



**CITY OF EDWARDSVILLE, ILLINOIS**

FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED  
APRIL 30, 2022

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**CITY OF EDWARDSVILLE, ILLINOIS**

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## INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council  
City of Edwardsville, Illinois

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Edwardsville, Illinois, as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Edwardsville, Illinois, as of April 30, 2022, 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.

#### **Basis for Opinions**

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Edwardsville, Illinois, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, pension and OPEB funding information, and the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

#### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2023 on our consideration of the City of Edwardsville, 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 Edwardsville, Illinois' internal control over financial reporting and compliance.

*C. J. Schlessel & Company LLC*

Certified Public Accountants  
Alton, Illinois  
June 8, 2023

**CITY OF EDWARDSVILLE, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the City of Edwardsville, we offer readers of the City of Edwardsville financial statements this narrative overview and analysis of the financial activities of the City of Edwardsville for the fiscal year ended April 30, 2022. All dollar amounts unless otherwise indicated, are expressed in thousands of dollars.

**Profile of the City**

The City of Edwardsville, the third oldest city in the State of Illinois incorporated in 1872, is located in the southwestern part of the state of Illinois. The City of Edwardsville currently occupies a land area of approximately 17 square miles and serves an estimated population of 26,808. The City is the county seat of Madison County, Illinois and the home of Southern Illinois University Edwardsville as well as the N.O. Nelson Campus of Lewis and Clark Community College. The City of Edwardsville is empowered to levy a property tax on real properties located within its boundaries. In addition, the City is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The City of Edwardsville has operated under the aldermanic-city form of government since 1872. Policy-making and legislative authority are vested in a governing council consisting of the mayor and seven aldermen. The governing council is responsible, among other things, for passing ordinances, adopting the appropriations ordinance, appointing committees and hiring both the City Administrator and Attorney. The City's Administrator is responsible for carrying out the policies and ordinances of the governing council and for overseeing the day-to-day operations of the government. The Council is elected on a non-partisan basis with council members serving four year staggered terms, with four council members elected at one election and three council members elected two years later each representing one ward of the City. The Mayor and City Clerk are elected at large to serve four-year terms.

The City of Edwardsville provides a full range of services, including police and fire protection, the construction and maintenance of highways, streets and other infrastructure; water, sewer and sanitation services and recreational activities and cultural events. The City of Edwardsville is also financially accountable for a legally separate Public Library which has its own governing board, who sets the operational budget and which is reported separately within the City of Edwardsville's financial statements.

**Financial Highlights**

- The assets of the City of Edwardsville exceeded its liabilities at the close of the most recent fiscal year by \$73,879 (net position). Of this amount, a negative balance of \$24,444 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the City of Edwardsville's governmental activities reported combined ending net position of \$38,344.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$12,924 or 62% of total general fund expenditures.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City of Edwardsville's basic financial statements. The City of Edwardsville's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

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

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as useful indicators of whether the financial position of the City of Edwardsville 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, 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 earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Edwardsville 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 of Edwardsville include general government, public safety, highways and streets, economic development and culture and recreation. The business-type activities of the City of Edwardsville include water, sewer and garbage operations.

The government-wide financial statements include not only the City of Edwardsville itself (known as the primary government), but also a legally separate Library for which the City of Edwardsville is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 14-15 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 of Edwardsville, 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 of Edwardsville can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

*Governmental funds.* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and

CITY OF EDWARDSVILLE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

outflows of available resources, as well as on balances of 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 governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. These statements provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Edwardsville maintains twenty-eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General fund and the Ice Rink/Teen Complex fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Edwardsville adopts an annual budget for its general fund. A budgetary comparison statement has been provided for the major funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 15-18 of this report.

*Proprietary funds.* The City of Edwardsville maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Edwardsville uses enterprise funds to account for its water, sewer and garbage operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Edwardsville's various functions. The City of Edwardsville uses an internal service fund to account for its group health care costs, however since this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer and garbage operations which provide water and water distribution, sewage treatment, pumping stations and collection systems and sanitation collection activities.

The basic proprietary fund financial statements can be found on pages 20-23 of this report.

CITY OF EDWARDSVILLE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

*Fiduciary funds.* Fiduciary funds are used to account for resources held in 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 of Edwardsville's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 24-25 of this report.

*Notes to the financial statements.* The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 26-66 of this report.

*Other information.* In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Edwardsville's progress in funding its obligation to provide pension and other post-employment benefits to its employees.

Required supplementary information can be found on pages 67-80 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 81-86 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. For the City of Edwardsville, assets exceeded liabilities by \$73,879 at the close of the 2022 fiscal year.

Of this net position, a negative \$24,444 is reported as unrestricted. This balance is negative primarily due to the reporting of accrued pension liabilities that will be funded by general revenues in future years. The other major component is reflected in the City's investment in capital assets \$90,782 (e.g. land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Edwardsville uses these capital assets to provide services to citizens and consequently these assets are not available for future spending. Although the City of Edwardsville's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF EDWARDSVILLE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

**CITY OF EDWARDSVILLE'S NET POSITION**

	Governmental activities		Business-type activities		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current and other assets	\$ 48,274	\$ 32,782	\$ 6,990	\$ (721)	\$ 55,264	\$ 32,061
Capital assets	86,601	79,502	37,659	37,705	124,260	117,207
Total assets	<u>\$ 134,875</u>	<u>\$ 112,284</u>	<u>\$ 44,649</u>	<u>\$ 36,984</u>	<u>\$ 179,524</u>	<u>\$ 149,268</u>
Deferred outflows	17,249	19,482	118	199	17,367	19,681
Long-term liabilities	\$ 74,783	\$ 76,044	\$ 4,349	\$ 4,811	\$ 79,132	\$ 80,855
Other liabilities	6,531	2,196	4,240	312	10,771	2,508
Total liabilities	<u>\$ 81,314</u>	<u>\$ 78,240</u>	<u>\$ 8,589</u>	<u>\$ 5,123</u>	<u>\$ 89,903</u>	<u>\$ 83,363</u>
Deferred inflows	32,466	25,765	642	412	33,108	26,177
Net investment in capital assets	\$ 56,992	\$ 52,668	\$ 33,790	\$ 33,287	\$ 90,782	\$ 85,955
Restricted	7,541	6,944	-	-	7,541	6,944
Unrestricted	(26,189)	(31,851)	1,745	(1,639)	(24,444)	(33,490)
Total net position	<u>\$ 38,344</u>	<u>\$ 27,761</u>	<u>\$ 35,535</u>	<u>\$ 31,648</u>	<u>\$ 73,879</u>	<u>\$ 59,409</u>

At the end of the current fiscal year, the City of Edwardsville is able to report positive balances in net position, for the government as a whole, as well as for its separate governmental and business-type activities.

*Governmental activities.* Governmental activities increased the City's net position by \$10,583 as shown in the schedule below, and business-type activities reported an increase of \$3,887.

**CITY OF EDWARDSVILLE'S CHANGES IN NET POSITION**

	Governmental activities		Business-type activities		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Program revenues:						
Charges for services	\$ 5,676	\$ 3,588	\$ 14,230	\$ 14,204	\$ 19,906	\$ 17,792
Operating grants and contributions	2,780	1,197	-	-	2,780	1,197
Capital grants and contributions	3,498	2,958	-	-	3,498	2,958
General revenues:						
Property taxes	10,419	11,260	-	-	10,419	11,260
Other taxes	22,714	18,399	-	-	22,714	18,399
Other	(91)	225	(5)	(11)	(96)	214
Total revenues	<u>\$ 44,996</u>	<u>\$ 37,627</u>	<u>\$ 14,225</u>	<u>\$ 14,193</u>	<u>\$ 59,221</u>	<u>\$ 51,820</u>

CITY OF EDWARDSVILLE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

**CITY OF EDWARDSVILLE'S CHANGES IN NET POSITION**

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Expenses:						
General government	\$ 6,877	\$ 8,797	\$ -	\$ -	\$ 6,877	\$ 8,797
Public safety	13,160	14,135	-	-	13,160	14,135
Highways and streets	6,188	6,956	-	-	6,188	6,956
Public works	1,959	1,830	-	-	1,959	1,830
Culture and recreation	4,647	3,011	-	-	4,647	3,011
Interest on long-term debt	704	836	-	-	704	836
Water	-	-	5,318	4,764	5,318	4,764
Sewer	-	-	3,963	4,560	3,963	4,560
Garbage	-	-	1,960	1,877	1,960	1,877
Total expenses	<u>33,535</u>	<u>35,565</u>	<u>11,241</u>	<u>11,201</u>	<u>44,776</u>	<u>46,766</u>
Increase (decrease) in net position before transfers	11,461	1,850	2,984	2,992	14,445	4,842
Transfers	<u>(878)</u>	<u>370</u>	<u>903</u>	<u>(243)</u>	<u>25</u>	<u>127</u>
Change in net position	10,583	2,220	3,887	2,749	14,470	4,969
Net position, beg of year	<u>27,761</u>	<u>25,541</u>	<u>31,648</u>	<u>28,899</u>	<u>59,409</u>	<u>54,440</u>
Net position, end of year	<u>\$ 38,344</u>	<u>\$ 27,761</u>	<u>\$ 35,535</u>	<u>\$ 31,648</u>	<u>\$ 73,879</u>	<u>\$ 59,409</u>

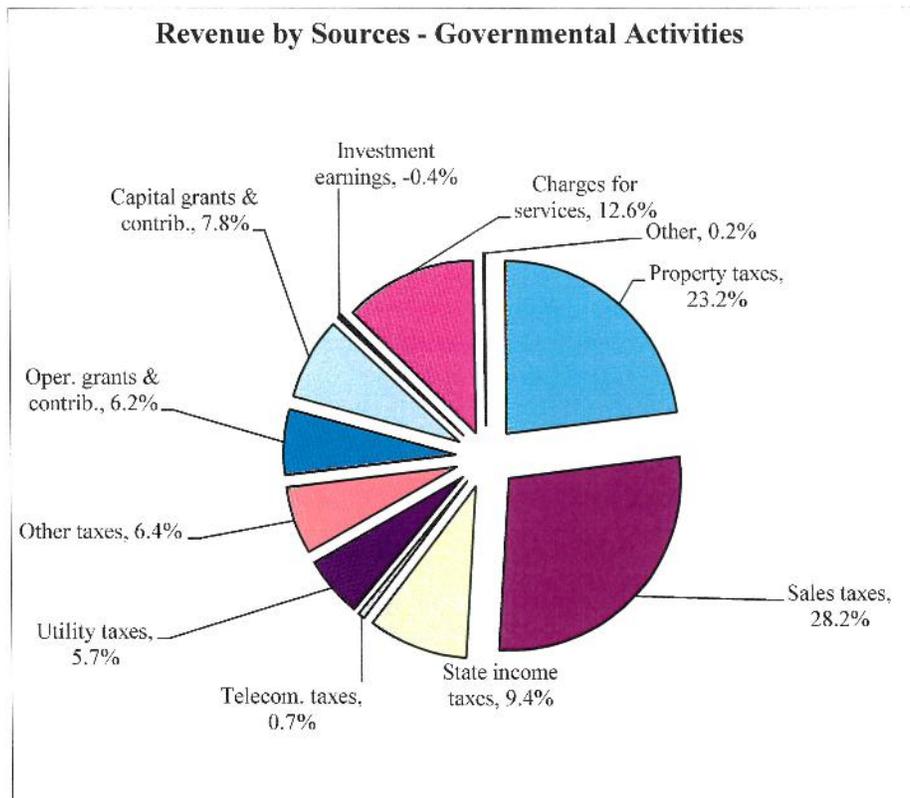
The City of Edwardsville's revenue sources for governmental activities are well diversified between charges for services, property taxes, sales taxes and other taxes in order not to rely upon any one specific revenue source as shown in the chart below. The City has experienced an annual average increase in assessed valuation of 6.69% since 2012 thereby increasing property tax revenue while the City's combined tax rate has decreased from \$1.4829 per \$100 of assessed valuation in 2012 to \$1.4162 in 2021.

The City reported a slight decrease in property taxes for the governmental funds, due to the final payments received for TIF #3 in the prior year. The City reported a \$4,315 increase in other taxes which includes income taxes and other taxes received from the State of Illinois. Capital contributions include construction projects related to the City's infrastructure.

Total expenses for the City decreased by \$1,990. As in the prior year, the largest category of expenditures was for public safety, followed by general government and highways and streets.

**Financial Analysis of the Government's Funds**

As noted earlier, the City of Edwardsville 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 available resources. Such information is useful in assessing the City of Edwardsville's financing requirements. In particular, unreserved 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 2022, the City of Edwardsville's governmental funds reported combined ending fund balances of \$25,485. Approximately \$10,240 or 40% constitutes assigned or unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is either nonspendable, restricted or committed, to indicate that it is not available for new spending because it is in a nonspendable form, has already been committed to pay for capital or other projects, or is restricted for other purposes.

The general fund is the chief operating fund of the City of Edwardsville. At the end of the current fiscal year, unassigned fund balance of the general fund was \$12,559 which represents 97% of the City's general fund balance. As a measure of the general fund's liquidity, it may be useful to compare the fund balance to total fund expenditures. Unassigned fund balance represents 62% of total general fund expenditures. The City's general fund balance increased \$3,253 during the current year.

CITY OF EDWARDSVILLE, ILLINOIS  
 MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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

**GENERAL FUND BUDGETARY HIGHLIGHTS**

There were no changes to the budget during 2022.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**CAPITAL ASSETS**

The City of Edwardsville’s investment in capital assets for its governmental and business type activities as of April 30, 2022 and 2021 amounted to \$124,260 and \$117,207 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, construction in progress, land improvements, machinery and equipment and park facilities.

**CITY OF EDWARDSVILLE'S CAPITAL ASSETS  
 (net of depreciation)**

	Governmental activities		Business-type activities		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	Land	\$ 6,463	\$ 6,463	\$ 591	\$ 547	\$ 7,054
Land improvements	1,041	1,241	-	-	1,041	1,241
Buildings and systems	34,040	34,859	35,625	35,589	69,665	70,448
Equipment	756	832	802	836	1,558	1,668
Vehicles	1,278	1,250	641	733	1,919	1,983
Infrastructure	29,559	31,972	-	-	29,559	31,972
Construction in Progress	13,464	2,885	-	-	13,464	2,885
Total	<u>\$ 86,601</u>	<u>\$ 79,502</u>	<u>\$ 37,659</u>	<u>\$ 37,705</u>	<u>\$ 124,260</u>	<u>\$ 117,207</u>

Major capital asset events during the current fiscal year included the following:

- Purchase of various equipment and vehicles for public safety.
- Construction work on the M Street maintenance building.
- Construction continued on the RP Lumber Center (Ice Rink).
- Continued additions to the City's infrastructure.

Additional information on the City of Edwardsville’s capital assets can be found in Note 5 on pages 39-40 of this report.

**LONG-TERM DEBT**

At the end of the current fiscal year, the City of Edwardsville had total bonded debt outstanding of \$32,659. This amount comprises debt backed by the full faith and credit of the City. The balance of \$807 represents low interest loans from other governmental agencies.

**CITY OF EDWARDSVILLE'S OUTSTANDING DEBT**

	Governmental activities		Business-type activities		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
General obligation bonds	\$ 29,017	\$ 26,204	\$ 3,642	\$ 4,189	\$ 32,659	\$ 30,393
Loans and capital leases	<u>593</u>	<u>630</u>	<u>214</u>	<u>214</u>	<u>807</u>	<u>844</u>
Total revenues	<u>\$ 29,610</u>	<u>\$ 26,834</u>	<u>\$ 3,856</u>	<u>\$ 4,403</u>	<u>\$ 33,466</u>	<u>\$ 31,237</u>

The City issued a new series of bonds in the current year to assist in funding the construction of the RP Lumber Center (Ice Rink).

The City of Edwardsville received an AA rating from Standard & Poor's and AAA bond insurance from FGIC.

Additional information on the City of Edwardsville's long-term debt can be found in Note 6 on pages 41-43 of this report.

**Economic Factors and Net Year's Budgets and Rates**

The unemployment rate for the State of Illinois was 16.9%, for the St. Louis metropolitan area, which includes Edwardsville, was 15.1%. The City has seen continued growth in sales tax revenue, increased assessed valuation and population (from 14,500 in 1990 to 20,491 in 2000 and 24,293 in 2010). A special census of 26,631 was certified during March 2015.

Inflationary trends in the region compare favorably to national indices.

The City increases its water 5% per 1,000 gallons effective May 1 of each year. The sewer rate includes an annual 5% increase per 1,000 gallons, effective May 1 of each year. Trash service increased \$1.48 per month in August 1, 2017.

CITY OF EDWARDSVILLE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

**Requests for Information**

This financial report is designed to provide a general overview of the City of Edwardsville's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of City Clerk/Collector, City of Edwardsville, 118 Hillsboro Avenue, Edwardsville, IL 62025

**CITY OF EDWARDSVILLE, ILLINOIS**

STATEMENT OF NET POSITION  
APRIL 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and Investments	\$ 26,015,670	\$ 3,409,822	\$ 29,425,492	\$ 976,359
Receivables (Net of allowance for uncollectibles):	18,330,484	2,591,849	20,922,333	1,527,700
Inventory	-	196,190	196,190	-
Prepaid Expenses	718,940	225,203	944,143	13,403
Restricted Assets:				
Cash and Cash Equivalents	-	58,780	58,780	-
Net Pension Asset	3,208,087	508,107	3,716,194	-
Capital Assets:				
Land	6,462,955	591,033	7,053,988	-
Land Improvements	4,228,186	-	4,228,186	-
Buildings and Systems	43,852,547	67,829,550	111,682,097	5,460,803
Equipment	4,724,723	2,448,782	7,173,505	108,802
Vehicles	5,894,856	1,727,612	7,622,468	-
Infrastructure	97,549,374	-	97,549,374	-
Construction in Progress	13,464,779	-	13,464,779	-
Accumulated Depreciation	(89,575,961)	(34,937,837)	(124,513,798)	(4,783,852)
Total Assets	\$ 134,874,640	\$ 44,649,091	\$ 179,523,731	\$ 3,303,215
<b>Deferred Outflows of Resources</b>				
Loss on Bond Refunding	\$ 82,150	\$ -	\$ 82,150	\$ -
Future Pension Expense	17,167,315	118,090	17,285,405	-
	\$ 17,249,465	\$ 118,090	\$ 17,367,555	\$ -
<b>Liabilities</b>				
Deficit Cash	\$ 3,613,719	\$ 3,741,899	\$ 7,355,618	\$ -
Accounts Payable	2,319,666	392,214	2,711,880	-
Accrued Salaries	521,817	35,108	556,925	25,904
Accrued Interest Payable	76,203	12,288	88,491	-
Customer Deposits	-	58,780	58,780	-
Noncurrent Liabilities:				
Due Within One Year	2,586,814	567,201	3,154,015	-
Due in More Than One Year	72,196,231	3,781,854	75,978,085	197,380
Total Liabilities	81,314,450	8,589,344	89,903,794	223,284
<b>Deferred Inflows of Resources</b>				
Future Pension Expense	20,548,184	642,205	21,190,389	-
Unearned Revenue	11,917,139	-	11,917,139	1,527,700
	\$ 32,465,323	\$ 642,205	\$ 33,107,528	\$ 1,527,700
<b>Net Position</b>				
Net Investment in Capital Assets	56,991,614	33,790,452	90,782,066	785,753
Restricted	7,542,283	-	7,542,283	-
Unrestricted	(26,189,565)	1,745,180	(24,444,385)	766,478
Total Net Position	\$ 38,344,332	\$ 35,535,632	\$ 73,879,964	\$ 1,552,231

