VILLAGE OF TIMBERLANE, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2017

VILLAGE OF TIMBERLANE, ILLINOIS

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List of Principal Officials
December 31, 2017

VILLAGE PRESIDENT

Stephen M. Rapp

BOARD OF TRUSTEES

Laura Herter	James Wehrle
William Hursh	Donna Leone

VILLAGE CLERK

Debra Marner

VILLAGE TREASURER

Stacy Kleyn

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

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

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INDEPENDENT AUDITORS' REPORT

February 18, 2018

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Timberlane, Illinois, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Timberlane, Illinois, as of December 31, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

The introductory section 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.

Lauterbach & Amen LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT DISCUSSION AND ANALYSIS

Our discussion and analysis of the Village of Timberlane's financial performance provides an overview of the Village's financial activities for the fiscal year ended December 31, 2017. Please read it in conjunction with financial statements, which begin on page 3.

FINANCIAL HIGHLIGHTS

- The Village's net position increased as a result of this year's operations. Net position of the governmental activities increased by $11,814, or less than one percent.
- During the year, government-wide revenues for the primary government totaled $270,945, while expenses totaled $259,131, resulting in an increase to net position of $11,814.
- The Village's net position totaled $1,908,601 on December 31, 2017, which includes $1,269,356 net investment in capital assets, $148,315 subject to external restrictions, and $490,930 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported a surplus this year of $76,288, resulting in ending fund balance of $595,242, an increase of 14.7 percent.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 3-5) provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. Fund financial statements begin on page 6. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village's finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 3-5 of this report.

The Statement of Net Position reports information on all of the Village's assets and liabilities/deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Village's property tax base and the condition of the Village's infrastructure, is needed to assess the overall health of the Village.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year.

USING THIS ANNUAL REPORT – Continued

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Village only reports governmental activities. The governmental activities of the Village include general government and highways and streets.

Fund Financial Statements

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

Governmental Funds

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

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

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

The Village adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 6-9 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 10-22 of this report.

USING THIS ANNUAL REPORT – Continued

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's budgetary comparison schedules for the General Fund and Motor Fuel Tax Fund. Required supplementary information can be found on pages 23-24 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village, assets exceeded liabilities/deferred inflows by $1,908,601.

	Net Position	
	2017	2016
Current Assets	$ 710,063	635,217
Capital Assets	1,269,356	1,688,909
Total Assets	1,979,419	2,324,126
Long-Term Debt	-	79,904
Other Liabilities	4,818	281,435
Total Liabilities	4,818	361,339
Deferred Inflows	66,000	66,000
Total Liabilities/Deferred Inflows	70,818	427,339
Net Postion		
Net Investment in Capital Assets	1,269,356	1,333,018
Restricted	148,315	187,592
Unrestricted	490,930	376,177
Total Net Position	1,908,601	1,896,787

A large portion of the Village's net position, $1,269,356 or 66.5 percent, reflects its investment in capital assets (for example, land, buildings, furniture, and equipment), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

An additional portion, $148,315 or 7.8 percent, of the Village's net position represents resources that are subject to external restrictions on how they may be used. The remaining 25.7 percent, or $490,930, represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.

	Change in Net Position	
	2017	2016
Revenues		
Program Revenues		
Charges for Services	$ 5,410	4,421
Operating Grants/Contrib.	23,823	23,780
General Revenues		
Property Taxes	92,663	90,214
Utility Taxes	30,161	29,572
Income Taxes	85,787	90,919
Sales and Use Taxes	24,514	22,918
Other General Revenues	8,587	8,498
Total Revenues	270,945	270,322
Expenses		
General Government	121,774	78,800
Highways and Streets	126,535	118,471
Interest on Long-Term Debt	10,822	11,233
Total Expenses	259,131	208,504
Change in Net Position	11,814	61,818
Net Position - Beginning	1,896,787	1,834,969
Net Position - Ending	1,908,601	1,896,787

Net position of the Village's governmental activities increased by less than one percent ($1,896,787 in 2016 compared to $1,908,601 in 2017). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled $490,930 at December 31, 2017.

