

CITY OF JERSEYVILLE, ILLINOIS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2021

CITY OF JERSEYVILLE, ILLINOIS
APRIL 30, 2021
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ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
JERSEYVILLE COLUMBIA CARROLLTON

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor
and Commissioners
City of Jerseyville, Illinois

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Jerseyville, Illinois, as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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.

Basis for Qualified Opinion

City of Jerseyville, Illinois, has not disclosed the descriptive information regarding the other post-employment benefit (OPEB) obligations. We believe that such disclosure is required by the modified cash basis of accounting.

Qualified Opinion

In our opinion, except for the omission of the OPEB disclosures as described in the Basis for Qualified Opinion paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position - modified cash basis of City of Jerseyville, Illinois, as of April 30, 2021, and the respective changes in financial position - modified cash basis and its cash flows for the year then ended in accordance with the basis of accounting as 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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Jerseyville, Illinois' basic financial statements. The supplementary information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

The other information listed in the table of contents 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2021 on our consideration of City of Jerseyville, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City of Jerseyville, Illinois' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Jerseyville, Illinois' internal control over financial reporting and compliance.



Jerseyville, Illinois
November 10, 2021



ALTON EDWARDSVILLE BELLEVILLE HIGHLAND
JERSEYVILLE COLUMBIA CARROLLTON

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor
and Commissioners
City of Jerseyville, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Jerseyville, Illinois, as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise City of Jerseyville, Illinois' basic financial statements and have issued our report thereon dated November 10, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Jerseyville, Illinois' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Jerseyville, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of City of Jerseyville, Illinois' internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, as described in the accompanying schedule of findings, that we consider to be significant deficiencies. [2021-001, 2021-002, 2021-003, and 2021-004]

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Jerseyville, Illinois' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings. [2021-005]

City of Jerseyville, Illinois' Response to Findings

City of Jerseyville, Illinois' response to the findings identified in our audit is described in the accompanying schedule of findings. City of Jerseyville, Illinois' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Jerseyville, IL
November 10, 2021

CITY OF JERSEYVILLE, ILLINOIS
STATEMENT OF NET POSITION
MODIFIED CASH BASIS
APRIL 30, 2021

<u>ASSETS</u>	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNIT
Current Assets:				
Cash	\$ 2,027,626	\$ 1,124,391	\$ 3,152,017	\$ 89,947
Escrow Account		336,311	336,311	
Restricted Cash	6,898		6,898	
Invested Cash	27,020,713		27,020,713	649,660
Restricted Invested Cash	210,717		210,717	
Total Current Assets	<u>\$ 29,265,954</u>	<u>\$ 1,460,702</u>	<u>\$ 30,726,656</u>	<u>\$ 739,607</u>
Noncurrent Assets:				
Due From Other Funds		\$ 113,000	\$ 113,000	\$ 5,512
Capital Assets:				
Non-Depreciable	\$ 2,118,223		\$ 2,118,223	\$ 218,261
Depreciable, Net of Accumulated Depreciation	13,049,259		13,049,259	898,353
Total Net Capital Assets	<u>\$ 15,167,482</u>	<u>\$ 0</u>	<u>\$ 15,167,482</u>	<u>\$ 1,116,614</u>
Total Noncurrent Assets	<u>\$ 15,167,482</u>	<u>\$ 113,000</u>	<u>\$ 15,280,482</u>	<u>\$ 1,122,126</u>
Total Assets	<u>\$ 44,433,436</u>	<u>\$ 1,573,702</u>	<u>\$ 46,007,138</u>	<u>\$ 1,861,733</u>
<u>LIABILITIES</u>				
Current Liabilities:				
Notes Payable				
Current Portion	\$ 10,000		\$ 10,000	
Customers' Meter Deposits		\$ 13,823	\$ 13,823	
Total Current Liabilities	<u>\$ 10,000</u>	<u>\$ 13,823</u>	<u>\$ 23,823</u>	<u>\$ 0</u>
Long-term Liabilities:				
Due to Other Funds	\$ 118,512		\$ 118,512	
Total Long-term Liabilities	<u>\$ 118,512</u>	<u>\$ 0</u>	<u>\$ 118,512</u>	<u>\$ 0</u>
Total Liabilities	<u>\$ 128,512</u>	<u>\$ 13,823</u>	<u>\$ 142,335</u>	<u>\$ 0</u>
<u>NET POSITION</u>				
Net Investment in Capital Assets	\$ 15,157,482		\$ 15,157,482	\$ 1,116,614
Restricted:				
Public Library				237,787
Unemployment	44,372		44,372	
Retirement	1,055,110		1,055,110	
Public Benefit	21,141		21,141	
Perpetual Care	217,615		217,615	
Highway Projects	568,320		568,320	
Development	553,802		553,802	
Water Sale Settlements		336,311		
Unrestricted	26,687,082	\$ 1,223,568	27,910,650	507,332
Total Net Position	<u>\$ 44,304,924</u>	<u>\$ 1,559,879</u>	<u>\$ 45,864,803</u>	<u>\$ 1,861,733</u>
Total Liabilities and Net Position	<u>\$ 44,433,436</u>	<u>\$ 1,573,702</u>	<u>\$ 46,007,138</u>	<u>\$ 1,861,733</u>

The accompanying notes are an integral part of these financial statements

CITY OF JERSEYVILLE, ILLINOIS
STATEMENT OF ACTIVITIES
MODIFIED CASH BASIS
FOR THE YEAR ENDED APRIL 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		Fines, Licenses and Permits, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental Activities:								
General Government	\$ 1,904,572	\$ 120,159	\$ 346,641		\$ (1,437,772)		\$ (1,437,772)	
Public Safety	2,912,285	40,306			(2,871,979)		(2,871,979)	
Transportation & Public Works	1,431,413		315,617	\$ 278,938	(836,858)		(836,858)	
Social Services & Environment	773,443				(773,443)		(773,443)	
Culture & Recreation	649,787	186,087			(463,700)		(463,700)	
Development	25,000		25,000					
Total Governmental Activities	<u>\$ 7,696,500</u>	<u>\$ 346,552</u>	<u>\$ 687,258</u>	<u>\$ 278,938</u>	<u>\$ (6,383,752)</u>	<u>\$ 0</u>	<u>\$ (6,383,752)</u>	<u>\$ 0</u>
Business-Type Activities:								
Water & Sewer System	\$ 3,439,941	\$ 2,801,280				\$ (638,661)	\$ (638,661)	
Total Primary Government	<u>\$ 11,136,441</u>	<u>\$ 3,147,832</u>	<u>\$ 687,258</u>	<u>\$ 278,938</u>	<u>\$ (6,383,752)</u>	<u>\$ (638,661)</u>	<u>\$ (7,022,413)</u>	<u>\$ 0</u>
Component Unit:								
Governmental Activities:								
Culture & Recreation	\$ 565,739	\$ 23,055	\$ 10,581					\$ (532,103)
Total Component Unit	<u>\$ 565,739</u>	<u>\$ 23,055</u>	<u>\$ 10,581</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (532,103)</u>
General Revenues:								
Property Taxes					\$ 1,561,927		\$ 1,561,927	\$ 543,234
Intergovernmental					4,443,155		4,443,155	11,830
Investment Income					15,506	\$ 2,121	17,627	1,094
Miscellaneous					266,405		266,405	65,647
Gain (Loss) on Sale of Capital Assets					6,419	18,058,829	18,065,248	
Transfers, Net					25,980,058	(25,980,058)	0	
Total General Revenues					<u>\$ 32,273,470</u>	<u>\$ (7,919,108)</u>	<u>\$ 24,354,362</u>	<u>\$ 621,805</u>
CHANGE IN NET POSITION					\$ 25,889,718	\$ (8,557,769)	\$ 17,331,949	\$ 89,702
NET POSITION, BEGINNING OF YEAR					18,415,206	10,117,648	28,532,854	1,772,031
NET POSITION, END OF YEAR					<u>\$ 44,304,924</u>	<u>\$ 1,559,879</u>	<u>\$ 45,864,803</u>	<u>\$ 1,861,733</u>

The accompanying notes are an integral part of these financial statements

CITY OF JERSEYVILLE, ILLINOIS
 BALANCE SHEET- MODIFIED CASH BASIS
 GOVERNMENTAL FUNDS
 APRIL 30, 2021

<u>ASSETS</u>	<u>GENERAL FUND</u>	<u>ROAD AND BRIDGE FUND</u>	<u>TIF #1 REDEVELOPMENT FUND</u>	<u>TIF #3 REDEVELOPMENT FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Cash	\$ 263,607	\$ 2,361			\$ 1,761,658	\$ 2,027,626
Restricted Cash					6,898	6,898
Invested Cash	26,410,099		\$ 406,382	\$ 12,523	191,709	27,020,713
Restricted Invested Cash					210,717	210,717
Due From Other Funds	75,217		3,628		369	79,214
Total Assets	<u>\$ 26,748,923</u>	<u>\$ 2,361</u>	<u>\$ 410,010</u>	<u>\$ 12,523</u>	<u>\$ 2,171,351</u>	<u>\$ 29,345,168</u>
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Due to Other Funds	\$ 118,881		\$ 33,417	\$ 41,977	\$ 3,451	\$ 197,726
Total Liabilities	<u>\$ 118,881</u>	<u>\$ 0</u>	<u>\$ 33,417</u>	<u>\$ 41,977</u>	<u>\$ 3,451</u>	<u>\$ 197,726</u>
Fund Balances:						
Restricted	\$ 44,372		\$ 367,427		\$ 2,048,561	\$ 2,460,360
Committed	20,000,000					20,000,000
Assigned		\$ 2,361	9,166		119,339	130,866
Unassigned	6,585,670			\$ (29,454)		6,556,216
Total Fund Balances (Deficits)	<u>\$ 26,630,042</u>	<u>\$ 2,361</u>	<u>\$ 376,593</u>	<u>\$ (29,454)</u>	<u>\$ 2,167,900</u>	<u>\$ 29,147,442</u>
Total Liabilities and Fund Balances	<u>\$ 26,748,923</u>	<u>\$ 2,361</u>	<u>\$ 410,010</u>	<u>\$ 12,523</u>	<u>\$ 2,171,351</u>	<u>\$ 29,345,168</u>

The accompanying notes are an integral part of these financial statements

CITY OF JERSEYVILLE, ILLINOIS
 RECONCILIATION OF GOVERNMENTAL FUNDS
 BALANCE SHEET TO THE STATEMENT OF NET POSITION -
 MODIFIED CASH BASIS
 APRIL 30, 2021

Total Governmental Fund Balances		\$ 29,147,442
Total Net Position Reported for Governmental Activities in the Statement of Net Position is Different Because:		
Capital Assets Used in Governmental Activities are not Financial Resources and Therefore are not Reported in the Funds		
Balances of Those Assets at April 30, 2021 Consist of:		
Land	\$ 1,328,720	
Work in Process	789,503	
Storm Sewers, Net of \$459,339 Accumulated Depreciation	609,962	
Sidewalks, Net of \$703,510 Accumulated Depreciation	239,784	
Streets, Net of \$7,476,086 Accumulated Depreciation	8,565,009	
Other Infrastructure, Net of \$73,570 Accumulated Depreciation	98,198	
Buildings, Net of \$2,746,751 Accumulated Depreciation	1,860,554	
Vehicles & Equipment, Net of \$2,273,830 Accumulated Depreciation	1,675,752	
Total Capital Assets, Net of Accumulated Depreciation		15,167,482
All Liabilities - Both Current And Long-Term - Are Reported in the Statement of Net Position, but not in the Funds		
Balances at April 30, 2021:		
Notes Payable		(10,000)
Total Net Position of Governmental Activities		\$ 44,304,924

The accompanying notes are an integral part of these financial statements

CITY OF JERSEYVILLE, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2021

	<u>GENERAL</u> <u>FUND</u>	<u>ROAD AND</u> <u>BRIDGE FUND</u>	<u>TIF #1</u> <u>REDEVELOPMENT</u> <u>FUND</u>	<u>TIF #3</u> <u>REDEVELOPMENT</u> <u>FUND</u>	<u>OTHER</u> <u>GOVERNMENTAL</u> <u>FUNDS</u>	<u>TOTAL</u> <u>GOVERNMENTAL</u> <u>FUNDS</u>
REVENUES						
Property Taxes	\$ 348,450	\$ 96,439	\$ 191,268	\$ 5,862	\$ 919,908	\$ 1,561,927
Intergovernmental	3,920,604	377,364			145,187	4,443,155
Grants	371,641				594,555	966,196
Charges for Services	54,200				131,887	186,087
Fines and Forfeitures	40,306					40,306
Licenses and Permits	115,459	4,700				120,159
Investment Income	11,506	8	1,027	21	2,944	15,506
Miscellaneous	158,800	5,458			102,147	266,405
TOTAL REVENUES	<u>\$ 5,020,966</u>	<u>\$ 483,969</u>	<u>\$ 192,295</u>	<u>\$ 5,883</u>	<u>\$ 1,896,628</u>	<u>\$ 7,599,741</u>
EXPENDITURES						
Current:						
General Government	\$ 1,110,186		\$ 33,084	\$ 2,988	\$ 529,260	\$ 1,675,518
Public Safety	2,840,834					2,840,834
Transportation & Public Works	85,025	\$ 721,732				806,757
Social Services & Environment	776,874				6,012	782,886
Culture & Recreation	22,664				504,109	526,773
Development	25,000					25,000
Capital Outlay	427,026	546,288	77,585		17,549	1,068,448
Debt Service:						
Principal	26,301					26,301
Interest	595					595
TOTAL EXPENDITURES	<u>\$ 5,314,505</u>	<u>\$ 1,268,020</u>	<u>\$ 110,669</u>	<u>\$ 2,988</u>	<u>\$ 1,056,930</u>	<u>\$ 7,753,112</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (293,539)</u>	<u>\$ (784,051)</u>	<u>\$ 81,626</u>	<u>\$ 2,895</u>	<u>\$ 839,698</u>	<u>\$ (153,371)</u>
OTHER FINANCING SOURCES (USES)						
Operating Transfer In	26,023,299	781,755			154,500	26,959,554
Operating Transfer Out	(368,000)				(611,496)	(979,496)
Proceeds from Sale of Capital Assets	126,362					126,362
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ 25,488,122</u>	<u>\$ (2,296)</u>	<u>\$ 81,626</u>	<u>\$ 2,895</u>	<u>\$ 382,702</u>	<u>\$ 25,953,049</u>
FUND BALANCES - BEGINNING OF YEAR	<u>1,141,920</u>	<u>4,657</u>	<u>294,967</u>	<u>(32,349)</u>	<u>1,785,198</u>	<u>3,194,393</u>
FUND BALANCES - END OF YEAR	<u>\$ 26,630,042</u>	<u>\$ 2,361</u>	<u>\$ 376,593</u>	<u>\$ (29,454)</u>	<u>\$ 2,167,900</u>	<u>\$ 29,147,442</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF JERSEYVILLE, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED APRIL 30, 2021**

Net Changes in Fund Balances - Total Governmental Funds	\$ 25,953,049
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
Repayment of Principal is a Disbursement in the Governmental Funds but Reduces the Liability in the Statement of Net Position.	26,301
Governmental Funds Do Not Report the Net Effect of Various Transactions Involving Capital Assets (i.e Sales, Trade-Ins, and Capital Leases)	(2,600)
Governmental Funds Report The Proceeds From The Sale Of Capital Assets As Revenue Whereas The Statement Of Activities Reports The Gain On The Sale of Capital Assets. This Is The Effect On The Change In Net Position On The Statement Of Activities.	(119,943)
Governmental Funds Report Capital Outlay as Expenditures While Governmental Activities Report Depreciation Expense to Allocate Those Expenditures Over the Life of the Assets. This is the Amount by Which Capital Outlay Exceeded Depreciation in the Current Period.	<u>32,911</u>
Changes in Net Position of Governmental Activities	<u>\$ 25,889,718</u>

The accompanying notes are an integral part of these financial statements.

CITY OF JERSEYVILLE, ILLINOIS
 STATEMENT OF NET POSITION - MODIFIED CASH BASIS -
 WATER AND SEWER PROPRIETARY FUND
 APRIL 30, 2021

<u>ASSETS</u>		<u>LIABILITIES AND NET POSITION</u>
CURRENT ASSETS		LONG-TERM LIABILITIES
Cash and Invested Cash		Customers' Meter Deposits
Petty Cash and Change Fund	\$ 500	
Water and Sewerage Account	1,121,386	TOTAL LONG-TERM LIABILITIES
Sewerage Project Account	2,505	
Escrow Accounts	<u>336,311</u>	TOTAL LIABILITIES
Total Cash and Invested Cash	<u>\$ 1,460,702</u>	
		NET POSITION
Due from Other Funds	<u>\$ 113,000</u>	Unrestricted
TOTAL CURRENT ASSETS	<u>\$ 1,573,702</u>	TOTAL NET POSITION
TOTAL ASSETS	<u>\$ 1,573,702</u>	TOTAL LIABILITIES AND NET POSITION

The accompanying notes are an integral part of these financial statements.

