



**CITY OF BEARDSTOWN, ILLINOIS**

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ANNUAL FINANCIAL REPORT

For the Year Ended April 30, 2022



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## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor  
Members of the City Council  
City of Beardstown  
Beardstown, Illinois

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

#### **Opinions**

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, business-type activities, the discretely presented component units, each major fund and the aggregate remaining fund information of the City of Beardstown, Illinois, as of April 30, 2022, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting as described in Note 1d.

#### **Basis for Opinions**

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

#### **Basis of Accounting**

We draw attention to Note 1d of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to that matter.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1d; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

## **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements.

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

*Sikich LLP*

Naperville, Illinois  
December 21, 2023

**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**

**CITY OF BEARDSTOWN, ILLINOIS**

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

April 30, 2022

	Governmental Activities	Business-Type Activities	Total	Component Unit	
				Library	Museum
<b>ASSETS</b>					
Cash	\$ 4,808,933	\$ 2,165,787	\$ 6,974,720	\$ 515,946	\$ 23,179
Investments	257,059	153,005	410,064	-	-
Capital assets (net of accumulated depreciation)	-	13,366,334	13,366,334	640,137	-
Total assets	5,065,992	15,685,126	20,751,118	1,156,083	23,179
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-
<b>LIABILITIES</b>					
Unearned revenue	370,559	-	370,559	-	-
Noncurrent liabilities					
Due within one year	-	429,498	429,498	-	-
Due within more than one year	-	2,939,830	2,939,830	-	-
Total liabilities	370,559	3,369,328	3,739,887	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>					
None	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
<b>NET POSITION</b>					
Net investment in capital assets	-	9,997,006	9,997,006	640,137	-
Restricted for					
Public safety	307,634	-	307,634	-	-
Public works	851,509	-	851,509	-	-
Workers' compensation	101,620	-	101,620	-	-
Social Security	56,475	-	56,475	-	-
Retirement	105,351	-	105,351	-	-
Economic development	970,703	-	970,703	-	-
Specific purpose	377,659	-	377,659	68,009	-
Unrestricted	1,924,482	2,318,792	4,243,274	447,937	23,179
<b>TOTAL NET POSITION</b>	<b>\$ 4,695,433</b>	<b>\$ 12,315,798</b>	<b>\$ 17,011,231</b>	<b>\$ 1,156,083</b>	<b>\$ 23,179</b>

See accompanying notes to financial statements.



**CITY OF BEARDSTOWN, ILLINOIS**

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended April 30, 2022

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT</b>				
Governmental Activities				
General government	\$ 1,806,292	\$ 415,321	\$ -	\$ -
Public safety	2,583,512	610,841	15,628	50,521
Public works	769,285	-	251,418	134,510
Economic development	236,670	-	-	-
Interest	-	-	-	-
Total governmental activities	5,395,759	1,026,162	267,046	185,031
Business-Type Activities				
Water	990,083	1,188,487	-	-
Sewer	389,322	334,752	-	13,000
Total business-type activities	1,379,405	1,523,239	-	13,000
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 6,775,164</b>	<b>\$ 2,549,401</b>	<b>\$ 267,046</b>	<b>\$ 198,031</b>
<b>COMPONENT UNITS</b>				
Library	\$ 230,061	\$ 6,139	\$ 77,338	\$ -
Museum	\$ 8,728	\$ 1,308	\$ -	\$ -

<b>Net (Expense) Revenue and Change in Net Position</b>					
<b>Primary Government</b>					
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Component Unit</b>		
			<b>Library</b>	<b>Museum</b>	
\$ (1,390,971)	\$ -	\$ (1,390,971)	\$ -	\$ -	
(1,906,522)	-	(1,906,522)	-	-	
(383,357)	-	(383,357)	-	-	
(236,670)	-	(236,670)	-	-	
-	-	-	-	-	
(3,917,520)	-	(3,917,520)	-	-	
-	198,404	198,404	-	-	
-	(41,570)	(41,570)	-	-	
-	156,834	156,834	-	-	
(3,917,520)	156,834	(3,760,686)	-	-	
-	-	-	(146,584)	-	
-	-	-	-	(7,420)	
<b>General Revenues</b>					
<b>Taxes</b>					
Property	1,600,059	-	1,600,059	51,306	-
Sales and use	1,273,645	-	1,273,645	-	-
Utility	651,741	-	651,741	-	-
Other	211,677	-	211,677	-	-
<b>Intergovernmental</b>					
State income tax	870,817	-	870,817	-	-
Personal property replacement tax	401,998	-	401,998	-	-
Investment income	4,479	2,211	6,690	17,679	12
Miscellaneous	283,286	61,082	344,368	30,637	11,863
<b>Total</b>	<b>5,297,702</b>	<b>63,293</b>	<b>5,360,995</b>	<b>99,622</b>	<b>11,875</b>
<b>CHANGE IN NET POSITION</b>	<b>1,380,182</b>	<b>220,127</b>	<b>1,600,309</b>	<b>(46,962)</b>	<b>4,455</b>
<b>NET POSITION, MAY 1</b>	<b>3,315,251</b>	<b>12,095,671</b>	<b>15,410,922</b>	<b>1,203,045</b>	<b>18,724</b>
<b>NET POSITION, APRIL 30</b>	<b>\$ 4,695,433</b>	<b>\$ 12,315,798</b>	<b>\$ 17,011,231</b>	<b>\$ 1,156,083</b>	<b>\$ 23,179</b>

See accompanying notes to financial statements.

