

CITY OF BELLEVILLE, ILLINOIS

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED
APRIL 30, 2020

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CITY OF BELLEVILLE, ILLINOIS

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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, 2020, 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, 2020, 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 combining and individual nonmajor fund financial statements and other schedules 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 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 23, 2020 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. Schlosser & Company LLC

Certified Public Accountants
Alton, Illinois
September 23, 2020

CITY OF BELLEVILLE, ILLINOIS

Management's Discussion and Analysis

For the fiscal year ended April 30, 2020

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, 2020.

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, 2020.

- The City's total net position increased by \$4,307,206 during fiscal year 2020.
- Net position of the City's business-type activities increased by \$1,636,815 during fiscal year 2020.
- The fund balance of the City's Governmental Funds increased by \$3,333,959 during the current fiscal year.

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, 2020

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, 2020

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/other information. In addition to the basic financial statements and accompanying notes, certain required supplementary information/other 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/other 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 \$196,673 at April 30, 2020.

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, 2020

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 \$4,307,206 during fiscal year 2020.

The condensed statement of net position is as follows:

	Governmental Activities		Business-type Activities		Total	
	April 30, 2020	April 30, 2019	April 30, 2020	April 30, 2019	April 30, 2020	April 30, 2019
ASSETS						
Current and other assets	\$ 54,116,400	\$ 49,896,791	\$ 8,624,235	\$ 8,359,142	\$ 62,740,635	\$ 58,255,933
Capital assets, net	69,237,936	69,950,339	107,853,937	109,880,798	177,091,873	179,831,137
Total assets	<u>123,354,336</u>	<u>119,847,130</u>	<u>116,478,172</u>	<u>118,239,940</u>	<u>239,832,508</u>	<u>238,087,070</u>
DEFERRED OUTFLOWS OF RESOURCES						
	<u>25,430,452</u>	<u>23,634,503</u>	<u>1,204,830</u>	<u>1,774,322</u>	<u>26,635,282</u>	<u>25,408,825</u>
LIABILITIES						
Long-term liabilities	156,347,400	155,886,068	67,553,153	71,388,020	223,900,553	227,274,088
Other liabilities	4,387,026	4,925,725	867,426	1,606,864	5,254,452	6,532,589
Total liabilities	<u>160,734,426</u>	<u>160,811,793</u>	<u>68,420,579</u>	<u>72,994,884</u>	<u>229,155,005</u>	<u>233,806,677</u>
DEFERRED INFLOWS OF RESOURCES						
	<u>35,685,425</u>	<u>32,975,294</u>	<u>1,430,687</u>	<u>824,457</u>	<u>37,116,112</u>	<u>33,799,751</u>
NET POSITION						
Net investment in capital assets	41,572,521	40,707,883	41,169,093	40,792,025	82,741,614	81,499,908
Restricted	21,882,804	18,520,917	-	-	21,882,804	18,520,917
Unrestricted	<u>(111,090,388)</u>	<u>(109,534,254)</u>	<u>6,662,643</u>	<u>5,402,896</u>	<u>(104,427,745)</u>	<u>(104,131,358)</u>
Total net position	<u>\$ (47,635,063)</u>	<u>\$ (50,305,454)</u>	<u>\$ 47,831,736</u>	<u>\$ 46,194,921</u>	<u>\$ 196,673</u>	<u>\$ (4,110,533)</u>

Governmental activities. Governmental activities increased the City's presented net position by \$2,670,391. This increase was achieved in spite of the fact that income taxes and certain fee and permit revenues had decreased dramatically at the end of the year, due to delays and decreases caused by the COVID-19 pandemic.

Business-type activities. Business-type activities increased the City's net position by \$1,636,815. 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, 2020

The condensed statement of activities is as follows:

	Governmental Activities		Business-type Activities		Total	
	For The Year Ended April 30, 2020	For The Year Ended April 30, 2019	For The Year Ended April 30, 2020	For The Year Ended April 30, 2019	For The Year Ended April 30, 2020	For The Year Ended April 30, 2019
REVENUES						
Program revenues:						
Charges for services	\$ 6,890,882	\$ 7,024,992	\$ 10,321,592	\$ 9,607,102	\$ 17,212,474	16,632,094
Operating grants	101,263	88,195	-	-	101,263	88,195
Capital grants	224,397	780,036	-	-	224,397	780,036
General revenues:						
Property taxes	22,465,148	22,401,202	-	-	22,465,148	22,401,202
Sales and use tax	14,694,699	14,554,597	-	-	14,694,699	14,554,597
Replacement tax	502,889	511,612	-	-	502,889	511,612
State income taxes	4,375,967	4,601,483	-	-	4,375,967	4,601,483
Motor fuel taxes	1,649,972	1,163,809	-	-	1,649,972	1,163,809
Telecommunications taxes	716,921	879,993	-	-	716,921	879,993
Utility taxes	3,325,958	3,593,069	-	-	3,325,958	3,593,069
Gaming tax	306,010	299,652	-	-	306,010	299,652
Other local taxes	127,417	139,633	-	-	127,417	139,633
Investment earnings	332,375	310,532	76,293	74,682	408,668	385,214
Gain on disposal of assets	192,379	-	-	-	192,379	-
Miscellaneous	15,153	23,957	-	-	15,153	23,957
Transfers	(1,300,000)	(1,300,000)	1,300,000	1,300,000	-	-
Total revenues	<u>54,621,430</u>	<u>55,072,762</u>	<u>11,697,885</u>	<u>10,981,784</u>	<u>66,319,315</u>	<u>66,054,546</u>
EXPENSES						
Governmental activities:						
General government	6,777,089	6,920,985	-	-	6,777,089	6,920,985
Public safety	20,658,998	13,753,180	-	-	20,658,998	13,753,180
Public works	4,376,778	4,292,852	-	-	4,376,778	4,292,852
Sanitation	2,734,470	2,737,901	-	-	2,734,470	2,737,901
Cemetery	258,170	235,821	-	-	258,170	235,821
Health and welfare	893,181	1,025,138	-	-	893,181	1,025,138
Development	7,989,551	8,212,622	-	-	7,989,551	8,212,622
Cultural and recreational	3,501,194	3,264,553	-	-	3,501,194	3,264,553
Interest on long-term debt	4,761,608	4,775,639	-	-	4,761,608	4,775,639
Business-type activities:						
Sewerage	-	-	10,061,070	10,071,075	10,061,070	10,071,075
Total expenses	<u>51,951,039</u>	<u>45,218,691</u>	<u>10,061,070</u>	<u>10,071,075</u>	<u>62,012,109</u>	<u>55,289,766</u>
Change in net position	2,670,391	9,854,071	1,636,815	910,709	4,307,206	10,764,780
Net position - beginning	(50,305,454)	(60,159,525)	46,194,921	45,284,212	(4,110,533)	(14,875,313)
Net position - ending	<u>\$ (47,635,063)</u>	<u>\$ (50,305,454)</u>	<u>\$ 47,831,736</u>	<u>\$ 46,194,921</u>	<u>\$ 196,673</u>	<u>\$ (4,110,533)</u>

CITY OF BELLEVILLE, ILLINOIS

Management's Discussion and Analysis

For the fiscal year ended April 30, 2020

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 2020, the City's governmental funds reported combined ending fund balances of \$27,029,745. Approximately 17.16% of this total amount (\$4,638,554) constitutes unassigned fund balance, which is available for spending at the City's discretion. \$21,882,804 (80.96% 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 (\$425,126), meaning it is not in spendable form, or committed (\$83,261), 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 \$4,638,554. 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 16.73% of total General Fund expenditures.

The fund balance of the City's General Fund decreased by only \$4,775 during the current fiscal year. The modest decrease was due to all departments trying to keep expenditures in line with the actual revenues generated to cover the expenditures, and is notable considering the decrease in taxes and fees received during the last month of the fiscal year due to 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 \$11,957,256, which is an increase of \$2,481,376 compared to 2019.

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 \$6,662,643, an increase of \$1,259,747 from the prior year. Overall, total net position of the sewer fund increased by \$1,636,815. 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, 2020

GENERAL FUND BUDGETARY HIGHLIGHTS

The fiscal year 2020 disbursement budget for the City's General Fund represents an original and final budget of \$28,861,605. Actual disbursements (before interfund transfers) in the general fund were \$27,210,247, which is \$1,651,358 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, 2020, amounts to \$177,091,873, 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 \$2,739,264.

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>April 30, 2020</u>	<u>April 30, 2019</u>	<u>April 30, 2020</u>	<u>April 30, 2019</u>	<u>April 30, 2020</u>	<u>April 30, 2019</u>
Land	\$ 6,156,827	\$ 6,113,187	\$ 1,104,046	\$ 1,104,046	\$ 7,260,873	\$ 7,217,233
Construction in progress	-	-	1,128,289	9,805,867	1,128,289	9,805,867
Buildings and improvements	27,657,487	28,378,037	47,526,854	48,977,687	75,184,341	77,355,724
Vehicles and equipment	3,752,091	3,943,405	251,408	294,417	4,003,499	4,237,822
Infrastructure	31,671,531	31,515,710	-	-	31,671,531	31,515,710
Distribution and collection systems	-	-	57,843,340	49,698,781	57,843,340	49,698,781
Total capital assets, net	<u>\$ 69,237,936</u>	<u>\$ 69,950,339</u>	<u>\$ 107,853,937</u>	<u>\$ 109,880,798</u>	<u>\$ 177,091,873</u>	<u>\$ 179,831,137</u>

For government-wide financial presentation, all depreciable capital assets were depreciated from acquisition date to the end of fiscal year 2020. 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, 2020

Long-term Debt

At the end of fiscal year 2020, the City of Belleville had total long-term debt obligations for governmental and business-type activities in the amount of \$223,900,553 compared to \$227,274,088 at the end of fiscal year 2019. During 2020, the City made scheduled debt service payments and issued new debt to purchase capital assets. General obligation bonds are backed by the full faith and credit of the City.

	Governmental Activities		Business-type Activities		Total	
	April 30, 2020	April 30, 2019	April 30, 2020	April 30, 2019	April 30, 2020	April 30, 2019
Special Service Area Bonds						
Series 2006	\$ 630,000	\$ 700,000	\$ -	\$ -	\$ 630,000	\$ 700,000
Tax Increment Refunding Bonds						
Series 2007A	13,140,000	13,435,000	-	-	13,140,000	13,435,000
Taxable Business District Bonds						
Series 2007B	5,920,000	6,105,000	-	-	5,920,000	6,105,000
G.O. Refunding Bonds						
Series 2009	105,700	116,874	1,644,300	1,818,126	1,750,000	1,935,000
G.O. Bonds						
Series 2011A	5,000,000	5,000,000	-	-	5,000,000	5,000,000
SWIDA Revenue Bonds						
Series 2011A	13,550,000	13,990,000	-	-	13,550,000	13,990,000
SWIDA Revenue Bonds						
Series 2011B	1,560,000	1,560,000	-	-	1,560,000	1,560,000
SWIDA Taxable Revenue						
Bonds, Series 2011C	2,805,000	3,315,000	-	-	2,805,000	3,315,000
G.O. Refunding Bonds						
Series 2012	5,820,000	6,720,000	-	-	5,820,000	6,720,000
G.O. Bonds						
Series 2014	7,770,000	8,145,000	-	-	7,770,000	8,145,000
G.O. Bonds						
Series 2015	6,790,000	7,110,000	-	-	6,790,000	7,110,000
Bond Premiums	671,450	718,935	-	-	671,450	718,935
Notes Payable	617,661	300,008	65,113,417	67,633,188	65,731,078	67,933,196
Capital Leases	1,014,438	1,267,448	-	-	1,014,438	1,267,448
Net Pension Liability	80,923,733	78,298,829	545,327	1,725,926	81,469,060	80,024,755
OPEB Obligation	9,739,926	8,811,227	230,963	191,807	9,970,889	9,003,034
Compensated Absences	289,492	292,747	19,146	18,973	308,638	311,720
Total Debt	<u>\$ 156,347,400</u>	<u>\$ 155,886,068</u>	<u>\$ 67,553,153</u>	<u>\$ 71,388,020</u>	<u>\$ 223,900,553</u>	<u>\$ 227,274,088</u>

During fiscal year 2020, the City issued \$987,897 of new debt through the IEPA's low interest revolving loan fund for the sewer fund improvements and \$571,550 through the governmental funds for vehicles.