**CITY OF JERSEYVILLE, ILLINOIS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - MODIFIED CASH BASIS
WATER AND SEWER PROPRIETARY FUND
FOR THE YEAR ENDED APRIL 30, 2021**

OPERATING REVENUES	
Assessments	\$ 2,336,554
Assessments (Capital Improvement and Plant Replacement)	413,892
Line Payments	9,800
Taps and Turn Ons	1,733
Hydrant Rental	24,325
EPA Testing Fees	6,909
Leachate Revenue	7,446
Miscellaneous Revenue	621
TOTAL OPERATING REVENUES	<u>\$ 2,801,280</u>
OPERATING EXPENSES	
Depreciation	\$ 371,515
Amortization	375,361
Bad Debt	213,107
Employees' Hospital Insurance	120,357
Insurance and Bond Premiums	52,680
Postage and Telephone	14,041
Professional Fees	23,095
Rent	3,600
Supplies - Office	8,984
Supplies - Operating	91,364
Salaries and Wages	442,818
Travel and Schooling	147
Utilities	186,462
Repairs and Maintenance	268,375
Drug Testing/Safety	4,803
Bookkeeping Fees	38,220
Capital Outlay Expensed	9,043
Miscellaneous	18
TOTAL OPERATING EXPENSES	<u>\$ 2,223,990</u>
OPERATING INCOME (LOSS)	<u>\$ 577,290</u>
NON-OPERATING REVENUE (EXPENSE)	
Investment Income	\$ 2,121
Interest Expense	(1,215,951)
Gain on Sale of Capital Assets	18,058,829
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>\$ 16,844,999</u>
INCOME BEFORE TRANSFERS	\$ 17,422,289
Transfers Out	(25,980,058)
CHANGE IN NET POSITION	\$ (8,557,769)
TOTAL NET POSITION, BEGINNING OF YEAR	<u>10,117,648</u>
TOTAL NET POSITION, END OF YEAR	<u><u>\$ 1,559,879</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF JERSEYVILLE, ILLINOIS
STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
WATER AND SEWER PROPRIETARY FUND
FOR THE YEAR ENDED APRIL 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Received From Customers	\$ 2,496,214
Cash Payments For Goods And Services	(821,189)
Cash Payments To Employees	(442,818)
Net Cash Provided (Used) By Operating Activities	<u>\$ 1,232,207</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Due From Other Funds	\$ (113,000)
Net Cash Provided (Used) By Noncapital Financing Activities	<u>\$ (113,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Repayment of Long-Term Debt	\$ (16,238,539)
Repayment of Interfund Loans	(382,000)
Interest Paid	(1,215,951)
Proceeds from Sale of Capital Assets	43,250,000
Net Cash Provided (Used) By Capital And Related Financing Activities	<u>\$ 25,413,510</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Received	\$ 2,121
Transfer to Other Funds	(25,980,058)
Sale of Investments	79,379
Net Cash Provided (Used) By Investing Activities	<u>\$ (25,898,558)</u>
NET INCREASE (DECREASE) IN CASH	\$ 634,159
CASH - BEGINNING OF YEAR	826,543
CASH - END OF YEAR	<u><u>\$ 1,460,702</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating Income (Loss)	\$ 577,290
Depreciation and Amortization	746,876
Change In Accounts Receivable	(48,646)
Change In Meter Deposits	(256,420)
Net Cash Provided (Used) By Operating Activities	<u>\$ 1,019,100</u>
CASH RECONCILIATION:	
Petty Cash and Change Fund	\$ 500
Water and Sewerage Account	1,121,386
Sewerage Project Account	2,505
Escrow Accounts	336,311
Cash - End of Year	<u><u>\$ 1,460,702</u></u>

The accompanying notes are an integral part of these financial statements.

**CITY OF JERSEYVILLE, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION -
MODIFIED CASH BASIS - FIDUCIARY FUNDS
APRIL 30, 2021**

	<u>POLICE PENSION FUND</u>	<u>FIREFIGHTERS' PENSION FUND</u>	<u>TOTAL FIDUCIARY FUNDS</u>
<u>ASSETS</u>			
Cash	\$ 200,507	\$ 10,962	\$ 211,469
Investments	<u>5,042,912</u>	<u>486,338</u>	<u>5,529,250</u>
TOTAL ASSETS	<u><u>\$ 5,243,419</u></u>	<u><u>\$ 497,300</u></u>	<u><u>\$ 5,740,719</u></u>
<u>LIABILITIES AND NET POSITION</u>			
Net Assets Held In Trust For Pension Benefits	<u>\$ 5,243,419</u>	<u>\$ 497,300</u>	<u>\$ 5,740,719</u>
TOTAL NET POSITION	<u><u>\$ 5,243,419</u></u>	<u><u>\$ 497,300</u></u>	<u><u>\$ 5,740,719</u></u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 5,243,419</u></u>	<u><u>\$ 497,300</u></u>	<u><u>\$ 5,740,719</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF JERSEYVILLE, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
MODIFIED CASH BASIS - FIDUCIARY FUNDS
FOR THE YEAR ENDED APRIL 30, 2021

	<u>POLICE</u> <u>PENSION</u> <u>FUND</u>	<u>FIREFIGHTERS'</u> <u>PENSION</u> <u>FUND</u>	<u>TOTAL</u> <u>FIDUCIARY</u> <u>FUNDS</u>
ADDITIONS			
Property Taxes	\$ 648,200	\$ 34,961	\$ 683,161
Replacement Taxes	\$ 10,695		\$ 10,695
Investment Income			
Unrealized Gain (Loss) on Investments	\$ 842,648	\$ 15,574	\$ 858,222
Realized Gain (Loss) on Investments	14,215	(902)	13,313
Interest and Dividends	91,636	9,867	101,503
Total Investment Earnings	\$ 948,499	\$ 24,539	\$ 973,038
Less Investment Expenses	(4,806)		(4,806)
Net Investment Income	\$ 943,693	\$ 24,539	\$ 968,232
Participant Contributions	113,997	6,356	120,353
TOTAL ADDITIONS	<u>\$ 1,716,585</u>	<u>\$ 65,856</u>	<u>\$ 1,782,441</u>
DEDUCTIONS			
Pension Payments	\$ 573,494	\$ 13,810	\$ 587,304
Professional Fees	17,755	4,270	22,025
Illinois Department of Insurance	815		815
Miscellaneous	495	80	575
TOTAL DEDUCTIONS	<u>\$ 592,559</u>	<u>\$ 18,160</u>	<u>\$ 610,719</u>
CHANGE IN NET POSITION	\$ 1,124,026	\$ 47,696	\$ 1,171,722
NET POSITION - Beginning Of Year	<u>4,119,393</u>	<u>449,604</u>	<u>4,568,997</u>
NET POSITION - End Of Year	<u>\$ 5,243,419</u>	<u>\$ 497,300</u>	<u>\$ 5,740,719</u>

The accompanying notes are an integral part of these financial statements.

CITY OF JERSEYVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2021

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Governmental Accounting Standards Board (GASB) has established the criteria for determining the activities, organizations, and functions of government to be included in the financial statements of the reporting entity. In evaluating the City as a reporting entity, management has addressed all potential component units which may or may not fall within the City's accountability. The criteria used to evaluate component units for possible inclusion as part of the City's reporting entity are financial accountability and the nature and significance of the relationship.

Based on the foregoing criteria, the following organization is included in the City's annual report as a component unit:

Jerseyville Public Library

The City Council approves the Library's budget. The City is contingently liable for the indebtedness of the Library in the event revenues are inadequate to fulfill operating requirements. The Library has a separately issued report which is available from the City Clerk.

As discussed further in Note 1, these financial statements are presented in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP) established by the Governmental Accounting Standards Board (GASB). These modified cash basis financial statements generally meet the presentation and disclosure requirements applicable to U.S. GAAP in substance but are limited to the elements presented in the financial statements and the constraints of the measurements and recognition criteria of the modified cash basis of accounting.

B. Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into generic fund types and broad fund categories:

GOVERNMENTAL FUNDS

General Fund - The General Fund is the primary operating fund of the City. It is used to account for all financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

PROPRIETARY FUND

Enterprise Fund – The Enterprise Fund is used to account for the operations of the water and sewer utilities and is financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue for the proprietary funds is the sale of water and sewer services for the Water and Sewer Fund. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, salaries and benefits, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

FIDUCIARY COMPONENT UNIT

Fiduciary Component Unit – The Police Pension Fund and the Firefighters' Pension Fund are blended component units of the City of Jerseyville. These Funds are reported as a fiduciary component unit pension trust fund and the data for the pensions are included in the City's fiduciary fund financial statements as a pension trust fund.

COMPONENT UNIT

Component Unit – The Jerseyville Public Library is a discretely presented component unit of the City of Jerseyville. The City Council approves the Library's budget and appoints the Library Board Members. The City Council receives a monthly report for oversight purposes.

C. Basis of Accounting

The government-wide statements are prepared using the economic resources measurement focus, within the limitation of the modified cash basis of accounting, giving effect to capital assets, long-term debt, and other assets and liabilities arising from previous cash transactions. Governmental fund financial statements are prepared using the current financial resources measurement focus or the economic resources measurement focus, as applied to the modified cash basis method of accounting. Governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds. The modified cash basis differs from generally accepted accounting principles because the City only recognizes balances, and the related effects on changes in net position, due to interfund payables/receivables, capital assets, and liabilities related to borrowing for the purchase of capital assets, capital leases, operations, or other accrued and deferred items that arise from previous cash transactions.

All governmental and fiduciary funds are accounted for using the modified cash basis of accounting. Accordingly, revenues are recorded when cash is received, and expenditures are recorded when checks are issued. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds. Only assets representing a right to receive cash arising from a previous payment of cash are recorded as assets of a fund. In the same manner, only liabilities resulting from previous cash transactions are recorded as liabilities of a particular fund.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

The proprietary funds are accounted for using the modified cash basis of accounting in which revenue is recognized when received or billed and expenditures are recognized when paid. Other asset and liability accruals may arise from customer receivables or previous cash transactions. Capital assets are capitalized at cost and depreciated. Proceeds from and retirement of long-term debt are recognized as increases and reductions in liabilities.

D. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the City, the primary government, as a whole. These statements include the financial activities of the overall government, except for fiduciary activities.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, and program revenues for each governmental program. Direct expenses are those that are specifically associated with a service, program, or department and are, thus, clearly identifiable to a particular function. Program revenues include charges paid by recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting operational or capital requirements of a particular program. Revenues which are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

Net position is the difference between assets and liabilities. Net position invested in capital assets are capital assets, less accumulated depreciation and any outstanding debt related to the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are legal limitations imposed on their use by City legislation or external restrictions by other governments, creditors, or grantors.

FUND FINANCIAL STATEMENTS

Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type.

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Road & Bridge Fund is a special revenue fund. It is used to account for the operations of the street department.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Presentation (Continued)

- The TIF #1 Redevelopment is a special revenue fund. It is used to account for TIF #1 related revenue and the subsequent use of those monies for purposes outlined.
- The TIF #3 Redevelopment is a special revenue fund. It is used to account for TIF #3 related revenue and the subsequent use of those monies for purposes outlined.

The City reports the following major proprietary fund:

- The Water & Sewer Fund (an enterprise fund) is used to account for the operations of the water and sewer utilities and is financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

E. Cash, Invested Cash, and Investments

In general, cash includes cash on hand, demand and savings deposits, and negotiable order withdrawal accounts.

Invested Cash is stated at cost which approximates fair value. Invested cash at April 30, 2021, consisted of certificates of deposit, money market accounts, and investments held in Illinois Funds.

Investments are stated at fair value. Investments at April 30, 2021 consisted of government backed securities, asset and mortgage backed securities, corporate and municipal bonds, brokered money market accounts, mutual funds, insurance annuities, and brokered certificates of deposit.

As of April 30, 2021, the City had cash held in an escrow account that was from proceeds of the sale of the water and sewer operations to Illinois American Water. These funds will be used to settle easements, as a result of the sale.

F. Use of Estimates

The preparation of financial statements requires the City Council to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and disbursements during the period. Actual results could differ from those estimates.

G. Capital Assets and Depreciation

The City's modified cash basis of accounting reports capital assets resulting from cash transactions or events and reports depreciation, when appropriate. The accounting treatment over capital assets, which includes property, plant and equipment, and infrastructure assets (e.g. roads, bridges, and similar items), depends on whether they are used in governmental fund or proprietary fund operations and whether they are reported in the government-wide or fund statements.

General capital assets are reported in the governmental activities column of the government-wide statement of net position. The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds. Assets costing more than \$5,000 are capitalized for financial reporting purposes in the Statement of Net Position. The valuation base for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement cost.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Capital Assets and Depreciation (Continued)

Depreciation of all exhaustible capital assets arising from cash transactions or events is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Capital assets are depreciated using the straight-line method over the following estimated useful lives: buildings 50 years; building improvements, 10 to 50 years; improvements/infrastructure, 10 to 25 years; equipment, 5 to 50 years. Estimated useful lives of the various classes of depreciable capital assets in business-type activities are as follows: water and sewer plant, 10 to 40 years; equipment, 5 to 40 years; vehicles, 5 years.

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

H. Interfund Receivables/Payables

Receivables and payables to other funds or governments arising from cash transactions or events are recorded in the financial statements as a modification to the cash basis of accounting. On fund financial statements, receivables and payables resulting from short and long-term interfund loans or interfund services provided and used are classified as "Due From/To Other Funds." Interfund balances within governmental activities are eliminated on the government-wide statement of net position.

I. Interfund Activity

Interfund transfers are reported as other financing sources/uses in governmental funds. Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (b) to use unrestricted revenues collected in the General fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (c) provide additional resources for current operations and debt service. All City transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

J. Long-Term Debt

All long-term debt, notes, and other debt arising from cash transactions or events to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes, bonds, and capital leases payable. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Long-term debt arising from cash transactions or events of governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources, and payments of principal and interest are reported as expenditures. 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.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Adoption of Accounting Pronouncements

The City implemented the following accounting pronouncement for the fiscal year ended April 30, 2021:

Statement of Governmental Accounting Standards (GASB Statement) No. 84, *Fiduciary Activities*, which improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. As a result of the implementation, the Police Pension Fund and Firefighters' Pension Fund will be reported as fiduciary component units of the City.

NOTE 2. FUND BALANCE REPORTING

Government-Wide Statements

Net Position/Fund Balance Classifications: Net Position is classified and displayed in three components:

- A. *Net investment in capital assets.* Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- B. *Restricted.* Consists of restricted assets reduced by liabilities related to those assets, with restriction constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.
- C. *Unrestricted.* Net amount of assets and liabilities that are not included in the determination of net investment in capital assets or the restricted component of net position.

The City has not developed a policy regarding whether restricted or unrestricted net resources are considered spent when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

Fund Financial Statements

According to Government Accounting Standards, fund balances are to be classified into five major classifications: Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Below are definitions of the differences and a reconciliation of how these balances are reported.

A. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example long-term amounts of loans and notes receivable.

B. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or law and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

NOTE 2. FUND BALANCE REPORTING (Continued)

Fund Financial Statements (Continued)

C. Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the City Council). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

The Council commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. The Council committed \$20,000,000 of proceeds from the sale of the water and sewer operations, which is invested within Illinois Funds.

D. Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose but are neither restricted nor committed. Intent may be expressed by the (a) City Council itself or (b) the City Treasurer or Clerk when the City Council has delegated the authority to assign amounts to them.

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund. In addition to the General Fund, negative balances in the governmental funds are reported as unassigned.

F. Expenditures of Fund Balance

The City has not adopted a policy regarding whether restricted or unrestricted amounts are considered to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. Thus, the default policy is used, therefore unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

NOTE 2. FUND BALANCE REPORTING (Continued)

Details of the City's fund balances as of April 30, 2021 are as follows:

	General Fund	Road and Bridge Fund	TIF #1 Redevelopment Fund	TIF #3 Redevelopment Fund	Other Governmental Funds	Total	Component Unit
Fund Balances:							
Restricted for:							
Public Library							\$ 237,787
Unemployment	\$ 44,372					\$ 44,372	
Retirement					\$ 1,055,110	1,055,110	
Public Benefit					21,141	21,141	
Perpetual care					217,615	217,615	
Highway projects					568,320	568,320	
Development			\$ 367,427		186,375	553,802	
Committed:							
General government	20,000,000					20,000,000	
Assigned to:							
Highway projects		\$ 2,361			1,595	3,956	
Cemetery					4,175	4,175	
Public Benefit					30	30	
Culture and recreation					23,746	23,746	507,332
Development			9,166		88,470	97,636	
Retirement					1,323	1,323	
Unassigned:	6,585,670			\$ (29,454)		6,556,216	
Total Fund Balances	<u>\$26,630,042</u>	<u>\$ 2,361</u>	<u>\$ 376,593</u>	<u>\$ (29,454)</u>	<u>\$ 2,167,900</u>	<u>\$29,147,442</u>	<u>\$ 745,119</u>

NOTE 3. CAPITAL ASSETS

Capital Asset activity for the year ended April 30, 2021 was as follows:

Governmental Activities	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets, Not Being Depreciated				
Land	\$ 1,375,531	\$ 58,189	\$ 105,000	\$ 1,328,720
Work In Process	371,626	417,877		789,503
Total Capital Assets, Not Being Depreciated	<u>\$ 1,747,157</u>	<u>\$ 476,066</u>	<u>\$ 105,000</u>	<u>\$ 2,118,223</u>
Capital Assets, Being Depreciated				
Storm Sewers	\$ 1,069,301			\$ 1,069,301
Sidewalks	943,294			943,294
Streets	16,041,095			16,041,095
Other Infrastructure	171,768			171,768
Buildings & Improvements	4,577,366	\$ 29,939		4,607,305
Vehicles & Equipment	3,740,441	358,474	\$ 149,333	3,949,582
Total Capital Assets, Being Depreciated	<u>\$ 26,543,265</u>	<u>\$ 388,413</u>	<u>\$ 149,333</u>	<u>\$ 26,782,345</u>
Less Accumulated Depreciation:				
Storm Sewers	\$ 410,960	\$ 48,379		\$ 459,339
Sidewalks	661,856	41,654		703,510
Streets	7,077,528	398,558		7,476,086
Other Infrastructure	65,135	8,435		73,570
Buildings & Improvements	2,648,055	98,696		2,746,751
Vehicles & Equipment	2,169,774	235,846	\$ 131,790	2,273,830
Total Accumulated Depreciation	<u>\$ 13,033,308</u>	<u>\$ 831,568</u>	<u>\$ 131,790</u>	<u>\$ 13,733,086</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 13,509,957</u>	<u>\$ (443,155)</u>	<u>\$ 17,543</u>	<u>\$ 13,049,259</u>
Governmental Activities Capital Assets, Net	<u>\$ 15,257,114</u>	<u>\$ 32,911</u>	<u>\$ 122,543</u>	<u>\$ 15,167,482</u>