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

**CITY OF EDWARDSVILLE, ILLINOIS**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED APRIL 30, 2022**

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for	Capital	Governmental	Primary Government	Component
		Services	Grants and Contributions			
Primary Government:						
General Government:						
Public Safety	\$ 6,877,054	\$ 504,682	\$ 1,742,642	\$ (4,629,730)	\$ (4,629,730)	
Highways and Streets	13,160,123	2,166,775	108,150	(10,885,198)	(10,885,198)	
Public Works	6,188,546	-	23,027	(5,389,473)	(5,389,473)	
Culture and Recreation	1,958,734	572,186	-	(1,386,548)	(1,386,548)	
Interest on Long-term Debt	4,647,658	2,431,961	906,065	1,412,661	1,412,661	
Total Governmental Activities	703,653	-	-	(703,653)	(703,653)	
Total Primary Government	33,535,768	5,675,604	2,779,884	(21,581,941)	(21,581,941)	
Business-type Activities:						
Water	5,317,651	6,338,322	-	\$ 1,020,671	1,020,671	
Sewer	3,962,616	6,038,675	-	2,076,059	2,076,059	
Garbage	1,960,064	1,852,456	-	(107,608)	(107,608)	
Total Business-type Activities	11,240,331	14,229,453	-	2,989,122	2,989,122	
Total Primary Government	\$ 44,776,099	\$ 19,905,057	\$ 2,779,884	(21,581,941)	(18,592,819)	
Component Unit:						
Library	\$ 1,406,524	\$ 28,829	\$ 76,934	-	-	\$ (1,300,761)
Total Component Unit	\$ 1,406,524	\$ 28,829	\$ 76,934	-	-	(1,300,761)
General Revenues:						
Property Tax, Levied for General Purposes				10,419,022	10,419,022	1,495,265
Sales and Use Tax				12,701,333	12,701,333	-
Replacement Tax				607,746	607,746	49,548
State Income Tax				4,247,068	4,247,068	-
Motor Fuel Tax				1,112,129	1,112,129	-
Telecommunications Tax				297,636	297,636	-
Video Gaming Tax				32,288	32,288	-
Utility Tax				1,572,031	1,572,031	-
Motel Tax				708,606	708,606	-
Food and Beverage Tax				1,296,534	1,296,534	-
Amusement Tax				139,924	139,924	-
Unrestricted Investment Earnings				(166,124)	(171,367)	6,144
Miscellaneous				75,328	75,328	493
Transfers				(878,374)	903,374	(25,000)
Total General Revenues and Transfers				32,165,147	898,131	1,526,450
Change in Net Position				10,583,206	3,887,253	225,689
Net Position - Beginning				27,761,126	31,648,379	1,326,542
Net Position - Ending				\$ 38,344,332	\$ 35,535,632	\$ 1,552,231

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

**CITY OF EDWARDSVILLE, ILLINOIS**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
APRIL 30, 2022

	<u>General Fund</u>	<u>Ice Rink/ Teen Complex Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>				
Cash and Investments	\$ 11,322,710	\$ -	\$ 14,604,787	\$ 25,927,497
Receivables (Net, where applicable, of allowances for uncollectibles):				
Property Tax	8,078,500	-	2,815,600	10,894,100
Services	345,746	-	116,556	462,302
Intergovernmental	3,210,995	2,500,000	1,059,776	6,770,771
Interest	3,401	-	-	3,401
Other	-	-	199,910	199,910
Due From Other Funds	13,988	-	31,362	45,350
Prepaid Expenses	364,385	-	354,555	718,940
Total Assets	<u>\$ 23,339,725</u>	<u>\$ 2,500,000</u>	<u>\$ 19,182,546</u>	<u>\$ 45,022,271</u>
 <u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>				
Liabilities:				
Cash Deficit	\$ -	\$ 2,988,576	\$ 625,143	\$ 3,613,719
Accounts Payable	883,496	765,681	667,576	2,316,753
Accrued Salaries and Compensated Absences	498,191	5,001	18,625	521,817
Due to Other Funds	19,756	-	21,306	41,062
Total Liabilities	<u>1,401,443</u>	<u>3,759,258</u>	<u>1,332,650</u>	<u>6,493,351</u>
 Deferred Inflows of Resources:				
Unearned Revenue	<u>9,014,651</u>	<u>643,700</u>	<u>3,385,275</u>	<u>13,043,626</u>
 Fund Balance:				
Nonspendable	364,385	-	279,997	644,382
Restricted	-	-	7,542,283	7,542,283
Committed	-	-	7,058,092	7,058,092
Unassigned	12,559,246	(1,902,958)	(415,751)	10,240,537
Total Fund Balance	<u>12,923,631</u>	<u>(1,902,958)</u>	<u>14,464,621</u>	<u>25,485,294</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 23,339,725</u>	<u>\$ 2,500,000</u>	<u>\$ 19,182,546</u>	<u>\$ 45,022,271</u>

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

**CITY OF EDWARDSVILLE, ILLINOIS**

RECONCILIATION OF THE BALANCE SHEET OF THE  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION  
APRIL 30, 2022

Amounts reported for governmental fund balances are different because:

Fund balances - total governmental funds	\$ 25,485,294
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the balance sheet of the governmental funds.	86,601,459
The amount of compensated absences is not recorded as a liability on the balance sheet of the governmental funds.	(2,672,609)
The amount of accrued retirement benefits is not recorded as a liability on the balance sheet of the governmental funds.	(3,824,245)
The amount of the net pension liability related to the police and fire pensions is not recorded as a liability on the balance sheet of the governmental funds.	(38,676,346)
The amount of the net pension liability related to IMRF and SLEP is not recorded as a liability on the balance sheet of the governmental funds.	3,208,087
The amount of the future pension expense related to the pension funds of the City is not recorded as an asset on the balance sheet of the governmental funds.	(3,380,869)
Long-term debt (e.g., bonds, leases) is not reported as a liability on the balance sheet of the governmental funds.	(29,609,845)
Accrued interest payable on the long-term debt is not reported as a liability on the balance sheet of the governmental funds.	(76,203)
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.	1,126,487
Net effect of including internal service fund in governmental activities.	80,972
Deferred losses on debt refundings are not reported as a deferred outflow to be amortized on the balance sheet of the governmental funds.	<u>82,150</u>
Net position of governmental activities	<u>\$ 38,344,332</u>

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

**CITY OF EDWARDSVILLE, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED APRIL 30, 2022

	General Fund	Ice Rink/ Teen Complex Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property Tax	\$ 6,741,447	\$ -	\$ 3,677,575	\$ 10,419,022
Intergovernmental:				
Sales and Use Tax	9,928,618	-	2,709,146	12,637,764
Replacement Tax	607,746	-	-	607,746
State Income Tax	4,247,068	-	-	4,247,068
Motor Fuel Tax	-	-	1,112,129	1,112,129
Telecommunications Tax	148,563	-	148,563	297,126
Video Gaming Tax	-	-	32,288	32,288
Grants	31,077	2,500,000	3,392,173	5,923,250
Other Local Taxes	114,939	-	3,602,156	3,717,095
Licenses, Fees and Permits	328,801	-	-	328,801
Charges for Services	2,798,568	289,490	1,963,457	5,051,515
Fines	220,787	-	74,501	295,288
Investment Earnings	(207,577)	(16,291)	57,001	(166,867)
Miscellaneous Revenues/Reimbursements	175,428	105,315	149,558	430,301
Total Revenues	<u>25,135,465</u>	<u>2,878,514</u>	<u>16,918,547</u>	<u>44,932,526</u>
Expenditures:				
Current:				
General Government	3,645,896	-	2,728,456	6,374,352
Public Safety	11,584,951	-	70,896	11,655,847
Highways and Streets	2,117,895	-	1,144,394	3,262,289
Public Works	1,814,292	-	-	1,814,292
Culture and Recreation	1,517,348	503,749	1,555,439	3,576,536
Debt Service:				
Principal	-	-	2,269,488	2,269,488
Interest/Fees	-	127,666	551,417	679,083
Capital Outlay	34,676	10,127,201	1,751,742	11,913,619
Total Expenditures	<u>20,715,058</u>	<u>10,758,616</u>	<u>10,071,832</u>	<u>41,545,506</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>4,420,407</u>	<u>(7,880,102)</u>	<u>6,846,715</u>	<u>3,387,020</u>
Other Financing Sources (Uses):				
Transfers In (Out)	(1,166,506)	1,292,004	(1,003,872)	(878,374)
Proceeds from Debt	-	5,045,000	-	5,045,000
Total Other Financing Sources (Uses)	<u>(1,166,506)</u>	<u>6,337,004</u>	<u>(1,003,872)</u>	<u>4,166,626</u>
Net Change in Fund Balances	3,253,901	(1,543,098)	5,842,843	7,553,646
Fund Balance, Beginning of Year	<u>9,669,730</u>	<u>(359,860)</u>	<u>8,621,778</u>	<u>17,931,648</u>
Fund Balance, End of Year	<u>\$ 12,923,631</u>	<u>\$ (1,902,958)</u>	<u>\$ 14,464,621</u>	<u>\$ 25,485,294</u>

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

CITY OF EDWARDSVILLE, 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, 2022

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

Net change in fund balances - total governmental funds \$ 7,553,646

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$11,913,619) exceeded depreciation expense (\$4,805,806) in the current year. 7,107,813

The amount of the net pension liability and future pension expense related to the police and fire pension funds are not recorded as an expense in the fund financial statements. In the statement of activities, these amounts are included and recorded currently in the public safety functional expense category. This amount is the difference between the beginning and ending balances that has been included in the statement of activities. (1,138,394)

The amount of the net pension liability and future pension expense related to IMRF are not recorded as an expense in the fund financial statements. In the statement of activities, these amounts are included and recorded currently in the appropriate functional expense category. This amount is the difference between the beginning and ending balances that has been included in the statement of activities. 1,108,370

The amount of compensated absences 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 difference between beginning and ending compensated absences balances that has been included in the statement of activities. (56,164)

The amount of accrued retirement 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. (1,106,531)

The issuance of long-term debt (e.g., bonds, leases) 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 position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of those differences in the treatment of long-term debt and related items. (2,808,483)

Net effect of including internal service fund in governmental activities. (141,130)

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. 64,079

Change in net position of governmental activities \$ 10,583,206

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

**CITY OF EDWARDSVILLE, ILLINOIS**

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 APRIL 30, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Major Funds		Non-Major	Total	
	Water	Sewer	Garbage		
<b>ASSETS</b>					
Current Assets:					
Cash and Investments	\$ -	\$ 3,409,822	\$ -	\$ 3,409,822	\$ 88,173
Receivables:					
Customer/Unbilled	1,088,724	1,184,843	318,282	2,591,849	-
Inventory, at Cost	196,190	-	-	196,190	-
Prepaid Expenses	36,058	21,085	168,060	225,203	-
Total Current Assets	<u>1,320,972</u>	<u>4,615,750</u>	<u>486,342</u>	<u>6,423,064</u>	<u>88,173</u>
Noncurrent Assets:					
Restricted Cash and Cash Equivalents	58,780	-	-	58,780	-
Net Pension Asset	320,102	188,005	-	508,107	-
Capital Assets:					
Land	221,081	369,952	-	591,033	-
Equipment	1,165,898	1,282,884	-	2,448,782	-
Vehicles	745,025	982,587	-	1,727,612	-
Plant and System	31,912,235	35,917,315	-	67,829,550	-
Less: Accumulated Depreciation	<u>(13,799,873)</u>	<u>(21,137,964)</u>	<u>-</u>	<u>(34,937,837)</u>	<u>-</u>
Total Noncurrent Assets	<u>20,623,248</u>	<u>17,602,779</u>	<u>-</u>	<u>38,226,027</u>	<u>-</u>
Total Assets	<u>21,944,220</u>	<u>22,218,529</u>	<u>486,342</u>	<u>44,649,091</u>	<u>88,173</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Future Pension Expense	\$ 74,395	\$ 43,695	\$ -	\$ 118,090	\$ -
<b>LIABILITIES</b>					
Current Liabilities:					
Deficit Cash	3,525,031	-	216,868	3,741,899	-
Accounts Payable	316,517	75,697	-	392,214	2,913
Accrued Salaries	22,627	12,481	-	35,108	-
Due to Other Funds	-	-	-	-	4,288
Loans Payable - Current	7,401	-	-	7,401	-
Total Current Liabilities	<u>3,871,576</u>	<u>88,178</u>	<u>216,868</u>	<u>4,176,622</u>	<u>7,201</u>
Current Liabilities (Payable from Restricted Assets):					
Accrued Interest	12,288	-	-	12,288	-
General Obligation Debt - Current	559,800	-	-	559,800	-
Customer Deposits	58,780	-	-	58,780	-
Total Current Liabilities (Payable from Restricted Assets)	<u>630,868</u>	<u>-</u>	<u>-</u>	<u>630,868</u>	<u>-</u>
Noncurrent Liabilities:					
Accrued Retirement Health Benefits	197,380	123,363	-	320,743	-
Accrued Compensated Absences	105,772	66,140	-	171,912	-
General Obligation Debt (Net of Current Portion)	3,082,520	-	-	3,082,520	-
Loans Payable	206,679	-	-	206,679	-
Total Noncurrent Liabilities	<u>3,592,351</u>	<u>189,503</u>	<u>-</u>	<u>3,781,854</u>	<u>-</u>
Total Liabilities	<u>8,094,795</u>	<u>277,681</u>	<u>216,868</u>	<u>8,589,344</u>	<u>7,201</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Future Pension Expense	\$ 404,582	\$ 237,623	\$ -	\$ 642,205	\$ -
<b>NET POSITION</b>					
Net Investment in Capital Assets	16,375,678	17,414,774	-	33,790,452	-
Unrestricted	(2,856,440)	4,332,146	269,474	1,745,180	80,972
Total Net Position	<u>\$ 13,519,238</u>	<u>\$ 21,746,920</u>	<u>\$ 269,474</u>	<u>\$ 35,535,632</u>	<u>\$ 80,972</u>

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

**CITY OF EDWARDSVILLE, ILLINOIS**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED APRIL 30, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Major Funds		Non-Major	Total	
	Water	Sewer	Garbage		
Operating Revenue:					
Customer User Charges	\$ 6,074,846	\$ 4,874,595	\$ 1,852,400	\$ 12,801,841	\$ -
Other Service Contributions	-	-	-	-	3,399,265
Tap On Fees	248,055	1,140,187	-	1,388,242	-
Miscellaneous	15,421	23,893	56	39,370	-
Total Operating Revenue	<u>6,338,322</u>	<u>6,038,675</u>	<u>1,852,456</u>	<u>14,229,453</u>	<u>3,399,265</u>
Operating Expenses:					
Personal Services	984,604	607,176	-	1,591,780	-
Contractual Services	2,580,606	2,113,910	1,960,064	6,654,580	3,541,138
Supplies	516,682	100,777	-	617,459	-
Heat, Light, and Power	445,422	258,067	-	703,489	-
Depreciation	714,897	882,686	-	1,597,583	-
Total Operating Expenses	<u>5,242,211</u>	<u>3,962,616</u>	<u>1,960,064</u>	<u>11,164,891</u>	<u>3,541,138</u>
Operating Income (Loss)	<u>1,096,111</u>	<u>2,076,059</u>	<u>(107,608)</u>	<u>3,064,562</u>	<u>(141,873)</u>
Nonoperating Revenue (Expense):					
Interest Income	(15,741)	10,814	(316)	(5,243)	743
Interest Expense	<u>(75,440)</u>	-	-	<u>(75,440)</u>	-
Total Nonoperating Revenue (Expense)	<u>(91,181)</u>	<u>10,814</u>	<u>(316)</u>	<u>(80,683)</u>	<u>743</u>
Income (Loss) before Transfers	1,004,930	2,086,873	(107,924)	2,983,879	(141,130)
Transfers In (Out)	<u>582,284</u>	<u>321,090</u>	-	<u>903,374</u>	-
Change in Net Position	1,587,214	2,407,963	(107,924)	3,887,253	(141,130)
Net Position, Beginning of Year	<u>11,932,024</u>	<u>19,338,957</u>	<u>377,398</u>	<u>31,648,379</u>	<u>222,102</u>
Net Position, End of Year	<u>\$ 13,519,238</u>	<u>\$ 21,746,920</u>	<u>\$ 269,474</u>	<u>\$ 35,535,632</u>	<u>\$ 80,972</u>

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

**CITY OF EDWARDSVILLE, ILLINOIS**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED APRIL 30, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Major Funds		Non- Major	Total	
	Water	Sewer	Garbage		
Cash flows from operating activities:					
Receipts for services	\$ 6,298,958	\$ 5,785,636	\$ 1,884,769	\$ 13,969,363	\$ 3,399,265
Payments to suppliers	(3,716,573)	(2,711,208)	(1,967,270)	(8,395,051)	(3,539,313)
Payments to employees	(703,926)	(422,150)	-	(1,126,076)	-
Other fees	15,421	23,893	-	39,314	-
Net cash provided (used) by operating activities	<u>1,893,880</u>	<u>2,676,171</u>	<u>(82,501)</u>	<u>4,487,550</u>	<u>(140,048)</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(1,320,308)	(231,636)	-	(1,551,944)	-
Principal paid on bonds	(546,660)	-	-	(546,660)	-
Interest/issuance costs paid	(77,085)	-	-	(77,085)	-
Net cash provided (used) by capital and related financing activities	<u>(1,944,053)</u>	<u>(231,636)</u>	<u>-</u>	<u>(2,175,689)</u>	<u>-</u>
Cash flows from non-capital financing activities:					
Payments from (to) other funds	582,284	321,090	-	903,374	-
Customer deposits	(2,520)	-	-	(2,520)	-
Net cash provided (used) by non-capital financing activities	<u>579,764</u>	<u>321,090</u>	<u>-</u>	<u>900,854</u>	<u>-</u>
Cash flows from investing activities:					
Interest on investments	(15,741)	10,814	(316)	(5,243)	743
Net cash provided (used) by investing activities	<u>(15,741)</u>	<u>10,814</u>	<u>(316)</u>	<u>(5,243)</u>	<u>743</u>
Net change in cash and cash equivalents	513,850	2,776,439	(82,817)	3,207,472	(139,305)
Cash and cash equivalents, beginning of year	<u>(3,980,101)</u>	<u>633,383</u>	<u>(134,051)</u>	<u>(3,480,769)</u>	<u>227,478</u>
Cash and cash equivalents, end of year	<u>\$ (3,466,251)</u>	<u>\$ 3,409,822</u>	<u>\$ (216,868)</u>	<u>\$ (273,297)</u>	<u>\$ 88,173</u>

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

**CITY OF EDWARDSVILLE, ILLINOIS**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED APRIL 30, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Major Funds		Non-Major	Total	
	Water	Sewer	Garbage		
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 1,096,111	\$ 2,076,059	\$ (107,608)	\$ 3,064,562	\$ (141,873)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	714,897	882,686	-	1,597,583	-
Net pension liability and deferrals	(125,485)	(60,416)	-	(185,901)	-
Net OPEB and deferrals	56,200	35,126	-	91,326	-
(Increase) decrease in:					
Customer receivable/unbilled	(23,943)	(229,146)	32,313	(220,776)	-
Inventory	(34,308)	-	-	(34,308)	-
Prepaid expenses	(1,174)	(1,041)	(7,206)	(9,421)	-
Increase (decrease) in:					
Accounts payable	219,982	(29,808)	-	190,174	1,825
Accrued salaries/vacation/sick	(8,400)	2,711	-	(5,689)	-
Net cash provided (used) by operating activities	<u>\$ 1,893,880</u>	<u>\$ 2,676,171</u>	<u>\$ (82,501)</u>	<u>\$ 4,487,550</u>	<u>\$ (140,048)</u>