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, 2020

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, 2020

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 25,107,713	\$ 7,204,356	\$ 32,312,069
Receivables (Net of allowance for uncollectible)	28,583,561	1,213,189	29,796,750
Prepaid Expenses	425,126	46,068	471,194
Inventory	-	160,622	160,622
Capital Assets:			
Land	6,156,827	1,104,046	7,260,873
Buildings and Improvements	32,954,151	58,922,514	91,876,665
Equipment	2,265,886	1,334,058	3,599,944
Vehicles	11,503,428	1,244,062	12,747,490
Infrastructure	111,732,594	86,702,957	198,435,551
Construction in Progress	-	1,128,289	1,128,289
Accumulated Depreciation	<u>(95,374,950)</u>	<u>(42,581,989)</u>	<u>(137,956,939)</u>
Net Capital Assets	<u>69,237,936</u>	<u>107,853,937</u>	<u>177,091,873</u>
Total Assets	<u>123,354,336</u>	<u>116,478,172</u>	<u>239,832,508</u>
<u>Deferred Outflows of Resources</u>			
Pension Plan Obligations	24,779,640	1,117,788	25,897,428
OPEB Plan Obligations	650,812	14,169	664,981
Loss on Bond Refunding	-	<u>72,873</u>	<u>72,873</u>
Total Deferred Outflows of Resources	<u>25,430,452</u>	<u>1,204,830</u>	<u>26,635,282</u>
<u>Liabilities</u>			
Accounts Payable	1,901,672	305,488	2,207,160
Accrued Salaries and Benefits	1,128,354	139,493	1,267,847
Accrued Interest Payable	1,357,000	422,445	1,779,445
Noncurrent Liabilities:			
Due Within One Year	6,232,185	3,948,611	10,180,796
Due in More Than One Year	<u>150,115,215</u>	<u>63,604,542</u>	<u>213,719,757</u>
Total Liabilities	<u>160,734,426</u>	<u>68,420,579</u>	<u>229,155,005</u>
<u>Deferred Inflows of Resources</u>			
Pension Plan Obligations	11,698,211	1,418,915	13,117,126
OPEB Plan Obligations	540,714	11,772	552,486
Deferred Property Tax	23,446,500	-	23,446,500
Total Deferred Inflows of Resources	<u>35,685,425</u>	<u>1,430,687</u>	<u>37,116,112</u>
<u>Net Position</u>			
Net Investment in Capital Assets	41,572,521	41,169,093	82,741,614
Restricted	21,882,804	-	21,882,804
Unrestricted	<u>(111,090,388)</u>	<u>6,662,643</u>	<u>(104,427,745)</u>
Total Net Position	<u>\$ (47,635,063)</u>	<u>\$ 47,831,736</u>	<u>\$ 196,673</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, 2020

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	\$ 6,777,089	\$ 1,505,980	\$ -	\$ 75,000	\$ (5,196,109)		\$ (5,196,109)
Public Safety	20,658,998	1,147,012	24,829	-	(19,487,157)		(19,487,157)
Public Works	4,376,778	32,387	20,733	-	(4,323,658)		(4,323,658)
Sanitation	2,734,470	3,432,851	-	-	698,381		698,381
Cemetery	258,170	39,616	-	-	(218,554)		(218,554)
Health and Welfare	893,181	152,495	-	-	(740,686)		(740,686)
Development	7,989,551	155,173	-	-	(7,834,378)		(7,834,378)
Cultural and Recreational	3,501,194	425,368	55,701	149,397	(2,870,728)		(2,870,728)
Interest on Long-term Debt	4,761,608	-	-	-	(4,761,608)		(4,761,608)
Total Governmental Activities	51,951,039	6,890,882	101,263	224,397	(44,734,497)		(44,734,497)
Business-type Activities:							
Sewerage	10,061,070	10,321,592	-	-		\$ 260,522	260,522
Total Business-type Activities	10,061,070	10,321,592	-	-		260,522	260,522
Total Government	\$ 62,012,109	\$ 17,212,474	\$ 101,263	\$ 224,397	(44,734,497)	260,522	(44,473,975)

General Revenues:			
Property Tax, Levied for General Purposes	22,465,148	-	22,465,148
Sales and Use Tax	14,694,699	-	14,694,699
Income Tax	4,375,967	-	4,375,967
Corporate Personal Property Tax	502,889	-	502,889
Motor Fuel Tax	1,649,972	-	1,649,972
Telecommunications Tax	716,921	-	716,921
Gaming Tax	306,010	-	306,010
Other Local Tax	127,417	-	127,417
Utility Tax	3,325,958	-	3,325,958
Investment Earnings	332,375	76,293	408,668
Gain On Disposal of Assets	192,379	-	192,379
Miscellaneous	15,153	-	15,153
Transfers	(1,300,000)	1,300,000	-
Total General Revenues and Transfers	47,404,888	1,376,293	48,781,181
Change in Net Position	2,670,391	1,636,815	4,307,206
Net Position - Beginning	(50,305,454)	46,194,921	(4,110,533)
Net Position - Ending	\$ (47,635,063)	\$ 47,831,736	\$ 196,673

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

CITY OF BELLEVILLE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS
APRIL 30, 2020

	<u>General Fund</u>	<u>Tax Increment Financing Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>				
Cash and Cash Equivalents	\$ 2,429,929	\$ 12,055,391	\$ 10,226,106	\$ 24,711,426
Receivables (Net of allowance for uncollectible):				
Property Tax	-	18,843,100	4,157,600	23,000,700
Intergovernmental	3,194,846	935,910	388,733	4,519,489
Accounts	54,986	-	-	54,986
Other	474,394	83,315	4,877	562,586
Due From Other Funds	807,958	-	-	807,958
Prepaid Expenses	401,941	-	23,185	425,126
Total Assets	<u>\$ 7,364,054</u>	<u>\$ 31,917,716</u>	<u>\$ 14,800,501</u>	<u>\$ 54,082,271</u>
 <u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>				
Liabilities:				
Accounts Payable	\$ 384,380	\$ 816,107	\$ 442,096	\$ 1,642,583
Accrued Salaries	1,047,904	-	80,450	1,128,354
Total Liabilities	<u>1,432,284</u>	<u>816,107</u>	<u>522,546</u>	<u>2,770,937</u>
Deferred Inflows of Resources:				
Deferred Property Tax	-	18,843,100	4,157,600	23,000,700
Deferred Intergovernmental Tax	891,275	301,253	88,361	1,280,889
	<u>891,275</u>	<u>19,144,353</u>	<u>4,245,961</u>	<u>24,281,589</u>
Fund Balance:				
Nonspendable	401,941	-	23,185	425,126
Restricted	-	11,957,256	9,925,548	21,882,804
Committed	-	-	83,261	83,261
Unassigned	4,638,554	-	-	4,638,554
Total Fund Balance	<u>5,040,495</u>	<u>11,957,256</u>	<u>10,031,994</u>	<u>27,029,745</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 7,364,054</u>	<u>\$ 31,917,716</u>	<u>\$ 14,800,501</u>	<u>\$ 54,082,271</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, 2020

Amounts reported for governmental fund balances are different because:

Fund balances - total governmental funds	\$ 27,029,745
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the balance sheet of the governmental funds.	69,237,936
Long-term debt (e.g., bonds, leases) is not reported as a liability on the balance sheet of the governmental funds.	(65,394,249)
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.	1,280,889
Accrued interest payable on the long-term debt is not reported as a liability on the balance sheet of the governmental funds.	(1,357,000)
Accrued compensated absences are not reported as a liability on the balance sheet of the governmental funds.	(289,492)
Net pension liabilities and the related future pension expense are not reported as assets and liabilities on the balance sheet of the governmental funds.	(67,842,304)
Net OPEB liabilities and the related future OPEB expense are not reported as assets and liabilities on the balance sheet of the governmental funds.	(9,629,828)
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>(670,760)</u>
Net position of governmental activities	<u>\$ (47,635,063)</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, 2020

	<u>General Fund</u>	<u>Tax Increment Financing Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property Tax	\$ -	\$ 17,821,796	\$ 4,171,009	\$ 21,992,805
Utility Tax	3,325,958	-	-	3,325,958
Intergovernmental	16,044,407	3,358,170	3,142,569	22,545,146
Local Tax	77,281	-	50,136	127,417
Licenses, Permits and Fees	1,521,975	-	-	1,521,975
Charges for Services	3,906,658	-	282,898	4,189,556
Fines and Forfeitures	210,202	-	173,142	383,344
Investment Earnings	9,901	199,942	115,555	325,398
Contributions	4,354	-	75,660	80,014
Proceeds from Sale of Assets	604,667	35,000	-	639,667
Reimbursements/Miscellaneous	520,042	155,173	55,931	731,146
Total Revenues	<u>26,225,445</u>	<u>21,570,081</u>	<u>8,066,900</u>	<u>55,862,426</u>
Expenditures:				
Current:				
General Government	3,937,759	-	2,050,827	5,988,586
Public Safety	16,579,816	-	101,802	16,681,618
Public Works	1,778,600	-	1,129,285	2,907,885
Sanitation	2,495,624	-	-	2,495,624
Cemetery	220,640	-	-	220,640
Health and Welfare	720,051	-	155,964	876,015
Development	299,470	7,661,587	-	7,961,057
Cultural and Recreational	958,165	-	2,236,213	3,194,378
Capital Outlay	482,795	2,116,397	80,562	2,679,754
Debt Service:				
Principal	241,755	1,706,326	1,665,000	3,613,081
Interest and Charges	13,901	3,589,676	1,012,802	4,616,379
Total Expenditures	<u>27,728,576</u>	<u>15,073,986</u>	<u>8,432,455</u>	<u>51,235,017</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,503,131)</u>	<u>6,496,095</u>	<u>(365,555)</u>	<u>4,627,409</u>
Other Financing Sources (Uses):				
Proceeds from Debt	413,356	158,194	-	571,550
Transfers In	1,650,000	-	1,522,913	3,172,913
Transfers Out	<u>(565,000)</u>	<u>(4,172,913)</u>	<u>(300,000)</u>	<u>(5,037,913)</u>
Total Other Financing Sources (Uses)	<u>1,498,356</u>	<u>(4,014,719)</u>	<u>1,222,913</u>	<u>(1,293,450)</u>
Net Change in Fund Balances	(4,775)	2,481,376	857,358	3,333,959
Fund Balance, Beginning of Year	<u>5,045,270</u>	<u>9,475,880</u>	<u>9,174,636</u>	<u>23,695,786</u>
Fund Balance, End of Year	<u>\$ 5,040,495</u>	<u>\$ 11,957,256</u>	<u>\$ 10,031,994</u>	<u>\$ 27,029,745</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, 2020

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

Net change in fund balances - total governmental funds	\$ 3,333,959
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 depreciation expense (\$2,947,841) and disposal values (\$519,316) exceeded capital outlays (\$2,679,754) and contributed capital (\$75,000) in the current year.	(712,403)
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.	2,896,302
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.	3,255
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.	(3,139,741)
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.	(217,644)
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.	(48,028)
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.	<u>554,691</u>
Change in net position of governmental activities	<u>\$ 2,670,391</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, 2020