Depreciation was charged to functions as follows:

General Government	\$ 41,900
Public Safety	86,507
Transportation & Public Works	551,319
Social Services	35,790
Culture & Recreation	116,052
Total Depreciation	<u>\$ 831,568</u>

NOTE 3. CAPITAL ASSETS (Continued)

Business-Type Activities	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets, Not Being Depreciated				
Land	\$ 177,099		\$ 177,099	
Work In Process	47,983		47,983	
Total Capital Assets, Not Being Depreciated	<u>\$ 225,082</u>	<u>\$ 0</u>	<u>\$ 225,082</u>	<u>\$ 0</u>
Capital Assets, Being Depreciated				
Plant and Lines	\$48,015,197		\$48,015,197	
Towers	937,850		937,850	
Equipment	2,545,268		2,545,268	
Vehicles	278,509		278,509	
Total Capital Assets, Being Depreciated	<u>\$51,776,824</u>	<u>\$ 0</u>	<u>\$51,776,824</u>	<u>\$ 0</u>
Less Accumulated Depreciation:				
Plant and Lines	\$23,734,474	\$ 334,651	24,069,125	
Towers	505,371	8,835	514,206	
Equipment	1,959,267	23,921	1,983,188	
Vehicles	240,109	4,108	244,217	
Total Accumulated Depreciation	<u>\$26,439,221</u>	<u>\$ 371,515</u>	<u>\$26,810,736</u>	<u>\$ 0</u>
Total Capital Assets Being Depreciated, Net	<u>\$25,337,603</u>	<u>\$ (371,515)</u>	<u>\$24,966,088</u>	<u>\$ 0</u>
Governmental Activities Capital Assets, Net	<u>\$25,562,685</u>	<u>\$ (371,515)</u>	<u>\$25,191,170</u>	<u>\$ 0</u>

Depreciation was charged to functions as follows:

Water	\$ 53,474
Sewer	318,041
Total Depreciation:	<u>\$ 371,515</u>

NOTE 3. CAPITAL ASSETS (Continued)

Component Unit (Library)	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets, Not Being Depreciated				
Land	\$ 179,451			\$ 179,451
Work In Process	23,750	\$ 15,060		38,810
Total Capital Assets, Not Being Depreciated	<u>\$ 203,201</u>	<u>\$ 15,060</u>	<u>\$ 0</u>	<u>\$ 218,261</u>
Capital Assets, Being Depreciated				
Building & Improvements	\$ 921,221			\$ 921,221
Library Collection	1,154,191	\$ 45,894	\$ 19,452	1,180,633
Furniture & Fixtures	10,664			10,664
Total Capital Assets, Being Depreciated	<u>\$ 2,086,076</u>	<u>\$ 45,894</u>	<u>\$ 19,452</u>	<u>\$ 2,112,518</u>
Less Accumulated Depreciation:				
Building & Improvements	\$ 504,552	\$ 24,538		\$ 529,090
Library Collection	630,389	67,031	\$ 19,452	677,968
Furniture & Fixtures	6,894	213		7,107
Total Accumulated Depreciation	<u>\$ 1,141,835</u>	<u>\$ 91,782</u>	<u>\$ 19,452</u>	<u>\$ 1,214,165</u>
Total Capital Assets Being Depreciated, Net Governmental Activities	<u>\$ 944,241</u>	<u>\$ (45,888)</u>	<u>\$ 0</u>	<u>\$ 898,353</u>
Capital Assets, Net	<u>\$ 1,147,442</u>	<u>\$ (30,828)</u>	<u>\$ 0</u>	<u>\$ 1,116,614</u>

Depreciation was charged to functions as follows:

Culture & Recreation	<u>\$ 91,782</u>
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NOTE 4. PROPERTY TAX

The City's property tax is levied each year on all taxable real property located in the City during or before December 31. Property taxes attach as an enforceable lien on property as of January 1, and are payable in two installments, generally August and September. The County bills the taxpayers and collections are remitted to the County Collector. The City received tax distributions on August 17, 2020, October 22, 2020, and November 16, 2020. City property tax revenues are recognized when received. Taxes recorded in these financial statements are from the 2019 and prior tax levies.

NOTE 5. ACCUMULATED UNPAID VACATION

Accumulated unpaid vacation pay is not accrued in the basic financial statements due to the modified cash basis of accounting. At April 30, 2021, unrecorded General Fund, Special Revenue Fund and Water and Sewer Utility liabilities included approximately \$183,490 (unaudited) in unpaid vacation pay. The amount does not exceed a normal year's accumulations.

At April 30, 2021, unrecorded Component Unit liabilities included approximately \$1,159 (unaudited) in unpaid vacation pay. This amount is consistent with a normal year's accumulations.

NOTE 6. CASH, INVESTED CASH, AND INVESTMENTS

The City is allowed to invest in securities as authorized by Illinois Compiled Statutes Chapter 30, Act 235, Section 2. This statute generally allows for investments in government securities, certificates of deposit, corporate obligations, and money market mutual funds.

Cash, invested cash, and investments as of April 30, 2021 were classified in the accompanying financial statements as follows:

	Governmental and Proprietary Funds	Fiduciary Funds	Component Unit
Cash	\$ 3,152,017	\$ 211,469	\$ 89,947
Escrow Account	336,311		
Restricted Cash	6,898		
Invested Cash	27,020,713		649,660
Restricted Invested Cash	210,717		
Investments		5,529,250	
Total	<u>\$ 30,726,656</u>	<u>\$ 5,740,719</u>	<u>\$ 739,607</u>

Cash, invested cash, and investments as of April 30, 2021, consisted of the following:

	Governmental and Proprietary Funds	Fiduciary Funds	Component Unit
Cash on Hand	\$ 1,150		\$ 140
Demand Deposits/NOW Accounts with Financial Institutions	3,494,076	\$ 211,469	89,807
Certificates of Deposit	265,610		
Brokered Certificates of Deposit		363,594	
Government and Agency Securities		100,296	
Asset and Mortgage Backed Securities		276	
Fixed Income Securities		1,322,293	
Municipal Bonds		106,624	
Corporate Bonds		421,015	
Money Market	1,039,901		
Illinois Funds	25,925,919		649,660
Brokered Money Market		597,461	
Mutual Funds		2,617,691	
Total	<u>\$ 30,726,656</u>	<u>\$ 5,740,719</u>	<u>\$ 739,607</u>

Custodial Credit Risk

Custodial credit risk for cash and invested cash is the risk that in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of April 30, 2021, the City had deposits of \$1,398,252 and the Component Unit had deposits of \$99,938 which are fully insured by federal depository insurance and the National Credit Union Administration. The City had deposits of \$3,263,537 which are covered by pledged collateral. The City had deposits of \$25,925,919 and the Component Unit had deposits of \$649,659 which are covered by US Treasury and Agency Obligations. The City had deposits of \$86,311 that were uninsured.

NOTE 6. CASH, INVESTED CASH, AND INVESTMENTS (Continued)

Custodial Credit Risk (Continued)

The custodial credit risk of investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the City will not be able to recover the value of its investment or collateral securities that are in the possession of another party. As of April 30, 2021, the City had uninsured investments in securities held in Fiduciary Funds for Police and Fire Pensions of \$5,165,656.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

As of April 30, 2021, the City had the following investments which were rated by Moody's or Morningstar:

	<u>Governmental Funds</u>	<u>Fiduciary Funds</u>	<u>Component Unit</u>	<u>Rating</u>
Illinois Funds	\$ 25,925,919		\$ 649,660	AAAm
Edward Jones Money Market Funds		\$ 597,461		AAAm
Rockford, Illinois Sales Tax Alternative Revenue Source Municipal Bonds		51,447		A3
Cook County, Illinois CUSD #163 General Obligation Municipal Bonds		55,177		A2
AT&T Inc. Corporate Bonds		54,420		Baa2
Bank of America Corp. Corporate Bonds		108,015		A2
Goldman Sachs Group Inc. Corporate Bonds		54,836		A2
Goldman Sachs GR Inc. Corporate Bonds		103,422		A2
Morgan Stanley Senior Note Corporate Bonds		100,322		A1
Federal Home Loan Mortgage Government Bonds		100,296		Aaa
Federal Prime Cash Obligations Fund		1,322,293		AAAm
MFS Diversified Income Fund		525		★★★★
MFS Growth Fund		137,898		★★★★★
MFS INTL New Discovery Fund		36,906		★★★★
MFS Mid Cap Growth Fund		34,779		★★★★★
MFS Mid Cap Value Fund		68,233		★★★★★
MFS New Discovery Fund		145,587		★★★★★
MFS New Discovery Value Fund		93,238		★★★★★★
MFS Research International Fund		183,984		★★★★★★
Washington Mutual Investment Fund		173,652		★★★★
New World Fund		125,805		★★★★★★
Smallcap World Fund		142,611		★★★★★
Capital World Growth & Income Fund		307,796		★★★★
Capital Income Builder Fund		88,508		★★★★★
Europacific Growth Fund		306,799		★★★★

NOTE 6. CASH, INVESTED CASH, AND INVESTMENTS (Continued)

Credit Risk (Continued)

Fundamental Investors Fund	280,238	★★★
Growth Fund of America	211,468	★★★
Investment Company of America Fund	279,664	★★★
Total	<u>\$ 25,925,919</u>	<u>\$ 5,165,380</u>
		<u>\$ 649,660</u>

As of April 30, 2021, the following City investments were not rated by a nationally recognized service:

	<u>Governmental Funds</u>	<u>Fiduciary Funds</u>
Asset and Mortgage Backed Securities		\$ 276
Edward Jones - Brokered Certificates of Deposit		363,594
Certificates of Deposit	\$ 265,610	
Money Markets	<u>1,039,901</u>	
Total	<u>\$ 1,305,511</u>	<u>\$ 363,870</u>

Interest Rate Risk

Interest rate risk is the risk that changes in market rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of April 30, 2021, the maturities of the City's invested cash and investments were as follows:

<u>Governmental and Proprietary Funds</u>				
<u>Invested Cash/Investment Type</u>	<u>Balance</u>	<u>Less Than 1 Year</u>	<u>1-5 Years</u>	<u>More Than 5 Years</u>
Certificates of Deposit	\$ 265,610	\$ 210,717	\$ 54,893	
Money Market	26,965,820	26,965,820		
Total	<u>\$ 27,231,430</u>	<u>\$ 27,176,537</u>	<u>\$ 54,893</u>	<u>\$ 0</u>
<u>Fiduciary Funds</u>				
<u>Invested Cash/Investment Type</u>	<u>Balance</u>	<u>Less Than 1 Year</u>	<u>1-5 Years</u>	<u>More Than 5 Years</u>
Brokered Certificates of Deposit	\$ 363,594	\$ 93,823	\$ 269,771	
Government and Agency Securities	100,296	100,296		
Asset and Mortgage Backed Securities	276			\$ 276
Fixed Income Securities	1,322,293	1,322,293		
Municipal Bonds	106,624		106,624	
Corporate Bonds	421,015		421,015	
Brokered Money Market	597,461	597,461		
Mutual Funds	2,617,691	2,617,691		
Total	<u>\$ 5,529,250</u>	<u>\$ 4,731,564</u>	<u>\$ 797,410</u>	<u>\$ 276</u>

NOTE 6. CASH, INVESTED CASH, AND INVESTMENTS (Continued)

Interest Rate Risk (Continued)

Investment Type	Component Unit			
	Balance	Less Than 1 Year	1-5 Years	More Than 5 Years
Money Market	\$ 649,660	\$ 649,660		
Total	\$ 649,660	\$ 649,660	\$ 0	\$ 0

As of April 30, 2021, the City had no formal policy regarding its deposits and investments that are subject to custodial credit risk, credit risk, or interest rate risk.

Fair Value Hierarchy

The City 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 fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significantly unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of April 30, 2021:

	Fiduciary Funds			
	Level 1	Level 2	Leveling Not Required	Total
Investments by Fair Value Level:				
Municipal Bonds		\$ 106,624		\$ 106,624
Corporate Bonds		421,015		421,015
Government and Agency Securities		100,296		100,296
Mortgage-Backed Securities		276		276
Mutual Funds	\$ 2,617,691			2,617,691
Fixed Income Securities	1,322,293			1,322,293
Brokered Money Market			\$ 597,461	597,461
Brokered Certificates of Deposit			363,594	363,594
	\$ 3,939,984	\$ 628,211	\$ 961,055	\$ 5,529,250

Investments classified in Level 1 of the fair value hierarchy are valued using quoted prices in active markets for those securities, including mutual funds. Investments classified in Level 2 of the fair value hierarchy, including municipal and corporate bonds, mortgage-backed securities, and annuities, are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Certain investments such as money market investments, non-participating certificates of deposit, certificates of deposit with maturity dates less than one year from the date of issuance, and external investment pools are not measured at fair value and are excluded from level reporting requirements.

NOTE 7. LONG-TERM DEBT

Long-term debt activity for the year ended April 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities</u>					
Direct Borrowings:					
Notes Payable					
from Direct Borrowings	\$ 36,301		\$ 26,301	\$ 10,000	\$ 10,000
Governmental Activities -					
Long-term debt	<u>\$ 36,301</u>	<u>\$ 0</u>	<u>\$ 26,301</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>
<u>Business-Type Activities</u>					
Direct Borrowings:					
Notes Payable					
from Direct Borrowings	\$ 573,539		\$ 573,539	\$ 0	
Bonds Payable	15,665,000		15,665,000	0	
Bond Discounts	(375,361)		(375,361)	0	
Business Type Activities -					
Long-term debt	<u>\$ 15,863,178</u>	<u>\$ 0</u>	<u>\$ 15,863,178</u>	<u>\$ 0</u>	<u>\$ 0</u>

Long-term debt for the City for the year ended April 30, 2021, is as follows:

Governmental Activities

Notes Payable from Direct Borrowings

The City purchased a front-end loader which was financed with a bank loan dated December 23, 2016. The loan provides for monthly retirement of principal and interest at 2.75%, with final maturity at December 23, 2020, and is secured by the equipment being acquired. This was paid in full at fiscal year end.

Outstanding
\$ 0

The City purchased a lot on State Street which was financed with a bank loan dated August 19, 2016. The loan provides for annual retirement of principal and interest at 2.00%, with a final maturity of August 19, 2021, and is secured by the property being acquired.

10,000

Total Notes Payable from Direct Borrowings

\$ 10,000

NOTE 7. LONG-TERM DEBT (Continued)

Business-Type Activities

Bonds Payable

Outstanding

On February 14, 2012 the City issued \$18,500,000 of General Obligation Bonds (Alternative Revenue Source), Series 2012 to finance the costs of acquisition, construction, reconstruction, extension, or improvement of certain sewer system components in the City, together with various other related improvements, capitalized interest, and funding certain costs of issuance of the bonds. The bonds are payable from net revenue derived from the operation of the City's share of State of Illinois income taxes, and property taxes. On October 6, 2020, the Water and Sewer Treatment Plants were sold to Illinois American Water. A portion of the proceeds from the sale were deposited into an irrevocable escrow account for the defeasance, payment, and discharge of all outstanding General Obligation Bonds (Alternative Revenue Source), Series 2012.

\$ 0

Total Bonds Payable

\$ 0

Notes Payable from Direct Borrowings

The City obtained a loan through the Illinois Environmental Protection Agency Bureau of Water in February, 2000 for a new water tower with semi-annual retirement of principal and interest at 2.535%. The loan has a final maturity date of July 2, 2020 and there is no collateral pledged. This was paid in full at fiscal year end.

\$ 0

The City obtained a loan through the Illinois Environmental Protection Act Wastewater Loan Program and the American Recovery and Reinvestment Act (ARRA) for sewer treatment plant digester renovation and upgrades with retirement of principal and no provision for interest. The loan has a final maturity date of November 9, 2030 and there is no collateral pledged. On October 6, 2020, the Water and Sewer Treatment Plants were sold to Illinois American Water and proceeds from the sale were used to pay this loan in full.

0

The City obtained a bank loan for sewer plant construction. The loan provides for monthly retirement of principal and interest at 2.375% and has a final maturity date of March 25, 2021 and there is no collateral pledged. On October 6, 2020, the Water and Sewer Treatment Plants were sold to Illinois American Water and proceeds from the sale were used to pay this loan in full.

0

Total Notes Payable from Direct Borrowings

\$ 0

Annual debt service requirements to maturity for the City are as follows:

Governmental Activities

Annual debt service requirements to maturity for notes payable from direct borrowings are as follows:

Year Ending	Principal	Interest	Total
April 30, 2022	\$ 10,000	\$ 203	\$ 10,203

NOTE 7. LONG-TERM DEBT (Continued)

Interest expense was charged to functions as follows:

<u>Governmental Activities</u>	
General Government	\$ 415
Transportation & Public Works	180
	<u>\$ 595</u>
 <u>Business-Type Activities</u>	
Water and Sewer System	<u>\$ 1,215,951</u>

NOTE 8. LEGAL DEBT LIMITATION AND MARGIN

Assessed Valuation	<u>\$ 124,109,351</u>
Statutory Debt Limitation (8.625% of Assessed Valuation)	<u>\$ 10,704,432</u>
Total Debt	<u>\$ 10,000</u>
Less, Debt Exempt From Debt Limitation	
Statutory Debt	<u>\$ 10,000</u>
Legal Debt Margin	<u>\$ 10,694,432</u>

NOTE 9. NON-BUDGETED FUNDS

Annual budgets were not adopted for the following Special Revenue Funds with current year disbursements.

1. TIF #1 Redevelopment Plan Fund, which had current year expenditures of \$110,669.
2. TIF #2 Redevelopment Plan Fund, which had current year expenditures of \$2,786.
3. TIF #3 Redevelopment Plan Fund, which had current year expenditures of \$2,988.

NOTE 10. COMMITMENTS AND CONTINGENCIES

The City has entered into contracts relating to the engineering and construction of various infrastructure projects. At April 30, 2021, the City had contractual commitments of \$134,893 with multiple contractors remaining in the governmental funds.