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

**CITY OF EDWARDSVILLE, ILLINOIS**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
APRIL 30, 2022

	Pension Trust Funds			Custodial Fund
	Police Pension	Fire Pension	Total	St. Louis Street SSA
<u>Assets</u>				
Cash and Cash Equivalents	\$ 523,105	\$ 796,423	\$ 1,319,528	\$ (494)
Investments:				
US Treasury Securities	6,084,692	-	6,084,692	-
Corporate Bonds	2,260,040	-	2,260,040	-
Mutual Funds	18,085,314	-	18,085,314	-
Illinois Firefighters Pension Investment Fund	-	15,994,369	15,994,369	-
Receivables:				
Property Tax	1,128,200	982,500	2,110,700	-
Other	-	21,811	21,811	-
Interest	56,155	22	56,177	-
Total Assets	<u>28,137,506</u>	<u>17,795,125</u>	<u>45,932,631</u>	<u>(494)</u>
<u>Liabilities</u>				
Accounts Payable	<u>7,571</u>	<u>13,096</u>	<u>20,667</u>	<u>-</u>
Total Liabilities	<u>7,571</u>	<u>13,096</u>	<u>20,667</u>	<u>-</u>
<u>Net Position</u>				
Held for Future Debt Service	\$ -	\$ -	\$ -	\$ (494)
Held in Trust for Pension				
Benefits and Other Purposes	<u>28,129,935</u>	<u>17,782,029</u>	<u>45,911,964</u>	<u>-</u>
	<u>28,129,935</u>	<u>17,782,029</u>	<u>45,911,964</u>	<u>(494)</u>

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

**CITY OF EDWARDSVILLE, ILLINOIS**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED APRIL 30, 2022

	Pension Trust Funds			Custodial Fund
	Police Pension	Fire Pension	Total	St. Louis Street SSA
<u>Additions</u>				
Contributions:				
Employer Contributions	\$ 1,553,908	\$ 1,244,788	\$ 2,798,696	\$ 32,011
Employee Contributions	382,275	270,194	652,469	-
Investment Income:				
Investment Income	(1,164,102)	(870,508)	(2,034,610)	-
Less: Investment Expense	<u>(42,934)</u>	<u>(26,998)</u>	<u>(69,932)</u>	<u>-</u>
Net Investment Income	<u>(1,207,036)</u>	<u>(897,506)</u>	<u>(2,104,542)</u>	<u>-</u>
Total Additions	<u>729,147</u>	<u>617,476</u>	<u>1,346,623</u>	<u>32,011</u>
<u>Deductions</u>				
Benefits	1,521,909	1,251,301	2,773,210	-
Refund of Contributions	107,213	-	107,213	-
Administrative Expenses	23,895	54,298	78,193	-
Debt Retirement	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,155</u>
Total Deductions	<u>1,653,017</u>	<u>1,305,599</u>	<u>2,958,616</u>	<u>32,155</u>
Change in Net Position	(923,870)	(688,123)	(1,611,993)	(144)
Net Position, Beginning of Year	<u>29,053,805</u>	<u>18,470,152</u>	<u>47,523,957</u>	<u>(350)</u>
Net Position, End of Year	<u>\$ 28,129,935</u>	<u>\$ 17,782,029</u>	<u>\$ 45,911,964</u>	<u>\$ (494)</u>

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

# CITY OF EDWARDSVILLE, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS APRIL 30, 2022

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Edwardsville, Illinois is a municipal corporation which operates under an aldermanic-city form of government and provides the following services: public safety (police and fire), highways and streets, sanitation, culture and recreation, water and sewerage and general administrative services. The City Administrator and aldermen exercise oversight responsibility for these governmental services.

The financial statements of the City of Edwardsville, Illinois ("City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

(a) The financial reporting entity

The City is a political subdivision of the State of Illinois. An elected board of seven aldermen and a mayor governs the City. One alderman is elected from each of the City's seven wards. These financial statements present all the fund types of the City (the primary government) and its component units. Component units are legally separate entities for which the City is financially accountable. Component units, although legally separate entities, are part of the City's operations.

Edwardsville Public Library

The Edwardsville Public Library (the Library) is governed by a board appointed by the Mayor with the advice and consent of the City Council. The Library provides services to residents within the geographic boundaries of the City. Budgetary and tax levy functions are also combined with the City.

As required by GAAP, these financial statements present the City and its component unit. The component unit (the Library) is included in the City's reporting entity because of the significance of its operational or financial relationship with the City. The Library is presented as a discretely presented component unit in a separate column in the financial statements of the City. The Library is reported in this manner to indicate that it is legally separate from the City. The City maintains the financial reporting statements for the Library.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

(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 nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. 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. The primary government is also reported separately from component units for which the primary government is financially accountable.

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. 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 or segment 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, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. 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 government generally 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 compensated absences and claims and judgments, are recorded only when payment is due.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Property taxes, intergovernmental taxes, utility taxes, franchise taxes, service revenue and interest 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. Other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

The General fund is the City's primary operating fund. This fund accounts for all financial resources of the City, except those required to be accounted for in another fund.

The Ice Rink/Teen Complex fund accounts for the monies received and amounts paid related to the construction and set up of the new facility.

The government reports the following major proprietary funds:

The water and sewer funds account for all activities related to the billing, administration, distribution and collection processes of the water and sewer utilities. The City operates the water distribution system as well as the sewage treatment plant, sewage pumping stations and collection systems.

Additionally, the government reports the following fund types:

The internal service fund accounts for the activities of the group health insurance fund, which consists of the collections of employee's share of premiums and payment of premiums to health, life and disability insurance providers for the City's eligible and covered employees and retirees.

The pension trust funds account for the activities of the police and fire pension funds, which accumulate resources for pension benefit payments to qualified public safety employees.

Permanent funds include the police department endowment fund and the mobile intensive care unit fund. The police department endowment fund accumulates resources for equipment and other police department expenditures and the mobile intensive care unit fund accumulates resources for equipment and vehicle purchases related to the City's ambulance services.

The custodial fund accounts for the activities of the St. Louis Street SSA fund, which collect taxes on a fiduciary basis in order to pay for debt service and improvements in the specific area.

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.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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 assets or equity

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 short-term cash surpluses are maintained in cash and investment pools and the interest is allocated to each fund based on month-end balances and investment policies.

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 of America, 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, and the Illinois Funds. The pension trust funds are also allowed to invest limited percentages of their monies in bonds, mutual funds and equity securities.

All deposits and investments are recorded in all funds at fair value. Investment income is recognized as earned. Gains or losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

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 "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 and property tax receivables are shown net of an allowance for uncollectible amounts.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

The allowance for uncollectible amounts, which has been deducted from the related receivable on the statement of net position, consists of the following amounts.

General Fund	Ambulance Receivables	\$ 659,929
Proprietary Fund	Water Customer Receivables	61,435
Proprietary Fund	Sewer Customer Receivables	22,846
Proprietary Fund	Garbage Customer Receivables	17,654

Unbilled water, sewer and garbage customer 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.

The City levied its property taxes on December 21, 2021 based upon the assessed valuation as of the previous January 1. Property taxes are due in four installments. Collections of property taxes normally begin in June and July and are considered delinquent after the due dates. Property taxes for 2021 become an enforceable lien in January 2022. Because this tax levy will be used to pay for expenses budgeted in fiscal year 2023, no part of this tax levy is shown as tax revenue as of April 30, 2022 in the statement of activities.

Inventories and prepaid items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventory in the business-type fund consists of waterworks supplies.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted assets

Certain balances of the enterprise funds are set aside for the repayment of customer balances.

These amounts are classified as restricted accounts on the balance sheet and are as follows:

Water Meter Deposit	\$ 58,780
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Capital assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or 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 \$10,000 and an estimated useful life in excess of two years. Such assets are recorded at either historical cost, or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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.

Property, plant and equipment of the primary government, as well as the component unit, are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	7 - 40
Infrastructure	5 - 30
System infrastructure	7 - 50
Vehicles	3 - 10
Office and other equipment	5 - 10

Compensated absences

Accumulated unpaid vacation and sick pay amounts are accrued when incurred. The City's policy permits employees to earn vacation time based on length of service. In addition, sick leave accumulates according to the various contracts with the City employees. Upon voluntary separation, all full-time employees of the City who have been employed for at least five full years shall receive 50 percent of unused sick leave. Upon retirement, as defined by the Illinois Compiled Statutes, an employee will be paid 100 percent of accumulated sick leave up to a maximum of 720 hours. Upon termination for just cause, an employee will not be compensated for any unused or accumulated sick leave.

At April 30, 2022, the City estimated that the accumulated liability for unused vacation and sick leave for governmental fund employees totaled \$2,672,609. Amounts reflected in the financial statements at April 30, 2022 for enterprise fund employees related to unused vacation and sick leave benefits totaled \$171,912.

Long-term obligations

In the government-wide financial statements, and proprietary 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. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Estimates

Management 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.

Fund balances

In the fund financial statements, the City classifies the 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 intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned - the residual classification of the General Fund balance.

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:

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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	\$ 382,615
Permanent Endowment	<u>261,767</u>
	<u>\$ 644,382</u>
Restricted:	
TIF Fund Balances	\$ 3,211,546
Motor Fuel Tax Fund	3,009,038
DUI Fund	40,391
Retirement Fund	241,539
Forfeiture Funds	50,380
Incremental Sales Tax Fund	188,211
American Rescue Plan	719,079
Permanent Funds	<u>82,099</u>
	<u>\$ 7,542,283</u>
Committed:	
Tourism Fund	\$ 121,505
SIUE Public Safety Fund	327
Public Safety Facilities	791,729
Plummer Family Park	309,236
Community Redevelopment Fund	3,718
Capital Improvement Fund	3,581,133
Capital Equipment Fund	1,068,704
Willey Theatre Fund	<u>1,181,740</u>
	<u>\$ 7,058,092</u>

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 2: BUDGETARY AND LEGAL COMPLIANCE**

Annual appropriated budgets are adopted for all governmental funds. All annual appropriations lapse at fiscal year-end. Project length financial plans are adopted for all capital projects funds.

On May 3, 2021, the City Council approved an ordinance adopting the annual appropriations. The City also develops an annual budget which is the budgetary data reflected in these financial statements. Formal budgetary integration is employed as a management control device during the year for the governmental funds.

The City prepares its annual budget on the cash basis (budget basis) which differs from accounting principles generally accepted in the United States of America (GAAP basis). The budget and all transactions are presented in accordance with the City's method (budget basis) in the required supplementary information for the major governmental funds to provide a meaningful comparison of actual results with the budget. The difference between budget and GAAP basis is that the budget is prepared on the cash basis of accounting.

Budgeted amounts are as originally adopted, unless amended by the City Council. If amended, the amounts presented in the required supplementary information represent original and final authorized amounts. Comparisons of actual to budgeted amounts are performed using the operating budget amounts for all funds.

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

1. The budgetary package for the coming fiscal year is made available by the City Clerk for distribution to persons responsible for budget preparations.
2. The completed budgetary package is returned to the City Clerk and City Administrator.
3. The proposed budget prepared by management is forwarded to the Finance Committee for review and then submitted to the Mayor and City Council.
4. The budget and necessary ordinances are adopted by the City Council.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 3: RECEIVABLES**

Receivables as of year-end for the City as reported in the statement of net position, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Other Major Funds</u>	<u>Enterprise Funds</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Property Taxes	\$ 8,078,500	\$ -	\$ -	\$ 2,815,600	\$ 10,894,100
Intergovernmental	3,210,995	2,500,000	-	1,059,776	6,770,771
Licenses/Fees/Other	3,401	-	-	199,910	203,311
Accounts	1,005,675	-	1,029,543	116,556	2,151,774
Unbilled Services	-	-	1,664,241	-	1,664,241
Gross Receivables	12,298,571	2,500,000	2,693,784	4,191,842	21,684,197
Less: Allowance for uncollectible	659,929	-	101,935	-	761,864
Net Total Receivables	<u>\$ 11,638,642</u>	<u>\$ 2,500,000</u>	<u>\$ 2,591,849</u>	<u>\$ 4,191,842</u>	<u>\$ 20,922,333</u>

Governmental funds report unearned revenue in connection with receivables that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition for resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes receivable	\$ 10,894,100	\$ -
Intergovernmental	1,126,487	-
Fees for services	-	1,023,039

**NOTE 4: CASH AND CASH EQUIVALENTS AND INVESTMENTS**

**General Government, Business-Like Activities & Component Unit**

At April 30, 2022, the carrying amount of the City's deposits was \$15,157,360 and the bank balance was \$16,813,652. The deposits were comprised of checking, interest checking, money market and certificates of deposit.

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, 2022, all of the deposits of the City were covered by FDIC insurance or collateralized by the financial institutions.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

As of April 30, 2022, the City had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
The Illinois Funds (external investment pool)	--	\$ 7,947,159
		7,947,159
Deposits as reported above		<u>15,157,360</u>
Total deposits and investments		<u>\$ 23,104,519</u>
As Reported in the Statement of Net Position:		
Governmental and Business-type Activities:		
Cash and Investments		\$ 29,425,492
Cash Deficit		(7,355,618)
Cash and Cash Equivalents - Restricted		58,780
Component Unit:		
Cash and Investments		976,359
Cash and Investments Reported in Agency Funds		<u>(494)</u>
		<u>\$ 23,104,519</u>

The Illinois Funds are pooled investments that are operated by the State of Illinois as a not-for-profit common law trust and are not registered with the SEC. The funds are monitored regularly through the State by internal and external audits. The goals of the funds are 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, 2022, the credit rating of the City's investment was as follows:

<u>Investment</u>	<u>Standard &amp; Poor's Rating</u>	<u>Moody's Investors Service Rating</u>
The Illinois Funds (external investment pool)	AAAm	--

Concentration of Credit Risk. As of April 30, 2022, the City did not have a concentration of credit risk related to the City's investments.

Foreign Currency Risk. As of April 30, 2022, the City has no foreign currency risk.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**Fire Pension Fund**

As of April 30, 2022, the carrying amount and the bank balance of the Fire Pension Fund's deposits were \$796,423 and the bank balance was \$796,964. The deposits were comprised of interest checking and money market accounts.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the Fire Pension'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 Fund's name.

As of April 30, 2022, the Fire Pension Fund has transferred all the investment funds to the Illinois Firefighter's Pension Investment Fund (IFPIF) investment account. The IFPIF is a pooled investment account maintained by the State of Illinois. The City's portion of the balance held in this investment pool is \$15,994,369 as of April 30, 2022.

Credit Risk. As of April 30, 2022 the Fire Pension Fund did not have a credit risk.

Concentration of Credit Risk. As of April 30, 2022, the Fire Pension Fund did not have a concentration of investments.

Foreign Currency Risk. As of April 30, 2022, the Fire Pension Fund has no foreign currency risk.

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.

**Police Pension Fund**

As of April 30, 2022, the carrying amount and bank balance of the Police Pension Fund's deposits was \$523,105. The deposits were comprised of checking and money market accounts.

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 Fund 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.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

As of April 30, 2022, the Police Pension Fund had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
U.S. Treasury Notes	3.98	\$ 5,714,843
Federal National Mortgage Association	23.12	343,985
Federal Home Loan Mortgage Corporation	24.39	25,864
Corporate Bonds	4.78	2,260,040
Mutual Funds	--	<u>18,085,314</u>
		26,430,046
Deposits as reported above		<u>523,105</u>
Total deposits and investments		<u>\$ 26,953,151</u>
 <u>As Reported in the Statement of Fiduciary Net Position:</u>		
Cash and Cash Equivalents		\$ 523,105
Investments		<u>26,430,046</u>
		<u>\$ 26,953,151</u>

Credit Risk. As of April 30, 2022, the Police Pension Fund's investments credit ratings were as follows:

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

Concentration of Credit Risk. As of April 30, 2022, the Police Pension Fund's did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2022, the Police Pension Fund has no foreign currency risk.

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 EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 5: CAPITAL ASSETS**

Capital asset activity for the year ended April 30, 2022 was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 6,462,955	\$ -	\$ -	\$ 6,462,955
Total capital assets, not being depreciated	<u>6,462,955</u>	<u>-</u>	<u>-</u>	<u>6,462,955</u>
Capital assets, being depreciated:				
Land improvements	4,228,186	-	-	4,228,186
Buildings and improvements	43,445,335	407,212	-	43,852,547
Equipment	4,498,197	226,526	-	4,724,723
Vehicles	5,562,093	362,413	29,650	5,894,856
Infrastructure	97,211,438	337,936	-	97,549,374
Construction in Progress	<u>2,885,247</u>	<u>10,917,468</u>	<u>337,936</u>	<u>13,464,779</u>
Total capital assets being depreciated	<u>157,830,496</u>	<u>12,251,555</u>	<u>367,586</u>	<u>169,714,465</u>
Less accumulated depreciation for:				
Land improvements	2,987,258	199,903	-	3,187,161
Buildings and improvements	8,586,340	1,226,588	-	9,812,928
Equipment	3,665,823	303,183	-	3,969,006
Vehicles	4,312,089	325,681	21,249	4,616,521
Infrastructure	<u>65,239,894</u>	<u>2,750,451</u>	<u>-</u>	<u>67,990,345</u>
Total accumulated depreciation	<u>84,791,404</u>	<u>4,805,806</u>	<u>21,249</u>	<u>89,575,961</u>
Total capital assets being depreciated, net	<u>73,039,092</u>	<u>7,445,749</u>	<u>346,337</u>	<u>80,138,504</u>
Governmental activities capital assets, net	<u>\$ 79,502,047</u>	<u>\$ 7,445,749</u>	<u>\$ 346,337</u>	<u>\$ 86,601,459</u>
<u>Business-type activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 547,482	\$ 43,551	\$ -	\$ 591,033
Total capital assets, not being depreciated	<u>547,482</u>	<u>43,551</u>	<u>-</u>	<u>591,033</u>
Capital assets, being depreciated:				
Equipment	2,374,237	74,545	-	2,448,782
Vehicles	1,692,936	34,676	-	1,727,612
Buildings and systems	<u>66,430,377</u>	<u>1,399,173</u>	<u>-</u>	<u>67,829,550</u>
Total capital assets being depreciated	<u>70,497,550</u>	<u>1,508,394</u>	<u>-</u>	<u>72,005,944</u>
Less accumulated depreciation for:				
Equipment	1,537,982	108,100	-	1,646,082
Vehicles	961,270	125,805	-	1,087,075
Buildings and systems	<u>30,841,002</u>	<u>1,363,678</u>	<u>-</u>	<u>32,204,680</u>
Total accumulated depreciation	<u>33,340,254</u>	<u>1,597,583</u>	<u>-</u>	<u>34,937,837</u>
Total capital assets being depreciated, net	<u>37,157,296</u>	<u>(89,189)</u>	<u>-</u>	<u>37,068,107</u>
Business-type activities capital assets, net	<u>\$ 37,704,778</u>	<u>\$ (45,638)</u>	<u>\$ -</u>	<u>\$ 37,659,140</u>

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 243,744
Public safety	862,325
Highways and streets	2,817,882
Public works	20,638
Culture and recreation	<u>861,217</u>
Total depreciation expense - governmental activities	<u>\$ 4,805,806</u>
Business-type activities:	
Water and sewer	<u>\$ 1,597,583</u>

Discretely Presented Component Unit

The capital asset activity for the City Library for the year ended April 30, 2022 was as follows:

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Capital assets, being depreciated:				
Buildings	\$ 4,891,845	\$ 568,958	\$ -	\$ 5,460,803
Equipment	<u>108,802</u>	<u>-</u>	<u>-</u>	<u>108,802</u>
	<u>5,000,647</u>	<u>568,958</u>	<u>-</u>	<u>5,569,605</u>
Less accumulated depreciation for:				
Buildings	4,655,257	19,793	-	4,675,050
Equipment	<u>108,280</u>	<u>522</u>	<u>-</u>	<u>108,802</u>
	<u>4,763,537</u>	<u>20,315</u>	<u>-</u>	<u>4,783,852</u>
Total capital assets, net of depreciation	<u>\$ 237,110</u>	<u>\$ 548,643</u>	<u>\$ -</u>	<u>\$ 785,753</u>

Depreciation expense related to the City Library assets is included in the expenses of the component unit.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 6: LONG-TERM DEBT**

General Obligation Debt

The City issues general obligation debt to provide funds for the acquisition and construction of major capital facilities. General obligation debt has been issued for both governmental and business-type activities. The City has the following outstanding general obligation debt issues:

\$3,000,000 General Obligation Debt Certificates, Series 2006A dated May 1, 2006, due in annual installments of \$150,000 through November 1, 2025; interest at 4.29%. This debt is being retired by the Capital Improvements Fund. The outstanding balance as of April 30, 2022 is \$600,000.