	<u>Business Type Activities - Enterprise Fund Sewerage</u>	<u>Governmental Activities - Internal Service Funds</u>
<u>Assets</u>		
Current Assets:		
Cash	\$ 7,204,356	\$ 396,287
Receivables (Net, where applicable, of allowances for uncollectible)	1,213,189	445,800
Prepaid Expenses	46,068	-
Inventory, at Cost	160,622	-
Total Current Assets	<u>8,624,235</u>	<u>842,087</u>
Noncurrent Assets:		
Capital Assets:		
Land	1,104,046	-
Buildings and Improvements	58,922,514	-
Equipment	1,334,058	-
Vehicles	1,244,062	-
Distribution System	86,702,957	-
Construction in Progress	1,128,289	-
Total	150,435,926	-
Less - Accumulated Depreciation	<u>(42,581,989)</u>	<u>-</u>
Net Capital Assets	107,853,937	-
Total Assets	<u>\$ 116,478,172</u>	<u>\$ 842,087</u>
<u>Deferred Outflows of Resources</u>		
Loss on Bond Refunding	\$ 72,873	\$ -
OPEB Plan Obligations	14,169	-
Pension Plan Obligations	1,117,788	-
Total Deferred Outflows of Resources	<u>1,204,830</u>	<u>-</u>
<u>Liabilities</u>		
Current Liabilities:		
Accrued Payroll and Benefits	\$ 139,493	\$ -
Accounts Payable	305,488	259,089
Accrued Interest	422,445	-
Due to Other Funds	-	807,958
Total Current Liabilities	<u>867,426</u>	<u>1,067,047</u>
Noncurrent Liabilities:		
Net Pension Liability	545,327	-
Accrued Sick Leave	19,146	-
OPEB Obligation	230,963	-
Due Within One Year	3,948,611	-
Due in More Than One Year	62,809,106	-
Total Noncurrent Liabilities	<u>67,553,153</u>	<u>-</u>
Total Liabilities	<u>\$ 68,420,579</u>	<u>\$ 1,067,047</u>
<u>Deferred Inflows of Resources</u>		
Deferred Property Tax	\$ -	\$ 445,800
OPEB Plan Obligations	11,772	-
Pension Plan Obligations	1,418,915	-
Total Deferred Inflows of Resources	<u>\$ 1,430,687</u>	<u>\$ 445,800</u>
<u>Net Position</u>		
Net Investment in Capital Assets	\$ 41,169,093	\$ -
Unrestricted	6,662,643	(670,760)
Total Net Position	<u>\$ 47,831,736</u>	<u>\$ (670,760)</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, 2020

	<u>Business Type Activities - Enterprise Fund Sewerage</u>	<u>Governmental Activities - Internal Service Funds</u>
Operating Revenues:		
Charges for Services	\$ 10,321,592	\$ 4,262,339
Operating Expenses:		
Personal Services	2,607,029	4,751,968
Supplies	239,102	-
Contractual Services	2,987,587	-
Depreciation	3,050,472	-
Total Operating Expenses	<u>8,884,190</u>	<u>4,751,968</u>
Operating Income (Loss)	<u>1,437,402</u>	<u>(489,629)</u>
Nonoperating Revenues (Expenses):		
Amortization	(9,610)	-
Property Tax	-	472,343
Investment Earnings	76,293	6,977
Interest and Fiscal Charges	<u>(1,167,270)</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>(1,100,587)</u>	<u>479,320</u>
Income (Loss) Before Transfers	336,815	(10,309)
Transfers In	<u>1,300,000</u>	<u>565,000</u>
Change in Net Position	1,636,815	554,691
Net Position - Beginning of Year	<u>46,194,921</u>	<u>(1,225,451)</u>
Net Position - End of Year	<u>\$ 47,831,736</u>	<u>\$ (670,760)</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, 2020

	<u>Business Type Activities - Enterprise Fund Sewerage</u>	<u>Governmental Activities - Internal Service Funds</u>
Cash Flows from Operating Activities:		
Receipts from Customers	\$ 9,917,184	\$ 4,262,339
Payments to Suppliers	(4,400,506)	(5,297,200)
Payments to Employees	(1,975,012)	-
Net Cash Provided (Used) by Operating Activities	<u>3,541,666</u>	<u>(1,034,861)</u>
Cash Flows from Noncapital Financing Activities:		
Property Tax	-	472,343
Payments from (to) Other Funds	1,300,000	565,000
Net Cash Provided by Noncapital Financing Activities	<u>1,300,000</u>	<u>1,037,343</u>
Cash Flows from Capital and Related Financing Activities:		
Principal Payments on Long-Term Debt	(3,678,882)	-
Proceeds from Long-Term Debt	985,285	-
Interest Paid on Debt	(1,129,213)	-
Cash Payments for Capital Assets	(1,023,611)	-
Net Cash Provided (Used) by Capital Related Financing Activities	<u>(4,846,421)</u>	<u>-</u>
Cash Flows from Investing Activities:		
Interest Received	76,293	6,977
Net Cash Provided by Investing Activities	<u>76,293</u>	<u>6,977</u>
Net Change in Cash and Cash Equivalents	71,538	9,459
Cash and Cash Equivalents, Beginning of Year	7,132,818	386,828
Cash and Cash Equivalents, End of Year	<u>\$ 7,204,356</u>	<u>\$ 396,287</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income (Loss)	\$ 1,437,402	\$ (489,629)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	3,050,472	-
Net OPEB Liability Adjustment	17,717	-
Net Pension Liability Adjustment	6,952	-
(Increase) Decrease in Assets:		
Accounts Receivable	(59,369)	-
Unbilled Revenue	(111,999)	-
Inventory	(28,134)	-
Prepaid Expenses	5,947	-
Increase (Decrease) in Liabilities:		
Accrued Payroll and Benefits	8,646	-
Accounts Payable	(552,928)	(545,232)
Advance Deposits	(233,040)	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,541,666</u>	<u>\$ (1,034,861)</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, 2020

Assets:	
Cash and Cash Equivalents	\$ 3,428,537
Investments, at Market	60,997,610
Receivables:	
Taxes Receivable	7,197,842
Other	1,282
Interest Receivable	<u>131,945</u>
Total Assets	<u>71,757,216</u>
Liabilities	<u>-</u>
Net Position - Restricted for Pensions	<u>\$ 71,757,216</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, 2020

Additions:

Contributions:

Employee Contributions	\$ 990,738
Employer Contributions:	
Property Taxes	7,227,586
City Contribution	63,550
Personal Property Replacement Taxes	195,377
Total Contributions	<u>8,477,251</u>

Investment Income:

Interest and Dividend Income	2,284,074
Gain (Loss) on Sales of Securities	(505,111)
Net Change in Fair Market Value of Investments	<u>(4,135,598)</u>
	(2,356,635)
Less Investment Expense	<u>(109,731)</u>
Total Investment Income	<u>(2,466,366)</u>
Total Additions	<u>6,010,885</u>

Deductions:

Benefits Paid to Participants:

Service and Disability	7,295,649
Dependents	953,387
Refund of Contributions	6,296
Professional Fees	58,474
Other	11,080
Total Deductions	<u>8,324,886</u>

Change in Net Position	(2,314,001)
Net Position - Beginning of Year	<u>74,071,217</u>
Net Position - End of Year	<u>\$ 71,757,216</u>

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

CITY OF BELLEVILLE, ILLINOIS

NOTE TO FINANCIAL STATEMENTS APRIL 30, 2020

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, 2020 is \$109,690.

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	\$ 425,126
Restricted:	
Property/Sales Tax Restrictions	\$ 4,398,417
TIF Balances	11,957,256
Debt Service	3,870,002
Cemetery Care	229,974
Fines/Forfeitures	209,743
Motor Fuel Tax	1,213,655
Restricted Donations	3,757
	<u>\$ 21,882,804</u>
Committed:	
Capital Projects	\$ 10,362
Tourism	5,755
Parks Project Funds	67,144
	<u>\$ 83,261</u>
<u>Fiduciary Funds</u>	
Reserved for Employees' Pension Benefits	\$ 71,757,216

- (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, 2020, the carrying amount of the City's deposits was \$25,766,804 and the bank balance was \$26,555,430. 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, 2020, 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	\$ 6,367,845
Illinois Metropolitan Investment Fund	Daily	<u>173,891</u>
		6,541,736
Deposits from above		25,766,804
Petty Cash		<u>3,529</u>
		<u>\$ 32,312,069</u>
<u>As Reported in the Financial Statements</u>		
Cash and Investments		<u>\$ 32,312,069</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, 2020, 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, 2020, the City did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2020, the City did not have foreign currency risk.

Fire Pension

At April 30, 2020, the carrying amount and the bank balance of the Fire Pension Fund's deposits was \$1,831,034. 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, 2020, the Fire Pension Fund had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
Corporate Bonds	4.56	\$ 3,891,389
U.S. Treasury Notes	4.90	3,938,570
Federal Loan Mortgage Corporation	14.40	293,112
Federal National Mortgage Association	23.19	743,003
Mutual Funds	--	13,278,137
Common Stock	--	<u>2,976,053</u>
		25,120,264
Deposits as reported above		<u>1,831,034</u>
Total deposits and investments		<u>\$ 26,951,298</u>
As included in the combined financial statements:		
Cash and Cash Equivalents		\$ 1,831,034
Investments		<u>25,120,264</u>
		<u>\$ 26,951,298</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, 2020, 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	--	Aaa to Baa3
Federal National Mortgage Association	AA+	Aaa
Federal Loan Mortgage Corporation	AA+	Aaa

Concentration of Credit Risk. As of April 30, 2020, the Fire Pension Fund did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2020, the Fire Pension Fund did not have foreign currency risk.

Police Pension

At April 30, 2020, the carrying amount and bank balance of the Police Pension Fund's deposits was \$3,610,009. 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, 2020, 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	1.55	\$ 819,500
U.S. Treasury Strips	1.44	1,147,538
Corporate Bonds	3.44	5,375,500
Government National Mortgage Association	23.66	1,447,118
Federal Farm Credit Bank	6.47	2,409,773
Municipal and State Bonds	0.59	130,949
Federal Home Loan Mortgage Corporation	19.18	110,273
Federal National Mortgage Association	22.02	148,248
Federal Home Loan Bank	6.75	301,241
Tennessee Valley Authority Coupons	1.13	298,175
Mutual Funds	--	<u>21,676,525</u>
		33,864,840
Deposits as reported above		<u>3,610,009</u>
Total deposits and investments		<u>\$ 37,474,849</u>
As included in the combined financial statements:		
Cash and Cash Equivalents		\$ 1,597,503
Investments		<u>35,877,346</u>
		<u>\$ 37,474,849</u>

Credit Risk. As of April 30, 2020, 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
Des Plaines IL Bond	--	Aa2
Corporate Bonds	AAA to A	Aaa to A2

Concentration of Credit Risk. As of April 30, 2020, the Police Pension Fund did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2020, 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, 2020:

	<u>Beginning Balance</u>	<u>Additions/ Completions</u>	<u>Retirements/ Deletions</u>	<u>Ending Balance</u>
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 6,113,187	\$ 106,140	\$ 62,500	\$ 6,156,827
Total capital assets not being depreciated	<u>6,113,187</u>	<u>106,140</u>	<u>62,500</u>	<u>6,156,827</u>
Capital assets, being depreciated:				
Buildings and improvements	33,097,976	346,560	490,385	32,954,151
Machinery and equipment	2,285,620	50,016	69,750	2,265,886
Vehicles	10,976,681	658,682	131,935	11,503,428
Infrastructure	110,139,238	1,593,356	-	111,732,594
Total capital assets being depreciated	<u>156,499,515</u>	<u>2,648,614</u>	<u>692,070</u>	<u>158,456,059</u>
Less accumulated depreciation for:				
Buildings and improvements	4,719,939	675,622	98,897	5,296,664
Machinery and equipment	1,313,905	150,432	13,950	1,450,387
Vehicles	8,004,991	684,252	122,407	8,566,836
Infrastructure	78,623,528	1,437,535	-	80,061,063
Total accumulated depreciation	<u>92,662,363</u>	<u>2,947,841</u>	<u>235,254</u>	<u>95,374,950</u>
Total capital assets, being depreciated, net	<u>63,837,152</u>	<u>(299,227)</u>	<u>456,816</u>	<u>63,081,109</u>
Governmental activities capital assets, net	<u>\$ 69,950,339</u>	<u>\$ (193,087)</u>	<u>\$ 519,316</u>	<u>\$ 69,237,936</u>
<u>Business-type activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 1,104,046	\$ -	\$ -	\$ 1,104,046
Construction in Progress	9,805,867	582,388	9,259,966	1,128,289
Total not being depreciated	<u>10,909,913</u>	<u>582,388</u>	<u>9,259,966</u>	<u>2,232,335</u>
Capital assets, being depreciated:				
Buildings and improvements	58,902,561	19,953	-	58,922,514
Utility systems	77,042,577	9,660,380	-	86,702,957
Machinery and equipment	1,334,058	-	-	1,334,058
Vehicles	1,223,206	20,856	-	1,244,062
Total capital assets, being depreciated	<u>138,502,402</u>	<u>9,701,189</u>	<u>-</u>	<u>148,203,591</u>
Less accumulated depreciation for:				
Buildings and improvements	9,924,874	1,470,786	-	11,395,660
Utility systems	27,343,796	1,515,821	-	28,859,617
Machinery and equipment	1,101,320	34,620	-	1,135,940
Vehicles	1,161,527	29,245	-	1,190,772
Total accumulated depreciation	<u>39,531,517</u>	<u>3,050,472</u>	<u>-</u>	<u>42,581,989</u>
Total capital assets, being depreciated, net	<u>98,970,885</u>	<u>6,650,717</u>	<u>-</u>	<u>105,621,602</u>
Business-type activities capital assets, net	<u>\$ 109,880,798</u>	<u>\$ 7,233,105</u>	<u>\$ 9,259,966</u>	<u>\$ 107,853,937</u>

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

Depreciation expense charged to operations for the year ended April 30, 2020 was as follows:

Governmental activities:	
General government	\$ 195,818
Public safety	786,097
Streets and highways, including depreciation of general infrastructure assets	1,573,801
Sanitation	176,683
Cemetery	13,554
Cultural and recreational	<u>201,888</u>
Total depreciation expense - governmental activities	<u>\$2,947,841</u>
Business-type activities:	
Sewer	<u>\$3,050,472</u>

NOTE 4: LONG-TERM DEBT

The following is a summary of long-term debt of the City for the year ended April 30, 2020:

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.	\$ 630,000
\$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.	13,140,000
\$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.	5,920,000
\$204,454 General Obligation Refunding Bonds, Series 2009, interest ranging from 3.70% to 4.35% payable January 1 and July 1, with principal payments on January 1 through 2028. These bonds were issued to refund Series 2003 Bonds. This debt is being retired by the General Fund.	105,700

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

\$5,000,000 General Obligation Bonds, Series 2011, interest ranging from 5.00% to 5.25% payable January 1 and July 1, with principal payments on January 1 through 2031. This debt is being retired by the Tax Increment Financing Fund.	\$ 5,000,000
\$16,150,000 SWIDA 2011A Local Government Program Revenue Bonds, dated October 27, 2011, interest ranging from 6.238% to 7.00%, interest and principal payable January 1 and July 1, through 2027. This debt is being retired by the Tax Increment Financing Fund.	13,550,000
\$1,560,000 SWIDA 2011B Local Government Program Revenue Bonds, dated October 27, 2011, interest of 8.75%, interest and principal payable January 1 and July 1, through 2026. This debt is being retired by the Tax Increment Financing Fund.	1,560,000
\$5,700,000 SWIDA 2011C Taxable Local Government Program Revenue Bonds, dated October 27, 2011, interest at 9.25%, interest and principal payable January 1 and July 1, through 2022. This debt is being retired by the Tax Increment Financing Fund.	2,805,000
\$6,915,000 General Obligation Refunding Bonds, Series 2012, interest ranging from 2.25% 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.	5,820,000
\$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.	7,770,000
\$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.	6,790,000

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

The annual requirement to retire governmental activities bonds outstanding as of April 30, 2020 is as follows:

<u>Year Ending</u> <u>April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2021	\$ 5,720,715	\$ 2,549,930	\$ 8,270,645
2022	11,618,841	2,194,859	13,813,700
2023	4,708,272	1,841,233	6,549,505
2024	4,908,528	1,600,358	6,508,886
2025	11,089,565	1,343,044	12,432,609
2026 - 2020	17,819,779	3,323,305	21,143,084
2031 - 2035	6,665,000	852,050	7,517,050
2036 - 2037	560,000	23,800	583,800
	<u>\$ 63,090,700</u>	<u>\$ 13,728,579</u>	<u>\$ 76,819,279</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. \$ 159,865

\$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. 182,163

\$256,667 capital lease, Commerce Bank, N.A., dated October 17, 2016, for one new street sweeper, secured by the equipment, bears interest at 1.836%; semi-annual principal and interest payments of \$26,772 are due through April 2021. This debt is being retired by the Tax Increment Financing Fund. 52,791

\$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. 374,504

\$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. \$ 283,806

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

\$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. 245,115

\$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. \$ 333,855

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, 2020 are as follows:

Year Ending April 30,	Principal	Interest	Totals
2021	\$ 511,470	\$ 42,122	\$ 553,592
2022	468,628	28,856	497,484
2023	331,238	16,833	348,071
2024	83,627	9,133	92,760
2025	86,256	6,504	92,760
2026 - 2029	<u>150,880</u>	<u>7,940</u>	<u>158,820</u>
	<u>\$ 1,632,099</u>	<u>\$ 111,388</u>	<u>\$ 1,743,487</u>

Proprietary Fund Debt

General Obligation Bonds

\$3,180,546 2009 General Obligation Refunding Bonds, dated December 1, 2009, interest ranging from 3.70% to 4.35% payable January 1 and July 1, with principal payments on January 1 through 2028. This debt is being retired by the Sewer Fund. \$ 1,644,300

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

The annual requirement to retire business-type bonds outstanding as of April 30, 2020 is as follows:

Year Ending April 30,	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2021	\$ 178,524	\$ 66,601	\$ 245,125
2022	183,222	59,996	243,218
2023	192,618	53,034	245,652
2024	202,014	45,521	247,535
2025	206,712	37,440	244,152
2026-2028	<u>681,210</u>	<u>58,986</u>	<u>740,196</u>
	<u>\$ 1,644,300</u>	<u>\$ 321,578</u>	<u>\$ 1,965,878</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. \$ 11,133,152

\$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. 12,438,457

\$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. 2,684,250

\$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. 5,966,851

\$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. 2,091,419

\$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. 20,820,312

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. \$ 1,147,773

\$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. 8,831,203

The IEPA loans are all paid by the Sewer Fund. The annual requirement to retire business-type activities notes outstanding as of April 30, 2020 is as follows:

Year Ending April 30,	Principal	Interest	Totals
2021	\$ 3,770,087	\$ 1,079,430	\$ 4,849,517
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
2026-2030	21,180,621	3,118,982	24,299,603
2031-2035	17,920,017	1,365,460	19,285,477
2036-2040	<u>6,501,669</u>	<u>239,957</u>	<u>6,741,626</u>
	<u>\$ 65,113,417</u>	<u>\$ 9,502,490</u>	<u>\$ 74,615,907</u>

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

The overall debt activity of the City for the year ended April 30, 2020 is summarized as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>
<u>Governmental Activities:</u>				
Bonds Payable	\$ 66,196,874	\$ -	\$ 3,106,174	\$ 63,090,700
Notes from Direct Borrowings:				
Notes Payable	300,008	571,550	253,897	617,661
Leases Payable	1,267,448	-	253,010	1,014,438
Bond Premiums	718,935	-	47,485	671,450
OPEB Obligation	8,811,227	928,699	-	9,739,926
Net Pension Liability	78,298,829	2,624,904	-	80,923,733
Compensated Absences	292,747	-	3,255	289,492
	<u>\$ 155,886,068</u>	<u>\$ 4,125,153</u>	<u>\$ 3,663,821</u>	<u>\$ 156,347,400</u>
<u>Business-type Activities:</u>				
Bonds Payable	\$ 1,818,126	\$ -	\$ 173,826	\$ 1,644,300
Notes from Direct Borrowings:				
Notes Payable	67,633,188	987,897	3,507,668	65,113,417
Net Pension Liability	1,725,926	-	1,180,599	545,327
OPEB Obligation	191,807	39,156	-	230,963
Compensated Absences	18,973	173	-	19,146
	<u>\$ 71,388,020</u>	<u>\$ 1,027,226</u>	<u>\$ 4,862,093</u>	<u>\$ 67,553,153</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 2019 was 9.15 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	193
Inactive, non-Retired Members	81
Active Members	<u>196</u>
Total	<u>470</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 2.75%; and the resulting single discount rate is 7.25%.

Actuarial Valuation Date	12/31/19
Measurement Date of the Net Pension Liability	12/31/19
Fiscal Year End	04/30/20

Development of the Single Discount Rate as of December 31, 2018

Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate	2.75%
Last year ending December 31 in the 2020 to 2119 projection period for which projected benefit payments are fully funded	2118
Resulting Single Discount Rate based on the above development	7.25%

Single Discount Rate calculated using December 31, 2018 Measurement Date 7.25%

The Long-Term Municipal Bond Rate is based on the Fidelity Index's "20-Year Municipal GO AA Index" as of December 31, 2019.

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.

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10 year rolling period Taxing bodies: 24 year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.25%
Price Inflation	2.50%
Salary Increases	3.35% to 14.25% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.

Mortality

An IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

There were no benefit changes during the year.

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	\$ 980,638
Interest on the Total Pension Liability	4,317,631
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	(327,738)
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	<u>(3,371,335)</u>
Net change in total pension liability	\$ 1,599,196
Total pension liability - beginning	<u>60,748,874</u>
Total pension liability - ending	<u>\$ 62,348,070</u>
Plan fiduciary net position	
Contributions - employer	\$ 914,744
Contributions - employee	449,737
Net investment income	9,610,497
Benefit payments, including refunds of employee contributions	(3,371,335)
Other (Net Transfer)	<u>(57,456)</u>
Net change in plan fiduciary net position	\$ 7,546,187
Plan fiduciary net position - beginning	<u>51,898,291</u>
Plan fiduciary net position - ending	<u>\$ 59,444,478</u>
Net pension liability/(asset)	<u>\$ 2,903,592</u>
Plan fiduciary net position as a percentage of the total pension liability	95.34%
Covered valuation payroll	\$ 9,985,284
Net pension liability as a percentage of covered valuation payroll	29.08%

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	\$ 69,771,101	\$ 62,348,070	\$ 56,166,300
Plan Fiduciary Net Position	<u>59,444,478</u>	<u>59,444,478</u>	<u>59,444,478</u>
Net Pension Liability/(Asset)	<u>\$ 10,326,623</u>	<u>\$ 2,903,592</u>	<u>\$ (3,278,178)</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	\$ 411,361	\$ 258,929
Changes in assumptions	847,427	614,742
Subsequent contributions to plan	376,194	-
Net difference between projected and actual earnings on pension plan investments	<u>4,316,697</u>	<u>6,681,363</u>
Total	<u>\$ 5,951,679</u>	<u>\$ 7,555,034</u>