**CITY OF BEARDSTOWN, ILLINOIS**

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES  
ARISING FROM MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS

April 30, 2022

	<b>General</b>	<b>Ambulance WCC</b>	<b>ARPA</b>	<b>Nonmajor Governmental</b>	<b>Total</b>
<b>ASSETS</b>					
Cash	\$ 1,802,819	\$ 116,633	\$ 370,666	\$ 2,518,815	\$ 4,808,933
Investments	-	-	-	257,059	257,059
<b>TOTAL ASSETS</b>	<b>\$ 1,802,819</b>	<b>\$ 116,633</b>	<b>\$ 370,666</b>	<b>\$ 2,775,874</b>	<b>\$ 5,065,992</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Unearned revenue	\$ -	\$ -	\$ 370,559	\$ -	\$ 370,559
Total liabilities	-	-	370,559	-	370,559
<b>FUND BALANCES</b>					
Restricted					
Public safety	-	116,633	-	191,001	307,634
Public works	-	-	-	851,509	851,509
Workers' compensation	-	-	-	101,620	101,620
Social Security	-	-	-	56,475	56,475
Retirement	-	-	-	105,351	105,351
Economic development	-	-	-	970,703	970,703
Specific purpose	-	-	107	377,552	377,659
Assigned					
Capital projects	-	-	-	121,663	121,663
Subsequent year's budget	774,159	-	-	-	774,159
Unrestricted					
Unassigned	1,028,660	-	-	-	1,028,660
Total fund balances	1,802,819	116,633	107	2,775,874	4,695,433
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,802,819</b>	<b>\$ 116,633</b>	<b>\$ 370,666</b>	<b>\$ 2,775,874</b>	<b>\$ 5,065,992</b>

See accompanying notes to financial statements.

**CITY OF BEARDSTOWN, ILLINOIS**

STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND  
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2022

	<b>General</b>	<b>Ambulance WCC</b>	<b>ARPA</b>	<b>Nonmajor Governmental</b>	<b>Total</b>
<b>REVENUES COLLECTED</b>					
Property taxes	\$ 405,419	\$ 240,396	\$ -	\$ 954,244	\$ 1,600,059
Other taxes	2,122,305	-	-	14,758	2,137,063
Charges for services	123,402	-	-	552,280	675,682
Intergovernmental	1,323,337	350,479	-	401,556	2,075,372
Investment income	677	81	107	3,614	4,479
Miscellaneous income	222,842	30,892	-	29,552	283,286
Total revenues collected	4,197,982	621,848	107	1,956,004	6,775,941
<b>EXPENDITURES PAID</b>					
Current					
General government	826,724	-	-	878,794	1,705,518
Public safety	1,594,822	621,847	-	360,949	2,577,618
Public works	722,992	-	-	46,293	769,285
Economic development	-	-	-	107,393	107,393
Capital outlay	80,356	-	-	155,589	235,945
Total expenditures paid	3,224,894	621,847	-	1,549,018	5,395,759
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	973,088	1	107	406,986	1,380,182
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	37,500	-	-	144,717	182,217
Transfers (out)	(144,717)	-	-	(37,500)	(182,217)
Total other financing sources (uses)	(107,217)	-	-	107,217	-
NET CHANGE IN FUND BALANCES	865,871	1	107	514,203	1,380,182
FUND BALANCES, MAY 1	936,948	116,632	-	2,261,671	3,315,251
<b>FUND BALANCES, APRIL 30</b>	<b>\$ 1,802,819</b>	<b>\$ 116,633</b>	<b>\$ 107</b>	<b>\$ 2,775,874</b>	<b>\$ 4,695,433</b>

See accompanying notes to financial statements.

**CITY OF BEARDSTOWN, ILLINOIS**

**STATEMENT OF ASSETS, LIABILITIES AND NET POSITION  
ARISING FROM MODIFIED CASH BASIS  
PROPRIETARY FUNDS**

April 30, 2022

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	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,851,035	\$ 314,752	\$ 2,165,787
Investments	107,000	46,005	153,005
Capital assets (net of accumulated depreciation)	8,888,994	4,477,340	13,366,334
	<hr/>	<hr/>	<hr/>
Total assets	10,847,029	4,838,097	15,685,126
	<hr/>	<hr/>	<hr/>
<b>LIABILITIES</b>			
Noncurrent liabilities			
Due within one year	349,498	80,000	429,498
Due in greater than one year	2,594,830	345,000	2,939,830
	<hr/>	<hr/>	<hr/>
Total liabilities	2,944,328	425,000	3,369,328
	<hr/>	<hr/>	<hr/>
<b>NET POSITION</b>			
Net investment in capital assets	5,944,666	4,052,340	9,997,006
Unrestricted	1,958,035	360,757	2,318,792
	<hr/>	<hr/>	<hr/>
<b>TOTAL NET POSITION</b>	<u>\$ 7,902,701</u>	<u>\$ 4,413,097</u>	<u>\$ 12,315,798</u>

See accompanying notes to financial statements.

