

VILLAGE OF FISHER, ILLINOIS

Fisher, 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 Fisher, Illinois
Fisher, Illinois

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Fisher, 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control



relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the modified cash basis financial position of the governmental activities, the business-type activities, and each major fund of the Village of Fisher, Illinois, as of April 30, 2018, the respective changes in modified cash basis financial position; and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General Fund, Motor Fuel Tax Fund, and Police 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 Tables 1 and 2 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Schedule 1 and Table 1 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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 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. Table 2 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Martin Hood LLC
Champaign, Illinois
July 20, 2018

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

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash	\$ 1,012,473	\$ 58,052	\$ 1,070,525
Investments	6,573,612	-	6,573,612
Internal Balances	(6,301)	6,301	-
Total Assets	<u>7,579,784</u>	<u>64,353</u>	<u>7,644,137</u>
Liabilities			
Non-Current Liabilities			
Due Within One Year	449,953	47,812	497,765
Due After One Year	4,252,929	586,305	4,839,234
Total Liabilities	<u>4,702,882</u>	<u>634,117</u>	<u>5,336,999</u>
Net Position			
Restricted for:			
Streets and Alleys	104,158	-	104,158
TIF District Expenditures	297,654	-	297,654
Unrestricted	<u>2,475,090</u>	<u>(569,764)</u>	<u>1,905,326</u>
Total Net Position	<u>\$ 2,876,902</u>	<u>\$ (569,764)</u>	<u>\$ 2,307,138</u>

See Accompanying Notes

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

Functions	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position		
		Charges for Services	Operating Grants/Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:						
General Government	\$ 93,014	\$ 2,640	\$ -	\$ (90,374)	\$ -	\$ (90,374)
Recreation	19,063	5,526	-	(13,537)	-	(13,537)
Public Safety	181,684	3,592	-	(178,092)	-	(178,092)
Redevelopment	330,361	-	-	(330,361)	-	(330,361)
Sanitation	2,496	-	-	(2,496)	-	(2,496)
Public Works/Transportation	289,394	1,150	-	(288,244)	-	(288,244)
Interest and Fees	231,122	-	52,430	(178,692)	-	(178,692)
Total Governmental Activities	<u>1,147,134</u>	<u>12,908</u>	<u>52,430</u>	<u>(1,081,796)</u>	<u>-</u>	<u>(1,081,796)</u>
Business-Type Activities:						
Water and Sewer	516,188	675,322	-	-	159,134	159,134
Interest and Fees	26,472	-	-	-	(26,472)	(26,472)
Total Business-Type Activities	<u>542,660</u>	<u>675,322</u>	<u>-</u>	<u>-</u>	<u>132,662</u>	<u>132,662</u>
Total Functions	<u>\$ 1,689,794</u>	<u>\$ 688,230</u>	<u>\$ 52,430</u>	<u>(1,081,796)</u>	<u>132,662</u>	<u>(949,134)</u>
General Revenues						
Taxes:						
Property Taxes				920,812	-	920,812
Income Tax				199,246	-	199,246
Municipal Utility Tax				83,897	-	83,897
Sales Tax				73,335	-	73,335
Use Tax				48,795	-	48,795
Motor Fuel Tax				47,840	-	47,840
Road and Bridge Allocation				20,267	-	20,267
Video Gaming Tax				12,390	-	12,390
Other Taxes				2,857	-	2,857
Gain (Loss) on Disposal of Asset				5,300	5,256,378	5,261,678
Cablevision				14,268	-	14,268
Investment Income (Loss)				(889)	828	(61)
Other				5,453	5,029	10,482
Total General Revenues				<u>1,433,571</u>	<u>5,262,235</u>	<u>6,695,806</u>
Other Financing Sources (Uses)						
Transfers In				7,116,741	-	7,116,741
Transfers Out				-	(7,116,741)	(7,116,741)
Total Other Financing Sources				<u>7,116,741</u>	<u>(7,116,741)</u>	<u>-</u>
Change in Net Position				<u>7,468,516</u>	<u>(1,721,844)</u>	<u>5,746,672</u>
Net Position, May 1, 2017				<u>(4,591,614)</u>	<u>1,152,080</u>	<u>(3,439,534)</u>
Net Position, April 30, 2018				<u>\$ 2,876,902</u>	<u>\$ (569,764)</u>	<u>\$ 2,307,138</u>

See Accompanying Notes

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

	General Fund	Police Fund	Motor Fuel Tax Fund	Tax Increment Financing District I Fund	Tax Increment Financing District II Fund	Tax Increment Financing District III Fund	Total
ASSETS							
Current Assets							
Cash	\$ 894,543	\$ 42,266	\$ 56,158	\$ 9,982	\$ 8,923	\$ 601	\$ 1,012,473
Investments	6,573,612	-	-	-	-	-	6,573,612
Total Current Assets	7,468,155	42,266	56,158	9,982	8,923	601	7,586,085
Other Assets							
Due from Other Funds	268,093	-	48,000	341,973	-	-	658,066
Total Assets	\$ 7,736,248	\$ 42,266	\$ 104,158	\$ 351,955	\$ 8,923	\$ 601	\$ 8,244,151
LIABILITIES AND FUND BALANCES							
Non-Current Liabilities							
Due to Other Funds	\$ 257,193	\$ 7,314	\$ -	\$ 54,301	\$ 121,392	\$ 224,167	\$ 664,367
Fund Balances							
<i>Non-Spendable</i>							
Non-Current Receivables	268,093	-	-	-	-	-	268,093
<i>Restricted</i>							
TIF District Expenditures	-	-	-	297,654	-	-	297,654
Streets and Alleys	-	-	104,158	-	-	-	104,158
<i>Assigned</i>							
	54,134	34,952	-	-	-	-	89,086
<i>Unassigned</i>							
	7,156,828	-	-	-	(112,469)	(223,566)	6,820,793
Total Fund Balances	7,479,055	34,952	104,158	297,654	(112,469)	(223,566)	7,579,784
Total Liabilities and Fund Balances	\$ 7,736,248	\$ 42,266	\$ 104,158	\$ 351,955	\$ 8,923	\$ 601	\$ 8,244,151
Reconciliation to the Statement of Net Position							
Total Fund Balances							\$ 7,579,784
The governmental funds are reported on the modified cash basis, which, as it applies to the governmental funds, as discussed in Note 1, does not include Long-Term Debt. However, the modified cash basis, as it applies to the governmental activities on Exhibit A, as discussed in Note 1, does include Long-Term Debt. This amount is the outstanding principal balances on the Long-Term Debt.							
						(4,702,882)	
Net Position of Governmental Activities						\$ 2,876,902	

