



CITY OF BELLEVILLE, ILLINOIS

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED
APRIL 30, 2021

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CITY OF BELLEVILLE, ILLINOIS

TABLE OF CONTENTS
APRIL 30, 2021

	<u>Page</u>
Independent Auditor's Report	1 - 3
Management's Discussion and Analysis	4 - 12
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	13
Statement of Activities	14
Fund Financial Statements:	
Balance Sheet - Governmental Funds	15
Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Position	16
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Statement of Net Position – Proprietary Funds	19
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	20
Statement of Cash Flows – Proprietary Funds	21
Statement of Fiduciary Net Position – Pension Trust Funds	22
Statement of Changes in Fiduciary Net Position – Pension Trust Funds	23
Notes to Financial Statements	24 – 64
Required Supplementary Information/Other Information:	
Budgetary Comparison Schedule (Modified Cash Basis):	
General Fund	65 - 69
Tax Increment Financing Fund	70
Schedules of Police and Firemen's Net Pension Liability and Related Information	71 - 76
Schedule of Illinois Municipal Retirement Funding Progress and Employer Contributions	77 - 78
Schedule of Post-Employment Healthcare Funding Progress and Employer Contributions	79 - 80

CITY OF BELLEVILLE, ILLINOIS

TABLE OF CONTENTS
APRIL 30, 2021

	<u>Page</u>
Other Supplementary Information:	
Combining Fund Financial Statements:	
Combining Balance Sheet - Nonmajor Governmental Funds	81
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Governmental Funds	82
Combining Balance Sheet - Nonmajor Special Revenue Governmental Funds	83
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
- Nonmajor Special Revenue Governmental Funds	84
Combining Statement of Net Position	
- Internal Service Funds	85
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	
- Internal Service Funds	86
Combining Statement of Fiduciary Net Position	
- Pension Trust Funds	87
Combining Statement of Changes in Fiduciary Net Position	
- Pension Trust Funds	88
 Schedule of Assessed Valuation, Tax Rates, Extensions and Collections	 89
 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 <i>Government Auditing Standards</i>	 90 - 91
 Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required By the Uniform Guidance	 92 - 93
 Schedule of Expenditures of Federal Awards	 94
 Notes to the Schedule of Expenditures of Federal Awards	 95
 Schedule of Findings and Questioned Costs	 96
 Schedule of Prior Year Findings and Questioned Costs	 97

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor
and Members of the City Council
City of Belleville, IL

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Belleville, 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. 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 opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Belleville, Illinois as of April 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information/Other Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 4 to 12), budgetary comparison information (pages 65 to 70) and schedules of funding progress and pension and OPEB related information (pages 71 to 80) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Belleville, Illinois' basic financial statements. The combining and individual nonmajor fund financial statements and other schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, other schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare

the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2021 on our consideration of the City of Belleville, 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 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 the City of Belleville, Illinois' internal control over financial reporting and compliance.

C. J. Schloss & Company LLC

Certified Public Accountants

Alton, Illinois

September 24, 2021

CITY OF BELLEVILLE, ILLINOIS

Management's Discussion and Analysis

For the fiscal year ended April 30, 2021

As management of the City of Belleville, Illinois (the City) we offer readers of the City's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended April 30, 2021.

FINANCIAL HIGHLIGHTS

The following are a few of the financial highlights presented in the accompanying financial statements for the City of Belleville for the fiscal year ended April 30, 2021.

- The City's total net position for governmental and business-type activities increased by \$21,893,886 during fiscal year 2021.
- Net position of the City's pension trust funds increased by \$21,158,022.
- The fund balance of the City's Governmental Funds increased by \$6,455,193 during the current fiscal year, including an increase of \$2,717,305 in the General Fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the City's basic financial statements. There are three components to the basic statements:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

This report also contains required supplementary information and other supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The government-wide financial statements exclude fiduciary fund activities.

The statement of net position presents information on the City's assets, deferred outflows of resources, liabilities, and deferred inflow of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus,

CITY OF BELLEVILLE, ILLINOIS

Management's Discussion and Analysis

For the fiscal year ended April 30, 2021

revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and accrued vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, sanitation, cemetery, health and welfare, economic development and community services. The business-type activities include sewer operations.

The government-wide financial statements can be found on pages 13 and 14 of this report.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental, proprietary and fiduciary.

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

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

The City of Belleville maintains twenty individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for two major funds: the General Fund and the Tax Increment Financing Fund. Data from the other governmental funds are combined into a single, aggregated presentation called "Other Governmental Funds." Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules in the other supplementary information section of this report.

CITY OF BELLEVILLE, ILLINOIS

Management's Discussion and Analysis

For the fiscal year ended April 30, 2021

The City adopts an annual budget for all governmental funds. Budgetary comparison schedules for the major funds have been provided to demonstrate legal compliance with the adopted budget.

The governmental fund financial statements can be found on pages 15 and 17 of this report.

Proprietary funds. Enterprise funds are used to report the same functions and the same type of information presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its sewer operations.

The basic proprietary fund financial statements can be found on pages 19, 20 and 21 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 22 and 23 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found beginning on page 24 of this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, certain required supplementary information can be found on pages 65 through 80 of this report.

Other supplementary information. The combining and individual fund statements, referred to earlier in connection with nonmajor governmental funds, are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 81 through 88 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$22,090,559 at April 30, 2021.

Restricted net position represents resources that are subject to external restrictions on how they may be used. Unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in two of the three categories of net position for its governmental activities, and both categories of net position for its

CITY OF BELLEVILLE, ILLINOIS

Management's Discussion and Analysis

For the fiscal year ended April 30, 2021

business-type activities. The negative amount of unrestricted net position in governmental activities is due to outstanding long-term debt not used for capital assets.

The City's net position increased by \$21,893,886 during fiscal year 2021.

The condensed statement of net position is as follows:

	Governmental Activities		Business-type Activities		Total	
	April 30, 2021	April 30, 2020	April 30, 2021	April 30, 2020	April 30, 2021	April 30, 2020
ASSETS						
Current and other assets	\$ 63,498,456	\$ 54,116,400	\$ 10,565,274	\$ 8,624,235	\$ 74,063,730	\$ 62,740,635
Capital assets, net	<u>71,498,057</u>	<u>69,237,936</u>	<u>105,039,769</u>	<u>107,853,937</u>	<u>176,537,826</u>	<u>177,091,873</u>
Total assets	<u>134,996,513</u>	<u>123,354,336</u>	<u>115,605,043</u>	<u>116,478,172</u>	<u>250,601,556</u>	<u>239,832,508</u>
DEFERRED OUTFLOWS OF RESOURCES						
	<u>19,259,144</u>	<u>25,430,452</u>	<u>852,796</u>	<u>1,204,830</u>	<u>20,111,940</u>	<u>26,635,282</u>
LIABILITIES						
Long-term liabilities	129,220,217	156,347,400	63,063,337	67,553,153	192,283,554	223,900,553
Other liabilities	<u>3,829,927</u>	<u>4,387,026</u>	<u>821,348</u>	<u>867,426</u>	<u>4,651,275</u>	<u>5,254,452</u>
Total liabilities	<u>133,050,144</u>	<u>160,734,426</u>	<u>63,884,685</u>	<u>68,420,579</u>	<u>196,934,829</u>	<u>229,155,005</u>
DEFERRED INFLOWS OF RESOURCES						
	<u>49,903,728</u>	<u>35,685,425</u>	<u>1,784,380</u>	<u>1,430,687</u>	<u>51,688,108</u>	<u>37,116,112</u>
NET POSITION						
Net investment in capital assets	45,892,431	41,572,521	42,285,607	41,169,093	88,178,038	82,741,614
Restricted	25,557,657	21,882,804	-	-	25,557,657	21,882,804
Unrestricted	<u>(100,148,303)</u>	<u>(111,090,388)</u>	<u>8,503,167</u>	<u>6,662,643</u>	<u>(91,645,136)</u>	<u>(104,427,745)</u>
Total net position	<u>\$ (28,698,215)</u>	<u>\$ (47,635,063)</u>	<u>\$ 50,788,774</u>	<u>\$ 47,831,736</u>	<u>\$ 22,090,559</u>	<u>\$ 196,673</u>

Governmental activities. Governmental activities increased the City's net position by \$18,936,848. This increase was achieved in spite of the fact that the City was still battling the economic effects caused by the COVID-19 pandemic.

Business-type activities. Business-type activities increased the City's net position by \$2,957,038. A large portion of the debt incurred for the sewer projects is beginning to be paid back, which has increased debt service payments significantly over the past few years. Sewer rates are reviewed each year to ensure that revenues keep up with inflation as expenses do.

CITY OF BELLEVILLE, ILLINOIS

Management's Discussion and Analysis

For the fiscal year ended April 30, 2021

The condensed statement of activities is as follows:

	Governmental Activities		Business-type Activities		Total	
	For The Year Ended April 30, 2021	For The Year Ended April 30, 2020	For The Year Ended April 30, 2021	For The Year Ended April 30, 2020	For The Year Ended April 30, 2021	For The Year Ended April 30, 2020
REVENUES						
Program revenues:						
Charges for services	\$ 7,102,083	\$ 6,890,882	\$ 10,768,698	\$ 10,321,592	\$ 17,870,781	17,212,474
Operating grants	2,408,667	101,263			2,408,667	101,263
Capital grants	3,411,643	224,397	-	-	3,411,643	224,397
General revenues:						
Property taxes	23,362,608	22,465,148	-	-	23,362,608	22,465,148
Sales and use tax	16,244,891	14,694,699	-	-	16,244,891	14,694,699
Replacement tax	701,463	502,889	-	-	701,463	502,889
State income taxes	5,398,843	4,375,967	-	-	5,398,843	4,375,967
Motor fuel taxes	1,676,674	1,649,972	-	-	1,676,674	1,649,972
Telecommunications taxes	589,785	716,921	-	-	589,785	716,921
Utility taxes	3,397,890	3,325,958	-	-	3,397,890	3,325,958
Gaming tax	193,001	306,010	-	-	193,001	306,010
Other local taxes	127,337	127,417	-	-	127,337	127,417
Investment earnings	129,416	332,375	52,022	76,293	181,438	408,668
Gain on disposal of assets	38,485	192,379	-	-	38,485	192,379
Miscellaneous	63,450	15,153	-	-	63,450	15,153
Transfers	(1,300,000)	(1,300,000)	1,300,000	1,300,000	-	-
Total revenues	<u>63,546,236</u>	<u>54,621,430</u>	<u>12,120,720</u>	<u>11,697,885</u>	<u>75,666,956</u>	<u>66,319,315</u>
EXPENSES						
Governmental activities:						
General government	5,722,108	6,777,089	-	-	5,722,108	6,777,089
Public safety	16,181,025	20,658,998	-	-	16,181,025	20,658,998
Public works	3,817,796	4,376,778	-	-	3,817,796	4,376,778
Sanitation	2,743,470	2,734,470	-	-	2,743,470	2,734,470
Cemetery	193,841	258,170	-	-	193,841	258,170
Health and welfare	993,133	893,181	-	-	993,133	893,181
Development	7,809,663	7,989,551	-	-	7,809,663	7,989,551
Cultural and recreational	2,107,517	3,501,194	-	-	2,107,517	3,501,194
Interest on long-term debt	5,040,835	4,761,608	-	-	5,040,835	4,761,608
Business-type activities:						
Sewerage	-	-	9,163,682	10,061,070	9,163,682	10,061,070
Total expenses	<u>44,609,388</u>	<u>51,951,039</u>	<u>9,163,682</u>	<u>10,061,070</u>	<u>53,773,070</u>	<u>62,012,109</u>
Change in net position	18,936,848	2,670,391	2,957,038	1,636,815	21,893,886	4,307,206
Net position - beginning	(47,635,063)	(50,305,454)	47,831,736	46,194,921	196,673	(4,110,533)
Net position - ending	<u>\$ (28,698,215)</u>	<u>\$ (47,635,063)</u>	<u>\$ 50,788,774</u>	<u>\$ 47,831,736</u>	<u>\$ 22,090,559</u>	<u>\$ 196,673</u>

CITY OF BELLEVILLE, ILLINOIS

Management's Discussion and Analysis

For the fiscal year ended April 30, 2021

FUNDS FINANCIAL ANALYSIS

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

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

At the end of fiscal year 2021, the City's governmental funds reported combined ending fund balances of \$33,484,938. Approximately 21.76% of this total amount (\$7,287,626) constitutes unassigned fund balance, which is available for spending at the City's discretion. \$25,557,657 (76.33% of the total governmental funds fund balance) has been restricted externally for specific purposes by either creditors or external legislation. The remainder of the fund balance is either nonspendable (\$495,508), meaning it is not in spendable form, or committed (\$144,147), which means there have been constraints placed on the spending of these funds by the City.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$7,287,626. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Unassigned fund balance represents 27.05% of total General Fund expenditures.

The fund balance of the City's General Fund increased by \$2,717,305 during the current fiscal year. The increase was due to all departments trying to keep expenditures in line with the actual revenues generated to cover the expenditures, and reducing expenditures due to the uncertainty of economic impact of the COVID-19 pandemic.

The Tax Increment Financing (TIF) Fund is a major special revenue fund of the City. Its resources are to be used for leveraging development within the boundaries of the City's 16 tax increment financing districts. At the end of the current fiscal year, the fund balance of the TIF fund was \$12,803,360, which is an increase of \$846,104 compared to 2020.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the sewer fund at the end of the year amounted to \$8,503,167, an increase of \$1,840,524 from the prior year. Overall, total net position of the sewer fund increased by \$2,957,038. The City continues to make large capital improvements to our aging sewer infrastructure, as mandated by the IEPA.

CITY OF BELLEVILLE, ILLINOIS

Management's Discussion and Analysis

For the fiscal year ended April 30, 2021

GENERAL FUND BUDGETARY HIGHLIGHTS

The fiscal year 2021 disbursement budget for the City's General Fund represents an original budget of \$29,050,350, and a final budget of \$29,313,250. Actual disbursements (before interfund transfers) in the general fund were \$26,836,509, which is \$2,476,741 less than the final budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of April 30, 2021, amounts to \$176,537,826, net of accumulated depreciation. The investment in capital assets generally includes land, buildings and improvements, equipment, vehicles and infrastructure. The total decrease in net capital assets for the current year was \$554,047.

The City's capital assets, net of depreciation, are as follows:

	Governmental Activities		Business-type Activities		Total	
	April 30, 2021	April 30, 2020	April 30, 2021	April 30, 2020	April 30, 2021	April 30, 2020
Land	\$ 6,402,376	\$ 6,156,827	\$ 1,104,046	\$ 1,104,046	\$ 7,506,422	\$ 7,260,873
Construction in progress	-	-	1,029,515	1,128,289	1,029,515	1,128,289
Buildings and improvements	27,115,491	27,657,487	46,319,920	47,526,854	73,435,411	75,184,341
Vehicles and equipment	3,986,696	3,752,091	200,204	251,408	4,186,900	4,003,499
Infrastructure	33,993,494	31,671,531	-	-	33,993,494	31,671,531
Distribution and collection systems	-	-	56,386,084	57,843,340	56,386,084	57,843,340
Total capital assets, net	<u>\$ 71,498,057</u>	<u>\$ 69,237,936</u>	<u>\$ 105,039,769</u>	<u>\$ 107,853,937</u>	<u>\$ 176,537,826</u>	<u>\$ 177,091,873</u>

For government-wide financial presentation, all depreciable capital assets were depreciated from acquisition date to the end of fiscal year 2021. Fund financial statements record capital asset purchases as expenditures. Additional information on the City's capital assets can be found in Note 3 on page 35 of this report.

CITY OF BELLEVILLE, ILLINOIS

Management's Discussion and Analysis

For the fiscal year ended April 30, 2021

Long-term Debt

At the end of fiscal year 2021, the City of Belleville had total long-term debt obligations for governmental and business-type activities in the amount of \$192,283,554 compared to \$223,900,553 at the end of fiscal year 2020. During 2021, the City made scheduled debt service payments, and refinanced some outstanding bonds to save on debt obligations. General obligation bonds are backed by the full faith and credit of the City.

	Governmental Activities		Business-type Activities		Total	
	April 30, 2021	April 30, 2020	April 30, 2021	April 30, 2020	April 30, 2021	April 30, 2020
Special Service Area Bonds						
Series 2006	\$ 555,000	\$ 630,000	\$ -	\$ -	\$ 555,000	\$ 630,000
Tax Increment Refunding Bonds						
Series 2007A	12,595,000	13,140,000	-	-	12,595,000	13,140,000
Taxable Business District Bonds						
Series 2007B	5,670,000	5,920,000	-	-	5,670,000	5,920,000
G.O. Refunding Bonds						
Series 2009	-	105,700	-	1,644,300	-	1,750,000
G.O. Bonds						
Series 2011A	-	5,000,000	-	-	-	5,000,000
SWIDA Revenue Bonds						
Series 2011A	-	13,550,000	-	-	-	13,550,000
SWIDA Revenue Bonds						
Series 2011B	-	1,560,000	-	-	-	1,560,000
SWIDA Taxable Revenue Bonds, Series 2011C	-	2,805,000	-	-	-	2,805,000
G.O. Refunding Bonds						
Series 2012	4,900,000	5,820,000	-	-	4,900,000	5,820,000
G.O. Bonds						
Series 2014	7,380,000	7,770,000	-	-	7,380,000	7,770,000
G.O. Bonds						
Series 2015	6,465,000	6,790,000	-	-	6,465,000	6,790,000
G.O. Refunding Bonds						
Series 2020	5,281,338	-	1,498,662	-	6,780,000	-
Tax Increment & Sales Tax Refunding Bonds, Series 2021A & B	15,150,000	-	-	-	15,150,000	-
Bond Premiums	623,965	671,450	-	-	623,965	671,450
Notes Payable	366,273	617,661	61,343,330	65,113,417	61,709,603	65,731,078
Capital Leases	754,353	1,014,438	-	-	754,353	1,014,438
Net Pension Liability	60,484,181	80,923,733	-	545,327	60,484,181	81,469,060
OPEB Obligation	8,717,414	9,739,926	203,914	230,963	8,921,328	9,970,889
Compensated Absences	277,693	289,492	17,431	19,146	295,124	308,638
Total Debt	\$ 129,220,217	\$ 156,347,400	\$ 63,063,337	\$ 67,553,153	\$ 192,283,554	\$ 223,900,553

Additional information regarding the City's long-term debt can be found in Note 4 on pages 36 through 42 of this report.