**CITY OF BEARDSTOWN, ILLINOIS**

STATEMENT OF REVENUES COLLECTED, EXPENSES PAID AND  
CHANGES IN NET POSITION - MODIFIED CASH BASIS  
PROPRIETARY FUNDS

For the Year Ended April 30, 2022

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 1,188,487	\$ 334,752	\$ 1,523,239
Total operating revenues	<u>1,188,487</u>	<u>334,752</u>	<u>1,523,239</u>
<b>OPERATING EXPENSES</b>			
Operations	<u>690,553</u>	<u>213,866</u>	<u>904,419</u>
Total operating expenses	<u>690,553</u>	<u>213,866</u>	<u>904,419</u>
OPERATING INCOME BEFORE DEPRECIATION	497,934	120,886	618,820
Depreciation	<u>294,045</u>	<u>162,731</u>	<u>456,776</u>
OPERATING INCOME (LOSS)	<u>203,889</u>	<u>(41,845)</u>	<u>162,044</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	1,868	343	2,211
Miscellaneous	58,974	2,108	61,082
Interest expense	<u>(5,485)</u>	<u>(12,725)</u>	<u>(18,210)</u>
Total non-operating revenues (expenses)	<u>55,357</u>	<u>(10,274)</u>	<u>45,083</u>
INCOME (LOSS) BEFORE CAPITAL GRANTS AND CONTRIBUTIONS	259,246	(52,119)	207,127
<b>CAPITAL GRANTS AND CONTRIBUTIONS</b>	<u>-</u>	<u>13,000</u>	<u>13,000</u>
CHANGE IN NET POSITION	259,246	(39,119)	220,127
NET POSITION, MAY 1	<u>7,643,455</u>	<u>4,452,216</u>	<u>12,095,671</u>
<b>NET POSITION, APRIL 30</b>	<u>\$ 7,902,701</u>	<u>\$ 4,413,097</u>	<u>\$ 12,315,798</u>

See accompanying notes to financial statements.

**CITY OF BEARDSTOWN, ILLINOIS**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS

For the Year Ended April 30, 2022

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 1,188,487	\$ 334,752	\$ 1,523,239
Receipts from miscellaneous	58,974	2,108	61,082
Payments to suppliers	(439,297)	(118,513)	(557,810)
Payments to employees	(251,256)	(95,353)	(346,609)
Net cash from operating activities	<u>556,908</u>	<u>122,994</u>	<u>679,902</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
None	<u>-</u>	<u>-</u>	<u>-</u>
Net cash from noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital assets purchased	(57,681)	-	(57,681)
Capital grants and contributions received	-	13,000	13,000
Principal payments on long-term debt	(354,498)	(80,000)	(434,498)
Interest payments on long-term debt	(5,484)	(12,726)	(18,210)
Net cash from capital and related financing activities	<u>(417,663)</u>	<u>(79,726)</u>	<u>(497,389)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	<u>1,868</u>	<u>343</u>	<u>2,211</u>
Net cash from investing activities	<u>1,868</u>	<u>343</u>	<u>2,211</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	141,113	43,611	184,724
CASH AND CASH EQUIVALENTS, MAY 1	<u>1,709,922</u>	<u>271,141</u>	<u>1,981,063</u>
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	<u><u>\$ 1,851,035</u></u>	<u><u>\$ 314,752</u></u>	<u><u>\$ 2,165,787</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 203,889	\$ (41,845)	\$ 162,044
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Receipts from miscellaneous	58,974	2,108	61,082
Depreciation	294,045	162,731	456,776
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u><u>\$ 556,908</u></u>	<u><u>\$ 122,994</u></u>	<u><u>\$ 679,902</u></u>

See accompanying notes to financial statements.

**CITY OF BEARDSTOWN, ILLINOIS**

**STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
FIDUCIARY FUNDS**

April 30, 2022

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	<b>Pension Trust Funds</b>	<b>Custodial Fund</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 108,961	\$ 101,038
Investments		
Held in the Illinois Firefighters' Pension Investment Fund	1,104,982	-
U.S. Government and U.S. agency obligations	919,339	-
Municipal bonds	222,087	-
Equity mutual funds	159,351	-
Corporate bonds	117,460	-
Negotiable certificates of deposits	119,375	-
	<hr/>	<hr/>
Total assets	2,751,555	101,038
	<hr/>	<hr/>
<b>LIABILITIES</b>		
None	-	-
	<hr/>	<hr/>
Total liabilities	-	-
	<hr/>	<hr/>
<b>NET POSITION</b>		
Restricted for other governments	-	101,038
Restricted for pensions	2,751,555	-
	<hr/>	<hr/>
<b>TOTAL NET POSITION</b>	<b>\$ 2,751,555</b>	<b>\$ 101,038</b>
	<hr/> <hr/>	<hr/> <hr/>

See accompanying notes to financial statements.