Year Ending December 31,	Net Deferred Inflows of <u>Resources</u>
2020	\$ (171,513)
2021	(474,648)
2022	227,348
2023	<u>(1,184,542)</u>
	<u>\$ (1,603,355)</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, 2020:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	90
Active Plan Members	<u>78</u>
Total	<u>168</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, 2020, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was (3.78)%. 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	\$ 82,339,985
Plan Fiduciary Net Position	<u>(41,114,638)</u>
Net Pension Liability	<u>\$ 41,225,347</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	49.93%

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of April 30, 2020 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	\$ 93,298,430	\$ 82,339,985	\$ 73,384,314
Plan Fiduciary Net Position	<u>41,114,638</u>	<u>41,114,638</u>	<u>41,114,638</u>
Net Pension Liability/(Asset)	<u>\$ 52,183,792</u>	<u>\$ 41,225,347</u>	<u>\$ 32,269,676</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	\$ 858,380
Interest on the Total Pension Liability	5,410,127
Changes of benefit terms	24,474
Difference between expected and actual experience of the Total Pension Liability	1,877,101
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	<u>(4,518,477)</u>
Net change in total pension liability	\$ 3,651,605
Total pension liability - beginning	<u>78,688,380</u>
Total pension liability - ending	<u>\$ 82,339,985</u>
Plan fiduciary net position	
Contributions - employer	\$ 3,741,544
Contributions - employee	540,293
Net investment income	(1,630,022)
Benefit payments, including refunds of employee contributions	(4,518,477)
Other (Net Transfer)	<u>(45,066)</u>
Net change in plan fiduciary net position	\$ (1,911,728)
Plan fiduciary net position - beginning	<u>43,026,366</u>
Plan fiduciary net position - ending	<u>\$ 41,114,638</u>
Net pension liability/(asset)	<u>\$ 41,225,347</u>
Plan fiduciary net position as a percentage of the total pension liability	49.93%
Covered valuation payroll	\$ 5,562,220
Net pension liability as a percentage of covered valuation payroll	741.17%

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	\$ 6,860,637	\$ 3,039,834
Changes in assumptions	1,461,813	-
Net difference between projected and actual earnings on pension plan investments	<u>4,214,107</u>	<u>383,127</u>
Total	<u>\$ 12,536,557</u>	<u>\$ 3,422,961</u>

Year Ending December 31,	Net Deferred Outflows of Resources
2021	\$ 2,175,899
2022	2,425,768
2023	2,492,398
2024	2,276,938
2025	(257,407)
Thereafter	<u>-</u>
	<u>\$ 9,113,596</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, 2020:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	72
Active Plan Members	<u>63</u>
Total	<u>135</u>

Benefits Provided:

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

Normal Retirement:

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, 2020:

<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, 2020, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was (2.69)%. 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	\$ 67,982,700
Plan Fiduciary Net Position	<u>(30,642,578)</u>
Net Pension Liability	<u>\$ 37,340,122</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	45.07%

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of April 30, 2020 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	\$ 76,697,330	\$ 67,982,700	\$ 60,803,399
Plan Fiduciary Net Position	<u>30,642,578</u>	<u>30,642,578</u>	<u>30,642,578</u>
Net Pension Liability/(Asset)	<u>\$ 46,054,752</u>	<u>\$ 37,340,122</u>	<u>\$ 30,160,821</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	\$ 897,940
Interest on the Total Pension Liability	4,591,057
Changes of benefit terms	16,280
Difference between expected and actual experience of the Total Pension Liability	(342,731)
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	<u>(3,736,855)</u>
Net change in total pension liability	\$ 1,425,691
Total pension liability - beginning	<u>66,557,009</u>
Total pension liability - ending	<u>\$ 67,982,700</u>
 Plan fiduciary net position	
Contributions - employer	\$ 3,744,969
Contributions - employee	450,445
Net investment income	(836,344)
Benefit payments, including refunds of employee contributions	(3,736,855)
Other (Net Transfer)	<u>(24,488)</u>
Net change in plan fiduciary net position	\$ (402,273)
Plan fiduciary net position - beginning	<u>31,044,851</u>
Plan fiduciary net position - ending	<u>\$ 30,642,578</u>
 Net pension liability/(asset)	 <u>\$ 37,340,122</u>
 Plan fiduciary net position as a percentage of the total pension liability	 45.07%
 Covered valuation payroll	 \$ 4,855,985
 Net pension liability as a percentage of covered valuation payroll	 768.95%

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	\$ 3,285,692	\$ 2,095,682
Changes in assumptions	1,335,018	-
Net difference between projected and actual earnings on pension plan investments	<u>2,788,486</u>	<u>43,454</u>
Total	<u>\$ 7,409,196</u>	<u>\$ 2,139,136</u>

Year Ending <u>December 31,</u>	Net Deferred Outflows of <u>Resources</u>
2020	\$ 1,382,021
2021	970,775
2022	1,014,229
2023	716,502
2024	371,381
Thereafter	<u>51,617</u>
	<u>\$ 4,506,525</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 \$5,412 to reduce the principal amount of the Tax Increment Financing notes for the Reunion Development Project agreement during the year ended April 30, 2020. The note balances related to this project in the amounts of \$6,658,833, \$6,658,833, \$3,832,594, and \$3,832,594 are still outstanding and not reflected in the debt of the City as of April 30, 2020.

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)

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, 2020 amounted to \$56,922 and were reported as development expense. The balance of the Temporary Notes as of April 30, 2020 is \$756,621.

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, 2020.

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, 2020:

	<u>General</u>	<u>Other Major Funds</u>	<u>Proprietary Funds</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Receivables:					
Property Tax	\$ -	\$ 18,843,100	\$ 445,800	\$ 4,157,600	\$ 23,446,500
Intergovernmental	3,194,846	935,910	-	388,733	4,519,489
Accounts	54,986	-	697,722	-	752,708
Unbilled Revenue	-	-	625,157	-	625,157
Notes/Other	474,394	83,315	-	4,877	562,586
	<u>3,724,226</u>	<u>19,862,325</u>	<u>1,768,679</u>	<u>4,551,210</u>	<u>29,906,440</u>
Gross Receivables					
Less: Allowance for uncollectible	-	-	109,690	-	109,690
	<u>-</u>	<u>-</u>	<u>109,690</u>	<u>-</u>	<u>109,690</u>
Net Total Receivables	<u>\$ 3,724,226</u>	<u>\$ 19,862,325</u>	<u>\$ 1,658,989</u>	<u>\$ 4,551,210</u>	<u>\$ 29,796,750</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, 2020:

General Fund Transfer From (To):	
Motor Fuel Tax Fund	\$ 300,000
Insurance Fund	(565,000)
Tax Increment Financing Fund	1,350,000
Tax Increment Financing Fund Transfer (To):	
General Fund	(1,350,000)
Sewerage Fund	(1,300,000)
TIF Debt Service Fund	(254,300)
PD Project Debt Service Fund	(1,268,613)
TIF Debt Service Fund Transfer From:	
Tax Increment Financing Fund	254,300
PD Project Debt Service Fund Transfer From:	
Tax Increment Financing Fund	1,268,613
Motor Fuel Tax Fund Transfer (To):	
General Fund	(300,000)
Insurance Fund Transfer From:	
General Fund	565,000
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.

NOTE 10: INTERFUND RECEIVABLES AND PAYABLES

The following is a schedule of interfund receivables and payables for the year ended April 30, 2020:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 807,958	\$ -
Insurance Fund	-	<u>807,958</u>
Totals	<u>\$ 807,958</u>	<u>\$ 807,958</u>

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

NOTE 11: 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, 2020:

Active Employees	310
Inactive Employees Currently Receiving Benefit Payments	<u>51</u>
Total	<u>361</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, 2020.

Net OPEB Liability of the Sponsor

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

Total OPEB Liability	\$ 9,970,889
Plan Fiduciary Net Position	<u>-</u>
Net OPEB Liability	<u>\$ 9,970,889</u>
Plan Fiduciary Net Position as a % of Total OPEB Liability	0%
Covered Employee Payroll	\$ 19,718,371
Employer's Net OPEB Liability as a % of Employee Payroll	50.57%

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	2.92%
Investment Rate of Return	N/A
Mortality Rates:	Follows the RP2014 Blue Collar base rates projected to 2018 using scale MP2018 for Police and Fire. For all others, the RP2014 base rates projected to 2018 using scale MP2018 was used.
Health Care Cost Inflation Rates:	
FY 2019	8.50%
FY 2020	8.00%
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>7.50%</u>	<u>8.50%</u>	<u>9.50%</u>
Total OPEB Liability	<u>\$ 8,746,311</u>	<u>\$ 9,970,889</u>	<u>\$ 11,431,296</u>

Discount Rate:

The discount rate used to measure the total OPEB liability was 2.92 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>1.92%</u>	<u>2.92%</u>	<u>3.92%</u>
Total OPEB Liability	<u>\$ 10,834,422</u>	<u>\$ 9,970,889</u>	<u>\$ 9,186,301</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, 2020, the City recognized an OPEB expense of \$848,151. 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	\$ -	\$ (103,169)
Changes in assumptions	664,981	(449,317)
Net difference between projected and actual earnings on OPEB plan investments	<u>-</u>	<u>-</u>
Total	<u>\$ 664,981</u>	<u>\$ (552,486)</u>

Year Ending <u>April 30,</u>	Net Deferred Inflows of <u>Resources</u>
2021	\$ 4,898
2022	4,898
2023	4,898
2024	4,898
2025	4,898
Thereafter	<u>88,005</u>
	<u>\$ 112,495</u>

Funding Status and Funding Progress. As of May 1, 2019, 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 \$9,970,889. 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 12: 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 \$120,174 as of April 30, 2020. Current year receipts from foreign fire insurance are \$101,916 and the current year expenditures were \$64,296. These funds were used for the maintenance, use and benefit of the department.

NOTE 13: 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, 2020 were \$192,673.

NOTE 14: SUBSEQUENT EVENT

The City has evaluated events occurring after the financial statement date through September 23, 2020 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.

Subsequent to fiscal year end, the City issued General Obligation Refunding Bonds, Series 2020 in the amount of \$6,975,000. The proceeds from these bonds will be used to refund Series 2009 and Series 2011A Bonds. As a result of the refunding, overall debt service payments will decrease by \$1,629,793 in future years.