CITY OF BELLEVILLE, ILLINOIS

Management's Discussion and Analysis

For the fiscal year ended April 30, 2021

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Belleville, Director of Finance, 101 South Illinois Street, Belleville, IL 62220.

CITY OF BELLEVILLE, ILLINOIS

STATEMENT OF NET POSITION
APRIL 30, 2021

	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
	Activities	Activities	
<u>Assets</u>			
Cash and Cash Equivalents	\$ 31,561,170	\$ 8,473,030	\$ 40,034,200
Receivables (Net of allowance for uncollectible)	29,440,731	1,413,928	30,854,659
Prepaid Expenses	498,228	53,891	552,119
Inventory	-	133,432	133,432
Capital Assets:			
Land	6,402,376	1,104,046	7,506,422
Buildings and Improvements	33,089,498	59,163,530	92,253,028
Equipment	2,720,378	1,346,761	4,067,139
Vehicles	11,589,068	1,230,893	12,819,961
Infrastructure	115,511,111	86,916,451	202,427,562
Construction in Progress	-	1,029,515	1,029,515
Accumulated Depreciation	<u>(97,814,374)</u>	<u>(45,751,427)</u>	<u>(143,565,801)</u>
Net Capital Assets	<u>71,498,057</u>	<u>105,039,769</u>	<u>176,537,826</u>
Net Pension Asset	<u>1,998,327</u>	<u>490,993</u>	<u>2,489,320</u>
Total Assets	<u>134,996,513</u>	<u>115,605,043</u>	<u>250,601,556</u>
<u>Deferred Outflows of Resources</u>			
Pension Plan Obligations	18,143,955	741,707	18,885,662
OPEB Plan Obligations	994,339	23,259	1,017,598
Loss on Bond Refunding	<u>120,850</u>	<u>87,830</u>	<u>208,680</u>
Total Deferred Outflows of Resources	<u>19,259,144</u>	<u>852,796</u>	<u>20,111,940</u>
<u>Liabilities</u>			
Accounts Payable	1,708,716	305,092	2,013,808
Accrued Salaries and Benefits	1,241,335	130,516	1,371,851
Accrued Interest Payable	879,876	385,740	1,265,616
Noncurrent Liabilities:			
Due Within One Year	5,321,916	4,046,218	9,368,134
Due in More Than One Year	<u>123,898,301</u>	<u>59,017,119</u>	<u>182,915,420</u>
Total Liabilities	<u>133,050,144</u>	<u>63,884,685</u>	<u>196,934,829</u>
<u>Deferred Inflows of Resources</u>			
Pension Plan Obligations	24,659,911	1,734,317	26,394,228
OPEB Plan Obligations	2,140,217	50,063	2,190,280
Deferred Property Tax	<u>23,103,600</u>	<u>-</u>	<u>23,103,600</u>
Total Deferred Inflows of Resources	<u>49,903,728</u>	<u>1,784,380</u>	<u>51,688,108</u>
<u>Net Position</u>			
Net Investment in Capital Assets	45,892,431	42,285,607	88,178,038
Restricted	25,557,657	-	25,557,657
Unrestricted	<u>(100,148,303)</u>	<u>8,503,167</u>	<u>(91,645,136)</u>
Total Net Position	<u>\$ (28,698,215)</u>	<u>\$ 50,788,774</u>	<u>\$ 22,090,559</u>

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

CITY OF BELLEVILLE, ILLINOIS

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2021

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General Government	\$ 5,722,108	\$ 1,660,875	\$ -	\$ -	\$ (4,061,233)		\$ (4,061,233)
Public Safety	16,181,025	765,216	2,125,458	-	(13,290,351)		(13,290,351)
Public Works	3,817,796	19,048	-	3,386,643	(412,105)		(412,105)
Sanitation	2,743,470	3,351,865	-	-	608,395		608,395
Cemetery	193,841	64,308	-	-	(129,533)		(129,533)
Health and Welfare	993,133	148,837	-	-	(844,296)		(844,296)
Development	7,809,663	919,633	-	25,000	(6,865,030)		(6,865,030)
Cultural and Recreational	2,107,517	172,301	283,209	-	(1,652,007)		(1,652,007)
Interest on Long-term Debt	5,040,835	-	-	-	(5,040,835)		(5,040,835)
Total Governmental Activities	44,609,388	7,102,083	2,408,667	3,411,643	(31,686,995)		(31,686,995)
Business-type Activities:							
Sewerage	9,163,682	10,768,698	-	-		\$ 1,605,016	1,605,016
Total Business-type Activities	9,163,682	10,768,698	-	-		1,605,016	1,605,016
Total Government	\$ 53,773,070	\$ 17,870,781	\$ 2,408,667	\$ 3,411,643	(31,686,995)	1,605,016	(30,081,979)

General Revenues:			
Property Tax, Levied for General Purposes	23,362,608	-	23,362,608
Sales and Use Tax	16,244,891	-	16,244,891
Income Tax	5,398,843	-	5,398,843
Corporate Personal Property Tax	701,463	-	701,463
Motor Fuel Tax	1,676,674	-	1,676,674
Telecommunications Tax	589,785	-	589,785
Gaming Tax	193,001	-	193,001
Other Local Tax	127,337	-	127,337
Utility Tax	3,397,890	-	3,397,890
Investment Earnings	129,416	52,022	181,438
Gain On Disposal of Assets	38,485	-	38,485
Miscellaneous	63,450	-	63,450
Transfers	(1,300,000)	1,300,000	-
Total General Revenues and Transfers	50,623,843	1,352,022	51,975,865
Change in Net Position	18,936,848	2,957,038	21,893,886
Net Position - Beginning	(47,635,063)	47,831,736	196,673
Net Position - Ending	\$ (28,698,215)	\$ 50,788,774	\$ 22,090,559

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

CITY OF BELLEVILLE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS
APRIL 30, 2021

	General Fund	Tax Increment Financing Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>				
Cash and Cash Equivalents	\$ 5,198,928	\$ 12,967,935	\$ 12,996,817	\$ 31,163,680
Receivables (Net of allowance for uncollectible):				
Property Tax	-	19,262,200	3,841,400	23,103,600
Intergovernmental Accounts	4,244,897 59,042	978,603 -	492,665 -	5,716,165 59,042
Other	522,954	-	38,970	561,924
Prepaid Expenses	470,174	-	28,054	498,228
Total Assets	<u>\$ 10,495,995</u>	<u>\$ 33,208,738</u>	<u>\$ 17,397,906</u>	<u>\$ 61,102,639</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>				
Liabilities:				
Accounts Payable	\$ 440,589	\$ 827,183	\$ 440,944	\$ 1,708,716
Accrued Salaries	1,170,799	-	70,536	1,241,335
Total Liabilities	<u>1,611,388</u>	<u>827,183</u>	<u>511,480</u>	<u>2,950,051</u>
Deferred Inflows of Resources:				
Deferred Property Tax	-	19,262,200	3,841,400	23,103,600
Deferred Intergovernmental Tax	1,126,807	315,995	121,248	1,564,050
	<u>1,126,807</u>	<u>19,578,195</u>	<u>3,962,648</u>	<u>24,667,650</u>
Fund Balance:				
Nonspendable	470,174	-	25,334	495,508
Restricted	-	12,803,360	12,754,297	25,557,657
Committed	-	-	144,147	144,147
Unassigned	7,287,626	-	-	7,287,626
Total Fund Balance	<u>7,757,800</u>	<u>12,803,360</u>	<u>12,923,778</u>	<u>33,484,938</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 10,495,995</u>	<u>\$ 33,208,738</u>	<u>\$ 17,397,906</u>	<u>\$ 61,102,639</u>

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

CITY OF BELLEVILLE, ILLINOIS

RECONCILIATION OF THE BALANCE SHEET OF THE
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
APRIL 30, 2021

Amounts reported for governmental fund balances are different because:

Fund balances - total governmental funds	\$ 33,484,938
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the balance sheet of the governmental funds.	71,498,057
Long-term debt (e.g., bonds, leases) is not reported as a liability on the balance sheet of the governmental funds.	(59,620,079)
Some receivables are not available to pay current-period expenditures and, therefore, are deferred in the governmental funds balance sheet, but recognized as revenue as economic financial resources.	1,564,050
Accrued interest payable on the long-term debt is not reported as a liability on the balance sheet of the governmental funds.	(879,876)
Accrued compensated absences are not reported as a liability on the balance sheet of the governmental funds.	(277,693)
Net pension liabilities and the related future pension expense are not reported as assets and liabilities on the balance sheet of the governmental funds.	(65,001,810)
Net OPEB liabilities and the related future OPEB expense are not reported as assets and liabilities on the balance sheet of the governmental funds.	(9,863,292)
Internal service funds are included in the statement of net position in the government wide financial statements as these funds benefit the general government as a whole.	<u>397,490</u>
Net position of governmental activities	<u>\$ (28,698,215)</u>

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

CITY OF BELLEVILLE, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2021

	<u>General Fund</u>	<u>Tax Increment Financing Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property Tax	\$ -	\$ 18,739,898	\$ 4,175,063	\$ 22,914,961
Utility Tax	3,397,890	-	-	3,397,890
Intergovernmental	19,986,093	3,430,927	4,756,612	28,173,632
Local Tax	76,402	-	50,935	127,337
Licenses, Permits and Fees	1,646,864	-	-	1,646,864
Charges for Services	3,915,993	-	160,563	4,076,556
Fines and Forfeitures	135,757	-	47,798	183,555
Investment Earnings	7,294	54,270	62,456	124,020
Contributions	35,047	-	212,122	247,169
Proceeds from Sale of Assets	38,485	-	-	38,485
Reimbursements/Miscellaneous	299,156	919,633	39,769	1,258,558
Total Revenues	<u>29,538,981</u>	<u>23,144,728</u>	<u>9,505,318</u>	<u>62,189,027</u>
Expenditures:				
Current:				
General Government	3,670,911	-	2,234,172	5,905,083
Public Safety	16,294,185	-	142,668	16,436,853
Public Works	1,774,373	-	685,004	2,459,377
Sanitation	2,706,570	-	-	2,706,570
Cemetery	218,577	-	-	218,577
Health and Welfare	857,106	-	148,681	1,005,787
Development	279,405	7,589,422	-	7,868,827
Cultural and Recreational	793,078	-	1,562,354	2,355,432
Capital Outlay	117,853	2,832,369	324,019	3,274,241
Debt Service:				
Principal	218,692	19,014,559	1,710,000	20,943,251
Interest and Charges	14,100	4,625,928	917,891	5,557,919
Total Expenditures	<u>26,944,850</u>	<u>34,062,278</u>	<u>7,724,789</u>	<u>68,731,917</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,594,131</u>	<u>(10,917,550)</u>	<u>1,780,529</u>	<u>(6,542,890)</u>
Other Financing Sources (Uses):				
Proceeds from Debt	108,116	15,150,000	5,185,000	20,443,116
Payment to Escrow Refunding Agent	(107,175)	-	(5,126,900)	(5,234,075)
Transfers In	1,033,191	-	1,286,346	2,319,537
Transfers Out	(910,958)	(3,386,346)	(233,191)	(4,530,495)
Total Other Financing Sources (Uses)	<u>123,174</u>	<u>11,763,654</u>	<u>1,111,255</u>	<u>12,998,083</u>
Net Change in Fund Balances	2,717,305	846,104	2,891,784	6,455,193
Fund Balance, Beginning of Year	<u>5,040,495</u>	<u>11,957,256</u>	<u>10,031,994</u>	<u>27,029,745</u>
Fund Balance, End of Year	<u>\$ 7,757,800</u>	<u>\$ 12,803,360</u>	<u>\$ 12,923,778</u>	<u>\$ 33,484,938</u>

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

CITY OF BELLEVILLE, ILLINOIS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2021

Amounts reported for governmental activities in the statement of activities
are different because:

Net change in fund balances - total governmental funds	\$ 6,455,193
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$3,274,241) and contributed capital (\$1,921,005) exceeded depreciation expense (\$2,935,125) in the current year.</p>	2,260,121
<p>The issuance of long-term debt (e.g., bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of those differences in the treatment of long-term debt and related items.</p>	6,251,294
<p>Accrued compensated absences are reported in the government-wide statement of activities and changes in net assets, but do not require the use of current financial resources; therefore, accrued compensated absences are not reported as expenditures in governmental funds. This is the change in accrued compensated absences.</p>	11,799
<p>Net pension liabilities and the related future pension expense are reported in the government-wide statement of activities and changes in net position, but do not require the use of current financial resources; therefore, these amounts are not reported as expenditures in governmental funds. This is the change in the net pension liability.</p>	2,840,494
<p>The amount of accrued OPEB benefits is not recorded as expense in the fund financial statements. In the statement of activities, these amounts are included and recorded currently in the various functional expense categories. This amount is the current year addition to accrued retirement benefits that has been included in the statement of activities.</p>	(233,464)
<p>Some intergovernmental revenues will not be collected for several months after the City's fiscal year end. They are not considered "available" revenues in the governmental funds. This is the change in deferred revenues between fiscal years.</p>	283,161
<p>Activity related to the internal service funds are included in the statement of net position in the government wide financial statements as these funds benefit the general government as a whole.</p>	<u>1,068,250</u>
Change in net position of governmental activities	<u>\$ 18,936,848</u>

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

CITY OF BELLEVILLE, ILLINOIS

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 APRIL 30, 2021

	<u>Business Type Activities - Enterprise Fund Sewerage</u>	<u>Governmental Activities - Internal Service Funds</u>
<u>Assets</u>		
Current Assets:		
Cash	\$ 8,473,030	\$ 397,490
Receivables (Net, where applicable, of allowances for uncollectible)	1,413,928	-
Prepaid Expenses	53,891	-
Inventory, at Cost	<u>133,432</u>	<u>-</u>
Total Current Assets	<u>10,074,281</u>	<u>397,490</u>
Noncurrent Assets:		
Capital Assets:		
Land	1,104,046	-
Buildings and Improvements	59,163,530	-
Equipment	1,346,761	-
Vehicles	1,230,893	-
Distribution System	86,916,451	-
Construction in Progress	<u>1,029,515</u>	<u>-</u>
Total	150,791,196	-
Less - Accumulated Depreciation	<u>(45,751,427)</u>	<u>-</u>
Net Capital Assets	<u>105,039,769</u>	<u>-</u>
Net Pension Asset	<u>490,993</u>	<u>-</u>
Total Assets	<u>\$ 115,605,043</u>	<u>\$ 397,490</u>
<u>Deferred Outflows of Resources</u>		
Loss on Bond Refunding	\$ 87,830	\$ -
OPEB Plan Obligations	23,259	-
Pension Plan Obligations	<u>741,707</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>852,796</u>	<u>-</u>
<u>Liabilities</u>		
Current Liabilities:		
Accrued Payroll and Benefits	\$ 130,516	\$ -
Accounts Payable	305,092	-
Accrued Interest	<u>385,740</u>	<u>-</u>
Total Current Liabilities	<u>821,348</u>	<u>-</u>
Noncurrent Liabilities:		
Accrued Sick Leave	17,431	-
OPEB Obligation	203,914	-
Due Within One Year	4,046,218	-
Due in More Than One Year	<u>58,795,774</u>	<u>-</u>
Total Noncurrent Liabilities	<u>63,063,337</u>	<u>-</u>
Total Liabilities	<u>\$ 63,884,685</u>	<u>\$ -</u>
<u>Deferred Inflows of Resources</u>		
OPEB Plan Obligations	\$ 50,063	\$ -
Pension Plan Obligations	<u>1,734,317</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>\$ 1,784,380</u>	<u>\$ -</u>
<u>Net Position</u>		
Net Investment in Capital Assets	\$ 42,285,607	\$ -
Unrestricted	<u>8,503,167</u>	<u>397,490</u>
Total Net Position	<u>\$ 50,788,774</u>	<u>\$ 397,490</u>

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

CITY OF BELLEVILLE, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED APRIL 30, 2021

	<u>Business Type Activities - Enterprise Fund Sewerage</u>	<u>Governmental Activities - Internal Service Funds</u>
Operating Revenues:		
Charges for Services	\$ 10,768,698	\$ 363
Operating Expenses:		
Personal Services	2,171,589	296,114
Supplies	269,520	-
Contractual Services	2,437,517	-
Depreciation	3,182,605	-
Total Operating Expenses	<u>8,061,231</u>	<u>296,114</u>
Operating Income (Loss)	<u>2,707,467</u>	<u>(295,751)</u>
Nonoperating Revenues (Expenses):		
Amortization	(7,985)	-
Property Tax	-	447,647
Investment Earnings	52,022	5,396
Interest and Fiscal Charges	(1,094,466)	-
Total Nonoperating Revenues (Expenses)	<u>(1,050,429)</u>	<u>453,043</u>
Income (Loss) Before Transfers	1,657,038	157,292
Transfers In	<u>1,300,000</u>	<u>910,958</u>
Change in Net Position	2,957,038	1,068,250
Net Position - Beginning of Year	<u>47,831,736</u>	<u>(670,760)</u>
Net Position - End of Year	<u>\$ 50,788,774</u>	<u>\$ 397,490</u>

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

CITY OF BELLEVILLE, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED APRIL 30, 2021

	Business Type Activities - <u>Enterprise Fund</u> <u>Sewerage</u>	Governmental Activities - Internal <u>Service Funds</u>
Cash Flows from Operating Activities:		
Receipts from Customers	\$ 10,567,959	\$ 363
Payments to Suppliers	(3,325,378)	(555,203)
Payments to Employees	<u>(1,887,654)</u>	<u>-</u>
Net Cash Provided (Used) by Operating Activities	<u>5,354,927</u>	<u>(554,840)</u>
Cash Flows from Noncapital Financing Activities:		
Property Tax	-	447,647
Payments from (to) Other Funds	<u>1,300,000</u>	<u>103,000</u>
Net Cash Provided by Noncapital Financing Activities	<u>1,300,000</u>	<u>550,647</u>
Cash Flows from Capital and Related Financing Activities:		
Principal Payments on Long-Term Debt	(3,953,309)	-
Interest Paid on Debt	(1,116,529)	-
Cash Payments for Capital Assets	<u>(368,437)</u>	<u>-</u>
Net Cash Provided (Used) by Capital Related Financing Activities	<u>(5,438,275)</u>	<u>-</u>
Cash Flows from Investing Activities:		
Interest Received	<u>52,022</u>	<u>5,396</u>
Net Cash Provided by Investing Activities	<u>52,022</u>	<u>5,396</u>
Net Change in Cash and Cash Equivalents	1,268,674	1,203
Cash and Cash Equivalents, Beginning of Year	<u>7,204,356</u>	<u>396,287</u>
Cash and Cash Equivalents, End of Year	<u>\$ 8,473,030</u>	<u>\$ 397,490</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income (Loss)	\$ 2,707,467	\$ (295,751)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	3,182,605	-
Net OPEB Liability Adjustment	2,152	-
Net Pension Liability Adjustment	(344,837)	-
(Increase) Decrease in Assets:		
Accounts Receivable	(69,016)	-
Unbilled Revenue	(131,723)	-
Inventory	27,190	-
Prepaid Expenses	(7,823)	-
Increase (Decrease) in Liabilities:		
Accrued Payroll and Benefits	(10,692)	-
Accounts Payable	<u>(396)</u>	<u>(259,089)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 5,354,927</u>	<u>\$ (554,840)</u>