See Accompanying Notes

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

	General Fund	Police Fund	Motor Fuel Tax Fund	Tax Increment Financing District I Fund	Tax Increment Financing District II Fund	Tax Increment Financing District III Fund	Total
Revenues							
Local Receipts:							
Municipal Utility Tax	\$ 83,897	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83,897
Property Tax	46,325	13,114	-	796,857	15,612	48,904	920,812
Road and Bridge Allocation	20,267	-	-	-	-	-	20,267
State Receipts:							
Income Tax	199,246	-	-	-	-	-	199,246
Sales Tax	73,335	-	-	-	-	-	73,335
Motor Fuel Tax	-	-	47,840	-	-	-	47,840
Use Tax	48,795	-	-	-	-	-	48,795
Video Gaming Tax	12,390	-	-	-	-	-	12,390
Other Taxes	2,857	-	-	-	-	-	2,857
Other Receipts:							
Investment Income (Loss)	(1,044)	7	27	105	7	9	(889)
Building Permits	1,150	-	-	-	-	-	1,150
Cablevision	14,268	-	-	-	-	-	14,268
Fines	-	3,592	-	-	-	-	3,592
Parks and Recreation	5,526	-	-	-	-	-	5,526
Other Receipts	2,640	-	-	-	-	-	2,640
Grants	-	-	-	52,430	-	-	52,430
Miscellaneous	5,382	71	-	-	-	-	5,453
Total Revenues	<u>515,034</u>	<u>16,784</u>	<u>47,867</u>	<u>849,392</u>	<u>15,619</u>	<u>48,913</u>	<u>1,493,609</u>
Expenditures							
Current:							
General Government	93,014	-	-	-	-	-	93,014
Recreation	19,063	-	-	-	-	-	19,063
Public Safety	-	181,684	-	-	-	-	181,684
Redevelopment	-	-	-	167,637	11,372	151,352	330,361
Sanitation	2,496	-	-	-	-	-	2,496
Public Works/Transportation	243,245	-	46,149	-	-	-	289,394
Debt Service:							
Bond Repayment	-	-	-	365,000	-	-	365,000
Debt Certificate Repayment	-	-	-	53,848	-	-	53,848
Interest and Fees	-	-	-	231,122	-	-	231,122
Total Expenditures	<u>357,818</u>	<u>181,684</u>	<u>46,149</u>	<u>817,607</u>	<u>11,372</u>	<u>151,352</u>	<u>1,565,982</u>
Excess (Deficit) of Revenues Over Expenditures	<u>157,216</u>	<u>(164,900)</u>	<u>1,718</u>	<u>31,785</u>	<u>4,247</u>	<u>(102,439)</u>	<u>(72,373)</u>
Other Financing Sources (Uses)							
Transfers In	7,116,741	165,000	-	-	-	-	7,281,741
Transfers Out	(165,000)	-	-	-	-	-	(165,000)
Sale of Asset	5,300	-	-	-	-	-	5,300
Total Other Financing Sources (Uses)	<u>6,957,041</u>	<u>165,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,122,041</u>
Net Change in Fund Balances	<u>7,114,257</u>	<u>100</u>	<u>1,718</u>	<u>31,785</u>	<u>4,247</u>	<u>(102,439)</u>	<u>7,049,668</u>
Fund Balances, May 1, 2017	<u>364,798</u>	<u>34,852</u>	<u>102,440</u>	<u>265,869</u>	<u>(116,716)</u>	<u>(121,127)</u>	<u>530,116</u>
Fund Balance, April 30, 2018	<u>\$ 7,479,055</u>	<u>\$ 34,952</u>	<u>\$ 104,158</u>	<u>\$ 297,654</u>	<u>\$ (112,469)</u>	<u>\$ (223,566)</u>	<u>\$ 7,579,784</u>
Reconciliation to the Statement of Activities							
Net Change in Fund Balances							\$ 7,049,668
Bond Repayment							365,000
Debt Certificate Repayment							53,848
Change in Net Position of Governmental Activities							<u>\$ 7,468,516</u>

See Accompanying Notes

VILLAGE OF FISHER, ILLINOIS
Statement of Revenues and Expenditures - Budget and Actual - Modified Cash Basis
Major Governmental Funds (Except the TIF District Funds)
For the Year Ended April 30, 2018

General Fund	Budget		Actual	Variance
	Original	Final		(Actual - Final Budget)
Revenues:				
<i>Local Receipts</i>				
Municipal Utility Tax	\$ 90,000	\$ 90,000	\$ 83,897	\$ (6,103)
Property Tax	68,400	68,400	46,325	(22,075)
Road and Bridge Allocation	-	-	20,267	20,267
<i>State Receipts</i>				
Income Tax	178,000	178,000	199,246	21,246
Sales Tax	62,000	62,000	73,335	11,335
Use Tax	40,000	40,000	48,795	8,795
Video Gaming Tax	6,500	6,500	12,390	5,890
Other Taxes	3,000	3,000	2,857	(143)
<i>Other Receipts</i>				
Cablevision	6,700	6,700	14,268	7,568
Investment Income (Loss)	350	350	(1,044)	(1,394)
Building Permits	2,000	2,000	1,150	(850)
Parks and Recreation	4,500	4,500	5,526	1,026
Sale of Assets	-	-	5,300	5,300
Other Receipts	2,000	2,000	2,640	640
Miscellaneous	5,850	5,850	5,382	(468)
Total Revenues	<u>\$ 469,300</u>	<u>\$ 469,300</u>	<u>\$ 520,334</u>	<u>\$ 51,034</u>
Expenditures:				
<i>Current</i>				
General Government Administration:				
Salaries	\$ 31,000	\$ 30,100	\$ 17,112	\$ (12,988)
Professional Fees	33,500	33,500	27,793	(5,707)
Board Fees	20,000	20,000	18,870	(1,130)
Insurance	19,500	19,500	19,500	-
Office Expense	6,000	6,000	5,257	(743)
Benefits	10,500	10,500	2,753	(7,747)
Miscellaneous	9,500	10,400	1,729	(8,671)
Total General Government Administration	<u>130,000</u>	<u>130,000</u>	<u>93,014</u>	<u>(36,986)</u>
Recreation:				
Parks and Recreation	<u>13,500</u>	<u>13,500</u>	<u>19,063</u>	<u>5,563</u>
Sanitation:				
Recycling	<u>1,000</u>	<u>1,000</u>	<u>2,496</u>	<u>1,496</u>
Public Works/Transportation:				
Salaries	62,500	62,500	58,830	(3,670)
Benefits	20,000	20,000	24,965	4,965
Maintenance	10,000	10,000	6,127	(3,873)
Street Lighting	29,000	29,000	26,842	(2,158)
Utilities	5,000	5,500	5,043	(457)
Vehicle Replacement	6,000	6,000	-	(6,000)
Equipment	15,000	15,000	14,724	(276)
Tree Maintenance	1,000	1,000	900	(100)
Sidewalk and Drainage	30,630	30,630	15,932	(14,698)
Fuel	9,000	9,000	6,871	(2,129)
Building Rental	3,000	2,500	2,400	(100)
Pond Expenses	3,000	3,000	-	(3,000)
Drainage Improvement	-	-	80,611	80,611
Total Public Works/Transportation	<u>194,130</u>	<u>194,130</u>	<u>243,245</u>	<u>49,115</u>
Total Expenditures	<u>\$ 338,630</u>	<u>\$ 338,630</u>	<u>\$ 357,818</u>	<u>\$ 19,188</u>

