

**CITY OF WOOD RIVER, ILLINOIS**

FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED  
APRIL 30, 2020

# CITY OF WOOD RIVER, ILLINOIS

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## **INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and Members  
of the City Council  
Wood River, IL

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the of the City of Wood River, Illinois as of and for the year ended April 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### ***Opinion***

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 Wood River, Illinois as of April 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 3 to 10), budgetary comparison information (pages 60 to 65) and schedules of pension funding information (pages 66 to 75) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wood River, Illinois' basic financial statements. The combining and individual nonmajor fund financial statements and other schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 18, 2020 on our consideration of the City of Wood River, 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 Wood River, Illinois' internal control over financial reporting and compliance.

*C. J. Schlosser & Company LLC*

Certified Public Accountants  
Alton, Illinois  
September 18, 2020

# **CITY OF WOOD RIVER, ILLINOIS**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**

### **APRIL 30, 2020**

This section of the City of Wood River's annual financial report presents an easy to read analysis of the City's financial performance for the fiscal year ended April 30, 2020. The MD&A provides an analysis of the overall financial position and results of the previous year's operations in order to assess whether the City's finances have improved or deteriorated since the previous year. The analysis describes capital asset and long-term debt activity and concludes with information regarding currently known facts, decisions, or conditions that are expected to have a significant effect on the City's future financial position and operations. Please read this analysis in conjunction with the City's financial statements, including all supplementary information and note disclosures.

#### **Using this Annual Report**

The financial statements' focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison, and enhance the City's accountability.

#### **Government-Wide Financial Statements**

The government-wide financial statements are designed to be corporate-like and consist of a statement of net position and a statement of activities. The statements are prepared using the economic resources measurement focus and accrual basis of accounting. These statements report all of the assets, liabilities, revenues, and expenses of the City. Each statement distinguishes between the governmental and business-type activities of the City and presents a total for the City as a whole in a separate column. Fiduciary activities (firefighter and police pension funds), whose resources are not available to finance the City's programs, are excluded from the government-wide financial statements.

The focus of the statement of net position (the "unrestricted net position") is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations.

The statement of activities is focused on both the gross and net cost of various activities (including governmental and business-type) that are supported by the City's general tax and other revenues. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

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

**Fund-based Financial Statements**

The fund-based financial statements consist of a series of statements that provide information about the City's major and non-major governmental, enterprise, and fiduciary funds.

-Governmental fund financial statements (including the general fund, special revenue, debt service and capital projects funds) are prepared using the current financial resources measurement focus and the modified-accrual basis of accounting. The statements consist of a balance sheet and a statement of revenues, expenditures, and changes in fund balances.

-Proprietary fund financial statements (enterprise funds) and fiduciary fund financial statements (firefighter and police pension) are prepared using the economic resources measurement focus and the accrual basis of accounting. The statements consist of a statement of net position, a statement of revenues, expenses, and changes in fund net position, and a statement of cash flows. The fiduciary fund statements include a statement of fiduciary net position and a statement of changes in fiduciary net position.

The fund financial statements include a reconciliation between the government-wide and fund financial statements because of the differences in basis of accounting. The differences are primarily regarding how receivables, accrued compensated absences, fixed assets, debt, other post-employment benefits (OPEB) and pension liabilities are treated and the timing for recording some revenues and expenses.

**Infrastructure Assets**

Infrastructure (roads, bridges, storm sewers, etc.) is valued and reported within the governmental column of the government-wide statements. The City must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the City develops the asset management system (the modified approach) that periodically measures and demonstrates its maintenance of locally established levels of service standards, the City may record its cost of maintenance in lieu of depreciation. The City has chosen to depreciate assets over their useful life.

**Financial Analysis of the City as a Whole**

**Net Position**

The City's overall financial position deteriorated over the past year as combined net position from fiscal year 2019 decreased \$624,432. Governmental activities had a decrease in net position of \$951,102 and business-type activities had an increase of \$326,670. Net position for governmental activities totals \$58.1 million with 124% being invested in capital assets (buildings, roads, equipment, etc.). The net position of the business-type activities totals \$22.4 million with 87% invested in capital assets.

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

Listed below are the City's assets on April 30, 2020 and 2019, including a column noting changes (increases/decreases) from 2019.

	<u>Total Primary Government</u>		
	<u>2020</u>	<u>2019</u>	<u>Inc/(Dec)</u>
Other Assets	\$ 15,721,985	\$ 14,480,366	\$ 1,241,619
Capital Assets	<u>99,132,138</u>	<u>99,154,420</u>	<u>(22,282)</u>
Total Assets	<u>\$ 114,854,123</u>	<u>\$ 113,634,786</u>	<u>\$ 1,219,337</u>

Listed below are the City's liabilities on April 30, 2020 and 2019, including a column noting changes (increases/decreases) from 2019.

	<u>Total Primary Government</u>		<u>(Increase)/</u>
	<u>2020</u>	<u>2019</u>	<u>Decrease</u>
Accounts payable	\$ 1,208,531	\$ 1,655,939	\$ 447,408
Accrued payroll	362,883	241,918	(120,965)
Accrued interest payable	19,811	21,200	1,389
Non-current liabilities:			
Restricted:			
Meter deposits	24,760	25,965	1,205
Due within one year	1,223,203	1,140,417	(82,786)
Due in more than one year	<u>33,271,257</u>	<u>29,340,149</u>	<u>(3,931,108)</u>
Total liabilities	<u>\$ 36,110,445</u>	<u>\$ 32,425,588</u>	<u>\$ (3,684,857)</u>



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

**Changes in Net Position**

The City's total revenues decreased \$3,203,935 or 14.5%. Expenses increased \$1,049,263 or 5.7%. Net position for the City decreased \$624,432.

Statement of Changes in Net Position

	Governmental <u>Activities</u> <u>2020</u>	Business - Type <u>Activities</u> <u>2020</u>	Primary Government <u>Total</u> <u>2020</u>	Primary Government <u>Total</u> <u>2019</u>
<b>REVENUES</b>				
Program Revenues:				
Charges for Services:	\$ 3,258,041	\$ -	\$ 3,258,041	\$ 2,851,412
Water	-	1,562,482	1,562,482	1,414,184
Sewer	-	3,318,450	3,318,450	3,111,974
Golf	-	653,123	653,123	796,582
Capital Grants	36,012	162,000	198,012	5,036,054
Operating Grants	50,401	-	50,401	50,000
General Revenues:				
Property Taxes	1,196,797	-	1,196,797	1,530,375
Replacement Taxes	293,719	-	293,719	253,534
Intergovernmental	7,242,912	-	7,242,912	5,810,691
Utility taxes	644,058	-	644,058	709,042
Franchise Fees	214,522	-	214,522	214,543
Miscellaneous	102,095	134,864	236,959	295,020
Transfers	273,689	(273,689)	-	-
<b>TOTAL REVENUES</b>	<u>13,312,246</u>	<u>5,557,230</u>	<u>18,869,476</u>	<u>22,073,411</u>
<b>EXPENSES</b>				
General Government	2,995,165	-	2,995,165	3,215,228
Public Safety	6,417,505	-	6,417,505	5,018,313
Public Works	2,449,311	-	2,449,311	2,389,089
Sanitation	656,768	-	656,768	621,940
Culture & Recreation	1,164,499	-	1,164,499	1,372,403
Development	550,277	-	550,277	534,525
Interest	29,823	-	29,823	10,281
Water	-	1,749,906	1,749,906	1,646,437
Sewer	-	2,720,772	2,720,772	2,842,058
Golf	-	759,882	759,882	792,613
Aquatic	-	-	-	1,758
<b>TOTAL EXPENSES</b>	<u>14,263,348</u>	<u>5,230,560</u>	<u>19,493,908</u>	<u>18,444,645</u>
<b>CHANGE IN NET POSITION</b>	(951,102)	326,670	(624,432)	3,628,766
<b>NET POSITION BEGINNING</b>	<u>59,014,328</u>	<u>22,107,929</u>	<u>81,122,257</u>	<u>77,493,491</u>
<b>NET POSITION ENDING</b>	<u>\$ 58,063,226</u>	<u>\$ 22,434,599</u>	<u>\$ 80,497,825</u>	<u>\$ 81,122,527</u>

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

**Governmental Activities**

Revenues for governmental activities decreased \$2,925,811 or 18.0% to a total of \$13,312,246. Decreases in capital grants of \$5,000,042, primarily related to the prior year police station construction and 6<sup>th</sup> Street (phase one) improvement projects, were partially offset by increased intergovernmental tax revenue and net transfers. The intergovernmental tax revenue increase was attributable to both greater general sales tax revenue and the new non-home rule sale tax. Net transfers for governmental activities flowed out last year due to the Business Park TIF (TIF 2) water system improvements project. TIF 2 was terminated in fiscal year 2019. Expenses increased \$1,101,569 or 8.4% to a total of \$14,263,348. Public safety pension expenses were the principal source of increase. Excess of expenses over revenue is \$951,102 for the fiscal year ended April 30, 2020.

**Business-type Activities**

Revenues for the City's business-type activities decreased \$278,124 or 4.8%. Golf program revenues decreased \$143,459, water service revenues increased \$148,298 and sewer service revenues increased \$206,476. Capital grants and contributions increased \$162,000 and amounts transferred to business-type activities from governmental activities decreased \$630,762 (prior year TIF 2 funds for water system improvements). Expenses for the business-type activities decreased \$52,306 due to decreased pension expenses attributable to IMRF's performance. Fund net position for the City's business-type activities increased \$326,670 or 1.5% from fiscal year 2019. The total fund net position for business-type activities is \$22.4 million on April 30, 2020 with \$2.9 million unrestricted.

**Financial Analysis of the City's Fund Financial Statements**

For the fiscal year ended April 30, 2020 the governmental funds reflect a \$1,551,378 increase in fund balance. Governmental fund revenue decreased \$3,097,119 for the reasons described above. Governmental fund expenses decreased \$4,014,461 primarily due to the completion of the police station construction project last fiscal year. The General Fund's fund balance decreased \$316,462. There were General Fund revenue increases for sales and use tax, corporate replacement tax, charges for services and investment earnings. General Fund expenses increased in all areas except cultural and recreational. The General Fund revenues increased 5.3% or \$332,202, and expenses increased by 8.3% or \$592,085. Special Revenue Fund balances increased \$1,867,840.

**City of Wood River's Status of Reserves**

Governmental Funds	FY 19/20	FY 18/19	Increase/(Decrease)
General	2,310,568	2,627,030	(316,462)
Insurance	726,893	551,891	175,002
Capital Improvement and Development	1,627,147	631,693	995,454
Non-Major	1,754,252	1,056,868	697,384

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

**Capital Asset and Debt Administration**

At the end of fiscal year 2020, the City had \$99.1 million invested in a broad range of capital assets including police, fire, public works, parks and golf facilities and equipment, as well as roads, sidewalks, water and sewer lines, etc. Governmental funds had \$73.0 million and Business-type activities had \$26.1 million invested at the end of fiscal year 2020, net of depreciation (see note 6).

**Changes in Capital Assets  
FOR THE YEAR ENDED APRIL 30, 2020**

	Governmental Capital Assets 4/30/2019	Increases	Decreases	Depreciation	Governmental Capital Assets 4/30/2020
Capital Assets not being Depreciated					
Land	\$ 14,193,917	\$ 350,627	\$ -	\$ -	\$ 14,544,544
Land right of way	16,809,767	-	-	-	16,809,767
Total	<u>31,003,684</u>	<u>350,627</u>	<u>-</u>	<u>-</u>	<u>31,354,311</u>
Capital Assets being Depreciated (net of depreciation)					
Buildings	9,937,763	255,937	-	143,839	10,049,861
Machinery and Equipment	1,013,950	120,200	-	109,875	1,024,275
Vehicles	415,298	187,039	2,280	183,315	416,742
Infrastructure	31,544,626	183,501	-	1,519,554	30,208,573
Total	<u>42,911,637</u>	<u>746,677</u>	<u>2,280</u>	<u>1,956,583</u>	<u>41,699,451</u>
Total Governmental Capital Assets	<u>\$ 73,915,321</u>	<u>\$ 1,097,304</u>	<u>\$ 2,280</u>	<u>\$ 1,956,583</u>	<u>\$ 73,053,762</u>
	Business-type Capital Assets 4/30/2019	Increases	Decreases	Depreciation	Business-type Capital Assets 4/30/2020
Capital Assets not being Depreciated					
Land	\$ 1,012,334	\$ -	\$ -	\$ -	\$ 1,012,334
Total	<u>1,012,334</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,012,334</u>
Capital Assets being Depreciated (net of depreciation)					
Buildings	496,101	-	-	31,717	464,384
Machinery and Equipment	2,431,694	585,861	-	185,134	2,832,421
Vehicles	464,112	-	-	76,511	387,601
Infrastructure	20,834,858	1,186,035	-	639,257	21,381,636
Total	<u>24,226,765</u>	<u>1,771,896</u>	<u>-</u>	<u>932,619</u>	<u>25,066,042</u>
Total Business-type Capital Assets	<u>\$ 25,239,099</u>	<u>\$ 1,771,896</u>	<u>\$ -</u>	<u>\$ 932,619</u>	<u>\$ 26,078,376</u>

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

**Debt Outstanding**

The City does not have outstanding bonds. The City's loans/capital leases for governmental activities total \$1,014,501. The City's legal debt margin is \$10,761,387 (see note 5).

Capital leases/loans/debt certificates in the business-type activities total \$6,585,184 and include debt for golf course equipment and various water and sewer system upgrades.

**General Fund Budgetary Highlights**

Budget amendments require passage of an ordinance by City Council. The City Council revised the fiscal year 2020 budget to adjust for reallocation of expenses between line items within individual funds. Amendments were made increasing the budget for higher than anticipated expenses in the General, Library, Water, Refuse, TIF #3 and Riverbend Business District #1 funds. Amendments were also made increasing the General Fund budget for replacing a damaged-beyond-repair aerial fire truck, the Water Fund budget for starting the radio read water meter project, and the Golf Course budget for other unforeseen capital outlay. Finally, the creation of the Non-Home Rule Sales Tax Fund during fiscal year 2020 required amending the budget for the projects launched in that fund.

**Economic Factors**

The City's statutory debt limit is 8.625% of the equalized assessed valuation of all taxable property within the boundaries of the City. The most recent assessed valuation for the City is \$136,532,030 and \$835,171 for the TIF #3 increment. The assessed valuation for the City increased by \$3,600,575, or 2.7% from last year. The City's tax rate increased by \$0.0376 for a current rate of \$1.6849 in comparison to last year's rate of \$1.6473. The tax rate has remained relatively stable, with decreases four out of the last six years totaling \$0.0904 over that time.