NOTE 11. INTERFUND ACTIVITY

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Governmental Funds		
General Fund	\$ 75,217	\$ 118,881
TIF #1 Redevelopment Plan Fund	3,628	33,417
TIF #3 Redevelopment Plan Fund		41,977
Total Major Governmental Funds	<u>\$ 78,845</u>	<u>\$ 194,275</u>
Non-Major Governmental Funds		
IMRF	\$ 369	
TIF #2 Redevelopment Plan Fund		\$ 3,451
Total Non-Major Governmental Funds	<u>\$ 369</u>	<u>\$ 3,451</u>
Major Proprietary Funds		
Water and Sewer Fund	\$ 113,000	
Total Major Proprietary Funds	<u>\$ 113,000</u>	<u>\$ 0</u>
Component Unit Funds		
Library Fund	\$ 5,512	
Total Component Unit Funds	<u>\$ 5,512</u>	<u>\$ 0</u>
Total for all Governmental, Proprietary, and Component Funds	<u><u>\$ 197,726</u></u>	<u><u>\$ 197,726</u></u>

The balance due to the Water and Sewer Fund from the General Fund is a result of a loan made to finance normal operating costs. The balance due from the General Fund to the Library Fund is a result of the Library Fund overpaying the General Fund for payroll related expenditures. The balance due from TIF Redevelopment Plan Fund #3, TIF Redevelopment Plan Fund #2, and TIF Redevelopment Plan Fund #1 to General Fund is due to paying TIF Redevelopment Plan Fund #3, TIF Redevelopment Plan Fund #2, and TIF Redevelopment Plan Fund #1 expenditures out of the General Fund. The balance due from TIF Redevelopment Plan Fund #2 and TIF Redevelopment Plan Fund #3 to TIF Redevelopment Plan Fund #1 is due to paying TIF Redevelopment Plan Fund #2 and TIF Redevelopment Plan Fund #3 expenditures out of the TIF Redevelopment Plan Fund #1. The amounts due from the General Fund to the IMRF Fund are the result of the City over contributing to IMRF and a refund being issued.

NOTE 11. INTERFUND ACTIVITY (Continued)

Interfund transfers were as follows:

	<u>Transferred In</u>	<u>Transferred Out</u>
Major Governmental Funds		
General Fund	\$ 26,023,299	\$ 368,000
Road and Bridge Fund	781,755	
Total Major Governmental Funds	<u>\$ 26,805,054</u>	<u>\$ 368,000</u>
Non-Major Governmental Funds		
Parks and Recreation Fund	\$ 154,500	\$ 26,241
Motor Fuel Tax Fund		568,255
Oak Grove Cemetery Fund		17,000
Total Non-Major Governmental Funds	<u>\$ 154,500</u>	<u>\$ 611,496</u>
Total Governmental Funds	<u>\$ 26,959,554</u>	<u>\$ 979,496</u>
Major Proprietary Funds		
Water and Sewer Fund		<u>\$ 25,980,058</u>
Total Proprietary Funds	<u>\$ 0</u>	<u>\$ 25,980,058</u>
Total for all Governmental and Proprietary Funds	<u>\$ 26,959,554</u>	<u>\$ 26,959,554</u>

Transfers were made to fund past and future cash requirements and are consistent with the activities of the funds making the transfer. The transfer from the Water and Sewer Fund to the General fund was made to move sales proceeds from the sale of the City's water and sewer operations into the General Fund, where it was deposited into Illinois Funds.

NOTE 12. RETIREMENT FUND COMMITMENTS

The City's component unit, The Jerseyville Public Library, participates in the City's defined benefit pension plan. Actuarial assumptions are based on the City as a whole and therefore, the entirety of this note is a reflection of the retirement fund commitment of the City and the Library, not just the City. The City's average member wages as a percentage of the entire plan's average member wages over the past three fiscal years is 89.82%, while the Library's wages make up the other 10.18%. The City believes these percentages could be applied to the following actuarial information of the plan as a whole.

I. ILLINOIS MUNICIPAL RETIREMENT FUND

IMRF Plan Description

The City's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The City's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

NOTE 12. RETIREMENT FUND COMMITMENTS (Continued)

I. ILLINOIS MUNICIPAL RETIREMENT FUND

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs.

Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date)

All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2020, the following employees were covered by the benefit terms:

Retirees and Beneficiaries currently receiving benefits	45
Inactive Plan Members entitled to but not yet receiving benefits	17
Active Plan Members	40
Total	<u><u>102</u></u>

Contributions

As set by statute, the City's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate for calendar year 2020 was 11.96%. For the fiscal year ended April 30, 2021, the City contributed \$292,196 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

The City recognized pension expense of \$292,196 for the fiscal year ended April 30, 2021 on a cash basis.

NOTE 12. RETIREMENT FUND COMMITMENTS (Continued)

II. POLICEMEN'S PENSION

Plan Description

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are mandated by Illinois Compiled Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The City administers and accounts for the plan as a pension trust fund. The City does not separately issue a financial report for the police pension plan.

Management of the Police Pension Plan is vested in the City's Police Pension Fund Board of Trustees, which consists of five members – two appointed by the mayor or president of the board of trustees, two elected from the active participants of the police pension fund by such active participants, and one elected by and from the beneficiaries.

Plan Membership

At April 30, 2020, the Police Pension Plan membership consisted of:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	13
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	1
Active Plan Members	15
Total	<u><u>29</u></u>

Benefits Provided

The Police Pension Plan provides retirement benefits as well as death and disability benefits. The Police Pension Plan has two tiers for eligibility. Participants first entering the Police Pension Plan prior to January 1, 2011 are eligible for Tier 1 benefits. Participants first entering the Police Pension Plan after December 31, 2010 are eligible for Tier 2 benefits.

Normal Retirement Benefit

Under Tier 1, police officers attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of 50% of the monthly salary at retirement. The pension shall be increased by one-twelfth of 2.5% of such salary for each additional month of service over 20 years up to 30 years, to a maximum of 75% of such salary. The minimum monthly benefit is \$1,000. Police officers with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit equal to 2.5% of the monthly salary on the date of retirement or separation of service, for each year of creditable service.

Under Tier 2, police officers attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly retirement benefit of 2.5% of the final average salary at retirement for each year of service with a maximum of 75%. Police officers with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit equal to 2.5% of the final average salary at retirement or separation for each year of service with a maximum of 75%. Final average salary is the highest salary based on the highest consecutive 96 months of the final 120 months of service.

Disability Retirement Benefit

Under Tier 1 and Tier 2, police officers, whether disabled while in the line of duty or not in the line of duty, are entitled to receive a monthly pension of 50% of the monthly salary as disability retirement. If an officer receives benefits under the Workers' Compensation or Workers' Occupational Disease Acts, disability pension benefits are reduced. The minimum monthly pension is \$1,000.

NOTE 12. RETIREMENT FUND COMMITMENTS (Continued)

II. POLICEMEN'S PENSION (Continued)

Survivor Benefits

Benefits are payable to the surviving spouse, dependent children, and, if no other dependents survive the police officer, dependent parents.

Under Tier 1, upon the death of a police officer while in service with at least 20 years of creditable service or who retired with at least 20 years of service, or who dies while receiving a disability pension, the surviving spouse is entitled to a pension equal to the pension the police officer was receiving or entitled to receive. Upon the death of a police officer with less than 20 years of creditable service while active in the line of duty, or if not in the line of duty with at least 10 years of creditable service, the surviving spouse is entitled to a pension equal to 50% of the salary of the officer at the time of death. The minimum surviving spouse's pension is \$1,000 per month.

Under Tier 2, the surviving spouse is entitled to a pension equal to 66.67% of the salary of the officer at the time of death.

Pension Increases

Under Tier 1, pensions are increased by 3% of the original pension, first paid on the anniversary date of retirement upon reaching the age of at least 55 years, and by 3% annually each year thereafter on January 1.

Under Tier 2, pensions are increased by the lesser of 3% or half of the Consumer Price Index for the proceeding calendar year of the original pension for each full month that has elapsed since the pension began and by 3% annually each year thereafter on January 1, provided the retired police officer is the age of at least 60 years.

For a disability retirement, pensions are increased by 3% of the original pension for each full month that has elapsed since the pension began and by 3% annually thereafter on January 1, provided the retired police officer is the age of at least 60 years.

Contributions

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

Investment Policy

The fund's Board of Trustees is required to adopt an investment policy, which can be amended by a majority vote of the Board of Trustees. The pension plan's investment policy complies with the investment guidelines set forth in Chapter 40 ILCS 5/1-113. The investment policy was not modified during the fiscal year ended April 30, 2020.

All investments in the plan are recorded at fair value using quoted market prices. Investment income is realized as earned. Gains and losses on sales and exchanges of fixed-income securities are realized on the transaction date. Amortization of premiums and the accretion of discounts are reported in interest income and realized ratably over the lives of the securities. The plan does not specifically limit the amount in any one issuer. The plan did not hold investments in any one issuer that represents 5% or more of total investments as of April 30, 2021.

NOTE 12. RETIREMENT FUND COMMITMENTS (Continued)

II. POLICEMEN'S PENSION (Continued)

Net Pension Liability

The components of the net pension liability of the plan at April 30, 2020, calculated in accordance with GASB Statement No. 68 were as follows:

Total Pension Liability	\$ 14,749,597
Plan Fiduciary Net Position	4,119,393
Net Pension Liability	<u>\$ 10,630,204</u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	27.93%
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See the schedule of changes in the employer's net pension liability and related ratios in the other information for additional information related to the funded status of the plan.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of April 30, 2020, using the following actuarial assumptions:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level % Pay (Closed)
Amortization Period	90% Funded Over 22 Years
Asset Valuation Method	5-year Smoothed Market
Salary Increases	3.50% - 9.58%
Payroll Growth	3.25%
Investment Rate of Return	5.50%
Retirement Age	Varies by age and service
Mortality Rate	RP - 2000 Combined Healthy Mortality Table with Blue Collar Adjustment projected by Scale BB to 2015

Other Information:

There were no benefit changes during the year.
Municipal Contributions at 100% based upon 5-year historical average. (2-year lag)

A detailed description of the actuarial assumptions and methods can be found in the May 1, 2020 actuarial valuation report.

NOTE 12. RETIREMENT FUND COMMITMENTS (Continued)

II. POLICEMEN'S PENSION (Continued)

Actuarial Assumptions (Continued)

Mortality rates were based on the fully generational RP 2000 Table with Blue Collar adjustments, projected to the valuation date using Scale BB2015. The date of the most recent experience study for which significant assumptions are based upon is not available.

Single Discount Rate

A Single Discount Rate of 5.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 5.50%, the municipal bond rate is 2.56%, and the resulting single discount rate is 5.50%.

Changes in the Net Pension Liability

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance, April 30, 2019	\$ 11,371,884	\$ 4,071,901	\$ 7,299,983
Changes for the year:			
Service Cost	256,164		256,164
Interest	719,059		719,059
Difference Between Expected and Actual Experience	(184,600)		(184,600)
Change in Assumption	3,148,384		3,148,384
Changes in Benefit Terms	57,579		57,579
Contributions - Employees		582,834	(582,834)
Contributions - Employer		104,089	(104,089)
Net Investment Income			
Benefit Payments including Refunds of Employee Contributions	(618,873)	(3,489) (618,873)	3,489
Other (Net Transfer)		(17,069)	17,069
Net Changes	<u>\$ 3,377,713</u>	<u>\$ 47,492</u>	<u>\$ 3,330,221</u>
Balance, April 30, 2020	<u>\$ 14,749,597</u>	<u>\$ 4,119,393</u>	<u>\$ 10,630,204</u>

NOTE 12. RETIREMENT FUND COMMITMENTS (Continued)

II. POLICEMEN'S PENSION (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the plan, calculated using the discount rate of 5.50%, as well as what the plan's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher:

	1% Decrease 4.50%	Current Discount Rate 5.50%	1% Increase 6.50%
Net Pension Liability	\$ 13,194,388	\$ 10,630,204	\$ 8,618,025

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2020, the Policemen's Pension Fund realized pension expense of \$774,663. At April 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 221,323	\$ 1,098,253
Change in Assumption	3,098,389	
Net difference between projected and actual earnings on Plan investments	245,965	23,162
Contributions after Measurement Date	648,048	
Total	<u>\$4,213,725</u>	<u>\$ 1,121,415</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be realized in pension expense in future periods as follows:

Year ending April 30, 2020	Net Deferred Outflow of Resources
2021	\$ 1,040,033
2022	399,981
2023	407,563
2024	397,526
2025	332,989
Thereafter	514,218
Total	<u>\$ 3,092,310</u>

NOTE 12. RETIREMENT FUND COMMITMENTS (Continued)

III. FIREFIGHTERS' PENSION

Plan Description

Fire sworn personnel are covered by the Firefighters' Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois State Statutes (Chapter 40 ILCS 5/4) and may be amended only by the Illinois legislature. The City administers and accounts for the plan as a pension trust fund. The City does not separately issue a financial report for the police pension plan.

Management of the Firefighters' Pension Plan is vested in the City's Fire Pension Fund Board of Trustees, which consists of five members – two appointed by the mayor or president of the board of trustees, two elected from the active participants of the firefighters' pension fund by such active participants, and one who is retired under the Firemen's Pension Fund Act of 1919 or Article 4.

Plan Membership

At April 30, 2020, the Firefighters' Pension Plan membership consisted of:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	0
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members	1
Total	<u><u>1</u></u>

Benefits Provided

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. The Firefighters' Pension Plan has two tiers for eligibility. Participants first entering the Firefighters' Pension Plan prior to January 1, 2011 are eligible for Tier 1 benefits. Participants first entering the Firefighters' Pension Plan after December 31, 2010 are eligible for Tier 2 benefits.

Normal Retirement Benefit

Under Tier 1, firefighters attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of 50% of the monthly salary at retirement. The pension shall be increased by one-twelfth of 2.5% of such salary for each additional month of service over 20 years up to 30 years, to a maximum of 75% of such salary. Firefighters with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

Under Tier 2, firefighters attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly retirement benefit of 2.5% of the final average salary at retirement for each year of service with a maximum of 75%. Final average salary is the highest salary based on the highest consecutive 96 months of the final 120 months of service.

Disability Retirement Benefit

Under Tier 1 and Tier 2, firefighters, whether disabled in the line of duty or due to an occupational disease, are entitled to receive a monthly pension of 65% of the monthly salary at disability retirement or the normal retirement benefit, if greater, plus \$20 per month for each dependent unmarried child under age 18, to a maximum of 75% of monthly salary. Firefighters disabled while not in the line of duty are entitled to a monthly pension of 50% of the monthly salary at disability retirement.

NOTE 12. RETIREMENT FUND COMMITMENTS (Continued)

III. FIREFIGHTERS' PENSION (Continued)

Survivor Benefits

Benefits are payable to the surviving spouse, dependent children, and, if no other dependents survive the firefighter, dependent parents. Death must occur while the firefighter is active, on disability retirement, after retirement with 20 or more years of service, or while on a vested deferred pension.

Under Tier 1, the surviving spouse is entitled to the greater of a regular pension of 54% of the monthly salary at death or retirement plus 12% for each dependent child, or 100% of the monthly retirement pension earned by the firefighter at the time of death. If there is no surviving spouse and no surviving dependent children, a dependent parent is eligible for 18% of the pension. If there are no surviving dependents, then the firefighter's contributions less any payments are refunded to his estate.

The surviving spouse's pension shall not be less than 100% of the monthly salary at death of a firefighter who died because of sickness, accident or injury incurred or resulting from the performance of an act of duty or from the cumulative effects of acts of duty.

Under Tier 2, the surviving spouse is entitled to a pension equal to 66-2/3% of the pension of the firefighter at the time of death, increased annually by the lesser of half of the Consumer Price Index – Urban (CPI-U) or 3% of the original pension amount after attainment of age 60, followed by an additional 3% of the originally granted pension amount on each January 1 thereafter.

Pension Increases

Under Tier 1, pensions are increased by 3% of the original pension upon reaching the age of at least 55 years, and by 3% annually each year thereafter on January 1.

Under Tier 2, service retirement pensions are increased by the lesser of half of the CPI-U or 3% of the original pension amount after attainment of age 60, followed by 3% of the originally granted pension amount on each January 1 thereafter. For Tier 2, disability retirement pensions are increased by 3% of the original pension amount after attainment of age 60, followed by 3% of the original granted pension amount on each January 1 thereafter.

Contributions

Covered employees are required to contribute 6.955% of their salary plus 2.5% for the automatic increase in pensions to the Firefighters' Pension Plan. If a covered employee leaves employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts (not less than 9.25%) necessary to finance the plan as actuarially determined by an enrolled actuary.

Investment Policy

The fund's Board of Trustees is required to adopt an investment policy, which can be amended by a majority vote of the Board of Trustees. The pension plan's investment policy complies with the investment guidelines set forth in Chapter 40 ILCS 5/1-113. The investment policy was not modified during the fiscal year ended April 30, 2021.

All investments in the plan are recorded at fair value using quoted market prices. Investment income is realized as earned. Gains and losses on sales and exchanges of fixed-income securities are realized on the transaction date. Amortization of premiums and the accretion of discounts are reported in interest income and realized ratably over the lives of the securities. The plan does not specifically limit the amount in any one issuer. The plan did not hold investments in any one issuer that represents 5% or more of total investments as of April 30, 2021.

NOTE 12. RETIREMENT FUND COMMITMENTS (Continued)

III. FIREFIGHTERS' PENSION (Continued)

Net Pension Liability

The components of the net pension liability of the plan at April 30, 2020, calculated in accordance with GASB Statement No. 68 were as follows:

Total Pension Liability	\$ 553,138
Plan Fiduciary Net Position	449,604
Net Pension Liability (Asset)	<u>\$ 103,534</u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.28%
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See the schedule of changes in the employer's net pension liability and related ratios in the other information for additional information related to the funded status of the plan.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of April 30, 2020, using the following actuarial assumptions:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar (Closed)
Amortization Period	100% Funded Over 22 Years
Asset Valuation Method	5-Year Smoothed Market Value
Salary Increases	3.50%
Payroll Growth	3.25%
Investment Rate of Return	4.50%
Retirement Age	Varies by age and service
Mortality Rate	RP 2000 Combined Healthy Mortality Table (male) with blue collar adjustment projected by Scale BB to 2015.