CITY OF BELLEVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (MODIFIED CASH BASIS) - GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual (Budget Basis)</u>
	<u>Original</u>	<u>Final</u>	
Receipts:			
Local Taxes:			
Hotel/Motel	\$ 90,000	\$ 90,000	\$ 76,567
Utility	3,700,000	3,700,000	3,347,466
Total Taxes	<u>3,790,000</u>	<u>3,790,000</u>	<u>3,424,033</u>
Licenses, Permits and Fees:			
Liquor Licenses	100,000	100,000	11,750
Franchise Fees	660,000	660,000	643,432
Business Licenses	110,000	110,000	25,644
Building Permits	135,000	135,000	140,496
Electrical Permits	37,300	37,300	26,455
Other Permits	88,600	88,600	104,410
Occupancy Permits	159,000	159,000	135,155
Housing Inspection Permits	402,000	402,000	379,307
Fire Inspection Fees	70,000	70,000	55,043
Total Licenses and Permits	<u>1,761,900</u>	<u>1,761,900</u>	<u>1,521,692</u>
Intergovernmental:			
State Income Tax	4,480,000	4,480,000	4,820,717
Sales Tax	9,235,000	9,235,000	8,818,468
Local Use Tax	1,410,000	1,410,000	1,534,745
Personal Property Replacement Tax	260,000	260,000	314,370
Grants	-	-	44,767
Gaming Tax	300,000	300,000	319,763
Cannabis Tax	-	-	7,278
Telecommunications Tax	900,000	900,000	766,826
Total Intergovernmental	<u>16,585,000</u>	<u>16,585,000</u>	<u>16,626,934</u>
Charges for Services:			
Trash Disposal Charges	3,326,000	3,326,000	3,449,203
Cemetery Fees	50,100	50,100	38,131
Dispatch Fees	367,000	367,000	319,640
Other Fees	67,100	67,100	26,209
Rent/Lease	71,200	71,200	75,159
Total Charges for Services	<u>3,881,400</u>	<u>3,881,400</u>	<u>3,908,342</u>
Fines and Forfeitures:			
Police and Circuit Clerk Fines	156,700	156,700	208,326
Total Fines and Forfeitures	<u>156,700</u>	<u>156,700</u>	<u>208,326</u>
Interest	15,000	15,000	9,901

CITY OF BELLEVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE (MODIFIED CASH BASIS) - GENERAL FUND
 FOR THE YEAR ENDED APRIL 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual (Budget Basis)</u>
	<u>Original</u>	<u>Final</u>	
Receipts (continued):			
Miscellaneous:			
Donations	1,025	1,025	4,354
Departmental Reimbursement	532,500	532,500	513,153
Proceeds From Fixed Asset Sales	10,000	10,000	604,667
Other	34,000	34,000	33,000
Total Miscellaneous	<u>577,525</u>	<u>577,525</u>	<u>1,155,174</u>
Total Receipts	<u>\$ 26,767,525</u>	<u>\$ 26,767,525</u>	<u>\$ 26,854,402</u>
Disbursements:			
General Government:			
Administrative:			
Personal Services	\$ 679,000	\$ 702,000	\$ 690,602
Contractual Services	1,231,575	1,228,575	1,197,067
Commodities	15,200	15,200	14,603
Capital Outlay	3,600	6,600	5,012
Debt Service	111,958	118,958	116,933
Other	24,000	24,000	85,282
	<u>2,065,333</u>	<u>2,095,333</u>	<u>2,109,499</u>
Legal:			
Personal Services	209,500	209,500	193,924
Contractual Services	42,200	42,200	18,907
	<u>251,700</u>	<u>251,700</u>	<u>212,831</u>
Health and Housing:			
Personal Services	664,600	665,000	650,393
Contractual Services	133,445	70,945	35,753
Commodities	15,000	15,000	8,981
Capital Outlay	14,000	14,000	4,654
	<u>827,045</u>	<u>764,945</u>	<u>699,781</u>
Mayor's Office:			
Personal Services	217,900	220,400	219,995
Contractual Services	7,050	7,050	3,605
Commodities	2,600	2,600	1,673
	<u>227,550</u>	<u>230,050</u>	<u>225,273</u>
Finance:			
Personal Services	255,800	254,160	213,385
Contractual Services	2,100	2,100	1,095
Commodities	900	900	606
Capital Outlay	300	300	-
	<u>259,100</u>	<u>257,460</u>	<u>215,086</u>

CITY OF BELLEVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE (MODIFIED CASH BASIS) - GENERAL FUND
 FOR THE YEAR ENDED APRIL 30, 2020

	Budgeted Amounts		Actual (Budget Basis)
	Original	Final	
Disbursements (continued):			
Human Resources:			
Personal Services	156,400	153,900	122,064
Contractual Services	16,400	16,400	14,088
Commodities	400	400	361
	<u>173,200</u>	<u>170,700</u>	<u>136,513</u>
City Clerk:			
Personal Services	243,900	244,200	238,812
Contractual Services	21,215	21,215	11,620
Commodities	800	800	633
Capital Outlay	600	600	-
	<u>266,515</u>	<u>266,815</u>	<u>251,065</u>
Treasurer:			
Personal Services	\$ 148,950	\$ 149,190	\$ 128,219
Contractual Services	9,782	9,282	6,194
Commodities	1,000	1,500	1,230
	<u>159,732</u>	<u>159,972</u>	<u>135,643</u>
Maintenance:			
Personal Services	556,500	556,500	550,546
Contractual Services	165,905	165,905	127,045
Commodities	26,400	31,400	30,752
Capital Outlay	1,250	1,250	429
	<u>750,055</u>	<u>755,055</u>	<u>708,772</u>
Total General Government	<u>4,980,230</u>	<u>4,952,030</u>	<u>4,694,463</u>
Public Safety:			
Police Department:			
Personal Services	9,129,300	9,106,300	8,583,980
Contractual Services	890,680	833,680	766,069
Commodities	254,250	254,250	238,971
Capital Outlay	45,500	45,500	37,115
Other	23,750	23,750	17,909
	<u>10,343,480</u>	<u>10,263,480</u>	<u>9,644,044</u>
Fire Department:			
Personal Services	6,218,000	6,218,200	6,097,333
Contractual Services	517,920	594,920	542,377
Commodities	117,500	105,500	95,250
Capital Outlay	90,000	77,000	76,110
Debt Service	57,800	57,800	56,945
Other	5,500	5,500	2,066
	<u>7,006,720</u>	<u>7,058,920</u>	<u>6,870,081</u>

CITY OF BELLEVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE (MODIFIED CASH BASIS) - GENERAL FUND
 FOR THE YEAR ENDED APRIL 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual (Budget Basis)</u>
	<u>Original</u>	<u>Final</u>	
Disbursements (continued):			
Public Safety:			
Board of Police and Fire Commissioners:			
Contractual Services	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
Total Public Safety	<u>17,355,200</u>	<u>17,327,400</u>	<u>16,519,125</u>
Public Works:			
Personal Services	\$ 1,315,000	\$ 1,315,100	\$ 1,210,973
Contractual Services	204,200	273,800	252,270
Commodities	174,500	168,500	155,121
Capital Outlay	<u>8,000</u>	<u>8,000</u>	<u>5,583</u>
Total Public Works	<u>1,701,700</u>	<u>1,765,400</u>	<u>1,623,947</u>
Parks and Recreation:			
Personal Services	607,500	619,600	606,178
Contractual Services	281,440	281,440	246,115
Commodities	165,625	137,625	102,372
Capital Outlay	<u>31,700</u>	<u>31,700</u>	<u>23,983</u>
Total Parks and Recreation	<u>1,086,265</u>	<u>1,070,365</u>	<u>978,648</u>
Health and Sanitation:			
Personal Services	1,086,600	1,067,700	1,032,728
Contractual Services	1,134,300	1,193,200	1,174,178
Commodities	275,600	275,600	244,411
Capital Outlay	42,000	42,000	41,899
Debt Service	<u>197,000</u>	<u>197,000</u>	<u>182,852</u>
Total Health and Sanitation	<u>2,735,500</u>	<u>2,775,500</u>	<u>2,676,068</u>
Cemetery:			
Personal Services	180,300	187,300	182,104
Contractual Services	18,400	20,400	15,433
Commodities	<u>22,650</u>	<u>23,650</u>	<u>20,990</u>
Total Cemetery	<u>221,350</u>	<u>231,350</u>	<u>218,527</u>
Engineering:			
Personal Services	256,600	247,600	155,469
Contractual Services	30,700	30,700	16,574
Commodities	7,000	7,000	2,374
Capital Outlay	<u>27,000</u>	<u>36,100</u>	<u>35,109</u>
Total Engineering	<u>321,300</u>	<u>321,400</u>	<u>209,526</u>

CITY OF BELLEVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE (MODIFIED CASH BASIS) - GENERAL FUND
 FOR THE YEAR ENDED APRIL 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual (Budget Basis)</u>
	<u>Original</u>	<u>Final</u>	
Disbursements (continued):			
Planning & Economic Development:			
Personal Services	279,900	280,000	277,935
Contractual Services	64,960	28,460	9,005
Commodities	5,200	5,200	1,734
Capital Outlay	-	1,500	1,269
Total Planning & Economic Development	<u>350,060</u>	<u>315,160</u>	<u>289,943</u>
 Total Disbursements	 <u>\$ 28,751,605</u>	 <u>\$ 28,758,605</u>	 <u>\$ 27,210,247</u>
 Excess (Deficiency) of Receipts Over Disbursements	 <u>(1,984,080)</u>	 <u>(1,991,080)</u>	 <u>(355,845)</u>
Other Financing Sources:			
Transfers Out	(110,000)	(103,000)	-
Transfers In	<u>2,100,000</u>	<u>2,100,000</u>	<u>1,650,000</u>
Excess of Receipts and Other Financing Sources Over Disbursements	 <u>\$ 5,920</u>	 <u>\$ 5,920</u>	 1,294,155
 Change for reporting on modified accrual basis:			
Change in intergovernmental revenue on modified accrual basis			(604,150)
Change in other receivable on modified accrual basis			(44,567)
Change in accounts receivable on modified accrual basis			(16,352)
Change in prepaid expenses on modified accrual basis			(53,033)
Change in interfund activity			(565,000)
Change in accrued payroll on modified accrual basis			(85,499)
Change in accounts payable on modified accrual basis			<u>69,671</u>
 As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			 <u>\$ (4,775)</u>

CITY OF BELLEVILLE, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE (MODIFIED CASH BASIS)
 TAX INCREMENT FINANCING FUND
 FOR THE YEAR ENDED APRIL 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Property Tax	\$ 18,492,100	\$ 18,492,100	\$ 17,821,796
Intergovernmental	3,060,000	3,060,000	3,498,901
Interest	152,715	152,715	199,942
Miscellaneous	<u>57,000</u>	<u>57,000</u>	<u>132,036</u>
Total Receipts	<u>21,761,815</u>	<u>21,761,815</u>	<u>21,652,675</u>
Disbursements:			
Current:			
Development:			
Contractual Services	1,421,900	1,526,000	845,375
Tax District Reimbursements and Rebates	7,655,500	7,643,000	6,950,416
Capital Outlay	5,996,692	6,572,292	3,495,224
Debt Service	<u>4,625,000</u>	<u>4,625,000</u>	<u>4,112,300</u>
Total Disbursements	<u>19,699,092</u>	<u>20,366,292</u>	<u>15,403,315</u>
Excess of Receipts Over Disbursements	<u>2,062,723</u>	<u>1,395,523</u>	<u>6,249,360</u>
Other Financing Sources:			
Transfers In	16,000	16,000	-
Transfers Out	<u>(4,189,914)</u>	<u>(4,189,914)</u>	<u>(4,172,913)</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements	<u>\$ (2,111,191)</u>	<u>\$ (2,778,391)</u>	2,076,447
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			(140,731)
Change in accounts payable on modified accrual basis			<u>487,523</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 2,481,376</u>

CITY OF BELLEVILLE, ILLINOIS

POLICE PENSION FUND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
APRIL 30, 2020

	Fiscal Year				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total Pension Liability:					
Service Cost	\$ 858,380	\$ 1,041,368	\$ 1,041,368	\$ 1,073,387	\$ 1,066,998
Interest	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	1,877,101	6,740,510	(4,870,535)	449,535	1,325,604
Assumption changes	-	2,192,719	-	-	-
Benefit payments, including refunds	<u>(4,518,477)</u>	<u>(4,198,489)</u>	<u>(3,620,578)</u>	<u>(3,399,973)</u>	<u>(3,153,346)</u>
Net change in total pension liability	3,651,605	10,476,863	(2,608,504)	2,776,886	3,645,893
Total pension liability - beginning	<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>\$ 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	3,741,544	3,038,320	3,428,642	3,061,478	2,388,327
Contributions - employee	540,293	513,954	542,225	565,398	595,180
Net investment income	(1,630,022)	2,045,425	2,988,591	3,641,360	(808,519)
Benefit payments, including refunds	(4,518,477)	(4,198,489)	(3,620,578)	(3,399,973)	(3,153,346)
Administrative	<u>(45,066)</u>	<u>(46,960)</u>	<u>(46,567)</u>	<u>(27,817)</u>	<u>(35,261)</u>
Net change in plan fiduciary net position	(1,911,728)	1,352,250	3,292,313	3,840,446	(1,013,619)
Plan fiduciary net position - beginning	<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>\$ 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>\$ 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>49.93%</u>	<u>54.68%</u>	<u>61.10%</u>	<u>54.20%</u>	<u>50.76%</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>
Net position liability as a percentage of covered-employee payroll	<u>741.17%</u>	<u>667.49%</u>	<u>489.41%</u>	<u>585.18%</u>	<u>612.94%</u>

CITY OF BELLEVILLE, ILLINOIS

POLICE PENSION FUND
SCHEDULE OF CONTRIBUTIONS
APRIL 30, 2020

	Fiscal Year			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarial Determined Contribution	\$ 3,659,097	\$ 2,948,748	\$ 3,397,194	\$ 3,303,241
Contributions in relation to actuarial determined contribution	<u>3,741,544</u>	<u>3,038,320</u>	<u>3,428,642</u>	<u>3,061,477</u>
Contribution deficiency (excess)	<u>\$ (82,447)</u>	<u>\$ (89,572)</u>	<u>\$ (31,448)</u>	<u>\$ 241,764</u>
Covered-employee Payroll	<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>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, 2019.