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

CITY OF BELLEVILLE, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PENSION TRUST FUNDS
APRIL 30, 2021

Assets:	
Cash and Cash Equivalents	\$ 8,165,432
Investments, at Market	77,058,429
Receivables:	
Taxes Receivable	7,568,814
Interest Receivable	<u>141,228</u>
Total Assets	<u>92,933,903</u>
Liabilities:	
Benefit Withholdings	<u>18,665</u>
Net Position - Restricted for Pensions	<u><u>\$ 92,915,238</u></u>

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

CITY OF BELLEVILLE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PENSION TRUST FUNDS
FOR THE YEAR ENDED APRIL 30, 2021

Additions:

Contributions:

Employee Contributions	\$ 983,026
Employer Contributions:	
Property Taxes	7,598,161
Personal Property Replacement Taxes	<u>184,217</u>
Total Contributions	<u>8,765,404</u>

Investment Income:

Interest and Dividend Income	1,417,882
Gain (Loss) on Sales of Securities	3,470,918
Net Change in Fair Market	
Value of Investments	<u>16,225,674</u>
	21,114,474
Less Investment Expense	<u>(97,701)</u>
Total Investment Income	<u>21,016,773</u>
Total Additions	<u>29,782,177</u>

Deductions:

Benefits Paid to Participants:

Service and Disability	7,528,587
Dependents	1,021,158
Refund of Contributions	21,566
Professional Fees	27,799
Other	<u>25,045</u>
Total Deductions	<u>8,624,155</u>

Change in Net Position	21,158,022
Net Position - Beginning of Year	<u>71,757,216</u>
Net Position - End of Year	<u><u>\$ 92,915,238</u></u>

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

CITY OF BELLEVILLE, ILLINOIS

NOTE TO FINANCIAL STATEMENTS

APRIL 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Belleville, Illinois (City) was incorporated on March 30, 1850, under the provisions of the State of Illinois. The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, recreation, public improvements, planning and development and general administrative services. The City also provides sewer utilities services.

(a) Reporting entity

The City defines its reporting entity in accordance with Codification of Governmental Accounting and Financial Reporting Standards, Section 2100. The criteria used in determining the scope of the entity for financial reporting purposes includes, but is not limited to, the method of budget adoption, taxing authority, whether debt is secured by revenues or general obligations of the City, the obligation of the City to finance any deficits that may occur and supervision over the accounting functions.

Component units are organizations for which the City, as the primary government, is financially accountable. To be considered financially accountable, the organization must be fiscally dependent on the City or the City must appoint a majority of the board of the organization and either (1) be able to impose its will on the organization or (2) the relationship must have the potential for creating a financial benefit to or imposing a financial burden on the City.

Based on the foregoing, the City's financial statements include all funds, agencies, boards, commissions and authorities that are controlled by or dependent on the City.

(b) Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

(c) Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental revenues, permits and fees associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized, when applicable, as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The City reports the following major governmental funds:

The General Fund is the government'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 Tax Increment Financing Fund accounts for all activity related to the various tax increment financing districts of the City.

The City reports the following major proprietary fund:

The Sewer Fund accounts for all activities related to the billing, administration and collection processes of the sewer utilities. The City operates the sewage treatment plant, sewage pumping stations and collection systems.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are reimbursements between funds for direct costs applicable to the other fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 revenues of the City's enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

(d) Assets, liabilities and net position

Deposits and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposits and short-term investments with original maturities of three months or less. All deposits and investments are reported at fair value.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The City is authorized by state statute to invest in obligations of the United States of America, insured interest bearing accounts of banks, savings and loan associations or credit unions, certain short-term obligations of corporations organized in the United States, money market mutual funds that invest in obligations of the United States of America or its agencies or are guaranteed by the full faith and credit of the United States of America, the Illinois Funds and repurchase agreements of government securities. Investment income is recognized as earned.

The pension funds are authorized to invest in all the same obligations of the City as well as corporate obligations, stock, and mutual funds to a limited percentage. Investment income is recognized as earned.

Receivables and payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

All trade receivables are shown net of an allowance for uncollectible accounts. The allowance for uncollectible accounts in the enterprise funds at April 30, 2021 is \$122,274.

Unbilled sewer utility receivables related to the business-type activities are recorded at year-end. They are determined by taking cycle billings subsequent to April 30 and prorating the applicable number of days to the current fiscal year.

Capital assets

Capital assets, which include property, plant and equipment, are reported in the business-type activities columns in the government-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects when constructed.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Type of Property And Equipment</u>	<u>Estimated Useful Lives</u>
Buildings and Improvements	10 - 50 Years
Collection Systems	10 - 50 Years
Vehicles and Equipment	5 - 10 Years
Infrastructure	10 - 40 Years

Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Debt premiums and discounts are deferred and amortized over the life of the debt using the effective interest method.

In the fund financial statements, governmental fund types recognize debt premiums, discounts, and issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums and discounts related to debt issuances are reported as other financing sources and uses.

Fund balance

In the fund financial statements, the City classifies the governmental fund balances based upon the following criteria:

Nonspendable – includes amounts that cannot be spent because they are either 1) not in spendable form, or 2) legally or contractually required to remain intact.

Restricted – balances with constraints that are either externally imposed by creditors or imposed by law through constitutional provisions or enabling legislation.

Committed – balances that are to be only used for specific purposes pursuant to constraints imposed by formal action of the City Council, the government’s highest level of decision-making authority.

Assigned – balances that are constrained by the government’s administration with the intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned – the residual classification of the General Fund balance.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

When expenditures are incurred for which the City has both restricted and unrestricted funds available, the City spends any restricted funds before using unrestricted sources. Likewise, the City uses committed, assigned and then unassigned balances, in that order, when spending amounts for which all three categories are available.

The following details the description and amount of all constraints recorded by the City in the fund financial statements:

<u>Governmental Funds</u>	
Nonspendable:	
Prepaid Expenses	\$ <u>495,508</u>
Restricted:	
Property/Sales Tax Restrictions	\$ 5,249,666
TIF Balances	12,803,360
Debt Service	3,893,178
Cemetery Care	227,257
Fines/Forfeitures	131,079
Motor Fuel Tax	3,249,464
Restricted Donations	<u>3,653</u>
	<u>\$ 25,557,657</u>
Committed:	
Capital Projects	\$ 10,375
Tourism	55,501
Parks Project Funds	<u>78,271</u>
	<u>\$ 144,147</u>
<u>Fiduciary Funds</u>	
Reserved for Employees' Pension Benefits	<u>\$ 92,915,238</u>

- (e) Estimates
 The City uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. These estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenditures. Actual results could vary from estimates that were used.

- (f) Risk management
 The City is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions and natural disasters for which the City carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

(g) Budget and budgetary accounting

The City's procedures in establishing the budgetary data reflected in the basic financial statements are as follows:

1. Prior to April 1, the Finance Officer submits to the City Council a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed disbursements and related financing methods.
2. Prior to May 1, the budget is legally enacted through passage of an ordinance.
3. The Finance Officer is authorized to transfer budgeted amounts between line items within an object level of a department; however, any revisions that alter the total expenditure of any object level within a department must be approved by the City Council.
4. Budgets for all funds are adopted on the cash basis.
5. Unused appropriations for all the above annually budgeted funds lapse at year end.
6. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

(h) Inventory

Inventory is stated at the lower of cost or market. Cost is determined primarily by the first-in, first-out method.

(i) Compensated absences

City employees earn vacation during the current year which must be taken in the subsequent year. Accrued vacation time is recognized as a liability when earned and any unused accumulated vacation is payable to employees upon termination. Accrued vacation is recorded in the respective fund type from which it will be paid. Unused sick leave benefits are paid to terminating employees at a rate of \$1.00 to \$2.00 per hour for the first 1,000 hours and \$3.00 to \$4.00 per hour in excess of 1,000 hours and are accrued accordingly. Retiring employees can elect to have up to 1,920 unused sick pay hours transferred to their pension, which will be paid out at the calculated pension rate.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 2: CASH AND INVESTMENTS

General Government & Business-Like Activities

At April 30, 2021, the carrying amount of the City’s deposits was \$36,062,655 and the bank balance was \$36,457,232. The deposits were comprised of interest checking, savings, federal government obligation funds and certificates of deposit. The City also maintains cash on hand of \$3,529.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the City’s name. As of April 30, 2021, all of the City’s bank balance was either FDIC insured or collateralized. These amounts are reported in the financial statements as follows:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
Federal Money Market Fund	Daily	\$ 3,794,125
Illinois Metropolitan Investment Fund	Daily	<u>173,891</u>
		3,968,016
Deposits from above		36,062,655
Petty Cash		<u>3,529</u>
		<u>\$ 40,034,200</u>
<u>As Reported in the Financial Statements</u>		
Cash and Investments		<u>\$ 40,034,200</u>

The Illinois Metropolitan Investment Fund is a pooled investment that is operated as not-for-profit common law trust and is not registered with the SEC. The funds are monitored regularly through the State by internal and external audits. The goal of the fund is to provide liquidity and to maintain balances that are equal to the par value of the invested shares with no loss to market fluctuations. The fair value of the City’s position in the pool is the same as the value of the pool shares.

Interest Rate Risk. The City’s investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. As of April 30, 2021, the City’s investment credit ratings were as follows:

<u>Investment</u>	<u>Standard & Poor's Rating</u>	<u>Moody's Investors Service Rating</u>
Illinois Metropolitan Investment Fund	--	Aaa

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Concentration of Credit Risk. As of April 30, 2021, the City did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2021, the City did not have foreign currency risk.

Fire Pension

At April 30, 2021, the carrying amount and the bank balance of the Fire Pension Fund's deposits was \$2,421,967. The deposits were comprised of an interest checking account and a money market account.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the Fire Pension Fund's deposits may not be returned to it. The Fire Pension Fund requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the Fire Pension's name.

As of April 30, 2021, the Fire Pension Fund had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
Corporate Bonds	5.2	\$ 3,345,465
U.S. Treasury Notes	4.28	7,459,506
Federal Loan Mortgage Corporation	19.62	93,029
Federal National Mortgage Association	22.67	478,014
Mutual Funds/ETFs	--	17,425,020
Common Stock	--	<u>3,975,640</u>
		32,776,674
Deposits as reported above		<u>2,421,967</u>
Total deposits and investments		<u>\$ 35,198,641</u>
As included in the combined financial statements:		
Cash and Cash Equivalents		\$ 2,421,967
Investments		<u>32,776,674</u>
		<u>\$ 35,198,641</u>

Interest Rate Risk. The Fire Pension Fund's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Credit Risk. As of April 30, 2021, the Fire Pension Fund had the following investment credit risk.

<u>Investment</u>	<u>Standard & Poor's Rating</u>	<u>Moody's Investors Service Rating</u>
Corporate Bonds	--	Aa1 to Baa3
Federal National Mortgage Association	AA+	Aaa
Federal Loan Mortgage Corporation	AA+	Aaa

Concentration of Credit Risk. As of April 30, 2021, the Fire Pension Fund did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2021, the Fire Pension Fund did not have foreign currency risk.

Police Pension

At April 30, 2021, the carrying amount and bank balance of the Police Pension Fund's deposits was \$7,270,468. The deposits were comprised of a checking account, certificates of deposit, and a money market account.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the Police Pension Fund's deposits may not be returned to it. The Police Pension requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the Police Pension Fund's name.

Interest Rate Risk. The Police Pension Fund's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

As of April 30, 2021, the Police Pension Fund had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
U.S. Treasury Note	5.00	\$ 2,244,421
U.S. Treasury Strips	1.21	593,648
Corporate Bonds	3.38	5,631,968
Government National Mortgage Association	23.43	1,186,946
Federal Farm Credit Bank	5.79	683,822
Federal Home Loan Mortgage Corporation	18.18	72,045
Federal National Mortgage Association	21.02	91,433
Tennessee Valley Authority Coupons	4.19	799,211
Mutual Funds/ETFs	--	<u>31,451,257</u>
		42,754,751
Deposits as reported above		<u>7,270,469</u>
Total deposits and investments		<u>\$ 50,025,220</u>
As included in the combined financial statements:		
Cash and Cash Equivalents		\$ 5,743,465
Investments		<u>44,281,755</u>
		<u>\$ 50,025,220</u>

Credit Risk. As of April 30, 2021, the Police Pension Fund's investment credit ratings were as follows:

<u>Investment</u>	<u>Standard & Poor's Rating</u>	<u>Moody's Investors Service Rating</u>
Federal Home Loan Mortgage Corporation	AA+	Aaa
Federal National Mortgage Association	AA+	Aaa
Federal Farm Credit Bank	AA+	Aaa
Federal Home Loan Bank	AA+	Aaa
Corporate Bonds	AAA to A	Aaa to A2

Concentration of Credit Risk. As of April 30, 2021, the Police Pension Fund did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2021, the Police Pension Fund has no foreign currency risk.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

The following summarizes property, plant and equipment, and related depreciation, held by the City at April 30, 2021:

	Beginning Balance	Additions/ Completions	Retirements/ Deletions	Ending Balance
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 6,156,827	\$ 245,549	\$ -	\$ 6,402,376
Total capital assets not being depreciated	<u>6,156,827</u>	<u>245,549</u>	<u>-</u>	<u>6,402,376</u>
Capital assets, being depreciated:				
Buildings and improvements	32,954,151	135,347	-	33,089,498
Machinery and equipment	2,265,886	517,826	63,334	2,720,378
Vehicles	11,503,428	518,007	432,367	11,589,068
Infrastructure	<u>111,732,594</u>	<u>3,778,517</u>	<u>-</u>	<u>115,511,111</u>
Total capital assets being depreciated	<u>158,456,059</u>	<u>4,949,697</u>	<u>495,701</u>	<u>162,910,055</u>
Less accumulated depreciation for:				
Buildings and improvements	5,296,664	677,343	-	5,974,007
Machinery and equipment	1,450,387	151,724	63,334	1,538,777
Vehicles	8,566,836	649,504	432,367	8,783,973
Infrastructure	<u>80,061,063</u>	<u>1,456,554</u>	<u>-</u>	<u>81,517,617</u>
Total accumulated depreciation	<u>95,374,950</u>	<u>2,935,125</u>	<u>495,701</u>	<u>97,814,374</u>
Total capital assets, being depreciated, net	<u>63,081,109</u>	<u>2,014,572</u>	<u>-</u>	<u>65,095,681</u>
Governmental activities capital assets, net	<u>\$ 69,237,936</u>	<u>\$ 2,260,121</u>	<u>\$ -</u>	<u>\$ 71,498,057</u>
<u>Business-type activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 1,104,046	\$ -	\$ -	\$ 1,104,046
Construction in Progress	<u>1,128,289</u>	<u>8,015</u>	<u>106,789</u>	<u>1,029,515</u>
Total not being depreciated	<u>2,232,335</u>	<u>8,015</u>	<u>106,789</u>	<u>2,133,561</u>
Capital assets, being depreciated:				
Buildings and improvements	58,922,514	241,016	-	59,163,530
Utility systems	86,702,957	213,494	-	86,916,451
Machinery and equipment	1,334,060	12,701	-	1,346,761
Vehicles	<u>1,244,060</u>	<u>-</u>	<u>13,167</u>	<u>1,230,893</u>
Total capital assets, being depreciated	<u>148,203,591</u>	<u>467,211</u>	<u>13,167</u>	<u>148,657,635</u>
Less accumulated depreciation for:				
Buildings and improvements	11,395,660	1,447,950	-	12,843,610
Utility systems	28,859,617	1,670,750	-	30,530,367
Machinery and equipment	1,135,940	34,666	-	1,170,606
Vehicles	<u>1,190,772</u>	<u>29,239</u>	<u>13,167</u>	<u>1,206,844</u>
Total accumulated depreciation	<u>42,581,989</u>	<u>3,182,605</u>	<u>13,167</u>	<u>45,751,427</u>
Total capital assets, being depreciated, net	<u>105,621,602</u>	<u>(2,715,394)</u>	<u>-</u>	<u>102,906,208</u>
Business-type activities capital assets, net	<u>\$ 107,853,937</u>	<u>\$ (2,707,379)</u>	<u>\$ 106,789</u>	<u>\$ 105,039,769</u>

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Depreciation expense charged to operations for the year ended April 30, 2021 was as follows:

Governmental activities:	
General government	\$ 184,525
Public safety	771,438
Streets and highways, including depreciation of general infrastructure assets	1,590,489
Sanitation	170,803
Cemetery	11,304
Cultural and recreational	<u>206,566</u>
Total depreciation expense - governmental activities	<u>\$2,935,125</u>
Business-type activities:	
Sewer	<u>\$3,182,605</u>

NOTE 4: LONG-TERM DEBT

The following is a summary of long-term debt of the City for the year ended April 30, 2021:

Governmental Activities

\$1,350,000 Special Service Area Bonds, Series 2006, interest ranging from 4.25 to 4.40%, payable January 1 and July 1, with principal payments on January 1 through 2027. This debt is being retired by the Special Service Area Fund.	\$ 555,000
\$16,350,000 Tax Increment Refunding Revenue Bonds, Series 2007A, interest at 5.70%, interest and principal payable May 1 and November 1, through 2024. This debt is being retired by the Tax Increment Financing Fund.	12,595,000
\$6,565,000 Taxable Business District Revenue Bonds, Series 2007B, interest at 7.875%, interest and principal payable May 1 and November 1, through 2021. This debt is being retired by the Tax Increment Financing Fund.	5,670,000
\$6,915,000 General Obligation Refunding Bonds, Series 2012, interest ranging from 2.00% to 2.50%, interest and principal payable January 1 and July 1, through 2026. These bonds were issued to refund a portion of the Series 2005 Project Bonds. This debt is being retired by the Debt Service Fund.	4,900,000