Other Information:

There were no benefit changes during the year.
Municipal Contributions at 100% based upon 5-year historical average.

A detailed description of the actuarial assumptions and methods can be found in the May 1, 2020 actuarial valuation report.

NOTE 12. RETIREMENT FUND COMMITMENTS (Continued)

III. FIREFIGHTERS' PENSION (Continued)

Single Discount Rate

A Single Discount Rate of 4.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 4.50%, the municipal bond rate is 2.56%, and the resulting single discount rate is 6.50%.

Changes in the Net Pension Liability

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance, April 30, 2019	\$ 270,562	\$ 399,814	\$ (129,252)
Changes for the year:			
Service Cost	21,050		21,050
Interest	17,587		17,587
Difference Between Expected and Actual Experience	46,530		46,530
Change in Assumption	197,409		197,409
Contributions- Employees		31,312	(31,312)
Contributions-Employer		7,495	(7,495)
Net Investment Income		11,944	(11,944)
Other		(961)	961
Net Changes	\$ 282,576	\$ 49,790	\$ 232,786
Balance, April 30, 2020	\$ 553,138	\$ 449,604	\$ 103,534

Sensitivity of the Net Pension Asset to Changes in the Discount Rate

The following presents the net pension asset of the plan, calculated using the discount rate of 4.50%, as well as what the plan's net pension asset would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher:

	1% Decrease 3.50%	Current Discount Rate 4.50%	1% Increase 5.50%
Net Pension Liability (Asset)	\$ 193,361	\$ 103,534	\$ 29,590

NOTE 12. RETIREMENT FUND COMMITMENTS (Continued)

III. FIREFIGHTERS' PENSION (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2020, the Firefighters' Pension Fund realized pension expense of \$64,629. At April 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 40,267	
Change in Assumptions	170,839	
Net Difference Between Projected and Actual Earnings on Plan investments	24,118	
Contributions after Measurement Date	34,953	
Total	<u>\$270,177</u>	<u>\$ 0</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be realized in pension expense in future periods as follows:

<u>Year ending April 30,</u>	<u>Net Deferred Outflows of Resources</u>
2021	\$ 75,598
2022	40,505
2023	38,413
2024	35,887
2025	32,833
Thereafter	46,941
Total	<u>\$ 270,177</u>

IV. AGGREGATE PENSION REPORTING

The City recognized pension expense of \$292,196 for IMRF, pension expense of \$658,895 for policemen's pension, and pension expense of \$34,961 for firefighter's pension for an aggregate net pension expense of \$986,052 for all retirement commitments for the year ended April 30, 2021 on a cash basis.

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS

The City offers City employees the option to remain on the City's insurance plan for 60 months after retirement. U.S. Generally Accepted Accounting Principles requires that descriptive information regarding other post-employment benefit (OPEB) obligations be disclosed, but such information has not been provided.

NOTE 14. OAK GROVE CEMETERY

The Trustees of the Oak Grove Cemetery are the beneficiaries of a trust established by Walter E. Knight. The trust property consists of a tract of farmland located in Jersey County. The income from the farm is used for the care and maintenance of Oak Grove Cemetery. The Oak Grove Cemetery fund is reported as a special revenue fund.

NOTE 15. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates with other municipalities in the state in a public entity risk pool known as the Illinois Municipal League Risk Management Association (IMLRMA). The City pays an annual premium and additional assessments as required to IMLRMA for its property, casualty, and workmen's compensation insurance coverage. There have been no significant reductions in insurance for any risk of loss in the past year and the City believes it is reasonably covered for all possible risks of loss. Settled claims have not exceeded insurance coverage in any of the past three fiscal years.

The City elected to become self-insured for the employee medical benefit plan. The plan has specific stop loss insurance coverage protection of \$50,000 on a participant.

NOTE 16. DEFICIT FUND BALANCE

The following fund had a deficit fund balance as of April 30, 2021:

1. TIF #3 Redevelopment Plan Fund had a deficit fund balance of \$29,454.

NOTE 17. WATER AND SEWER SALE

On October 6, 2020, the City sold its' water and sewer operations to Illinois American Water in the amount of \$43.25 million. The City recognized a gain on the sale of \$18,055,829. As a result of the sale, the City paid off bonds and notes payable, totaling \$16,310,498. In addition, the City transferred \$336,311 to an escrow account to be used for the settlement of easements that were still outstanding as of the date of the sale. The City transferred remaining proceeds, totaling \$25,917,558, to the General Fund and invested in the State of Illinois' Illinois Funds. The City Council has committed \$20 million of the sale proceeds to be used as City reserves. This money will require a 4/5 majority vote, in order to be used. The remaining balance of the proceeds will be used for current and future capital projects. The residual balance of customer receivables were deemed to be uncollectable during the current year, and therefore, have been written off as bad debt. In addition, the City is actively working to return all outstanding customer deposits.

NOTE 18. UNCERTAINTIES

On March 11, 2020, the World Health Organization declared the outbreak of coronavirus (COVID-19) a pandemic. The resulting restrictions on travel and quarantines imposed have had a negative impact on the U.S. economy and business activity globally, the full impact of which is not yet known and may result in an adverse impact to the City's assets and operating results.

NOTE 19. SUBSEQUENT EVENTS

Management has evaluated the effect of subsequent events on the financial statements through the report date, November 2, 2021, which is the date the financial statements were available to be issued.

CITY OF JERSEYVILLE, ILLINOIS
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED APRIL 30, 2021

CITY OF JERSEYVILLE, ILLINOIS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
YEARS ENDED APRIL 30, 2021 AND 2020

	Current Year Appropriations <u>Original and Final</u>	Current Year <u>Actual</u>	Prior Year <u>Actual</u>
REVENUES			
Property Taxes			
General Corporate	\$ 315,000	\$ 323,478	\$ 305,794
City Audit	22,000	24,972	24,840
Intergovernmental			
Sales Tax	2,325,000	2,501,228	2,381,423
Replacement Tax	70,000	80,770	85,663
Income Tax	920,000	970,404	917,473
Telephone and Cable Franchise Tax	150,000	135,022	151,489
Gas and Electric Franchise Tax	121,250	120,491	119,613
Fire Insurance Tax	16,500	17,949	33,664
Hotel/Motel Tax	23,000	16,903	23,437
Video Gaming Tax	110,000	77,837	106,779
Grant Revenues	6,000	371,641	
Charge for Service			
Oak Grove Cemetery			
Burial Fees	45,000	34,900	38,860
Lot Sales	27,750	19,300	21,600
Fines and Forfeitures			
Parking	1,000		1,010
Traffic - Circuit Court	68,000	40,306	62,909
Animal Control	500		75
License and Permits			
Beverage	18,500	20,228	23,882
Building	47,000	15,482	35,012
Amusement	1,500	975	1,250
Dumpster	85,000	77,095	79,324
Other	2,700	1,679	1,836
Investment Income			
Interest and Dividends	2,500	11,506	2,200
Miscellaneous			
Fire Department			
Outside Calls	27,000	27,000	27,000
Rent - Office, House and Equipment	31,700	24,813	31,467
Filing Fees	750	50	329
Reimbursements			
Police Department	5,000	43,165	3,988
Liens	5,000	4,363	3,973
Police Reports	1,750	1,083	1,622
Bookkeeping - Proprietary Fund	76,440	38,220	76,440
Sundry	5,300	20,106	10,090
Mapping			
TOTAL REVENUES	<u>\$ 4,531,140</u>	<u>\$ 5,020,966</u>	<u>\$ 4,573,042</u>

CITY OF JERSEYVILLE, ILLINOIS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
YEARS ENDED APRIL 30, 2021 AND 2020

	Current Year Appropriations <u>Original and Final</u>	Current Year <u>Actual</u>	Prior Year <u>Actual</u>
TOTAL EXPENDITURES	\$ 6,317,050	\$ 5,314,505	\$ 4,947,058
EXCESS (DEFICIENCY) OF RECEIPTS OVER EXPENDITURES	\$ (1,785,910)	\$ (293,539)	\$ (374,016)
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	13,000	26,023,299	17,000
Operating Transfers Out	(400,000)	(368,000)	(284,800)
Proceeds from Sale of Capital Asset		126,362	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ (2,172,910)</u>	\$ 25,488,122	\$ (641,816)
FUND BALANCE-BEGINNING OF YEAR		<u>1,141,920</u>	<u>1,783,736</u>
FUND BALANCE-END OF YEAR		<u>\$ 26,630,042</u>	<u>\$ 1,141,920</u>
EXPENDITURES			
Current:			
Department of Accounts and Finances			
City Clerk/Staff Salaries	\$ 225,000	\$ 229,719	\$ 206,081
Mayor's Salary	12,800	17,300	12,800
Commissioners' Salary	25,605	30,105	25,605
Treasurer's Salary	4,200	4,143	4,133
Director of Public Works' Salary	120,000	141,269	106,654
Employee Benefits - Insurance	275,000	290,879	297,599
Auditing Fees	27,000	27,489	26,980
Printing and Publications	8,500	5,360	3,868
Utilities and Telephone	48,850	45,819	46,805
Office Supplies and Postage	9,250	8,445	8,244
Dues and Subscriptions	6,500	2,772	3,277
Equipment Maintenance	17,500	11,098	15,730
Insurance and Bond Premiums	16,000	13,878	6,665
Employees' Service Awards	1,500	925	775
Special Events	15,000	19,912	36,751
Unemployment Taxes			1,240
Education Expense	500		
Sundry	2,250	1,602	1,180
Contingency	15,000		
Total Department of Accounts & Finances	<u>\$ 830,455</u>	<u>\$ 850,715</u>	<u>\$ 804,387</u>
Department of Public Affairs			
City Attorney's Salary	\$ 16,500	\$ 16,609	\$ 16,104
Other Attorney Expenses	5,000	46,673	285
City Attorney's Expenses	50,000	27,420	26,806
Mayor's Expense	5,000	11,000	7,500

CITY OF JERSEYVILLE, ILLINOIS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
YEARS ENDED APRIL 30, 2021 AND 2020

	Current Year Appropriations <u>Original and Final</u>	Current Year <u>Actual</u>	Prior Year <u>Actual</u>
EXPENDITURES, CONTINUED			
Department of Public Affairs, Continued			
Director of Public Works' Expense	\$ 2,500	\$ 534	\$ 714
Commissioners' Expense	7,000	15,500	8,000
Mayor's/Commissioners' Miscellaneous Expense	5,000	580	4,388
Professional Meetings	13,000	2,383	11,680
Travel Expense	7,500	124	5,949
City Car Expense	1,500	1,285	1,494
Professional Fees and Dues	2,500	2,050	2,302
Mapping Expense	10,000	8,363	5,080
Printing and Publication	1,000	1,902	746
Special Projects	45,000	8,451	10,175
Jersey County Economic Development Expense	16,000	16,925	15,543
Donations	7,500	1,450	1,520
Narcotics Enforcement	2,000	1,000	400
Radio Operators' Salary	296,125	307,750	285,236
Radio Maintenance	3,000	1,949	282
Police Supplies and Postage	45,100	67,077	42,606
Police Officers' Salaries	1,112,000	1,210,346	1,031,302
Maintenance Agreements	12,500	13,347	11,888
Clothing Allowance	17,500	14,373	16,014
Gas and Oil	35,000	24,870	30,176
Auto Operation	25,000	14,348	22,350
Vehicle Fund	3,600	1,827	2,461
DUI Equipment	3,500	3,404	674
Other Police Expenses	5,000	1,979	2,225
Canine Expenses	2,500	468	1,554
Police Telephone	8,500	5,608	8,167
Police Officers Training	20,000	20,838	14,708
Police Department Liability Insurance	98,000	111,664	54,062
Firing Range Expense	2,500	3,672	2,173
Police/Dispatchers Health Insurance	450,000	381,278	409,261
Police Department Contingency	10,000		
Leads Terminal	3,800	3,800	3,800
Code Enforcement - Salary/Employee Benefits/Expenses	191,300	171,723	176,743
Animal Control Expense	2,500	2,905	2,395
Building/Zoning-Salary/Employee Benefits/Expenses	186,225	213,817	174,677
Signal Lights	5,000	1,256	2,181
Tourism	30,000	9,938	9,975
Fireworks	12,000	10,045	10,000
Christmas Lights	5,000	2,681	5,885
Contingency	25,000		
Downstate Small Business Grant Disbursement		25,000	
Total Department of Public Affairs	<u>\$ 2,807,650</u>	<u>\$ 2,788,212</u>	<u>\$ 2,439,481</u>

CITY OF JERSEYVILLE, ILLINOIS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
YEARS ENDED APRIL 30, 2021 AND 2020

	Current Year Appropriations <u>Original and Final</u>	Current Year <u>Actual</u>	Prior Year <u>Actual</u>
EXPENDITURES, CONTINUED			
Department of Public Health and Safety			
Street Lighting	\$ 85,000	\$ 59,444	\$ 71,007
Landfill	118,625	131,674	109,682
Garbage Pickup	5,500	3,539	5,246
Contingency	25,000		
Total Department of Public Health and Safety	<u>\$ 234,125</u>	<u>\$ 194,657</u>	<u>\$ 185,935</u>
Department of Public Property			
Fire Department			
Salaries	\$ 149,350	\$ 183,557	\$ 144,120
Employee Benefits - Insurance	34,000	27,887	24,939
Telephone	2,750	994	1,312
Gas, Oil, and Supplies	38,420	13,490	29,385
Equipment Repairs & Maintenance	25,000	13,758	10,595
Liability Insurance	20,000	20,704	10,308
Training	6,500	974	793
Other	4,000	1,427	3,745
Contingency	35,000		
Hydrant Rental	41,700	24,325	41,700
Oak Grove Cemetery			
Salaries	417,150	416,071	400,422
Employee Benefits - Insurance	150,000	111,042	142,099
Materials and Supplies	17,000	25,083	14,582
Gas and Oil	15,000	12,210	16,500
Other	500	30	162
Liability Insurance	20,000	29,313	14,439
Utilities and Telephone	7,500	6,231	6,131
Equipment Repair	30,000	24,212	24,789
Cemetery Maintenance	30,000	13,384	17,483
Real Estate Taxes	4,100	4,085	3,956
Contingency	10,000		
City Hall			
Building Repairs and Maintenance	22,500	23,404	19,064
Materials and Supplies	30,000	19,502	28,239
Utilities and Telephone	32,500	26,024	24,765
Cleaning	28,850	28,959	28,711
Contingency	15,000		
Printing	1,000	333	850
Contingency	10,000		
Total Department of Public Property	<u>\$ 1,197,820</u>	<u>\$ 1,026,999</u>	<u>\$ 1,009,089</u>

CITY OF JERSEYVILLE, ILLINOIS
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
YEARS ENDED APRIL 30, 2021 AND 2020

	<u>Current Year</u> <u>Appropriations</u> <u>Original and Final</u>	<u>Current</u> <u>Year</u> <u>Actual</u>	<u>Prior</u> <u>Year</u> <u>Actual</u>
EXPENDITURES, CONTINUED			
Capital Outlay			
Police Automobiles	\$ 60,000	\$ 90,150	\$ 57,580
City Vehicles	35,000	46,240	34,366
Fire Department	25,000	75,000	35,289
Cemetery Equipment	75,000	20,084	53,724
Office Equipment and Computer	45,000	33,062	61,067
City Hall Improvements	100,000	24,513	6,696
Property and Equipment	232,500	15,740	187,043
Street Improvements	285,000	79,727	2,974
Street Lighting	1,500		
Other - Public Safety	61,500	3,033	12,362
Professional Engineering Fees	150,000	2,000	11,187
Dump Site Improvements	1,500	407	
Contingency	25,000		
Mapping			5,130
Parking Lots	150,000	37,070	
Total Capital Outlay	<u>\$ 1,247,000</u>	<u>\$ 427,026</u>	<u>\$ 467,418</u>
Debt Services			
Principal		\$ 26,301	\$ 39,370
Interest		595	1,378
Total Debt Services	<u>\$ 0</u>	<u>\$ 26,896</u>	<u>\$ 40,748</u>
TOTAL EXPENDITURES	<u><u>\$ 6,317,050</u></u>	<u><u>\$ 5,314,505</u></u>	<u><u>\$ 4,947,058</u></u>

CITY OF JERSEYVILLE, ILLINOIS
SPECIAL REVENUE FUNDS
BALANCE SHEET - MODIFIED CASH BASIS
APRIL 30, 2021

	Road and Bridge Fund	I.M.R.F. Fund	Parks and Recreation Fund	Motor Fuel Tax Fund	Public Benefit Fund	Oak Grove Cemetery Fund
<u>ASSETS</u>						
Cash	\$ 2,361	\$ 1,056,064	\$ 23,746	\$ 569,915	\$ 21,171	\$ 4,175
Restricted Cash						6,898
Restricted Invested Cash						210,717
Due from Other Funds		369				
Total Assets	<u>\$ 2,361</u>	<u>\$ 1,056,433</u>	<u>\$ 23,746</u>	<u>\$ 569,915</u>	<u>\$ 21,171</u>	<u>\$ 221,790</u>
<u>LIABILITIES AND FUND BALANCES</u>						
Liabilities:						
Due to Other Funds						
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund Balances:						
Restricted		\$ 1,055,110		\$ 568,320	\$ 21,141	\$ 217,615
Assigned	\$ 2,361	1,323	\$ 23,746	1,595	30	4,175
Unassigned						
Total Fund Balances (Deficits)	<u>\$ 2,361</u>	<u>\$ 1,056,433</u>	<u>\$ 23,746</u>	<u>\$ 569,915</u>	<u>\$ 21,171</u>	<u>\$ 221,790</u>
Total Liabilities and Fund Balances	<u>\$ 2,361</u>	<u>\$ 1,056,433</u>	<u>\$ 23,746</u>	<u>\$ 569,915</u>	<u>\$ 21,171</u>	<u>\$ 221,790</u>