See Accompanying Notes

VILLAGE OF FISHER, ILLINOIS
Statement of Revenues and Expenditures - Budget and Actual - Modified Cash Basis
Major Governmental Funds (Except the TIF District Funds)
For the Year Ended April 30, 2018

	Budget		Actual	Variance (Actual - Final Budget)
	Original	Final		
Motor Fuel Tax Fund				
Revenues:				
<i>State Receipts</i>				
Motor Fuel Tax	\$ 60,000	\$ 60,000	\$ 47,840	\$ (12,160)
<i>Other Receipts</i>				
Interest	-	-	27	27
Total Revenues	\$ 60,000	\$ 60,000	\$ 47,867	\$ (12,133)
Expenditures:				
<i>Current</i>				
Public Works/Transportation:				
Professional Fees	-	-	3,602	3,602
Sidewalk and Drainage and Tree Maintenance	65,000	65,000	42,547	(22,453)
	\$ 65,000	\$ 65,000	\$ 46,149	\$ (18,851)
Police Fund				
Revenues:				
<i>Local Receipts</i>				
Property Tax	\$ 13,000	\$ 13,000	\$ 13,114	\$ 114
<i>Other Receipts</i>				
Interest	-	-	7	7
Fines	6,000	6,000	3,663	(2,337)
Total Revenues	\$ 19,000	\$ 19,000	\$ 16,784	\$ (2,216)
Expenditures:				
<i>Current</i>				
Public Safety:				
Salaries	\$ 110,200	\$ 110,200	\$ 106,760	\$ (3,440)
Benefits	35,700	34,700	32,884	(1,816)
Operating	16,795	18,695	11,944	(6,751)
Equipment	4,000	4,600	4,579	(21)
Dispatch	15,375	15,375	15,371	(4)
Vehicle Replacement	6,000	6,000	-	(6,000)
Professional Fees	2,000	2,000	1,323	(677)
Training	2,500	1,600	1,182	(418)
Miscellaneous	4,100	3,500	7,641	4,141
Total Expenditures	\$ 196,670	\$ 196,670	\$ 181,684	\$ (14,986)

See Accompanying Notes

VILLAGE OF FISHER, ILLINOIS
 Balance Sheet - Modified Cash Basis
Proprietary Fund
 April 30, 2018

	Enterprise Fund
	<u>Water and Sewer Fund</u>
ASSETS	
Current Assets:	
Cash	\$ 58,052
Non-Current Assets:	
Due from Other Fund	<u>6,301</u>
Total Assets	<u><u>\$ 64,353</u></u>
LIABILITIES AND NET POSITION	
Liabilities	
Current Liabilities:	
Debt Certificate Payable	\$ 47,812
Non-Current Liabilities:	
Debt Certificate Payable, Net of Current	<u>586,305</u>
Total Liabilities	634,117
Net Position	
Unrestricted	<u>(569,764)</u>
Total Liabilities and Net Position	<u><u>\$ 64,353</u></u>

See Accompanying Notes

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

	Enterprise Fund
	Water and Sewer Fund
Operating Revenues	
Service Fees	\$ 569,461
Sanitation	105,861
Miscellaneous	5,029
Total Operating Revenues	680,351
Operating Expenses	
General Operating Expenses	441,865
Depreciation	74,323
Total Operating Expenses	516,188
Operating Income (Loss)	164,163
Non-Operating Revenues (Expenses)	
Interest Income	828
Interest Expense	(26,472)
Gain (Loss) on Disposal of Assets	5,256,378
Total Non-Operating Revenues (Expenses)	5,230,734
Other Financing Sources (Uses)	
Transfers Out	(7,116,741)
Change in Net Position	(1,721,844)
Net Position, May 1, 2017	1,152,080
Net Position, April 30, 2018	\$ (569,764)

See Accompanying Notes

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

	Enterprise Fund
	Water and Sewer Fund
Cash Flows from Operating Activities	
Receipts from Customers	\$ 680,351
Payments to Vendors	(318,059)
Payments to Employees	(123,806)
Net Cash Provided by (Used in) Operating Activities	238,486
Cash Flows from Capital and Related Financing Activities	
Payment of Debt Certificate Principal	(47,752)
Payment of Debt Certificate Interest	(24,735)
Payment of Loan Principal	(87,402)
Payment of Loan Interest	(1,737)
Payment of Loan to Other Funds	(99,953)
Sale of Property and Equipment	6,800,200
Purchase of Property and Equipment	(3,867)
Net Cash Provided by (Used in) Capital and Related Financing Activities	6,534,754
Cash Flows from Investing Activities	
Receipts of Interest	828
Advance of Loans to Other Funds	(6,301)
Maturities (Purchases) of Investments, Net	142,809
Net Cash Provided by (Used in) Investing Activities	137,336
Other Financing Sources (Uses)	
Transfers Out	(7,116,741)
Net Increase (Decrease) in Cash	(206,165)
Cash, May 1, 2017	264,217
Cash, April 30, 2018	\$ 58,052
Cash Flows from Operating Activities	
Operating Income (Loss)	\$ 164,163
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Depreciation	74,323
Net Cash Provided by (Used in) Operating Activities	\$ 238,486

See Accompanying Notes

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

1. Summary of Significant Accounting Policies

As discussed further in Note 1.C, these financial statements 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 of Fisher, Illinois' (the Village) financial reporting entity is composed of the following:

Primary Government	Village of Fisher, 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 reporting entity. 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. Eliminations have been made within the governmental activities to prevent double counting of internal balances.