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

\$9,495,000 General Obligation Bonds, Series 2014, interest ranging from 3.0% to 4.0%, interest and principal payable January 1 and July 1, through 2035. This debt is being retired by the Debt Service Fund.	7,380,000
\$8,500,000 General Obligation Bonds, Series 2015, interest ranging from 2.50% to 4.25%, interest and principal payable January 1, through 2036. This debt is being retired by the Debt Service Fund.	6,465,000
\$108,116 General Obligation Refunding Bonds, Series 2020, dated October 5, 2020, interest ranging from 3.70% to 4.35% payable January 1 and July 1, with scheduled principal payments of \$13,288 to \$14,194 beginning in January 2022 through 2028. These bonds were issued to refund the General Obligation Bonds, Series 2009.	96,338
\$5,185,000 General Obligation Refunding Bonds, Series 2020, dated October 5, 2020, interest ranging from .75% to 1.55% payable January 1 and July 1, with scheduled principal payments of \$50,000 to \$1,010,000 beginning in January 2022 through 2031. These bonds were issued to refund the General Obligation Bonds, Series 2011.	5,185,000
Tax Increment and Sales Tax Refunding Revenue Bonds, Series 2021A and 2021B, dated April 7, 2021, interest ranging from 3.25% to 4.75% payable January 1 and July 1, with scheduled principal payments of \$1,050,000 to \$2,025,000 due on January 1 and July 1 through 2028. The balances due on these bonds as of April 30, 2021 are \$4,850,000 for the Series 2021A and \$10,300,000 for the Series 2021B. These bonds were issued to refinance Local Government Program Revenue Bonds, Series 2011A, Series 2011B, and Series 2011C.	15,150,000

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The annual requirement to retire governmental activities bonds outstanding as of April 30, 2021 is as follows:

Year Ending <u>April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2022	\$ 4,448,288	\$ 1,844,171	\$ 6,292,459
2023	5,668,590	1,933,955	7,602,545
2024	5,978,590	1,690,837	7,669,427
2025	12,818,590	1,430,721	14,249,311
2026	4,774,194	1,126,924	5,901,118
2027 - 2031	18,638,086	2,854,885	21,492,971
2032 - 2036	<u>5,670,000</u>	<u>630,463</u>	<u>6,300,463</u>
	<u>\$ 57,996,338</u>	<u>\$ 11,511,956</u>	<u>\$ 69,508,294</u>

Notes Payable and Capital Leases

\$625,110 capital lease, Commerce Bank, N.A., dated July 19, 2012, for one new fire truck, secured by the equipment, bears interest at 2.55%; annual principal and interest payments of \$56,061 are due through July 2022. This debt is being retired by the Tax Increment Financing Fund. \$ 107,928

\$393,006 capital lease, Commerce Bank, N.A., dated February 11, 2013, for Energy Improvements, secured by the equipment, bears interest at 3.278%; semi-annual principal and interest payments of \$19,910 are due through January 2025. This debt is being retired by the Tax Increment Financing Fund. 148,075

\$455,122 capital lease, Clayton Holdings, L.L.C., dated November 21, 2017, for E-One Custom Pumper, secured by the equipment, bears interest at 2.97%; semi-annual principal and interest payments of \$26,470 are due through November 2027. This debt is being retired by the Tax Increment Financing Fund. 332,376

\$423,990 note payable, Bank of Belleville, dated March 25, 2019, for two new sanitation trucks, secured by the equipment, bears interest at 2.63%; semi-annual principal and interest payments of \$74,007 are due through March 2022. This debt is being retired by the General Fund. 142,501

\$402,398 capital lease, Clayton Holdings, LLC., dated July 31, 2018, for one new vactor truck, secured by the equipment, bears interest at 1.73%; semi-annual principal and interest payments of \$43,156 are due through January 2023. This debt is being retired by the Tax Increment Financing Fund. 165,974

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

\$391,568 note payable, Bank of Belleville, dated January 24, 2020, for two new dump trucks and one new sanitation truck, secured by the equipment, bears interest at 2.19%; semi-annual principal and interest payments of \$58,452 are due through January 2023. This debt is being retired by the General and Tax Increment Financing Funds. \$ 223,772

The capital leases and notes payable are collateralized by the related equipment. In the event of default, the lender has the right to make the outstanding balance immediately due or take control of the related collateral.

The City is obligated under notes and capital leases considered to be equivalent to an installment purchase. Future payments under the loans and capital leases as of April 30, 2021 are as follows:

Year Ending April 30,	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2022	\$ 468,628	\$ 28,856	\$ 497,484
2023	331,237	16,833	348,070
2024	83,627	9,133	92,760
2025	86,255	6,504	92,759
2026	48,818	4,122	52,940
2027 - 2028	<u>102,061</u>	<u>3,818</u>	<u>105,879</u>
	<u>\$ 1,120,626</u>	<u>\$ 69,266</u>	<u>\$ 1,189,892</u>

Proprietary Fund Debt

General Obligation Bonds

\$1,681,884 General Obligation Refunding Bonds, Series 2020, dated October 5, 2020, interest ranging from 3.70% to 4.35% payable January 1 and July 1, with scheduled principal payments of \$206,712 to \$220,806 beginning in January 2022 through 2028. These bonds were issued to refund the General Obligation Bonds, Series 2009. These bonds are being retired by the Sewer Fund. \$ 1,498,662

The General Obligation Refunding Bonds, Series 2020 (held in both governmental and propriety funds) were issued at interest rates of .70% to 1.55% to advance refund \$1,750,000 of 2009 General Obligation Bonds with interest rates of 3.70% to 4.35%, and \$5,000,000 of 2011A General Obligation Bonds with interest rates of 5.00% to 5.25%. The net proceeds of \$6,901,315 were used to purchase cash funds for payoffs at call dates in the current year. The transaction results in an overall debt service payment savings of \$1,629,792, with a net present value savings of \$1,530,330.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The annual requirement to retire business-type bonds outstanding as of April 30, 2021 is as follows:

Year Ending <u>April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2022	\$ 206,712	\$ 14,610	\$ 221,322
2023	211,410	13,060	224,470
2024	211,410	11,370	222,780
2025	211,410	9,572	220,982
2026	220,806	7,564	228,370
2027-2028	<u>436,914</u>	<u>8,005</u>	<u>444,919</u>
	<u>\$ 1,498,662</u>	<u>\$ 64,181</u>	<u>\$ 1,562,843</u>

Notes Payable

\$17,682,292 note payable to Illinois Environmental Protection Agency for the long-term control plan, bearing interest at the rate of 1.25%, semi-annual principal and interest payments of \$500,987 are due through January 2032. \$ 10,267,646

\$17,720,902 note payable to Illinois Environmental Protection Agency for the long-term control plan, bearing interest at the rate of 1.25%, semi-annual principal and interest payments of \$502,081 are due through June 2033. 11,587,123

\$3,393,364 note payable to Illinois Environmental Protection Agency for the long-term control plan, bearing interest at the rate of 2.295%, semi-annual principal and interest payments are due through March 2034. 2,532,457

\$7,566,251 note payable to Illinois Environmental Protection Agency for the long-term control plan, bearing interest at the rate of 2.295%, semi-annual principal and interest payments are due through June 2033. 5,600,949

\$2,592,545 note payable to Illinois Environmental Protection Agency for the long-term control plan, bearing interest at the rate of 1.995%, semi-annual principal and interest payments are due through May 2035. 1,970,525

\$22,239,461 note payable to Illinois Environmental Protection Agency for the long-term control plan, bearing interest at the rate of 1.86%, semi-annual principal and interest payments are due through November 2037. 19,836,599

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

\$1,244,185 note payable to Illinois Environmental Protection Agency for the long-term control plan, bearing interest at the rate of 1.75%, semi-annual principal and interest payments will be due at the completion of the project and all loan draws have been made. \$ 1,093,010

\$8,999,273 note payable to Illinois Environmental Protection Agency for the long-term control plan, bearing interest at the rate of 1.76%, semi-annual principal and interest payments will be due at the completion of the project and all loan draws have been made. 8,455,021

The IEPA loans are all paid by the Sewer Fund. The annual requirement to retire business-type activities notes outstanding as of April 30, 2021 is as follows:

Year Ending April 30,	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2022	\$ 3,839,506	\$ 1,020,415	\$ 4,859,921
2023	3,902,606	957,315	4,859,921
2024	3,966,801	893,120	4,859,921
2025	4,032,110	827,811	4,859,921
2026	4,098,553	761,367	4,859,920
2027-2031	21,530,593	2,769,011	24,299,604
2032-2036	15,340,104	1,063,934	16,404,038
2037-2040	<u>4,633,057</u>	<u>130,087</u>	<u>4,763,144</u>
	<u>\$ 61,343,330</u>	<u>\$ 8,423,060</u>	<u>\$ 69,766,390</u>

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The overall debt activity of the City for the year ended April 30, 2021 is summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 63,090,700	\$ 20,443,116	\$ 25,537,478	\$ 57,996,338	\$ 4,853,288
Notes from Direct Borrowings:					
Notes Payable	617,661	-	251,388	366,273	255,063
Leases Payable	1,014,438	-	260,085	754,353	213,565
Bond Premiums	671,450	-	47,485	623,965	-
OPEB Obligation	9,739,926	-	1,022,512	8,717,414	-
Net Pension Liability	80,923,733	-	20,439,552	60,484,181	-
Compensated Absences	289,492	-	11,799	277,693	-
	<u>\$ 156,347,400</u>	<u>\$ 20,443,116</u>	<u>\$ 47,570,299</u>	<u>\$ 129,220,217</u>	<u>\$ 5,321,916</u>
Business-type Activities:					
Bonds Payable	\$ 1,644,300	\$ 1,681,884	\$ 1,827,522	\$ 1,498,662	\$ 206,712
Notes from Direct Borrowings:					
Notes Payable	65,113,417	-	3,770,087	61,343,330	3,839,506
Net Pension Liability	545,327	-	545,327	-	-
OPEB Obligation	230,963	-	27,049	203,914	-
Compensated Absences	19,146	-	1,715	17,431	-
	<u>\$ 67,553,153</u>	<u>\$ 1,681,884</u>	<u>\$ 6,171,700</u>	<u>\$ 63,063,337</u>	<u>\$ 4,046,218</u>

NOTE 5: PENSION AND RETIREMENT PLANS

Illinois Municipal Retirement Fund

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

Funding Policy. As set by statute, members are required to contribute 4.50 percent 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 employer annual required contribution rate for calendar year 2020 was 11.14 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Covered Employees. The following types of employees comprise the membership of the plan.

Retirees and Beneficiaries	200
Inactive, non-Retired Members	102
Active Members	<u>169</u>
Total	<u>471</u>

Discount Rate. GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a "risk-free" rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR 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) 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 this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 2.00%; and the resulting single discount rate is 7.25%.

Actuarial Valuation Date	12/31/20
Measurement Date of the Net Pension Liability	12/31/20
Fiscal Year End	04/30/21

Development of the Single Discount Rate as of December 31, 2020	
Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate	2.00%
Last year ending December 31 in the 2021 to 2120 projection period for which projected benefit payments are fully funded	2120
Resulting Single Discount Rate based on the above development	7.25%

Single Discount Rate calculated using December 31, 2019 Measurement Date	7.25%
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The Long-Term Municipal Bond Rate is based on the Fidelity Index's "20-Year Municipal GO AA Index" as of December 31, 2020.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Actuarial Assumptions. The following are the actuarial assumptions used in the calculation of the net pension liability.

Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Net Pension Liability. The following is a summary of the Net Pension Liability as shown as a liability in the financial statements.

Total pension liability	
Service Cost	\$ 981,057
Interest on the Total Pension Liability	4,432,410
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	(230,058)
Changes of assumptions	(404,740)
Benefit payments, including refunds of employee contributions	<u>(3,403,830)</u>
Net change in total pension liability	\$ 1,374,839
Total pension liability - beginning	<u>62,348,070</u>
Total pension liability - ending	<u>\$ 63,722,909</u>
Plan fiduciary net position	
Contributions - employer	\$ 1,079,106
Contributions - employee	442,316
Net investment income	8,526,980
Benefit payments, including refunds of employee contributions	(3,403,830)
Other (Net Transfer)	<u>123,179</u>
Net change in plan fiduciary net position	\$ 6,767,751
Plan fiduciary net position - beginning	<u>59,444,478</u>
Plan fiduciary net position - ending	<u>\$ 66,212,229</u>
Net pension liability/(asset)	<u>\$ (2,489,320)</u>
Plan fiduciary net position as a percentage of the total pension liability	103.91%
Covered valuation payroll	\$ 9,686,763
Net pension liability as a percentage of covered valuation payroll	-25.70%

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>
Total Pension Liability	\$ 70,887,984	\$ 63,722,909	\$ 57,955,725
Plan Fiduciary Net Position	<u>66,212,229</u>	<u>66,212,229</u>	<u>66,212,229</u>
Net Pension Liability/(Asset)	<u>\$ 4,675,755</u>	<u>\$ (2,489,320)</u>	<u>\$ (8,256,504)</u>

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 151,297	\$ 337,479
Changes in assumptions	454,954	505,420
Subsequent contributions to plan	305,233	-
Net difference between projected and actual earnings on pension plan investments	<u>2,848,953</u>	<u>7,950,044</u>
Total	<u>\$ 3,760,437</u>	<u>\$ 8,792,943</u>

Year Ending <u>December 31,</u>	Net Deferred Inflows of <u>Resources</u>
2021	\$(1,179,343)
2022	(782,580)
2023	(2,194,470)
2024	<u>(876,113)</u>
	<u>\$(5,032,506)</u>

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Police Pension Fund

a) Plan Description

Plan Administration. The Board consists of one member appointed by the City, two active members of the police department elected by the membership, and two retired members of the police department elected by the membership.

Plan Membership as of April 30, 2021:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	95
Active Plan Members	<u>71</u>
Total	<u>166</u>

Benefits Provided.

The Plan provides retirement, termination, disability, and death benefits.

Normal Retirement:

Tier 1: Age 50 and 20 years of Credited Service. Tier 2: Age 55 with 10 years of Credited Service. Benefit: Tier 1: 50% of annual salary attached to rank on last day of service plus 2.5% of annual salary for each year over 20 years, up to a maximum of 75% of salary. The minimum monthly benefit is \$1,000 per month. Tier 2: 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service. The maximum benefit is 75% of average salary.

Cost of Living Adjustment:

Tier 1 Retirees: An annual increase equal to 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55. Tier 2: An annual increase each January 1 equal to 3.00 per year or one-half of the annual unadjusted percentage increase in the consumer price index-u for the twelve months ending with the September preceding each November 1, whichever is less, of the original pension after the attainment of age 60 or first anniversary of pension start date whichever is later.

Disability Benefit:

Eligibility: Total and permanent as determined by the Board of Trustees. Benefit: A maximum of: a.) 65% of salary attached to the rank held by the member on last day of service, and; b.) The monthly retirement pension that the member is entitled to receive if he or she retired immediately. For non-service connected disabilities, a benefit of 50% of salary attached to rank held by member on last day of service.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Pre-Retirement Death Benefit:

Service Incurred: 100% of salary attached to rank held by member on last day of service. Non-Service Incurred: A maximum of: a.) 50% of salary attached to the rank held by member on last day of service, and; b.) The monthly retirement pension earned by the deceased member at time of death, regardless of whether death occurs before or after age 50. For non-service deaths with less than 10 years of service, a refund of member contributions is provided.

Vesting (Termination):

Less than 10 years: Refund of Member Contributions.

10 or more years: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination times creditable service.

Contributions:

Employee: 9.91% of Salary. City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability over a period ending in 2040.

b) Investments

Investment Policy:

The following was the Board's adopted asset allocation policy as of April 30, 2020:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Return</u>
Fixed Income	33.0%	2.4%
Mutual Funds	58.0%	6.6%
Certificates of Deposit	5.0%	.5%
Cash	<u>4.0%</u>	.0%
Total	<u>100.0%</u>	

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's fiduciary net position.

Rate of Return:

For the year ended April 30, 2021, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 31.96%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

c) Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor on April 30, 2020 were as follows:

Total Pension Liability	\$ 84,543,493
Plan Fiduciary Net Position	<u>(53,947,130)</u>
Net Pension Liability	<u>\$ 30,596,363</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	63.81%

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of April 30, 2021 using the following actuarial assumptions.

Inflation	2.00%
Investment Rate of Return	7.00%
Payroll increases are from age-related table with rates grading from 4.8611% to 1.122%.	
Active Mortality Rate: RP-2014 Mortality Table with a blue collar adjustment, projected generationally using scale MP-2017 from 2013.	

The long-term expected rate of return on pension plan investments was determined by the historical return for which the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

Discount Rate:

GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR 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) tax-exempt municipal bond rate based on an index of 20-year

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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 this valuation, the expected rate of return on pension plan investments is 7.00% and the resulting single discount rate is 7.00%.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Fully funded benefit payments are projected to be maintained at the current rate of 7.00%.

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Single Discount		
	1% Decrease <u>6.00%</u>	Rate Assumption <u>7.00%</u>	1% Increase <u>8.00%</u>
Total Pension Liability	\$ 95,708,975	\$ 84,543,493	\$ 75,407,952
Plan Fiduciary Net Position	<u>53,947,130</u>	<u>53,947,130</u>	<u>53,947,130</u>
Net Pension Liability/(Asset)	<u>\$ 41,761,845</u>	<u>\$ 30,596,363</u>	<u>\$ 21,460,822</u>

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Net Pension Liability. The following is a summary of the Net Pension Liability as shown as a liability in the financial statements.