The City's population declined by 5.7% or 639 when comparing the 2010 census total of 10,657 to the 2000 census total of 11,296. The City has had continued construction activity in the Heritage Trails subdivision and now only two lots remain vacant in phase one. Construction began in the Grand View Hills subdivision (82 homes) with 16 homes completed or under construction. In addition, several other lots in Grand View Hills have been sold. The Lincoln School subdivision site also remains ready for development for nine single-family homes in an older section of town. The hope is construction there will help revitalize surrounding properties as well and that a developer will emerge soon. Other residential subdivision opportunities include Heritage Trails Phase II and properties near Kendall Estates.

The City has diverse industrial, retail, and service employment opportunities within the community and in the surrounding Riverbend and Metro East areas. Residents also commute to employment opportunities in downtown St. Louis and St. Louis County. The largest employer within the City is Help at Home LLC and the largest employer within the Riverbend region is Wieland Rolled Products North America in neighboring East Alton.

The City has numerous commercial opportunities at both City exits from IL-255, including the Wood River Plaza shopping area. Wood River Plaza occupies seventy-two acres near the IL-255/Route 111 interchange and includes a 204,000 square foot Wal-Mart

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

SuperCenter. Spaces in the strip centers and outlots have been leased to national tenants such as Wendy's restaurant, Hibbett Sports, Game Stop, Dollar Tree, Papa Johns, and Subway, among others. Also nearby are Aldi, Applebee's, and Taco Bell. Some of the area is within a business district to help encourage development. This section of the City continues to generate significant revenue through sales, property, and utility taxes.

The east side of the City near the IL-255/Route 143 interchange showcases the homes of the Federico Chrysler-Dodge, Auto Centers Nissan, Federico KIA, and Jack Schmitt Chevrolet auto dealerships. Automobile-related sales city-wide accounted for approximately 37% of the sales tax collected in calendar year 2019 and grew approximately 9% from calendar year 2018.

The City's total retail sales for calendar year 2019 was \$338.3 million compared to \$316.5 million in calendar year 2018, an increase of 6.9%. The City continues to attract a significant amount of retail customers from surrounding communities and rural areas. Despite the COVID-19 pandemic, the first half of calendar year 2020 is trending towards sales of about 95% of 2019 levels.

There were numerous significant capital projects that began in fiscal year 2020 including phase two of the 6<sup>th</sup> Street improvement project and phase two of the Ferguson Avenue downtown streetscape project. In addition, engineering has commenced on Wood River Avenue street improvements, the East End water detention project (to enable further development near the IL-255/Route 143 interchange), and State Street Area sewer separation. Also, land has been purchased for the eventual expansion of the 6<sup>th</sup> Street detention pond to get dozens of homes out of a flood plain. Finally, design and engineering work has begun on a potential recreation center in Central Park. Federal and State funding has been secured or is being pursued for these projects as well as motor fuel taxes when applicable and the commitment of the City's non-home rule sales tax revenues.

The General Fund is currently meeting the three-month operating reserve target. However, with rising personnel costs and aging infrastructure, the City Council continues to analyze various methods to increase efficiency, reduce costs and generate additional revenues via economic growth and development. The City's TIF district (TIF #3) was created to promote downtown, commercial, and industrial development. In fiscal year 2021 the City expanded Riverbend Business District #1 and created Riverbend Business District #4 to promote development in its primary commercial area. The City Council and management have restructured staff in various departments to operate as efficiently and economically as possible. Within the City's most recent overall budget, personnel costs comprise 42.7% of total expenditures.

### **Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance, City of Wood River, 111 North Wood River Avenue, Wood River, IL 62095.

**CITY OF WOOD RIVER, ILLINOIS**

**STATEMENT OF NET POSITION  
APRIL 30, 2020**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b><u>Assets</u></b>			
Cash and Cash Equivalents	\$ 5,936,775	\$ 1,724,481	\$ 7,661,256
Investments	-	2,898,069	2,898,069
Receivables (Net of allowance for uncollectible)	4,112,650	660,845	4,773,495
Prepaid Expenses	192,341	-	192,341
Inventory	-	18,895	18,895
Internal Balances	198,896	(198,896)	-
Restricted Assets - Cash and Investments	-	24,760	24,760
Capital Assets:			
Land	31,354,311	1,012,334	32,366,645
Buildings and Improvements	17,456,095	3,200,604	20,656,699
Machinery and Equipment	2,105,499	5,902,938	8,008,437
Vehicles	2,327,948	1,006,067	3,334,015
Utility Systems/Infrastructure	93,779,081	33,669,873	127,448,954
Accumulated Depreciation	(73,969,172)	(18,713,440)	(92,682,612)
Net Capital Assets	<u>73,053,762</u>	<u>26,078,376</u>	<u>99,132,138</u>
Other Assets:			
Insurance Trust	<u>153,169</u>	<u>-</u>	<u>153,169</u>
Total Assets	<u>83,647,593</u>	<u>31,206,530</u>	<u>114,854,123</u>
<b><u>Deferred Outflows of Resources</u></b>			
Pension Plan Obligations	<u>7,465,536</u>	<u>732,318</u>	<u>8,197,854</u>
<b><u>Liabilities</u></b>			
Accounts Payable	940,190	268,341	1,208,531
Accrued Payroll and Benefits	300,428	62,455	362,883
Accrued Interest Payable	7,382	12,429	19,811
Liabilities Payable from Restricted Assets:			
Customer Deposits	-	24,760	24,760
Noncurrent Liabilities:			
Due Within One Year	536,486	686,717	1,223,203
Due in More Than One Year	<u>25,851,614</u>	<u>7,419,643</u>	<u>33,271,257</u>
Total Liabilities	<u>27,636,100</u>	<u>8,474,345</u>	<u>36,110,445</u>
<b><u>Deferred Inflows of Resources</u></b>			
Pension Plan Obligations	4,183,099	1,029,904	5,213,003
Unearned Revenues	<u>1,230,704</u>	<u>-</u>	<u>1,230,704</u>
	<u>5,413,803</u>	<u>1,029,904</u>	<u>6,443,707</u>
<b><u>Net Position</u></b>			
Net Investment in Capital Assets	72,039,261	19,493,192	91,532,453
Restricted	1,297,032	-	1,297,032
Unrestricted	<u>(15,273,067)</u>	<u>2,941,407</u>	<u>(12,331,660)</u>
Total Net Position	<u>\$ 58,063,226</u>	<u>\$ 22,434,599</u>	<u>\$ 80,497,825</u>

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

**CITY OF WOOD RIVER, ILLINOIS**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED APRIL 30, 2020

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>							
General Government	\$ 2,995,165	\$ 1,865,348	\$ -	\$ -	\$ (1,129,817)		\$ (1,129,817)
Public Safety	6,417,505	543,343	30,387	-	(5,843,775)		(5,843,775)
Public Works	2,449,311	-	-	-	(2,449,311)		(2,449,311)
Sanitation	656,768	767,290	-	-	110,522		110,522
Development	550,277	-	-	-	(550,277)		(550,277)
Cultural and Recreational	1,164,499	82,060	20,014	36,012	(1,026,413)		(1,026,413)
Interest on Long-term Debt	29,823	-	-	-	(29,823)		(29,823)
Total Governmental Activities	<u>14,263,348</u>	<u>3,258,041</u>	<u>50,401</u>	<u>36,012</u>	<u>(10,918,894)</u>		<u>(10,918,894)</u>
<b>Business-type Activities:</b>							
Water	1,749,906	1,562,482	-	62,000		\$ (125,424)	(125,424)
Sewer	2,720,772	3,318,450	-	100,000		697,678	697,678
Golf Course	759,882	653,123	-	-		(106,759)	(106,759)
Total Business-type Activities	<u>5,230,560</u>	<u>5,534,055</u>	<u>-</u>	<u>162,000</u>		<u>465,495</u>	<u>465,495</u>
<b>Total Government</b>	<b><u>\$ 19,493,908</u></b>	<b><u>\$ 8,792,096</u></b>	<b><u>\$ 50,401</u></b>	<b><u>\$ 198,012</u></b>	<b><u>(10,918,894)</u></b>	<b><u>465,495</u></b>	<b><u>(10,453,399)</u></b>
<b>General Revenues:</b>							
Property Tax, Levied for General Purposes					1,196,797	-	1,196,797
Sales and Use Tax					5,510,549	-	5,510,549
Income Tax					1,048,489	-	1,048,489
Corporate Personal Property Tax					293,719	-	293,719
Motor Fuel Tax					393,260	-	393,260
Telecommunications Tax					132,176	-	132,176
Other					158,438	-	158,438
Utility Tax					644,058	-	644,058
Franchise Fees					214,522	-	214,522
Gain (Loss) on Asset Disposal					-	19,160	19,160
Investment Earnings					78,852	115,704	194,556
Miscellaneous					23,243	-	23,243
Transfers					273,689	(273,689)	-
Total General Revenues and Transfers					<u>9,967,792</u>	<u>(138,825)</u>	<u>9,828,967</u>
Change in Net Position					<u>(951,102)</u>	<u>326,670</u>	<u>(624,432)</u>
Net Position - Beginning					<u>59,014,328</u>	<u>22,107,929</u>	<u>81,122,257</u>
Net Position - Ending					<u>\$ 58,063,226</u>	<u>\$ 22,434,599</u>	<u>\$ 80,497,825</u>

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

**CITY OF WOOD RIVER, ILLINOIS**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
APRIL 30, 2020

	General Fund	Insurance Fund	Capital Improvements and Development Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>					
Cash and Cash Equivalents	\$ 2,035,325	\$ 536,538	\$ 1,396,720	\$ 1,968,192	\$ 5,936,775
Receivables (Net of allowance for uncollectible):					
Property Tax	369,090	300,097	-	561,517	1,230,704
Intergovernmental	1,040,598	-	30,345	520,192	1,591,135
Other	7,679	-	45,387	153,417	206,483
Prepaid Expenses	-	192,341	-	-	192,341
Due From Other Funds	-	-	198,896	-	198,896
Total Assets	<u>\$ 3,452,692</u>	<u>\$ 1,028,976</u>	<u>\$ 1,671,348</u>	<u>\$ 3,203,318</u>	<u>\$ 9,356,334</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>					
Liabilities:					
Accrued Payroll and Benefits	\$ 290,169	\$ -	\$ -	\$ 10,259	\$ 300,428
Accounts Payable	182,972	1,986	34,245	720,987	940,190
Total Liabilities	<u>473,141</u>	<u>1,986</u>	<u>34,245</u>	<u>731,246</u>	<u>1,240,618</u>
Deferred Inflows of Resources:					
Unearned Revenue	<u>668,983</u>	<u>300,097</u>	<u>9,956</u>	<u>717,820</u>	<u>1,696,856</u>
Fund Balances:					
Nonspendable	-	192,341	-	-	192,341
Restricted	65,500	-	-	1,231,532	1,297,032
Committed	-	-	1,627,147	522,720	2,149,867
Assigned	103,074	534,552	-	-	637,626
Unassigned	2,141,994	-	-	-	2,141,994
Total Fund Balances	<u>2,310,568</u>	<u>726,893</u>	<u>1,627,147</u>	<u>1,754,252</u>	<u>6,418,860</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,452,692</u>	<u>\$ 1,028,976</u>	<u>\$ 1,671,348</u>	<u>\$ 3,203,318</u>	<u>\$ 9,356,334</u>

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



**CITY OF WOOD RIVER, ILLINOIS**

RECONCILIATION OF THE BALANCE SHEET OF THE  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION  
APRIL 30, 2020

Amounts reported for governmental fund balances are different because:

Fund balances - total governmental funds	\$ 6,418,860
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the balance sheet of the governmental funds.	73,053,762
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.	1,550,480
Accrued interest payable on the long-term debt is not reported as a liability on the balance sheet of the governmental funds.	(7,382)
Accrued compensated absences are not reported as a liability on the balance sheet of the governmental funds.	(1,172,267)
The balance of the pooled insurance trust is not recorded as an asset on the balance sheet of the governmental funds.	153,169
Net pension liabilities and the related future pension expense are not reported as assets and liabilities on the balance sheet of the governmental funds.	(19,595,120)
Net OPEB liabilities and the related future related expense are not reported as assets and liabilities on the balance sheet of the governmental funds.	(1,323,775)
Long-term debt (e.g., bonds, leases) is not reported as a liability on the balance sheet of the governmental funds.	<u>(1,014,501)</u>
Net position of governmental activities	<u>\$ 58,063,226</u>

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

**CITY OF WOOD RIVER, ILLINOIS**

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

	General Fund	Insurance Fund	Capital Improvements and Development Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property Tax	\$ 370,257	\$ 299,139	\$ -	\$ 527,401	\$ 1,196,797
Utility Tax	-	-	644,058	-	644,058
Hotel/Motel Tax	9,688	-	-	-	9,688
Intergovernmental:					
Sales and Use Tax	3,806,096	-	-	1,599,496	5,405,592
State Income Tax	1,048,489	-	-	-	1,048,489
Telecommunications Tax	-	-	133,457	-	133,457
Corporate Replacement Tax	213,628	-	-	80,091	293,719
Motor Fuel Tax	-	-	-	393,260	393,260
Other	148,750	-	-	-	148,750
Grant Revenue	27,387	-	35,512	13,321	76,220
Licenses, Permits and Fees	103,496	-	29,333	-	132,829
Charges for Services	829,425	-	-	773,450	1,602,875
Fines and Forfeitures	43,959	-	-	2,816	46,775
Investment Earnings	37,025	4,501	18,789	18,537	78,852
Insurance Reimbursements	-	1,690,084	-	-	1,690,084
Miscellaneous	19,757	-	332	13,347	33,436
Total Revenues	<u>6,657,957</u>	<u>1,993,724</u>	<u>861,481</u>	<u>3,421,719</u>	<u>12,934,881</u>
Expenditures:					
Current:					
General Government	1,329,233	1,818,722	-	-	3,147,955
Public Safety	4,585,352	-	158	-	4,585,510
Public Works	434,789	-	276,060	187,108	897,957
Sanitation	-	-	-	656,265	656,265
Development	91,430	-	-	458,847	550,277
Cultural and Recreational	719,547	-	2,567	401,566	1,123,680
Capital Outlay	310,424	-	78,547	708,333	1,097,304
Debt Service:					
Principal	213,395	-	157,175	-	370,570
Interest and Charges	8,979	-	20,689	-	29,668
Total Expenditures	<u>7,693,149</u>	<u>1,818,722</u>	<u>535,196</u>	<u>2,412,119</u>	<u>12,459,186</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,035,192)</u>	<u>175,002</u>	<u>326,285</u>	<u>1,009,600</u>	<u>475,695</u>
Other Financing Sources (Uses):					
Proceeds from Debt	66,275	-	735,719	-	801,994
Operating Transfers In	690,052	-	-	-	690,052
Operating Transfers Out	(37,597)	-	(66,550)	(312,216)	(416,363)
Total Other Financing Sources (Uses)	<u>718,730</u>	<u>-</u>	<u>669,169</u>	<u>(312,216)</u>	<u>1,075,683</u>
Net Change in Fund Balances	(316,462)	175,002	995,454	697,384	1,551,378
Fund Balance, Beginning of Year	<u>2,627,030</u>	<u>551,891</u>	<u>631,693</u>	<u>1,056,868</u>	<u>4,867,482</u>
Fund Balance, End of Year	<u>\$ 2,310,568</u>	<u>\$ 726,893</u>	<u>\$ 1,627,147</u>	<u>\$ 1,754,252</u>	<u>\$ 6,418,860</u>