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 enterprise 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 major funds:

<u>Fund</u>	<u>Brief Description</u>
Police Fund	Accounts for the operation of the Village's Police Department, which is supported by funds transferred from the General Fund and significantly funded by levied property taxes and fines

Fund	Brief Description
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
Tax Increment Financing District Funds	Account for property taxes received from the incremental increase in the assessed value of real property in the Village's TIF Districts and expenditures paid for redevelopment projects in the TIF Districts, debt service on TIF District bonds, and administration of the TIF Districts

The Motor Fuel Tax Fund does not meet the requirements of a major fund, however, for the purpose of comparability, management of the Village has elected to include this fund as a major fund of the reporting entity.

Proprietary Funds

Enterprise Fund – 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 fund that is reported as a major fund:

Fund	Brief Description
Water and Sewer Fund	Accounts for the operations of the Village's water and sewer systems. This fund is financed through fees charged to residents and businesses that use water and sewer services. The water and sewer systems were sold in March of 2018.

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. These activities are presented within the limitations of the modified cash basis of accounting, 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. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in equity (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent, financial or non-financial) associated with their activities are reported. Proprietary fund equity is 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, interfund receivables, and long-term debt in the governmental activities, a provision for investments and inter-fund receivables and payables in the governmental funds, and a provision for investments, property and equipment, long-term debt, and inter-fund payables in the business-type activities and proprietary fund. 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 financial statements and proprietary fund financial statements would be presented on the accrual basis of accounting.

D. Investments

The Village's investments consist of non-negotiable certificates of deposit with original maturities in excess of three months, U.S Treasury securities money market accounts, and municipal bonds. The certificates of deposit and money market accounts are measured at cost. The municipal bonds are measured at fair value.

E. Property and Equipment

Proprietary fund property and equipment is valued at historical cost or estimated historical cost if actual historical cost is not available. Donated property and equipment are valued at estimated acquisition value at the date of donation. The Village utilizes a capitalization threshold of \$500 for proprietary fund property and equipment. Depreciation is computed using the straight-line method over estimated useful lives of five to ten years for equipment and a range of 26 to 30 years for the water and sewer systems. Most capital assets were sold during fiscal year 2018 with the remainder, with no book value, moved to governmental use.

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 is 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, who 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. Operating and Non-Operating Revenues and Expenses of Proprietary Funds

Operating revenues and expenses for 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.

I. Program Revenues

Program Revenues on the Statement of Activities include the following:

<u>Governmental Activities</u>	<u>Brief Description</u>
Charges for Services:	
Rental Fees	Fees paid by the public for the rental of the Fisher Community Center and other Village property. These fees are reported in the Recreation function.
Fines	Amounts remitted to the Village by violators of Village ordinances
Licenses and Permits	Amounts remitted to the Village by entities and persons making use of legal privileges issued by the Village
Operating Grants and Contributions	Grants and contributions used for debt
<u>Business-Type Activities</u>	<u>Brief Description</u>
Charges for Services:	
User Fees	Fees paid by the public for water and sewer usage
Garbage Fees	Fees paid by the public for garbage collection services provided by a third party. These fees are entirely remitted to the third party and are reported in the Water function.

J. Estimates

These financial statements include estimates and assumptions made by the Village's management that affect certain reported amounts and disclosures. Management's assessment of the useful lives of Water and Sewer Fund capital assets involves extensive reliance on management's estimates. These estimates are no longer necessary as of April 30, 2018, as all Water and Sewer Fund capital assets were sold or transferred to governmental use in fiscal year 2018.

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. Appropriations 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 meeting. The appropriations ordinance for the year ended April 30, 2018, was approved by the Board of Village Trustees on April 13, 2017, and an ordinance approving budget line item transfers was approved on April 12, 2018.

A comparison of budget to actual expenditures is provided for the major governmental funds at Exhibit E. The Tax Increment Financing District Funds do not have appropriated budgets and their expenditure activity is not presented on Exhibit E.

3. Budget Over Expenditure

The Village overspent the General Fund appropriation budget for fiscal year 2018 by \$19,188. The General Fund over expenditure was due to a drainage improvement project and an equipment purchase that were approved by the Board of Village Trustees, but not included in the appropriation budget for the fiscal year.

4. Property Taxes

The Village's property tax is levied each year on all taxable real property located in the Village on or before the last Tuesday in December. The 2017 tax levy was passed by the Board of Village Trustees on November 9, 2017. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on June 1 and September 1. The Village receives significant distributions of tax receipts approximately one month after these due dates. Property tax receipts in these financial statements are from the 2016 tax levy.

5. Cash and Investments

Authorized Investments

The Village is authorized to invest excess funds in instruments outlined under Chapter 30, Section 235 of the Illinois Compiled Statutes. Such instruments include obligations of the U.S. Treasury, savings accounts, certificates of deposit, and money market mutual funds, and interest-bearing bonds of any county, township, city, or other governmental unit.

Fair Value Measurements

The Village categorizes its fair value measurements of investments within the fair value hierarchy established by GAAP, as applicable to the modified cash basis of accounting. The three levels of the fair value hierarchy are as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical investments.
- Level 2 – inputs (other than quoted prices included within Level 1) that are observable for the investment, either directly or indirectly.
- Level 3 – unobservable inputs – market data are not available and are developed using the best information available about the assumptions that market participants would use when pricing an investment.

The fair value of investments measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The Village has the following fair value measurements as of April 30, 2018:

	<u>Carrying Value</u>	<u>Level</u>
Money Market Accounts - Not Held at Depository Banks	\$ 5,347,592	N/A
Municipal Bonds	1,201,020	1
Certificates of Deposit	<u>25,000</u>	N/A
Total Investments	<u><u>\$ 6,573,612</u></u>	

Debt securities classified in the Level 2 of the fair value hierarchy are valued using inputs other than quoted prices that are directly observable. There have been no changes in the valuation techniques used during the year ended April 30, 2018.