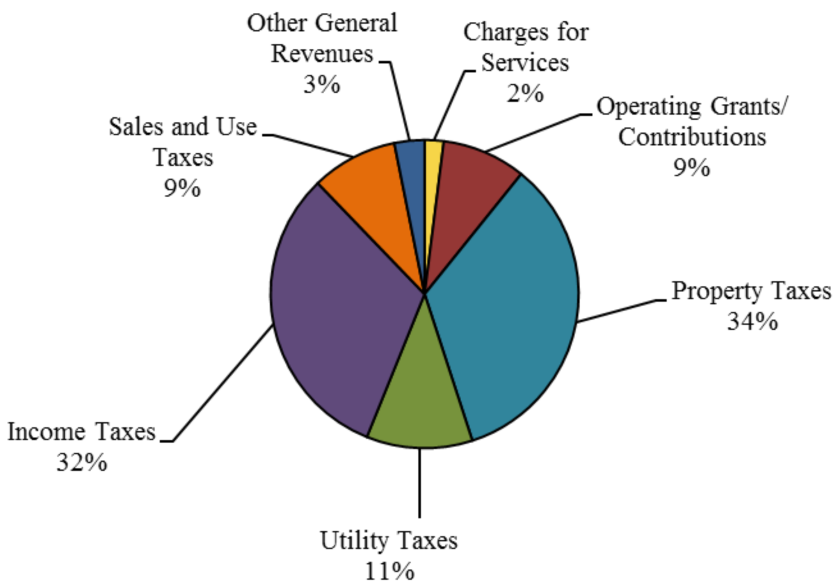
GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities

Revenues for governmental activities totaled $270,945, while the cost of all governmental functions totaled $259,131. This results in a surplus of $11,814. In 2016, revenues of $270,322 exceeded expenses of $208,504, resulting in a surplus of $61,818. Expenses in 2017 increased $50,627 due mainly to an increase in principal retirement expenses.

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

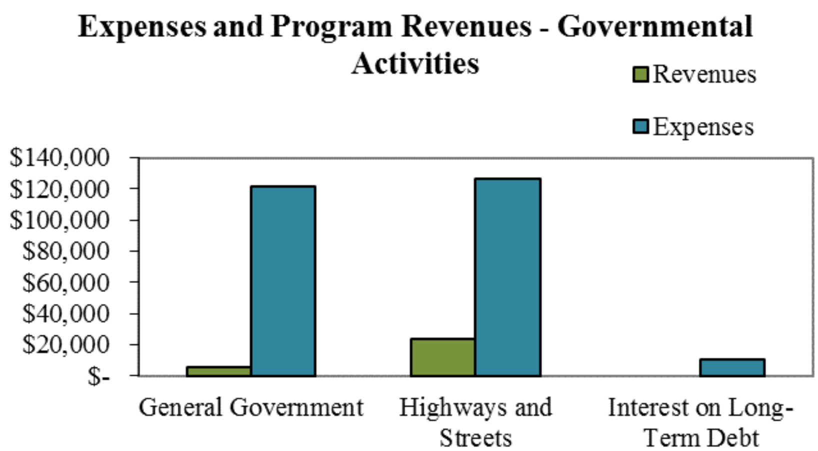
Revenues by Source - Governmental Activities



GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities – Continued

The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

The Village's governmental funds reported combining ending fund balances of $639,245, which is $75,476, or 13.4 percent, higher than last year's total of $563,769. Of the $639,245 total, $490,930, or approximately 76.8 percent, of the fund balance constitutes unassigned fund balance.

The General Fund reported a positive change in fund balance for the year of $76,288, an increase of 14.7 percent. This was due in large part to both the general government and highways and streets expenditures being lower than budgeted by $31,794 and $43,244, respectively. These variances are further outlined on the General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued

Governmental Funds – Continued

The General Fund is the chief operating fund of the Village. At December 31, 2017, unassigned fund balance in the General Fund was $490,930, which represents 82.5 percent of the total fund balance of the General Fund.