\$1,200,000 General Obligation Debt Certificates, Series 2007A dated August 22, 2007, due in monthly installments of \$9,125 through September 1, 2022; interest at 4.33%. This debt is being retired by the Municipal Facilities Fund. The outstanding balance as of April 30, 2022 is \$45,775.

\$8,500,000 General Obligation Bonds, Series 2016 dated November 30, 2016, due in annual installments of \$529,342 to \$692,809 through June 15, 2032; interest at 2.99%. These bonds were issued to finance the construction of the new public safety building and sports complex. The debt is being retired by the Parks Improvement Fund. The outstanding balance as of April 30, 2022 is \$6,078,214.

\$5,100,000 General Obligation Refunding Bonds, Series 2019B dated August 30, 2019, due in annual installments of \$205,000 to \$395,000 through February 1, 2029; interest at 2.35% to 2.77%. This debt is being retired by the Capital Improvements Fund and the Water Fund. The outstanding balance as of April 30, 2022 is \$2,440,000.

\$6,530,000 General Obligation Refunding Bonds, Series 2020A dated December 9, 2020, due in annual installments of \$620,000 to \$695,000 through October 1, 2030; including interest at 1.45%. These bonds were issued to refund the General Obligation Bonds, Series 2015. The debt is being retired by the Public Safety Facilities Fund. The outstanding balance as of April 30, 2022 is \$5,920,000.

\$4,220,000 General Obligation Refunding Bonds, Series 2020B dated December 22, 2020, due in annual installments of \$190,000 to \$545,000 through October 1, 2030; including interest at 1.45%. These bonds were issued to refund the General Obligation Refunding and Improvement Bonds, Series 2013 and the Recovery Zone Economic Development Bonds, Series 2010C. The debt is being retired by the TIF #4 Fund and the Water Fund. The outstanding balance as of April 30, 2022 is \$3,725,000.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

\$9,365,000 General Obligation Refunding Bonds, Series 2021 dated April 26, 2021, due in annual installments of \$370,000 to \$590,000 through April 1, 2039; including interest at 1.99% to 2.45%. These bonds were issued to refund the General Obligation Bonds, Series 2019A. The debt is being retired by the Plummer Family Park Fund. The outstanding balance as of April 30, 2022 is \$8,805,000.

\$5,045,000 General Obligation Bonds, Series 2021B dated May 12, 2021, due in annual installments of \$230,000 to \$320,000 through April 1, 2041; including interest at 0.70% to 2.60%. These bonds were issued to pay for the new Ice Rink. The debt is being retired by the Ice Rink/Teen Center Fund. The outstanding balance as of April 30, 2022 is \$5,045,000.

The annual requirements to retire general obligation debt as of April 30, 2022 are as follows:

Fiscal Year Ended April 30	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 2,425,317	\$ 603,422	\$ 559,800	\$ 67,085
2024	2,404,330	553,254	566,080	57,990
2025	2,439,605	502,794	582,360	46,561
2026	2,463,523	442,405	590,500	35,640
2027	2,349,818	397,288	601,780	24,451
2028-2032	10,999,076	1,310,635	741,800	16,451
2033-2037	3,955,000	610,018	-	-
2038-2041	1,980,000	113,714	-	-
	<u>\$ 29,016,669</u>	<u>\$ 4,533,530</u>	<u>\$ 3,642,320</u>	<u>\$ 248,178</u>

**Loan Agreements**

The City has entered into the following loan agreements as of April 30, 2022 for both the governmental and business-type activities:

\$450,000 agreement dated December 30, 1968 with the Treasurer of the State of Illinois in accordance with House Bill 1719 for the construction of the Poag water main. Payments are due at the rate of \$.10 per 1000 gallons of water sold by the City to users receiving water from the Poag water main. The outstanding balance as of April 30, 2022 is \$214,080.

\$200,000 promissory note dated May 16, 2019 with Madison County Community Development for improvements at Plummer Family Park. The loan is to be repaid in annual installments including interest at 3.00%. The debt is being retired by the Plummer Family Park Fund. The outstanding balance as of April 30, 2022 is \$57,656.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

\$750,000 promissory note dated April 18, 2019 with Madison County Community Development for improvements at Plummer Family Park. The loan is to be repaid in annual installments of \$120,380 including interest at 3.00%. The debt is being retired by the Plummer Family Park Fund. The outstanding balance as of April 30, 2022 is \$535,520.

The annual requirements to retire the loan agreements are as follows:

Fiscal Year Ended April 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 161,497	\$ 22,375	\$ 7,401	\$ -
2024	106,956	13,424	206,679	-
2025	110,165	10,215	-	-
2026	113,469	6,910	-	-
2027	101,089	10,417	-	-
	<u>\$ 593,176</u>	<u>\$ 63,341</u>	<u>\$ 214,080</u>	<u>\$ -</u>

Unless noted otherwise, the loans are secured by the related equipment. Upon default, the loans may become immediately due, including interest. The lender may also take possession of the equipment being held as collateral.

The following is a summary of changes in long-term liabilities for the year ended April 30, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Government Activities:</u>					
Bond and notes payable:					
General obligation debt	\$ 26,203,759	\$ 5,045,000	\$ 2,232,090	\$ 29,016,669	\$ 2,425,317
Loans	630,574	-	37,398	593,176	161,497
Total debt payable	26,834,333	5,045,000	2,269,488	29,609,845	2,586,814
Other liabilities:					
Retirement health benefits	2,717,714	1,106,531	-	3,824,245	-
Net pension liability	43,876,080	-	5,199,734	38,676,346	-
Compensated absences	2,616,445	56,164	-	2,672,609	-
Governmental activities long-term liabilities	<u>\$ 76,044,572</u>	<u>\$ 6,207,695</u>	<u>\$ 7,469,222</u>	<u>\$ 74,783,045</u>	<u>\$ 2,586,814</u>
<u>Business-type Activities:</u>					
Bond and notes payable:					
General obligation debt	\$ 4,188,980	\$ -	\$ 546,660	\$ 3,642,320	\$ 559,800
Loans	214,080	-	-	214,080	7,401
Total debt payable	4,403,060	-	546,660	3,856,400	567,201
Other liabilities:					
Retirement health benefits	229,417	91,326	-	320,743	-
Compensated absences	178,446	-	6,534	171,912	-
Business-type activities long-term liabilities	<u>\$ 4,810,923</u>	<u>\$ 91,326</u>	<u>\$ 553,194</u>	<u>\$ 4,349,055</u>	<u>\$ 567,201</u>

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 7: TAX INCREMENT FINANCING DISTRICTS**

Tax Incremental Financing (TIF) Funds have been established to account for the portion of taxes attributable to the increase in the current equalized assessed valuation of property within the TIF areas. Tax receipts are deposited into the TIF Funds to be used for paying the debt service on obligations incurred on project costs and for current expenditures for area improvements. TIF District #2 was approved by the City Council on April 15, 1997. The City established the North Gateway Commerce Center Redevelopment Project Area, on February 4, 2003 and the North Main Street TIF was established on March 4, 2008.

**NOTE 8: RETIREMENT AND PENSION FUND COMMITMENTS**

1. 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](http://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 2021 was 10.20 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.

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

Retirees and Beneficiaries	96
Inactive, non-Retired Members	92
Active Members	<u>118</u>
Total	<u>306</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.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 1.84%; and the resulting single discount rate is 7.25%.

Actuarial Valuation Date	12/31/21
Measurement Date of the Net Pension Liability	12/31/21
Fiscal Year End	04/30/22
Development of the Single Discount Rate as of December 31, 2021	
Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate	1.84%
Last year ending December 31 in the 2022 to 2121 projection period for which projected benefit payments are fully funded	2121
Resulting Single Discount Rate based on the above development	7.25%
Single Discount Rate calculated using December 31, 2020 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, 2021.

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

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

**CITY OF EDWARDSVILLE, 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.

<b>Total pension liability</b>	
Service Cost	\$ 643,853
Interest on the Total Pension Liability	2,405,291
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	(100,265)
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	(1,725,909)
Net change in total pension liability	\$ 1,222,970
Total pension liability - beginning	<u>33,717,457</u>
Total pension liability - ending	<u>\$ 34,940,427</u>
<b>Plan fiduciary net position</b>	
Contributions - employer	\$ 696,947
Contributions - employee	308,931
Net investment income	5,799,035
Benefit payments, including refunds of employee contributions	(1,725,909)
Other (Net Transfer)	(241,170)
Net change in plan fiduciary net position	\$ 4,837,834
Plan fiduciary net position - beginning	<u>33,792,511</u>
Plan fiduciary net position - ending	<u>\$ 38,630,345</u>
<b>Net pension liability/(asset)</b>	<u>\$ (3,689,918)</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	110.56%
<b>Covered valuation payroll</b>	\$ 6,832,816
<b>Net pension liability as a percentage of covered valuation payroll</b>	-54.00%

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).

**CITY OF EDWARDSVILLE, 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.

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>
Total Pension Liability	\$ 39,249,642	\$ 34,940,427	\$ 31,511,341
Plan Fiduciary Net Position	<u>38,630,345</u>	<u>38,630,345</u>	<u>38,630,345</u>
Net Pension Liability/(Asset)	<u>\$ 619,297</u>	<u>\$ (3,689,918)</u>	<u>\$ (7,119,004)</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	\$ 553,918	\$ 76,996
Changes in assumptions	106,532	201,651
Payment subsequent to measurement date	197,131	-
Net difference between projected and actual earnings on pension plan investments	-	<u>4,385,105</u>
Total	<u>\$ 857,581</u>	<u>\$ 4,663,752</u>

Year Ending <u>December 31,</u>	Net Deferred Inflows of <u>Resources</u>
2022	\$ (712,332)
2023	(1,545,369)
2024	(1,061,627)
2025	(683,974)
2026	-
	<u>\$ (4,003,302)</u>

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

2. Sheriff's Law Enforcement Personnel (SLEP)

*Plan Description.* The City's defined benefit pension plan for certain City SLEP eligible employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. Membership in SLEP is based on several factors including the member's role at the employer and type of appointment. SLEP members include many Illinois county sheriffs and deputy sheriffs, correctional officers, forest preserve district rangers, airport police and police chiefs. 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](http://www.imrf.org).

*Funding Policy.* As set by statute, members are required to contribute 7.50 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 annual employer annual required contribution for calendar year 2021 was \$12,217. 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.

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

Retirees and Beneficiaries	0
Inactive, non-Retired Members	1
Active Members	<u>0</u>
Total	<u>1</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.

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 1.84%; and the resulting single discount rate is 7.25%.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Actuarial Valuation Date	12/31/21
Measurement Date of the Net Pension Liability	12/31/21
Fiscal Year End	04/30/22

Development of the Single Discount Rate as of December 31, 2021	
Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate	1.84%
Last year ending December 31 in the 2022 to 2121 projection period for which projected benefit payments are fully funded	2121
Resulting Single Discount Rate based on the above development	7.25%
Single Discount Rate calculated using December 31, 2020 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, 2021.

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

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

**CITY OF EDWARDSVILLE, 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.

<b>Total pension liability</b>	
Service Cost	\$ 20,057
Interest on the Total Pension Liability	16,254
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	(35,282)
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	-
Net change in total pension liability	\$ 1,029
Total pension liability - beginning	<u>214,164</u>
Total pension liability - ending	<u>\$ 215,193</u>
<b>Plan fiduciary net position</b>	
Contributions - employer	\$ 12,217
Contributions - employee	7,284
Net investment income	27,648
Benefit payments, including refunds of employee contributions	-
Other (Net Transfer)	<u>(2,441)</u>
Net change in plan fiduciary net position	\$ 44,708
Plan fiduciary net position - beginning	<u>196,761</u>
Plan fiduciary net position - ending	<u>\$ 241,469</u>
<b>Net pension liability/(asset)</b>	<u>\$ (26,276)</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	112.21%
<b>Covered valuation payroll</b>	\$ 97,116
<b>Net pension liability as a percentage of covered valuation payroll</b>	-27.06%

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).

**CITY OF EDWARDSVILLE, 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.

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>
Total Pension Liability	\$ 248,201	\$ 215,193	\$ 188,056
Plan Fiduciary Net Position	<u>241,469</u>	<u>241,469</u>	<u>241,469</u>
Net Pension Liability/(Asset)	<u>\$ 6,732</u>	<u>\$ (26,276)</u>	<u>\$ (53,413)</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 Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 6,810	\$ 30,157
Changes in assumptions	2,892	2,831
Payment subsequent to measurement date	-	-
Net difference between projected and actual earnings on pension plan investments	-	15,847
Total	<u>\$ 9,702</u>	<u>\$ 48,835</u>

Year Ending <u>December 31,</u>	Net Deferred Outflows of Resources
2022	\$ (7,436)
2023	(9,413)
2024	(7,681)
2025	(6,360)
2026	(3,905)
Thereafter	<u>(4,338)</u>
	<u>\$ (39,133)</u>

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**3. Firefighters' Pension Fund**

a) Plan Description

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

Plan Membership as of April 30, 2021:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	21
Inactive Plan Members Entitled to But Not Yet	
Receiving Benefits	2
Active Plan Members	<u>32</u>
Total	<u>55</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 \$1,159.27 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.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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.

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.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Investments

Investment Policy:

The long-term asset allocation is determined by the Illinois Firefighter’s Pension Investment Fund and is as follows as of April 30, 2022:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
U.S. Equity	31.00%	5.20%
Developed Market Equity	16.00	5.10
Emerging Market Equity	8.00	5.50
Private Equity	5.00	8.60
Public Credit	3.00	1.80
Private Credit	5.00	7.00
Core Investment Grade Bonds	15.00	1.60
Long Term Treasuries	3.00	1.30
TIPS	4.00	.80
Real Estate	5.00	4.90
Infrastructure	5.00	5.10
Total	<u>100.00%</u>	

The long-term expected rate of return on pension plan investments was determined using the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) and are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -4.86%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

b) Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor on April 30, 2022 were as follows:

Total Pension Liability	\$ 35,464,163
Plan Fiduciary Net Position	<u>(17,782,029)</u>
Net Pension Liability	<u>\$ 17,682,134</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	50.14%

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of April 30, 2022 using the following actuarial assumptions.

Inflation Rate	2.25%
Salary Increases	3.50%
Discount Rate for the Total Pension Liability	5.49%
Retirement Mortality Rate: L&A Assumption Study for Firefighters 2020	
Disabled Mortality Rate: L&A Assumption Study for Firefighters 2020	

Discount Rate:

The discount rate used to measure the total pension liability was 5.49 percent. The projection of cash flows were used to determine the extent which the plan's future net position will be able to cover future benefit payments. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future projected benefit payments through 2061. 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.

Changes in Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balances as of May 01, 2021	\$ 37,745,854	\$ 18,470,152	\$ 19,275,702
Changes for a year			
Service Cost	1,209,904	-	1,209,904
Interest	1,793,637	-	1,793,637
Differences between expected and actual experience	(1,891,156)	-	(1,891,156)
Changes of assumptions	(2,142,775)	-	(2,142,775)
Changes of benefit terms	-	-	-
Contributions - employer	-	1,244,788	(1,244,788)
Contributions - employee	-	270,194	(270,194)
Net investment income	-	(897,506)	897,506
Benefit payments, including refunds	(1,251,301)	(1,251,301)	-
Administrative	-	(54,298)	54,298
Net Changes	<u>(2,281,691)</u>	<u>(688,123)</u>	<u>(1,593,568)</u>
Balances as of April 30, 2022	<u>\$ 35,464,163</u>	<u>\$ 17,782,029</u>	<u>\$ 17,682,134</u>

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 Discount		
	1% Decrease	Rate	1% Increase
	4.49%	5.49%	6.49%
Net Pension Liability	\$23,410,795	\$ 17,682,134	\$ 13,055,785

**CITY OF EDWARDSVILLE, 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, 2022, the City recognized a pension expense of \$1,740,821. 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	\$ 614,566	\$ (3,189,463)
Changes in assumptions	6,093,072	(3,640,437)
Payments subsequent to measurement date	-	-
Net difference between projected and actual earnings on pension plan investments	<u>477,996</u>	
Total	<u>\$ 7,185,634</u>	<u>\$ (6,829,900)</u>

Year Ending <u>April 30,</u>	Net Deferred Inflows of <u>Resources</u>
2023	\$ 301,393
2024	158,898
2025	(272,961)
2026	354,252
2027	36,341
Thereafter	<u>(222,189)</u>
	<u>\$ 355,734</u>

**4. Police Pension Fund**

a) Plan Description

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

Plan Membership as of April 30, 2021:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	22
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	3
Active Plan Members	<u>42</u>
Total	<u>67</u>

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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.

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.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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.

Investments

Investment Policy:

The following is the Board's adopted asset allocation and expected rate of return as of April 30, 2022:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
US Large	23.00%	4.15%
US Small	5.00	4.54
International Developed	18.00	4.64
International Developed Small	5.00	-.25
Emerging Markets	7.00	5.31
Private Equity	7.00	7.15
Bank Loans	3.00	2.48
High Yield Corp Credit	3.00	2.48
Emerging Market Debt	3.00	2.82
Private Credit	5.00	4.37
US TIPS	3.00	-.12
Real Estate/Infrastructure	8.00	4.00
Cash	1.00	-.27
Short-Term Gov't/Credit	3.00	.73
US Treasury	3.00	-.60
Core Plus Fixed Income	3.00	.73
Total	<u>100.00%</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, 2022, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was -4.15%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

b) Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor on April 30, 2022 were as follows:

Total Pension Liability	\$ 49,124,147
Plan Fiduciary Net Position	<u>(28,129,935)</u>
Net Pension Liability	<u>\$ 20,994,212</u>
Plan Fiduciary Net Position	
as a % of Total Pension Liability	57.26%

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of April 30, 2022 using the following actuarial assumptions.

Inflation	2.25%
Salary Increases	3.25%
Discount Rate used for the Net Pension Liability	5.97%
Retirement Mortality Rate: L&A Assumption Study for Police 2020	
Disabled Mortality Rate: Sex Distinct Raw Rates as developed in the PubS-2010 Study	

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of May 01, 2021	\$ 53,636,780	\$ 29,053,805	\$ 24,582,975
Changes for a year			
Service Cost	1,388,702	-	1,388,702
Interest	2,705,766	-	2,705,766
Differences between expected and actual experience	(2,499,741)	-	(2,499,741)
Changes of assumptions	(4,478,238)	-	(4,478,238)
Changes of benefit terms	-	-	-
Contributions - employer	-	1,553,908	(1,553,908)
Contributions - employee	-	382,275	(382,275)
Contributions - other	-	-	-
Net investment income	-	(1,207,036)	1,207,036
Benefit payments, including refunds	(1,629,122)	(1,629,122)	-
Administrative	-	(23,895)	23,895
Net Changes	<u>(4,512,633)</u>	<u>(923,870)</u>	<u>(3,588,763)</u>
Balances as of April 30, 2022	<u>\$ 49,124,147</u>	<u>\$ 28,129,935</u>	<u>\$ 20,994,212</u>

Discount Rate:

The discount rate used to measure the total pension liability was 5.97 percent. The projection of cash flows was used to determine the extent which the plan's future net position will be able to cover future benefit payments. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future projected benefit payments through 2064. To the extent future benefit payments are not covered by the plan's net position, the municipal bond rate

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

would be used to determine the portion of the net pension liability associated with those payments.