Custodial Credit Risk – Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits, including amounts in checking, savings, and certificate of deposit accounts may not be returned to it. The Village addresses custodial credit risk by requiring collateral pledges from financial institutions holding deposits in excess of Federal Depository Insurance Corporation limits. At April 30, 2018, \$854,842 of the Village's bank deposits of \$1,105,514, reconciled to a book balance of \$1,070,197 in cash and \$25,000 in investments, was exposed to custodial credit risk. The entire balance exposed to custodial credit risk was collateralized by securities pledged by the Village's financial institution. The pledged securities, which had a fair value of \$1,382,563 at April 30, 2018, are held by a third party, but are not held in the Village's name.

Credit Risk and Interest Rate Risk – External Investment Pool

Credit risk is the risk that the issuer of a bond or note security will not repay the principal or pay the interest due on the debt. The credit risk of investments is addressed by the Village’s investment policy by limiting investments to instruments outlined under Chapter 30, Section 235 of the Illinois Compiled Statutes as noted above.

Interest rate risk is the risk that a change in the market rate of interest for a category of debt securities will negatively impact the market value of a debt security. Interest rate risk is addressed by the Village’s investment policy by requiring the maintenance of sufficient liquidity in investments to meet operating needs.

At April 30, 2018, the Village held \$328 in the Illinois Funds Money Market Fund, reconciled to a book balance of \$328. The value of the Village’s position in the fund is equal to the value of the Village’s fund shares, which maintain a \$1 net asset value. The portfolio is regulated by oversight of the Treasurer of the State of Illinois and private rating agencies. The portfolio has an AAAM rating from Standard and Poor’s. The assets of the fund are mainly invested in debt securities issued by the United States government or agencies related to the United States and valued at amortized cost. Assets of the fund not invested in United States government securities are fully collateralized by pledged securities. The time to maturity of the investments in this external investment pool averages less than one year. The Village has no restrictions on withdrawing funds from this external investment pool.

Custodial Credit Risk – Investments

At April 30, 2018, the Village had no custodial credit risk in that all of its investments were held through a Securities Investor Protection Corporation (SIPC) member brokerage firm.

Credit Risk – Investments

Credit risk is the risk that the issuer of a bond or note security will not repay the principal or pay the interest due on the debt. The credit risk of investments is addressed by the Village’s investment policy limited investments to instruments outlined under Chapter 30, Section 235 of the Illinois Compiled Statutes as noted above.

At April 30, 2018, the Village held the following investments that were subject to credit risk:

	<u>Carrying Value</u>	<u>Rating</u>
Municipal Bonds	\$ 297,108	Aaa
Municipal Bonds	607,182	Aa1
Municipal Bonds	296,730	Aa2
Total Investments	<u>\$ 1,201,020</u>	

Interest Rate Risk – Investments

Interest Rate Risk is the risk that a change in the market rate of interest for a category of debt securities will negatively impact the fair value of a debt security. Interest rate risk is not directly addressed by the Village’s investment policy except for the general goal to “remain sufficiently liquid to meet operating requirements”.

At April 30, 2018, the Village held the following investments subject to interest rate risk:

	<u>Carrying Value</u>	<u>Weighted Average Maturity (Years)</u>
Money Market Accounts - Not Held at Depository Banks	\$ 5,347,592	0.08
Municipal Bonds	1,201,020	9.53
Certificates of Deposit	25,000	0.50
Total Investments	<u>\$ 6,573,612</u>	

6. Property and Equipment, Net

The following is a summary of the changes in the property and equipment of the Proprietary Fund and Business-Type Activities for the year ended April 30, 2018:

	<u>For the Years Ended April 30</u>			
	<u>2017</u>	<u>Additions</u>	<u>Retirements</u>	<u>2018</u>
Depreciable Property and Equipment:				
Waterworks System and Equipment	\$ 2,348,585	\$ -	\$ (2,348,585)	\$ -
Sewer System and Equipment	1,728,891	3,867	(1,732,758)	-
Less: Accumulated Depreciation	(2,463,198)	(74,323)	2,537,521	-
Depreciable Property and Equipment, Net	<u>\$ 1,614,278</u>	<u>\$ (70,456)</u>	<u>\$ (1,543,822)</u>	<u>\$ -</u>

Depreciation expense for 2018 was charged to the water and sewer activity in the amount of \$74,323.

The water and sewer systems were sold to an unrelated third party on March 28, 2018 for a gain of \$5,256,378. The proceeds from the sale were transferred to the General Fund for general government usage.

7. Long-Term Debt

Tax Increment Financing General Obligation Bonds (Alternative Revenue Source)

On November 2, 2010, the Village issued \$6,000,000 of general obligation bonds (alternative revenue source) to refund bonds issued in 2006 and to defray the costs associated with the redevelopment of the Fisher Tax Increment Financing District Area I in the Village of Fisher and, consequently, these bonds have been accounted for in the Tax Increment Financing District I Fund. Heartland Bank of Bloomington, Illinois is the paying agent and registrar for the issue known as the General Obligation Bond (Alternate Revenue Source), Series 2010A and Taxable General Obligation Bond (Alternate Revenue Source – Build America Bonds), Series 2010B. These bonds mature serially on December 1 of each of the calendar years 2011 – 2025 in amounts ranging from \$215,000 to \$610,000 and bearing interest ranging from 3.00 percent to 5.30 percent payable June 1 and December 1, annually. At the Village’s discretion, these bonds are subject to early redemption any time as of and after December 1, 2020.

The Village has pledged future TIF District I Fund incremental property taxes to repay these bonds. Principal and interest on the bonds are payable through 2025 from the TIF District I Fund’s incremental property taxes. Annual principal and interest on the bonds are expected to require approximately a maximum of 78 percent of such revenues. Debt service payments for fiscal year 2018 were \$365,000 and \$198,635 for principal and interest, respectively, of which \$52,430 was subsidized interest through the Build America Bond Program. The TIF District I Fund’s incremental property tax revenues totaled \$796,857 for fiscal year 2018. At April 30, 2018, pledged future revenues totaled \$4,627,091, which was the amount of the remaining principal and interest on the bonds.