The Motor Fuel Tax Fund reported a slight decrease in fund balance for the year of $812. Ending fund balance of $44,003 is restricted for future highways and streets qualifying expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Village made no budget amendments to the General Fund during the year. General Fund actual revenues for the year totaled $247,016, compared to budgeted revenues of $264,185. Taxes and interest items were slightly higher than budgeted, while intergovernmental, licenses, permits and fees, and miscellaneous came in under budget for the year.

The General Fund actual expenditures for the year were $229,175 higher than budgeted ($496,056 actual compared to $266,881 budgeted), due primarily to the Village paying the balances on the promissory notes payable early with proceeds from the sale of capital assets.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village's investment in capital assets as of December 31, 2017 was $1,269,356 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, and infrastructure.

	Capital Assets - Net of Depreciation	
	2017	2016
Land	$ 242,900	242,900
Buildings and Improvements	-	375,822
Furniture and Equipment	359	1,757
Infrastructure	1,026,097	1,068,430
Total	1,269,356	1,688,909

There were no capital asset additions in the current year.

Additional information on the Village's capital assets can be found in note 3 on page 18 of this report.

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration

At year-end, the Village had no outstanding debt as compared to $355,891 the previous year. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding	
	2017	2016
Promissory Notes	$ -	355,891

State statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 8.625 percent of its total assessed valuation. The current debt limit for the Village is $2,067,733.

Additional information on the Village's long-term debt can be found in Note 3 on pages 19-20 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Village's elected and appointed officials considered many factors when setting the fiscal-year 2018 budget, including tax rates, and fees that will be charged for its various activities. One of those factors is the economy. The Village is faced with a similar economic environment as many of the other local municipalities are faced with, including inflation, slumping interest rates, and soaring unemployment rates.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Timberlane's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Village Hall at 2940 Charleston Court, Caledonia, IL 61011.

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements

    Governmental Funds

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

VILLAGE OF TIMBERLANE, ILLINOIS

Statement of Net Position
December 31, 2017

ASSETS

Current Assets	
Cash and Investments	$ 636,029
Receivables - Net of Allowances	
Property Taxes	66,000
Other Taxes	2,098
Prepaids	5,936
Total Current Assets	710,063
Noncurrent Assets	
Capital Assets	
Nondepreciable	242,900
Depreciable	1,203,460
	1,446,360
Accumulated Depreciation	(177,004)
Total Noncurrent Assets	1,269,356
Total Assets	1,979,419

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

LIABILITIES

Current Liabilities	
Accounts Payable	4,818

DEFERRED INFLOWS OF RESOURCES

Property Taxes	66,000
Total Liabilities and Deferred Inflows of Resources	70,818

NET POSITION

Investment in Capital Assets	1,269,356
Restricted	
Audit	16,559
Liability Insurance	5,412
Highways and Streets	54,229
Orth Road Improvement	72,115
Unrestricted	490,930
Total Net Position	1,908,601

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

VILLAGE OF TIMBERLANE, ILLINOIS

Statement of Activities
For the Fiscal Year Ended December 31, 2017

		Program Revenues			
	Expenses	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	Net (Expenses)/ Revenues
Governmental Activities					
General Government	$ 121,774	5,410	-	-	(116,364)
Highways and Streets	126,535	-	23,823	-	(102,712)
Interest on Long-Term Debt	10,822	-	-	-	(10,822)
Total Governmental Activities	259,131	5,410	23,823	-	(229,898)

General Revenues	
Taxes	
Property Taxes	92,663
Utility Taxes	30,161
Intergovernmental - Unrestricted	
State Income Tax	85,787
Sales and Use Tax	24,514
Interest Income	1,138
Miscellaneous	7,449
	241,712
Change in Net Position	11,814
Net Position - Beginning	1,896,787
Net Position - Ending	1,908,601