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

**CITY OF WOOD RIVER, ILLINOIS**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED APRIL 30, 2020**

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

Net change in fund balances - total governmental funds	\$ 1,551,378
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense (\$1,956,583) and loss on disposals of (\$2,280) exceeded capital outlay additions (\$1,097,304) in the current year.	(861,559)
Accrued compensated absences are reported in the government-wide statement of activities and changes in net assets, but do not require the use of current financial resources; therefore, accrued compensated absences are not reported as expenditures in governmental funds. This is the change in accrued compensated absences.	188,877
Net pension liabilities and the related future pension expense are reported in the government-wide statement of activities and changes in net position, but do not require the use of current financial resources; therefore, these amounts are not reported as expenditures in governmental funds. This is the change in the net pension liability.	(1,403,861)
Net OPEB liabilities and the related future pension expense are reported in the government-wide statement of activities and changes in net position, but do not require the use of current financial resources; therefore, these amounts are not reported as expenditures in governmental funds. This is the change in the net OPEB liability.	(251,203)
The balance of the City's portion of the pooled insurance trust is not recorded as an asset in the fund financial statements. In the statement of net position, this amount is included and adjusted through the general functional expense category. This amount is the difference between beginning and ending insurance trust balance.	153,169
The issuance of long-term debt (e.g., bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums and discounts 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.	(431,424)
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.	103,676
Accrued interest expense on long-term debt is reported in the government-wide statement of activities and changes in net assets, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as expenditures in governmental funds.	(155)
Change in net position of governmental activities	<u>\$ (951,102)</u>

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

# CITY OF WOOD RIVER, ILLINOIS

## STATEMENT OF NET POSITION PROPRIETARY FUNDS APRIL 30, 2020

	<u>Business-Type Activities--Enterprise Funds</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Golf Course</u>	<u>Total</u>
<b><u>Assets</u></b>				
Current Assets:				
Cash and Cash Equivalents	\$ 585,908	\$ 1,046,464	\$ 92,109	\$ 1,724,481
Investments	-	2,898,069	-	2,898,069
Receivables (Net of allowance for uncollectible):				
Accounts	115,233	96,983	-	212,216
Unbilled Revenue	124,666	146,606	-	271,272
Other	-	177,357	-	177,357
Inventory, at Cost	-	-	18,895	18,895
Total Current Assets	<u>825,807</u>	<u>4,365,479</u>	<u>111,004</u>	<u>5,302,290</u>
Noncurrent Assets:				
Restricted Assets:				
Cash and Cash Equivalents:				
Customer Deposits	<u>24,760</u>	<u>-</u>	<u>-</u>	<u>24,760</u>
Capital Assets:				
Land	-	852,334	160,000	1,012,334
Buildings and Improvements	-	-	3,200,604	3,200,604
Machinery and Equipment	4,626,064	813,737	463,137	5,902,938
Vehicles	163,261	806,356	36,450	1,006,067
Utility Systems	<u>9,246,851</u>	<u>24,423,022</u>	<u>-</u>	<u>33,669,873</u>
Total	<u>14,036,176</u>	<u>26,895,449</u>	<u>3,860,191</u>	<u>44,791,816</u>
Accumulated				
Depreciation	<u>(6,241,850)</u>	<u>(9,309,352)</u>	<u>(3,162,238)</u>	<u>(18,713,440)</u>
Net Capital Assets	<u>7,794,326</u>	<u>17,586,097</u>	<u>697,953</u>	<u>26,078,376</u>
Total Noncurrent Assets	<u>7,819,086</u>	<u>17,586,097</u>	<u>697,953</u>	<u>26,103,136</u>
Total Assets	<u>\$ 8,644,893</u>	<u>\$ 21,951,576</u>	<u>\$ 808,957</u>	<u>\$ 31,405,426</u>
<b><u>Deferred Outflows of Resources</u></b>				
Pension Plan Obligations	<u>\$ 357,878</u>	<u>\$ 339,316</u>	<u>\$ 35,124</u>	<u>\$ 732,318</u>

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

# CITY OF WOOD RIVER, ILLINOIS

## STATEMENT OF NET POSITION PROPRIETARY FUNDS APRIL 30, 2020

	<u>Business-Type Activities--Enterprise Funds</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Golf Course</u>	<u>Total</u>
<b><u>Liabilities:</u></b>				
Current Liabilities:				
Accrued Payroll and Benefits	\$ 29,750	\$ 28,929	\$ 3,776	\$ 62,455
Accrued Vacation	48,097	48,741	9,261	106,099
Accounts Payable	72,922	184,874	10,545	268,341
Due to Other Funds	-	-	198,896	198,896
Accrued Interest	307	11,632	490	12,429
Current Portion of				
Long-Term Debt	<u>176,298</u>	<u>382,143</u>	<u>22,177</u>	<u>580,618</u>
Total Current Liabilities	<u>327,374</u>	<u>656,319</u>	<u>245,145</u>	<u>1,228,838</u>
Liabilities Payable from				
Restricted Assets:				
Customer Deposits	<u>24,760</u>	<u>-</u>	<u>-</u>	<u>24,760</u>
Noncurrent Liabilities:				
Accrued Sick Leave	143,313	115,836	-	259,149
Net Pension Liability	398,865	378,178	39,146	816,189
Net OPEB Liability	160,771	152,412	26,556	339,739
Long-Term Debt	<u>792,598</u>	<u>5,201,181</u>	<u>10,787</u>	<u>6,004,566</u>
Total Noncurrent Liabilities	<u>1,495,547</u>	<u>5,847,607</u>	<u>76,489</u>	<u>7,419,643</u>
Total Liabilities	<u>1,847,681</u>	<u>6,503,926</u>	<u>321,634</u>	<u>8,673,241</u>
<b><u>Deferred Inflows of Resources</u></b>				
Pension Plan Obligations	<u>\$ 503,306</u>	<u>\$ 477,201</u>	<u>\$ 49,397</u>	<u>\$ 1,029,904</u>
<b><u>Net Position:</u></b>				
Net Investment in Capital Assets	6,825,430	12,002,773	664,989	19,493,192
Unrestricted	<u>(173,646)</u>	<u>3,306,992</u>	<u>(191,939)</u>	<u>2,941,407</u>
Total Net Position	<u>\$ 6,651,784</u>	<u>\$ 15,309,765</u>	<u>\$ 473,050</u>	<u>\$ 22,434,599</u>

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

**CITY OF WOOD RIVER, ILLINOIS**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED APRIL 30, 2020

	<u>Business-Type Activities--Enterprise Funds</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Golf Course</u>	<u>Total</u>
Operating Revenues:				
Charges for Services	\$ 1,562,482	\$ 3,318,450	\$ 653,123	\$ 5,534,055
Operating Expenses:				
Personal Services	791,699	731,910	123,142	1,646,751
Materials and Supplies	232,385	29,815	83,732	345,932
Contractual Services	425,929	1,322,627	467,637	2,216,193
Depreciation	294,587	564,118	73,914	932,619
Total Operating Expenses	<u>1,744,600</u>	<u>2,648,470</u>	<u>748,425</u>	<u>5,141,495</u>
Operating Income (Loss)	<u>(182,118)</u>	<u>669,980</u>	<u>(95,302)</u>	<u>392,560</u>
Nonoperating Revenues (Expenses):				
Investment Earnings	6,032	109,341	331	115,704
Gain on Disposal of Assets	-	19,160	-	19,160
Interest and Fiscal Charges	<u>(5,306)</u>	<u>(72,302)</u>	<u>(11,457)</u>	<u>(89,065)</u>
Total Nonoperating Revenues (Expenses)	<u>726</u>	<u>56,199</u>	<u>(11,126)</u>	<u>45,799</u>
Income (Loss) Before Contributions and Transfers	(181,392)	726,179	(106,428)	438,359
Capital Contribution	62,000	100,000	-	162,000
Transfers In (Out)	<u>361,509</u>	<u>(635,198)</u>	<u>-</u>	<u>(273,689)</u>
Change in Net Position	242,117	190,981	(106,428)	326,670
Net Position - Beginning of Year	<u>6,409,667</u>	<u>15,118,784</u>	<u>579,478</u>	<u>22,107,929</u>
Net Position - End of Year	<u>\$ 6,651,784</u>	<u>\$ 15,309,765</u>	<u>\$ 473,050</u>	<u>\$ 22,434,599</u>

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

# CITY OF WOOD RIVER, ILLINOIS

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED APRIL 30, 2020

	<u>Business-Type Activities--Enterprise Funds</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Golf Course</u>	<u>Total</u>
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 1,502,056	\$ 3,275,307	\$ 653,123	\$ 5,430,486
Payments to Suppliers	(963,010)	(1,636,312)	(615,442)	(3,214,764)
Payments to Employees	(520,183)	(496,364)	(81,333)	(1,097,880)
Net Cash Provided (Used) by				
Operating Activities	<u>18,863</u>	<u>1,142,631</u>	<u>(43,652)</u>	<u>1,117,842</u>
Cash Flows from Noncapital Financing Activities:				
Payments from (to) Other Funds	<u>361,509</u>	<u>(635,198)</u>	<u>120,000</u>	<u>(153,689)</u>
Net Cash Provided (Used) by Noncapital				
Financing Activities	<u>361,509</u>	<u>(635,198)</u>	<u>120,000</u>	<u>(153,689)</u>
Cash Flows from Capital and Related Financing Activities:				
Principal Payments on				
Long-Term Debt	(61,097)	(412,017)	(31,959)	(505,073)
Proceeds from Debt	840,906	-	-	840,906
Proceeds from Disposals	-	19,160	-	19,160
Interest Paid on Debt	(5,453)	(73,304)	(11,852)	(90,609)
Customer Deposits	(1,205)	-	-	(1,205)
Capital Contributions	62,000	100,000	-	162,000
Cash Payments for Capital Assets	(1,076,267)	(695,629)	-	(1,771,896)
Net Cash Provided (Used) by Capital				
Related Financing Activities	<u>(241,116)</u>	<u>(1,061,790)</u>	<u>(43,811)</u>	<u>(1,346,717)</u>
Cash Flows from Investing Activities:				
Net Change in Investments	-	200,574	-	200,574
Interest Received	<u>6,032</u>	<u>118,665</u>	<u>331</u>	<u>125,028</u>
Net Cash Provided by Investing				
Activities	<u>6,032</u>	<u>319,239</u>	<u>331</u>	<u>325,602</u>
Net Increase (Decrease) in Cash				
Cash Equivalents	145,288	(235,118)	32,868	(56,962)
Cash and Cash Equivalents,				
Beginning of Year	<u>465,380</u>	<u>1,281,582</u>	<u>59,241</u>	<u>1,806,203</u>
Cash and Cash Equivalents,				
End of Year	<u>\$ 610,668</u>	<u>\$ 1,046,464</u>	<u>\$ 92,109</u>	<u>\$ 1,749,241</u>

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

# CITY OF WOOD RIVER, ILLINOIS

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED APRIL 30, 2020

	<u>Business-Type Activities--Enterprise Funds</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Golf Course</u>	<u>Total</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	\$ (182,118)	\$ 669,980	\$ (95,302)	\$ 392,560
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation	294,587	564,118	73,914	932,619
Net Pension Liability and Deferrals	(57,950)	(80,197)	(7,612)	(145,759)
Net OPEB Liability and Deferrals	32,492	3,721	2,264	38,477
(Increase) Decrease in Assets:				
Accounts Receivable	(45,370)	(35,741)	-	(81,111)
Unbilled Revenue	(15,056)	(7,402)	-	(22,458)
Inventory	-	-	4,560	4,560
Increase (Decrease) in Liabilities:				
Accrued Payroll and Benefits	19,864	15,606	2,386	37,856
Accounts Payable	(27,586)	12,546	(23,862)	(38,902)
Net Cash Provided (Used) by Operating Activities	<u>\$ 18,863</u>	<u>\$ 1,142,631</u>	<u>\$ (43,652)</u>	<u>\$ 1,117,842</u>
Reconciliation of Cash and Cash Equivalents:				
Current Assets	\$ 585,908	\$ 1,046,464	\$ 92,109	\$ 1,724,481
Restricted Assets	24,760	-	-	24,760
Total Cash and Cash Equivalents	<u>\$ 610,668</u>	<u>\$ 1,046,464</u>	<u>\$ 92,109</u>	<u>\$ 1,749,241</u>

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



**CITY OF WOOD RIVER, ILLINOIS**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND - POLICE AND FIREFIGHTERS' PENSION TRUST FUNDS  
APRIL 30, 2020

	<u>Police Pension</u>	<u>Firefighters' Pension</u>
<u>Assets</u>		
Cash and Cash Equivalents	\$ 361,490	\$ 148,123
Investments	9,495,167	5,046,645
Receivables (Net of Allowance for Doubtful Accounts):		
Interest Receivable	38,703	18,807
Employer - Taxes	<u>700,000</u>	<u>492,081</u>
Total Assets	<u>10,595,360</u>	<u>5,705,656</u>
<u>Liabilities</u>		
Accounts Payable	<u>-</u>	<u>2,507</u>
<u>Net Position</u>		
Held in Trust For Pension Benefits and Other Purposes	<u>\$ 10,595,360</u>	<u>\$ 5,703,149</u>

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

**CITY OF WOOD RIVER, ILLINOIS**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND - POLICE AND FIREFIGHTERS' PENSION TRUST FUNDS  
FOR THE YEAR ENDED APRIL 30, 2020

	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Additions:		
Employer Contributions - Taxes	\$ 700,000	\$ 492,081
Employee Contributions	121,303	70,117
Investment Earnings:		
Interest and Dividends	269,817	154,414
Unrealized/Realized Gain (Loss) on Investments	<u>(55,754)</u>	<u>(326,839)</u>
Total Investment Earnings	214,063	(172,425)
Less: Investment Expense	<u>26,608</u>	<u>19,283</u>
Net Investment Earnings	<u>187,455</u>	<u>(191,708)</u>
Total Additions	<u>1,008,758</u>	<u>370,490</u>
Deductions:		
Benefit Payments	901,423	500,885
Administrative Expenses	<u>12,247</u>	<u>7,121</u>
Total Deductions	<u>913,670</u>	<u>508,006</u>
Change in Net Position	95,088	(137,516)
Net Position - Beginning of Year	<u>10,500,272</u>	<u>5,840,665</u>
Net Position - End of Year	<u>\$ 10,595,360</u>	<u>\$ 5,703,149</u>

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

# **CITY OF WOOD RIVER, ILLINOIS**

## **NOTES TO FINANCIAL STATEMENTS**

**APRIL 30, 2020**

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

The financial statements of the City of Wood River, Illinois 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 government's accounting policies are described below.