Total pension liability	
Service Cost	\$ 877,770
Interest on the Total Pension Liability	5,658,010
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	445,802
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	<u>(4,778,074)</u>
Net change in total pension liability	\$ 2,203,508
Total pension liability - beginning	<u>82,339,985</u>
Total pension liability - ending	<u>\$ 84,543,493</u>
 Plan fiduciary net position	
Contributions - employer	\$ 3,975,490
Contributions - employee	525,306
Net investment income	13,139,791
Benefit payments, including refunds of employee contributions	<u>(4,778,074)</u>
Other (Net Transfer)	<u>(30,021)</u>
Net change in plan fiduciary net position	\$ 12,832,492
Plan fiduciary net position - beginning	<u>41,114,638</u>
Plan fiduciary net position - ending	<u>\$ 53,947,130</u>
 Net pension liability/(asset)	 <u>\$ 30,596,363</u>
 Plan fiduciary net position as a percentage of the total pension liability	 63.81%
 Covered valuation payroll	 \$ 5,161,782
 Net pension liability as a percentage of covered valuation payroll	 592.75%

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 5,576,003	\$ 2,429,600
Changes in assumptions	1,096,360	-
Net difference between projected and actual earnings on pension plan investments	<u>3,118,205</u>	<u>8,288,794</u>
Total	<u>\$ 9,790,568</u>	<u>\$ 10,718,394</u>

Year Ending <u>December 31,</u>	Net Deferred Outflows of <u>Resources</u>
2022	\$ 459,387
2023	526,017
2024	310,557
2025	(2,223,787)
2026	-
Thereafter	-
	<u>\$ (927,826)</u>

Firemen's Pension Fund

a) Plan Description

Plan Administration. The Board consists of one member appointed by the City, two active members of the fire department elected by the membership, and two retired members of the fire department elected by the membership.

Plan Membership as of April 30, 2021:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	70
Active Plan Members	<u>62</u>
Total	<u>132</u>

Benefits Provided:

The Plan provides retirement, termination, disability, and death benefits.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Normal Retirement:

Tier 1: Age 50 and 20 years of Credited Service. Tier 2: Age 55 with 10 years of Credited Service. Benefit: Tier 1: 50% of annual salary attached to rank on last day of service plus 2.5% of annual salary for each year over 20 years, up to a maximum of 75% of salary. The minimum monthly benefit is \$1,159.27 per month. Tier 2: 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service. The maximum benefit is 75% of average salary.

Cost of Living Adjustment:

Tier 1 Retirees: An annual increase equal to 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55. Disabled Retirees: An annual increase equal to 3.00% per year of the original benefit amount beginning at age 60. Those that become disabled prior to age 60 receive an increase of 3.00 of the original benefit amount for each year since benefit commencement upon reaching age 60. Tier 2: An annual increase each January 1 equal to 3.00 per year or one-half of the annual unadjusted percentage increase in the consumer price index-u for the twelve months ending with the September preceding each November 1, whichever is less, of the original pension after the attainment of age 60 or first anniversary of pension start date whichever is later.

Disability Benefit:

Eligibility: Total and permanent as determined by the Board of Trustees. Seven years of service required for non-service connected disability. Benefit: A maximum of: a.) 65% of salary attached to the rank held by the member on last day of service, and; b.) The monthly retirement pension that the member is entitled to receive if he or she retired immediately. For non-service connected disabilities, a benefit of 50% of salary attached to rank held by member on last day of service.

Pre-Retirement Death Benefit:

Service Incurred: 100% of salary attached to rank held by member on last day of service. Non-Service Incurred: A maximum of: a.) 54% of salary attached to the rank held by member on last day of service, and; b.) The monthly retirement pension earned by the deceased member at time of death, regardless of whether death occurs before or after age 50.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Vesting (Termination):

Less than 10 years: Refund of Member Contributions.

10 or more years: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is based on the monthly salary attached to the Member's rank at separation from service. The following schedule applies:

<u>Service</u>	<u>% of Salary</u>
10	15.0%
11	17.6%
12	20.4%
13	23.4%
14	26.6%
15	30.0%
16	33.6%
17	37.4%
18	41.4%
19	45.6%

Contributions:

Employee: 9.455% of Salary. City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability by December 31, 2040.

b) Investments

Investment Policy:

The following was the Board's adopted asset allocation policy as of April 30, 2021:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Return</u>
Mutual Funds	49%	6.6%
Fixed Income	33%	2.4%
Equities	11%	6.6%
Cash	<u>7%</u>	0.0%
Total	<u>100%</u>	

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's fiduciary net position.

Rate of Return:

For the year ended April 30, 2021, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 25.71%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

c) Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor on April 30, 2021 were as follows:

Total Pension Liability	\$ 68,855,926
Plan Fiduciary Net Position	<u>(38,968,108)</u>
Net Pension Liability	<u>\$ 29,887,818</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	56.59%

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of April 30, 2021 using the following actuarial assumptions.

Inflation	2.00%
Investment Rate of Return	7.00%
Payroll increases are from age-related table with rates grading from 4.8611% to 1.122%.	
Active Mortality Rate: RP-2014 Mortality Table with a blue collar adjustment, projected generationally using scale MP-2017 from 2013.	

The long-term expected rate of return on pension plan investments was determined by the historical return for which the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

Discount Rate:

GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR 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) tax-exempt municipal bond rate based on an index of 20-year

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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 this valuation, the expected rate of return on pension plan investments is 7.00% and the resulting single discount rate is 7.00%.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Fully funded benefit payments are projected to be maintained at the current rate of 7.00%.

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Single Discount		
	1% Decrease <u>6.00%</u>	Rate Assumption <u>7.00%</u>	1% Increase <u>8.00%</u>
Total Pension Liability	\$ 77,650,075	\$ 68,855,926	\$ 61,608,130
Plan Fiduciary Net Position	<u>38,968,108</u>	<u>38,968,108</u>	<u>38,968,108</u>
Net Pension Liability/(Asset)	<u>\$ 38,681,967</u>	<u>\$ 29,887,818</u>	<u>\$ 22,640,022</u>

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Net Pension Liability. The following is a summary of the Net Pension Liability as shown as a liability in the financial statements.

Total pension liability	
Service Cost	\$ 900,045
Interest on the Total Pension Liability	4,689,029
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	(922,611)
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	<u>(3,793,237)</u>
Net change in total pension liability	\$ 873,226
Total pension liability - beginning	<u>67,982,700</u>
Total pension liability - ending	<u>\$ 68,855,926</u>
 Plan fiduciary net position	
Contributions - employer	\$ 3,806,888
Contributions - employee	457,720
Net investment income	7,876,982
Benefit payments, including refunds of employee contributions	(3,793,237)
Other (Net Transfer)	<u>(22,823)</u>
Net change in plan fiduciary net position	\$ 8,325,530
Plan fiduciary net position - beginning	<u>30,642,578</u>
Plan fiduciary net position - ending	<u>\$ 38,968,108</u>
 Net pension liability/(asset)	 <u>\$ 29,887,818</u>
 Plan fiduciary net position as a percentage of the total pension liability	 56.59%
 Covered valuation payroll	 \$ 4,832,919
 Net pension liability as a percentage of covered valuation payroll	 618.42%

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,283,859	\$ 2,309,849
Changes in assumptions	1,001,264	-
Net difference between projected and actual earnings on pension plan investments	<u>2,049,534</u>	<u>4,573,042</u>
Total	<u>\$ 5,334,657</u>	<u>\$ 6,882,891</u>

Year Ending December 31,	Net Deferred Outflows of Resources
2022	\$ 222,836
2023	(74,891)
2024	(420,012)
2025	(1,276,167)
2026	-
Thereafter	-
	<u>\$(1,548,234)</u>

NOTE 6: DEVELOPMENT AGREEMENTS

The City entered into two redevelopment agreements to develop areas within tax increment financing boundaries. The City and the developers entered into agreements by which the developer would incur reimbursable costs which would be submitted for payment through Tax Increment Finance Notes. The debt would then be retired with tax revenues generated from the increase in values of the developed properties. The notes are payable solely from the new revenues and do not constitute a debt of the City.

The City made payments of \$278,562 to reduce the principal amount of the Tax Increment Financing notes for the Reunion Development Project agreement during the year ended April 30, 2021. The note balances related to this project in the amounts of \$6,519,552, \$6,519,552, \$4,052,968, and \$4,052,968 are still outstanding and not reflected in the debt of the City as of April 30, 2021.

The City also entered into a redevelopment agreement to develop areas within the Parkway North Business District. The City and the developer entered into an agreement by which the developer would incur reimbursable costs which would be submitted for payment through Temporary Notes. The debt would be retired with tax revenues generated from sales tax revenues and business

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

district tax revenues in the project area. The Temporary Notes are payable solely from the new revenues and are not reflected in the long-term debt of the City. Principal reductions during the year ending April 30, 2021 amounted to \$88,255 and were reported as development expense. The balance of the Temporary Notes as of April 30, 2021 is \$668,366.

The City entered into a development agreement to potentially provide funding for the rental assistance of twelve units of the building previously known as the Meredith Home. The developer purchased the building and is performing renovations for future residential rental. Until the developer obtains an outside source, the City has agreed to provide assistance through rental assistance vouchers. Potential future expenditures over a ten-year period are approximately \$426,382. The City has not made any payments towards this agreement as of April 30, 2021.

NOTE 7: RECEIVABLES

Accounts receivable for the City, as reported in the statement of net position, including the applicable allowances for uncollectible accounts, are as follows as of April 30, 2021:

	<u>General</u>	<u>Other Major Funds</u>	<u>Proprietary Funds</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Receivables:					
Property Tax	\$ -	\$ 19,262,200	\$ -	\$ 3,841,400	\$ 23,103,600
Intergovernmental	4,244,897	978,603	-	492,665	5,716,165
Accounts	59,042	-	769,322	-	828,364
Unbilled Revenue	-	-	756,880	-	756,880
Notes/Other	<u>522,954</u>	<u>-</u>	<u>-</u>	<u>38,970</u>	<u>561,924</u>
Gross Receivables	4,826,893	20,240,803	1,526,202	4,373,035	30,966,933
Less: Allowance for uncollectible	<u>-</u>	<u>-</u>	<u>112,274</u>	<u>-</u>	<u>112,274</u>
Net Total Receivables	<u>\$ 4,826,893</u>	<u>\$ 20,240,803</u>	<u>\$ 1,413,928</u>	<u>\$ 4,373,035</u>	<u>\$ 30,854,659</u>

NOTE 8: SELF INSURANCE

On May 1, 2007, the City adopted a self-insured group health insurance program, which is administered by a service agent. The Insurance Fund is responsible for collecting interfund premiums for covered employees and retirees, paying benefit claims and administrative expenses, and purchasing certain insurance policies. Medical claims exceeding a Specific Stop Loss or a maximum annual aggregate deductible are covered through a private insurance carrier. Fund revenues are received as contribution premiums from other funds and are planned to match the total of expenses of insurance premiums for coverage obtained, claims resulting from the self-insurance program and administrative expenses.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 9: INTERFUND TRANSFERS

The following is a summary of interfund transfers for the year ended April 30, 2021:

General Fund Transfer From (To):	
Motor Fuel Tax Fund	\$ 233,191
Insurance Fund	(910,958)
Tax Increment Financing Fund	800,000
Tax Increment Financing Fund Transfer (To):	
General Fund	(800,000)
Sewerage Fund	(1,300,000)
TIF Debt Service Fund	(16,458)
PD Project Debt Service Fund	(1,269,888)
TIF Debt Service Fund Transfer From:	
Tax Increment Financing Fund	16,458
PD Project Debt Service Fund Transfer From:	
Tax Increment Financing Fund	1,269,888
Motor Fuel Tax Fund Transfer (To):	
General Fund	(233,191)
Insurance Fund Transfer From:	
General Fund	910,958
Sewerage Fund Transfer From:	
Tax Increment Financing Fund	<u>1,300,000</u>
	<u>\$ -</u>

The City makes transfers between funds to reimburse expenses paid from one fund that are related to or allocable to another fund.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 10: POSTEMPLOYMENT HEALTHCARE PLAN

Plan Description. The City maintains a single-employer defined benefit healthcare plan available for retirees. The City provides pre and post Medicare post-retirement healthcare benefits to all retirees who worked for the City, were enrolled in one of the City's healthcare plans at the time of employment, and receive a pension from the City through IMRF, the Police Pension Fund or the Firefighter's Pension Fund. The various eligibility requirements vary with the type of retirement plan the employee was associated with. The City does not issue a separate report related to post-retirement healthcare benefits.

Funding Policy. The contribution requirements are as determine by the contracts with City employees and are funded as a pay-as-you-go basis.

Plan Membership as of April 30, 2021:

Active Employees	279
Inactive Employees Currently Receiving Benefit Payments	<u>38</u>
Total	<u>317</u>

Investments

Investment Policy:

Currently, there is no expectation for future returns on OPEB plan assets since the OPEB obligation is an unfunded obligation. The employer does not have a trust dedicated exclusively to the payment of OPEB benefits.

Receivables:

The Plan does not have any receivables as of April 30, 2021.

Net OPEB Liability of the Sponsor

The components of the net pension liability of the sponsor on April 30, 2021 were as follows:

Total OPEB Liability	\$ 8,921,328
Plan Fiduciary Net Position	<u>-</u>
Net OPEB Liability	<u>\$ 8,921,328</u>
Plan Fiduciary Net Position as a % of Total OPEB Liability	0%
Covered Employee Payroll	\$ 17,588,621
Employer's Net OPEB Liability as a % of Employee Payroll	50.72%

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Actuarial Assumptions:

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

Projected Increase in Total Payroll	3.50%
Discount Rate	2.12%
Investment Rate of Return	N/A
Mortality Rates: Follows the RP2014 Blue Collar base rates projected to 2021 using scale MP2020 for Police and Fire. For all others, the RP2014 base rates projected to 2021 using scale MP2020 was used.	
Health Care Cost Inflation Rates:	
FY 2021	7.50%
FY 2022	7.00%
FY 2023	6.50%
FY 2024	6.00%
FY 2025	5.50%
FY 2026	5.00%
After	4.50%

Following is a table to provide an estimate of the liability due to sensitivity of the net OPEB liability to the healthcare trend rate assumption.

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	<u>6.50%</u>	<u>7.50%</u>	<u>8.50%</u>
Total OPEB Liability	<u>\$ 8,009,940</u>	<u>\$ 8,921,328</u>	<u>\$ 9,990,472</u>

Discount Rate:

The discount rate used to measure the total OPEB liability was 2.12 percent. If the OPEB plan is funded, the projection of cash flows will be used to determine the extent to which the plan's future net position will be able to cover future benefit payments. To the extent future benefit payments are not covered by the plan's net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments.

Following is a table to provide an estimate of the liability due to sensitivity of the net OPEB liability to the discount trend rate assumption.

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	<u>1.12%</u>	<u>2.12%</u>	<u>3.12%</u>
Total OPEB Liability	<u>\$ 9,543,232</u>	<u>\$ 8,921,328</u>	<u>\$ 8,331,905</u>

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. For the year ended April 30, 2021, the City recognized an OPEB expense of \$854,905. The City has the following deferred inflows and outflows related to the net OPEB liability and the future periods.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ -	\$ (1,795,869)
Changes in assumptions	1,017,598	(394,411)
Net difference between projected and actual earnings on OPEB plan investments	<u>-</u>	<u>-</u>
Total	<u>\$ 1,017,598</u>	<u>\$ (2,190,280)</u>

Year Ending <u>April 30,</u>	Net Deferred Inflows of <u>Resources</u>
2022	\$ (130,613)
2023	(130,613)
2024	(130,613)
2025	(130,613)
2026	(130,613)
Thereafter	<u>(519,617)</u>
	<u>\$ (1,172,682)</u>

Funding Status and Funding Progress. As of May 1, 2020, the most recent actuarial valuation date, the plan was 0.0 percent funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability is \$8,921,328. The plan has no assets as payments are made on a pay-as-you-go basis.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

CITY OF BELLEVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 11: FOREIGN FIRE INSURANCE

The City's fire department maintains a bank account that provides for the receipts and expenditures related to foreign fire insurance funds. The balance in this bank account is \$121,030 as of April 30, 2021. Current year receipts from foreign fire insurance are \$109,539 and the current year expenditures were \$108,682. These funds were used for the maintenance, use and benefit of the department.

NOTE 12: TAX ABATEMENTS

In addition to the redevelopment agreements in Note 6, the City also has several other agreements in the TIF Funds to rebate a certain level of property and sales taxes paid. These agreements were all entered into through Council approval for development purposes. Payments made to private organizations during the year ended April 30, 2021 were \$252,766.

NOTE 13: SUBSEQUENT EVENT

The City has evaluated events occurring after the financial statement date through September 24, 2021 in order to determine their potential for recognition or disclosure in the financial statements. The latter date is the same date the financial statements were available to be issued.

On September 16, 2021, the City of Belleville purchased the Lindenwood University – Belleville campus and dormitories for \$3,000,000.