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:	21 years
Asset Valuation Method:	5 year smoothing of asset gains and losses
Actuarial Assumptions:	
Interest Rate (current and prior)	7.00%
Inflation	2.50%

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

CITY OF BELLEVILLE, ILLINOIS

POLICE PENSION FUND
SCHEDULE OF INVESTMENT RETURNS
APRIL 30, 2020

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

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%
2011	7.34%

CITY OF BELLEVILLE, ILLINOIS

FIREMEN'S PENSION FUND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
APRIL 30, 2020

	Fiscal Year				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total Pension Liability:					
Service Cost	\$ 897,940	\$ 896,169	\$ 896,169	\$ 873,241	\$ 888,935
Interest	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	(342,731)	(2,732,247)	3,502,596	272,913	3,490,547
Benefit payments, including refunds	<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	1,425,691	1,081,196	4,973,707	1,802,653	4,890,279
Total pension liability - beginning	<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>\$ 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	3,744,969	3,826,558	3,424,044	2,966,715	2,832,970
Contributions - employee	450,445	453,260	435,143	432,164	422,345
Net investment income	(836,344)	1,539,129	1,648,262	1,881,873	(372,624)
Benefit payments, including refunds	(3,736,855)	(3,605,112)	(3,546,424)	(3,345,140)	(3,154,634)
Administrative	<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	(402,273)	2,188,384	1,929,452	1,903,083	(313,858)
Plan fiduciary net position - beginning	<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>\$ 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>\$ 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>45.07%</u>	<u>46.64%</u>	<u>44.07%</u>	<u>44.51%</u>	<u>42.63%</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>
Net position liability as a percentage of covered-employee payroll	<u>768.95%</u>	<u>736.99%</u>	<u>808.06%</u>	<u>771.88%</u>	<u>769.02%</u>

CITY OF BELLEVILLE, ILLINOIS

**FIREMEN'S PENSION FUND
SCHEDULE OF CONTRIBUTIONS
APRIL 30, 2020**

	Fiscal Year			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarial Determined Contribution	\$ 3,708,965	\$ 3,760,662	\$ 3,412,016	\$ 3,350,301
Contributions in relation to actuarial determined contribution	<u>3,744,969</u>	<u>3,826,558</u>	<u>3,424,044</u>	<u>2,966,715</u>
Contribution deficiency (excess)	<u>\$ (36,004)</u>	<u>\$ (65,896)</u>	<u>\$ (12,028)</u>	<u>\$ 383,586</u>
 Covered-employee Payroll	 <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>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, 2019.

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:	21 years
Asset Valuation Method:	5 year smoothing of asset gains and losses
Actuarial Assumptions:	
Interest Rate (current and prior)	7.00%
Inflation	2.50%

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

CITY OF BELLEVILLE, ILLINOIS

**FIREMEN'S PENSION FUND
SCHEDULE OF INVESTMENT RETURNS
APRIL 30, 2020**

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

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%
2011	8.91%

CITY OF BELLEVILLE, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
APRIL 30, 2020

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:					
Service Cost	\$ 980,638	\$ 919,596	\$ 1,012,756	\$ 966,744	\$ 977,248
Interest	4,317,631	4,183,974	4,077,653	3,911,304	3,810,790
Difference between expected and actual experience	(327,738)	150,423	1,004,964	(190,574)	(1,116,165)
Assumption changes	-	1,632,373	(1,825,644)	(131,532)	63,016
Benefit payments, including refunds	<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	1,599,196	3,958,329	1,586,702	2,238,178	1,416,952
Total pension liability - beginning	<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>\$ 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	914,744	1,056,702	1,042,246	1,124,495	1,076,108
Contributions - employee	449,737	439,837	457,474	436,840	402,058
Net investment income	9,610,497	(2,973,928)	8,464,667	3,245,792	235,252
Benefit payments, including refunds	(3,371,335)	(2,928,037)	(2,683,027)	(2,317,764)	(2,317,937)
Other	<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	7,546,187	(3,854,916)	6,864,071	2,208,956	(790,072)
Plan fiduciary net position - beginning	<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>\$ 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>\$ 2,903,592</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>95.34%</u>	<u>85.43%</u>	<u>98.17%</u>	<u>88.56%</u>	<u>88.13%</u>
Covered-employee Payroll	<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>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, 2020

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 913,653	\$ 1,056,702	\$ 1,037,334	\$ 1,120,659	\$ 1,076,225
Contributions in relation to actuarial determined contribution	<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>\$ (1,091)</u>	<u>\$ -</u>	<u>\$ (4,912)</u>	<u>\$ (3,836)</u>	<u>\$ 117</u>
 Covered-employee Payroll	 <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>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, 2019.

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:	24 years
Asset Valuation Method:	5-Year smoothed market; 20% corridor
 Actuarial Assumptions:	
Interest Rate (current and prior)	7.50%
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, 2020

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

CITY OF BELLEVILLE, ILLINOIS

OPEB PLAN
SCHEDULE OF CONTRIBUTIONS
APRIL 30, 2020

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

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
Amortization Method:	Level Percentage of Payroll
Mortality Rates:	RP2014 rates projected to 2018 using scale MP2018 RP2014 Blue Collar for Police and Fire
Healthcare Cost Inflation Rates:	8.5% in 2019 reduced annually by .5% to 2026. 4.50% in 2026 and after.
Actuarial Assumptions:	
Discount Rate	2.92%
Payroll Growth	3.50%
Retiree Participation Rate	60.00%

CITY OF BELLEVILLE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
APRIL 30, 2020

	Total Special Revenue	Special Service Area	Debt Service			Capital Projects Fund	Permanent Fund Cemetery Care	Total Nonmajor Government Funds	
			2011 Bond Fund	TIF	PD Project				Total
<u>Assets</u>									
Cash and Investments	\$ 6,282,288	\$ 257,831	\$ 1,871,335	\$ 267,369	\$ 1,306,947	\$ 3,703,482	\$ 10,362	\$ 229,974	\$ 10,226,106
Receivables (Net of allowance for uncollectible):									
Property Tax	4,056,400	101,200	-	-	-	101,200	-	-	4,157,600
Intergovernmental	133,852	-	254,881	-	-	254,881	-	-	388,733
Other	4,877	-	-	-	-	-	-	-	4,877
Prepaid Expenses	23,185	-	-	-	-	-	-	-	23,185
Total Assets	<u>\$ 10,500,602</u>	<u>\$ 359,031</u>	<u>\$ 2,126,216</u>	<u>\$ 267,369</u>	<u>\$ 1,306,947</u>	<u>\$ 4,059,563</u>	<u>\$ 10,362</u>	<u>\$ 229,974</u>	<u>\$ 14,800,501</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>									
Liabilities:									
Accounts Payable	\$ 442,096	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 442,096
Accrued Salaries	80,450	-	-	-	-	-	-	-	80,450
Total Liabilities	<u>522,546</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>522,546</u>
Deferred Inflows of Resources:									
Deferred Property Tax	4,056,400	101,200	-	-	-	101,200	-	-	4,157,600
Deferred Intergovernmental Tax	-	-	88,361	-	-	88,361	-	-	88,361
	<u>4,056,400</u>	<u>101,200</u>	<u>88,361</u>	<u>-</u>	<u>-</u>	<u>189,561</u>	<u>-</u>	<u>-</u>	<u>4,245,961</u>
Fund Balances:									
Nonspendable	23,185	-	-	-	-	-	-	-	23,185
Restricted	5,825,572	257,831	2,037,855	267,369	1,306,947	3,870,002	-	229,974	9,925,548
Committed	72,899	-	-	-	-	-	10,362	-	83,261
Total Fund Balances	<u>5,921,656</u>	<u>257,831</u>	<u>2,037,855</u>	<u>267,369</u>	<u>1,306,947</u>	<u>3,870,002</u>	<u>10,362</u>	<u>229,974</u>	<u>10,031,994</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 10,500,602</u>	<u>\$ 359,031</u>	<u>\$ 2,126,216</u>	<u>\$ 267,369</u>	<u>\$ 1,306,947</u>	<u>\$ 4,059,563</u>	<u>\$ 10,362</u>	<u>\$ 229,974</u>	<u>\$ 14,800,501</u>

CITY OF BELLEVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2020

	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				Total
Revenues:									
Property Tax	\$ 4,072,512	\$ 98,497	\$ -	\$ -	\$ -	\$ 98,497	\$ -	\$ -	\$ 4,171,009
Intergovernmental	2,005,540	-	1,137,029	-	-	1,137,029	-	-	3,142,569
Local Tax	50,136	-	-	-	-	-	-	-	50,136
Charges for Services	281,413	-	-	-	-	-	-	1,485	282,898
Fines and Forfeitures	173,142	-	-	-	-	-	-	-	173,142
Investment Income	61,470	5,033	21,952	3,394	12,565	42,944	45	11,096	115,555
Contributions	75,660	-	-	-	-	-	-	-	75,660
Miscellaneous	55,931	-	-	-	-	-	-	-	55,931
Total Revenues	6,775,804	103,530	1,158,981	3,394	12,565	1,278,470	45	12,581	8,066,900
Expenditures:									
Current:									
General Government	2,048,227	-	-	-	-	-	-	2,600	2,050,827
Public Safety	101,802	-	-	-	-	-	-	-	101,802
Public Works	1,129,285	-	-	-	-	-	-	-	1,129,285
Health and Welfare	155,964	-	-	-	-	-	-	-	155,964
Cultural and Recreational	2,236,213	-	-	-	-	-	-	-	2,236,213
Capital Outlay	80,562	-	-	-	-	-	-	-	80,562
Debt Service:									
Principal	-	70,000	900,000	-	695,000	1,665,000	-	-	1,665,000
Interest and Fiscal Charges	-	30,474	152,667	254,012	575,649	1,012,802	-	-	1,012,802
Total Expenditures	5,752,053	100,474	1,052,667	254,012	1,270,649	2,677,802	-	2,600	8,432,455
Excess (Deficiency) of Revenues Over Expenditures	1,023,751	3,056	106,314	(250,618)	(1,258,084)	(1,399,332)	45	9,981	(365,555)
Other Financing Sources (Uses):									
Transfers In	-	-	-	254,300	1,268,613	1,522,913	-	-	1,522,913
Transfers Out	(300,000)	-	-	-	-	-	-	-	(300,000)
Total Other Financing Sources (Uses)	(300,000)	-	-	254,300	1,268,613	1,522,913	-	-	1,222,913
Net Change in Fund Balances	723,751	3,056	106,314	3,682	10,529	123,581	45	9,981	857,358
Fund Balances, Beginning of Year, As Restated	5,197,905	254,775	1,931,541	263,687	1,296,418	3,746,421	10,317	219,993	9,174,636
Fund Balances, End of Year	\$ 5,921,656	\$ 257,831	\$ 2,037,855	\$ 267,369	\$ 1,306,947	\$ 3,870,002	\$ 10,362	\$ 229,974	\$ 10,031,994