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 Discount Rate	1% Increase
	4.97%	5.97%	6.97%
Net Pension Liability	\$ 28,945,041	\$ 20,994,212	\$ 14,580,517

*Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses.* For the year ended April 30, 2022, the City recognized a pension expense of \$2,004,467. 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	\$ 910,455	\$ (2,684,553)
Changes in assumptions	7,746,595	(6,963,349)
Payments subsequent to measurement date	-	-
Net difference between projected and actual earnings on pension plan investments	575,438	-
Total	<u>\$ 9,232,488</u>	<u>\$ (9,647,902)</u>

Year Ending April 30,	Net Deferred Outflows of Resources
2023	\$ 346,331
2024	115,256
2025	(936,788)
2026	284,354
2027	(371,863)
Thereafter	147,296
	<u>\$ (415,414)</u>

**5. Laborer’s International Union of North America National (Industrial) Pension Fund**

The Plan was established pursuant to a Trust Agreement and Declaration of Trust dated February 1, 1967 to provide retirement, disability, and death benefits for eligible participants. The Plan is funded primarily by employer contributions as specified in the collective bargaining and/or participation agreements between the union and various employers and employer associations. During 1996, the Trustees approved an amendment to the Plan to allow participants, for whom no employer contributions will be made, to contribute to the Plan on their own behalf. The Plan is a multiple employer defined benefit

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

pension plan and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

The City makes contributions to the pension fund for employees of various departments. The payments are made based on number of hours worked by the covered employees.

The plan provides for various types of pension upon retirement. To receive a regular pension, the participants must be (a) be at least age 62, (b) have earned at least 5 years of pension credit and (c) have earned at least one year of pension credit during the period the City is contributing to the Pension Fund.

Retirement payments vary depending at what level of hourly contribution is being made by the City and the total years of employee pension credit. Total payments made by the City were \$217,222 for the year ended April 30, 2022. The City has fully contributed all required payments during this period.

**6. Retiree Medical Plan**

The City provides healthcare coverage for all active qualified employees of the City and also makes coverage available for the City retirees. This plan is a single employer plan where the City contributions and benefit payments are related to the increase in active member premiums due to the presence of retirees in the determination of blended retiree/active member premiums. As part of the plan, all retirees are required to pay the full cost of coverage. This coverage becomes secondary to Medicare after the retiree attains the age of 65.

Plan Membership as of April 30, 2021:

Active Employees	173
Inactive Employees Currently Receiving Benefit Payments	16
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	<u>0</u>
Total	<u>189</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, 2022.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Funding Policy

The City currently pays the insurance premium on a monthly basis. The GASB statement requires employers to contribute the amount necessary, in addition to normal contributions, to finance the retirement coverage of its own employees.

Net OPEB Liability of the Sponsor

The components of the net pension obligation of the sponsor on April 30, 2022 were as follows:

Total OPEB Liability	\$ 4,342,368
Plan Fiduciary Net Position	-
Net OPEB Liability	<u>\$ 4,342,368</u>
 Plan Fiduciary Net Position as a % of Total OPEB Liability	 0%
 Covered Employee Payroll	 \$12,452,813
Employer's Net OPEB Liability as a % of Employee Payroll	34.87%

Actuarial Assumptions:

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

Assumed Retirement Age	58
Discount Rate	1.74%
Investment Rate of Return	N/A

Mortality Rates:

Pre-retirement – PRI-12 Employee Blue Collar Table, with projected mortality improvement based on Scale MP 2021 (Male and Female).

Post-retirement - PRI-12 Annuitant Blue Collar Table, with projected mortality improvement based on Scale MP 2021 (Male and Female).

Health Care Trend Rates – Initial rate of 6%, graded down .25% each year until an ultimate rate of 4.5% is reached.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	OPEB Plan Net Position	Net OPEB Liability
Balances Beginning at 5/1/20	\$ 3,105,958	\$ -	\$ 3,105,958
Changes for a year			
Service Cost	258,156	-	258,156
Interest	80,755	-	80,755
Actuarial Experience	(53,346)	-	(53,346)
Changes of assumptions	1,011,513	-	1,011,513
Contributions - employer	-	60,668	(60,668)
Contributions - employee	-	-	-
Contributions - other	-	-	-
Net investment income	-	-	-
Benefit payments from Trust	(60,668)	(60,668)	-
Administrative	-	-	-
Net Changes	1,236,410	-	1,236,410
Balances Beginning at 4/30/21	\$ 4,342,368	\$ -	\$ 4,342,368

Below is a table illustrating the sensitivity of the net OPEB liability to the healthcare trend rate assumption.

	Healthcare Cost Trend Rates		
	1% Decrease (Varies)	Rate (Varies)	1% Increase (Varies)
Net OPEB Liability	\$ 3,779,588	\$ 4,342,368	\$ 4,993,070

**Discount Rate:**

The discount rate used to measure the total OPEB liability was 1.74 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. The municipal bond rate is based on The Bond Buyer 20-Bond GO Index.

The following table displays the sensitivity of the resulting change had the rate been 1% higher or lower.

	Current Discount		
	1% Decrease 0.74%	Rate 1.74%	1% Increase 2.74%
Net OPEB Liability	\$ 4,971,300	\$ 4,342,368	\$ 3,795,962

For the year ended April 30, 2021, the City did not have any deferred outflows or inflows of resources to be recognized in future years.

*Annual Pension Cost.* For 2021, the City's contribution was \$60,668. The annual required contribution cost was determined to be \$459,281. The net OPEB obligation related to retirement health insurance costs is \$4,342,368. Of this amount, \$3,824,245 is reported as a liability in the governmental activities, \$320,743 is reported as a liability in the business-type activities, and \$197,380 is recorded as a liability of the component unit.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 9: INTERFUND RECEIVABLES/PAYABLES**

Individual fund interfund receivable and payable balances as of April 30, 2022 are as follows:

	Interfund Receivable/ (Payable)
General Fund due from (to):	
Motor Fuel Tax Fund	\$ (19,756)
Mobile Intensive Care Fund	9,700
Group Health Insurance Fund	4,288
Motor Fuel Tax Fund due from:	
General Fund	19,756
Tourism Promotion Fund due from:	
Community Redevelopment Fund	11,606
Community Redevelopment Fund due (to):	
Tourism Promotion Fund	(11,606)
Mobile Intensive Care Fund due to General Fund	(9,700)
Group Health Insurance Fund due to General Fund	<u>(4,288)</u>
	<u>\$ -</u>

The interfund receivables/payables are short term in nature and are expected to be repaid in the subsequent year.

**NOTE 10: ILLINOIS MUNICIPAL LEAGUE RISK MANAGEMENT ASSOCIATION (IMLRMA)**

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. The City has entered into an agreement with IMLRMA, an intergovernmental association formed pursuant to Article VII, Section 10 of the Illinois Constitution of 1970, to provide the City insurance coverage. There has been no significant reduction in coverage from the prior year.

**NOTE 11: SPECIAL SERVICE AREA**

On November 1, 2011, the City adopted an ordinance to establish the St. Louis Street Special Service Area. On December 16, 2011, the City issued Special Ad Valorem Tax Bonds, Series 2011 in the amount of \$550,000; principal and interest payable through December 15, 2036, for projects in the special service area. These bonds were refunded in the prior year by \$421,000 Special Service Area Refunding Bonds, Series 2020. The total balance outstanding on the bonds at April 30, 2022 is \$399,000. The debt service funding is accomplished by a separate tax levy and the activity is being recorded as an agency fund.

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 12: TAX ABATEMENTS**

For the property tax year 2021, property tax value abatements within the City, related to Enterprise Zones, are \$141,458,292. The related tax that was abated on the Enterprise Zone properties, related to the City, is \$1,769,077.

**NOTE 13: INTERFUND TRANSFERS**

The following is a summary of interfund transfers for the year ended April 30, 2022:

General Fund Transfer From (To):	
Water Fund	\$ 144,998
Sewer Fund	210,998
Motor Fuel Tax Fund	99,998
Public Library Fund	25,000
Community Redevelopment Fund	145,004
Municipal Facilities Fund	(36,504)
Capital Equipment Fund	(940,000)
Ice Rink Fund	(270,000)
Plummer Family Park Fund	(546,000)
Motor Fuel Tax Fund Transfer to General Fund	(99,998)
American Rescue Plan Fund Transfer to Water Fund	(998,000)
Tourism Fund Transfer to Nickel Plate Depot Fund	(8,234)
Retirement Fund Transfer From (To):	
Water Fund	(59,849)
Sewer Fund	(35,151)
Social Security Fund Transfer From (To):	
Water Fund	(56,936)
Sewer Fund	(33,440)
Community Redevelopment Fund Transfer From (To):	
General Fund	(145,004)
Plummer Family Park Fund	(200,002)
TIF Bond Reserve Fund Transfer to Ice Rink Fund	(1,022,004)
Municipal Facilities Fund Transfer From (To):	
General Fund	36,504
Water Fund	36,503
Sewer Fund	36,503
Capital Improvement Fund Transfer From (To):	
Water Fund	(144,000)
Sewer Fund	(125,305)
Nickel Plate Depot Fund Transfer from Tourism Fund	8,234
Ice Rink Fund Transfer From (To):	
General Fund	270,000
TIF Bond Reserve Fund	1,022,004

**CITY OF EDWARDSVILLE, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 13: INTERFUND TRANSFERS (continued)**

Public Safety Facilities Fund Transfer From (To):	
SIUE Public Safety Fund	\$ 311,000
Water Fund	(5,000)
SIUE Public Safety Fund Transfer to Public Safety Facilities	(311,000)
Plummer Family Park Fund Transfer From (To):	
General Fund	546,000
Community Redevelopment Fund	200,002
Water Fund Transfer From (To):	
Capital Improvement Fund	144,000
Public Safety Facilities Fund	5,000
Retirement Fund	59,849
Social Security Fund	56,936
General Fund	(144,998)
Municipal Facilities Fund	(36,503)
Sewer Fund	(500,000)
American Rescue Plan Fund	998,000
Sewer Fund Transfer From (To):	
Capital Improvement Fund	125,305
Retirement Fund	35,151
Social Security Fund	33,440
General Fund	(210,998)
Municipal Facilities Fund	(36,503)
Water Fund	500,000
Public Library Fund Transfer To General Fund	(25,000)
Capital Equipment Fund Transfer to General Fund	940,000
	<u>          -</u>

The City makes various transfers between funds during the fiscal year. The majority of transfers are made to reimburse expenses paid by one fund that relate to expenses of another fund.

**NOTE 14: SUBSEQUENT EVENTS**

The City has evaluated events occurring after the financial statement date through June 8, 2023 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.

**CITY OF EDWARDSVILLE, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - GENERAL FUND  
FOR THE YEAR ENDED APRIL 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual (Budget Basis)</u>
	<u>Original</u>	<u>Final</u>	
Receipts:			
Property Tax	\$ 6,701,333	\$ 6,701,333	\$ 6,741,448
Intergovernmental:			
Sales and Use Tax	8,612,748	8,612,748	9,922,489
Replacement Tax	200,000	200,000	531,158
State Income Tax	2,658,040	2,658,040	3,844,246
Telecommunications Tax	180,000	180,000	151,641
Other	24,767	24,767	41,870
Grants	25,526	25,526	31,078
Licenses, Fees and Permits	609,200	609,200	672,924
Charges for Services	2,271,550	2,271,550	2,104,395
Fines	190,000	190,000	214,853
Investment Earnings	25,000	25,000	54,993
Miscellaneous Revenues/Reimbursements	153,400	153,400	172,871
Total Receipts	<u>21,651,564</u>	<u>21,651,564</u>	<u>24,483,966</u>
Disbursements			
Current:			
General Government	3,475,518	3,475,518	3,274,799
Public Safety	11,308,732	11,308,732	10,909,057
Highways and Streets	2,164,028	2,164,028	2,112,963
Public Works	1,926,803	1,926,803	1,799,354
Culture and Recreation	1,622,037	1,622,037	1,487,001
Total Disbursements	<u>20,497,118</u>	<u>20,497,118</u>	<u>19,583,174</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>1,154,446</u>	<u>1,154,446</u>	<u>4,900,792</u>
Other Financing Sources:			
Operating Transfers In (Out)	(1,091,579)	(1,091,579)	(1,731,580)
Total Other Financing Sources	<u>(1,091,579)</u>	<u>(1,091,579)</u>	<u>(1,731,580)</u>
Excess of Receipts and Other Financing Sources Over Disbursements	<u>\$ 62,867</u>	<u>\$ 62,867</u>	3,169,212
Change in other receivable on modified accrual basis			(5,255)
Change in intergovernmental revenue on modified accrual basis			440,591
Change in accrued interest receivable on modified accrual basis			(4,625)
Change in accrued salaries on modified accrual basis			51,879
Change in accounts payable on modified accrual basis			(528,975)
Change in charges for services receivable on modified accrual basis			(133,355)
Change in prepaid expenses on modified accrual basis			8,203
Change in market value of investments			(257,945)
Change in deferred income on modified accrual basis			<u>514,171</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 3,253,901</u>

**CITY OF EDWARDSVILLE, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE (CASH BASIS)  
 ICE RINK/TEEN COMPLEX FUND  
 FOR THE YEAR ENDED APRIL 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Intergovernmental	\$ 1,627,685	\$ 1,627,685	\$ -
Charges for Services	550,000	550,000	284,770
Investment Earnings	-	-	(16,291)
Miscellaneous	<u>791,644</u>	<u>791,644</u>	<u>541,605</u>
Total Receipts	<u>2,969,329</u>	<u>2,969,329</u>	<u>810,084</u>
Disbursements:			
Culture and Recreation:			
Personal Services	32,800	32,800	49,954
Commodities	5,300	5,300	1,905
Contractual Services	228,125	228,125	297,575
Miscellaneous	-	-	2,332
Capital Outlay	10,123,213	10,123,213	10,488,835
Debt Service	<u>85,366</u>	<u>85,366</u>	<u>85,366</u>
Total Disbursements	<u>10,474,804</u>	<u>10,474,804</u>	<u>10,925,967</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>(7,505,475)</u>	<u>(7,505,475)</u>	<u>(10,115,883)</u>
Other Financing Sources:			
Proceeds from Bonds	5,000,000	5,000,000	5,045,000
Transfers to Other Funds	<u>1,292,004</u>	<u>1,292,004</u>	<u>1,292,004</u>
Total Other Financing Sources	<u>6,292,004</u>	<u>6,292,004</u>	<u>6,337,004</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ (1,213,471)</u>	<u>\$ (1,213,471)</u>	(3,778,879)
Change in intergovernmental revenue on modified accrual basis			2,500,000
Change in accrued salaries on modified accrual basis			(5,001)
Change in accounts payable on modified accrual basis			172,352
Change in deferred income on modified accrual basis			<u>(431,570)</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (1,543,098)</u>

**CITY OF EDWARDSVILLE, ILLINOIS**

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
POLICE PENSION FUND  
APRIL 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:								
Service cost	\$ 1,388,702	\$ 1,599,034	\$ 1,140,819	\$ 1,076,941	\$ 1,094,362	\$ 1,031,541	\$ 878,595	\$ 757,946
Interest	2,705,766	2,674,182	2,521,833	2,364,406	2,232,049	2,174,866	1,801,252	1,936,934
Changes of benefit terms	-	-	388,942	-	-	-	-	-
Differences between expected and actual	(2,499,741)	(328,620)	856,874	533,703	21,455	(555,111)	(414,136)	-
Changes in assumptions	(4,478,238)	(3,819,126)	12,915,847	(3,556,846)	61,274	(683,773)	4,992,594	-
Benefit payments, including refunds	<u>(1,629,122)</u>	<u>(1,503,403)</u>	<u>(1,460,551)</u>	<u>(1,311,027)</u>	<u>(1,032,839)</u>	<u>(1,024,265)</u>	<u>(932,624)</u>	<u>(933,653)</u>
Net change in total pension liability	(4,512,633)	(1,377,933)	16,363,764	(892,823)	2,376,301	943,258	6,325,681	1,761,227
Total pension liability - beginning	<u>53,636,780</u>	<u>55,014,713</u>	<u>38,650,949</u>	<u>39,543,772</u>	<u>37,167,471</u>	<u>36,224,213</u>	<u>29,898,532</u>	<u>28,137,305</u>
Total pension liability - ending	<u>\$ 49,124,147</u>	<u>\$ 53,636,780</u>	<u>\$ 55,014,713</u>	<u>\$ 38,650,949</u>	<u>\$ 39,543,772</u>	<u>\$ 37,167,471</u>	<u>\$ 36,224,213</u>	<u>\$ 29,898,532</u>
Plan Fiduciary Net Position								
Contributions - employer	1,553,908	1,241,823	1,028,414	1,030,622	1,006,359	937,674	920,192	875,430
Contributions - employee	382,275	360,354	365,140	352,832	333,689	332,966	328,541	340,666
Contributions - other	-	11,568	53,763	181,878	1,800	-	-	-
Net investment income	(1,207,037)	7,457,293	(1,679,489)	430,817	1,179,122	1,633,572	(317,325)	705,587
Benefit payments, including refunds	(1,629,122)	(1,503,403)	(1,460,551)	(1,311,027)	(1,032,839)	(1,024,264)	(932,624)	(933,653)
Administrative	<u>(23,895)</u>	<u>(21,935)</u>	<u>(21,345)</u>	<u>(21,998)</u>	<u>(19,605)</u>	<u>(20,573)</u>	<u>(22,112)</u>	<u>(19,177)</u>
Net change in plan fiduciary net position	(923,871)	7,545,700	(1,714,068)	663,124	1,468,526	1,859,375	(23,328)	968,853
Plan fiduciary net position - beginning	<u>29,053,806</u>	<u>21,508,106</u>	<u>23,222,174</u>	<u>22,559,050</u>	<u>21,090,524</u>	<u>19,231,149</u>	<u>19,254,477</u>	<u>18,285,624</u>
Plan fiduciary net position - ending	<u>\$ 28,129,935</u>	<u>\$ 29,053,806</u>	<u>\$ 21,508,106</u>	<u>\$ 23,222,174</u>	<u>\$ 22,559,050</u>	<u>\$ 21,090,524</u>	<u>\$ 19,231,149</u>	<u>\$ 19,254,477</u>
Net Pension Liability	<u>\$ 20,994,212</u>	<u>\$ 24,582,974</u>	<u>\$ 33,506,607</u>	<u>\$ 15,428,775</u>	<u>\$ 16,984,722</u>	<u>\$ 16,076,947</u>	<u>\$ 16,993,064</u>	<u>\$ 10,644,055</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>57.26%</u>	<u>54.17%</u>	<u>39.10%</u>	<u>60.08%</u>	<u>57.05%</u>	<u>56.74%</u>	<u>53.09%</u>	<u>64.40%</u>
Covered-employee Payroll	<u>\$ 3,827,478</u>	<u>\$ 3,814,845</u>	<u>\$ 3,770,709</u>	<u>\$ 3,511,618</u>	<u>\$ 3,939,204</u>	<u>\$ 3,815,210</u>	<u>\$ 3,292,520</u>	<u>\$ 3,115,565</u>
Net position liability as a percentage of covered-employee payroll	<u>548.51%</u>	<u>644.40%</u>	<u>888.60%</u>	<u>439.36%</u>	<u>431.17%</u>	<u>421.39%</u>	<u>516.11%</u>	<u>341.64%</u>