Aggregate future principal maturities and net interest payments required on these bonds are as follows for the fiscal years ending April 30:

	Principal	Interest	Total
2019	\$ 395,000	\$ 133,430	\$ 528,430
2020	425,000	118,618	543,618
2021	455,000	102,370	557,370
2022	480,000	89,061	569,061
2023	510,000	74,347	584,347
2024-2026	1,725,000	119,265	1,844,265
Total	<u>\$ 3,990,000</u>	<u>\$ 637,091</u>	<u>\$ 4,627,091</u>

Interest presented above is net of \$339,964 of interest subsidized by the federal government through the Build America Bonds program. The average annual subsidy is approximately \$42,000.

The 2010 bond ordinance calls for two funded reserves. The Bond Fund Reserve requires one half of the next principal and interest payment amounts to be set aside from each of the two property tax installments paid by the TIF District taxpayers. At April 30, 2018,

the required balance in this reserve was \$0 because the Village has not received property tax payments for 2018 as of April 30, 2018. The Project Fund Reserve requires the Village to hold the net proceeds from the bond issuance in reserve for payment of costs related to the capital projects. At April 30, 2018, all of the net proceeds from the bond issuance had been spent.

General Obligation (Limited Tax) Debt Certificates

On December 19, 2013, the Village issued \$1,746,000 of general obligation (limited debt) debt certificates to finance the Village water plant additions and Tax Increment Financing District I fund expenditures. Consequently, these certificates have been accounted for in the Water and Sewer Fund (\$821,647 of the issuance) and TIF District I Fund (\$924,353 of the issuance). Dewey Bank of Dewey, Illinois is the paying agent and registrar for the issue known as the General Obligation (Limited Tax) Debt Certificates, Series 2013. These certificates mature serially on December 1 of each of the calendar years 2014 – 2028 in amounts ranging from \$99,600 to \$147,500 and bear interest ranging from 1.35 percent to 4.6 percent payable June 1 and December 1, annually. At the Village’s discretion, these certificates are subject to early redemption any time as of and after December 1, 2020.

Aggregate future principal maturities and interest payments required on these debt certificates are as follows for the fiscal years ending April 30:

	Principal	Interest	Total
2019	\$ 103,800	\$ 50,444	\$ 154,244
2020	106,200	48,004	154,204
2021	109,100	45,137	154,237
2022	112,400	41,864	154,264
2023	116,200	38,099	154,299
2024-2028	651,800	119,504	771,304
2029	147,499	6,785	154,284
Total	<u>\$ 1,346,999</u>	<u>\$ 349,837</u>	<u>\$ 1,696,836</u>

Total interest paid in fiscal year 2018 on the debt certificates was \$52,628. Of this amount, \$27,893 was paid by the Tax Increment Financing District I Fund and \$24,735 was paid by the Water and Sewer Fund.

Note Payable

On July 15, 2016, the Village entered into a loan agreement with a bank for \$100,000. This loan has an interest rate of 2.0 percent. The loan was used to fund the purchase of water meters and will be repaid by the Water and Sewer Fund. The loan was paid off in full during fiscal year 2018.

Interest paid in fiscal year 2018 on the loan agreement was \$1,737.

A member of the Board of Village Trustees has an ownership interest in the bank that held this loan. Additionally, a relative of that member of the Board of Village Trustees holds an executive management position with the bank.

8. Changes in Long-Term Debt

The following is a summary of changes in long-term debt of the governmental activities for the year ended April 30, 2018:

	April 30, 2017	Issued	Retired	April 30, 2018	Due Within One Year
General Obligation Bond	\$ 4,355,000	\$ -	\$ 365,000	\$ 3,990,000	\$ 395,000
General Obligation Debt Certificates	766,730	-	53,848	712,882	54,953
Total	<u>\$ 5,121,730</u>	<u>\$ -</u>	<u>\$ 418,848</u>	<u>\$ 4,702,882</u>	<u>\$ 449,953</u>

The Tax Increment Financing District I Fund is expected to make all future payments on the governmental long-term debts.

The following is a summary of changes in long-term debt of the business-type activities and Water and Sewer Fund for the year ended April 30, 2018:

	April 30, 2017	Issued	Retired	April 30, 2018	Due Within One Year
General Obligation Debt Certificate	\$ 681,869	\$ -	\$ 47,752	\$ 634,117	\$ 47,812
Note Payable	87,402	-	87,402	-	-
Total	<u>\$ 769,271</u>	<u>\$ -</u>	<u>\$ 135,154</u>	<u>\$ 634,117</u>	<u>\$ 47,812</u>

9. Legal Debt Margin

At April 30, 2018, the estimated legal debt margin was determined as follows:

Assessed Valuation (Tax Year 2017)	<u>\$ 30,102,000</u>
Statutory Debt Limitation (8.625 Percent of Assessed Valuation)	\$ 2,596,298
Total General Obligation Indebtedness at April 30, 2018	<u>1,346,999</u>
Legal Debt Margin	<u>\$ 1,249,299</u>

Note: By Illinois statute, the legal debt margin excludes alternative revenue source debt. The Village's general obligation bond is an alternative revenue source debt and is therefore excluded.

10. Restricted Net Position and Fund Balances

As of April 30, 2018, the Village's governmental activities and Motor Fuel Tax Fund had \$104,158 restricted for future street and alley maintenance expenditures. The restricted net position and fund balance for street and alley expenditures are from the Motor Fuel taxes provided by the State of Illinois and are restricted for that purpose by state statutes.

As of April 30, 2018, the Village's Tax Increment Financing District I Fund had \$297,654 restricted for future TIF District I expenditures. The restricted net position and fund balance are from the incremental increase in the assessed value of real property in the Village's TIF District I and are restricted by state statute to redevelopment expenditures for that TIF District.