CITY OF JERSEYVILLE, ILLINOIS
SPECIAL REVENUE FUNDS
BALANCE SHEET - MODIFIED CASH BASIS
APRIL 30, 2021

	Industrial Development Fund	Community Development Fund	TIF #1 Redevelopment Plan Fund	TIF #2 Redevelopment Plan Fund	TIF #3 Redevelopment Plan Fund	Total Special Revenue Funds
ASSETS						
Cash	\$ 14,346	\$ 72,241				\$ 1,764,019
Invested Cash			\$ 406,382	\$ 191,709	\$ 12,523	610,614
Restricted Cash						6,898
Restricted Invested Cash						210,717
Due from Other Funds			3,628			3,997
Total Assets	<u>\$ 14,346</u>	<u>\$ 72,241</u>	<u>\$ 410,010</u>	<u>\$ 191,709</u>	<u>\$ 12,523</u>	<u>\$ 2,596,245</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Due to Other Funds			\$ 33,417	\$ 3,451	\$ 41,977	\$ 78,845
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 33,417</u>	<u>\$ 3,451</u>	<u>\$ 41,977</u>	<u>\$ 78,845</u>
Fund Balances:						
Restricted			\$ 367,427	\$ 186,375		\$ 2,415,988
Assigned	\$ 14,346	\$ 72,241	9,166	1,883		130,866
Unassigned					\$ (29,454)	(29,454)
Total Fund Balances (Deficits)	<u>\$ 14,346</u>	<u>\$ 72,241</u>	<u>\$ 376,593</u>	<u>\$ 188,258</u>	<u>\$ (29,454)</u>	<u>\$ 2,517,400</u>
Total Liabilities and Fund Balances	<u>\$ 14,346</u>	<u>\$ 72,241</u>	<u>\$ 410,010</u>	<u>\$ 191,709</u>	<u>\$ 12,523</u>	<u>\$ 2,596,245</u>

CITY OF JERSEYVILLE, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
FOR THE YEAR ENDED APRIL 30, 2021

	Road and Bridge Fund	I.M.R.F. Fund	Parks and Recreation Fund	Motor Fuel Tax Fund	Public Benefit Fund	Oak Grove Cemetery Fund
REVENUES						
Property Taxes	\$ 96,439	\$ 733,860	\$ 107,830		\$ 496	
Intergovernmental Grants	377,364		145,187			
Charges for Services			127,587	\$ 594,555		\$ 4,300
License and Permits	4,700					
Investment Income	8	398	6	109	10	1,872
Miscellaneous	5,458	47,886	30,561			21,000
TOTAL REVENUES	\$ 483,969	\$ 782,144	\$ 411,171	\$ 594,664	\$ 506	\$ 27,172
EXPENDITURES						
Current:						
General Government		\$ 526,142				
Transportation & Public Works	\$ 721,732					
Social Services & Environment						\$ 6,012
Culture & Recreation			\$ 504,109			
Development						
Capital Outlay	546,288		17,549			
TOTAL EXPENDITURES	\$ 1,268,020	\$ 526,142	\$ 521,658	\$ 0	\$ 0	\$ 6,012
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (784,051)	\$ 256,002	\$ (110,487)	\$ 594,664	\$ 506	\$ 21,160
OTHER FINANCING SOURCES (USES)						
Operating Transfers In	781,755		154,500			
Operating Transfers Out			(26,241)	(568,255)		(17,000)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ (2,296)	\$ 256,002	\$ 17,772	\$ 26,409	\$ 506	\$ 4,160
FUND BALANCES - BEGINNING OF YEAR	4,657	800,431	5,974	543,506	20,665	217,630
FUND BALANCES - END OF YEAR	\$ 2,361	\$ 1,056,433	\$ 23,746	\$ 569,915	\$ 21,171	\$ 221,790

**CITY OF JERSEYVILLE, ILLINOIS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
FOR THE YEAR ENDED APRIL 30, 2021**

	<u>Industrial Development Fund</u>	<u>Community Development Fund</u>	<u>TIF #1 Redevelopment Plan Fund</u>	<u>TIF #2 Redevelopment Plan Fund</u>	<u>TIF #3 Redevelopment Plan Fund</u>	<u>Total Special Revenue Funds</u>
REVENUES						
Property Taxes			\$ 191,268	\$ 77,722	\$ 5,862	\$ 1,213,477
Intergovernmental Grants						522,551 594,555
Charges for Services						131,887
License and Permits						4,700
Investment Income	\$ 7	\$ 71	1,027	471	21	4,000
Miscellaneous		2,700				107,605
TOTAL REVENUES	<u>\$ 7</u>	<u>\$ 2,771</u>	<u>\$ 192,295</u>	<u>\$ 78,193</u>	<u>\$ 5,883</u>	<u>\$ 2,578,775</u>
EXPENDITURES						
Current:						
General Government		\$ 332	\$ 33,084	\$ 2,786	\$ 2,988	\$ 565,332
Transportation & Public Works						721,732
Social Services & Environment						6,012
Culture & Recreation						504,109
Development						0
Capital Outlay			77,585			641,422
TOTAL EXPENDITURES	<u>\$ 0</u>	<u>\$ 332</u>	<u>\$ 110,669</u>	<u>\$ 2,786</u>	<u>\$ 2,988</u>	<u>\$ 2,438,607</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 7	\$ 2,439	\$ 81,626	\$ 75,407	\$ 2,895	\$ 140,168
OTHER FINANCING SOURCES (USES)						
Operating Transfers In						936,255
Operating Transfers Out						(611,496)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	\$ 7	\$ 2,439	\$ 81,626	\$ 75,407	\$ 2,895	\$ 464,927
FUND BALANCES - BEGINNING OF YEAR	<u>14,339</u>	<u>69,802</u>	<u>294,967</u>	<u>112,851</u>	<u>(32,349)</u>	<u>2,052,473</u>
FUND BALANCES - END OF YEAR	<u>\$ 14,346</u>	<u>\$ 72,241</u>	<u>\$ 376,593</u>	<u>\$ 188,258</u>	<u>\$ (29,454)</u>	<u>\$ 2,517,400</u>

CITY OF JERSEYVILLE, ILLINOIS
ROAD AND BRIDGE FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
YEARS ENDED APRIL 30, 2021 AND 2020

	Current Year Appropriations <u>Original and Final</u>	Current Year <u>Actual</u>	Prior Year <u>Actual</u>
REVENUES			
Property Taxes	\$ 95,000	\$ 96,439	\$ 93,769
Intergovernmental			
Sales Taxes	320,000	362,968	341,897
State of Illinois Street Maintenance	55,000	14,396	49,423
Licenses and Permits	500	4,700	50
Investment Income			
Interest	25	8	24
Miscellaneous			
Reimbursements	2,500	5,458	1,040
TOTAL REVENUES	<u>\$ 473,025</u>	<u>\$ 483,969</u>	<u>\$ 486,203</u>
EXPENDITURES			
Current:			
Department of Streets and Public Improvements			
Salaries	\$ 402,648	\$ 395,261	\$ 387,259
Employees' Hospitalization Insurance	125,000	106,248	116,805
Building Insurance	40,000	42,287	20,728
Materials and Supplies	65,000	9,748	20,268
Equipment Repairs and Maintenance	60,000	20,317	34,154
Refunds and Street Deposits	500	3,650	
Gas, Oil and Lubricants	20,000	13,456	15,428
Utilities and Telephone	7,500	5,933	5,062
Drug Testing	750	527	166
Miscellaneous	5,700	8,108	2,824
Street Maintenance	85,000	76,070	60,253
Printing and Publications	150	78	
Signs	6,500	2,034	2,039
Snow Removal		19,160	
Street Engineering	25,000	18,855	18,998
Contingency	15,000		
Capital Outlay	850,500	546,288	58,966
TOTAL EXPENDITURES	<u>\$ 1,709,248</u>	<u>\$ 1,268,020</u>	<u>\$ 742,950</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (1,236,223)</u>	<u>\$ (784,051)</u>	<u>\$ (256,747)</u>
OTHER FINANCING SOURCES			
Operating Transfers In	<u>425,000</u>	<u>781,755</u>	<u>241,451</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ (811,223)</u>	<u>\$ (2,296)</u>	<u>\$ (15,296)</u>
FUND BALANCE - Beginning of Year		<u>4,657</u>	<u>19,953</u>
FUND BALANCE - End of Year		<u>\$ 2,361</u>	<u>\$ 4,657</u>

CITY OF JERSEYVILLE, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
YEARS ENDED APRIL 30, 2021 AND 2020

	Current Year Appropriations <u>Original and Final</u>	Current Year <u>Actual</u>	Prior Year <u>Actual</u>
REVENUES			
Property Taxes		\$ 733,860	\$ 720,406
Investment Income			
Interest		398	399
Miscellaneous			
Reimbursements from Library		47,886	40,898
TOTAL REVENUES	<u>\$ 0</u>	<u>\$ 782,144</u>	<u>\$ 761,703</u>
EXPENDITURES			
Current:			
General Government			
Illinois Municipal Retirement Fund	\$ 400,000	\$ 292,196	\$ 267,684
FICA Expense	175,000	174,455	187,863
Medicare Expense	60,000	59,491	61,155
TOTAL EXPENDITURES	<u>\$ 635,000</u>	<u>\$ 526,142</u>	<u>\$ 516,702</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (635,000)</u>	\$ 256,002	\$ 245,001
FUND BALANCE - Beginning of Year		<u>800,431</u>	<u>556,694</u>
FUND BALANCE - End of Year		<u>\$ 1,056,433</u>	<u>\$ 801,695</u>

CITY OF JERSEYVILLE, ILLINOIS
PARKS AND RECREATION FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
YEARS ENDED APRIL 30, 2021 AND 2020

	Current Year Appropriations <u>Original and Final</u>	Current Year <u>Actual</u>	Prior Year <u>Actual</u>
REVENUES			
Property Taxes	\$ 100,000	\$ 107,830	\$ 99,339
Intergovernmental			
Sales Taxes	130,000	145,187	127,519
Charges for Services			
Susnig Civic Complex			
Rental	44,550	33,610	38,128
Member and User Fees	9,450	4,467	6,901
Classes and League Fees	28,100	7,510	24,534
Concessions	10,000		
Swimming Pool			
Admissions and Season Passes	59,000	22,789	49,967
Concessions	25,000	15,824	44,736
Parks and Playgrounds			
Facility and League Fees	24,150	40,227	26,404
Rental	2,500	935	2,670
Feyerabend Building Rental	6,500	2,225	5,875
Investment Income			
Interest	50	6	33
Miscellaneous			
Donations	3,500	28,571	8,003
Sponsorships	8,500	1,990	7,260
TOTAL REVENUES	<u>\$ 451,300</u>	<u>\$ 411,171</u>	<u>\$ 441,369</u>
EXPENDITURES			
Current:			
Susnig Civic Complex			
Salaries	\$ 66,000	\$ 50,369	\$ 58,985
Recreational Supplies and Equipment			259
Supplies	5,000	3,702	4,935
Food and Beverages	5,250		7,887
Instructional and League Expense	11,000	6,736	7,322
Repairs and Maintenance	15,500	20,644	11,918
Taxes	550	553	535
Utilities	18,500	17,092	15,975
Total Susnig Civic Complex	<u>\$ 121,800</u>	<u>\$ 99,096</u>	<u>\$ 107,816</u>

CITY OF JERSEYVILLE, ILLINOIS
PARKS AND RECREATION FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS - CONTINUED
YEARS ENDED APRIL 30, 2021 AND 2020

	Current Year Appropriations <u>Original and Final</u>	Current Year <u>Actual</u>	Prior Year <u>Actual</u>
EXPENDITURES, CONTINUED			
Swimming Pool			
Salaries	\$ 47,500	\$ 48,438	\$ 61,538
Utilities	9,550	7,950	10,456
Repairs and Maintenance	20,000	39,607	16,190
Chemicals	20,000	8,255	14,177
Supplies and Equipment	9,250	2,953	2,864
Foods and Beverages	23,000	10,353	23,739
Special Events	500		186
Uniforms	1,750	156	1,383
Total Swimming Pool	<u>\$ 131,550</u>	<u>\$ 117,712</u>	<u>\$ 130,533</u>
Playground Activities			
Salaries	\$ 25,000	\$ 17,098	\$ 22,154
Utilities	14,250	14,600	13,649
Repairs and Maintenance	20,000	8,196	14,924
Supplies	6,500	4,310	4,420
Programs and Instruction	48,800	17,934	39,129
Improvements	17,000	5,964	19,919
Total Playground Activities	<u>\$ 131,550</u>	<u>\$ 68,102</u>	<u>\$ 114,195</u>
Administrative Expenses			
Salaries	\$ 105,000	\$ 109,339	\$ 101,564
Employees' Hospital Insurance	75,000	66,567	70,384
Liability Insurance	28,500	26,261	12,873
Printing and Advertising	2,000	977	2,099
Utilities, Gas and Oil	3,600	2,531	2,699
Repairs and Maintenance	8,750	7,837	6,423
Supplies and Postage	3,450	2,842	2,055
Advertising	3,000	761	2,248
Uniforms	750	1,637	554
Professional Dues	250	140	130
Miscellaneous	1,600	307	257
Total Administrative Expenses	<u>\$ 231,900</u>	<u>\$ 219,199</u>	<u>\$ 201,286</u>
Capital Outlay			
Susnix Civic Complex	\$ 605,000	\$ 17,549	\$ 116,534
Swimming Pool	25,000		
Playground	45,000		15,974
Contingency	25,000		
Total Capital Outlay	<u>\$ 700,000</u>	<u>\$ 17,549</u>	<u>\$ 132,508</u>
TOTAL EXPENDITURES	<u>\$ 1,316,800</u>	<u>\$ 521,658</u>	<u>\$ 686,338</u>

**CITY OF JERSEYVILLE, ILLINOIS
PARKS AND RECREATION FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS - CONTINUED
YEARS ENDED APRIL 30, 2021 AND 2020**

	<u>Current Year Appropriations Original and Final</u>	<u>Current Year Actual</u>	<u>Prior Year Actual</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (865,500)	\$ (110,487)	\$ (244,969)
OTHER FINANCING SOURCES (USES)			
Operating Transfers In	200,000	154,500	230,300
Operating Transfers Out		<u>(26,241)</u>	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ (665,500)</u>	\$ 17,772	\$ (14,669)
FUND BALANCE - Beginning of Year		<u>5,974</u>	<u>20,643</u>
FUND BALANCE - End of Year		<u>\$ 23,746</u>	<u>\$ 5,974</u>

CITY OF JERSEYVILLE, ILLINOIS
MOTOR FUEL TAX FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
YEARS ENDED APRIL 30, 2021 AND 2020

	<u>Current Year Appropriations Original and Final</u>	<u>Current Year Actual</u>	<u>Prior Year Actual</u>
REVENUES			
Grants			
Motor Fuel Tax Allotments		\$ 315,617	\$ 307,580
Rebuild Illinois Allotments		278,938	
Investment Income			
Interest		109	198
TOTAL REVENUES	<u>\$ 0</u>	<u>\$ 594,664</u>	<u>\$ 307,778</u>
EXPENDITURES			
Current:			
Transportation and Public Works			
TOTAL EXPENDITURES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
EXCESS OF REVENUES OVER EXPENDITURES		\$ 594,664	\$ 307,778
OTHER FINANCING SOURCES (USES)			
Operating Transfers Out	<u>(300,000)</u>	<u>(568,255)</u>	<u>(186,951)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ (300,000)</u>	\$ 26,409	\$ 120,827
FUND BALANCE - Beginning of Year		<u>543,506</u>	<u>422,679</u>
FUND BALANCE - End of Year		<u>\$ 569,915</u>	<u>\$ 543,506</u>

CITY OF JERSEYVILLE, ILLINOIS
 PUBLIC BENEFIT FUND
 STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
 YEARS ENDED APRIL 30, 2021 AND 2020

	<u>Current Year Appropriations Original and Final</u>	<u>Current Year Actual</u>	<u>Prior Year Actual</u>
REVENUES			
Property Taxes		\$ 496	\$ 502
Interest		10	
TOTAL REVENUES	<u>\$ 0</u>	<u>\$ 506</u>	<u>\$ 502</u>
 EXPENDITURES			
Current:			
General Government			
Miscellaneous Expense	\$ 15,000		
TOTAL EXPENDITURES	<u>\$ 15,000</u>	<u>\$ 0</u>	<u>\$ 0</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 <u><u>\$ (15,000)</u></u>	 \$ 506	 \$ 502
 FUND BALANCE - Beginning of Year		 <u>20,665</u>	 <u>20,163</u>
 FUND BALANCE - End of Year		 <u><u>\$ 21,171</u></u>	 <u><u>\$ 20,665</u></u>

CITY OF JERSEYVILLE, ILLINOIS
OAK GROVE CEMETERY FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
YEARS ENDED APRIL 30, 2021 AND 2020

	<u>Current Year Appropriations Original and Final</u>	<u>Current Year Actual</u>	<u>Prior Year Actual</u>
REVENUES			
Charges for Services			
Perpetual Care		\$ 4,300	\$ 4,800
Investment Income			
Interest		1,872	2,406
Miscellaneous			
Walter E. Knight Farm Income		21,000	21,000
TOTAL REVENUES	<u>\$ 0</u>	<u>\$ 27,172</u>	<u>\$ 28,206</u>
EXPENDITURES			
Current:			
Social Services			
Walter E. Knight Farm Expense	\$ 2,500	\$ 2,671	\$ 2,485
Repairs and Maintenance			
Flowers	2,200	1,475	1,475
Interest	2,200	1,866	1,044
Miscellaneous Expense			30
Capital Outlay			
TOTAL EXPENDITURES	<u>\$ 6,900</u>	<u>\$ 6,012</u>	<u>\$ 5,034</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$ (6,900)	\$ 21,160	\$ 23,172
OTHER FINANCING USES			
Operating Transfers Out		(17,000)	(17,000)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ (6,900)</u>	\$ 4,160	\$ 6,172
FUND BALANCE - Beginning of Year		<u>217,630</u>	<u>211,458</u>
FUND BALANCE - End of Year		<u>\$ 221,790</u>	<u>\$ 217,630</u>