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

VILLAGE OF TIMBERLANE, ILLINOIS

Balance Sheet - Governmental Funds
December 31, 2017

	General	Special Revenue Motor Fuel Tax	Totals
ASSETS			
Cash and Investments	$ 590,220	45,809	636,029
Receivables - Net of Allowances			
Property Taxes	66,000	-	66,000
Other Taxes	34	2,064	2,098
Prepaids	5,936	-	5,936
Total Assets	662,190	47,873	710,063
LIABILITIES			
Accounts Payable	948	3,870	4,818
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	66,000	-	66,000
Total Liabilities and Deferred Inflows of Resources	66,948	3,870	70,818
FUND BALANCES			
Restricted	104,312	44,003	148,315
Unassigned	490,930	-	490,930
Total Fund Balances	595,242	44,003	639,245

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

VILLAGE OF TIMBERLANE, ILLINOIS

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

December 31, 2017

Total Governmental Fund Balances	$	639,245
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		1,269,356
Net Position of Governmental Activities		1,908,601

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

VILLAGE OF TIMBERLANE, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended December 31, 2017

	General	Special Revenue Motor Fuel Tax	Totals
Revenues			
Taxes	$ 122,824	-	122,824
Intergovernmental	110,301	23,823	134,124
Licenses, Fees and Permits	5,410	-	5,410
Interest	1,032	106	1,138
Miscellaneous	7,449	-	7,449
Total Revenues	247,016	23,929	270,945
Expenditures			
Current			
General Government	64,554	-	64,554
Highways and Streets	64,789	19,413	84,202
Debt Service			
Principal Retirement	355,891	-	355,891
Interest and Fiscal Charges	10,822	-	10,822
Total Expenditures	496,056	19,413	515,469
Excess (Deficiency) of Revenues Over (Under) Expenditures	(249,040)	4,516	(244,524)
Other Financing Sources (Uses)			
Disposal of Capital Assets	320,000	-	320,000
Transfers In	5,328	-	5,328
Transfers Out	-	(5,328)	(5,328)
	325,328	(5,328)	320,000
Net Change in Fund Balances	76,288	(812)	75,476
Fund Balances - Beginning	518,954	44,815	563,769
Fund Balances - Ending	595,242	44,003	639,245

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

VILLAGE OF TIMBERLANE, ILLINOIS

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

For the Fiscal Year Ended December 31, 2017

Net Change in Fund Balances - Total Governmental Funds	$	75,476
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Depreciation Expense		(55,854)
Disposals - Cost		(484,931)
Disposals - Accumulated Depreciation		121,232
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.		
Retirement of Promissory Note Payable		355,891
Changes in Net Position of Governmental Activities		11,814

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Timberlane (Village), Illinois was organized in 1995 and operates under a Board of Trustees form of government. The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

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

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). The Village's general administrative and highways and streets services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis. The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions (general government, highways and streets, etc.). These functions are supported by general government revenues (property taxes, certain intergovernmental revenues, and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) changes to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. The net costs (by function) are normally covered by general revenue (property tax, intergovernmental revenues, interest income, etc.). The Village does not allocate indirect costs. This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. The Village's funds are all reported as governmental funds. The emphasis in fund financial statements is on the major funds.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses) for the determination of major funds.

A fund is considered major if it is the primary operating fund of the Village or total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund are at least 10 percent of the corresponding total for all governmental funds combined.

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

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

Governmental Funds

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

General fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one special revenue fund. The Motor Fuel Tax Fund accounts for state shared motor fuel tax revenues that are legally restricted to maintenance and construction of streets, sidewalks, alleys and traffic signals.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

The government-wide Statement of Net Position and the Statement of Activities are presented using the economic resources measurement focus as defined below.

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

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

The accounting objectives of the "economic resources" measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

Basis of Accounting

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

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

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

Cash and Investments

For purpose of the Statement of Net Position, the Village's cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent.

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

Deferred Outflows/Inflows of Resources

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

Capital Assets

Capital assets purchased or acquired with an original cost of more than $5,000 ($25,000 for infrastructure assets), are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Capital Assets - Continued

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

Buildings and Improvements	20 - 40 Years
Furniture and Equipment	10 Years
Infrastructure	40 Years

Long-Term Obligations

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

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

Net Position

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

Investment in Capital Assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation.

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

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

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

- Prior to January 1, the Village's Treasurer submits to the Board of Trustees a proposed operating budget for the calendar year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.