CITY OF BELLEVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE (MODIFIED CASH BASIS) - GENERAL FUND
 FOR THE YEAR ENDED APRIL 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Local Taxes:			
Hotel/Motel	\$ 92,000	\$ 92,000	\$ 75,570
Utility	<u>3,675,000</u>	<u>3,675,000</u>	<u>3,375,974</u>
Total Taxes	<u>3,767,000</u>	<u>3,767,000</u>	<u>3,451,544</u>
Licenses, Permits and Fees:			
Liquor Licenses	110,000	110,000	118,870
Franchise Fees	675,000	675,000	618,525
Business Licenses	100,000	100,000	167,205
Building Permits	150,000	150,000	125,767
Electrical Permits	40,300	40,300	28,240
Other Permits	131,500	131,500	71,457
Occupancy Permits	153,000	153,000	119,891
Housing Inspection Permits	409,000	409,000	368,940
Fire Inspection Fees	<u>65,000</u>	<u>65,000</u>	<u>36,828</u>
Total Licenses and Permits	<u>1,833,800</u>	<u>1,833,800</u>	<u>1,655,723</u>
Intergovernmental:			
State Income Tax	4,770,000	4,770,000	5,098,837
Sales Tax	9,085,600	9,085,600	9,018,081
Local Use Tax	1,580,000	1,580,000	1,988,586
Personal Property Replacement Tax	265,000	265,000	295,533
Grants	140,000	140,000	1,971,957
Gaming Tax	320,000	320,000	166,826
Cannibis Tax	-	-	36,355
Telecommunications Tax	<u>745,000</u>	<u>745,000</u>	<u>626,971</u>
Total Intergovernmental	<u>16,905,600</u>	<u>16,905,600</u>	<u>19,203,146</u>
Charges for Services:			
Trash Disposal Charges	3,507,000	3,507,000	3,347,809
Cemetery Fees	46,000	46,000	61,878
Dispatch Fees	350,000	350,000	388,351
Other Fees	30,100	30,100	27,600
Rent/Lease	<u>73,700</u>	<u>73,700</u>	<u>86,584</u>
Total Charges for Services	<u>4,006,800</u>	<u>4,006,800</u>	<u>3,912,222</u>
Fines and Forfeitures:			
Police and Circuit Clerk Fines	<u>208,250</u>	<u>208,250</u>	<u>128,801</u>
Total Fines and Forfeitures	<u>208,250</u>	<u>208,250</u>	<u>128,801</u>
Interest	<u>12,000</u>	<u>12,000</u>	<u>7,294</u>

CITY OF BELLEVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (MODIFIED CASH BASIS) - GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2021

	Budgeted Amounts		Actual
	Original	Final	(Budget Basis)
Receipts (continued):			
Miscellaneous:			
Donations	\$ 4,020	\$ 4,020	\$ (486)
Departmental Reimbursement	530,600	530,600	219,806
Proceeds From Fixed Asset Sales	5,000	5,000	30,285
Other	34,700	34,700	78,909
Total Miscellaneous	574,320	574,320	328,514
Total Receipts	\$ 27,307,770	\$ 27,307,770	\$ 28,687,244
Disbursements:			
General Government:			
Administrative:			
Personal Services	\$ 720,000	\$ 720,000	\$ 617,680
Contractual Services	1,159,500	1,022,000	961,640
Commodities	18,200	20,200	18,456
Capital Outlay	5,500	5,500	1,590
Debt Service	113,825	131,725	120,003
Other	24,000	174,000	168,688
	2,041,025	2,073,425	1,888,057
Legal:			
Personal Services	195,950	195,950	195,773
Contractual Services	25,100	25,100	3,685
	221,050	221,050	199,458
Health and Housing:			
Personal Services	693,250	686,250	612,137
Contractual Services	131,550	256,550	239,527
Commodities	18,000	18,000	6,475
Capital Outlay	9,500	16,500	15,253
	852,300	977,300	873,392
Mayor's Office:			
Personal Services	232,200	232,200	226,356
Contractual Services	6,500	6,500	1,341
Commodities	2,400	2,400	919
Capital Outlay	500	500	-
	241,600	241,600	228,616
Finance:			
Personal Services	208,400	208,400	206,867
Contractual Services	3,100	3,100	269
Commodities	900	900	580
Capital Outlay	1,000	1,000	879
	213,400	213,400	208,595

CITY OF BELLEVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE (MODIFIED CASH BASIS) - GENERAL FUND
 FOR THE YEAR ENDED APRIL 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Disbursements (continued):			
Human Resources:			
Personal Services	\$ 127,150	\$ 127,150	\$ 120,923
Contractual Services	16,500	16,200	6,243
Commodities	400	700	547
	<u>144,050</u>	<u>144,050</u>	<u>127,713</u>
City Clerk:			
Personal Services	248,050	248,050	206,322
Contractual Services	19,103	19,103	14,484
Commodities	700	700	448
Capital Outlay	600	600	-
	<u>268,453</u>	<u>268,453</u>	<u>221,254</u>
Treasurer:			
Personal Services	\$ 156,040	\$ 156,040	\$ 109,235
Contractual Services	8,842	8,952	4,221
Commodities	1,110	1,000	297
Capital Outlay	800	800	407
	<u>166,792</u>	<u>166,792</u>	<u>114,160</u>
Maintenance:			
Personal Services	597,400	597,400	566,700
Contractual Services	156,540	156,540	118,702
Commodities	28,400	28,400	19,815
Capital Outlay	1,250	1,250	972
	<u>783,590</u>	<u>783,590</u>	<u>706,189</u>
Total General Government	<u>4,932,260</u>	<u>5,089,660</u>	<u>4,567,434</u>
Public Safety:			
Police Department:			
Personal Services	9,155,650	9,155,650	8,245,187
Contractual Services	926,640	911,640	827,184
Commodities	220,550	211,750	184,971
Capital Outlay	40,000	30,000	19,830
Other	36,200	36,200	4,346
	<u>10,379,040</u>	<u>10,345,240</u>	<u>9,281,518</u>
Fire Department:			
Personal Services	6,445,250	6,445,250	6,250,847
Contractual Services	515,160	546,160	527,765
Commodities	117,650	126,450	122,988
Capital Outlay	25,000	36,000	35,495
Other	5,500	5,500	5,011
	<u>7,108,560</u>	<u>7,159,360</u>	<u>6,942,106</u>

CITY OF BELLEVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE (MODIFIED CASH BASIS) - GENERAL FUND
 FOR THE YEAR ENDED APRIL 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Disbursements (continued):			
Public Safety:			
Board of Police and Fire Commissioners:			
Contractual Services	\$ 5,000	\$ 5,500	\$ 5,457
	<u>5,000</u>	<u>5,500</u>	<u>5,457</u>
Total Public Safety	<u>17,492,600</u>	<u>17,510,100</u>	<u>16,229,081</u>
Public Works:			
Personal Services	\$ 1,354,650	\$ 1,354,650	\$ 1,237,260
Contractual Services	244,150	244,150	198,740
Commodities	174,000	171,500	144,879
Capital Outlay	<u>8,000</u>	<u>6,500</u>	<u>1,416</u>
Total Public Works	<u>1,780,800</u>	<u>1,776,800</u>	<u>1,582,295</u>
Parks and Recreation:			
Personal Services	658,250	598,550	539,688
Contractual Services	253,690	233,090	195,081
Commodities	152,000	152,000	63,217
Capital Outlay	<u>32,000</u>	<u>32,000</u>	<u>29,096</u>
Total Parks and Recreation	<u>1,095,940</u>	<u>1,015,640</u>	<u>827,082</u>
Health and Sanitation:			
Personal Services	1,126,100	1,148,800	1,131,587
Contractual Services	1,193,400	1,305,000	1,293,344
Commodities	251,600	251,600	208,674
Capital Outlay	62,000	99,000	97,433
Debt Service	<u>218,000</u>	<u>218,000</u>	<u>217,690</u>
Total Health and Sanitation	<u>2,851,100</u>	<u>3,022,400</u>	<u>2,948,728</u>
Cemetery:			
Personal Services	222,450	222,450	188,596
Contractual Services	21,000	21,000	12,037
Commodities	20,650	21,150	18,260
Capital Outlay	<u>10,500</u>	<u>11,000</u>	<u>10,832</u>
Total Cemetery	<u>274,600</u>	<u>275,600</u>	<u>229,725</u>
Engineering:			
Personal Services	243,950	243,950	155,060
Contractual Services	30,300	30,300	14,717
Commodities	5,500	5,500	2,025
Capital Outlay	<u>2,000</u>	<u>2,000</u>	<u>1,402</u>
Total Engineering	<u>281,750</u>	<u>281,750</u>	<u>173,204</u>

CITY OF BELLEVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE (MODIFIED CASH BASIS) - GENERAL FUND
 FOR THE YEAR ENDED APRIL 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Disbursements (continued):			
Planning & Economic Development:			
Personal Services	\$ 287,810	\$ 287,810	\$ 267,391
Contractual Services	48,890	48,890	8,913
Commodities	3,600	3,600	1,882
Capital Outlay	<u>1,000</u>	<u>1,000</u>	<u>774</u>
Total Planning & Economic Development	<u>341,300</u>	<u>341,300</u>	<u>278,960</u>
Total Disbursements	<u>\$ 29,050,350</u>	<u>\$ 29,313,250</u>	<u>\$ 26,836,509</u>
Excess (Deficiency) of Receipts Over			
Disbursements	<u>(1,742,580)</u>	<u>(2,005,480)</u>	<u>1,850,735</u>
Other Financing Sources:			
Transfers Out	-	(12,100)	(12,022)
Transfers In	<u>1,750,000</u>	<u>1,750,000</u>	<u>1,033,191</u>
Excess (Deficiency) of Receipts and Other			
Financing Sources Over Disbursements	<u>\$ 7,420</u>	<u>\$ (267,580)</u>	2,871,904
Change for reporting on modified accrual basis:			
Change in intergovernmental revenue on modified accrual basis			814,519
Change in other receivable on modified accrual basis			29,201
Change in accounts receivable on modified accrual basis			4,056
Change in prepaid expenses on modified accrual basis			68,233
Change in interfund activity			(891,597)
Change in accrued payroll on modified accrual basis			(122,895)
Change in accounts payable on modified accrual basis			<u>(56,116)</u>
As reported on the Statement of Revenues, Expenditures			
and Changes in Fund Balance			<u>\$ 2,717,305</u>

CITY OF BELLEVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (MODIFIED CASH BASIS)
TAX INCREMENT FINANCING FUND
FOR THE YEAR ENDED APRIL 30, 2021

	<u>Budgeted Amounts</u>		Actual
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Property Tax	\$ 18,380,500	\$ 18,380,500	\$ 18,739,898
Intergovernmental	3,207,000	3,207,000	3,222,883
Grants	554,397	554,397	149,397
Interest	210,625	210,625	54,493
Miscellaneous	<u>57,000</u>	<u>57,000</u>	<u>977,770</u>
Total Receipts	<u>22,409,522</u>	<u>22,409,522</u>	<u>23,144,441</u>
Disbursements:			
Current:			
Development:			
Contractual Services	1,075,900	1,076,900	572,126
Tax District Reimbursements and Rebates	7,637,125	7,638,125	7,266,514
Capital Outlay	7,693,800	7,716,800	3,788,442
Debt Service	<u>4,780,000</u>	<u>4,780,000</u>	<u>4,643,099</u>
Total Disbursements	<u>21,186,825</u>	<u>21,211,825</u>	<u>16,270,181</u>
Excess of Receipts Over Disbursements	<u>1,222,697</u>	<u>1,197,697</u>	<u>6,874,260</u>
Other Financing Sources:			
Transfers In	121,000	121,000	-
Transfers Out	<u>(4,295,189)</u>	<u>(4,295,189)</u>	<u>(3,386,345)</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements	<u>\$ (2,951,492)</u>	<u>\$ (2,976,492)</u>	3,487,915
Change for reporting on modified accrual basis:			
Change in other receivable on modified accrual basis			(58,137)
Change in intergovernmental revenue on modified accrual basis			(11,076)
Change in accounts payable on modified accrual basis			27,952
Activity related to debt refinancing			<u>(2,600,550)</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 846,104</u>

CITY OF BELLEVILLE, ILLINOIS

POLICE PENSION FUND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
APRIL 30, 2021

	Fiscal Year					
	2021	2020	2019	2018	2017	2016
Total Pension Liability:						
Service Cost	\$ 877,770	\$ 858,380	\$ 1,041,368	\$ 1,041,368	\$ 1,073,387	\$ 1,066,998
Interest	5,658,010	5,410,127	4,700,755	4,841,241	4,653,937	4,406,637
Changes of benefit terms	-	24,474	-	-	-	-
Difference between expected and actual	445,802	1,877,101	6,740,510	(4,870,535)	449,535	1,325,604
Assumption changes	-	-	2,192,719	-	-	-
Benefit payments, including refunds	(4,778,074)	(4,518,477)	(4,198,489)	(3,620,578)	(3,399,973)	(3,153,346)
Net change in total pension liability	2,203,508	3,651,605	10,476,863	(2,608,504)	2,776,886	3,645,893
Total pension liability - beginning	<u>82,339,985</u>	<u>78,688,380</u>	<u>68,211,517</u>	<u>70,820,021</u>	<u>68,043,135</u>	<u>64,397,242</u>
Total pension liability - ending	<u>\$ 84,543,493</u>	<u>\$ 82,339,985</u>	<u>\$ 78,688,380</u>	<u>\$ 68,211,517</u>	<u>\$ 70,820,021</u>	<u>\$ 68,043,135</u>
Plan Fiduciary Net Position						
Contributions - employer	3,975,490	3,741,544	3,038,320	3,428,642	3,061,478	2,388,327
Contributions - employee	525,306	540,293	513,954	542,225	565,398	595,180
Net investment income	13,139,791	(1,630,022)	2,045,425	2,988,591	3,641,360	(808,519)
Benefit payments, including refunds	(4,778,074)	(4,518,477)	(4,198,489)	(3,620,578)	(3,399,973)	(3,153,346)
Administrative	(30,021)	(45,066)	(46,960)	(46,567)	(27,817)	(35,261)
Net change in plan fiduciary net position	12,832,492	(1,911,728)	1,352,250	3,292,313	3,840,446	(1,013,619)
Plan fiduciary net position - beginning	<u>41,114,638</u>	<u>43,026,366</u>	<u>41,674,116</u>	<u>38,381,803</u>	<u>34,541,357</u>	<u>35,554,976</u>
Plan fiduciary net position - ending	<u>\$ 53,947,130</u>	<u>\$ 41,114,638</u>	<u>\$ 43,026,366</u>	<u>\$ 41,674,116</u>	<u>\$ 38,381,803</u>	<u>\$ 34,541,357</u>
Net Pension Liability	<u>\$ 30,596,363</u>	<u>\$ 41,225,347</u>	<u>\$ 35,662,014</u>	<u>\$ 26,537,401</u>	<u>\$ 32,438,218</u>	<u>\$ 33,501,778</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>63.81%</u>	<u>49.93%</u>	<u>54.68%</u>	<u>61.10%</u>	<u>54.20%</u>	<u>50.76%</u>
Covered-employee Payroll	<u>\$ 5,161,782</u>	<u>\$ 5,562,220</u>	<u>\$ 5,342,683</u>	<u>\$ 5,422,363</u>	<u>\$ 5,543,274</u>	<u>\$ 5,465,773</u>
Net position liability as a percentage of covered-employee payroll	<u>592.75%</u>	<u>741.17%</u>	<u>667.49%</u>	<u>489.41%</u>	<u>585.18%</u>	<u>612.94%</u>

CITY OF BELLEVILLE, ILLINOIS

FIREMEN'S PENSION FUND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
APRIL 30, 2021

	Fiscal Year					
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total Pension Liability:						
Service Cost	\$ 900,045	\$ 897,940	\$ 896,169	\$ 896,169	\$ 873,241	\$ 888,935
Interest	4,689,029	4,591,057	4,519,860	4,121,366	4,001,639	3,665,431
Changes of benefit terms	-	16,280	-	-	-	-
Differences between expected and actual Assumption change	(922,611)	(342,731)	(2,732,247)	3,502,596	272,913	3,490,547
Benefit payments, including refunds	<u>(3,793,237)</u>	<u>(3,736,855)</u>	<u>(3,605,112)</u>	<u>(3,546,424)</u>	<u>(3,345,140)</u>	<u>(3,154,634)</u>
Net change in total pension liability	873,226	1,425,691	1,081,196	4,973,707	1,802,653	4,890,279
Total pension liability - beginning	<u>67,982,700</u>	<u>66,557,009</u>	<u>65,475,813</u>	<u>60,502,106</u>	<u>58,699,453</u>	<u>53,809,174</u>
Total pension liability - ending	<u>\$ 68,855,926</u>	<u>\$ 67,982,700</u>	<u>\$ 66,557,009</u>	<u>\$ 65,475,813</u>	<u>\$ 60,502,106</u>	<u>\$ 58,699,453</u>
Plan Fiduciary Net Position						
Contributions - employer	3,806,888	3,744,969	3,826,558	3,424,044	2,966,715	2,832,970
Contributions - employee	457,720	450,445	453,260	435,143	432,164	422,345
Net investment income	7,876,982	(836,344)	1,539,129	1,648,262	1,881,873	(372,624)
Benefit payments, including refunds	<u>(3,793,237)</u>	<u>(3,736,855)</u>	<u>(3,605,112)</u>	<u>(3,546,424)</u>	<u>(3,345,140)</u>	<u>(3,154,634)</u>
Administrative	<u>(22,823)</u>	<u>(24,488)</u>	<u>(25,451)</u>	<u>(31,573)</u>	<u>(32,529)</u>	<u>(41,915)</u>
Net change in plan fiduciary net position	8,325,530	(402,273)	2,188,384	1,929,452	1,903,083	(313,858)
Plan fiduciary net position - beginning	<u>30,642,578</u>	<u>31,044,851</u>	<u>28,856,467</u>	<u>26,927,015</u>	<u>25,023,932</u>	<u>25,337,790</u>
Plan fiduciary net position - ending	<u>\$ 38,968,108</u>	<u>\$ 30,642,578</u>	<u>\$ 31,044,851</u>	<u>\$ 28,856,467</u>	<u>\$ 26,927,015</u>	<u>\$ 25,023,932</u>
Net Pension Liability	<u>\$ 29,887,818</u>	<u>\$ 37,340,122</u>	<u>\$ 35,512,158</u>	<u>\$ 36,619,346</u>	<u>\$ 33,575,091</u>	<u>\$ 33,675,521</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>56.59%</u>	<u>45.07%</u>	<u>46.64%</u>	<u>44.07%</u>	<u>44.51%</u>	<u>42.63%</u>
Covered-employee Payroll	<u>\$ 4,832,919</u>	<u>\$ 4,855,985</u>	<u>\$ 4,818,521</u>	<u>\$ 4,531,755</u>	<u>\$ 4,349,765</u>	<u>\$ 4,379,022</u>
Net position liability as a percentage of covered-employee payroll	<u>618.42%</u>	<u>768.95%</u>	<u>736.99%</u>	<u>808.06%</u>	<u>771.88%</u>	<u>769.02%</u>

CITY OF BELLEVILLE, ILLINOIS

POLICE PENSION FUND
SCHEDULE OF CONTRIBUTIONS
APRIL 30, 2021

	Fiscal Year				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarial Determined Contribution	\$ 3,946,692	\$ 3,659,097	\$ 2,948,748	\$ 3,397,194	\$ 3,303,241
Contributions in relation to actuarial determined contribution	<u>3,975,490</u>	<u>3,741,544</u>	<u>3,038,320</u>	<u>3,428,642</u>	<u>3,061,477</u>
Contribution deficiency (excess)	<u>\$ (28,798)</u>	<u>\$ (82,447)</u>	<u>\$ (89,572)</u>	<u>\$ (31,448)</u>	<u>\$ 241,764</u>
Covered-employee Payroll	<u>\$ 5,562,220</u>	<u>\$ 5,342,683</u>	<u>\$ 5,422,363</u>	<u>\$ 5,543,274</u>	<u>\$ 5,465,773</u>
Contributions as a percentage of covered-employee payroll	<u>71.47%</u>	<u>70.03%</u>	<u>56.03%</u>	<u>61.85%</u>	<u>56.01%</u>

Actuarial valuations are performed as of April 30 of each year with the related contributions to be made in the following year. Actuarial valuation date for above is April 30, 2020.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Entry Age Normal Cost method
Amortization Method:	Closed level dollar amortization
Remaining Amortization Period:	20 years
Asset Valuation Method:	5 year smoothing of asset gains and losses
Actuarial Assumptions:	
Interest Rate (current and prior)	7.00%
Inflation	2.00%

Annual pay increases are from Age-related table with reates grading from 4.8611% at age 25 to 1.122% at age 55.