11. Designated Net Position and Assigned Fund Balances

Designated net position of the governmental activities and assigned fund balances of the governmental funds consist of the following at April 30, 2018:

Police Expenditures	\$ 34,952
Vehicle Replacement	53,561
ESDA	<u>573</u>
Total Designated Net Position/Assigned Fund Balances	89,086
Undesignated Net Position	<u>2,386,004</u>
Total Unrestricted Net Position	<u>\$ 2,475,090</u>

Unrestricted net position of the Business-Type Activities (and Proprietary Fund) consists of the following at April 30, 2018:

Board Designated:		
Meter Deposits		\$ 11,882
Undesignated		(581,646)
	Total Unrestricted Net Position	<u>\$ (569,764)</u>

12. Interfund Transfers

The following is a schedule of interfund transfers made during the fiscal year ended April 30, 2018:

	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Funds:		
General Fund	\$ 7,116,741	\$ 165,000
Police Fund	165,000	-
Water and Sewer Fund	-	7,116,741
Total All Funds	<u>\$ 7,281,741</u>	<u>\$ 7,281,741</u>

The purpose of the transfer from the General Fund to the Police Fund was to cover necessary operating expenditures in that fund as deemed appropriate by the Village Board.

The purpose of the transfer from the Water and Sewer Fund to the General Fund was to make available the proceeds from the sale for general government activities.

13. Interfund Balances

The following is a schedule of interfund balances at April 30, 2018:

	<u>Due From</u>	<u>Due To</u>
Governmental Funds:		
General Fund	\$ 268,093	\$ 257,193
Police Fund	-	7,314
Motor Fuel Tax Fund	48,000	-
Tax Increment Financing District I Fund	341,973	54,301
Tax Increment Financing District II Fund	-	121,392
Tax Increment Financing District III Fund	-	224,167
Proprietary Fund:		
Water and Sewer Fund	6,301	-
Total All Funds	<u>\$ 664,367</u>	<u>\$ 664,367</u>

The purpose of the balances due to the General Fund (\$86,910) and the Motor Fuel Tax Fund (\$48,000) from the TIF I Fund (\$48,000) and TIF II Fund (\$86,910) was to cover necessary expenditures in the TIF Funds during their initial operation periods and to cover the cost of certain capital projects within the TIF District I. The purpose of the balance due to the General Fund (\$179,380) from the TIF III Fund was to cover necessary expenditures during the initial operation period and to cover certain projects within the TIF District III. The purpose of the balance due to the General Fund (\$1,803) from the Police Fund was to cover operating expenditures for the Police Fund. The purpose of the balances due to the TIF I Fund (\$79,269) from the TIF II Fund (\$34,482) and TIF III Fund (\$44,787) was the same purpose as the amounts due to the General Fund and Motor Fuel Tax Fund from the TIF Funds. The purpose of the balances due to the TIF I Fund (\$5,511) from the Police Fund (\$5,511) was to cover capital expenditures for that fund. The purpose of the balances due to the TIF I Fund (\$257,193) from the General Fund is for the Build America Bond Rebates that have been received by the General Fund, but that relate to the debt held by the TIF I Fund. The purpose of the balances due to the Water and Sewer Fund (\$6,301) from the TIF I Fund was to cover debt service payments. The repayment of these interfund balances is not expected within the next fiscal year.

14. Risk of Loss

Significant losses 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. Also, there have been no settlement amounts that have exceeded insurance coverage in the past three years.

15. Tax Increment Financing District

In May 2000, the Village established Tax Increment Financing (TIF) District I. In September 2009, the Village established TIF District II. In January 2013, the Village established TIF District III. These Districts are areas within the Village designated as redevelopment project areas. The Village redevelops, improves, and maintains the designated areas in order to increase the assessed value, which drives up property values and generates more property tax receipts from those Districts. The activities of the TIF Districts are accounted for in the TIF District Funds, which are special revenue funds. For the year ended April 30, 2018, property tax receipts of \$796,857 were received from TIF District I.

For the year ended April 30, 2018, property tax receipts of \$15,612 were received from TIF District II. The General Fund and TIF District I Fund maintain the right to reimbursement from TIF District II Fund once sufficient funds are accumulated by the TIF District II Fund. The total due the General Fund and TIF District I Fund at April 30, 2018, was \$86,910 and \$34,482, respectively.

For the year ended April 30, 2018, property tax receipts of \$48,904 were received from TIF District III. The General Fund and TIF District I Fund maintain the right to reimbursement from TIF District III Fund once sufficient funds are accumulated by TIF District III Fund. The total due the General Fund and TIF District I Fund at April 30, 2018 was \$179,380 and \$44,787, respectively.

Additionally, the Motor Fuel Tax Fund has incurred expenditures for which it maintains the right to reimbursement from the TIF District I Fund once sufficient funds are accumulated by the TIF District I Fund. The total due to the Motor Fuel Tax Fund at April 30, 2018, was \$ 48,000. The Village's management does not expect the General Fund, TIF District I Fund, or Motor Fuel Tax Fund to be fully repaid within the next fiscal year.

16. Redevelopment Commitments

The Village has entered into a number of redevelopment agreements with outside parties to encourage residential development within the Village's TIF Districts. As an incentive to developers, the Village has committed to reimburse certain project expenses to developers from the TIF Districts' receipts over periods ranging from five years to the life of respective TIF District. As of April 30, 2018, the maximum amount committed to developers was \$2,222,000 and the total paid to developers against these commitments (through the end of fiscal year 2018) was \$703,000. One of these commitments requires an annual payment of \$117,000 beginning in fiscal year 2015 and running through fiscal year 2020. Other than those scheduled payments, the timing of other future payments for these commitments and the amounts of those payments cannot be estimated as they are dependent on the actual costs incurred by the developers and the attainment of agreed upon development milestones. These financial statements do not include a liability related to these redevelopment commitments.

17. Employee Separation Pay Commitment

At separation, employees are eligible to receive compensation for all unused vacation days. At April 30, 2018, the Village's potential liability for employee separation pay was \$11,354. These financial statements do not include a liability or expenditure/expense for this amount.

18. Other 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 Remaining Commitment</u>	<u>Fiscal Year of Expenditure</u>
Summer Oil and Chip Program	MFT	\$ 38,917	2019
Drainage Project	General	46,389	2019
Total Other Commitments		<u>\$ 85,306</u>	

19. Retirement Plan

The Village sponsors a defined contribution retirement plan known as the Village of Fisher Section 457 Deferred Compensation Plan. The plan was authorized by the Village’s Board of Trustees and is administered by Benefit Planning Consultants, Inc. The plan covers all employees. Participants may receive a matching contribution up to \$1,000 per year. All employees will receive a non-discretionary contribution from the Village of \$2,500 per year. The plan’s requirements may be amended by the Village’s Board of Trustees. All plan assets are held in trust by the third-party administrator only for the purpose of paying plan benefits. The Village had retirement plan expenses during the year ended April 30, 2018 of \$15,000.