- Public hearings are conducted prior to December 31 to obtain taxpayer comments.

- The budget is legally enacted through passage of an ordinance prior to January 1. This is the amount reported as original budget.

- Formal budgetary integration is not employed as a management control device during the year for any fund.

- Budgetary comparisons presented in the accompanying financial statements are prepared on the modified cash basis method of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. All funds utilize the same basis of accounting for both budgetary purposes and actual results.

- Expenditures cannot legally exceed appropriations at the fund level.

- Budgetary authority lapses at year-end.

- State law requires that "expenditures be made in conformity with appropriations/budget". As under the budget act, transfers between line items, departments and funds may be made by administrative action. The final budget reflects all amendments made. The level of legal control is at the fund level.

- The Village made one amendment to the original budget.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following fund had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
General	$ 229,175

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

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

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

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

Deposits. At year-end, the carrying amount of the Village’s deposits totaled $510,693 and the bank balances totaled $514,955. In addition, at year-end, the Village had $125,336 invested in Illinois Funds.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village’s investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated by structuring the portfolio so that securities mature concurrent with cash need to meet anticipate demands. Since all possible cash demands cannot be anticipated, consideration should be given to investment in securities with active secondary or resale markets. A portion of the investment portfolio may be placed in money market and mutual funds or local government investment pools that offer the same day liquidity for short-term funds. No investment shall be made with maturity in excess of one year, except in connection with the refunding, defeasance, or payment of debt obligations. At year-end, the average maturity of the investment in Illinois Funds was less than one year.

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's investment portfolio is limited to relatively low risk securities. At year-end the Village's investment in the Illinois Funds was rated AAAm by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires that funds on deposit in excess of FDIC limits must be secured by some form of collateral, witnessed by a written agreement and held at an independent, third-party institution in the name of the Village. The collateralization level will be 110% of market value of principal and accrued interest. At year-end, $264,955 of the bank balance of deposits was not covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Village's investment policy states that all security transactions, including collateral for repurchase agreements, entered in to by the Village shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by an independent, third-party custodian designated by the Village and evidenced by safekeeping receipts and a written custodial agreement. The Village's investment in the Illinois Funds is not subject to custodial credit risk.

PROPERTY TAXES

Property taxes for 2016 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Boone County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically.

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfers In	Transfers Out	Amount
General	Motor Fuel Tax	$ 5,328

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	$ 242,900	-	-	242,900
Depreciable Capital Assets				
Buildings and Improvements	484,931	-	484,931	-
Furniture and Equipment	13,982	-	-	13,982
Infrastructure	1,189,478	-	-	1,189,478
	1,688,391	-	484,931	1,203,460
Less Accumulated Depreciation				
Buildings and Improvements	109,109	12,123	121,232	-
Furniture and Equipment	12,225	1,398	-	13,623
Infrastructure	121,048	42,333	-	163,381
	242,382	55,854	121,232	177,004
Total Net Depreciable Capital Assets	1,446,009	(55,854)	363,699	1,026,456
Total Net Capital Assets	1,688,909	(55,854)	363,699	1,269,356

Depreciation expense was charged to governmental activities as follows:

General Government	$ 13,521
Highways and Streets	42,333
	55,854

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

Promissory Notes Payable

The Village enters into promissory notes payable for the purpose of renovating, remodeling and improving the Village. Promissory notes payable are direct obligations and pledge the full faith and credit of the Village. Promissory notes payable currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Promissory Note Payable of 2012 - Due in monthly installments of $2,656 plus interest at 2.67% through December 15, 2017 when a balloon payment of $250,124 will be due.	$ 250,124	-	250,124	-
Promissory Note Payable of 2014 - Due in monthly installments of $2,412 plus interest at 3.37% through Setember 22, 2019 when a balloon payment of $51,229 will be due.	105,767	-	105,767	-
	355,891	-	355,891	-

Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Promissory Notes Payable	$ 355,891	-	355,891	-	-

The promissory notes payable are liquidated by the General Fund.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "…no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2016	$ 23,973,714
Legal Debt Limit - 8.625% of Assessed Value	2,067,733
Amount of Debt Applicable to Limit	
General Long-Term Debt	-
Legal Debt Margin	2,067,733