**CITY OF BEARDSTOWN, ILLINOIS**

STATEMENT OF CHANGES IN NET POSITION - MODIFIED CASH BASIS  
FIDUCIARY FUNDS

For the Year Ended April 30, 2022

	<b>Pension Trust Funds</b>	<b>Custodial Fund</b>
<b>ADDITIONS</b>		
Contributions - employer	\$ 305,890	\$ -
Contributions - employee	45,917	-
Contributions - residents	-	1,283,786
<b>Total contributions</b>	<b>351,807</b>	<b>1,283,786</b>
Investment income		
Net appreciation (depreciation) in fair value of investments	(265,377)	-
Interest earned on investments	58,101	54
<b>Total investment income</b>	<b>(207,276)</b>	<b>54</b>
Less investment expense	(7,239)	-
<b>Net investment income</b>	<b>(214,515)</b>	<b>54</b>
<b>Total additions</b>	<b>137,292</b>	<b>1,283,840</b>
<b>DEDUCTIONS</b>		
Benefits and refunds		
Retirement pension	167,151	-
Disability pension	28,220	-
Surviving spouse pension	48,991	-
Refund of contributions	89,156	-
Administrative	36,760	-
Contractual services		
Sewer treatment fees disbursed	-	1,288,081
<b>Total deductions</b>	<b>370,278</b>	<b>1,288,081</b>
<b>CHANGE IN NET POSITION</b>	<b>(232,986)</b>	<b>(4,241)</b>
<b>NET POSITION</b>		
May 1	2,984,541	105,279
April 30	\$ 2,751,555	\$ 101,038

See accompanying notes to financial statements.

# CITY OF BEARDSTOWN, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

April 30, 2022

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Beardstown, Illinois (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)), except as described in Note 1d. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

The City operates under a Mayoral-Council form of government and provides the following services as authorized by statute: public safety (Police and Fire), streets, library, water and sewer utility, public improvements, building and zoning, financial and general administrative services.

#### a. Reporting Entity

The City is considered to be a primary government as defined by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statement No. 14 and 34*, since its council is separately elected and fiscally independent. In accordance with these pronouncements, the basic financial statements include all funds for which the City is financially accountable. Additionally, management has determined that there are two fiduciary component units that are required to be included in the financial statements of the City as pension trust funds.

The City had determined that the Beardstown Houston Library (the Library) meets the requirements of GASB Statement No. 14 as amended by GASB Statement Nos. 39 and 61, because the Library is fiscally dependent on the City as the City appoints the Library Council, levies its taxes, and must approve its budget and debt issuances. This has resulted in the Library being reported as a discretely presented component unit of the City as it is legally separate from the City.

The City had determined that the Old Lincoln Courtroom and Museum (the Museum) meets the requirements of GASB Statement No. 14 as amended by GASB Statement Nos. 39 and 61, because the Museum is fiscally dependent on the City as the City appoints the Museum Board of Commissions, and must approve its budget and debt issuances. This has resulted in the Museum being reported as a discretely presented component unit of the City as it is legally separate from the City.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

a. Reporting Entity (Continued)

Police Pension Employees Retirement System

The City's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one pension beneficiary elected by the membership and two police employees elected by the membership constitute the pension board. The City and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund and a fiduciary component unit of the City. PPERS does not issue a stand-alone financial report.

Firefighters' Pension Employees Retirement System

The City's fire employees participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one pension beneficiary elected by the membership and two fire employees elected by the membership constitute the pension board. The City and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, FPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's fire employees and because of the fiduciary nature of such activities. FPERS is reported as a pension trust fund and a fiduciary component unit of the City. FPERS does not issue a stand-alone financial report.

b. Fund Accounting

The City uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

b. Fund Accounting (Continued)

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the City's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds), the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds) and the management of funds held in trust where the interest earnings can be used for governmental services (permanent fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for fiduciary activities that meet the definition contained in GASB Statement No. 84, *Fiduciary Activities*. The City utilizes a pension trust fund (for its Police and Firefighters' Pension Fund) and a custodial fund (for its Sanitary District Billings Fund), which is generally used to account for assets that the City holds in a fiduciary capacity for the Beardstown Sanitary District.

c. 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 City. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, if any, 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, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and standard revenues 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.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

c. Government-Wide and Fund Financial Statements (Continued)

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

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those accounted for in another fund.

The Ambulance WCC Fund accounts for the direct costs of emergency medical services to the residents of the City.

The ARPA Fund accounts for the resources received and expended related to the American Rescue Plan Act.

The City reports the following major proprietary funds:

The Water Fund accounts for the provision of water services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The Sewer Fund accounts for the provision of wastewater services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

The City reports pension trust funds as fiduciary component units to account for the Police Pension Fund and Firefighters' Pension Fund. Furthermore, the City reports the Sanitary District Billings Fund as a custodial fund.

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The business-type and fiduciary financial statements are reported using the economic resources measurement focus and using the modified cash basis of accounting which is a comprehensive basis of accounting other than GAAP. Only in the business-type activities and propriety funds, the City reports capital assets and liabilities issued to acquire capital assets (excluding capital leases), not long-term operating liabilities. Revenues are recorded at the time of receipt by the City. Expenses are recorded when the funds are disbursed. Depreciation of capital assets has also been shown on the government-wide financial statements for business-type activities only.

