u>(295)</u>	<u>(295)</u>
Net Cash Provided by (Used in) Investing Activities	<u>153</u>	<u>37</u>	<u>190</u>
Net Increase (Decrease) in Cash	(32,099)	14,932	(17,167)
Cash, May 1, 2017	<u>104,285</u>	<u>28,599</u>	<u>132,884</u>
Cash, April 30, 2018	<u>\$ 72,186</u>	<u>\$ 43,531</u>	<u>\$ 115,717</u>
Cash Flows from Operating Activities			
Operating Income (Loss)	\$ (36,570)	\$ 4,326	\$ (32,244)
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities:			
Depreciation	<u>3,587</u>	<u>8,890</u>	<u>12,477</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (32,983)</u>	<u>\$ 13,216</u>	<u>\$ (19,767)</u>

See Accompanying Notes

VILLAGE OF OGDEN, ILLINOIS
Notes to Basic Financial Statements
April 30, 2018

1. Summary of Significant Accounting Policies

As discussed further in Note 1(c), the financial statements of the Village of Ogden, Illinois (the Village) are presented on the modified cash basis of accounting. This basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements plus other sources of accounting and financial reporting guidance noted in GASB Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*.

a. Financial Reporting Entity

The Village's financial reporting entity is composed of the following:

Primary Government	Village of Ogden, Illinois
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In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34*. Based on the operational and financial criteria of those statements, the Village does not have a component unit that should be reported as part of the reporting entity.

b. Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the Village. 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. Internal activity within the governmental activities and the business-type activities is eliminated in the government-wide financial statements.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into

two major categories: governmental and proprietary. The Village presently has no fiduciary funds. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

1. Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type.
2. Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and proprietary funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

- General Fund – The General Fund is the primary operating fund of the Village 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.
- Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The reporting entity includes the following special revenue funds, which are reported as major funds:

<u>Fund</u>	<u>Brief Description</u>
Motor Fuel Tax Fund	Accounts for the restricted motor fuel tax provided by the State of Illinois and expenditures paid for road repair and replacement
Library Fund	Accounts for property tax received and expenditures paid for library activities as outlined in the annual tax levy

The Village has presented the Motor Fuel Tax Fund as major based on its importance to the financial statement users.

Proprietary Funds

Enterprise Funds – An Enterprise fund is 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 that are reported as major funds:

Fund	Brief Description
Water Fund	Accounts for the activities of providing water service to the residents of the Village
Sewer Fund	Accounts for the activities of providing sewer service to the residents of the Village

c. Measurement Focus and Basis of Accounting

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

Measurement Focus

In the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus, as applicable to the modified cash basis of accounting, is used as defined below:

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

Basis of Accounting

The financial statements are presented using the modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for investments in the governmental activities and governmental funds, and a provision

for investments, property and equipment, and depreciation in the business-type activities and proprietary funds. This basis measures and reports cash and changes in cash resulting from cash receipts and disbursements. This basis is a comprehensive basis of accounting other than GAAP.

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 accounts payable and expenses for goods or services received but not yet paid and accrued expenses and liabilities) *are not recorded* in the financial statements.

If the Village utilized the basis of accounting recognized as generally accepted in the United States of America, the fund financial statements for the governmental funds would use the modified accrual basis of accounting, and the government-wide and proprietary funds financial statements would be presented on the accrual basis of accounting.

d. Investments

Investments include certificates of deposit or short-term investments with an original maturity of three months or more.

e. Property and Equipment

Proprietary fund property and equipment are valued at historical cost or estimated historical cost if actual historical cost is not available. The Village's management uses a capitalization threshold of \$5,000. Donated property and equipment are valued at estimated acquisition value at the date of donation. Depreciation is computed using the straight-line method over estimated useful lives ranging from five to 25 years.

The governmental activities do not capitalize or depreciate property and equipment, including infrastructure.

f. Restricted Net Position

Assets that are not available to finance general operations of the Village are reported as restricted on the statement of net position. The Village's policy is to apply restricted resources first when an expense is incurred for a purpose for which restricted and unrestricted net position are available.

g. Fund Balance

Fund balances are classified as follows:

Non-Spendable – Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact

Restricted – Amounts that can be spent only for specific purposes because of the Village charter, state or federal laws, or externally imposed conditions by grantors or creditors

Committed – Amounts that can be used only for specific purposes determined by a formal resolution by the Board of Village Trustees

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

Unassigned – All amounts not included in other spendable classifications

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balance is available, the Village considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Village considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Village Trustees has provided otherwise in its commitment or assignment actions.

h. Program Revenues

Program Revenues on the Statement of Activities includes the following:

Governmental Activities

Charges for Services:

Rent Fees received for the rental of land owned by the Village

Licenses and Fees Amounts remitted to the Village by entities and persons making use of legal privileges issued by the Village

Business-Type Activities

Charges for Services:

User Fees Fees paid by the public for water and sewer usage

i. Operating and Non-Operating Revenues and Expenses of the Proprietary Funds

Operating revenues and expenses for the proprietary funds are those that result from providing services. It also includes all revenue and expenses not related to capital and related financing, non-capital financing, or investing activities.