CITY OF JERSEYVILLE, ILLINOIS
 INDUSTRIAL DEVELOPMENT FUND
 STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
 YEARS ENDED APRIL 30, 2021 AND 2020

	<u>Current Year Appropriations Original and Final</u>	<u>Current Year Actual</u>	<u>Prior Year Actual</u>
REVENUES			
Investment Income			
Interest		\$ 7	\$ 7
TOTAL REVENUES	<u>\$ 0</u>	<u>\$ 7</u>	<u>\$ 7</u>
 EXPENDITURES			
Current:			
General Government			
TOTAL EXPENDITURES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 <u>\$ 0</u>	 \$ 7	 \$ 7
 FUND BALANCE - Beginning of Year		 <u>14,339</u>	 <u>14,332</u>
FUND BALANCE - End of Year		<u>\$ 14,346</u>	<u>\$ 14,339</u>

CITY OF JERSEYVILLE, ILLINOIS
 COMMUNITY DEVELOPMENT FUND
 STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
 YEARS ENDED APRIL 30, 2021 AND 2020

	<u>Current Year Appropriations Original and Final</u>	<u>Current Year Actual</u>	<u>Prior Year Actual</u>
REVENUES			
Investment Income			
Interest		\$ 71	\$ 69
Miscellaneous			
Rent		2,700	2,700
TOTAL REVENUES	<u>\$ 0</u>	<u>\$ 2,771</u>	<u>\$ 2,769</u>
 EXPENDITURES			
Current:			
General Government			
Rehabilitation Projects	\$ 5,000		
Real Estate Taxes		\$ 332	\$ 322
TOTAL EXPENDITURES	<u>\$ 5,000</u>	<u>\$ 332</u>	<u>\$ 322</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 <u><u>\$ (5,000)</u></u>	 \$ 2,439	 \$ 2,447
 FUND BALANCE - Beginning of Year		 <u>69,802</u>	 <u>67,355</u>
 FUND BALANCE - End of Year		 <u><u>\$ 72,241</u></u>	 <u><u>\$ 69,802</u></u>

CITY OF JERSEYVILLE, ILLINOIS
TIF #1 REDEVELOPMENT PLAN FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
YEARS ENDED APRIL 30, 2021 AND 2020

	Current Year Appropriations <u>Original and Final</u>	Current Year <u>Actual</u>	Prior Year <u>Actual</u>
REVENUES			
Property Taxes		\$ 191,268	\$ 173,022
Investment Income			
Interest		1,027	4,623
TOTAL REVENUES	<u>\$ 0</u>	<u>\$ 192,295</u>	<u>\$ 177,645</u>
EXPENDITURES			
Current:			
General Government			
Office Expense		\$ 9	
Professional Fees		3,914	\$ 18,199
Marketing		206	
Contractual Agreements		28,955	63,404
Contributions to Other Districts			30,321
Capital Outlay		77,585	
TOTAL EXPENDITURES	<u>\$ 0</u>	<u>\$ 110,669</u>	<u>\$ 111,924</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 0</u>	\$ 81,626	\$ 65,721
FUND BALANCE - Beginning of Year		<u>294,967</u>	<u>229,246</u>
FUND BALANCE - End of Year		<u>\$ 376,593</u>	<u>\$ 294,967</u>

CITY OF JERSEYVILLE, ILLINOIS
TIF #2 REDEVELOPMENT PLAN FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
YEARS ENDED APRIL 30, 2021 AND 2020

	<u>Current Year Appropriations Original and Final</u>	<u>Current Year Actual</u>	<u>Prior Year Actual</u>
REVENUES			
Property Taxes		\$ 77,722	\$ 69,298
Investment Income			
Interest		471	1,368
TOTAL REVENUES	<u>\$ 0</u>	<u>\$ 78,193</u>	<u>\$ 70,666</u>
EXPENDITURES			
Current:			
General Government			
Professional Fees		\$ 2,786	\$ 665
Contributions to Other Districts			10,395
TOTAL EXPENDITURES	<u>\$ 0</u>	<u>\$ 2,786</u>	<u>\$ 11,060</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 0</u>	\$ 75,407	\$ 59,606
FUND BALANCE - Beginning of Year		<u>112,851</u>	<u>53,245</u>
FUND BALANCE - End of Year		<u>\$ 188,258</u>	<u>\$ 112,851</u>

**CITY OF JERSEYVILLE, ILLINOIS
TIF #3 REDEVELOPMENT PLAN FUND
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
MODIFIED CASH BASIS - COMPARISON WITH APPROPRIATIONS
YEARS ENDED APRIL 30, 2021 AND 2020**

	<u>Current Year Appropriations Original and Final</u>	<u>Current Year Actual</u>	<u>Prior Year Actual</u>
REVENUES			
Property Taxes		\$ 5,862	\$ 3,461
Investment Income			
Interest		21	11
TOTAL REVENUES	<u>\$ 0</u>	<u>\$ 5,883</u>	<u>\$ 3,472</u>
EXPENDITURES			
Current:			
General Government			
Professional Fees		\$ 2,988	\$ 665
TOTAL EXPENDITURES	<u>\$ 0</u>	<u>\$ 2,988</u>	<u>\$ 665</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 0</u>	\$ 2,895	\$ 2,807
FUND BALANCE - Beginning of Year		<u>(32,349)</u>	<u>(35,156)</u>
FUND BALANCE - End of Year		<u>\$ (29,454)</u>	<u>\$ (32,349)</u>

CITY OF JERSEYVILLE, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
MODIFIED CASH BASIS - FIDUCIARY FUND
POLICE PENSION FUND
YEARS ENDED APRIL 30, 2021 AND 2020

	<u>Current Year</u> <u>Appropriations</u> <u>Original and Final</u>	<u>Current</u> <u>Year</u> <u>Actual</u>	<u>Prior</u> <u>Year</u> <u>Actual</u>
ADDITIONS			
Property Taxes		\$ 648,200	\$ 571,490
Intergovernmental			
Replacement Taxes		\$ 10,695	\$ 11,344
Investment Income			
Unrealized Gain (Loss) on Investments		\$ 842,648	\$ (153,797)
Realized Gain (Loss) on Investments		14,215	1,086
Interest and Dividends		91,636	149,094
Total Investment Earnings		\$ 948,499	\$ (3,617)
Less Investment Expenses		(4,806)	(4,136)
Net Investment Income		\$ 943,693	\$ (7,753)
Participant Contributions		\$ 113,997	\$ 104,089
Miscellaneous			
Other			\$ 129
TOTAL ADDITIONS	<u>\$ 0</u>	<u>\$ 1,716,585</u>	<u>\$ 679,299</u>
DEDUCTIONS			
Pension Payments	\$ 600,000	\$ 573,494	\$ 618,873
Professional Fees		17,755	11,675
Illinois Department of Insurance		815	765
Miscellaneous		495	493
TOTAL DEDUCTIONS	<u>\$ 600,000</u>	<u>\$ 592,559</u>	<u>\$ 631,806</u>
CHANGE IN NET POSITION	<u>\$ (600,000)</u>	\$ 1,124,026	\$ 47,493
NET POSITION - Beginning of Year		<u>4,119,393</u>	<u>4,071,900</u>
NET POSITION - End Of Year		<u>\$ 5,243,419</u>	<u>\$ 4,119,393</u>

CITY OF JERSEYVILLE, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
MODIFIED CASH BASIS - FIDUCIARY FUND
FIREFIGHTERS' PENSION FUND
YEARS ENDED APRIL 30, 2021 AND 2020

	Current Year Appropriations <u>Original and Final</u>	Current Year <u>Actual</u>	Prior Year <u>Actual</u>
ADDITIONS			
Property Taxes		\$ 34,961	\$ 31,312
Investment Income			
Unrealized Gain (Loss) on Investments		15,574	2,127
Realized Gain (Loss) on Investments		(902)	(3)
Interest and Dividends		9,867	9,820
Participant Contributions		6,356	7,495
TOTAL ADDITIONS	<u>\$ 0</u>	<u>\$ 65,856</u>	<u>\$ 50,751</u>
DEDUCTIONS			
Pension Payments	\$ 30,000	\$ 13,810	
Professional Fees		4,270	\$ 890
Miscellaneous		80	71
TOTAL DEDUCTIONS	<u>\$ 30,000</u>	<u>\$ 18,160</u>	<u>\$ 961</u>
CHANGE IN NET POSITION	<u>\$ (30,000)</u>	\$ 47,696	\$ 49,790
NET POSITION - Beginning of Year		<u>449,604</u>	<u>399,814</u>
NET POSITION - End Of Year		<u>\$ 497,300</u>	<u>\$ 449,604</u>

CITY OF JERSEYVILLE, ILLINOIS
NOTES TO SCHEDULE 1 AND 4-15
APRIL 30, 2021

NOTE 1. BUDGET AND BUDGETARY ACCOUNTING

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

1. Prior to July 31, each commissioner submits to the Council a proposed operating budget for the fiscal year commencing the previous May 1. The operating budget includes proposed expenditures and the means of financing them.
2. The proposed budget is placed on file for thirty days before adoption.
3. On July 28, 2020, the budget was legally adopted through passage of an appropriations ordinance.
4. Formal budgetary integration is employed as a management control device during the year for the General Fund, Specific Special Revenue Funds, Proprietary Fund, and Fiduciary Fund Budgets.
5. Budgets for all funds are prepared on the modified cash basis.
6. For the fiscal year ended April 30, 2021, the City did not prepare a budget for the following special revenue funds:
 1. TIF #1 Redevelopment Plan Fund, which had current year expenditures of \$110,669.
 2. TIF #2 Redevelopment Plan Fund, which had current year expenditures of \$2,786.
 3. TIF #3 Redevelopment Plan Fund, which had current year expenditures of \$2,988.

The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Modified Cash Basis presents a comparison of budgetary data to actual results. All Funds utilize the same basis of accounting for both budgetary purposes and actual results at the individual fund level.

CITY OF JERSEYVILLE, ILLINOIS
ENTERPRISE FUND
COMBINED WATER AND SEWER FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET POSITION
MODIFIED CASH BASIS - PROPRIETARY FUND
YEARS ENDED APRIL 30, 2021 AND 2020

	Year Ended April 30, 2021			Year Ended April 30, 2020
	<u>WATER</u>	<u>SEWER</u>	<u>COMBINED</u>	<u>COMBINED</u>
REVENUES				
Assessments	\$ 1,293,565	\$ 1,042,989	\$ 2,336,554	\$ 3,442,669
Assessment (Capital Improvement and Plant Replacement)	82,905	330,987	413,892	705,708
Penalties				69,202
Line Payments	3,400	6,400	9,800	8,650
Taps and Turn ons	1,333	400	1,733	65,283
Hydrant Rental	24,325		24,325	48,655
EPA Testing Fees	6,909		6,909	11,498
Leachate Revenues		7,446	7,446	19,272
Miscellaneous Revenue	621		621	1,340
TOTAL OPERATING REVENUES	<u>\$ 1,413,058</u>	<u>\$ 1,388,222</u>	<u>\$ 2,801,280</u>	<u>\$ 4,372,277</u>
EXPENSES				
Depreciation	\$ 53,474	\$ 318,041	\$ 371,515	\$ 892,994
Amortization		375,361	375,361	17,062
Bad Debt	91,483	121,624	213,107	
Employees' Hospital Insurance	75,032	45,325	120,357	209,521
Insurance and Bond Premiums	22,886	29,794	52,680	52,680
Postage and Telephone	7,431	6,610	14,041	27,926
Professional Fees	2,768	20,327	23,095	6,088
Rent	1,800	1,800	3,600	7,200
Supplies - Office	5,105	3,879	8,984	19,845
Supplies - Operating	69,966	21,398	91,364	214,740
Salaries and Wages	282,862	159,956	442,818	679,288
Travel and Schooling	147		147	1,639
Utilities	99,385	87,077	186,462	314,458
Repairs and Maintenance	111,789	156,586	268,375	442,178
Drug Testing/Safety	3,647	1,156	4,803	9,296
Bookkeeping Fees	19,110	19,110	38,220	76,440
Capital Outlay Expensed	9,043		9,043	61,853
Miscellaneous	18		18	
TOTAL OPERATING EXPENSES	<u>\$ 855,946</u>	<u>\$ 1,368,044</u>	<u>\$ 2,223,990</u>	<u>\$ 3,033,208</u>
OPERATING INCOME (LOSS)	<u>\$ 557,112</u>	<u>\$ 20,178</u>	<u>\$ 577,290</u>	<u>\$ 1,339,069</u>
NON-OPERATING REVENUES (EXPENSES)				
Interest Income	1,901	220	2,121	2,124
Interest Expense	(230)	(1,215,721)	(1,215,951)	(646,848)
Gain on Sale of Capital Assets	18,058,829		18,058,829	
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>18,060,500</u>	<u>(1,215,501)</u>	<u>16,844,999</u>	<u>(644,724)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>\$ 18,617,612</u>	<u>\$ (1,195,323)</u>	<u>\$ 17,422,289</u>	<u>\$ 694,345</u>
Transfers Out	<u>(25,980,058)</u>		<u>(25,980,058)</u>	
CHANGE IN NET POSITION	<u>\$ (7,362,446)</u>	<u>\$ (1,195,323)</u>	<u>\$ (8,557,769)</u>	<u>\$ 694,345</u>

CITY OF JERSEYVILLE, ILLINOIS
OTHER INFORMATION
FOR THE YEAR ENDED APRIL 30, 2021

CITY OF JERSEYVILLE, ILLINOIS
ASSESSED VALUATIONS, RATES, EXTENSIONS, AND COLLECTIONS
APRIL 30, 2021

TAX YEAR	2020	2019	2018	2017
ASSESSED VALUATION	\$ 124,109,351	\$ 120,536,069	\$ 120,294,338	\$ 119,511,903
Rates per \$100 Assessed Valuation				
Corporate	0.02015	0.02075	0.01996	0.01758
Street Maintenance	0.06044	0.04771	0.04573	0.03954
Working Cash	0.01209	0.01245	0.01247	0.01005
Workmen's Compensation	0.01290	0.01328	0.01331	0.01318
Liability Insurance	0.02539	0.02614	0.02619	0.02636
Garbage Disposal	0.08864	0.09126	0.08313	0.08368
Fire Protection	0.03626	0.03734	0.03326	0.03076
Police Protection	0.02055	0.02116	0.02120	0.01758
Unemployment	0.00444	0.00457	0.00458	0.00440
Audit	0.02015	0.02075	0.02079	0.01933
I.M.R.F.	0.24173	0.44386	0.43643	0.41837
Social Security	0.18935	0.16593	0.16626	0.15898
Public Benefit	0.00041	0.00042	0.00042	0.00044
Police Pension	0.73323	0.53843	0.47800	0.46021
Playground and Recreation	0.09000	0.08960	0.08313	0.08326
Street Lighting	0.04029	0.04149	0.04157	0.03954
Fire Pension	0.03425	0.02904	0.02619	0.02636
	<u>1.63027</u>	<u>1.60418</u>	<u>1.51262</u>	<u>1.44962</u>
Extensions				
Corporate	\$ 25,008	\$ 25,011	\$ 24,011	\$ 21,010
Street Maintenance	75,012	57,508	55,011	47,255
Working Cash	15,005	15,007	15,001	12,011
Workmen's Compensation	16,010	16,007	16,011	15,750
Liability Insurance	31,511	31,508	31,505	31,507
Garbage Disposal	110,011	110,001	100,001	100,008
Fire Protection	45,002	45,008	40,010	36,762
Police Protection	25,505	25,505	25,502	21,010
Unemployment	5,510	5,509	5,509	5,262
Audit	25,008	25,011	25,009	23,100
I.M.R.F.	300,010	535,011	525,001	500,000
Social Security	235,001	200,006	200,001	190,000
Public Benefit	509	506	505	526
Police Pension	910,007	649,003	575,007	550,006
Playground and Recreation	111,698	108,000	100,001	99,506
Street Lighting	50,004	50,011	50,006	47,255
Fire Pension	42,507	35,004	31,505	31,503
	<u>\$ 2,023,318</u>	<u>\$ 1,933,616</u>	<u>\$ 1,819,596</u>	<u>\$ 1,732,471</u>

**CITY OF JERSEYVILLE, ILLINOIS
 ASSESSED VALUATIONS, RATES, EXTENSIONS, AND COLLECTIONS
 APRIL 30, 2021**

TAX YEAR	Collections		
	2019	2018	2017
Corporate	\$ 25,004	\$ 23,873	\$ 20,946
Street Maintenance	65,485	54,577	47,111
Working Cash	15,003	14,915	11,975
Workmen's Compensation	16,003	15,919	15,704
Liability Insurance	31,499	31,325	31,408
Garbage Disposal	109,971	99,428	99,704
Fire Protection	44,996	39,781	36,651
Police Protection	25,498	25,356	20,946
Unemployment	5,507	5,477	5,242
Audit	24,972	24,840	23,032
I.M.R.F.	534,169	521,673	498,474
Social Security	199,691	198,733	189,419
Public Benefit	496	502	525
Police Pension	648,200	571,490	548,429
Playground and Recreation	107,830	99,339	99,202
Street Lighting	49,997	49,720	47,112
Fire Pension	34,961	31,312	31,413
	<u>\$ 1,939,282</u>	<u>\$ 1,808,260</u>	<u>\$ 1,727,293</u>
TIF #1	191,268	173,022	142,126
TIF #2	77,722	69,298	54,967
TIF #3	5,862	3,461	3,168
Road and Bridge	30,954	39,192	39,456
	<u>\$ 2,245,088</u>	<u>\$ 2,093,233</u>	<u>\$ 1,967,010</u>