CITY OF BELLEVILLE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
APRIL 30, 2020

	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	\$ 67,144	\$ 1,584,641	\$ 1,230,486	\$ 635,681	\$ 567,714	\$ 991,984	\$ 3,955	\$ 3,757	\$ 218,278	\$ 854,424	\$ 78,240	\$ 45,984	\$ 6,282,288
Receivables (Net of allowance for uncollectible):													
Property Tax	-	376,400	-	1,385,300	1,277,200	693,300	-	-	-	287,700	-	36,500	4,056,400
Intergovernmental	-	-	131,916	-	-	-	-	-	-	-	1,936	-	133,852
Other	-	-	-	-	-	-	4,877	-	-	-	-	-	4,877
Prepaid Expenses	-	4,608	-	-	6,910	-	-	-	-	10,515	-	1,152	23,185
Total Assets	\$ 67,144	\$ 1,965,649	\$ 1,362,402	\$ 2,020,981	\$ 1,851,824	\$ 1,685,284	\$ 8,832	\$ 3,757	\$ 218,278	\$ 1,152,639	\$ 80,176	\$ 83,636	\$ 10,500,602
Liabilities, Deferred Inflows of Resources, and Fund Balance													
Liabilities:													
Accounts Payable	\$ -	\$ 76,719	\$ 148,747	\$ 85,358	\$ 7,410	\$ 111,260	\$ 3,077	\$ -	\$ 8,535	\$ -	\$ -	\$ 990	\$ 442,096
Accrued Salaries	-	25,130	-	-	52,095	-	-	-	-	3,225	-	-	80,450
Total Liabilities	-	101,849	148,747	85,358	59,505	111,260	3,077	-	8,535	3,225	-	990	522,546
Deferred Inflows of Resources:													
Deferred Property Tax	-	376,400	-	1,385,300	1,277,200	693,300	-	-	-	287,700	-	36,500	4,056,400
Deferred Intergovernmental Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	376,400	-	1,385,300	1,277,200	693,300	-	-	-	287,700	-	36,500	4,056,400
Fund Balance:													
Nonspendable	-	4,608	-	-	6,910	-	-	-	-	10,515	-	1,152	23,185
Restricted	-	1,482,792	1,213,655	550,323	508,209	880,724	-	3,757	209,743	851,199	80,176	44,994	5,825,572
Committed	67,144	-	-	-	-	-	5,755	-	-	-	-	-	72,899
Total Fund Balance	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
Total Liabilities, Deferred Inflows, of Resources, and Fund Balance	\$ 67,144	\$ 1,965,649	\$ 1,362,402	\$ 2,020,981	\$ 1,851,824	\$ 1,685,284	\$ 8,832	\$ 3,757	\$ 218,278	\$ 1,152,639	\$ 80,176	\$ 83,636	\$ 10,500,602

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, 2020

	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	\$ -	\$ 378,118	\$ -	\$ 1,377,685	\$ 1,282,880	\$ 706,138	\$ -	\$ -	\$ -	\$ 289,445	\$ -	\$ 38,246	\$ 4,072,512
Intergovernmental	-	15,378	1,649,972	100,813	131,802	-	-	-	-	74,895	32,680	-	2,005,540
Local Tax	-	-	-	-	-	-	50,136	-	-	-	-	-	50,136
Charges for Services	-	226,678	7,073	-	47,662	-	-	-	-	-	-	-	281,413
Fines and Forfeitures	-	-	-	-	11,735	-	-	-	161,407	-	-	-	173,142
Investment Income	1,327	27,797	4,847	4,003	5,660	8,532	31	21	771	6,676	254	1,551	61,470
Contributions	-	19,337	-	-	50,627	-	-	4,500	520	676	-	-	75,660
Miscellaneous	-	50	4,838	-	48,907	-	-	-	-	2,136	-	-	55,931
Total Revenues	1,327	667,358	1,666,730	1,482,501	1,579,273	714,670	50,167	4,521	162,698	373,828	32,934	39,797	6,775,804
Expenditures:													
Current:													
General Government	-	-	-	1,321,811	-	518,508	70,782	-	-	137,126	-	-	2,048,227
Public Safety	-	-	-	-	-	-	-	-	101,802	-	-	-	101,802
Public Works	-	-	1,021,389	-	-	-	-	-	-	-	-	107,896	1,129,285
Health and Welfare	-	-	-	-	-	-	-	-	-	155,964	-	-	155,964
Cultural and Recreational	-	634,731	-	-	1,596,934	-	-	4,548	-	-	-	-	2,236,213
Capital Outlay	-	-	69,414	-	-	-	-	-	11,148	-	-	-	80,562
Total Expenditures	-	634,731	1,090,803	1,321,811	1,596,934	518,508	70,782	4,548	112,950	293,090	-	107,896	5,752,053
Excess (Deficiency) of Revenues Over Expenditures	1,327	32,627	575,927	160,690	(17,661)	196,162	(20,615)	(27)	49,748	80,738	32,934	(68,099)	1,023,751
Other Financing Sources (Uses):													
Transfers Out	-	-	(300,000)	-	-	-	-	-	-	-	-	-	(300,000)
Total Other Financing Sources (Uses)	-	-	(300,000)	-	-	-	-	-	-	-	-	-	(300,000)
Net Change in Fund Balances	1,327	32,627	275,927	160,690	(17,661)	196,162	(20,615)	(27)	49,748	80,738	32,934	(68,099)	723,751
Fund Balance, Beginning of Year	65,817	1,454,773	937,728	389,633	532,780	684,562	26,370	3,784	159,995	780,976	47,242	114,245	5,197,905
Fund Balance, End 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

CITY OF BELLEVILLE, ILLINOIS

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
APRIL 30, 2020

	<u>Working Cash</u>	<u>Insurance</u>	<u>Total</u>
<u>Assets</u>			
Current Assets:			
Cash and Investments	\$ 391,901	\$ 4,386	\$ 396,287
Receivables (Net of allowance for uncollectible):			
Property Tax	-	445,800	445,800
Total Assets	<u>\$ 391,901</u>	<u>\$ 450,186</u>	<u>\$ 842,087</u>
<u>Liabilities</u>			
Current Liabilities:			
Accounts Payable	\$ -	\$ 259,089	\$ 259,089
Due to Other Funds	-	807,958	807,958
Total Current Liabilities	<u>-</u>	<u>1,067,047</u>	<u>1,067,047</u>
<u>Deferred Inflows of Resources</u>			
Deferred Property Tax	-	445,800	445,800
<u>Net Position</u>			
Unassigned	<u>391,901</u>	<u>(1,062,661)</u>	<u>(670,760)</u>
Total Net Position	<u>\$ 391,901</u>	<u>\$ (1,062,661)</u>	<u>\$ (670,760)</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, 2020

	<u>Working Cash</u>	<u>Insurance</u>	<u>Total</u>
Operating Revenues:			
Charges for Services	\$ -	\$ 4,262,339	\$ 4,262,339
Operating Expenses:			
Personal Services	-	4,751,968	4,751,968
Total Operating Expenses	-	4,751,968	4,751,968
Operating Income (Loss)	-	(489,629)	(489,629)
Nonoperating Revenues:			
Property Tax	-	472,343	472,343
Investment Earnings	6,517	460	6,977
Total Nonoperating Revenues	6,517	472,803	479,320
Income (Loss) Before Transfers	6,517	(16,826)	(10,309)
Transfers In	-	565,000	565,000
Change in Net Position	6,517	548,174	554,691
Net Position, Beginning of Year	385,384	(1,610,835)	(1,225,451)
Net Position, End of Year	<u>\$ 391,901</u>	<u>\$ (1,062,661)</u>	<u>\$ (670,760)</u>

CITY OF BELLEVILLE, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PENSION TRUST FUNDS
APRIL 30, 2020

	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>Total</u>
Assets:			
Cash and Cash Equivalents	\$ 1,597,503	\$ 1,831,034	\$ 3,428,537
Investments, at Market	35,877,346	25,120,264	60,997,610
Receivables:			
Taxes Receivable	3,564,197	3,633,645	7,197,842
Other	1,282	-	1,282
Interest Receivable	74,310	57,635	131,945
Total Assets	<u>41,114,638</u>	<u>30,642,578</u>	<u>71,757,216</u>
Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net Position - Restricted for Pensions	<u>\$ 41,114,638</u>	<u>\$ 30,642,578</u>	<u>\$ 71,757,216</u>

CITY OF BELLEVILLE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS - PENSION TRUST FUNDS
 FOR THE YEAR ENDED APRIL 30, 2020

	<u>Police Pension</u>	<u>Firemen's Pension</u>	<u>Total</u>
Additions:			
Contributions:			
Employee Contributions	\$ 540,293	\$ 450,445	\$ 990,738
Employer Contributions:			
Property Taxes	3,577,322	3,650,264	7,227,586
City Contribution	63,550	-	63,550
Personal Property Replacement Taxes	<u>100,672</u>	<u>94,705</u>	<u>195,377</u>
Total Contributions	<u>4,281,837</u>	<u>4,195,414</u>	<u>8,477,251</u>
Investment Income:			
Interest and Dividend Income	1,509,838	774,236	2,284,074
Gain (Loss) on Sales of Securities	(30,361)	(474,750)	(505,111)
Net Change in Fair Market			
Value of Investments	<u>(3,057,110)</u>	<u>(1,078,488)</u>	<u>(4,135,598)</u>
	(1,577,633)	(779,002)	(2,356,635)
Less Investment Expense	<u>(52,389)</u>	<u>(57,342)</u>	<u>(109,731)</u>
Total Investment Income	<u>(1,630,022)</u>	<u>(836,344)</u>	<u>(2,466,366)</u>
Total Additions	<u>2,651,815</u>	<u>3,359,070</u>	<u>6,010,885</u>
Deductions:			
Benefits Paid to Participants:			
Service and Disability	4,082,970	3,212,679	7,295,649
Dependents	429,211	524,176	953,387
Refund of Contributions	6,296	-	6,296
Professional Fees	36,791	21,683	58,474
Other	<u>8,275</u>	<u>2,805</u>	<u>11,080</u>
Total Deductions	<u>4,563,543</u>	<u>3,761,343</u>	<u>8,324,886</u>
Change in Net Position	(1,911,728)	(402,273)	(2,314,001)
Net Position, Beginning of Year	<u>43,026,366</u>	<u>31,044,851</u>	<u>74,071,217</u>
Net Position, End of Year	<u>\$ 41,114,638</u>	<u>\$ 30,642,578</u>	<u>\$ 71,757,216</u>

CITY OF BELLEVILLE, ILLINOIS

SCHEDULE OF ASSESSED VALUATION, TAX RATES,
EXTENSIONS AND COLLECTIONS
(UNAUDITED)
APRIL 30, 2020

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
2009	\$ 443,787,198	\$ 0.0676	\$ 0.2110	\$ 0.4627	\$ 0.5077	\$ 0.2479	\$ 0.0704	\$ -	\$ 0.0789	\$ -	\$ 1.6462
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

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
2009	\$ 300,000	\$ 936,391	\$ 2,053,403	\$ 2,253,108	\$ 1,100,148	\$ 312,426	\$ -	\$ 350,148	\$ -	\$ 7,305,624
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

Taxes Collected

Levy Year	Total Taxes Extended	Total Taxes Collected	Percent of Current Year Taxes Collected	Percent of Current Year Uncollected Balance
2009	\$ 7,305,624	\$ 7,248,774	99.22%	\$ 56,850
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



**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, 2020, 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 23, 2020.

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. Schloer & Company LLC

Certified Public Accountants

Alton, Illinois

September 23, 2020