**(a) The financial reporting entity**

The City is a political subdivision of the State of Illinois. These financial statements present the government and its component units. Component units are legally separate entities for which the City, as the primary government, is financially accountable. The City defines its reporting entity in accordance with Codification of Governmental Accounting and Financial Reporting Standards, Section 2100. To be considered financially accountable, the organization must be fiscally dependent on the City or the City must appoint a majority of the board of the organization and either (1) be able to impose its will on the organization or (2) the relationship must have the potential for creating a financial benefit to or imposing a financial burden on the City. The City did not have any component units as of April 30, 2020.

**(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 government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

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

The government reports the following major governmental funds:

The General Fund is the main operating fund of the City. This fund is used to account for all financial resources not required to be accounted for in a separate fund. This fund reports all general tax revenues and other revenues that are not restricted by law or contractual agreement to a separate fund.

The Insurance Fund accounts for the financial transactions related to providing for the insurance coverages of the City.

The Capital Improvements and Development Fund accounts for utility taxes and telecommunication taxes that are committed for expenses for development costs as determined by the City.

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

The government reports the following major proprietary funds:

The Water and Sewer Funds account for the activities of the water and sewer operations. The City operates water and sewerage treatment plants, water distribution systems and pump stations, and sewer collection and lift station systems.

The Golf Fund accounts for the operations related to the City operated golf course.

Additionally, the government reports the following fund type:

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.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of connection 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.

The City is authorized by state statute to invest in obligations of the United States of America, insured interest bearing accounts of banks, savings and loan associations or credit unions, certain short-term obligations of corporations organized in the United States, money market mutual funds that invest in obligations of the United States of America or its agencies or are guaranteed by the full faith and credit of the United States of America. The pension trust funds are also allowed to invest limited percentages of their monies in mutual funds and equity securities.

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

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.

Unbilled water, sewer and garbage service receivables 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 2, 2019 based upon the assessed valuation as of the previous January 1. Property taxes are due in four installments in the following year, usually beginning in June, and are considered delinquent after the due dates. Property taxes for 2019 become an enforceable lien in January 2020. Because this tax levy will be used to pay for expenses budgeted in fiscal year 2021, this tax levy is shown as a receivable and as deferred inflow of resources as of April 30, 2020 in the governmental funds statements and in the statement of net position. Tax revenues reflected in these financial statements are taxes collected on the 2018 levy.

Inventory

Inventory reported in the enterprise funds are valued at the lower of cost (first-in, first-out) or market.

Restricted assets - Business-Type Activities

These accounts accumulate to provide funds to offset the existing liability for customer utility deposits.

Capital assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The government generally defines capital assets as assets with an initial, individual cost of more than \$20,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects when constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	25 - 40
Infrastructure	20 - 50
Distribution systems	50
Vehicles	5 - 15
Office and other equipment	5 - 15
Golf course	10 - 50

**Prepaid expenses**

Payments made to vendors for services that will benefit periods beyond the fiscal year end are reported as prepaid expenses.

**Compensated absences**

In the governmental fund financial statements, vested and accumulated vacation and sick pay that is expected to be liquidated with expendable available resources is reported as an expenditure and a fund liability. Vested and accumulated vacation and sick pay of proprietary funds are recorded as an expense and a liability of those funds as the benefits accrue to employees. The government-wide financial statements report the amounts in the same method as reported in the proprietary funds.

Sick pay is earned at a rate of 144 hours per year (police personnel 216 per year and fire personnel 432 per year) and accumulated up to 2,080 hours per employee for all full time City employees except firefighters, who can accumulate up to 2,756 hours. Retired or terminated employees may be compensated for ½ of their sick hour balance at retirement or separation depending on whether they are covered for the benefit by the collective bargaining agreement or the personnel code. Each employee earns vacation time up to a maximum of 204 hours (firefighters 360 hours) at their anniversary date. At April 30, 2020, employees have accumulated \$393,348 in accrued vacation and \$1,144,167 in accrued sick pay.

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

**Long-term obligations**

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

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

**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 City Council's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned - the residual classification of the General Fund balance.



**CITY OF WOOD RIVER, 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 Insurance	\$ 192,341
Restricted:	
General - Police Funds	\$ 65,500
Library	264,802
Business District	314,334
Motor Fuel Tax	301,453
TIF #3	44,303
Refuse	248,763
Refuse - Reserved for Compost Site	25,600
Retirement Fund	32,277
	<u>\$ 1,297,032</u>
Committed:	
Non-Home Rule Sales Tax	\$ 522,720
Capital Development	1,627,147
	<u>\$ 2,149,867</u>
Assigned:	
Recreation	103,074
Insurance Fund	534,552
	<u>\$ 637,626</u>

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.

**Budget Policy and Practices**

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

1. Prior to April 30, the Director of Finance and the City Manager prepared a "City Manager's Proposed Budget" which was distributed to the City Council for their review.
2. The City Council conducts budget review sessions.
3. A public hearing is conducted to obtain taxpayer comments.
4. The City Council adopts the proposed budget.
5. Amendments to the budget affect transfers of amounts between line items. All amendments are approved by the City Council.
6. The budget is prepared on a cash basis of accounting.

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

**Risk Management**

The City is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions and natural disasters for which the City carries commercial insurance. There has been no significant reduction in coverage from the prior year.

**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.

**NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS**

**Governmental & Business-Type Activities**

At April 30, 2020, the carrying amount of the City's deposits was \$6,450,744 and the bank balance was \$6,948,784. The deposits were comprised of interest checking, money market and savings accounts.

**Custodial Credit Risk.** Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the City's name. As of April 30, 2020, all of the deposits of the City were covered by FDIC insurance or collateralized by the financial institutions.

At April 30, 2020, the City had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
The Illinois Funds	Daily	\$ 283,991
Illinois Metropolitan Investment Fund	Daily	1,208,377
Municipal Bonds	0.70	2,638,628
Cash on Hand		2,345
Deposits as reported above		<u>6,450,744</u>
Total deposits and investments		<u>\$ 10,584,085</u>
As Reported in the Statement of Net Position:		
Cash and Cash Equivalents		\$ 7,661,256
Investments		2,898,069
Restricted Cash and Investments		<u>24,760</u>
		<u>\$ 10,584,085</u>

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

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

Credit Risk. As of April 30, 2020, the credit ratings of the City's investments are as follows:

<u>Investment</u>	<u>Standard &amp; Poor's Rating</u>	<u>Moody's Investors Service Rating</u>
Illinois Metropolitan Investment Fund	--	Aaa
The Illinois Funds	AAAm	--
Municipal Bonds	AAA to A	Aaa to Baa2

The Illinois Funds and the Illinois Metropolitan Investment Fund 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.

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

Foreign Currency Risk. As of April 30, 2020, the City has no foreign currency risk.

**Police Pension Fund**

At April 30, 2020, the carrying amount and the bank balance of the Police Pension Fund's deposits were \$361,490. The deposits were comprised of a money market account.

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

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

As of April 30, 2020, the Police Pension Fund had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
US Treasury Notes	3.11	\$ 950,321
US Treasury Bonds	17.22	1,052,010
Government National Mortgage Association	6.92	3,087
Federal National Mortgage Association	2.27	109,423
Federal Farm Credit Bank	16.68	183,198
Federal Home Loan Bank	3.80	244,662
Corporate Bonds	9.59	2,025,918
Mutual Funds	--	4,926,548
Deposits as reported above		361,490
Total deposits and investments		<u>\$ 9,856,657</u>

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. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. As of April 30, 2020, the Police Pension Fund investments had the following credit risks:

<u>Investment</u>	<u>Standard &amp; Poor's Rating</u>	<u>Moody's Investors Service Rating</u>
Corporate Bonds	AAA to BBB	Aaa to Baa3
Federal Home Loan Bank	AA+	Aaa
Federal National Mortgage Association	AA+	Aaa
Federal Farm Credit Bank	AA+	Aaa

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

Foreign Currency Risk. As of April 30, 2020, the Police Pension Fund has no foreign currency risk.

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

**Firefighter's Pension Fund**

At April 30, 2020, the carrying amount and the bank balance of the Firefighter's Pension Fund's deposits was \$148,123. The deposits were comprised of money market accounts.

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

As of April 30, 2020, the Firefighter's Pension Fund had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
U.S. Treasury Notes	3.80	\$ 1,257,207
Federal Home Loan Bank	4.77	457,405
Federal National Mortgage Association	5.99	54,046
Federal Home Loan Mortgage Corporation	5.88	9,446
Federal Farm Credit Bank	5.08	898,495
TN Valley Authority	5.28	102,388
Mutual Funds	--	2,267,658
Deposits as reported above		148,123
Total deposits and investments		<u>\$ 5,194,768</u>

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

Credit Risk. As of April 30, 2020, the Firefighter's Pension Fund credit risk 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 Home Loan Bank	AA+	Aaa
Federal National Mortgage Association	AA+	Aaa
Federal Farm Credit Bank	AA+	Aaa

Concentration of Credit Risk. As of April 30, 2020, the Firefighter's Pension Fund did not have a concentration of credit risk in any one investment.

Foreign Currency Risk. As of April 30, 2020, the Firefighter's Pension Fund has no foreign currency risk.

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

**NOTE 3: RECEIVABLES**

City receivables, as reported in the statement of net position, including the applicable allowances for uncollectible accounts, are as follows as of April 30, 2020:

	<u>General</u>	<u>Other Major Funds</u>	<u>Enterprise Funds</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Property Taxes	\$ 369,090	\$ 300,097	\$ -	\$ 561,517	\$ 1,230,704
Intergovernmental	1,040,598	30,345	-	520,192	1,591,135
Licenses/Fees/Other	1,092,007	45,387	177,357	-	1,314,751
Accounts	-	-	451,601	156,210	607,811
Unbilled Services	-	-	271,272	83,435	354,707
Gross Receivables	2,501,695	375,829	900,230	1,321,354	5,099,108
Less: Allowance for uncollectible	-	-	239,385	86,228	325,613
Net Total Receivables	<u>\$ 2,501,695</u>	<u>\$ 375,829</u>	<u>\$ 660,845</u>	<u>\$ 1,235,126</u>	<u>\$ 4,773,495</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

The City entered into an agreement with a developer that provided an advance of \$1,000,000 in addition to related attorney fees of \$84,328. These amounts will be repaid to the City through incremental sales taxes in future years. The balance of \$1,084,328 has been added to the government-wide financial statements as an additional account receivable.

**NOTE 4: LONG-TERM DEBT**

The City enters into long-term debt agreements to provide funds for the acquisition and construction of equipment and major capital projects. The City has entered into the following long-term debt agreements:

**Governmental**

The City entered into a loan agreement on September 1, 2008 for \$250,000 to provide funding for the purchase of a fire truck. The loan is to be repaid in annual principal installments of \$12,500. The balance is to be repaid by the General Fund. The outstanding balance as of April 30, 2020 is \$100,000.

The City entered into a lease purchase agreement on August 27, 2012 for \$186,350 to provide for the purchase of a street sweeper. The lease purchase is to be repaid in annual installments of \$21,733, including interest at 2.89 percent. The balance is to be repaid by the Capital Improvement Fund. The balance as of April 30, 2020 is \$61,482.

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

The City entered into a loan agreement on August 3, 2016 for \$132,000 to provide funding for park improvements. The loan is to be repaid in annual installments of \$35,512, including interest at 3.00 percent. The balance is to be repaid with reductions in future Madison County Community Development grant funds. The balance as of April 30, 2020 is \$34,124.

The City entered into a lease purchase agreement on July 8, 2017 for \$126,596 to provide funding for the purchase of four police vehicles. The lease purchase is to be repaid in annual installments of \$43,938, including interest at 2.15%. The balance is to be repaid by the General Fund. The outstanding balance as of April 30, 2020 is \$42,994.

The City entered into a lease purchase agreement on March 13, 2018 for \$114,096 to provide funding for the purchase of a fire truck. The lease purchase is to be repaid in annual installments of \$18,519, including interest at 3.25%. The balance is to be repaid by the General Fund. The outstanding balance as of April 30, 2020 is \$71,118.

The City entered into a lease purchase agreement on June 5, 2018 for \$42,275 to provide funding for the purchase of two vehicles. The lease purchase is to be repaid in annual installments of \$22,222, including interest at 3.25%. The balance is to be repaid by the General Fund. The outstanding balance as of April 30, 2020 is \$21,521.

The City entered into a lease purchase agreement on January 20, 2020 for \$66,275 to provide funding for the purchase of medical equipment. The lease purchase is to be repaid in annual installments of \$17,092. The balance is to be repaid by the General Fund. The balance as of April 30, 2020 is \$51,275.

The City entered into a loan agreement on May 31, 2019 for \$735,719 to provide funding for the new police station. The loan is to be repaid in quarterly installments of \$30,155, including interest at 3.75 percent. The loan is unsecured. The balance is to be repaid by the General Fund. The balance as of April 30, 2020 is \$631,987.

**Business-type**

The City entered into general obligation debt certificates on April 2, 2012 to refinance existing debt certificates that provided funding for various water improvements. The debt certificates are to be repaid in 10 annual installments including interest at 2.89 percent. The balance is to be repaid by the Water Fund. The outstanding balance as of April 30, 2020 is \$127,990.

The City entered into an agreement with the IEPA on February 7, 2011 to provide funding for sewer infrastructure improvements. The loan, in the approved amount of \$9,936,067, was drawn on as needed to provide funding for the improvements. The loan is to be repaid in 39 semi-annual installments including interest at 1.25 percent. The balance is to be repaid by the Sewer Fund. The total outstanding balance as of April 30, 2020 is \$5,583,324.

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

The City entered into a lease purchase agreement on March 22, 2017 for \$52,266 to provide funding for the purchase of a Kubota tractor. The lease purchase is to be repaid in annual installments of \$11,070, including interest at 2.63 percent. The balance is to be repaid by the Golf Fund. The balance as of April 30, 2020 is \$21,297.

The City entered into a lease purchase agreement on April 10, 2018 for \$35,000 to provide funding for the purchase of a fairway mower. The lease purchase is to be repaid in annual installments of \$11,667. The lease is to be repaid by the Golf Fund. The balance as of April 30, 2020 is \$11,667.