NET POSITION/FUND BALANCE CLASSIFICATIONS

Investment in Capital Assets

Investment in capital assets was comprised of the following as of December 31, 2017:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	$ 1,269,356

Fund Balance Classifications

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE CLASSIFICATIONS – Continued

Fund Balance Classifications – Continued

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

		Special Revenue	
	General	Motor Fuel Tax	Totals
Fund Balances			
Restricted			
Audit	$ 16,559	-	16,559
Libility Insurance	5,412	-	5,412
Highways and Streets	10,226	44,003	54,229
Orth Road Improvement	72,115	-	72,115
	104,312	44,003	148,315
Unassigned	490,930	-	490,930
Total Fund Balances	595,242	44,003	639,245

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

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

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE CLASSIFICATIONS – Continued

Fund Balance Classifications – Continued

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

NOTE 4 – OTHER INFORMATION

CONTINGENT LIABILITIES

Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. The Village has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

Litigation

The Village is not a defendant in any lawsuits.

Grants

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

OTHER POST-EMPLOYMENT BENEFITS PLAN

The Village has evaluated its potential other post-employment benefits liability. The Village does not have a health insurance policy and does not offer health insurance through the Village to current or retired employees, and thus there is no benefit to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. Therefore, the Village has not recorded a liability as of December 31, 2017.

REQUIRED SUPPLEMENTARY INFORMATION

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

- Budgetary Comparison Schedules
  - General Fund
  - Motor Fuel Tax - Special Revenue Fund

Notes to the Required Supplementary Information

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

VILLAGE OF TIMBERLANE, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2017

	Budget Original	Budget Final	Actual
Revenues			
Taxes	$ 121,000	121,000	122,824
Intergovernmental	119,785	119,785	110,301
Licenses, Fees and Permits	13,500	13,500	5,410
Interest	800	800	1,032
Miscellaneous	9,100	9,100	7,449
Total Revenues	264,185	264,185	247,016
Expenditures			
Current			
General Government	92,100	96,348	64,554
Highways and Streets	112,281	108,033	64,789
Capital Outlay	500	500	-
Debt Service			
Principal Retirement	50,000	50,000	355,891
Interest and Fiscal Charges	12,000	12,000	10,822
Total Expenditures	266,881	266,881	496,056
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,696)	(2,696)	(249,040)
Other Financing Sources			
Disposal of Capital Assets	-	-	320,000
Transfers In	-	-	5,328
	-	-	325,328
Net Change in Fund Balance	(2,696)	(2,696)	76,288
Fund Balance - Beginning			518,954
Fund Balance - Ending			595,242

VILLAGE OF TIMBERLANE, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2017

	Budget		
	Original	Final	Actual
Revenues			
Intergovernmental			
Motor Fuel Tax	$ 22,969	22,969	23,823
Interest	-	-	106
Total Revenues	22,969	22,969	23,929
Expenditures			
Highways and Streets			
Streets - General	-	-	380
Snow Removal	20,000	20,000	19,033
Total Expenditures	20,000	20,000	19,413
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,969	2,969	4,516
Other Financing (Uses)			
Transfers Out	-	-	(5,328)
Net Change in Fund Balance	2,969	2,969	(812)
Fund Balance - Beginning			44,815
Fund Balance - Ending			44,003

OTHER SUPPLEMENTARY INFORMATION

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

Such schedule include:

- Individual Fund Budgetary Comparison Schedule
  General Fund

INDIVIDUAL FUND SCHEDULES

GENERAL FUND

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

SPECIAL REVENUE FUND

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

Motor Fuel Tax Fund

The Motor Fuel Tax Fund accounts for state shared motor fuel tax revenues that are legally restricted to maintenance and construction of streets, sidewalks, alleys and traffic signals.