Mortality Rates:

- Healthy - RP-2014 Mortality Table with blue collar adjustment, projected generationally using improvement scale MP-2017 from 2013
- Disability - 115% of the healthy mortality table with blue collar adjustment, projected generationally using improvement scale MP-2017 from 2013

CITY OF BELLEVILLE, ILLINOIS

FIREMEN'S PENSION FUND
SCHEDULE OF CONTRIBUTIONS
APRIL 30, 2021

	Fiscal Year				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarial Determined Contribution	\$ 3,779,578	\$ 3,708,965	\$ 3,760,662	\$ 3,412,016	\$ 3,350,301
Contributions in relation to actuarial determined contribution	<u>3,806,889</u>	<u>3,744,969</u>	<u>3,826,558</u>	<u>3,424,044</u>	<u>2,966,715</u>
Contribution deficiency (excess)	<u>\$ (27,311)</u>	<u>\$ (36,004)</u>	<u>\$ (65,896)</u>	<u>\$ (12,028)</u>	<u>\$ 383,586</u>
Covered-employee Payroll	<u>\$ 4,855,985</u>	<u>\$ 4,818,521</u>	<u>\$ 4,531,755</u>	<u>\$ 4,349,765</u>	<u>\$ 4,379,022</u>
Contributions as a percentage of covered-employee payroll	<u>78.40%</u>	<u>77.72%</u>	<u>84.44%</u>	<u>78.72%</u>	<u>67.75%</u>

Actuarial valuations are performed as of April 30 of each year with the related contributions to be made in the following year. Actuarial valuation date for above is April 30, 2020.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Entry Age Normal Cost method
Amortization Method:	Closed level dollar amortization
Remaining Amortization Period:	20 years
Asset Valuation Method:	5 year smoothing of asset gains and losses
Actuarial Assumptions:	
Interest Rate (current and prior)	7.00%
Inflation	2.00%

Annual pay increases are from Age-related table with reates grading from 4.8611% at age 25 to 1.122% at age 55.

Mortality Rates:

Healthy - RP-2014 Mortality Table with blue collar adjustment, projected generationally using improvement scale MP-2017 from 2013

Disability - 115% of the healthy mortality table with blue collar adjustment, projected generationally using improvement scale MP-2017 from 2013

CITY OF BELLEVILLE, ILLINOIS

POLICE PENSION FUND
SCHEDULE OF INVESTMENT RETURNS
APRIL 30, 2021

Annual money-weighted rate of return,
net of investment expense

2021	31.96%
2020	-3.78%
2019	4.91%
2018	7.79%
2017	10.52%
2016	-2.38%
2015	6.45%
2014	8.29%
2013	6.24%
2012	0.14%

CITY OF BELLEVILLE, ILLINOIS

FIREMEN'S PENSION FUND
SCHEDULE OF INVESTMENT RETURNS
APRIL 30, 2021

Annual money-weighted rate of return,
net of investment expense

2021	25.71%
2020	-2.69%
2019	5.33%
2018	6.12%
2017	7.52%
2016	-1.63%
2015	5.41%
2014	9.67%
2013	8.65%
2012	3.19%

CITY OF BELLEVILLE, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
APRIL 30, 2021

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:						
Service Cost	\$ 981,057	\$ 980,638	\$ 919,596	\$ 1,012,756	\$ 966,744	\$ 977,248
Interest	4,432,410	4,317,631	4,183,974	4,077,653	3,911,304	3,810,790
Difference between expected and actual experience	(230,058)	(327,738)	150,423	1,004,964	(190,574)	(1,116,165)
Assumption changes	(404,740)	-	1,632,373	(1,825,644)	(131,532)	63,016
Benefit payments, including refunds	<u>(3,403,830)</u>	<u>(3,371,335)</u>	<u>(2,928,037)</u>	<u>(2,683,027)</u>	<u>(2,317,764)</u>	<u>(2,317,937)</u>
Net change in total pension liability	1,374,839	1,599,196	3,958,329	1,586,702	2,238,178	1,416,952
Total pension liability - beginning	<u>62,348,070</u>	<u>60,748,874</u>	<u>56,790,545</u>	<u>55,203,843</u>	<u>52,965,665</u>	<u>51,548,713</u>
Total pension liability - ending	<u>\$ 63,722,909</u>	<u>\$ 62,348,070</u>	<u>\$ 60,748,874</u>	<u>\$ 56,790,545</u>	<u>\$ 55,203,843</u>	<u>\$ 52,965,665</u>
Plan Fiduciary Net Position						
Contributions - employer	1,079,106	914,744	1,056,702	1,042,246	1,124,495	1,076,108
Contributions - employee	442,316	449,737	439,837	457,474	436,840	402,058
Net investment income	8,526,980	9,610,497	(2,973,928)	8,464,667	3,245,792	235,252
Benefit payments, including refunds	(3,403,830)	(3,371,335)	(2,928,037)	(2,683,027)	(2,317,764)	(2,317,937)
Other	<u>123,179</u>	<u>(57,456)</u>	<u>550,510</u>	<u>(417,289)</u>	<u>(280,407)</u>	<u>(185,553)</u>
Net change in plan fiduciary net position	6,767,751	7,546,187	(3,854,916)	6,864,071	2,208,956	(790,072)
Plan fiduciary net position - beginning	<u>59,444,478</u>	<u>51,898,291</u>	<u>55,753,207</u>	<u>48,889,136</u>	<u>46,680,180</u>	<u>47,470,252</u>
Plan fiduciary net position - ending	<u>\$ 66,212,229</u>	<u>\$ 59,444,478</u>	<u>\$ 51,898,291</u>	<u>\$ 55,753,207</u>	<u>\$ 48,889,136</u>	<u>\$ 46,680,180</u>
Net Pension Liability	<u>\$ (2,489,320)</u>	<u>\$ 2,903,592</u>	<u>\$ 8,850,583</u>	<u>\$ 1,037,338</u>	<u>\$ 6,314,707</u>	<u>\$ 6,285,485</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>103.91%</u>	<u>95.34%</u>	<u>85.43%</u>	<u>98.17%</u>	<u>88.56%</u>	<u>88.13%</u>
Covered-employee Payroll	<u>\$ 9,686,763</u>	<u>\$ 9,985,284</u>	<u>\$ 9,667,907</u>	<u>\$ 9,464,724</u>	<u>\$ 9,457,035</u>	<u>\$ 8,923,922</u>
Net position liability as a percentage of covered-employee payroll	<u>-25.70%</u>	<u>29.08%</u>	<u>91.55%</u>	<u>10.96%</u>	<u>66.77%</u>	<u>70.43%</u>

CITY OF BELLEVILLE, ILLINOIS

SCHEDULE OF CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
APRIL 30, 2021

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 1,079,105	\$ 913,653	\$ 1,056,702	\$ 1,037,334	\$ 1,120,659	\$ 1,076,225
Contributions in relation to actuarial determined contribution	<u>1,079,106</u>	<u>914,744</u>	<u>1,056,702</u>	<u>1,042,246</u>	<u>1,124,495</u>	<u>1,076,108</u>
Contribution deficiency (excess)	<u>\$ (1)</u>	<u>\$ (1,091)</u>	<u>\$ -</u>	<u>\$ (4,912)</u>	<u>\$ (3,836)</u>	<u>\$ 117</u>
Covered-employee Payroll	<u>9,686,763</u>	<u>9,985,284</u>	<u>9,667,907</u>	<u>9,464,724</u>	<u>9,457,035</u>	<u>8,923,922</u>
Contributions as a percentage of covered-employee payroll	<u>11.14%</u>	<u>9.16%</u>	<u>10.93%</u>	<u>11.01%</u>	<u>11.89%</u>	<u>12.06%</u>

Actuarial valuation date for above is December 31, 2020.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	23 years
Asset Valuation Method:	5-Year smoothed market; 20% corridor
Actuarial Assumptions:	
Investment Rate of Return	7.25%
Wage Growth	3.25%
Price Inflation	2.50%

CITY OF BELLEVILLE, ILLINOIS

OPEB PLAN
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
APRIL 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB Liability:			
Service Cost	\$ 602,921	\$ 513,650	\$ 549,981
Interest	282,597	329,603	359,807
Difference between expected and actual experience	(1,885,805)	-	(128,383)
Assumption changes	470,015	737,392	(559,129)
Benefit payments, including refunds	(519,289)	(612,790)	(564,783)
Net change in total OPEB liability	(1,049,561)	967,855	(342,507)
Total OPEB liability - beginning	<u>9,970,889</u>	<u>9,003,034</u>	<u>9,345,541</u>
Total OPEB liability - ending	<u>\$ 8,921,328</u>	<u>\$ 9,970,889</u>	<u>\$ 9,003,034</u>
Plan Fiduciary Net Position			
Contributions - employer	519,289	612,790	564,783
Contributions - employee	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds	(519,289)	(612,790)	(564,783)
Other	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability	<u>\$ 8,921,328</u>	<u>\$ 9,970,889</u>	<u>\$ 9,003,034</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Covered-employee Payroll	<u>\$ 17,588,621</u>	<u>\$ 19,718,371</u>	<u>\$ 19,051,566</u>
Net position liability as a percentage of covered-employee payroll	<u>50.72%</u>	<u>50.57%</u>	<u>47.26%</u>

CITY OF BELLEVILLE, ILLINOIS

OPEB PLAN
SCHEDULE OF CONTRIBUTIONS
APRIL 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarial Determined Contribution	\$ 519,289	\$ 612,790	\$ 564,783
Contributions in relation to actuarial determined contribution	<u>519,289</u>	<u>612,790</u>	<u>564,783</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee Payroll	<u>\$ 17,588,621</u>	<u>\$ 19,718,371</u>	<u>\$ 19,501,566</u>
Contributions as a percentage of covered-employee payroll	<u>2.95%</u>	<u>3.11%</u>	<u>2.90%</u>

Actuarial valuation date for above is April 30, 2021.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Percentage of Payroll
Mortality Rates:	RP2014 rates projected to 2021 using scale MP2020 RP2014 Blue Collar for Police and Fire
Healthcare Cost Inflation Rates:	7.5% in 2021 reduced annually by .5% to 2026. 4.50% in 2027 and after.
Actuarial Assumptions:	
Discount Rate	2.12%
Payroll Growth	3.50%
Retiree Participation Rate	60.00%

CITY OF BELLEVILLE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
APRIL 30, 2021

	Total Special Revenue	Debt Service				Capital Projects Fund	Permanent Fund Cemetery Care	Total Nonmajor Government Funds	
		Special Service Area	2011 Bond Fund	TIF	PD Project				Total
<u>Assets</u>									
Cash and Investments	\$ 9,083,466	\$ 262,345	\$ 1,962,506	\$ 147,686	\$ 1,303,182	\$ 3,675,719	\$ 10,375	\$ 227,257	\$ 12,996,817
Receivables (Net of allowance for uncollectible):									
Property Tax	3,743,300	98,100	-	-	-	98,100	-	-	3,841,400
Intergovernmental	154,628	-	338,037	-	-	338,037	-	-	492,665
Other	38,970	-	-	-	-	-	-	-	38,970
Prepaid Expenses	28,054	-	-	-	-	-	-	-	28,054
Total Assets	<u>\$ 13,048,418</u>	<u>\$ 360,445</u>	<u>\$ 2,300,543</u>	<u>\$ 147,686</u>	<u>\$ 1,303,182</u>	<u>\$ 4,111,856</u>	<u>\$ 10,375</u>	<u>\$ 227,257</u>	<u>\$ 17,397,906</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>									
Liabilities:									
Accounts Payable	\$ 440,944	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 440,944
Accrued Salaries	70,536	-	-	-	-	-	-	-	70,536
Total Liabilities	<u>511,480</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>511,480</u>
Deferred Inflows of Resources:									
Deferred Property Tax	3,743,300	98,100	-	-	-	98,100	-	-	3,841,400
Deferred Intergovernmental Tax	670	-	120,578	-	-	120,578	-	-	121,248
	<u>3,743,970</u>	<u>98,100</u>	<u>120,578</u>	<u>-</u>	<u>-</u>	<u>218,678</u>	<u>-</u>	<u>-</u>	<u>3,962,648</u>
Fund Balances:									
Nonspendable	25,334	-	-	-	-	-	-	-	25,334
Restricted	8,633,862	262,345	2,179,965	147,686	1,303,182	3,893,178	-	227,257	12,754,297
Committed	133,772	-	-	-	-	-	10,375	-	144,147
Total Fund Balances	<u>8,792,968</u>	<u>262,345</u>	<u>2,179,965</u>	<u>147,686</u>	<u>1,303,182</u>	<u>3,893,178</u>	<u>10,375</u>	<u>227,257</u>	<u>12,923,778</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 13,048,418</u>	<u>\$ 360,445</u>	<u>\$ 2,300,543</u>	<u>\$ 147,686</u>	<u>\$ 1,303,182</u>	<u>\$ 4,111,856</u>	<u>\$ 10,375</u>	<u>\$ 227,257</u>	<u>\$ 17,397,906</u>

CITY OF BELLEVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2021

	Total Special Revenue	Debt Service				Capital Projects Fund	Permanent Fund Cemetery Care	Total Nonmajor Government Funds
		Special Service Area	2011 Bond Fund	TIF Debt	PD Project			
Revenues:								
Property Tax	\$ 4,072,950	\$ 102,113	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,175,063
Intergovernmental	3,572,378	-	1,184,234	-	-	-	-	4,756,612
Local Tax	50,935	-	-	-	-	-	-	50,935
Charges for Services	158,133	-	-	-	-	-	2,430	160,563
Fines and Forfeitures	47,798	-	-	-	-	-	-	47,798
Investment Income	37,851	4,935	10,293	2,950	2,096	13	4,318	62,456
Contributions	212,122	-	-	-	-	-	-	212,122
Miscellaneous	39,769	-	-	-	-	-	-	39,769
Total Revenues	<u>8,191,936</u>	<u>107,048</u>	<u>1,194,527</u>	<u>2,950</u>	<u>2,096</u>	<u>13</u>	<u>6,748</u>	<u>9,505,318</u>
Expenditures:								
Current:								
General Government	2,224,707	-	-	-	-	-	9,465	2,234,172
Public Safety	142,668	-	-	-	-	-	-	142,668
Public Works	685,004	-	-	-	-	-	-	685,004
Health and Welfare	148,681	-	-	-	-	-	-	148,681
Cultural and Recreational	1,562,354	-	-	-	-	-	-	1,562,354
Capital Outlay	324,019	-	-	-	-	-	-	324,019
Debt Service:								
Principal	-	75,000	920,000	-	715,000	-	-	1,710,000
Interest and Fiscal Charges	-	27,534	132,417	197,191	560,749	-	-	917,891
Total Expenditures	<u>5,087,433</u>	<u>102,534</u>	<u>1,052,417</u>	<u>197,191</u>	<u>1,275,749</u>	<u>-</u>	<u>9,465</u>	<u>7,724,789</u>
Excess (Deficiency) of Revenues Over Expenditures	3,104,503	4,514	142,110	(194,241)	(1,273,653)	13	(2,717)	1,780,529
Other Financing Sources (Uses):								
Proceeds From Debt	-	-	-	5,185,000	-	-	-	5,185,000
Payment to Escrow Refunding Agent	-	-	-	(5,126,900)	-	-	-	(5,126,900)
Transfers In	-	-	-	16,458	1,269,888	-	-	1,286,346
Transfers Out	(233,191)	-	-	-	-	-	-	(233,191)
Total Other Financing Sources (Uses)	<u>(233,191)</u>	<u>-</u>	<u>-</u>	<u>74,558</u>	<u>1,269,888</u>	<u>-</u>	<u>-</u>	<u>1,111,255</u>
Net Change in Fund Balances	2,871,312	4,514	142,110	(119,683)	(3,765)	13	(2,717)	2,891,784
Fund Balances, Beginning of Year	<u>5,921,656</u>	<u>257,831</u>	<u>2,037,855</u>	<u>267,369</u>	<u>1,306,947</u>	<u>10,362</u>	<u>229,974</u>	<u>10,031,994</u>
Fund Balances, End of Year	<u>\$ 8,792,968</u>	<u>\$ 262,345</u>	<u>\$ 2,179,965</u>	<u>\$ 147,686</u>	<u>\$ 1,303,182</u>	<u>\$ 10,375</u>	<u>\$ 227,257</u>	<u>\$ 12,923,778</u>

CITY OF BELLEVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2021

	Parks Project	Playground and Recreation	Motor Fuel Tax	Illinois Municipal Retirement	Public Library	Tort Liability	Belleville Illinois Tourism	Veteran's Memorial Fountain	Police Trust/ Narcotics/ LLE Block	General and Community Assistance	Route 15 North Business District	Special Service Area	Total
Revenues:													
Property Tax	\$ -	\$ 377,909	\$ -	\$ 1,391,016	\$ 1,282,120	\$ 696,113	\$ -	\$ -	\$ -	\$ 288,941	\$ -	\$ 36,851	\$ 4,072,950
Intergovernmental	-	15,378	3,142,312	95,054	142,934	-	-	-	100,587	70,617	5,496	-	3,572,378
Local Tax	-	-	-	-	-	-	50,935	-	-	-	-	-	50,935
Charges for Services	-	130,302	9,726	-	18,105	-	-	-	-	-	-	-	158,133
Fines and Forfeitures	-	-	-	-	841	-	-	-	46,957	-	-	-	47,798
Investment Income	1,262	22,012	5,110	1,592	3,442	1,752	20	5	235	1,303	243	875	37,851
Contributions	9,865	5,156	-	-	192,504	-	-	4,500	20	77	-	-	212,122
Miscellaneous	-	-	-	-	21,145	-	-	-	-	18,124	-	500	39,769
Total Revenues	11,127	550,757	3,157,148	1,487,662	1,661,091	697,865	50,955	4,505	147,799	379,062	5,739	38,226	8,191,936
Expenditures:													
Current:													
General Government	-	-	-	1,311,667	-	772,461	1,209	-	-	139,370	-	-	2,224,707
Public Safety	-	-	-	-	-	-	-	-	142,668	-	-	-	142,668
Public Works	-	-	647,924	-	-	-	-	-	-	-	-	37,080	685,004
Health and Welfare	-	-	-	-	-	-	-	-	-	148,681	-	-	148,681
Cultural and Recreational	-	352,551	-	-	1,205,194	-	-	4,609	-	-	-	-	1,562,354
Capital Outlay	-	-	240,224	-	-	-	-	-	83,795	-	-	-	324,019
Total Expenditures	-	352,551	888,148	1,311,667	1,205,194	772,461	1,209	4,609	226,463	288,051	-	37,080	5,087,433
Excess (Deficiency) of Revenues Over Expenditures	11,127	198,206	2,269,000	175,995	455,897	(74,596)	49,746	(104)	(78,664)	91,011	5,739	1,146	3,104,503
Other Financing Sources (Uses):													
Transfers Out	-	-	(233,191)	-	-	-	-	-	-	-	-	-	(233,191)
Total Other Financing Sources (Uses)	-	-	(233,191)	-	-	-	-	-	-	-	-	-	(233,191)
Net Change in Fund Balances	11,127	198,206	2,035,809	175,995	455,897	(74,596)	49,746	(104)	(78,664)	91,011	5,739	1,146	2,871,312
Fund Balance, Beginning of Year	67,144	1,487,400	1,213,655	550,323	515,119	880,724	5,755	3,757	209,743	861,714	80,176	46,146	5,921,656
Fund Balance, End of Year	\$ 78,271	\$ 1,685,606	\$ 3,249,464	\$ 726,318	\$ 971,016	\$ 806,128	\$ 55,501	\$ 3,653	\$ 131,079	\$ 952,725	\$ 85,915	\$ 47,292	\$ 8,792,968