Accordingly, the financial statements are not intended to present financial position and changes in financial position in conformity with GAAP.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation  
(Continued)

Governmental activities and the governmental fund financial statements are reported using the current financial resources measurement focus and the modified cash basis of accounting which is a comprehensive basis of accounting other than GAAP. Revenues are recorded at the time of receipt by the City. Expenditures are recorded when the funds are disbursed. Accordingly, the financial statements are not intended to present financial position and changes in financial position in conformity with GAAP.

e. Cash and Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

f. Interfund Transactions

Interfund services are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

g. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost in excess of \$5,000 (except for land which has no threshold) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The costs of normal maintenance and repairs that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized. Donated capital assets are recorded at acquisition value at the date of donation.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

h. Long-Term Obligations

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

i. Fund Balance/Net Position

In the fund financial statements, governmental funds can report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the City. Committed fund balance is constrained by formal actions of the City Council, which is considered the City's highest level of decision-making authority. Formal actions include ordinances approved by the Council. Assigned fund balance represents amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the City Administrator; however, this has not been authorized through a formal policy. Any residual fund balance in the General Fund and any deficit fund balance in other governmental funds are reported as unassigned.

The City's flow of funds assumption specified that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the City considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net position are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

j. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

k. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**2. DEPOSITS AND INVESTMENTS**

The City and pension funds categorize the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The City's invests in interest-bearing savings and money market accounts (also interest-bearing time deposits if FDIC insured and credit if main office is located in Illinois) and interest-bearing certificates of deposit.

The City investments its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds using "good judgment and care" for managing the overall portfolio. The primary objective is safety (preservation of capital and protection of investment principal), liquidity and yield.

The City maintains a cash pool that is available for use by all funds. In addition, cash and investments are separately held by several of the City's funds.



**2. DEPOSITS AND INVESTMENTS (Continued)**

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City's investment policy does not address this risk. At April 30, 2022, the City had bank balances of \$178,639 that were not insured and collateralized.

City Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy does not address this risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in possession of an outside party. The City's investment policy does not address this risk.

Concentration of credit risk is the risk that the City has too high a percentage of their investments invested in one type of investment. The City's investment policy does not address this risk.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The City's investment policy does not address this risk.

The City did not have any investments requiring fair value measurement as of April 30, 2022.

**3. PROPERTY TAX CALENDAR**

The following information gives significant dates on the property tax calendar of the City.

- The property tax lien date is January 1;
- Property taxes are due to the County Collector in two installments, June 1 and September 1; and
- Property taxes for 2021 were levied in December 2021 and are normally received monthly beginning in June and generally ending by December 2022.

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS**

Business-Type Activities

Business-type capital asset activity for the year ended April 30, 2022 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets being depreciated				
Waterworks system	\$ 13,158,584	\$ 57,681	\$ -	\$ 13,216,265
Sewerage system	7,522,608	-	-	7,522,608
Total capital assets being depreciated	20,681,192	57,681	-	20,738,873
Less accumulated depreciation for				
Waterworks system	4,033,224	294,044	-	4,327,268
Sewerage system	2,882,539	162,732	-	3,045,271
Total accumulated depreciation	6,915,763	456,776	-	7,372,539
Total capital assets being depreciated, net	13,765,429	(399,095)	-	13,366,334
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 13,765,429</b>	<b>\$ (399,095)</b>	<b>\$ -</b>	<b>\$ 13,366,334</b>

**5. LONG-TERM DEBT**

A summary of long-term debt of the City for the year ended April 30, 2022 consisted of the following:

The City has issued general obligation alternate revenue bonds where the City has pledged sewer revenues for the payment of bond principal and interest. Alternate revenue bonds are direct obligations and pledge the full faith and credit of the City. Alternate revenue bonds currently outstanding are as follows:

a. General Obligation Alternate Revenue Source Bonds

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements/ Refunding	Balances April 30	Current Portion
General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2016A, are due in annual installments ranging from \$30,000 to \$35,000 through March 1, 2027, interest rate of 2% are due semiannually on September 1 and March 1.	Water	\$ 200,000	\$ -	\$ 35,000	\$ 165,000	\$ 30,000

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**5. LONG-TERM DEBT (Continued)**

a. General Obligation Alternate Revenue Source Bonds (Continued)

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements/ Refunding	Balances April 30	Current Portion
General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2016B, are due in annual installments ranging from \$80,000 to \$90,000 through March 1, 2027, interest rate of 2% and payments are due semiannually on September 1 and March 1	Sewer	\$ 505,000	\$ -	\$ 80,000	\$ 425,000	\$ 80,000
<b>TOTAL</b>		<b>\$ 705,000</b>	<b>\$ -</b>	<b>\$ 115,000</b>	<b>\$ 590,000</b>	<b>\$ 110,000</b>

b. Illinois Environmental Protection Agency Loans

The City, through the Illinois Environmental Protection Agency (IEPA), received interest-free loans for the construction of water and sewer facilities. IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements/ Refunding	Balances April 30	Current Portion
IEPA Water Series of 2008 due in annual installments of \$96,154, interest free, through February 23, 2030	Water	\$ 865,386	\$ -	\$ 96,154	\$ 769,232	\$ 96,154
IEPA Water Series of 2009 due in annual installments of \$223,344, interest free, through February 6, 2031	Water	2,233,440	-	223,344	2,010,096	223,344
<b>TOTAL</b>		<b>\$ 3,098,826</b>	<b>\$ -</b>	<b>\$ 319,498</b>	<b>\$ 2,779,328</b>	<b>\$ 319,498</b>

c. Long-Term Liabilities Summarized

Transactions for the year ended April 30, 2022 are summarized as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Business-Type Activities					
General obligation bonds (alternate revenue source)	\$ 705,000	\$ -	\$ 115,000	\$ 590,000	\$ 110,000
IEPA loans payable	3,098,826	-	319,498	2,779,328	319,498
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 3,803,826</b>	<b>\$ -</b>	<b>\$ 434,498</b>	<b>\$ 3,369,328</b>	<b>\$ 429,498</b>