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

j. Estimates

These financial statements include estimates and assumptions made by the Village's management that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The significant estimates of the Village at April 30, 2018 include the estimate of useful lives of capital assets of the Water Fund and Sewer Fund.

2. Legal Budgets

Legal budgets are prepared in the form of an appropriations ordinance for Village funds using the same accounting basis and practices as are used to account for and prepare financial reports. Unexpended appropriations lapse at the end of the fiscal year. Once a budget is approved, it can be amended at the function and fund level by approval of a majority of the members of the Board of Village Trustees after a public notice and hearing. Appropriation transfers between budget line items may be presented to the Board

at their regular meetings. Each transfer must have Board approval. Such transfers are made before the fact and are reflected in the official minutes of the Board. There were no transfers made after fiscal year-end, as dictated by law.

A comparison of budget to actual expenditures is provided for the major governmental funds. The Village does not prepare a budget for revenues.

3. Property Taxes

The Village's property tax is levied each year on all taxable real property located in the Village by December 31 of the subsequent year (by passage of the Tax Levy Ordinance). The Board of Village Trustees passed the 2017 tax levy on November 2, 2017. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on or about July 1 and September 1. The Village receives significant distributions of tax receipts approximately one month after these due dates. Property taxes are recorded as revenues when they are received. Property tax receipts in these financial statements are from the 2016 tax levy.

4. Deposits and Investments

At April 30, 2018, the carrying amount of the Village's deposits, including cash and investments, totaled \$818,028 and the bank balances totaled \$818,611.

Custodial Credit Risk – Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village does not have an investment policy. At April 30, 2018, \$556,099 of the Village's bank deposits total was not insured by federal depository insurance, but was collateralized by securities pledged by the depository bank. Pledged securities were held both by the depository bank and a third-party and not in the name of the Village. The pledged securities had a fair value of \$583,521 at April 30, 2018.

Investments

At April 30, 2018, the carrying amount of the Village's certificates of deposit totaled \$152,523. The maturity term of the certificates of deposit is three months, and the next maturity date is in July 2018. The investment rate is 1.00 percent. Subsequent to April 30, 2018, and prior to the independent auditor's report, the certificates of deposit matured and were reinvested in three month certificates of deposit maturing in October 2018.

5. Capital Assets, Net

The following is a summary of the changes in the capital assets of the business-type activities and proprietary funds for the year ended April 30, 2018:

	April 30, 2017			April 30, 2018
	<u>As Restated</u>	<u>Additions</u>	<u>Retirements</u>	<u>2018</u>
Depreciable Capital Assets				
Water				
Infrastructure	\$ 169,575	\$ -	\$ -	\$ 169,575
Equipment	5,555	6,093	-	11,648
Accumulated Depreciation	<u>(98,163)</u>	<u>(3,587)</u>	-	<u>(101,750)</u>
Total Water	<u>76,967</u>	<u>2,506</u>	-	<u>79,473</u>
Sewer				
Infrastructure	2,246,841	-	-	2,246,841
Land Improvement	8,948	-	-	8,948
Equipment	33,700	-	-	33,700
Accumulated Depreciation	<u>(2,206,548)</u>	<u>(8,890)</u>	-	<u>(2,215,438)</u>
Total Sewer	<u>82,941</u>	<u>(8,890)</u>	-	<u>74,051</u>
Capital Assets, Net	<u>\$ 159,908</u>	<u>\$ (6,384)</u>	<u>\$ -</u>	<u>\$ 153,524</u>

Depreciation expense for year ended April 30, 2018, was \$3,587 for the Water Fund and \$8,890 for the Sewer Fund.

6. Net Position and Fund Balances

At April 30, 2018, the Village had \$30,969 restricted for future street and alley maintenance expenses. These funds are from the motor fuel taxes provided by the State of Illinois and restricted for that purpose.