**CITY OF EDWARDSVILLE, ILLINOIS**

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
FIRE PENSION FUND  
APRIL 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total Pension Liability:							
Service cost	\$ 1,209,904	\$ 1,298,947	\$ 996,076	\$ 824,645	\$ 757,149	\$ 711,272	\$ 665,968
Interest	1,793,637	1,784,361	1,793,248	1,654,759	1,574,056	1,596,859	1,367,110
Changes of benefit terms	-	-	321,958	-	-	-	-
Difference between expected and actual	(1,891,156)	(1,878,085)	(22,611)	1,035,225	16,538	(250,154)	(52,701)
Changes in assumptions	(2,142,775)	(1,617,536)	10,770,427	(2,089,108)	-	(1,349,244)	1,541,345
Benefit payments, including refunds	<u>(1,251,301)</u>	<u>(1,146,938)</u>	<u>(1,079,552)</u>	<u>(1,110,292)</u>	<u>(1,082,785)</u>	<u>(1,041,716)</u>	<u>(1,018,003)</u>
Net change in total pension liability	(2,281,691)	(1,559,251)	12,779,546	315,229	1,264,958	(332,983)	2,503,719
Total pension liability - beginning	<u>37,745,854</u>	<u>39,305,105</u>	<u>26,525,559</u>	<u>26,210,330</u>	<u>24,945,372</u>	<u>25,278,355</u>	<u>22,774,636</u>
Total pension liability - ending	<u>\$ 35,464,163</u>	<u>\$ 37,745,854</u>	<u>\$ 39,305,105</u>	<u>\$ 26,525,559</u>	<u>\$ 26,210,330</u>	<u>\$ 24,945,372</u>	<u>\$ 25,278,355</u>
Plan Fiduciary Net Position							
Contributions - employer	1,244,788	1,070,440	895,478	895,303	790,982	735,163	714,809
Contributions - employee	270,194	265,154	259,516	256,632	244,835	221,699	193,989
Net investment income	(897,506)	4,545,279	(814,608)	279,650	769,020	1,056,794	(224,018)
Benefit payments, including refunds	(1,251,301)	(1,146,938)	(1,079,552)	(1,110,292)	(1,082,785)	(1,041,717)	(1,018,003)
Administrative	<u>(54,298)</u>	<u>(19,881)</u>	<u>(23,865)</u>	<u>(21,732)</u>	<u>(20,761)</u>	<u>(18,767)</u>	<u>(17,882)</u>
Net change in plan fiduciary net position	(688,123)	4,714,054	(763,031)	299,561	701,291	953,172	(351,105)
Plan fiduciary net position - beginning	<u>18,470,152</u>	<u>13,756,098</u>	<u>14,519,129</u>	<u>14,219,568</u>	<u>13,518,277</u>	<u>12,565,105</u>	<u>12,916,210</u>
Plan fiduciary net position - ending	<u>\$ 17,782,029</u>	<u>\$ 18,470,152</u>	<u>\$ 13,756,098</u>	<u>\$ 14,519,129</u>	<u>\$ 14,219,568</u>	<u>\$ 13,518,277</u>	<u>\$ 12,565,105</u>
Net Pension Liability	<u>\$ 17,682,134</u>	<u>\$ 19,275,702</u>	<u>\$ 25,549,007</u>	<u>\$ 12,006,430</u>	<u>\$ 11,990,762</u>	<u>\$ 11,427,095</u>	<u>\$ 12,713,250</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>50.14%</u>	<u>48.93%</u>	<u>35.00%</u>	<u>54.74%</u>	<u>54.25%</u>	<u>54.19%</u>	<u>49.71%</u>
Covered-employee Payroll	<u>\$ 2,975,608</u>	<u>\$ 2,840,013</u>	<u>\$ 2,840,128</u>	<u>\$ 2,681,187</u>	<u>\$ 3,026,557</u>	<u>\$ 2,910,151</u>	<u>\$ 2,033,273</u>
Net position liability as a percentage of covered-employee payroll	<u>594.24%</u>	<u>678.72%</u>	<u>899.57%</u>	<u>447.80%</u>	<u>396.18%</u>	<u>392.66%</u>	<u>625.26%</u>

CITY OF EDWARDSVILLE, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
APRIL 30, 2022

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:							
Service Cost	\$ 643,853	\$ 674,945	\$ 672,845	\$ 604,671	\$ 649,304	\$ 624,731	\$ 596,752
Interest	2,405,291	2,292,605	2,166,800	2,039,205	1,984,319	1,893,106	1,787,492
Difference between expected and actual Assumption changes	(100,265)	604,903	400,648	430,616	109,642	(273,411)	(18,881)
Benefit payments, including refunds	<u>(1,725,909)</u>	<u>(1,652,591)</u>	<u>(1,359,624)</u>	<u>(1,194,223)</u>	<u>(1,066,670)</u>	<u>(1,014,746)</u>	<u>(921,170)</u>
Net change in total pension liability	1,222,970	1,606,499	1,880,669	2,746,117	817,899	1,162,368	1,476,653
Total pension liability - beginning	<u>33,717,457</u>	<u>32,110,958</u>	<u>30,230,289</u>	<u>27,484,172</u>	<u>26,666,273</u>	<u>25,503,905</u>	<u>24,027,252</u>
Total pension liability - ending	<u>\$ 34,940,427</u>	<u>\$ 33,717,457</u>	<u>\$ 32,110,958</u>	<u>\$ 30,230,289</u>	<u>\$ 27,484,172</u>	<u>\$ 26,666,273</u>	<u>\$ 25,503,905</u>
Plan Fiduciary Net Position							
Contributions - employer	696,947	708,547	604,799	663,631	677,732	673,675	633,657
Contributions - employee	308,931	319,184	310,782	312,577	284,141	268,358	261,242
Net investment income	5,799,035	4,179,510	4,700,405	(1,378,383)	4,025,628	1,514,789	108,768
Benefit payments, including refunds	(1,725,909)	(1,652,591)	(1,359,624)	(1,194,223)	(1,066,670)	(1,014,746)	(921,170)
Administrative	<u>(241,170)</u>	<u>298,655</u>	<u>130,375</u>	<u>414,231</u>	<u>(412,575)</u>	<u>26,712</u>	<u>(91,640)</u>
Net change in plan fiduciary net position	4,837,834	3,853,305	4,386,737	(1,182,167)	3,508,256	1,468,788	(9,143)
Plan fiduciary net position - beginning	<u>33,792,511</u>	<u>29,939,206</u>	<u>25,552,469</u>	<u>26,734,636</u>	<u>23,226,380</u>	<u>21,757,592</u>	<u>21,766,735</u>
Plan fiduciary net position - ending	<u>\$ 38,630,345</u>	<u>\$ 33,792,511</u>	<u>\$ 29,939,206</u>	<u>\$ 25,552,469</u>	<u>\$ 26,734,636</u>	<u>\$ 23,226,380</u>	<u>\$ 21,757,592</u>
Net Pension Liability	<u>\$ (3,689,918)</u>	<u>\$ (75,054)</u>	<u>\$ 2,171,752</u>	<u>\$ 4,677,820</u>	<u>\$ 749,536</u>	<u>\$ 3,439,893</u>	<u>\$ 3,746,313</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>110.56%</u>	<u>100.22%</u>	<u>93.24%</u>	<u>84.53%</u>	<u>97.27%</u>	<u>87.10%</u>	<u>85.31%</u>
Covered-employee payroll	<u>\$ 6,832,816</u>	<u>\$ 6,872,430</u>	<u>\$ 6,896,222</u>	<u>\$ 6,356,610</u>	<u>\$ 6,199,324</u>	<u>\$ 5,899,077</u>	<u>\$ 5,706,058</u>
Net position liability as a percentage of covered-employee payroll	<u>-54.00%</u>	<u>-1.09%</u>	<u>31.49%</u>	<u>73.59%</u>	<u>12.09%</u>	<u>58.31%</u>	<u>65.66%</u>

**CITY OF EDWARDSVILLE, ILLINOIS**

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
SLEP  
APRIL 30, 2022

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:							
Service Cost	\$ 20,057	\$ 21,163	\$ 20,497	\$ 19,067	\$ 18,999	\$ 18,361	\$ 17,771
Interest	16,254	13,705	11,222	8,867	6,947	5,064	3,422
Difference between expected and actual Assumption changes	(35,282)	3,209	-	2,803	1,543	1,489	416
Benefit payments, including refunds	-	(2,363)	2,199	5,106	(1,922)	(399)	191
Net change in total pension liability	<u>1,029</u>	<u>35,714</u>	<u>33,918</u>	<u>35,843</u>	<u>25,567</u>	<u>24,515</u>	<u>21,800</u>
Total pension liability - beginning	<u>214,164</u>	<u>178,450</u>	<u>144,532</u>	<u>108,689</u>	<u>83,122</u>	<u>58,607</u>	<u>36,807</u>
Total pension liability - ending	<u>\$ 215,193</u>	<u>\$ 214,164</u>	<u>\$ 178,450</u>	<u>\$ 144,532</u>	<u>\$ 108,689</u>	<u>\$ 83,122</u>	<u>\$ 58,607</u>
Plan Fiduciary Net Position							
Contributions - employer	12,217	13,633	11,965	12,032	11,494	10,874	10,182
Contributions - employee	7,284	8,695	8,620	8,402	8,132	7,842	7,561
Net investment income	27,648	19,031	17,995	(1,540)	10,640	3,713	231
Benefit payments, including refunds	-	-	-	-	-	-	-
Administrative	(2,441)	(1,002)	(1,540)	(1,128)	(1,740)	(1,334)	(3,377)
Net change in plan fiduciary net position	<u>44,708</u>	<u>40,357</u>	<u>37,040</u>	<u>17,766</u>	<u>28,526</u>	<u>21,095</u>	<u>14,597</u>
Plan fiduciary net position - beginning	<u>196,761</u>	<u>156,404</u>	<u>119,364</u>	<u>101,598</u>	<u>73,072</u>	<u>51,977</u>	<u>37,380</u>
Plan fiduciary net position - ending	<u>\$ 241,469</u>	<u>\$ 196,761</u>	<u>\$ 156,404</u>	<u>\$ 119,364</u>	<u>\$ 101,598</u>	<u>\$ 73,072</u>	<u>\$ 51,977</u>
Net Pension Liability	<u>\$ (26,276)</u>	<u>\$ 17,403</u>	<u>\$ 22,046</u>	<u>\$ 25,168</u>	<u>\$ 7,091</u>	<u>\$ 10,050</u>	<u>\$ 6,630</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>112.21%</u>	<u>91.87%</u>	<u>87.65%</u>	<u>82.59%</u>	<u>93.48%</u>	<u>87.91%</u>	<u>88.69%</u>
Covered-employee Payroll	<u>\$ 97,116</u>	<u>\$ 115,929</u>	<u>\$ 114,933</u>	<u>\$ 112,031</u>	<u>\$ 108,432</u>	<u>\$ 104,558</u>	<u>\$ 100,807</u>
Net position liability as a percentage of covered-employee payroll	<u>-27.06%</u>	<u>15.01%</u>	<u>19.18%</u>	<u>22.47%</u>	<u>6.54%</u>	<u>9.61%</u>	<u>6.58%</u>

**CITY OF EDWARDSVILLE, ILLINOIS**

SCHEDULE OF CONTRIBUTIONS  
POLICE PENSION FUND  
APRIL 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 1,768,810	\$ 1,410,455	\$ 1,255,258	\$ 1,180,959	\$ 1,099,599	\$ 1,074,978	\$ 1,125,044	\$ 1,033,303
Contributions in relation to actuarial determined contribution	<u>1,553,908</u>	<u>1,241,823</u>	<u>1,028,414</u>	<u>999,900</u>	<u>1,006,359</u>	<u>914,581</u>	<u>920,192</u>	<u>875,430</u>
Contribution deficiency (excess)	<u>\$ 214,902</u>	<u>\$ 168,632</u>	<u>\$ 226,844</u>	<u>\$ 181,059</u>	<u>\$ 93,240</u>	<u>\$ 160,397</u>	<u>\$ 204,852</u>	<u>\$ 157,873</u>
 Covered-employee Payroll	 <u>3,827,478</u>	 <u>3,814,845</u>	 <u>3,770,709</u>	 <u>3,511,618</u>	 <u>3,939,204</u>	 <u>3,815,210</u>	 <u>3,292,520</u>	 <u>3,115,565</u>
 Contributions as a percentage of covered-employee payroll	 <u>40.60%</u>	 <u>32.55%</u>	 <u>27.27%</u>	 <u>28.47%</u>	 <u>25.55%</u>	 <u>23.97%</u>	 <u>27.95%</u>	 <u>28.10%</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, 2022.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Percentage of Payroll (Closed)
Remaining Amortization Period:	20 Years
Asset Valuation Method:	5-Year Smoothed Fair Value
 Actuarial Assumptions:	
Interest Rate (current and prior)	7.00%
Payroll Growth	3.25%
Inflation Rate	2.25%

**CITY OF EDWARDSVILLE, ILLINOIS**

SCHEDULE OF CONTRIBUTIONS  
FIRE PENSION FUND  
APRIL 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 1,396,383	\$ 1,205,800	\$ 1,118,111	\$ 970,054	\$ 911,171	\$ 819,509	\$ 675,973	\$ 638,861
Contributions in relation to actuarial determined contribution	<u>1,244,788</u>	<u>981,240</u>	<u>895,478</u>	<u>782,308</u>	<u>790,982</u>	<u>735,163</u>	<u>714,809</u>	<u>672,267</u>
Contribution deficiency (excess)	<u>\$ 151,595</u>	<u>\$ 224,560</u>	<u>\$ 222,633</u>	<u>\$ 187,746</u>	<u>\$ 120,189</u>	<u>\$ 84,346</u>	<u>\$ (38,836)</u>	<u>\$ (33,406)</u>
 Covered-employee Payroll	 <u>2,975,608</u>	 <u>2,840,013</u>	 <u>2,840,128</u>	 <u>2,681,187</u>	 <u>3,026,557</u>	 <u>2,910,151</u>	 <u>2,033,273</u>	 <u>1,795,005</u>
 Contributions as a percentage of covered-employee payroll	 <u>41.83%</u>	 <u>34.55%</u>	 <u>31.53%</u>	 <u>29.18%</u>	 <u>26.13%</u>	 <u>25.26%</u>	 <u>35.16%</u>	 <u>37.45%</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, 2022.

The actuarial valuations presented are prepared using the following parameters:

Funding Method:	Entry Age Normal
Amortization Method:	Level Percentage of Payroll (Closed)
Remaining Amortization Period:	20 Years
Asset Valuation Method:	5-Year Smoothed Fair Value
 Actuarial Assumptions:	
Interest Rate (current and prior)	7.00%
Payroll Growth	3.50%
Inflation Rate	2.25%

CITY OF EDWARDSVILLE, ILLINOIS

SCHEDULE OF CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
APRIL 30, 2022

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 696,947	\$ 708,548	\$ 604,799	\$ 663,630	\$ 669,527	\$ 673,675	\$ 637,937
Contributions in relation to actuarial determined contribution	<u>696,947</u>	<u>708,547</u>	<u>604,799</u>	<u>663,631</u>	<u>677,732</u>	<u>673,675</u>	<u>633,657</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (8,205)</u>	<u>\$ -</u>	<u>\$ 4,280</u>
 Covered-employee Payroll	 <u>\$ 6,832,816</u>	 <u>\$ 6,872,430</u>	 <u>\$ 6,896,222</u>	 <u>\$ 6,356,610</u>	 <u>\$ 6,199,324</u>	 <u>\$ 5,899,077</u>	 <u>\$ 5,706,058</u>
 Contributions as a percentage of covered-employee payroll	 <u>10.20%</u>	 <u>10.31%</u>	 <u>8.77%</u>	 <u>10.44%</u>	 <u>10.93%</u>	 <u>11.42%</u>	 <u>11.10%</u>

Actuarial valuation date for above is December 31, 2021.

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:	22 years
Asset Valuation Method:	5-Year smoothed market; 20% corridor
Actuarial Assumptions:	
Interest Rate	7.25%
Wage Growth	3.25%
Price Inflation	2.50%

CITY OF EDWARDSVILLE, ILLINOIS

SCHEDULE OF CONTRIBUTIONS  
SLEP  
APRIL 30, 2022

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 12,217	\$ 13,633	\$ 11,965	\$ 12,032	\$ 11,494	\$ 10,874	\$ 10,182
Contributions in relation to actuarial determined contribution	<u>12,217</u>	<u>13,633</u>	<u>11,965</u>	<u>12,032</u>	<u>11,494</u>	<u>10,874</u>	<u>10,182</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered-employee Payroll	 <u>\$ 97,116</u>	 <u>\$ 115,929</u>	 <u>\$ 114,933</u>	 <u>\$ 112,031</u>	 <u>\$ 108,432</u>	 <u>\$ 104,558</u>	 <u>\$ 100,807</u>
 Contributions as a percentage of covered-employee payroll	 <u>12.58%</u>	 <u>11.76%</u>	 <u>10.41%</u>	 <u>10.74%</u>	 <u>10.60%</u>	 <u>10.40%</u>	 <u>10.10%</u>

Actuarial valuation date for above is December 31, 2021.

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:	22 years
Asset Valuation Method:	5-Year smoothed market; 20% corridor
Actuarial Assumptions:	
Interest Rate (current and prior)	7.25%
Wage Growth	3.25%
Price Inflation	2.50%

CITY OF EDWARDSVILLE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS  
POLICE PENSION FUND  
APRIL 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	-4.15%	34.67%	-7.23%	1.91%	5.59%	8.49%	-1.64%	3.71%

CITY OF EDWARDSVILLE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS  
FIRE PENSION FUND  
APRIL 30, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	-4.86%	33.04%	-5.61%	1.97%	5.69%	8.41%	-1.68%	4.03%

**CITY OF EDWARDSVILLE, ILLINOIS**

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS  
RETIREE MEDICAL PROGRAM  
APRIL 30, 2022

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability:				
Service Cost	\$ 258,156	\$ 251,614	\$ 245,238	\$ 145,234
Interest	80,755	73,100	71,247	75,360
Differences between expected and actual	(53,346)	-	439,285	-
Changes in assumptions	1,011,513	-	-	-
Benefit payments, including refunds	<u>(60,668)</u>	<u>(30,276)</u>	<u>(30,276)</u>	<u>(37,121)</u>
Net change in total OPEB liability	1,236,410	294,438	725,494	183,473
Total OPEB liability - beginning	<u>3,105,958</u>	<u>2,811,520</u>	<u>2,086,026</u>	<u>1,902,553</u>
Total OPEB liability - ending	<u>\$ 4,342,368</u>	<u>\$ 3,105,958</u>	<u>\$ 2,811,520</u>	<u>\$ 2,086,026</u>
Plan Fiduciary Net Position				
Contributions - employer	60,668	30,276	30,276	37,121
Contributions - employee	-	-	-	-
Net investment income	-	-	-	-
Benefit payments, including refunds	(60,668)	(30,276)	(30,276)	(37,121)
Administrative	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability	<u>\$ 4,342,368</u>	<u>\$ 3,105,958</u>	<u>\$ 2,811,520</u>	<u>\$ 2,086,026</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Covered-employee payroll	<u>\$ 12,452,813</u>	<u>\$ 11,921,816</u>	<u>\$ 11,463,285</u>	<u>\$ 10,334,042</u>
Net position liability as a percentage of covered-employee payroll	<u>34.87%</u>	<u>26.05%</u>	<u>24.53%</u>	<u>20.19%</u>
Discount Rate	<u>2.6%</u>	<u>2.6%</u>	<u>2.6%</u>	<u>4.0%</u>