VILLAGE OF TIMBERLANE, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2017

	Budget		
	Original	Final	Actual
Taxes			
Property Taxes	$ 86,000	86,000	92,663
Utility Tax	35,000	35,000	30,161
Total Taxes	121,000	121,000	122,824
Intergovernmental			
State Income Tax	97,136	97,136	85,787
State Sales Tax	700	700	922
Local Use Tax	21,949	21,949	23,592
Total Intergovernmental	119,785	119,785	110,301
Licenses, Fees and Permits	13,500	13,500	5,410
Interest	800	800	1,032
Miscellaneous			
Rental Income	8,000	8,000	4,400
Other	1,100	1,100	3,049
Total Miscellaneous	9,100	9,100	7,449
Total Revenues	264,185	264,185	247,016

VILLAGE OF TIMBERLANE, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2017

	Budget		
	Original	Final	Actual
General Government			
Salaries	$ 36,000	36,000	27,977
Payroll Taxes	-	-	2,123
Insurance	10,000	10,000	9,362
Automobile Allowance	2,000	2,000	103
Grounds	2,000	2,000	770
Maintenance - Building	1,500	1,500	2,500
Permits and Fees	10,000	10,000	2,611
Mosquito Control	-	4,248	4,248
Professional Services	1,200	1,200	189
Legal Services	3,000	3,000	3,301
Engineering	15,000	15,000	1,532
Audit	5,000	5,000	4,900
Advertising and Publishing	500	500	147
Rent	100	100	87
General Supplies	1,500	1,500	1,238
Web Site	200	200	107
Telephone	1,000	1,000	1,007
Utilities	2,500	2,500	1,721
Dues	500	500	515
Contingency	100	100	116
Total General Government	92,100	96,348	64,554
Highways and Streets			
Equipment - Roads	500	500	-
Street Lighting	500	500	508
Streets - General	91,281	87,033	62,346
Snow Removal	20,000	20,000	1,935
Total Highways and Streets	112,281	108,033	64,789
Capital Outlay	500	500	-
Debt Service			
Principal Retirement	50,000	50,000	355,891
Interest and Fiscal Charges	12,000	12,000	10,822
Total Debt Service	62,000	62,000	366,713
Total Expenditures	266,881	266,881	496,056

SUPPLEMENTAL SCHEDULES

VILLAGE OF TIMBERLANE, ILLINOIS

Schedule of Assessed Valuation, Tax Rates, Tax Extension and Levied Taxes Collected
Last Four Tax Levy Years
December 31, 2017

	2013	2014	2015	2016
Assessed Valuation	$ 20,480,322	20,415,219	21,664,436	23,973,714
Tax Rates				
Corporate	$ 0.24321	0.24492	0.22919	0.20679
Audit	0.04053	0.02156	0.02293	0.02069
Liability Insurance	0.02051	0.04213	0.04127	0.04137
Total Tax Rates	0.30425	0.30861	0.29339	0.26885
Tax Extensions				
Corporate	$ 49,810	50,001	49,653	49,575
Audit	8,300	4,402	4,967	4,960
Liability Insurance	4,200	8,603	8,941	9,918
Total Tax Extensions	62,310	63,006	63,561	64,453
Levied Taxes Collected				
Corporate	$ 49,787	49,916	49,605	49,530
Audit	8,297	4,394	4,962	4,956
Liability Insurance	4,199	8,586	8,932	9,909
Total Levied Taxes Collected	62,283	62,896	63,499	64,395
Percentage of Extensions Collected	99.96%	99.83%	99.90%	99.91%
50% of Road and Bridge Tax Levied by Townships	$ 25,958	26,136	26,715	28,268
Total Taxes Collected	$ 88,241	89,032	90,214	92,663

VILLAGE OF TIMBERLANE, ILLINOIS

Schedule of Legal Debt Margin - Last Four Fiscal Years
December 31, 2017

	2014	2015	2016	2017
Assessed Valuation	$ 20,480,322	20,415,219	21,664,436	23,973,714
Statutory Debt Limitation (8.625% of Assessed Valuation)	1,766,428	1,760,813	1,868,558	2,067,733
Amount of Debt Applicable to Debt General Long-Term Debt	455,684	356,991	355,891	-
Legal Debt Margin	1,310,744	1,403,822	1,512,667	2,067,733