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**5. LONG-TERM DEBT (Continued)**

d. Debt Service to Maturity

The annual requirements to amortize all debt outstanding of the City as of April 30, 2022 are as follows:

General Obligation Alternate Revenue Source Bonds

Fiscal Year	Business-Type Activities		
	Principal	Interest	Total
2023	\$ 110,000	\$ 14,845	\$ 124,845
2024	115,000	12,535	127,535
2025	120,000	9,642	129,642
2026	120,000	6,615	126,615
2027	125,000	3,375	128,375
<b>TOTAL</b>	<b>\$ 590,000</b>	<b>\$ 47,012</b>	<b>\$ 637,012</b>

Illinois Environmental Protection Agency Loans

Fiscal Year	Business-Type Activities		
	Principal	Interest	Total
2023	\$ 319,498	\$ -	\$ 319,498
2024	319,498	-	319,498
2025	319,498	-	319,498
2026	319,498	-	319,498
2027	319,498	-	319,498
2028-2031	1,181,838	-	1,181,838
<b>TOTAL</b>	<b>\$ 2,779,328</b>	<b>\$ -</b>	<b>\$ 2,779,328</b>

e. Alternate Revenue Bonds

The City has pledged future water service revenues to repay the General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2016A. The bonds are payable from the water service revenues and are payable through fiscal year 2027. The total principal and interest remaining to be paid is \$178,590 for the Series 2016A bonds. Total water service revenues were \$1,105,068. The current year principal and interest of \$40,010 was 3.62% of the pledged revenue.

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**5. LONG-TERM DEBT (Continued)**

e. Alternate Revenue Bonds (Continued)

The City has pledged future wastewater service revenues to repay the General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2016B. The bonds are payable from the wastewater service revenues and are payable through fiscal year 2027. The total principal and interest remaining to be paid is \$458,422 for the Series 2016B bonds. Total wastewater service revenues were \$333,702. The current year principal and interest of \$92,250 was 27.64% of the pledged revenue.

f. Legal Debt Margin

The City is subject to a debt limitation of 8.625% of its assessed valuation of \$34,167,275. As of April 30, 2022, the City had \$2,946,927 of remaining legal debt margin.

**6. INTERFUND ACTIVITY**

Interfund transfers during the year ended April 30, 2022 consisted of the following:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 37,500	\$ 144,717
Nonmajor Governmental Fund (Cemetery Fund)	144,717	-
Nonmajor Governmental Fund (Harbor Development Fund)	-	<u>37,500</u>
<b>TOTAL</b>	<u>\$ 182,217</u>	<u>\$ 182,217</u>

Significant transfers between funds for the year ended April 30, 2022 consist of the following:

- \$144,717 transferred to the Nonmajor Governmental Fund (Cemetery Fund) from the General Fund to support cemetery operations. This transfer will not be repaid.
- \$37,500 transferred to General Fund from the Nonmajor Government Fund (Harbor Development Fund) to reimburse for marina costs paid by the General Fund. This transfer will not be repaid.

**7. RISK MANAGEMENT**

The City purchases property, auto, general liability, workers' compensation, public officials bonds and health, dental, vision and life insurance from various insurance brokers for the benefit of its employees. Losses have not exceeded coverage in the current year or the preceding three years.

**8. COMMITMENTS AND CONTINGENCIES**

a. Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

**9. EMPLOYEE RETIREMENT SYSTEMS**

The City contributes to four defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF - City) and the Sheriff's Law Enforcement Personnel (SLEP) (also administered by IMRF) which are an agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan; and the Firefighters' Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all four plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The Police and Firefighters' Pension Plans do not issue separate reports.

a. Plan Descriptions

Illinois Municipal Retirement Fund - City and SLEP

*Plan Administration*

All employees (other than those covered by the SLEP Plan, Police and Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - City and SLEP (Continued)

*Plan Membership*

At December 31, 2021 (most recent measurement date), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	53
Inactive employees entitled to but not yet receiving benefits	15
Active employees	<u>29</u>
 TOTAL	 <u><u>97</u></u>

At December 31, 2021 (most recent measurement date), SLEP membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	1
Inactive employees entitled to but not yet receiving benefits	1
Active employees	<u>-</u>
 TOTAL	 <u><u>2</u></u>

*Benefits Provided*

City

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service.

Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - City and SLEP (Continued)

*Benefits Provided (Continued)*

City (Continued)

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all are established by state statute.

SLEP

SLEP having accumulated at least 20 years of service and terminating IMRF participation or after January 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. SLEP members meeting the two qualifications described in the first sentence of this paragraph are entitled to an annual retirement benefit payable monthly for life, in an amount equal to 2 1/2% of their final rate of earnings for each year of credited. For SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 55 with ten years of Tier 2 service credit are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2 1/2% of their final rate of earnings for each year of credited. The pension for participating members who retire between age 50 and 55 will be reduced by 1/2% for each month under age 55. SLEP also provides death and disability benefits. These benefit provisions and all other requirements are established by ILCS.



**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - City and SLEP (Continued)

*Contributions*

City

Participating members are required to contribute 4.50% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended April 30, 2022 was 8.40% of covered payroll.