20. Subsequent Event

The Village purchased real estate for \$185,000 from an unrelated third party. The Village has intent to enter into an agreement for development of this property, which is within the TIF II District. The amount of the development agreement is expected to approximate \$20,000.

VILLAGE OF FISHER, ILLINOIS
 Schedule of Cash Receipts and Disbursements - Modified Cash Basis
Water and Sewer Fund
 For the Year Ended April 30, 2018

	Water	Sewer	Meter	Total
Receipts				
Sale of Assets	\$ 5,277,232	\$ 1,522,968	\$ -	\$ 6,800,200
Service Fees	351,666	217,795	-	569,461
Sanitation	105,861	-	-	105,861
Interest	411	409	8	828
Miscellaneous	2,879	750	1,400	5,029
Total Receipts	<u>5,738,049</u>	<u>1,741,922</u>	<u>1,408</u>	<u>7,481,379</u>
Disbursements				
Salaries	61,903	61,903	-	123,806
Sanitation	105,688	-	-	105,688
Capitalized Expenditures	99,953	3,867	-	103,820
Loan Payment	87,402	-	-	87,402
Chemicals	29,351	19,650	-	49,001
Debt Certificate Payment	47,752	-	-	47,752
Utilities	14,694	26,154	-	40,848
Benefits	16,581	16,581	-	33,162
Insurance	12,551	12,551	-	25,102
Debt Certificate Interest	24,735	-	-	24,735
Equipment	7,934	13,864	-	21,798
Professional Services	3,473	4,669	-	8,142
Office Expense	4,754	2,372	-	7,126
Sludge Removal	-	6,691	-	6,691
Deposit Refunds	-	-	6,261	6,261
NPDES Permit	-	5,000	-	5,000
Lab Fees	2,522	2,396	-	4,918
Fuel	2,175	2,147	-	4,322
Loan Interest	1,737	-	-	1,737
Transfer Out	5,529,134	1,593,908	-	7,123,042
Total Disbursements	<u>6,052,339</u>	<u>1,771,753</u>	<u>6,261</u>	<u>7,830,353</u>
Net Increase (Decrease)				
in Cash and Investments	<u>\$ (314,290)</u>	<u>\$ (29,830)</u>	<u>\$ (4,853)</u>	(348,974)
Cash and Investments, May 1, 2017				<u>407,026</u>
Cash and Investments, April 30, 2018				<u>\$ 58,052</u>

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

Fiscal Year Received <i>Levy Year</i>	2019 <i>2017</i>	2018 <i>2016</i>	2017 <i>2015</i>	2016 <i>2014</i>
Assessed Valuations	\$ 18,124,129	\$ 17,261,474	\$ 16,996,502	\$ 16,679,897
Tax Levies				
General	\$ 40,465	\$ 39,850	\$ 39,275	\$ 38,950
Police	13,450	13,240	13,115	13,000
Audit	2,045	2,025	2,000	2,000
Insurance	4,530	4,450	4,395	4,360
ESDA	400	420	415	410
Total Tax Levies	\$ 60,890	\$ 59,985	\$ 59,200	\$ 58,720
Tax Rates				
General	0.2233	0.2296	0.2311	0.2335
Police	0.0742	0.0763	0.0772	0.0779
Audit	0.0113	0.0116	0.0118	0.0120
Insurance	0.0250	0.0257	0.0259	0.0261
ESDA	0.0022	0.0024	0.0024	0.0025
Total Tax Rates	0.3360	0.3456	0.3484	0.3520
Tax Extensions				
General	\$ 40,471	\$ 39,632	\$ 39,279	\$ 38,948
Police	13,448	13,171	13,121	12,994
Audit	2,048	2,002	2,006	2,002
Insurance	4,531	4,436	4,402	4,353
ESDA	399	414	408	417
Total Tax Extensions	\$ 60,897	\$ 59,656	\$ 59,216	\$ 58,714
Tax Collections				
General		\$ 39,506	\$ 38,815	\$ 39,010
Police		13,114	12,960	13,010
Audit		1,996	1,983	2,005
Insurance		4,419	4,345	4,356
ESDA		404	404	417
Total Tax Collections		\$ 59,439	\$ 58,507	\$ 58,798
Percentage of Extension Collected				
		99.64%	98.80%	100.14%

VILLAGE OF FISHER, ILLINOIS
 Unaudited Schedule of Insurance Coverage
 April 30, 2018

<u>Type of Coverage</u>	<u>Name of Insurer</u>	<u>Amount of Coverage</u>	<u>Policy Expiration Date</u>
Property, Inland Marine and Auto Physical Damage	IMLRMA	\$ 250,000,000	1/1/2019
Workers' Compensation	IMLRMA	Statutory	1/1/2019
Employer's Liability	IMLRMA	\$ 3,000,000	1/1/2019
General and Automobile Liability	IMLRMA	\$ 8,000,000	1/1/2019

The above summary of insurance protection is presented on the basis of unaudited information obtained from policies on file in the Village's office. The amount and adequacy of the coverage were not investigated by the auditors.

INDEPENDENT AUDITOR'S REPORT ON TAX INCREMENT FINANCING

Board of Village Trustees
Village of Fisher, Illinois
Fisher, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America, the accompanying financial statements and related notes of the Village of Fisher, Illinois as of and for the year ended April 30, 2018, as listed in the table of contents, and have issued our report thereon dated July 20, 2018.

In connection with our audit, we tested expenditures of the Village of Fisher, Illinois' Tax Increment Financing districts. The results of our tests indicate that for the items tested, the Village of Fisher, Illinois complied with Subsection (q) of Section 11-74.4-3 of Public Act 85-1142, "An Act in Relation to Tax Increment Financing." Additionally, nothing came to our attention that caused us to believe that the Village of Fisher, Illinois was not in compliance with the statutory requirements of Subsection (q) of Section 11-74.4-3 of Public Act 85-1142, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Village of Fisher, Illinois' noncompliance with the above-referenced statutory requirements, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Board of Village Trustees, management, and others within the Village of Fisher, Illinois, and the Comptroller of the State of Illinois, and is not intended to be and should not be used by anyone other than these specified parties.

Martin Hood LLC

Champaign, Illinois
July 20, 2018



CERTIFIED PUBLIC ACCOUNTANTS and CONSULTANTS