The City's last actuarial valuation was performed as of May 1, 2021

CITY OF EDWARDSVILLE, ILLINOIS

SCHEDULE OF EMPLOYER PAID CONTRIBUTIONS  
RETIREE MEDICAL PROGRAM  
APRIL 30, 2022

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarial Determined Contribution	\$ 459,281	\$ 433,673	\$ 255,259	\$ 255,259	\$ 234,873	\$ 234,873	\$ 184,795	\$ 184,795	\$ 220,866	\$ 220,866
Contributions in relation to actuarial determined contribution	<u>60,668</u>	<u>30,276</u>	<u>30,276</u>	<u>37,121</u>	<u>37,032</u>	<u>37,032</u>	<u>27,940</u>	<u>27,940</u>	<u>23,470</u>	<u>23,470</u>
Contribution deficiency (excess)	<u>\$ 398,613</u>	<u>\$ 403,397</u>	<u>\$ 224,983</u>	<u>\$ 218,138</u>	<u>\$ 197,841</u>	<u>\$ 197,841</u>	<u>\$ 156,855</u>	<u>\$ 156,855</u>	<u>\$ 197,396</u>	<u>\$ 197,396</u>
Covered-employee Payroll	<u>12,452,813</u>	<u>11,463,285</u>	<u>10,334,042</u>	<u>10,334,042</u>	<u>10,334,042</u>	<u>10,334,042</u>	<u>9,472,909</u>	<u>9,472,909</u>	<u>8,679,158</u>	<u>8,679,158</u>
Contributions as a percentage of covered-employee payroll	<u>0.49%</u>	<u>0.26%</u>	<u>0.29%</u>	<u>0.36%</u>	<u>0.36%</u>	<u>0.36%</u>	<u>0.29%</u>	<u>0.29%</u>	<u>0.27%</u>	<u>0.27%</u>

88 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, 2021.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Entry Age Normal Cost
Amortization Method:	Level Percentage of Payroll
Assumed Retirement Age	Age 58 and completion of 10 years of service
Actuarial Assumptions:	
Discount Rate	1.74%
Healthcare Inflation	6.00% grading down .25% per year until 4.50%
Salary Appreciation	4.00%
Inflation	2.25%

Mortality Rates  
Pre-Retirement  
Post-Retirement  
PRI-12 Employee Blue Collar Table, with projected mortality improvement based on Scale MP 2021  
PRI-12 Annuitant Blue Collar Table, with projected mortality improvement based on Scale MP 2021

**CITY OF EDWARDSVILLE, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
APRIL 30, 2022

Special Revenue Funds

	TIF #2	TIF #3	TIF #4	MFT	ESDA	Tourism Promotion	Retirement	Social Security	Capital Improvement	Community Redevelopment
<b>Assets</b>										
Cash and Investments	\$ 1,475,834	\$ 570,969	\$ 1,223,266	\$ 3,178,235	\$ -	\$ 168,713	\$ 241,539	\$ -	\$ 3,495,316	\$ -
Receivables:										
Accounts Receivable	-	-	-	-	-	-	-	-	116,556	-
Property Tax	1,278,900	-	188,900	-	-	-	721,400	626,400	-	-
Intergovernmental	-	-	-	89,363	-	-	-	-	-	189,438
Other	-	-	-	-	-	17,248	-	-	123,570	17,163
Due From Other Funds	-	-	-	19,756	-	11,606	-	-	-	-
Prepaid Expenses	-	-	-	-	24,338	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,754,734</b>	<b>\$ 570,969</b>	<b>\$ 1,412,166</b>	<b>\$ 3,287,354</b>	<b>\$ 24,338</b>	<b>\$ 197,567</b>	<b>\$ 962,939</b>	<b>\$ 626,400</b>	<b>\$ 3,735,442</b>	<b>\$ 206,601</b>

**Liabilities, Deferred Inflows of Resources, and Fund Balance**

<b>Liabilities:</b>										
Deficit Cash	\$ -	\$ -	\$ -	\$ -	\$ 11,325	\$ -	\$ -	\$ 53,130	\$ -	\$ 178,152
Accounts Payable	-	-	58,523	278,316	-	76,062	-	-	154,309	-
Accrued Wages	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-	11,606
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>58,523</b>	<b>278,316</b>	<b>11,325</b>	<b>76,062</b>	<b>-</b>	<b>53,130</b>	<b>154,309</b>	<b>189,758</b>
<b>Deferred Inflows of Resources:</b>										
Deferred Revenue	1,278,900	-	188,900	-	-	-	721,400	626,400	-	13,125
<b>Fund Balance:</b>										
Nonspendable	-	-	-	-	13,013	-	-	-	-	-
Restricted	1,475,834	570,969	1,164,743	3,009,038	-	-	241,539	-	-	-
Committed	-	-	-	-	-	121,505	-	-	3,581,133	3,718
Unassigned	-	-	-	-	-	-	-	(53,130)	-	-
<b>Total Fund Balance (Deficit)</b>	<b>1,475,834</b>	<b>570,969</b>	<b>1,164,743</b>	<b>3,009,038</b>	<b>13,013</b>	<b>121,505</b>	<b>241,539</b>	<b>(53,130)</b>	<b>3,581,133</b>	<b>3,718</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 2,754,734</b>	<b>\$ 570,969</b>	<b>\$ 1,412,166</b>	<b>\$ 3,287,354</b>	<b>\$ 24,338</b>	<b>\$ 197,567</b>	<b>\$ 962,939</b>	<b>\$ 626,400</b>	<b>\$ 3,735,442</b>	<b>\$ 206,601</b>

**CITY OF EDWARDSVILLE, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
APRIL 30, 2022

Special Revenue Funds

	Incremental Sales Tax	Wildley Theatre	SIUE Public Safety	DUI	State Forfeiture	Federal Forfeiture	Capital Equipment	American Rescue Plan	Nickel Plate Depot	Plummer Family Park
<b>Assets</b>										
Cash and Investments	\$ 156,195	\$ 1,205,297	\$ 327	\$ 36,364	\$ 32,236	\$ 18,144	\$ 787,204	\$ 719,079	\$ -	\$ 93,921
Receivables:										
Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Property Tax	-	-	-	-	-	-	-	-	-	-
Intergovernmental	49,064	-	-	-	-	-	-	-	-	-
Other	-	-	-	4,027	-	-	-	-	-	-
Due From Other Funds	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses	-	5,217	-	-	-	-	325,000	-	-	-
<b>Total Assets</b>	<b>\$ 205,259</b>	<b>\$ 1,210,514</b>	<b>\$ 327</b>	<b>\$ 40,391</b>	<b>\$ 32,236</b>	<b>\$ 18,144</b>	<b>\$ 1,112,204</b>	<b>\$ 719,079</b>	<b>\$ -</b>	<b>\$ 93,921</b>

Liabilities, Deferred Inflows of Resources, and Fund Balance

<b>Liabilities:</b>										
Deficit Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 260	\$ -
Accounts Payable	-	12,118	-	-	-	-	43,500	-	-	11,356
Accrued Wages	-	11,439	-	-	-	-	-	-	-	7,186
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>23,557</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43,500</b>	<b>-</b>	<b>260</b>	<b>18,542</b>
<b>Deferred Inflows of Resources:</b>										
Deferred Revenue	17,048	-	-	-	-	-	-	-	-	-
<b>Fund Balance:</b>										
Nonspendable	-	5,217	-	-	-	-	-	-	-	-
Restricted	188,211	-	-	40,391	32,236	18,144	-	719,079	-	-
Committed	-	1,181,740	327	-	-	-	1,068,704	-	-	75,379
Unassigned	-	-	-	-	-	-	-	-	(260)	-
<b>Total Fund Balance (Deficit)</b>	<b>188,211</b>	<b>1,186,957</b>	<b>327</b>	<b>40,391</b>	<b>32,236</b>	<b>18,144</b>	<b>1,068,704</b>	<b>719,079</b>	<b>(260)</b>	<b>75,379</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 205,259</b>	<b>\$ 1,210,514</b>	<b>\$ 327</b>	<b>\$ 40,391</b>	<b>\$ 32,236</b>	<b>\$ 18,144</b>	<b>\$ 1,112,204</b>	<b>\$ 719,079</b>	<b>\$ -</b>	<b>\$ 93,921</b>

**CITY OF EDWARDSVILLE, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
APRIL 30, 2022

	Special Revenue Funds			Debt Service Funds			Permanent Funds			Total
	Parks Improvement	Total	Municipal Facilities	Plummer Family Park Fund	Public Safety Facilities	Total	Police Department Endowment	Mobile Intensive Care	Total	
Cash and Investments	\$ -	\$ 13,402,639	\$ -	\$ 482,291	\$ 366,291	\$ 848,582	\$ 82,099	\$ 271,467	\$ 353,566	\$ 14,604,787
Receivables:										
Accounts Receivable	-	116,556	-	-	-	-	-	-	-	116,556
Property Tax	-	2,815,600	-	-	-	-	-	-	-	2,815,600
Intergovernmental	-	327,865	-	-	731,911	731,911	-	-	-	1,059,776
Other	19,915	181,923	-	17,987	-	17,987	-	-	-	199,910
Due From Other Funds	-	31,362	-	-	-	-	-	-	-	31,362
Prepaid Expenses	-	354,555	-	-	-	-	-	-	-	354,555
<b>Total Assets</b>	<b>\$ 19,915</b>	<b>\$ 17,230,500</b>	<b>\$ -</b>	<b>\$ 500,278</b>	<b>\$ 1,098,202</b>	<b>\$ 1,598,480</b>	<b>\$ 82,099</b>	<b>\$ 271,467</b>	<b>\$ 353,566</b>	<b>\$ 19,182,546</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balance</b>										
Liabilities:										
Deficit Cash	\$ 382,185	625,052	\$ 91	\$ -	\$ -	\$ 91	\$ -	\$ -	\$ -	\$ 625,143
Accounts Payable	-	634,184	-	-	33,392	33,392	-	-	-	667,576
Accrued Wages	-	18,625	-	-	-	-	-	-	-	18,625
Due to Other Funds	-	11,606	-	-	-	-	-	9,700	9,700	21,306
<b>Total Liabilities</b>	<b>382,185</b>	<b>1,289,467</b>	<b>91</b>	<b>-</b>	<b>33,392</b>	<b>33,483</b>	<b>-</b>	<b>9,700</b>	<b>9,700</b>	<b>1,332,650</b>
Deferred Inflows of Resources:										
Deferred Revenue	-	2,845,773	-	266,421	273,081	539,502	-	-	-	3,385,275
<b>Fund Balance:</b>										
Nonspendable	-	18,230	-	-	-	-	-	261,767	261,767	279,997
Restricted	-	7,460,184	-	-	-	-	82,099	-	82,099	7,542,283
Committed	-	6,032,506	-	233,857	791,729	1,025,586	-	-	-	7,058,092
Unassigned	(362,270)	(415,660)	(91)	-	-	(91)	-	-	-	(415,751)
<b>Total Fund Balance (Deficit)</b>	<b>(362,270)</b>	<b>13,095,260</b>	<b>(91)</b>	<b>233,857</b>	<b>791,729</b>	<b>1,025,495</b>	<b>82,099</b>	<b>261,767</b>	<b>343,866</b>	<b>14,464,621</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 19,915</b>	<b>\$ 17,230,500</b>	<b>\$ -</b>	<b>\$ 500,278</b>	<b>\$ 1,098,202</b>	<b>\$ 1,598,480</b>	<b>\$ 82,099</b>	<b>\$ 271,467</b>	<b>\$ 353,566</b>	<b>\$ 19,182,546</b>

**CITY OF EDWARDSVILLE, ILLINOIS**

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED APRIL 30, 2022

Special Revenue Funds

	TIF #2	TIF #3	TIF #4	MFT	ESDA	Tourism Promotion	Retirement	Social Security	Capital Improvement	Community Redevelopment
Revenues:										
Property Tax	\$ 1,269,744	\$ -	\$ 166,055	\$ -	\$ -	\$ -	\$ 703,925	\$ 611,953	\$ 925,898	\$ 148,563
Telecommunication Tax	-	-	-	-	-	-	-	-	-	-
Sales Tax	-	-	-	-	-	-	-	-	887,470	-
State Allotments	-	-	-	1,112,129	-	-	-	-	-	-
Grants	-	-	-	585,029	-	-	-	-	41,017	150,000
Video Gaming Tax	-	-	-	-	-	240,607	-	-	-	32,288
Other Local Taxes	-	-	-	-	-	-	-	-	2,468,796	184,018
Charges for Services	-	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-	-
Investment Earnings	6,852	5,702	6,810	12,694	38	684	1,398	51	10,133	(514)
Miscellaneous	-	-	-	-	-	-	-	2,916	-	-
Total Revenues	<u>1,276,596</u>	<u>5,702</u>	<u>172,865</u>	<u>1,709,852</u>	<u>38</u>	<u>241,291</u>	<u>705,323</u>	<u>614,920</u>	<u>4,333,314</u>	<u>514,355</u>
Expenditures:										
General Government	716,580	-	134,915	-	-	197,590	594,899	566,453	-	81,977
Highways and Streets	-	-	-	1,033,558	-	-	-	-	110,836	-
Public Safety	-	-	-	-	19,274	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	58,523	96,386	-	-	-	-	686,553	-
Debt Service:										
Principal	-	-	165,000	-	-	-	-	-	278,340	-
Interest and Charges	-	-	24,614	-	-	-	-	-	58,649	-
Total Expenditures	<u>716,580</u>	<u>-</u>	<u>383,052</u>	<u>1,129,944</u>	<u>19,274</u>	<u>197,590</u>	<u>594,899</u>	<u>566,453</u>	<u>1,134,378</u>	<u>81,977</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>560,016</u>	<u>5,702</u>	<u>(210,187)</u>	<u>579,908</u>	<u>(19,236)</u>	<u>43,701</u>	<u>110,424</u>	<u>48,467</u>	<u>3,198,936</u>	<u>432,378</u>
Other Financing Sources (Uses):										
Transfers In (Out)	-	(1,022,004)	-	(99,998)	-	(8,234)	(95,000)	(90,376)	(144,000)	(345,006)
Total Other Financing Sources (Uses)	-	<u>(1,022,004)</u>	-	<u>(99,998)</u>	-	<u>(8,234)</u>	<u>(95,000)</u>	<u>(90,376)</u>	<u>(144,000)</u>	<u>(345,006)</u>
Net Change in Fund Balances	560,016	(1,016,302)	(210,187)	479,910	(19,236)	35,467	15,424	(41,909)	3,054,936	87,372
Fund Balance, (Deficit) Beginning of Year	915,818	1,587,271	1,374,930	2,529,128	32,249	86,038	226,115	(11,221)	526,197	(83,654)
Fund Balance (Deficit), End of Year	<u>\$ 1,475,834</u>	<u>\$ 570,969</u>	<u>\$ 1,164,743</u>	<u>\$ 3,009,038</u>	<u>\$ 13,013</u>	<u>\$ 121,505</u>	<u>\$ 241,539</u>	<u>\$ (53,130)</u>	<u>\$ 3,581,133</u>	<u>\$ 3,718</u>

**CITY OF EDWARDSVILLE, ILLINOIS**

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED APRIL 30, 2022

Special Revenue Funds

	Incremental Sales Tax	Wildley Theatre	SIUE Public Safety	DUI	State Forfeiture	Federal Forfeiture	Capital Equipment	American Rescue Plan	Nickel Plate Depot	Plummer Family Park
Revenues:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property Tax	-	-	-	-	-	-	-	-	-	-
Telecommunication Tax	-	-	-	-	-	-	-	-	-	-
Sales Tax	264,007	-	-	-	-	-	-	-	-	-
State Allotments	-	-	-	-	-	-	-	-	-	-
Grants	-	899,215	-	-	-	-	-	1,716,912	-	-
Video Gaming Tax	-	-	-	-	-	-	284,830	-	-	-
Other Local Taxes	-	1,153,089	311,000	-	-	-	-	-	-	386,057
Charges for Services	-	-	-	-	-	-	-	-	-	-
Fines	-	-	-	35,564	31,795	7,142	-	-	-	-
Investment Earnings	791	2,335	(91)	226	90	127	6,587	167	(394)	446
Miscellaneous	-	6,850	-	-	-	-	22,814	-	6,978	-
Total Revenues	264,798	2,061,489	310,909	35,790	31,885	7,269	314,231	1,717,079	6,584	386,503
Expenditures:										
General Government	209,334	-	-	-	-	-	226,708	-	-	-
Highways and Streets	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	29,748	3,000	-	-	-	-	-
Culture and Recreation	-	1,188,424	-	-	-	-	-	-	1,111	365,171
Capital Outlay	-	-	-	-	-	15,549	801,144	-	(27,788)	16,201
Debt Service:										
Principal	-	-	-	-	-	-	-	-	-	-
Interest and Charges	-	-	-	-	-	-	-	-	-	-
Total Expenditures	209,334	1,188,424	-	29,748	3,000	15,549	1,027,852	-	(26,677)	381,372
Excess (Deficiency) of Revenues Over Expenditures	55,464	873,065	310,909	6,042	28,885	(8,280)	(713,621)	1,717,079	33,261	5,131
Other Financing Sources (Uses):										
Transfers In (Out)	-	-	(311,000)	-	-	-	940,000	(998,000)	8,234	-
Total Other Financing Sources (Uses)	-	-	(311,000)	-	-	-	940,000	(998,000)	8,234	-
Net Change in Fund Balances	55,464	873,065	(91)	6,042	28,885	(8,280)	226,379	719,079	41,495	5,131
Fund Balance, (Deficit) Beginning of Year	132,747	313,892	418	34,349	3,351	26,424	842,325	-	(41,755)	70,248
Fund Balance (Deficit), End of Year	\$ 188,211	\$ 1,186,957	\$ 327	\$ 40,391	\$ 32,236	\$ 18,144	\$ 1,068,704	\$ 719,079	\$ (260)	\$ 75,379

**CITY OF EDWARDSVILLE, ILLINOIS**

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED APRIL 30, 2022

	Special Revenue Funds			Debt Service Funds				Permanent Funds			Total Nonmajor Governmental Funds
	Parks Improvement	Total	Municipal Facilities	Plumber Family Park Fund	Public Safety Facilities	Police Department Endowment	Mobile Intensive Care	Total			
Revenues:											
Property Tax	\$ -	\$ 3,677,575	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,677,575
Telecommunication Tax	-	148,563	-	-	-	-	-	-	-	-	148,563
Sales Tax	-	1,151,477	-	-	1,557,669	-	-	-	-	-	2,709,146
State Allotments	-	1,112,129	-	-	-	-	-	-	-	-	1,112,129
Grants	-	3,392,173	-	-	-	-	-	-	-	-	3,392,173
Video Gaming Tax	-	32,288	-	-	-	-	-	-	-	-	32,288
Other Local Taxes	191,993	3,370,244	-	231,912	-	-	-	231,912	-	-	3,602,156
Charges for Services	-	1,850,146	-	113,311	-	-	-	113,311	-	-	1,963,457
Fines	-	74,501	-	-	-	-	-	-	-	-	74,501
Investment Earnings	(2,473)	51,659	(96)	3,011	625	418	1,384	1,802	1,802	-	57,001
Miscellaneous	-	39,558	-	110,000	-	-	-	-	-	-	149,558
Total Revenues	189,520	14,900,313	(96)	458,234	1,558,294	418	1,384	1,802	1,802	-	16,918,547
Expenditures:											
General Government	-	2,728,456	-	-	-	-	-	-	-	-	2,728,456
Highways and Streets	-	1,144,394	-	-	-	-	-	-	-	-	1,144,394
Public Safety	-	52,022	-	-	18,874	-	-	18,874	-	-	70,896
Culture and Recreation	-	1,554,706	-	733	-	-	-	733	-	-	1,555,439
Capital Outlay	-	1,646,568	-	-	105,174	-	-	105,174	-	-	1,751,742
Debt Service:											
Principal	-	443,340	105,002	688,059	1,033,087	-	-	1,826,148	-	-	2,269,488
Interest and Charges	-	83,263	4,503	214,234	249,417	-	-	468,154	-	-	551,417
Total Expenditures	-	7,652,749	109,505	903,026	1,406,552	-	-	1,516,057	-	-	10,071,832
Excess (Deficiency) of Revenues Over Expenditures	189,520	7,247,564	(109,601)	(444,792)	151,742	418	1,384	42,141	1,802	-	6,846,715
Other Financing Sources (Uses):											
Transfers In (Out)	-	(2,165,384)	109,510	746,002	306,000	-	-	1,161,512	-	-	(1,003,872)
Total Other Financing Sources (Uses)	-	(2,165,384)	109,510	746,002	306,000	-	-	415,510	-	-	(1,003,872)
Net Change in Fund Balances	189,520	5,082,180	(91)	301,210	457,742	418	1,384	758,861	1,802	-	5,842,843
Fund Balance, (Deficit) Beginning of Year	(551,790)	8,013,080	-	(67,553)	333,987	81,681	260,383	266,634	342,064	-	8,621,778
Fund Balance (Deficit), End of Year	(362,270)	\$ 13,095,260	\$ (91)	\$ 233,657	\$ 791,729	\$ 82,099	\$ 261,767	\$ 1,025,495	\$ 343,866	\$ -	\$ 14,464,621