SLEP

Participating members are required to contribute 7.50% of their annual salary to SLEP. The City is required to contribute the remaining amounts necessary to fund SLEP as specified by statute. The employer contribution for the year ended April 30, 2022 was 0.00% of covered payroll.

*Actuarial Assumptions*

The City's net pension liability was measured as of December 31, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2021
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Cost of living adjustments	3.00%
Asset valuation method	Fair value

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - City and SLEP (Continued)

*Actuarial Assumptions (Continued)*

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2020.

*Discount Rate*

The discount rate used to measure the total pension liability at December 31, 2022 was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members.

**CITY OF BEARDSTOWN, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - City and SLEP (Continued)

*Changes in the Net Pension Liability (Asset)*

City

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2021	\$ 8,230,718	\$ 8,866,921	\$ (636,203)
Changes for the period			
Service cost	140,499	-	140,499
Interest	582,843	-	582,843
Difference between expected and actual experience	(571,044)	-	(571,044)
Changes in assumptions	-	-	-
Employer contributions	-	123,998	(123,998)
Employee contributions	-	61,930	(61,930)
Net investment income	-	1,511,516	(1,511,516)
Benefit payments and refunds	(523,517)	(523,517)	-
Other (net transfer)	-	(507,501)	507,501
Net changes	(371,219)	666,426	(1,037,645)
BALANCES AT DECEMBER 31, 2021	\$ 7,859,499	\$ 9,533,347	\$ (1,673,848)

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - City and SLEP (Continued)

*Changes in the Net Pension Liability (Asset) (Continued)*

SLEP

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2022	\$ 253,375	\$ 231,782	\$ 21,593
Changes for the period			
Service cost	-	-	-
Interest	17,788	-	17,788
Difference between expected and actual experience	1,242	-	1,242
Changes in assumptions	-	-	-
Employer contributions	-	-	-
Employee contributions	-	-	-
Net investment income	-	46,336	(46,336)
Benefit payments and refunds	(16,042)	(16,042)	-
Other (net transfer)	-	(280)	280
Net changes	2,988	30,014	(27,026)
BALANCES AT DECEMBER 31, 2022	\$ 256,363	\$ 261,796	\$ (5,433)

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - City and SLEP (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended April 30, 2022, the City recognized pension expense of \$117,146.

City

At April 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 12,704	\$ 368,847
Changes in assumption	-	25,227
Net difference between projected and actual earnings on pension plan investments	-	1,206,724
Contributions subsequent to the measurement date	29,946	-
<b>TOTAL</b>	<u>\$ 42,650</u>	<u>\$ 1,600,798</u>

\$29,946 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending April 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	
2023	\$ (479,539)
2024	(631,243)
2025	(297,453)
2026	(179,859)
2027	-
Thereafter	<u>-</u>
<b>TOTAL</b>	<u>\$ (1,588,094)</u>

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - City and SLEP (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)*

SLEP

For the year ended April 30, 2022, the City recognized pension expense of \$1,065.

At April 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes in assumption	-	-
Net difference between projected and actual earnings on pension plan investments	-	40,422
Contributions subsequent to the measurement date	1,065	-
<b>TOTAL</b>	<u>\$ 1,065</u>	<u>\$ 40,422</u>

\$1,065 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending April 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	
2023	\$ (8,389)
2024	(15,925)
2025	(10,085)
2026	(6,023)
2027	-
Thereafter	-
<b>TOTAL</b>	<u>\$ (40,422)</u>

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund - City and SLEP (Continued)

*Discount Rate Sensitivity*

City

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the City calculated using the discount rate of 7.25% as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ (809,354)	\$ (1,673,848)	\$ (2,364,641)

SLEP

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the City calculated using the discount rate of 7.25% as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 28,557	\$ (5,433)	\$ (33,038)

The net pension liability (asset), deferred outflows of resources and deferred inflows of resources are not reported on the City's financial statements as the City and its discretely presented component units report on the modified cash basis of accounting as discussed in Note 1d.

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan

*Plan Administration*

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

The plan is governed by a five-member Council. Two members of the Council are appointed by the City President, one member is elected by pension beneficiaries and two members are elected by active police employees.

*Plan Membership*

At April 30, 2021 (most recent data available), membership consisted of:

Inactive plan members currently receiving benefits	5
Inactive plan members entitled to benefits but not yet receiving them	4
Active plan members	
Nonvested	8
<b>TOTAL</b>	<b>17</b>

*Benefits Provided*

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive 2.50% of salary for each year of service. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension, and 3% compounded annually thereafter.



**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Benefits Provided (Continued)*

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the policeman during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded.

The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the firefighter retires or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

*Contributions*

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. For the year ended April 30, 2022, the City's contribution was 63.75% of covered payroll.

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Investment Policy*

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and requires the Fund's Council to adopt an investment policy which can be amended by a majority vote of the Council. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and The Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities and real estate investment trusts. The investment policy was not modified during the year ended April 30, 2022.