At April 30, 2018, the Village had \$36,930 of designated unrestricted net position in the governmental activities and committed fund balance in the General Fund. Of this total, \$9,760 resulted from a portion of municipal utility tax and is held for sidewalk maintenance and \$27,170 was from the one percent local sales tax and is held for infrastructure projects. The Village's Water Fund and Sewer Fund also held designated unrestricted net position of \$44,518 and \$35,016, respectively, at April 30, 2018 for major repair and maintenance costs and future capital projects.

7. Risk of Loss

Significant losses from unanticipated casualties or natural disasters are covered by commercial insurance for property, liability, and workers' compensation. During the year ended April 30, 2018, there were no significant reductions in coverage. There have been no settlement amounts that have exceeded insurance coverage, or that have been uncovered by insurance, in the past three years.

8. Interfund Activity

Transfer of funds for the year ended April 30, 2018 consist of the following:

	<u>Transfers Out</u>	<u>Transfers In</u>
Water Fund	\$ -	\$ 6,824
Sewer Fund	-	1,679
Motor Fuel Tax Fund	-	168
General Fund	8,671	-
Total Interfund Transfers	<u>\$ 8,671</u>	<u>\$ 8,671</u>

The purpose of the transfers from the General Fund was to fund the Village portion of the payroll taxes of the recipient funds.

9. Capital Outlay Commitments

Through the date of the independent auditor’s report, the Village has entered into contracts for the following:

<u>Purpose</u>	<u>Responsible Fund</u>	<u>Total Commitment</u>	<u>Fiscal Year of Expenditures</u>
Sidewalk Replacements	General	\$ 11,484	2019

10. Prior Period Adjustment

The April 30, 2017 net position of the Business-type Activities, Water Fund, and Sewer Fund have been increased \$159,908, \$76,967, and \$82,941, respectively, to record additional capital assets, net of accumulated depreciation through April 30, 2017, of those opinion units that had previously been expensed as operating expenses. The impact of this prior period adjustment on the change in net position of each of the noted opinion units for the year ended April 30, 2018, was to decrease the change in net position by \$12,274, \$3,384, and \$8,890, respectively. Had these capital assets been recorded for the year ended April 30, 2017, the change in net position of the Business-type Activities and Sewer Fund would have increased \$27,237 and \$30,620, respectively, and the change in net position of the Water Fund would have decreased \$3,383 for the year ended April 30, 2017.

VILLAGE OF OGDEN, ILLINOIS
Schedule of Legal Debt Margin
April 30, 2018

Assessed Valuations - 2017 Levy *	<u><u>\$ 11,268,940</u></u>
Statutory Debt Limit - 8.625 Percent of Assessed Valuation	\$ 971,946
Indebtedness:	<u>-</u>
Legal Debt Margin	<u><u>\$ 971,946</u></u>

* - Most Current Assessed Valuation Available

Table 1

VILLAGE OF OGDEN, ILLINOIS
Property Tax Levies, Rates, Extensions, and Collections
For the Years Ended April 30

Fiscal Year of Receipt	2019	2018	2017	2016
Levy Year	2017	2016	2015	2014
Assessed Valuations	\$ 11,268,940	\$ 11,273,330	\$ 10,855,410	\$ 10,718,110
Tax Levies				
General	\$ 31,507	\$ 31,245	\$ 30,651	\$ 30,023
Library	36,831	36,537	35,847	35,111
Audit	3,190	3,164	3,104	3,044
Liability Insurance	4,150	4,118	4,038	3,954
Social Security	3,178	3,152	3,093	3,033
Total Tax Levies	\$ 78,856	\$ 78,216	\$ 76,733	\$ 75,165
Tax Rates				
General	0.2717	0.2657	0.2716	0.2725
Library	0.3176	0.3106	0.3176	0.3187
Audit	0.0275	0.0269	0.0275	0.0276
Liability Insurance	0.0358	0.0350	0.0358	0.0359
Social Security	0.0274	0.0268	0.0274	0.0275
Total Tax Rates	0.6800	0.6650	0.6799	0.6822
Tax Extensions				
General	\$ 30,618	\$ 29,953	\$ 29,483	\$ 29,207
Library	35,790	35,015	34,477	34,159
Audit	3,099	3,033	2,985	2,958
Liability Insurance	4,034	3,946	3,886	3,848
Social Security	3,088	3,021	2,975	2,947
Total Tax Extensions	\$ 76,629	\$ 74,968	\$ 73,806	\$ 73,119
Tax Collections				
General		\$ 39,760	\$ 39,307	\$ 38,798
Library		34,851	34,454	34,008
Total Tax Collections		\$ 74,611	\$ 73,761	\$ 72,806
Percentage of Extension Collected		99.52%	99.94%	99.57%