The City entered into a lease purchase agreement on April 3, 2020 for \$840,906 to provide funding for the purchase of a radio read water meter system. The lease purchase is to be repaid in annual installments of \$130,488, including interest at 2.14 percent. The balance is to be repaid by the Water Fund. The balance as of April 30, 2020 is \$840,906.

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 annual requirements to retire other long-term debt 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>
2021	\$ 249,237	\$ 29,078	\$ 580,618	\$ 89,901
2022	168,418	22,046	577,774	81,526
2023	173,307	17,037	509,171	72,061
2024	139,790	11,848	516,566	64,667
2025	144,546	7,092	524,132	57,100
2026-2030	139,203	2,161	2,338,028	176,671
2031-2034	-	-	1,538,895	38,712
	<u>\$ 1,014,501</u>	<u>\$ 89,262</u>	<u>\$ 6,585,184</u>	<u>\$ 580,638</u>



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

The following is a summary of changes in long-term liabilities for the year ended April 30, 2020.

	Beginning Balance	Additions	Retired	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities:</u>					
Notes from direct borrowings:					
Lease/loan agreements	\$ 583,077	\$ 801,994	\$ 370,570	\$ 1,014,501	\$ 249,237
Net pension liability	18,889,428	3,988,129	-	22,877,557	-
Net OPEB liability	1,086,350	237,425	-	1,323,775	-
Compensated absences	1,361,144	-	188,877	1,172,267	287,249
Governmental activities long-term liabilities	<u>\$ 21,919,999</u>	<u>\$ 5,027,548</u>	<u>\$ 559,447</u>	<u>\$ 26,388,100</u>	<u>\$ 536,486</u>
<u>Business-type Activities:</u>					
Notes from direct borrowings:					
Lease/loan agreements	6,060,264	840,906	443,976	6,457,194	517,755
Debt certificates	189,087	-	61,097	127,990	62,863
Net pension liability	1,668,667	-	852,478	816,189	-
Net OPEB liability	305,132	34,607	-	339,739	-
Compensated absences	337,417	27,831	-	365,248	106,099
Business-type activities long-term liabilities	<u>\$ 8,560,567</u>	<u>\$ 903,344</u>	<u>\$ 1,357,551</u>	<u>\$ 8,106,360</u>	<u>\$ 686,717</u>

**NOTE 5: LEGAL DEBT MARGIN**

The computation of legal debt margin at April 30, 2020 is as follows:

Assessed Valuation	<u>\$ 136,532,030</u>
Bonded Debt Limit*	\$ 11,775,888
Bonded Indebtedness	<u>1,014,501</u>
Legal Debt Margin	<u>\$ 10,761,387</u>

The bonded indebtedness of the City of Wood River, Illinois is limited by Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes to 8.625% of the assessed valuation of taxable tangible property.

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

**NOTE 6: CAPITAL ASSETS**

Capital asset activity for the year ended April 30, 2020 was as follows:

	Beginning Balance	Additions/ Completions	Retirements/ Deletions	Ending Balance
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 14,193,917	\$ 350,627	\$ -	\$ 14,544,544
Land right-of-way	16,809,767	-	-	16,809,767
Total capital assets not being depreciated	31,003,684	350,627	-	31,354,311
Capital assets, being depreciated:				
Buildings and improvements	17,200,158	255,937	-	17,456,095
Machinery and equipment	1,985,299	120,200	-	2,105,499
Vehicles	2,747,668	187,039	606,759	2,327,948
Infrastructure	93,595,580	183,501	-	93,779,081
Total capital assets being depreciated	115,528,705	746,677	606,759	115,668,623
Less accumulated depreciation for:				
Buildings and improvements	7,262,395	143,839	-	7,406,234
Machinery and equipment	971,349	109,875	-	1,081,224
Vehicles	2,332,370	183,315	604,479	1,911,206
Infrastructure	62,050,954	1,519,554	-	63,570,508
Total accumulated depreciation	72,617,068	1,956,583	604,479	73,969,172
Total capital assets, being depreciated, net	42,911,637	(1,209,906)	2,280	41,699,451
Governmental activities capital assets, net	\$ 73,915,321	\$ (859,279)	\$ 2,280	\$ 73,053,762
<u>Business-type activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 1,012,334	\$ -	\$ -	\$ 1,012,334
Capital assets, being depreciated:				
Buildings and improvements	3,200,604	-	-	3,200,604
Utility systems	32,483,838	1,186,035	-	33,669,873
Machinery and equipment	5,317,077	585,861	-	5,902,938
Vehicles	1,006,067	-	-	1,006,067
Total capital assets, being depreciated	42,007,586	1,771,896	-	43,779,482
Less accumulated depreciation for:				
Buildings and improvements	2,704,503	31,717	-	2,736,220
Utility systems	11,648,980	639,257	-	12,288,237
Machinery and equipment	2,885,383	185,134	-	3,070,517
Vehicles	541,955	76,511	-	618,466
Total accumulated depreciation	17,780,821	932,619	-	18,713,440
Total capital assets, being depreciated, net	24,226,765	839,277	-	25,066,042
Business-type activities capital assets, net	\$ 25,239,099	\$ 839,277	\$ -	\$ 26,078,376

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

Depreciation expense was charged as direct expense to functions of the City as follows:

Governmental activities:	
General government	\$ 57,785
Public safety	263,698
Streets and highways, including depreciation of general infrastructure assets	1,561,362
Cultural and recreational	<u>73,738</u>
Total depreciation expense - governmental activities	<u>\$ 1,956,583</u>
Business-type activities:	
Water	\$ 294,587
Sewer	564,118
Golf course	<u>73,914</u>
	<u>\$ 932,619</u>

**NOTE 7: 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 2019 was 18.88 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

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

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

Retirees and Beneficiaries	86
Inactive, non-Retired Members	30
Active Members	<u>44</u>
Total	<u>160</u>

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

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 2.75%; and the resulting single discount rate is 7.25%.

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

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

Development of the Single Discount Rate as of December 31, 2019

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

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

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

*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	2.50%
Salary Increases	3.35% to 14.25% including inflation
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 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015) The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015) The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**CITY OF WOOD RIVER, 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	\$ 247,305
Interest on the Total Pension Liability	1,464,167
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	6,192
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	(1,304,180)
Net change in total pension liability	\$ 413,484
Total pension liability - beginning	20,723,850
Total pension liability - ending	<u>\$ 21,137,334</u>
<b>Plan fiduciary net position</b>	
Contributions - employer	\$ 498,714
Contributions - employee	118,867
Net investment income	3,203,739
Benefit payments, including refunds of employee contributions	(1,304,180)
Other (Net Transfer)	(24,487)
Net change in plan fiduciary net position	\$ 2,492,653
Plan fiduciary net position - beginning	16,559,252
Plan fiduciary net position - ending	<u>\$ 19,051,905</u>
<b>Net pension liability/(asset)</b>	<u>\$ 2,085,429</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	
	90.13%
<b>Covered valuation payroll</b>	\$ 2,641,499
<b>Net pension liability as a percentage of covered valuation payroll</b>	78.95%

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

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

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	6.25%	7.25%	8.25%
Total Pension Liability	\$ 23,662,365	\$ 21,137,334	\$ 19,050,524
Plan Fiduciary Net Position	19,051,905	19,051,905	19,051,905
Net Pension Liability/(Asset)	<u>\$ 4,610,460</u>	<u>\$ 2,085,429</u>	<u>\$ (1,381)</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	\$ 8,057	\$ 162,504
Changes in assumptions	170,064	63,274
Subsequent contributions	174,345	
Net difference between projected and actual earnings on pension plan investments	<u>1,518,663</u>	<u>2,405,706</u>
Total	<u>\$ 1,871,129</u>	<u>\$ 2,631,484</u>

Year Ending <u>December 31,</u>	Net Deferred Inflows of <u>Resources</u>
2020	\$ (173,811)
2021	(281,597)
2022	100,847
2023	(405,794)
2024	-
	<u>\$ (760,355)</u>

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

**2. 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 retiree membership.

Plan Membership as of April 30, 2020:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	12
Active Plan Members	<u>11</u>
Total	<u>23</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 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 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 WOOD RIVER, 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 90% of the accrued past service liability by December 31, 2040.

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

b) Investments

Investment Policy:

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

<u>Asset Class</u>	<u>Target Allocation</u>
Fixed Income	58%
U.S. Equity	24%
International Equity	18%
Total	100%

Concentrations:

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

Rate of Return:

For the year ended April 30, 2020, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was -3.31%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

c) Net Pension Liability of the Sponsor

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

Total Pension Liability	\$ 13,376,600
Plan Fiduciary Net Position	<u>(5,703,149)</u>
Net Pension Liability	<u>\$ 7,673,451</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	42.64%
Covered Employee Payroll	\$ 730,161
Employer's Net pension Liability as a % of Employee Payroll	1,050.93%

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

Actuarial Assumptions:

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

Inflation	2.25%
Projected Increase in Total Payroll	3.25%
Investment Rate of Return	6.00%
Mortality Table: Pub-2010 Adjusted for Plan Status	
Retirement Rate: L&A 2020 Illinois Firefighters capped at age 65	
Disability Rate: L&A 2020 Illinois Firefighters Disability Rates	
Termination Rates: L&A 2020 Illinois Firefighters Termination Rates	
Percent Married: 80.0%	

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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
US Govt Fixed Income	0.40 – 1.70%
US Large Cap Equities	4.45 – 4.70%
US Mid/Small Cap Equities	5.20 – 6.50%
International Equities	4.45 – 7.45%
Emerging Markets Equity	7.50%
REIT	3.90%

Discount Rate:

The discount rate used to measure the total pension liability was 5.89 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 2077. 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.

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

The Net Pension Liability was determined using the discount rate of 5.89% as stated in the prior paragraph. The following table displays the sensitivity of the resulting change had the rate been 1% higher or lower.

	1% Decrease	Current Discount Rate	1% Increase
	<u>4.89%</u>	<u>5.89%</u>	<u>6.89%</u>
Net Pension Liability	\$ 9,755,987	\$ 7,673,451	\$ 5,993,225

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of May 01, 2019	\$ 13,300,098	\$ 5,840,665	\$ 7,459,433
Changes for a year			
Service Cost	285,460	-	285,460
Interest	720,341	-	720,341
Differences between expected and actual experience	73,505	-	73,505
Changes of assumptions	(536,600)	-	(536,600)
Changes of benefit terms	34,681	-	34,681
Contributions - employer	-	492,081	(492,081)
Contributions - employee	-	70,117	(70,117)
Net investment income	-	(191,708)	191,708
Benefit payments, including refunds	(500,885)	(500,885)	-
Administrative	-	(7,121)	7,121
Net Changes	<u>76,502</u>	<u>(137,516)</u>	<u>214,018</u>
Balances as of April 30, 2020	<u>\$ 13,376,600</u>	<u>\$ 5,703,149</u>	<u>\$ 7,673,451</u>

*Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses.* For the year ended April 30, 2020, the City recognized a pension expense of \$1,038,062. 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.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 275,876	\$ 43,456
Changes in assumptions	496,340	699,648
Net difference between projected and actual earnings on pension plan investments	621,902	7,115
Total	<u>\$ 1,394,118</u>	<u>\$ 750,219</u>

Year Ending <u>April 30,</u>	Net Deferred Outflows of Resources
2021	\$ 335,411
2022	142,666
2023	124,526
2024	84,921
2025	(43,625)
Thereafter	-
	<u>\$ 643,899</u>

**3. 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 retiree membership.

Plan Membership as of April 30, 2020:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	20
Inactive Plan Members Entitled to But Not	
Currently Receiving Benefits	3
Active Plan Members	<u>18</u>
Total	<u>41</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

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

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 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.

**Contributions.**

Employee: 9.91% of Salary. City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of 90% of the accrued past service liability over a period ending in 2040.

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

Investments

Investment Policy:

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

<u>Asset Class</u>	<u>Target Allocation</u>
Fixed Income	53 - 100%
Equities	0 - 45%
Cash/Cash Equivalents	2 - 10%

Concentrations:

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

Rate of Return:

For the year ended April 30, 2020, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 2.17%. 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, 2020 were as follows:

Total Pension Liability	\$ 24,530,226
Plan Fiduciary Net Position	<u>(10,595,360)</u>
Net Pension Liability	<u>\$ 13,934,866</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	43.19%
Covered Employee Payroll	\$ 1,259,333
Employer's Net Pension Liability as a % of Employee Payroll	1,106.53%

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

**Actuarial Assumptions:**

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

Inflation	2.25%
Projected Increase in Total Payroll	3.25%
Investment Rate of Return	6.50%
Mortality Table: Pub-2010 Adjusted for Plan Status	
Retirement Rate: L&A 2020 Illinois Police Retirement capped at age 65	
Disability Rate: L&A 2020 Illinois Police Disability Rates	
Termination Rates: L&A 2020 Illinois Police Termination Rates	
Percent Married : 80.0%	

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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
US Govt Fixed Income	-0.40 – 1.90%
US Large Cap Equities	7.50%
US Mid/Small Cap Equities	8.30 – 9.30%
International Equities	8.30%
Emerging Markets Equity	9.70%

**Discount Rate:**

The discount rate used to measure the total pension liability was 5.28 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 would not covered by the plan's net position, the municipal bond rate would be used to determine the portion of the net pension liability associated with those payments.



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

The Net Pension Liability was determined using the discount rate of 5.28% as stated in the prior paragraph. The following table displays the sensitivity of the resulting change had the rate been 1% higher or lower.

	1% Decrease	Current Discount Rate	1% Increase
	4.28%	5.28%	6.28%
Net Pension Liability	\$ 18,197,993	\$ 13,934,866	\$ 10,574,680

**Changes in Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of May 01, 2019	\$ 19,434,336	\$ 10,500,272	\$ 8,934,064
Changes for a year			
Service Cost	356,841	-	356,841
Interest	1,233,936	-	1,233,936
Differences between expected and actual experience	(283,309)	-	(283,309)
Changes of assumptions	4,625,992	-	4,625,992
Changes of benefit terms	63,853	-	63,853
Contributions - employer	-	700,000	(700,000)
Contributions - employee	-	121,303	(121,303)
Net investment income	-	187,455	(187,455)
Benefit payments, including refunds	(901,423)	(901,423)	-
Administrative	-	(12,247)	12,247
Net Changes	5,095,890	95,088	5,000,802
Balances as of April 30, 2020	\$ 24,530,226	\$ 10,595,360	\$ 13,934,866

*Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses.* For the year ended April 30, 2020, the City recognized a pension expense of \$1,709,834. 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	\$ 139,792	\$ 245,881
Changes in assumptions	4,229,804	1,585,419
Net difference between projected and actual earnings on pension plan investments	563,011	-
Total	\$ 4,932,607	\$ 1,831,300

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

Year Ending <u>April 30,</u>	Net Deferred Outflows of <u>Resources</u>
2021	\$ 688,854
2022	301,440
2023	359,697
2024	492,928
2025	616,859
Thereafter	<u>641,529</u>
	<u>\$ 3,101,307</u>

**NOTE 8: POST RETIREMENT HEALTH 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, 2020:

Active Employees	71
Inactive Employees Currently Receiving Benefit Payments	9
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	<u>0</u>
Total	<u>80</u>

**Investments**

**Investment Policy:**

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

**Receivables:**

The Plan does not have any receivables as of April 30, 2020.