Component Unit:

TAX YEAR	2020	2019	2018	2017
ASSESSED VALUATION	<u>\$124,109,351</u>	<u>\$120,536,069</u>	<u>\$120,294,338</u>	<u>\$119,511,903</u>

Rates per \$100 Assessed Valuation

Jerseyville Public Library	<u>0.4528</u>	<u>0.4513</u>	<u>0.4487</u>	<u>0.4490</u>
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TAX YEAR	Collections		
	2019	2018	2017
Jerseyville Public Library	<u>\$ 543,234</u>	<u>\$ 536,193</u>	<u>\$ 534,987</u>

CITY OF JERSEYVILLE
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICEMEN'S PENSION

LAST 10 FISCAL YEARS
(schedule to be built prospectively from 2016)

Fiscal Year Ending April 30,	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total Pension Liability										
Service Cost	\$ 256,164	\$ 241,424	\$ 232,932	\$ 226,297	\$ 219,531					
Interest on the Total Pension Liability	719,059	758,896	728,523	690,871	648,191					
Benefit Changes	57,579									
Difference between Expected and Actual Experience	(184,600)	(981,828)	97,018	269,607	(328,885)					
Assumption Changes	3,148,384				703,071					
Benefit Payments and Refunds	(618,873)	(594,342)	(588,539)	(623,559)	(552,901)					
Net Change in Total Pension Liability	\$ 3,377,713	\$ (575,850)	\$ 469,934	\$ 563,216	\$ 689,007					
Total Pension Liability - Beginning	11,371,884	11,947,734	11,477,800	10,914,584	10,225,577					
Total Pension Liability - Ending (a)	\$ 14,749,597	\$ 11,371,884	\$ 11,947,734	\$ 11,477,800	\$ 10,914,584					
Plan Fiduciary Net Position										
Employee Contributions	\$ 582,834	\$ 98,566	\$ 96,152	\$ 117,775	\$ 89,791					
Employer Contributions	105,089	557,045	503,971	511,820	506,171					
Pension Plan Net Investment Income	(3,489)	202,085	267,371	255,061	(20,137)					
Benefit Payments and Refunds	(618,873)	(594,342)	(588,539)	(623,559)	(552,901)					
Other	(17,069)	(18,219)	(14,552)	(9,292)	(5,543)					
Net Change in Plan Fiduciary Net Position	\$ 47,492	\$ 245,135	\$ 264,403	\$ 251,805	\$ 17,381					
Plan Fiduciary Net Position - Beginning	4,071,901	3,826,766	3,562,363	3,310,558	3,293,177					
Plan Fiduciary Net Position - Ending (b)	\$ 4,119,393	\$ 4,071,901	\$ 3,826,766	\$ 3,562,363	\$ 3,310,558					
Net Pension Liability/(Asset) -Ending (a)-(b)	\$ 10,630,204	\$ 7,299,983	\$ 8,120,968	\$ 7,915,437	\$ 7,604,026					
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	27.93%	35.81%	32.03%	31.04%	30.33%					
Covered Valuation Payroll	\$ 1,032,623	\$ 1,000,118	\$ 953,463	\$ 928,044	\$ 902,224					
Net Pension Liability as a Percentage of Covered Valuation Payroll	1029.44%	729.91%	851.73%	852.92%	842.81%					

CITY OF JERSEYVILLE
MULTIYEAR SCHEDULE OF CONTRIBUTIONS
POLICEMEN'S PENSION

LAST 10 FISCAL YEARS
(schedule to be built prospectively from 2016)

<u>Fiscal Year</u> <u>Ending</u> <u>April 30,</u>	<u>Actuarially</u> <u>Determined</u> <u>Contribution</u>	<u>Actual</u> <u>Contribution</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>Covered</u> <u>Valuation</u> <u>Payroll</u>	<u>Actual Contribution</u> <u>as a % of Covered</u> <u>Valuation Payroll</u>
2020	\$ 576,702	\$ 582,834	\$ (6,132)	\$ 1,032,623	56.44%
2019	800,547	557,045	243,502	1,000,118	55.70%
2018	854,551	503,971	350,580	953,463	52.86%
2017	813,949	511,820	302,129	928,044	55.15%
2016	766,167	506,171	259,996	902,224	56.10%

CITY OF JERSEYVILLE
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION

LAST 10 FISCAL YEARS
(schedule to be built prospectively from 2016)

Fiscal Year Ending April 30,	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total Pension Liability										
Service Cost	\$ 21,050	\$ 22,465	\$ 21,808	\$ 20,773	\$ 21,612					
Interest on the Total Pension Liability	17,587	14,948	13,761	13,723	16,645					
Benefit Changes										
Difference between Expected and Actual Experience	46,530	3,179	(17,305)	(33,919)	(64,376)					
Assumption Changes	197,409				(18,827)					
Benefit Payments and Refunds										
Net Change in Total Pension Liability	\$ 282,576	\$ 40,592	\$ 18,264	\$ 577	\$ (44,946)					
Total Pension Liability - Beginning	270,562	229,970	211,706	211,129	256,075					
Total Pension Liability - Ending (a)	\$ 553,138	\$ 270,562	\$ 229,970	\$ 211,706	\$ 211,129					
Plan Fiduciary Net Position										
Employee Contributions	\$ 31,312	\$ 7,193	\$ 6,977	\$ 6,826	\$ 7,408					
Employer Contributions	7,495	31,413	29,737	29,986	29,932					
Pension Plan Net Investment Income	11,944	11,457	10,676	10,288	5,329					
Benefit Payments and Refunds										
Other	(961)	(2,901)	(3,105)	(1,164)	(675)					
Net Change in Plan Fiduciary Net Position	\$ 49,790	\$ 47,162	\$ 44,285	\$ 45,936	\$ 41,994					
Plan Fiduciary Net Position - Beginning	399,814	352,651	308,366	262,430	220,436					
Plan Fiduciary Net Position - Ending (b)	\$ 449,604	\$ 399,813	\$ 352,651	\$ 308,366	\$ 262,430					
Net Pension Liability/(Asset) -Ending (a)-(b)	\$ 105,534	\$ (129,251)	\$ (122,681)	\$ (96,660)	\$ (51,301)					
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	81.28%	147.77%	153.35%	145.66%	124.30%					
Covered Valuation Payroll	\$ 79,265	\$ 75,925	\$ 73,714	\$ 70,204	\$ 73,057					
Net Pension Liability as a Percentage of Covered Valuation Payroll	130.62%	(170.24%)	(166.43%)	(137.68%)	(70.22%)					

CITY OF JERSEYVILLE
MULTIYEAR SCHEDULE OF CONTRIBUTIONS
FIREFIGHTERS' PENSION

LAST 10 FISCAL YEARS
(schedule to be built prospectively from 2016)

<u>Fiscal Year</u> <u>Ending</u> <u>April 30,</u>	<u>Actuarially</u> <u>Determined</u> <u>Contribution</u>	<u>Actual</u> <u>Contribution</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>Covered</u> <u>Valuation</u> <u>Payroll</u>	<u>Actual Contribution</u> <u>as a % of Covered</u> <u>Valuation Payroll</u>
2020	\$ 7,251	\$ 31,312	\$ (23,791)	\$ 79,265	39.50%
2019	7,178	31,413	(24,235)	75,925	41.37%
2018	10,828	29,737	(18,909)	73,714	40.34%
2017	8,870	29,986	(21,116)	70,204	42.71%
2016	13,338	29,932	(16,594)	73,057	40.97%

CITY OF JERSEYVILLE, ILLINOIS
NOTES TO THE SCHEDULE OF CONTRIBUTIONS
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS
USED TO DETERMINE TOTAL PENSION LIABILITY AND CONTRIBUTION
POLICEMEN'S PENSION

Valuation Date: May 1, 2019

Notes Actuarially determined contributions are calculated as of May 1 of each year prior to the beginning of the year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level % Pay (Closed)
Amortization Period	90% Funded Over 22 Years
Asset Valuation Method	5-Year Smoothed Market
Mortality Rate	<u>Active Lives</u> RP 2000 Combined Healthy Mortality Table with blue collar adjustment projected by Scall BB to 2015
Investment Rate of Return	6.50% per year
Retirement Age	Varies by age and service

Other Information:

Notes There were no benefit changes during the year.
Municipal Contributions at 100% based upon 5-year historical average.
(2 year lag)

A detailed description of the actuarial assumptions and methods can be found in the May 1, 2019 actuarial valuation report.

CITY OF JERSEYVILLE, ILLINOIS
NOTES TO THE SCHEDULE OF CONTRIBUTIONS
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS
USED TO DETERMINE TOTAL PENSION LIABILITY AND CONTRIBUTION
FIREFIGHTERS' PENSION

Valuation Date: May 1, 2019

Notes Actuarially determined contributions are calculated as of May 1 of each year prior to the beginning of the year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar (Closed)
Amortization Period	100% Funded Over 22 Years
Asset Valuation Method	5-Year Smoothed Market Value
Mortality Rate	<u>Active Lives</u> RP 2000 Combined Healthy Mortality Table with blue collar adjustment projected by Scall BB to 2015
Investment Rate of Return	6.50% per year
Retirement Age	Varies by age and service

Other Information:

Notes There were no benefit changes during the year.
Municipal Contributions at 100% based upon 5-year historical average.
(2 year lag)

A detailed description of the actuarial assumptions and methods can be found in the May 1, 2019 actuarial valuation report.

**CITY OF JERSEYVILLE, ILLINOIS
SCHEDULE OF FINDINGS
YEAR ENDED APRIL 30, 2021**

Section I - Financial Statement Findings

Finding 2021-001

The City does not have personnel or staff with sufficient training or expertise to ensure the City's annual financial statements and disclosures are prepared in accordance with the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

"Generally accepted accounting principles" is the body of rules that all accountants must follow when they prepare financial statements. These rules cover how your assets, liabilities, revenues, and expenses are recorded in your books and records. Your books and records are then used to prepare the financial statements and related disclosures. Again, generally accepted accounting principles will determine the proper presentation of your assets, liabilities, revenues, and expenses and the related disclosures. An adequate system of internal control also covers the preparation of financial statements and related disclosures. This is deemed necessary so that misstatements will not occur in the financial statements.

The City should consider the costs and benefits of hiring additional expertise or training existing accounting staff to ensure the City's annual financial statements are prepared in accordance with the modified cash basis of accounting and include all required disclosures.

Finding 2021-002

The City does not maintain a fixed asset and associated depreciation expense schedule for their capital assets to be presented on the Government-Wide Financial Statements.

The City should appropriately identify the items to be capitalized and identify appropriate depreciable lives.

**CITY OF JERSEYVILLE, ILLINOIS
SCHEDULE OF FINDINGS
YEAR ENDED APRIL 30, 2021**

Section I - Financial Statement Findings (Continued)

Finding 2021-003

Significant auditor-prepared journal entries were necessary to materially correct the financial statements and to obtain balanced trial balances. The correcting journal entries were needed to record adjustments for beginning fund balances, interfund loans, transfers, investment balances, debt balances, and various reclassifying entries. In addition, entries were required to adjust debt balances, bond amortization premiums and discounts, and record capital asset additions, disposals, and depreciation for GASB 34 reporting purposes.

The City should review the financial statements and adjust items accordingly in order to properly present the financial statements.

Finding 2021-004

Debt service payments are routinely posted to capital outlay accounts resulting in misclassifications.

The City should appropriately identify the items to be posted to the debt service-related accounts and ensure proper posting going forward.

Finding 2021-005

The City is required to spend within its legal budgetary authority. At April 30, 2021 the City had expenditures in excess of appropriations in the following special revenue funds: TIF #1 Redevelopment Plan Fund, TIF #2 Redevelopment Plan Fund, and TIF #3 Redevelopment Plan Fund.

The City should ensure that budgets are prepared for all funds.

**CITY OF JERSEYVILLE, ILLINOIS
CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS
YEAR ENDED APRIL 30, 2021**

Corrective Action Plan

Finding No.: 2021-001

Condition: The City does not have personnel or staff with sufficient training or expertise to ensure the City's annual financial statements and disclosures are prepared in accordance with the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Plan: The City should consider the costs and benefits of hiring additional expertise or training existing accounting staff to ensure the City's annual financial statements are prepared in accordance with the modified cash basis of accounting and include all required disclosures.

Anticipated Date of Completion: Ongoing Analysis

Name of Contact Person: Denise Hayes, City Clerk

Management Response: The City believes their accounting staff maintains adequate books and records of the City's transactions. Additionally, at this time, the City does not believe it is cost beneficial to hire additional accounting expertise to ensure the City's annual financial statements, including disclosures, are prepared in accordance with the modified cash basis of accounting.

Finding No.: 2021-002

Condition: The City does not maintain a fixed asset and associated depreciation expense schedule for their capital assets to be presented on the Government-Wide Financial Statements.

Plan: The City should appropriately identify the items to be capitalized and identify appropriate depreciable lives.

Anticipated Date of Completion: Ongoing Analysis

Name of Contact Person: Denise Hayes, City Clerk

Management Response: The City believes their accounting staff maintains adequate books and records of the City's transactions. Additionally, at this time, the City does not believe it is cost beneficial to hire additional accounting expertise to ensure that the City maintains a fixed asset and associated depreciation schedule for their capital assets to be presented on the Government-Wide Financial Statements.

**CITY OF JERSEYVILLE, ILLINOIS
CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS
YEAR ENDED APRIL 30, 2021**

Corrective Action Plan

Finding No.: 2021-003

Condition: Significant auditor-prepared journal entries were necessary to materially correct the financial statements and to obtain balanced trial balances. The correcting journal entries were needed to record adjustments for beginning fund balances, interfund loans, transfers, investment balances, debt balances, and various reclassifying entries. In addition, entries were required to adjust debt balances, bond amortization premiums and discounts, and record capital asset additions, disposals, and depreciation for GASB 34 reporting purposes.

Plan: The City should review the financial statements and adjust items accordingly in order to properly present the financial statements.

Anticipated Date of Completion: Ongoing Analysis

Name of Contact Person: Denise Hayes, City Clerk

Management Response: The City Council will work with the City Clerk's office to utilize existing personnel to address this finding by reviewing the financial statements as well as previously suggested auditor entries in order to properly present its financial statements going forward.

Finding No.: 2021-004

Condition: Debt service payments are routinely posted to capital outlay accounts resulting in misclassifications.

Plan: The City should appropriately identify the items to be posted to the debt service-related accounts and ensure proper posting going forward.

Anticipated Date of Completion: Ongoing Analysis

Name of Contact Person: Denise Hayes, City Clerk

Management Response: The City Council will work with the City Clerk's office to utilize existing personnel to address this finding by reviewing the financial statements as well as previously suggested auditor entries in order to properly present its financial statements going forward.

**CITY OF JERSEYVILLE, ILLINOIS
CORRECTIVE ACTION PLAN FOR CURRENT YEAR FINDINGS
YEAR ENDED APRIL 30, 2021**

Corrective Action Plan

Finding No.: 2021-005

Condition: The City is required to spend within its legal budgetary authority. At April 30, 2021 the City had expenditures in excess of appropriations in the following special revenue funds: TIF #1 Redevelopment Plan Fund, TIF #2 Redevelopment Plan Fund, and TIF #3 Redevelopment Plan Fund.

Plan: The City should monitor their expenditures in each fund in relation to the funds appropriations during the year and make amendments as necessary.

Anticipated Date of Completion: Ongoing Analysis

Name of Contact Person: Denise Hayes, City Clerk

Management Response: The City Council will work with the City Clerk's office and will utilize existing personnel in an effort to more closely monitor spending within each fund in relation to the fund's appropriations and will amend the budget as necessary to avoid having expenditures in excess of the budget in the future.

**CITY OF JERSEYVILLE, ILLINOIS
SUMMARY SCHEDULE OF PRIOR FINDINGS
YEAR ENDED APRIL 30, 2021**

Section I - Prior Financial Statement Findings

Finding 2020-001

The City does not have an employee who is adequately trained or possesses the necessary knowledge that enables the preparation of the City's financial statements and disclosures in accordance with the modified cash basis of accounting.

Current Status: The City relies on the auditor to prepare the financial statements and required disclosures in accordance with the modified cash basis of accounting.

Finding 2020-002

The City does not maintain a schedule of capital assets or calculate the associated depreciation expense. Control over the City's capital assets and the associated financial reporting would be improved by maintaining this schedule.

Current Status: The City relies on the auditor to maintain the schedule of capital assets and calculated depreciation expense.

Finding 2020-003

Significant auditor prepared journal entries were necessary to present materially correct financial statements. Control over financial reporting would be improved if the City reviewed their account coding procedures and appointed someone to review the postings on a regular basis.

Current Status: The City is aware of this condition and is making an effort to ensure entries are properly posted going forward.

Finding 2020-004

Debt service expenditures are consistently posted to capital outlay and repair accounts rather than to debt service accounts. Debt service accounts need to be established and payments need to be posted to these accounts rather than the incorrect accounts noted.

Current Status: The City is aware of this condition and is making an effort to ensure these payments are properly posted going forward.

**CITY OF JERSEYVILLE, ILLINOIS
SUMMARY SCHEDULE OF PRIOR FINDINGS
YEAR ENDED APRIL 30, 2021**

Section I - Prior Financial Statement Findings (Continued)

Finding 2020-005

The City is required to spend within its legal budgetary authority. At April 30, 2020 the City had expenditures in excess of appropriations in the following special revenue funds: TIF #1 Redevelopment Plan Fund, TIF #2 Redevelopment Plan Fund, and TIF #3 Redevelopment Plan Fund.

Current Status: The City Council is aware of this condition and will work with the City Clerk's office and will utilize existing personnel in an effort to more closely monitor spending within each fund in relation to the fund's appropriations, and will amend the budget as necessary to avoid having expenditures in excess of the budget in the future.