CITY OF EDWARDSVILLE, ILLINOIS

GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET  
FOR THE YEAR ENDED APRIL 30, 2022

	<u>Budget</u>	<u>Actual</u>
General Government:		
Administrative and Legislative:		
Personal Services	\$ 280,963	\$ 278,814
Supplies	10,075	3,383
Contractual Services	39,780	26,183
Capital Outlay	39,000	39,158
Total Administration and Legislative	<u>369,818</u>	<u>347,538</u>
Legal and Judicial:		
Personal Services	171,124	171,124
Supplies	1,000	67
Contractual Services	31,560	26,573
Total Legal and Judicial	<u>203,684</u>	<u>197,764</u>
City Clerk:		
Personal Services	21,388	21,387
Supplies	2,500	2,363
Contractual Services	53,221	49,782
Total City Clerk	<u>77,109</u>	<u>73,532</u>
Finance:		
Personal Services	537,431	508,175
Supplies	67,130	66,962
Contractual Services	101,500	81,988
Total City Treasurer	<u>706,061</u>	<u>657,125</u>
Human Resources:		
Personal Services	282,369	272,796
Supplies	7,427	7,427
Contractual Services	76,742	61,101
Total Human Resources	<u>366,538</u>	<u>341,324</u>
Municipal Court:		
Supplies	315	315
Contractual Services	25,000	21,079
Total Municipal Court	<u>25,315</u>	<u>21,394</u>

CITY OF EDWARDSVILLE, ILLINOIS

GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (CONTINUED)  
FOR THE YEAR ENDED APRIL 30, 2022

	<u>Budget</u>	<u>Actual</u>
General Government: (Continued)		
Economic & Community Development		
Personal Services	109,123	108,073
Supplies	19,100	17,164
Contractual Services	<u>57,250</u>	<u>30,842</u>
Total Planning and Zoning	<u>185,473</u>	<u>156,079</u>
Grounds and Buildings:		
Personal Services	\$ 76,196	\$ 67,515
Supplies	20,800	20,767
Contractual Services	438,072	434,221
Capital Outlay	-	735
Total Grounds and Buildings	<u>535,068</u>	<u>523,238</u>
IT & Communications:		
Personal Services	\$ 198,782	\$ 198,761
Supplies	57,900	56,709
Contractual Services	124,770	111,777
Capital Outlay	-	2,428
Total IT & Communications	<u>381,452</u>	<u>369,675</u>
Liability Insurance:		
Contractual Services	\$ 625,000	\$ 587,130
Total Liability Insurance	<u>625,000</u>	<u>587,130</u>
Total General Government	<u>3,475,518</u>	<u>3,274,799</u>
Public Safety:		
Police and Fire Commission:		
Supplies	50	-
Contractual Services	<u>4,350</u>	<u>925</u>
Total Police and Fire Commission	<u>4,400</u>	<u>925</u>
Police Department:		
Personal Services	6,366,177	6,154,169
Supplies	216,527	181,862
Contractual Services	<u>271,707</u>	<u>241,462</u>
Total Police Department	<u>6,854,411</u>	<u>6,577,493</u>

**CITY OF EDWARDSVILLE, ILLINOIS**

GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (CONTINUED)  
FOR THE YEAR ENDED APRIL 30, 2022

	<u>Budget</u>	<u>Actual</u>
Public Safety: (Continued)		
Fire Department:		
Personal Services	4,045,777	4,000,236
Supplies	104,183	104,182
Contractual Services	<u>299,961</u>	<u>226,221</u>
Total Fire Department	<u>4,449,921</u>	<u>4,330,639</u>
Total Public Safety	<u>11,308,732</u>	<u>10,909,057</u>
Streets:		
Personal Services	\$ 1,077,580	\$ 1,060,053
Supplies	84,298	84,298
Contractual Services	<u>1,002,150</u>	<u>968,612</u>
Total Streets	<u>2,164,028</u>	<u>2,112,963</u>
Public Works:		
Personal Services	1,694,243	1,603,365
Supplies	30,800	29,088
Contractual Services	<u>201,760</u>	<u>166,901</u>
Total Public Works	<u>1,926,803</u>	<u>1,799,354</u>
Culture and Recreation:		
Parks:		
Personal Services	789,410	757,462
Supplies	45,336	45,336
Contractual Services	<u>253,857</u>	<u>251,620</u>
Total Parks	<u>1,088,603</u>	<u>1,054,418</u>
Recreation:		
Personal Services	12,620	12,620
Supplies	17,500	13,770
Contractual Services	<u>5,900</u>	<u>5,418</u>
Total Recreation	<u>36,020</u>	<u>31,808</u>

**CITY OF EDWARDSVILLE, ILLINOIS**

GENERAL FUND  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (CONTINUED)  
FOR THE YEAR ENDED APRIL 30, 2022

	<u>Budget</u>	<u>Actual</u>
Culture and Recreation:		
Sports Leagues:		
Personal Services	23,382	23,380
Supplies	29,318	29,317
Contractual Services	51,200	41,737
Total Sports Leagues	<u>103,900</u>	<u>94,434</u>
Community Activities/Events		
Personal Services	7,347	1,945
Supplies	11,587	10,934
Contractual Services	57,725	43,154
Total Community Activities/Events	<u>76,659</u>	<u>56,033</u>
Municipal Band		
Personal Services	350	-
Supplies	1,014	1,014
Contractual Services	94,690	56,671
Total Municipal Band	<u>96,054</u>	<u>57,685</u>
Cable TV Commission:		
Personal Services	135,566	125,252
Supplies	10,750	8,140
Contractual Services	14,800	7,495
Total Cable TV Commission	<u>161,116</u>	<u>140,887</u>
Historic Preservation:		
Supplies	4,000	2,385
Contractual Services	4,200	400
Total Historic Preservation	<u>8,200</u>	<u>2,785</u>
Beautification Committee		
Personal Services	\$ 11,265	\$ 9,500
Supplies	24,776	24,008
Contractual Services	15,444	15,443
Total Beautification Committee	<u>51,485</u>	<u>48,951</u>
Total Culture and Recreation	<u>1,622,037</u>	<u>1,487,001</u>
Total Expenditures	<u>\$ 20,497,118</u>	<u>\$ 19,583,174</u>

**CITY OF EDWARDSVILLE, ILLINOIS**

**TAX RATES AND EXTENSIONS  
APRIL 30, 2022**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Assessed Value	\$ 581,554,858	\$ 588,365,147	\$ 610,879,864	\$ 645,285,934	\$ 703,566,792	\$ 736,756,700	\$ 752,544,656	\$ 786,084,246	\$ 888,486,731	\$ 931,828,191
Tax Increment Financing - District #2	\$ 9,087,420	\$ 10,207,860	\$ 10,233,470	\$ 10,621,840	\$ 11,683,390	\$ 14,426,890	\$ 15,538,530	\$ 16,501,770	\$ 17,073,730	\$ 17,375,910
North Gateway Commerce Center	\$ 20,100,450	\$ 19,733,280	\$ 19,108,500	\$ 19,141,580	\$ 18,809,670	\$ 18,813,380	\$ 19,423,220	\$ 23,022,980	\$ -	\$ -
North Main Street	\$ 502,680	\$ 484,240	\$ 499,260	\$ 701,450	\$ 1,043,540	\$ 1,234,800	\$ 1,424,920	\$ 2,126,390	\$ 2,232,250	\$ 2,566,010
Special Service Area - St. Louis Street	\$ 6,603,910	\$ 6,439,840	\$ 6,553,020	\$ 6,583,540	\$ 7,087,200	\$ 7,323,110	\$ 7,512,920	\$ 7,782,830	\$ 7,874,740	\$ 8,094,550
Rates:										
General	\$ 0.2584	\$ 0.2555	\$ 0.2473	\$ 0.2342	\$ 0.2148	\$ 0.2052	\$ 0.2009	\$ 0.2009	\$ 0.2009	\$ 0.2009
ESDA	0.0011	0.0011	0.0010	0.0010	0.0009	0.0009	0.0009	0.0009	0.0009	0.0009
Garbage	0.0999	0.0988	0.0952	0.0685	0.0458	0.0404	0.0396	0.0396	0.0396	0.0396
Parks and Playgrounds	0.0853	0.0844	0.0895	0.0942	0.0971	0.1023	0.1197	0.1197	0.1197	0.1197
Library	0.2005	0.2064	0.2038	0.1971	0.1843	0.1800	0.1794	0.1794	0.1794	0.1794
School Crossing Guard	0.0094	0.0093	0.0090	0.0086	0.0079	0.0076	0.0075	0.0075	0.0075	0.0075
Public Comfort Station	0.0036	0.0036	0.0035	0.0034	0.0032	0.0045	0.0045	0.0045	0.0045	0.0045
Band	0.0202	0.0158	0.0153	0.0145	0.0133	0.0128	0.0126	0.0126	0.0126	0.0126
Fire Protection	0.1595	0.1577	0.1550	0.1533	0.1773	0.1694	0.1659	0.1659	0.1659	0.1659
Fire Pension	0.0817	0.1086	0.1107	0.1103	0.1062	0.1076	0.1199	0.1148	0.1117	0.1065
Police Protection	0.0872	0.0862	0.0847	0.0802	0.0736	0.0798	0.0782	0.0782	0.0782	0.0782
Police Pension	0.1239	0.1401	0.1441	0.1419	0.1355	0.1372	0.1377	0.1318	0.1283	0.1223
IMRF	0.0930	0.0920	0.0998	0.1038	0.1024	0.1006	0.0985	0.0873	0.0796	0.0782
Social Security	0.0758	0.0809	0.0811	0.0838	0.0805	0.0796	0.0806	0.0757	0.0692	0.0679
Street and Bridge	0.1042	0.1030	0.0993	0.0941	0.1094	0.1165	0.1236	0.1183	0.1047	0.0998
Liability Insurance	0.0792	0.0940	0.0977	0.0724	0.0665	0.0670	0.0656	-	-	-
	\$ 1.4829	\$ 1.5374	\$ 1.5370	\$ 1.5013	\$ 1.4187	\$ 1.4114	\$ 1.4351	\$ 1.4322	\$ 1.4011	\$ 1.4162
Tax Increment Financing - District #2	\$ 7.0689	\$ 7.2455	\$ 7.2364	\$ 7.2947	\$ 6.9818	\$ 7.5488	\$ 7.5565	\$ 7.5188	\$ 7.4389	\$ 7.4344
North Gateway Commerce Center	\$ 7.8831	\$ 8.0642	\$ 8.0649	\$ 8.1106	\$ 7.8032	\$ 8.3694	\$ 8.3662	\$ 8.3172	\$ -	\$ -
North Main Street	\$ 7.0690	\$ 7.2455	\$ 7.2364	\$ 7.2947	\$ 6.9818	\$ 7.5488	\$ 7.5565	\$ 7.5188	\$ 7.4389	\$ 7.4344
Special Service Area - St. Louis Street	\$ -	\$ 0.5442	\$ 0.5415	\$ 0.5449	\$ 0.4973	\$ 0.4862	\$ 0.4782	\$ 0.4523	\$ 0.4075	\$ 0.3898

**CITY OF EDWARDSVILLE, ILLINOIS**

TAX RATES AND EXTENSIONS  
APRIL 30, 2022

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Extensions:</b>										
General	\$ 1,502,738	\$ 1,503,273	\$ 1,510,706	\$ 1,511,260	\$ 1,511,262	\$ 1,511,825	\$ 1,511,862	\$ 5,606,353	\$ 6,561,475	\$ 7,230,055
ESDA	6,397	6,472	6,109	6,453	6,332	6,631	6,773	-	-	-
Garbage	580,973	581,305	581,558	442,021	322,234	297,650	298,008	-	-	-
Parks and Playgrounds	496,066	496,580	546,737	607,859	683,163	753,702	900,796	-	-	-
Library	1,166,017	1,214,386	1,244,973	1,271,859	1,296,674	1,326,162	1,350,065	1,502,207	1,502,431	1,543,107
School Crossing Guard	54,666	54,718	54,979	55,495	55,582	55,994	56,441	-	-	-
Public Comfort Station	20,936	21,181	21,381	21,940	22,514	33,154	33,864	-	-	-
Band	117,474	92,962	93,465	93,566	93,574	94,305	94,821	-	-	-
Fire Protection	927,580	927,852	946,864	1,247,338	1,247,424	1,248,066	1,248,472	-	-	-
Fire Pension	475,130	638,964	676,244	711,750	747,188	792,750	902,301	902,425	992,440	992,397
Police Protection	507,116	507,171	517,415	517,519	517,825	587,932	588,490	-	-	-
Police Pension	720,547	824,300	880,278	915,661	953,333	1,010,830	1,036,254	1,036,059	1,139,928	1,139,626
IMRF	540,846	541,296	609,658	669,807	720,452	741,177	741,256	686,252	707,235	728,690
Social Security	440,819	475,987	495,423	540,750	566,371	586,458	606,551	595,066	614,833	632,711
Street and Bridge	605,980	606,016	606,604	607,214	769,702	858,321	930,145	929,937	930,246	929,965
Liability Insurance	460,591	553,063	596,829	467,187	467,872	493,627	493,669	-	-	-
	\$ 8,623,876	\$ 9,045,526	\$ 9,389,223	\$ 9,687,679	\$ 9,981,502	\$ 10,398,584	\$ 10,799,768	\$ 11,258,299	\$ 12,448,588	\$ 13,196,551
<b>Tax Increment Financing -</b>										
District #2	\$ 642,381	\$ 739,611	\$ 740,536	\$ 774,832	\$ 815,723	\$ 1,089,057	\$ 1,174,184	\$ 1,240,735	\$ 1,270,098	\$ 1,291,795
North Gateway Commerce Center	\$ 1,584,539	\$ 1,591,331	\$ 1,541,081	\$ 1,552,497	\$ 1,467,756	\$ 1,574,586	\$ 1,624,985	\$ 1,914,890	\$ -	\$ -
North Main Street	\$ 35,534	\$ 35,086	\$ 36,129	\$ 51,169	\$ 72,859	\$ 93,213	\$ 107,675	\$ 159,879	\$ 166,055	\$ 190,768
<b>Special Service Area -</b>										
St. Louis Street	\$ -	\$ 35,046	\$ 35,485	\$ 35,880	\$ 35,245	\$ 35,605	\$ 35,927	\$ 35,202	\$ 32,090	\$ 31,553



**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 Mayor and City Council  
City of Edwardsville, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Edwardsville, Illinois as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Edwardsville, Illinois' basic financial statements, and have issued our report thereon dated June 8, 2023.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Edwardsville, 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 Edwardsville, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Edwardsville, 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.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Edwardsville, 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. Schlemmer & Company LLC

Certified Public Accountants

Alton, Illinois

June 8, 2023



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

To the Mayor and City Council  
City of Edwardsville, Illinois

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Edwardsville, Illinois' compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Edwardsville, Illinois' major federal programs for the year ended April 30, 2022. The City of Edwardsville, Illinois' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Edwardsville, Illinois complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended April 30, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Edwardsville, Illinois and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Edwardsville, Illinois' compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Edwardsville, Illinois' federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Edwardsville, Illinois' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would

influence the judgment made by a reasonable user of the report on compliance about the City of Edwardsville, Illinois' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Edwardsville, Illinois' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Edwardsville, Illinois' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Edwardsville, Illinois' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### **Report on Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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



Certified Public Accountants  
Alton, Illinois  
June 8, 2023

**CITY OF EDWARDSVILLE, ILLINOIS**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED APRIL 30, 2022

Federal Grantor/ Pass-through Grantor/ <u>Program Title</u>	<u>Assistance Listing Number</u>	<u>Agency or Pass-through Number</u>	<u>Program or Award Amount</u>	<u>Federal Disbursements/ Expenditures</u>
<u>Department of the Treasury</u>				
Passed Through State of Illinois:				
Coronavirus State & Local Fiscal Recovery Funds	21.027	N/A	\$ 1,716,912	\$ 1,716,912
Business Interruption Grants	21.019	N/A	13,724	<u>13,724</u>
				<u>1,730,636</u>
 <u>Department of Transportation</u>				
Passed Through State of Illinois:				
State and Community Highway Safety	20.600	N/A	5,851	<u>5,851</u>
 <u>Small Business Administration (SBA)</u>				
Direct Award:				
Shuttered Venue Operators Program	59.075	N/A	899,215	<u>899,215</u>
 Total Federal Awards				 <u>\$ 2,635,702</u>

No awards were passed through to Sub-recipients

See notes to schedule of expenditures of federal awards

**CITY OF EDWARDSVILLE, ILLINOIS**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
APRIL 30, 2022

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

General

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

Basis of Accounting

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

Noncash Assistance, Federal Insurance and Loans/Loan Guarantees

The City did not receive any noncash assistance, federal guaranteed loans or federal insurance for any of its programs for the year ended April 30, 2022.

Subrecipient Monitoring

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

Indirect Cost Rate

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

**CITY OF EDWARDSVILLE, ILLINOIS**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

APRIL 30, 2022

Part 1 -- Summary of Auditor's Results

- (a) The independent accountants' report expresses an unmodified opinion on the governmental activities and the business-type activities and fund financial statements.
- (b) No significant deficiencies or material weaknesses in internal control were disclosed during the audit of the financial statements which would be required to be reported in accordance with Government Auditing Standards.
- (c) No instances of noncompliance material to the financial statements were disclosed during the audit which would be required to be reported in accordance with Governmental Auditing Standards.
- (d) No significant deficiencies or material weaknesses in internal control over major federal programs were disclosed by the audit of the financial statements of the City.
- (e) An unmodified opinion was issued in the report on compliance for major programs.
- (f) The audit did not disclose any findings required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.
- (g) The City's major programs are the Coronavirus State & Local Fiscal Recovery Funds (21.017) and the Shuttered Venue Operators Program (59.075).
- (h) The dollar threshold to distinguish between Type A and Type B programs is \$750,000.
- (i) The City did not qualify as a low-risk auditee under Section .530.

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

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

**CITY OF EDWARDSVILLE, ILLINOIS**

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
APRIL 30, 2022

None

**INDEPENDENT AUDITOR'S REPORT ON**  
**COMPLIANCE WITH TAX INCREMENT FINANCING ACT**

To the Mayor and City Council  
City of Edwardsville, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Edwardsville, Illinois, as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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 Edwardsville, Illinois, as of April 30, 2022, 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.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Edwardsville, Illinois, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of

not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### ***Other Matters***

The management of the City of Edwardsville, Illinois is responsible for the government's compliance with laws and regulations. In connection with our audit, referred to above, we selected and tested transactions and records to determine the government's compliance with 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act".

The results of our tests indicate that for the items tested, the City of Edwardsville, Illinois, complied with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act". Nothing came to our attention that caused us to believe that, for the items not tested, the City of Edwardsville, Illinois was not in compliance with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act".

*C. J. Schlemm & Company LLC*

Certified Public Accountants  
Alton, Illinois  
June 8, 2023