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

Net OPEB Liability of the Sponsor

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

Total OPEB Liability	\$ 1,663,514
Plan Fiduciary Net Position	-
Net OPEB Liability	<u>\$ 1,663,514</u>
Plan Fiduciary Net Position as a % of Total OPEB Liability	0%
Covered Employee Payroll	\$ 4,615,581
Employer's Net OPEB Liability as a % of Employee Payroll	36.04%

Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	OPEB Plan Net Position	Net OPEB Liability
Balances Beginning at 5/1/19	\$ 1,391,482	\$ -	\$ 1,391,482
Changes for a year			
Service Cost	41,543	-	41,543
Interest	55,018	-	55,018
Actuarial Experience	130,036	-	130,036
Changes of assumptions	185,144	-	185,144
Plan Changes	-	-	-
Contributions - employer	-	139,709	(139,709)
Contributions - employee	-	-	-
Contributions - other	-	-	-
Net investment income	-	-	-
Benefit payments from Trust	(139,709)	(139,709)	-
Administrative	-	-	-
Net Changes	<u>272,032</u>	<u>-</u>	<u>272,032</u>
Balances Beginning at 4/30/20	<u>\$ 1,663,514</u>	<u>\$ -</u>	<u>\$ 1,663,514</u>

**Actuarial Assumptions:**

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

Projected Increase in Total Payroll	2.75%
Discount Rate	2.56%
Investment Rate of Return	N/A
Mortality Rates: Follows the Sex Distinct Raw Rates as developed in the RP-2014 Study, with Blue Collar Adjustment. These rates are improved generationally using MP-2016 Improvement Rates	
Retirement Rate: L&A 2020 Illinois Fire and Police Retirement and the IMRF Experience Study Report dated November 8, 2017	

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

**Health Care Trend Rates:**

The following trend rate is based on the 2020 Segal Health Plan Cost Trend Survey. The grading period and ultimate trend rates selected fall within a generally accepted range.

Healthcare Trend  
(FY=Fiscal Year)

<u>Period</u>	<u>Pre-65</u>	<u>Post-65</u>
FY 19 to FY 20	6.80%	6.80%
FY 20 to FY 21	6.60%	6.60%
FY 21 to FY 22	6.40%	6.40%
FY 22 to FY 23	6.20%	6.20%
FY 23 to FY 24	6.00%	6.00%
FY 24 to FY 25	5.80%	5.80%
FY 25 to FY 26	5.60%	5.60%
FY 26 to FY 27	5.40%	5.40%
FY 27 to FY 28	5.20%	5.20%
FY 28 to FY 29	5.00%	5.00%
Ultimate	5.00%	5.00%

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

	Healthcare Cost Trend Rates		
	1% Decrease <u>(Varies)</u>	Rate <u>(Varies)</u>	1% Increase <u>(Varies)</u>
Net OPEB Liability	\$ 1,481,393	\$ 1,663,514	\$ 1,878,892

**Discount Rate:**

The discount rate used to measure the total OPEB liability was 2.56 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 <u>1.56%</u>	Rate <u>2.56%</u>	1% Increase <u>3.56%</u>
Net OPEB Liability	\$ 1,840,872	\$ 1,663,514	\$ 1,512,629

*Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses.* For the year ended April 30, 2020, the City recognized an OPEB expense of \$429,389. The OPEB plan did not have any amounts to be reported as deferred inflows and outflows related to the net pension liability.

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

**NOTE 9: INTERFUND RECEIVABLES**

For the year ended April 30, 2020, the Golf Course Fund owed the Capital Improvements and Development Fund \$198,896.

**NOTE 10: INTERFUND TRANSFERS**

The following is a summary of interfund transfers for the year ended April 30, 2020:

**Business-type Activities:**

Water Fund Transfer From (To):	
General Fund	(118,450)
Sewer Fund	385,569
Refuse Fund	27,840
Capital Improvement and Development Fund	66,550
Sewer Fund Transfer From (To):	
General Fund	(249,629)
Water Fund	(385,569)
	<u>\$ (273,689)</u>

**Governmental Activities:**

General Fund Transfer From (To):	
Water Fund	\$ 118,450
Sewer Fund	249,629
Refuse Fund	142,744
Municipal Retirement Fund	100,000
Library Fund	6,100
Motor Fuel Tax Fund	35,532
Motor Fuel Tax Fund Transfer From (To) General Fund	(35,532)
Capital Improvement and Development Fund Transfer From (To):	
Water Fund	(66,550)
Municipal Retirement Fund Transfer To General Fund	(100,000)
Library Fund Transfer From (To) General Fund	(6,100)
Refuse Fund Transfer (To):	
General Fund	(142,744)
Water Fund	(27,840)
	<u>\$ 273,689</u>

The City makes transfers between funds to reimburse for costs related to a specific fund that was originally paid from another fund or to reimburse for overhead costs.

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

**NOTE 11: TAX ABATEMENTS**

Property tax value abatements within the City, related to the Riverbend Enterprise Zone (REZ), were \$0 and \$1,539,560 for the tax levy years 2019 and 2018, respectively. The 2019 levy is shown as a receivable and as deferred inflow of resources as of April 30, 2020 in the governmental fund statements and in the statement of net position. Tax revenues reflected in these financial statements are taxes collected on the 2018 levy. The abated tax on the REZ property related to the City is \$0 and \$25,361 for the tax levy years 2019 and 2018, respectively.

The City entered into a twenty-year economic incentive agreement with a local automotive dealership in May of 2013. The dealership will receive rebates of incremental sales taxes upon exceeding annual sales tax base thresholds that apply to an overall initial increment threshold. The annual sales tax threshold base is \$225,000. The total of the annual threshold excesses will be applied to an overall initial increment threshold of \$500,000. After meeting the overall threshold of \$500,000, the sales tax increments will be allocated between the City and the dealership using percentages that vary depending on the year of the agreement. As of April 30, 2020, the total balance of annual incremental sales taxes excesses to be applied against the overall initial increment threshold of \$500,000 was \$170,517. Therefore, no incentive payments have been made as of April 30, 2020 related to this agreement.

For the year ended April 30, 2020, local sales tax rebates related to other developers totaled \$65,429 and sales tax rebates related to the business district totaled \$484,154.

**NOTE 12: SUBSEQUENT EVENT**

The City has evaluated events occurring after the financial statement date through September 18, 2020 in order to determine their potential for recognition or disclosure in the financial statements. The latter date is the same date the financial statements were available to be issued.

**CITY OF WOOD RIVER, ILLINOIS**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Property Tax	\$ 370,740	\$ 370,740	\$ 370,255
Intergovernmental:			
Sales and Use Tax	3,351,000	3,351,000	3,794,155
Replacement Tax	162,000	162,000	235,474
State Income Tax	1,050,000	1,050,000	1,155,052
Grants	27,988	27,988	98,124
Other	140,000	140,000	157,066
Other Local Taxes	6,000	6,000	9,688
Licenses, Fees and Permits	116,750	116,750	103,496
Charges for Services	770,301	770,301	893,940
Fines	78,250	78,250	58,634
Investment Earnings	15,000	15,000	37,025
Miscellaneous Revenues and Reimbursements	2,200	2,200	16,259
Total Receipts	<u>6,090,229</u>	<u>6,090,229</u>	<u>6,929,168</u>
Disbursements:			
Legislative			
Personnel	26,290	26,290	25,186
Materials/Supplies	4,100	4,811	4,811
Dues/Subscriptions/Training	23,850	23,850	20,165
Services	24,650	23,939	16,644
Miscellaneous	3,510	3,510	3,410
Total Legislative	<u>82,400</u>	<u>82,400</u>	<u>70,216</u>
Administration			
Personnel	389,746	405,206	405,206
Materials/Supplies	7,200	7,200	6,774
Dues/Subscriptions/Training	1,425	499	434
Services	12,400	13,826	13,826
Miscellaneous	14,090	13,590	13,590
Capital	3,549	4,476	4,476
Total Administration	<u>428,410</u>	<u>444,797</u>	<u>444,306</u>
Finance			
Personnel	363,591	370,326	370,325
Materials/Supplies	16,600	16,600	14,900
Dues/Subscriptions/Training	5,500	5,500	1,893
Services	63,250	68,210	50,770
Miscellaneous	22,068	22,068	19,960
Capital	2,400	12,223	2,914
Total Finance	<u>473,409</u>	<u>494,927</u>	<u>460,762</u>

# CITY OF WOOD RIVER, ILLINOIS

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

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Disbursements (Continued):			
Legal			
Services	70,000	87,993	87,992
Miscellaneous	820	820	820
Total Legal	<u>70,820</u>	<u>88,813</u>	<u>88,812</u>
Building & Zoning			
Personnel	128,684	128,684	128,682
Materials/Supplies	7,125	6,198	5,194
Dues/Subscriptions/Training	2,650	2,650	320
Services	20,100	25,292	25,291
Miscellaneous	11,923	11,923	11,922
Capital	-	927	927
Total Building & Zoning	<u>170,482</u>	<u>175,674</u>	<u>172,336</u>
City Hall Maintenance			
Materials/Supplies	3,850	3,850	2,548
Services	51,100	51,100	40,826
Miscellaneous	8,270	8,270	8,270
Capital	51,500	51,500	1,106
Total City Hall Maintenance	<u>114,720</u>	<u>114,720</u>	<u>52,750</u>
Street Maintenance			
Personnel	127,724	127,724	125,678
Materials/Supplies	50,500	55,544	55,544
Dues/Subscriptions/Training	500	500	-
Services	117,897	112,853	98,393
Miscellaneous	38,042	38,042	38,013
Capital	17,160	17,160	15,130
Total Street Maintenance	<u>351,823</u>	<u>351,823</u>	<u>332,758</u>
Parks & Recreation			
Personnel	348,621	348,621	346,275
Materials/Supplies	120,700	21,059	21,058
Dues/Subscriptions/Training	2,800	2,800	456
Services	55,450	176,796	176,331
Miscellaneous	12,626	12,626	12,626
Capital	24,465	26,433	26,433
Total Parks & Recreation	<u>564,662</u>	<u>588,335</u>	<u>583,179</u>



**CITY OF WOOD RIVER, ILLINOIS**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Disbursements (Continued):			
Street Lighting			
Services	203,000	203,000	168,174
Total Street Lighting	203,000	203,000	168,174
Parks Maintenance			
Personnel	185,602	180,533	174,353
Materials/Supplies	43,300	43,300	43,081
Dues/Subscriptions/Training	250	250	-
Services	22,200	22,789	22,789
Miscellaneous	3,360	3,360	3,360
Capital	26,000	30,480	30,480
Total Parks Maintenance	280,712	280,712	274,063
Police Department			
Personnel	2,012,349	2,029,200	2,029,200
Materials/Supplies	142,250	142,529	129,131
Dues/Subscriptions/Training	9,500	9,500	5,638
Services	209,200	195,039	167,809
Miscellaneous	134,629	134,629	134,472
Capital	-	36,284	14,280
Total Police Department	2,507,928	2,547,181	2,480,530
Police Communications Center			
Personnel	700,854	698,007	688,533
Materials/Supplies	5,300	6,611	6,611
Dues/Subscriptions/Training	1,950	1,950	1,586
Services	13,500	15,036	15,035
Total Police Communications Center	721,604	721,604	711,765
Animal Control Department			
Personnel	22,658	22,658	12,905
Materials/Supplies	6,500	8,000	2,158
Services	2,400	4,289	1,005
Miscellaneous	230	230	230
Total Animal Control Department	31,788	35,177	16,298

**CITY OF WOOD RIVER, ILLINOIS**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Disbursements (Continued):			
Fire Department			
Personnel	1,166,379	1,234,191	1,234,190
Materials/Supplies	68,250	68,250	49,319
Dues/Subscriptions/Training	13,900	13,900	5,416
Services	86,400	86,400	80,957
Miscellaneous	74,021	74,021	73,862
Capital	<u>115,525</u>	<u>208,431</u>	<u>208,430</u>
Total Fire Department	<u>1,524,475</u>	<u>1,685,193</u>	<u>1,652,174</u>
Disaster Preparedness			
Personnel	997	997	996
Materials/Supplies	1,900	1,900	1,080
Services	<u>2,400</u>	<u>2,400</u>	<u>1,145</u>
Total Disaster Preparedness	<u>5,297</u>	<u>5,297</u>	<u>3,221</u>
Capital	<u>129,250</u>	<u>150,982</u>	<u>125,389</u>
Total Disbursements	<u>7,660,780</u>	<u>7,970,635</u>	<u>7,636,733</u>
Excess (Deficiency) of Receipts Over			
Disbursements	<u>(1,570,551)</u>	<u>(1,880,406)</u>	<u>(707,565)</u>
Other Financing Sources:			
Operating Transfers In	<u>1,454,035</u>	<u>1,454,035</u>	<u>693,552</u>
Total Other Financing Sources	<u>1,454,035</u>	<u>1,454,035</u>	<u>693,552</u>
Excess (Deficiency) of Receipts and Other			
Financing Sources Over Disbursements	<u>\$ (116,516)</u>	<u>\$ (426,371)</u>	(14,013)
Change in intergovernmental revenue on modified accrual basis			(210,422)
Change in other receivable on modified accrual basis			18,596
Change in accrued payroll on modified accrual basis			(108,313)
Change in accounts payable on modified accrual basis			<u>(2,310)</u>
As reported on the Statement of Revenues, Expenditures			
and Changes in Fund Balance			<u>\$ (316,462)</u>

CITY OF WOOD RIVER, ILLINOIS

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

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Property Tax	\$ 300,000	\$ 300,000	\$ 299,139
Insurance Reimbursements	1,693,954	1,693,954	1,690,084
Investment Earnings	4,000	4,000	4,501
Total Receipts	<u>1,997,954</u>	<u>1,997,954</u>	<u>1,993,724</u>
Disbursements:			
General Government - Miscellaneous	<u>1,880,160</u>	<u>1,880,160</u>	<u>1,830,787</u>
Total Disbursements	<u>1,880,160</u>	<u>1,880,160</u>	<u>1,830,787</u>
Excess of Receipts Over Disbursements	<u>117,794</u>	<u>117,794</u>	<u>162,937</u>
Other Financing Sources:			
Transfers In (Out)	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements	<u>\$ (32,206)</u>	<u>\$ (32,206)</u>	162,937
Change for reporting on modified accrual basis:			
Change in prepaid expenses on modified accrual basis			<u>12,065</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 175,002</u>