CITY OF BELLEVILLE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
APRIL 30, 2021

	Parks Project	Playground and Recreation	Motor Fuel Tax	Illinois Municipal Retirement	Public Library	Tort Liability	Belleville Illinois Tourism	Veteran's Memorial Fountain	Police Trust/ Narcotics/ LLE Block	General and Community Assistance	Route 15 North Business District	Special Service Area	Total
Assets													
Cash and Investments	\$ 68,406	\$ 1,715,360	\$ 3,247,558	\$ 803,053	\$ 1,011,107	\$ 979,720	\$ 50,069	\$ 3,653	\$ 129,850	\$ 943,097	\$ 84,910	\$ 46,683	\$ 9,083,466
Receivables (Net of allowance for uncollectible):													
Property Tax	-	346,800	-	1,272,500	1,153,500	693,100	-	-	-	238,500	-	38,900	3,743,300
Intergovernmental	-	-	146,524	-	5,200	-	-	-	1,229	-	1,675	-	154,628
Other	9,865	-	-	-	-	23,673	5,432	-	-	-	-	-	38,970
Prepaid Expenses	-	5,389	-	-	8,083	-	-	-	-	13,235	-	1,347	28,054
Total Assets	<u>\$ 78,271</u>	<u>\$ 2,067,549</u>	<u>\$ 3,394,082</u>	<u>\$ 2,075,553</u>	<u>\$ 2,177,890</u>	<u>\$ 1,696,493</u>	<u>\$ 55,501</u>	<u>\$ 3,653</u>	<u>\$ 131,079</u>	<u>\$ 1,194,832</u>	<u>\$ 86,585</u>	<u>\$ 86,930</u>	<u>\$ 13,048,418</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance													
Liabilities:													
Accounts Payable	\$ -	\$ 11,440	\$ 144,618	\$ 76,735	\$ 10,148	\$ 197,265	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 738	\$ 440,944
Accrued Salaries	-	23,703	-	-	43,226	-	-	-	-	3,607	-	-	70,536
Total Liabilities	<u>-</u>	<u>35,143</u>	<u>144,618</u>	<u>76,735</u>	<u>53,374</u>	<u>197,265</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,607</u>	<u>-</u>	<u>738</u>	<u>511,480</u>
Deferred Inflows of Resources:													
Deferred Property Tax	-	346,800	-	1,272,500	1,153,500	693,100	-	-	-	238,500	-	38,900	3,743,300
Deferred Intergovernmental Tax	-	-	-	-	-	-	-	-	-	-	670	-	670
	<u>-</u>	<u>346,800</u>	<u>-</u>	<u>1,272,500</u>	<u>1,153,500</u>	<u>693,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>238,500</u>	<u>670</u>	<u>38,900</u>	<u>3,743,970</u>
Fund Balance:													
Nonspendable	-	5,389	-	-	8,083	-	-	-	-	10,515	-	1,347	25,334
Restricted	-	1,680,217	3,249,464	726,318	962,933	806,128	-	3,653	131,079	942,210	85,915	45,945	8,633,862
Committed	78,271	-	-	-	-	-	55,501	-	-	-	-	-	133,772
Total Fund Balance	<u>78,271</u>	<u>1,685,606</u>	<u>3,249,464</u>	<u>726,318</u>	<u>971,016</u>	<u>806,128</u>	<u>55,501</u>	<u>3,653</u>	<u>131,079</u>	<u>952,725</u>	<u>85,915</u>	<u>47,292</u>	<u>8,792,968</u>
Total Liabilities, Deferred Inflows, of Resources, and Fund Balance	<u>\$ 78,271</u>	<u>\$ 2,067,549</u>	<u>\$ 3,394,082</u>	<u>\$ 2,075,553</u>	<u>\$ 2,177,890</u>	<u>\$ 1,696,493</u>	<u>\$ 55,501</u>	<u>\$ 3,653</u>	<u>\$ 131,079</u>	<u>\$ 1,194,832</u>	<u>\$ 86,585</u>	<u>\$ 86,930</u>	<u>\$ 13,048,418</u>

CITY OF BELLEVILLE, ILLINOIS

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
APRIL 30, 2021

	<u>Working Cash</u>	<u>Insurance</u>	<u>Total</u>
<u>Assets</u>			
Current Assets:			
Cash and Investments	\$ 397,291	\$ 199	\$ 397,490
Total Assets	<u>\$ 397,291</u>	<u>\$ 199</u>	<u>\$ 397,490</u>
<u>Liabilities</u>			
Current Liabilities:			
None	\$ -	\$ -	\$ -
Total Current Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
<u>Net Position</u>			
Unassigned	<u>397,291</u>	<u>199</u>	<u>397,490</u>
Total Net Position	<u>\$ 397,291</u>	<u>\$ 199</u>	<u>\$ 397,490</u>

CITY OF BELLEVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED APRIL 30, 2021

	<u>Working Cash</u>	<u>Insurance</u>	<u>Total</u>
Operating Revenues:			
Charges for Services	\$ -	\$ 363	\$ 363
Operating Expenses:			
Personal Services	-	296,114	296,114
Total Operating Expenses	-	296,114	296,114
Operating Income (Loss)	-	(295,751)	(295,751)
Nonoperating Revenues:			
Property Tax	-	447,647	447,647
Investment Earnings	5,390	6	5,396
Total Nonoperating Revenues	5,390	447,653	453,043
Income (Loss) Before Transfers	5,390	151,902	157,292
Transfers In	-	910,958	910,958
Change in Net Position	5,390	1,062,860	1,068,250
Net Position, Beginning of Year	391,901	(1,062,661)	(670,760)
Net Position, End of Year	<u>\$ 397,291</u>	<u>\$ 199</u>	<u>\$ 397,490</u>

CITY OF BELLEVILLE, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PENSION TRUST FUNDS

APRIL 30, 2021

	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>Total</u>
Assets:			
Cash and Cash Equivalents	\$ 5,743,465	\$ 2,421,967	\$ 8,165,432
Investments, at Market	44,281,755	32,776,674	77,058,429
Receivables:			
Taxes Receivable	3,866,034	3,702,780	7,568,814
Interest Receivable	<u>62,853</u>	<u>78,375</u>	<u>141,228</u>
Total Assets	<u>53,954,107</u>	<u>38,979,796</u>	<u>92,933,903</u>
Liabilities:			
Benefit Withholdings	<u>6,977</u>	<u>11,688</u>	<u>18,665</u>
Net Position - Restricted for Pensions	<u>\$ 53,947,130</u>	<u>\$ 38,968,108</u>	<u>\$ 92,915,238</u>

CITY OF BELLEVILLE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS - PENSION TRUST FUNDS
 FOR THE YEAR ENDED APRIL 30, 2021

	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>Total</u>
Additions:			
Contributions:			
Employee Contributions	\$ 525,306	\$ 457,720	\$ 983,026
Employer Contributions:			
Property Taxes	3,880,568	3,717,593	7,598,161
Personal Property Replacement Taxes	<u>94,922</u>	<u>89,295</u>	<u>184,217</u>
Total Contributions	<u>4,500,796</u>	<u>4,264,608</u>	<u>8,765,404</u>
Investment Income:			
Interest and Dividend Income	881,400	536,482	1,417,882
Gain (Loss) on Sales of Securities	2,299,403	1,171,515	3,470,918
Net Change in Fair Market			
Value of Investments	<u>10,003,324</u>	<u>6,222,350</u>	<u>16,225,674</u>
	13,184,127	7,930,347	21,114,474
Less Investment Expense	<u>(44,336)</u>	<u>(53,365)</u>	<u>(97,701)</u>
Total Investment Income	<u>13,139,791</u>	<u>7,876,982</u>	<u>21,016,773</u>
Total Additions	<u>17,640,587</u>	<u>12,141,590</u>	<u>29,782,177</u>
Deductions:			
Benefits Paid to Participants:			
Service and Disability	4,266,802	3,261,785	7,528,587
Dependents	489,706	531,452	1,021,158
Refund of Contributions	21,566	-	21,566
Professional Fees	19,560	8,239	27,799
Other	<u>10,461</u>	<u>14,584</u>	<u>25,045</u>
Total Deductions	<u>4,808,095</u>	<u>3,816,060</u>	<u>8,624,155</u>
Change in Net Position	12,832,492	8,325,530	21,158,022
Net Position, Beginning of Year	<u>41,114,638</u>	<u>30,642,578</u>	<u>71,757,216</u>
Net Position, End of Year	<u>\$ 53,947,130</u>	<u>\$ 38,968,108</u>	<u>\$ 92,915,238</u>

CITY OF BELLEVILLE, ILLINOIS

SCHEDULE OF ASSESSED VALUATION, TAX RATES,
EXTENSIONS AND COLLECTIONS
(UNAUDITED)
APRIL 30, 2021

Tax Rates

Levy Year	Total Assessed Valuation	Corporate Fund	Retirement Fund	Police Pension Fund	Firemen's Pension Fund	Library Fund	Liability Insurance Fund	Social Security Fund	Playground and Recreation Fund	General Assistance Fund	Total
2010	\$ 437,646,688	\$ 0.0872	\$ 0.2342	\$ 0.4658	\$ 0.5003	\$ 0.2628	\$ 0.0869	\$ -	\$ 0.0823	\$ -	\$ 1.7195
2011	434,537,205	0.0975	0.2532	0.4622	0.4417	0.2728	0.1197	-	0.0852	-	1.7323
2012	421,651,482	0.0949	0.2838	0.4940	0.5233	0.2811	0.1296	-	0.0891	-	1.8958
2013	405,836,417	0.0777	0.3205	0.5670	0.5421	0.2982	0.1603	-	0.0912	-	2.0570
2014	401,054,614	0.0773	0.3437	0.5261	0.6317	0.3018	0.1816	-	0.0923	-	2.1545
2015	394,711,073	0.0887	0.2083	0.5864	0.7010	0.3167	0.2043	0.1634	0.0963	-	2.3651
2016	403,383,189	0.0819	0.1986	0.7220	0.7220	0.3187	0.1999	0.1630	0.0943	-	2.5004
2017	406,441,420	0.1461	0.1797	0.8366	0.8366	0.3162	0.1723	0.1612	0.0935	0.0371	2.7793
2018	399,847,978	0.1498	0.1814	0.7503	0.9504	0.3227	0.1776	0.1651	0.0951	0.0418	2.8342
2019	403,157,838	0.1424	0.1811	0.8930	0.9104	0.3200	0.1737	0.1660	0.0943	0.0414	2.9223

Taxes Extended

Levy Year	Corporate Fund	Retirement Fund	Police Pension Fund	Firemen's Pension Fund	Library Fund	Liability Insurance Fund	Social Security Fund	Playground and Recreation Fund	General Assistance Fund	Total
2010	\$ 381,628	\$ 1,024,969	\$ 2,038,558	\$ 2,189,546	\$ 1,150,136	\$ 380,315	\$ -	\$ 360,183	\$ -	\$ 7,525,335
2011	423,674	1,144,571	2,088,820	1,996,264	1,185,418	540,999	-	370,226	-	7,749,972
2012	400,147	1,196,647	2,082,958	2,206,502	1,185,262	546,460	-	375,691	-	7,993,667
2013	315,335	1,300,706	2,301,092	2,200,039	1,210,204	650,556	-	370,123	-	8,348,055
2014	310,015	1,378,425	2,109,948	2,533,462	1,210,383	728,315	-	370,173	-	8,640,721
2015	350,109	822,183	2,314,586	2,766,924	1,250,050	806,395	644,958	380,107	-	9,335,312
2016	330,371	801,119	2,912,427	2,912,427	1,285,400	806,363	657,515	380,390	-	10,086,012
2017	593,811	730,375	3,400,289	3,400,289	1,285,009	700,298	655,184	380,023	150,790	11,296,068
2018	598,972	725,324	3,000,059	3,800,155	1,290,309	710,130	660,149	380,256	167,137	11,332,491
2019	574,097	730,119	3,600,199	3,670,349	1,290,105	700,285	669,242	380,178	166,907	11,781,481

Taxes Collected

Levy Year	Total Taxes Extended	Total Taxes Collected	Percent of Current Year Taxes Collected	Current Year Uncollected Balance
2010	\$ 7,525,335	\$ 7,661,890	101.81%	\$ (136,555)
2011	7,749,972	7,702,405	99.39%	47,567
2012	7,993,667	7,946,502	99.41%	47,165
2013	8,348,055	8,304,947	99.48%	43,108
2014	8,640,721	8,588,031	99.39%	52,690
2015	9,335,312	9,228,726	98.86%	106,586
2016	10,086,012	10,029,160	99.44%	56,852
2017	11,296,068	11,182,097	98.99%	113,971
2018	11,332,491	11,263,630	99.39%	68,861
2019	11,781,481	11,710,141	99.39%	71,340



**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 Members of the City Council
Belleville, 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, each major fund, and the aggregate remaining fund information of the City of Belleville, Illinois as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise the City Belleville, Illinois' basic financial statements, and have issued our report thereon dated September 24, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Belleville, 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 the City of Belleville, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Belleville, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Belleville, Illinois' financial statements are free from 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

C. J. Schloss & Company LLC

Certified Public Accountants
Alton, Illinois
September 24, 2021



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Mayor
and Members of the City Council
City of Belleville, Illinois

Report on Compliance for Each Major Federal Program

We have audited the City of Belleville, Illinois' ("City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Belleville, Illinois' major federal programs for the year ended April 30, 2021. The City of Belleville, Illinois' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of Belleville, Illinois' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Belleville, Illinois' compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Belleville, Illinois complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended April 30, 2021.

Report on Internal Control Over Compliance

Management of the City of Belleville, Illinois is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Certified Public Accountants
Alton, Illinois
September 24, 2021

CITY OF BELLEVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED APRIL 30, 2021

Federal Grantor/ Pass-through Grantor/ <u>Program Title</u>	CFDA <u>Number</u>	Agency or Pass-through <u>Number</u>	Program or Award <u>Amount</u>	Federal Disbursements/ <u>Expenditures</u>
<u>Department of Homeland Security</u>				
Passed Through State of Illinois Emergency Management Agency:				
Public Assistance Program - COVID-19	97.036	FEMA-4489-163-04845-00	\$ 12,220	\$ <u>12,220</u>
				<u>12,220</u>
<u>Department of the Treasury</u>				
Passed Through State of Illinois Commerce and Economic Opportunity:				
Coronavirus Relief Fund	21.019		1,834,852	<u>1,834,852</u>
				<u>1,834,852</u>
<u>U.S. Institute of Museum & Library Services</u>				
Passed Through Illinois State Library, Secretary of State:				
Community Internet Outreach	45.310		9,900	<u>5,200</u>
				<u>5,200</u>
<u>Department of Justice</u>				
Direct Award:				
FY20 BJA - CESF Coronavirus ESFP	16.034		56,288	<u>50,141</u>
Passed through St. Clair County:				
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738		17,396	15,858
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738		17,220	17,220
Edward Byrne Memorial Justice Assistance Grant (JAG)	16.738		16,945	<u>12,453</u>
				<u>45,531</u>
				<u>95,672</u>
 Total Federal Awards				 <u>\$ 1,947,944</u>

No awards were passed through to Sub-recipients

See notes to schedule of expenditures of federal awards

CITY OF BELLEVILLE, ILLINOIS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
APRIL 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

The accompanying Schedule of Federal Awards presents the activity of all federal award programs of City of Belleville, Illinois. The City's reporting entity is defined in Note 1 to the City's financial statements. Federal awards passed through other government agencies are included on the schedule.

Basis of Accounting

The accompanying Schedule of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's financial statements.

Noncash Assistance, Federal Insurance and Loans/Loan Guarantees

The City did not receive any noncash assistance, federal guaranteed loans or federal insurance for any of its programs for the year ended April 30, 2021.

Subrecipient Monitoring

The City did not provide any funds to subrecipients for federal funds.

Indirect Cost Rate

The City elected to use the de minimis indirect cost rate of 10%.

CITY OF BELLEVILLE, ILLINOIS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
APRIL 30, 2021

Part 1 -- Summary of Auditor's Results

- (a) The independent accountants' report expresses an unmodified opinion on the governmental activities and the business-type activities and fund financial statements.
- (b) No significant deficiencies or material weaknesses in internal control were disclosed during the audit of the financial statements which would be required to be reported in accordance with Government Auditing Standards.
- (c) No instances of noncompliance material to the financial statements were disclosed during the audit which would be required to be reported in accordance with Governmental Auditing Standards.
- (d) No significant deficiencies or material weaknesses in internal control over major federal programs were disclosed by the audit of the financial statements of the City.
- (e) An unmodified opinion was issued in the report on compliance for major programs.
- (f) The audit did not disclose any findings required to be reported in accordance with Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.
- (g) The City's major program is Coronavirus Relief Fund - CFDA #21.019.
- (h) The dollar threshold to distinguish between Type A and Type B programs is \$750,000.
- (i) The City did not qualify as a low-risk auditee under Section .530.

Part 2 -- The City has no findings to the financial statements that are required to be reported in accordance with GAGAS.

Part 3 -- The City has no findings or questioned costs for federal awards

CITY OF BELLEVILLE, ILLINOIS

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
APRIL 30, 2021

None