**CITY OF WOOD RIVER, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CASH BASIS)  
CAPITAL IMPROVEMENTS AND DEVELOPMENT FUND  
FOR THE YEAR ENDED APRIL 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Receipts:			
Utility Tax	\$ 685,000	\$ 685,000	\$ 648,866
Telecommunications Tax	155,000	155,000	155,450
Licenses, Permits and Fees	31,000	31,000	29,333
Investment Earnings	15,000	15,000	18,789
Miscellaneous	-	-	332
Total Receipts	<u>886,000</u>	<u>886,000</u>	<u>852,770</u>
Disbursements:			
Current:			
Materials and Supplies	159,500	161,096	161,096
Services	150,000	150,000	53,417
Capital Outlay	30,000	476,540	476,540
Miscellaneous	<u>810,284</u>	<u>692,549</u>	<u>208,903</u>
Total Disbursements	<u>1,149,784</u>	<u>1,480,185</u>	<u>899,956</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>(263,784)</u>	<u>(594,185)</u>	<u>(47,186)</u>
Other Financing Sources:			
Proceeds from Debt	-	-	735,719
Transfers In (Out)	<u>25,718</u>	<u>25,718</u>	<u>-</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements	<u>\$ (238,066)</u>	<u>\$ (568,467)</u>	688,533
Change for reporting on modified accrual basis:			
Change in intergovernmental receivables on modified accrual basis			(21,993)
Change in accounts payable on modified accrual basis			333,722
Change in other receivables on modified accrual basis			<u>(4,808)</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 995,454</u>

**CITY OF WOOD RIVER, ILLINOIS**

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total Pension Liability:</b>						
Service cost	\$ 356,841	\$ 374,886	\$ 411,243	\$ 388,148	\$ 362,046	\$ 426,604
Interest	1,233,936	1,182,988	1,138,361	1,177,380	935,917	883,886
Changes of benefit terms	63,853	-	-	-	-	-
Differences between expected and actual experience	(283,309)	(4,255)	923	51,424	726,070	-
Changes in assumptions	4,625,992	(1,319,872)	(200,965)	(1,525,756)	1,592,114	-
Benefit payments, including refunds	(901,423)	(900,733)	(760,728)	(733,203)	(710,916)	(678,095)
Net change in total pension liability	5,095,890	(666,986)	588,834	(642,007)	2,905,231	632,395
Total pension liability - beginning	19,434,336	20,101,322	19,512,488	20,154,495	17,249,264	16,616,869
Total pension liability - ending	<u>\$ 24,530,226</u>	<u>\$ 19,434,336</u>	<u>\$ 20,101,322</u>	<u>\$ 19,512,488</u>	<u>\$ 20,154,495</u>	<u>\$ 17,249,264</u>
<b>Plan Fiduciary Net Position</b>						
Contributions - employer	700,000	655,738	642,328	517,319	475,526	453,461
Contributions - employee	121,303	352,100	119,150	118,221	150,760	112,087
Net investment income	187,455	474,675	471,678	546,117	(136,607)	394,086
Benefit payments, including refunds	(901,423)	(900,733)	(760,728)	(733,203)	(710,916)	(678,095)
Administrative	(12,247)	(14,602)	(11,075)	(11,340)	(10,100)	(8,230)
Net change in plan fiduciary net position	95,088	567,178	461,353	437,114	(231,337)	273,309
Plan fiduciary net position - beginning	10,500,272	9,933,094	9,471,741	9,034,627	9,265,964	8,992,655
Plan fiduciary net position - ending	<u>\$ 10,595,360</u>	<u>\$ 10,500,272</u>	<u>\$ 9,933,094</u>	<u>\$ 9,471,741</u>	<u>\$ 9,034,627</u>	<u>\$ 9,265,964</u>
Net Pension Liability	<u>\$ 13,934,866</u>	<u>\$ 8,934,064</u>	<u>\$ 10,168,228</u>	<u>\$ 10,040,747</u>	<u>\$ 11,119,868</u>	<u>\$ 7,983,300</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>43.19%</u>	<u>54.03%</u>	<u>49.42%</u>	<u>48.54%</u>	<u>44.83%</u>	<u>53.72%</u>
Covered-employee payroll	<u>\$ 1,259,333</u>	<u>\$ 1,269,359</u>	<u>\$ 1,258,518</u>	<u>\$ 1,197,643</u>	<u>\$ 1,400,239</u>	<u>\$ 1,460,969</u>
Net position liability as a percentage of covered-employee payroll	<u>1106.53%</u>	<u>703.82%</u>	<u>807.95%</u>	<u>838.38%</u>	<u>794.14%</u>	<u>546.44%</u>

**CITY OF WOOD RIVER, ILLINOIS**

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total Pension Liability:</b>						
Service Cost	\$ 285,460	\$ 259,850	\$ 267,008	\$ 252,585	\$ 234,126	\$ 265,655
Interest	720,341	702,428	674,856	650,972	526,087	544,350
Changes of benefit terms	34,681	-	-	-	-	-
Differences between expected and actual experience	73,505	(61,678)	(5,422)	576,785	125,970	-
Changes in assumptions	(536,600)	462,792	(106,366)	(614,330)	1,116,404	-
Benefit payments, including refunds	<u>(500,885)</u>	<u>(474,180)</u>	<u>(476,071)</u>	<u>(419,368)</u>	<u>(414,806)</u>	<u>(378,187)</u>
Net change in total pension liability	76,502	889,212	354,005	446,644	1,587,781	431,818
Total pension liability - beginning	<u>13,300,098</u>	<u>12,410,886</u>	<u>12,056,881</u>	<u>11,610,237</u>	<u>10,022,456</u>	<u>9,590,638</u>
Total pension liability - ending	<u>\$ 13,376,600</u>	<u>\$ 13,300,098</u>	<u>\$ 12,410,886</u>	<u>\$ 12,056,881</u>	<u>\$ 11,610,237</u>	<u>\$ 10,022,456</u>
<b>Plan Fiduciary Net Position</b>						
Contributions - employer	492,081	425,102	414,940	318,511	297,756	291,031
Contributions - employee	70,117	67,804	65,218	64,591	63,298	61,367
Net investment income	(191,708)	93,108	239,965	346,266	(68,194)	169,570
Benefit payments, including refunds	(500,885)	(474,180)	(476,071)	(419,368)	(414,806)	(378,187)
Administrative	<u>(7,121)</u>	<u>(9,203)</u>	<u>(7,497)</u>	<u>(9,414)</u>	<u>(7,252)</u>	<u>(4,195)</u>
Net change in plan fiduciary net position	(137,516)	102,631	236,555	300,586	(129,198)	139,586
Plan fiduciary net position - beginning	<u>5,840,665</u>	<u>5,738,034</u>	<u>5,501,479</u>	<u>5,200,893</u>	<u>5,330,091</u>	<u>5,190,505</u>
Plan fiduciary net position - ending	<u>\$ 5,703,149</u>	<u>\$ 5,840,665</u>	<u>\$ 5,738,034</u>	<u>\$ 5,501,479</u>	<u>\$ 5,200,893</u>	<u>\$ 5,330,091</u>
Net Pension Liability	<u>\$ 7,673,451</u>	<u>\$ 7,459,433</u>	<u>\$ 6,672,852</u>	<u>\$ 6,555,402</u>	<u>\$ 6,409,344</u>	<u>\$ 4,692,365</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>42.64%</u>	<u>43.91%</u>	<u>46.23%</u>	<u>45.63%</u>	<u>44.80%</u>	<u>53.18%</u>
Covered-employee payroll	<u>\$ 730,161</u>	<u>\$ 713,979</u>	<u>\$ 692,088</u>	<u>\$ 667,640</u>	<u>\$ 826,739</u>	<u>\$ 803,173</u>
Net position liability as a percentage of covered-employee payroll	<u>1050.93%</u>	<u>1044.77%</u>	<u>964.16%</u>	<u>981.88%</u>	<u>775.26%</u>	<u>584.23%</u>

**CITY OF WOOD RIVER, ILLINOIS**

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:					
Service Cost	\$ 247,305	\$ 224,489	\$ 233,161	\$ 235,078	\$ 206,508
Interest	1,464,167	1,483,074	1,497,155	1,448,374	1,397,338
Difference between expected and actual experience	6,192	(516,660)	35,826	336,219	418,857
Assumption changes	-	540,698	(598,123)	(44,895)	21,865
Benefit payments, including refunds	<u>(1,304,180)</u>	<u>(1,339,648)</u>	<u>(1,363,228)</u>	<u>(1,386,852)</u>	<u>(1,316,353)</u>
Net change in total pension liability	413,484	391,953	(195,209)	587,924	728,215
Total pension liability - beginning	<u>20,723,850</u>	<u>20,331,897</u>	<u>20,527,106</u>	<u>19,939,182</u>	<u>19,210,967</u>
Total pension liability - ending	<u>\$ 21,137,334</u>	<u>\$ 20,723,850</u>	<u>\$ 20,331,897</u>	<u>\$ 20,527,106</u>	<u>\$ 19,939,182</u>
Plan Fiduciary Net Position					
Contributions - employer	498,714	507,184	472,609	517,451	353,931
Contributions - employee	118,867	108,242	104,715	101,995	102,016
Net investment income	3,203,739	(1,163,454)	3,136,094	1,261,868	79,482
Benefit payments, including refunds	<u>(1,304,180)</u>	<u>(1,339,648)</u>	<u>(1,363,228)</u>	<u>(1,386,852)</u>	<u>(1,316,353)</u>
Other	<u>(24,487)</u>	<u>(301,056)</u>	<u>(426,426)</u>	<u>193,601</u>	<u>590,567</u>
Net change in plan fiduciary net position	2,492,653	(2,188,732)	1,923,764	688,063	(190,357)
Plan fiduciary net position - beginning	<u>16,559,252</u>	<u>18,747,984</u>	<u>16,824,220</u>	<u>16,136,157</u>	<u>16,326,514</u>
Plan fiduciary net position - ending	<u>\$ 19,051,905</u>	<u>\$ 16,559,252</u>	<u>\$ 18,747,984</u>	<u>\$ 16,824,220</u>	<u>\$ 16,136,157</u>
Net Pension Liability	<u>\$ 2,085,429</u>	<u>\$ 4,164,598</u>	<u>\$ 1,583,913</u>	<u>\$ 3,702,886</u>	<u>\$ 3,803,025</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>90.13%</u>	<u>79.90%</u>	<u>92.21%</u>	<u>81.96%</u>	<u>80.93%</u>
Covered-employee Payroll	<u>\$ 2,641,499</u>	<u>\$ 2,400,836</u>	<u>\$ 2,326,983</u>	<u>\$ 2,266,539</u>	<u>\$ 2,224,414</u>
Net position liability as a percentage of covered-employee payroll	<u>78.95%</u>	<u>173.46%</u>	<u>68.07%</u>	<u>163.37%</u>	<u>170.97%</u>

**CITY OF WOOD RIVER, ILLINOIS**

**SCHEDULE OF CONTRIBUTIONS  
POLICE PENSION FUND  
APRIL 30, 2020**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 682,701	\$ 655,140	\$ 642,311	\$ 517,404	\$ 477,414	\$ 458,124
Contributions in relation to actuarial determined contribution	<u>700,000</u>	<u>655,738</u>	<u>642,328</u>	<u>517,319</u>	<u>475,526</u>	<u>453,461</u>
Contribution deficiency (excess)	<u>\$ (17,299)</u>	<u>\$ (598)</u>	<u>\$ (17)</u>	<u>\$ 85</u>	<u>\$ 1,888</u>	<u>\$ 4,663</u>
 Covered-employee Payroll	 <u>1,259,333</u>	 <u>1,269,359</u>	 <u>1,258,518</u>	 <u>1,197,643</u>	 <u>1,400,239</u>	 <u>1,460,969</u>
 Contributions as a percentage of covered-employee payroll	 <u>55.58%</u>	 <u>51.66%</u>	 <u>51.04%</u>	 <u>43.19%</u>	 <u>33.96%</u>	 <u>31.04%</u>

Actuarial valuations are performed as of April 30 of each year with the related contributions to be made in the following year. Actuarial valuation date for above is April 30, 2019.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Projected Unit Credit
Amortization Method:	Level Percentage of Payroll
Remaining Amortization Period:	21 years
Asset Valuation Method:	5-Year Smoothed Market Value
Actuarial Assumptions:	
Interest Rate	6.25%
Payroll Growth	3.50%
Inflation Rate	2.50%



**CITY OF WOOD RIVER, ILLINOIS**

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 482,432	\$ 424,773	\$ 414,887	\$ 318,496	\$ 299,024	\$ 294,411
Contributions in relation to actuarial determined contribution	<u>492,081</u>	<u>425,102</u>	<u>414,940</u>	<u>318,511</u>	<u>297,756</u>	<u>291,031</u>
Contribution deficiency (excess)	<u>\$ (9,649)</u>	<u>\$ (329)</u>	<u>\$ (53)</u>	<u>\$ (15)</u>	<u>\$ 1,268</u>	<u>\$ 3,380</u>
Covered-employee Payroll	<u>730,161</u>	<u>713,979</u>	<u>692,088</u>	<u>667,640</u>	<u>826,739</u>	<u>803,173</u>
Contributions as a percentage of covered-employee payroll	<u>67.39%</u>	<u>59.54%</u>	<u>59.95%</u>	<u>47.71%</u>	<u>36.02%</u>	<u>36.24%</u>

Actuarial valuations are performed as of April 30 of each year with the related contributions to be made in the following year. Actuarial valuation date for above is April 30, 2019.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Projected Unit Credit
Amortization Method:	Level Percentage of Payroll
Remaining Amortization Period:	21 years
Asset Valuation Method:	5-Year Smoothed Market Value
Actuarial Assumptions:	
Interest Rate	6.25%
Payroll Growth	3.50%
Inflation Rate	2.50%

CITY OF WOOD RIVER, ILLINOIS

SCHEDULE OF CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
APRIL 30, 2020

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 498,715	\$ 506,336	\$ 472,610	\$ 517,451	\$ 353,904
Contributions in relation to actuarial determined contribution	<u>498,714</u>	<u>507,184</u>	<u>472,609</u>	<u>517,451</u>	<u>353,931</u>
Contribution deficiency (excess)	<u>\$ 1</u>	<u>\$ (848)</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ (27)</u>
Covered-employee Payroll	<u>\$ 2,641,499</u>	<u>\$ 2,400,836</u>	<u>\$ 2,326,983</u>	<u>\$ 2,266,539</u>	<u>\$ 2,224,414</u>
Contributions as a percentage of covered-employee payroll	<u>18.88%</u>	<u>21.13%</u>	<u>20.31%</u>	<u>22.83%</u>	<u>15.91%</u>

Actuarial valuation date for above is December 31, 2019.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	24 years
Asset Valuation Method:	5-Year smoothed market; 20% corridor
Actuarial Assumptions:	
Interest Rate (current and prior)	7.50%
Wage Growth	3.25%
Price Inflation	2.50%

**CITY OF WOOD RIVER, ILLINOIS**

SCHEDULE OF INVESTMENT RETURNS  
POLICE PENSION FUND  
APRIL 30, 2020

	<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	2.17%	5.40%	5.58%	6.71%	-1.26%	4.93%

**CITY OF WOOD RIVER, ILLINOIS**

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

	<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	-3.31%	1.93%	4.86%	7.28%	-1.12%	3.73%

**CITY OF WOOD RIVER, ILLINOIS**

**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**

**RETIREE MEDICAL PROGRAM**

**APRIL 30, 2020**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability:			
Service Cost	\$ 41,543	\$ 36,660	\$ 35,260
Interest	55,018	53,823	55,938
Differences between expected and actual	130,036	-	-
Changes in assumptions	185,144	18,972	-
Benefit payments, including refunds	<u>(139,709)</u>	<u>(147,594)</u>	<u>(141,161)</u>
Net change in total OPEB liability	272,032	(38,139)	(49,963)
Total OPEB liability - beginning	<u>1,391,482</u>	<u>1,429,621</u>	<u>1,479,584</u>
Total OPEB liability - ending	<u>\$ 1,663,514</u>	<u>\$ 1,391,482</u>	<u>\$ 1,429,621</u>
Plan Fiduciary Net Position			
Contributions - employer	139,709	147,594	141,161
Contributions - employee	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds	(139,709)	(147,594)	(141,161)
Administrative	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability	<u>\$ 1,663,514</u>	<u>\$ 1,391,482</u>	<u>\$ 1,429,621</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Covered-employee payroll	<u>\$ 4,615,581</u>	<u>\$ 4,402,896</u>	<u>\$ 4,232,487</u>
Net position liability as a percentage of covered-employee payroll	<u>36.04%</u>	<u>31.60%</u>	<u>33.78%</u>

**CITY OF WOOD RIVER, ILLINOIS**

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

	Municipal Retirement Fund	Motor Fuel Tax Fund	Library Fund	Refuse Fund	Non-Home Rule Sales Tax Fund	Riverbend Business District #1 Fund	TIF #3 Fund	Total Nonmajor Special Revenue Funds
<u>Assets</u>								
Cash and Cash Equivalents	\$ 25,485	\$ 434,831	\$ 272,964	\$ 179,855	\$ 359,569	\$ 651,185	\$ 44,303	\$ 1,968,192
Receivables (Net of allowance for uncollectible):								
Property Tax	35,089	-	358,670	90,111	-	-	77,647	561,517
Intergovernmental	6,792	49,796	4,141	-	325,892	133,571	-	520,192
Accounts	-	-	-	153,417	-	-	-	153,417
Total Assets	<u>\$ 67,366</u>	<u>\$ 484,627</u>	<u>\$ 635,775</u>	<u>\$ 423,383</u>	<u>\$ 685,461</u>	<u>\$ 784,756</u>	<u>\$ 121,950</u>	<u>\$ 3,203,318</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>								
Liabilities:								
Accrued Payroll and Benefits	\$ -	\$ -	\$ 10,259	\$ -	\$ -	\$ -	\$ -	\$ 10,259
Accounts Payable	-	183,174	2,044	58,909	53,474	423,386	-	720,987
Total Liabilities	<u>-</u>	<u>183,174</u>	<u>12,303</u>	<u>58,909</u>	<u>53,474</u>	<u>423,386</u>	<u>-</u>	<u>731,246</u>
Deferred Inflows of Resources:								
Unearned Revenue	<u>35,089</u>	<u>-</u>	<u>358,670</u>	<u>90,111</u>	<u>109,267</u>	<u>47,036</u>	<u>77,647</u>	<u>717,820</u>
Fund Balances:								
Restricted	32,277	301,453	264,802	274,363	-	314,334	44,303	1,231,532
Committed	-	-	-	-	522,720	-	-	522,720
Total Fund Balances	<u>32,277</u>	<u>301,453</u>	<u>264,802</u>	<u>274,363</u>	<u>522,720</u>	<u>314,334</u>	<u>44,303</u>	<u>1,754,252</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 67,366</u>	<u>\$ 484,627</u>	<u>\$ 635,775</u>	<u>\$ 423,383</u>	<u>\$ 685,461</u>	<u>\$ 784,756</u>	<u>\$ 121,950</u>	<u>\$ 3,203,318</u>

**CITY OF WOOD RIVER, ILLINOIS**  
**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED APRIL 30, 2020**

	Municipal Retirement <u>Fund</u>	Motor Fuel Tax <u>Fund</u>	Library <u>Fund</u>	Refuse <u>Fund</u>	Non-Home Rule Sales Tax <u>Fund</u>	Riverbend Business District #1 <u>Fund</u>	TIF #3 <u>Fund</u>	Total Nonmajor Special Revenue <u>Funds</u>
Property Tax	\$ 34,988	\$ -	\$ 357,837	\$ 89,862	\$ -	\$ -	\$ 44,714	\$ 527,401
Intergovernmental Revenues:								
Corporate Replacement Tax	49,759	-	30,332	-	-	-	-	80,091
Sales Tax	-	-	-	-	1,047,504	551,992	-	1,599,496
Motor Fuel Tax	-	393,260	-	-	-	-	-	393,260
Grant Revenue	-	-	13,321	-	-	-	-	13,321
Fines and Fees	-	-	2,816	-	-	-	-	2,816
Charges for Services	-	-	6,160	767,290	-	-	-	773,450
Investment Earnings	233	6,719	1,294	2,847	48	7,113	283	18,537
Miscellaneous Income	-	-	13,347	-	-	-	-	13,347
Total Revenues	<u>84,980</u>	<u>399,979</u>	<u>425,107</u>	<u>859,999</u>	<u>1,047,552</u>	<u>559,105</u>	<u>44,997</u>	<u>3,421,719</u>
Expenditures:								
Current:								
Streets and Highways	-	187,108	-	-	-	-	-	187,108
Development	-	-	-	-	-	458,153	694	458,847
Sanitation	-	-	-	656,265	-	-	-	656,265
Cultural and Recreational	-	-	401,566	-	-	-	-	401,566
Capital Outlay	-	183,501	-	-	524,832	-	-	708,333
Total Expenditures	<u>-</u>	<u>370,609</u>	<u>401,566</u>	<u>656,265</u>	<u>524,832</u>	<u>458,153</u>	<u>694</u>	<u>2,412,119</u>
Excess (Deficiency) of Revenues Over Expenditures	84,980	29,370	23,541	203,734	522,720	100,952	44,303	1,009,600
Other Financing Sources (Uses):								
Transfers Out	(100,000)	(35,532)	(6,100)	(170,584)	-	-	-	(312,216)
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>(35,532)</u>	<u>(6,100)</u>	<u>(170,584)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(312,216)</u>
Net Change in Fund Balances	(15,020)	(6,162)	17,441	33,150	522,720	100,952	44,303	697,384
Fund Balances at Beginning of Year	47,297	307,615	247,361	241,213	-	213,382	-	1,056,868
Fund Balances at End of Year	<u>\$ 32,277</u>	<u>\$ 301,453</u>	<u>\$ 264,802</u>	<u>\$ 274,363</u>	<u>\$ 522,720</u>	<u>\$ 314,334</u>	<u>\$ 44,303</u>	<u>\$ 1,754,252</u>

**CITY OF WOOD RIVER, ILLINOIS**

**SCHEDULE OF TAX RATES, EXTENSIONS AND COLLECTIONS**

APRIL 30, 2020

	<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>	<u>2010</u>
Assessed Valuation	\$ 136,532,030	\$ 132,931,455	\$ 123,576,965	\$ 118,323,541	\$ 117,500,934	\$ 115,582,183	\$ 117,288,987	\$ 120,677,049	\$ 126,702,506	\$ 128,894,456
Tax Rates:										
General	\$ -	\$ -	\$ -	\$ 0.1260	\$ 0.1203	\$ 0.1220	\$ 0.1160	\$ 0.1127	\$ 0.1950	\$ 0.1984
Retirement	0.0257	0.0264	0.0284	0.0296	0.0298	0.0303	0.0299	0.0291	0.0277	0.0272
Fire Protection	0.0481	0.0497	0.0534	0.0423	0.0554	0.0563	0.0555	0.0539	0.0514	0.0505
Fire Pension	0.3605	0.3196	0.3358	0.2692	0.2545	0.2548	0.2873	0.2643	0.1930	0.1897
Police Protection	0.0481	0.0497	0.0534	0.0423	0.0554	0.0563	0.0555	0.0539	0.0514	0.0505
Police Pension	0.5128	0.4929	0.5198	0.4373	0.4064	0.3964	0.3895	0.3638	0.3053	0.3001
Garbage	0.0660	0.0678	0.0729	0.0761	0.1022	0.1039	0.1024	0.0995	0.0948	0.0931
Audit	0.0198	0.0202	0.0216	0.0225	0.0227	0.0229	0.0223	0.0191	0.0182	0.0179
Insurance	0.2198	0.2257	0.2428	0.2536	0.2554	0.2596	0.2558	0.2486	0.2368	0.2328
Street and Bridge	0.0476	0.0494	0.0546	0.0589	0.0593	0.0599	0.0629	0.0612	0.0572	0.0381
Street Lighting	0.0257	0.0264	0.0284	0.0296	0.0298	0.0303	0.0256	0.0249	0.0237	0.0233
Playground and Recreation	0.0481	0.0497	0.0534	0.0550	0.0554	0.0563	0.0555	0.0539	0.0514	0.0505
Band	-	-	-	-	0.0111	0.0117	0.0105	0.0083	0.0079	0.0078
Library - General	0.2138	0.2181	0.2358	0.2424	0.2379	0.2403	0.2422	0.2467	0.2478	0.2341
Library - Other	0.0489	0.0517	0.0544	0.0606	0.0655	0.0660	0.0644	0.0619	0.0566	0.0582
	<u>\$ 1.6849</u>	<u>\$ 1.6473</u>	<u>\$ 1.7547</u>	<u>\$ 1.7454</u>	<u>\$ 1.7611</u>	<u>\$ 1.7670</u>	<u>\$ 1.7753</u>	<u>\$ 1.7018</u>	<u>\$ 1.6182</u>	<u>\$ 1.5722</u>
Tax Extensions:										
General	\$ -	\$ -	\$ -	\$ 149,088	\$ 141,353	\$ 141,010	\$ 136,055	\$ 136,003	\$ 247,070	\$ 255,727
Retirement	35,089	35,094	35,096	35,024	35,015	35,022	35,070	35,117	35,097	35,059
Fire Protection	65,672	66,067	65,990	50,051	65,096	65,073	65,095	65,045	65,125	65,092
Fire Pension	492,198	424,849	414,971	318,527	299,040	294,503	336,971	318,949	244,536	244,513
Police Protection	65,672	66,067	65,990	50,051	65,096	65,073	65,095	65,045	65,125	65,092
Police Pension	700,136	655,219	642,353	517,429	477,524	458,168	456,841	439,023	386,823	386,812
Garbage	90,111	90,127	90,088	90,044	120,086	120,090	120,104	120,074	120,114	120,001
Audit	27,033	26,852	26,693	26,623	26,673	26,468	26,156	23,049	23,060	23,072
Insurance	300,097	300,027	300,045	300,068	300,097	300,051	300,025	300,003	300,032	300,066
Street and Bridge	64,989	65,668	67,473	69,693	69,678	69,234	73,775	73,854	72,474	49,109
Street Lighting	35,089	35,094	35,096	35,024	35,015	35,021	30,026	30,049	30,028	30,032
Playground and Recreation	65,672	66,067	65,990	65,078	65,096	65,073	65,095	65,045	65,125	65,092
Band	-	-	-	-	13,042	13,523	12,315	10,016	10,009	10,054
Library - General	291,905	289,924	291,394	286,816	279,535	277,744	284,074	297,710	313,969	301,742
Library - Other	66,765	68,725	67,226	71,704	76,963	76,284	75,534	74,699	71,713	75,016
Total	<u>\$ 2,300,428</u>	<u>\$ 2,189,780</u>	<u>\$ 2,168,405</u>	<u>\$ 2,065,220</u>	<u>\$ 2,069,309</u>	<u>\$ 2,042,337</u>	<u>\$ 2,082,231</u>	<u>\$ 2,053,681</u>	<u>\$ 2,050,300</u>	<u>\$ 2,026,479</u>
Tax Collections	<u>\$ -</u>	<u>\$ 2,184,685</u>	<u>\$ 2,153,553</u>	<u>\$ 2,056,267</u>	<u>\$ 2,048,192</u>	<u>\$ 2,033,424</u>	<u>\$ 2,062,193</u>	<u>\$ 2,048,815</u>	<u>\$ 2,035,370</u>	<u>\$ 2,018,853</u>
Percentage Collected	<u>0.00%</u>	<u>99.77%</u>	<u>99.32%</u>	<u>99.57%</u>	<u>98.98%</u>	<u>99.56%</u>	<u>99.04%</u>	<u>99.76%</u>	<u>99.27%</u>	<u>99.62%</u>





C. J. SCHLOSSER  
& COMPANY, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

David M. Bartosiak  
Cindy A. Tefteller  
Kevin J. Tepen

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

To the Honorable Mayor  
and Members of the City Council  
Wood River, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wood River, Illinois as of and for the year ended April 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Wood River, Illinois' basic financial statements, and have issued our report thereon dated September 18, 2020.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Wood River, 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. Schlosser & Company LLC*

Certified Public Accountants

Alton, Illinois

September 18, 2020



C. J. SCHLOSSER  
& COMPANY, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

David M. Bartosiak  
Cindy A. Tefteller  
Kevin J. Tepen

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

Honorable Mayor and Members  
of the City Council  
Wood River, Illinois

**Report on the Financial Statements**

We have audited the accompanying financial statements of the City of Wood River, Illinois as of and for the year ended April 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

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

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

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

### ***Other Matters***

The management of the City of Wood River, 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 Wood River, 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 Wood River, Illinois was not in compliance with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act".

*C. J. Schlosser & Company LLC*

Certified Public Accountants

September 18, 2020