**CITY OF BEARDSTOWN, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Investment Policy (Continued)*

The Fund's investment policy, in accordance with ILCS, establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return*
<b>Growth</b>	<b>65.00%</b>	
U.S. Large	23.00%	3.23%
U.S. Small	5.00%	2.75%
International Developed	18.00%	4.44%
International Developed Small	5.00%	5.09%
Emerging Markets	7.00%	4.58%
Private Equity	7.00%	8.56%
<b>Income</b>	<b>14.00%</b>	
Bank Loans	3.00%	0.67%
High Yield Corporate Credit	3.00%	2.05%
Emerging Market Debt	3.00%	4.09%
Emerging Market Debt Local	N/A	1.66%
Private Credit	5.00%	3.96%
<b>Inflation Protection</b>	<b>11.00%</b>	
US TIPS	3.00%	0.00%
REITS	0.00%	3.45%
Real Estate/Infrastructure	8.00%	3.45%
Value Add Real Estate	N/A	5.45%
<b>Risk Mitigation</b>	<b>10.00%</b>	
Cash	1.00%	(1.86%)
Short-Term Govt/Credit	3.00%	0.18%
U.S. Treasury	3.00%	0.09%
Core Fixed Income	0.00%	0.60%
Core Plus Fixed Income	3.00%	0.84%

\*Rates are net of 2.84% factor for inflation and investment expense.

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Investment Policy* (Continued)

The long-term expected rate of return on the Fund's investments was determined using the Asset Management and Trust Division of the investment management consultant's proprietary research and analytical tools in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2022 are listed in the table above.

*Investment Concentrations*

There were no investments (other than United States Government guaranteed obligations) in any one organization that represented 5% or more of Fund's investments as of April 30, 2022.

*Investment Rate of Return*

For the year ended April 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (7.98%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Deposits with Financial Institutions*

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance.

*Investment Valuations*

The Fund categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2022:

	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury	\$ 64,864	\$ -	\$ 64,864	\$ -	\$ -
U.S. agency securities	854,475	-	272,652	581,823	-
Corporate bonds	117,460	-	57,906	59,554	-
Municipal bonds	222,087	-	138,414	70,156	13,517
Negotiable CDs	119,375	-	74,708	44,667	-
<b>TOTAL</b>	<b>\$ 1,378,261</b>	<b>\$ -</b>	<b>\$ 608,544</b>	<b>\$ 756,200</b>	<b>\$ 13,517</b>

The Fund has the following recurring fair value measurements as of April 30, 2022, the equity mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. Treasury obligations, U.S. agency obligations, corporate bonds, municipal bonds, and negotiable CDs are valued using quoted matrix pricing models (Level 2 inputs).

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

*Credit Risk*

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury obligations and other obligations which are rated in the top three classes by a national rating agency as well as investment-grade corporate bonds rated in the top three classes by a national rating agency. The U.S. Treasury obligations are rated AAA, the U.S. agency obligations are rated AA+ - AAA, the corporate bonds are rated A - AA+, the municipal bonds are rated AA - AAA, and the negotiable CDs are not rated.

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Custodial Credit Risk*

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds and equity mutual funds are not subject to custodial credit risk.

*Discount Rate*

The discount rate used to measure the total pension liability at April 30, 2022 was 6.80%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments of 6.80% was blended with the index rate of 3.21% for tax-exempt general obligation bonds rated AA or better at April 30, 2022 to arrive at a discount rate of 6.80% used to determine the total pension liability.

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2021	\$ -	\$ 1,732,536	\$ (1,732,536)
Changes for the period			
Service cost	156,777	-	156,777
Interest	178,980	-	178,980
Difference between expected and actual experience	3,721,546	-	3,721,546
Changes in assumptions	(739,222)	-	(739,222)
Changes in benefit terms	-	-	-
Employer contributions	-	213,086	(213,086)
Employee contributions	-	33,125	(33,125)
Net investment income	-	(138,114)	138,114
Benefit payments and refunds	(232,943)	(232,943)	-
Administrative expense	-	(25,189)	25,189
Net changes	3,085,138	(150,035)	3,235,173
BALANCES AT APRIL 30, 2022	\$ 3,085,138	\$ 1,582,501	\$ 1,502,637

The funded status of the plan as of April 30, 2022 is 51.29%.

Changes in assumptions related to the discount rate, bond rate, mortality rates, mortality improvement rates, retirement rates, termination rates and disability rates were made since the previous measurement period.

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation performed as of May 1, 2021 using the following actuarial methods and assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total pension liability was rolled forward by the actuary using updating procedures to April 30, 2022, including updating the discount rate at April 30, 2022, as noted below.

Actuarial valuation date	May 1, 2021
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	3.50%
Interest rate	6.80%
Cost of living adjustments	3.00% (Tier 1) 1.25% (Tier 2)
Asset valuation method	Fair value

Mortality rates were based on the PubS-2010(A) study.

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate of 6.80% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.80%) or 1 percentage point higher (7.80%) than the current rate:

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
Net pension liability	\$ 1,933,516	\$ 1,502,637	\$ 1,149,776



**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended April 30, 2022, the City recognized pension expense of \$213,086. At April 30, the City reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 3,194,414	\$ -
Changes in assumptions	-	634,516
Net difference between projected and actual earnings on pension plan investments	<u>179,554</u>	<u>-</u>
<b>TOTAL</b>	<u><u>\$ 3,373,968</u></u>	<u><u>\$ 634,516</u></u>

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	
2023	\$ 467,315
2024	467,315
2025	467,315
2026	467,313
2027	422,426
Thereafter	<u>447,768</u>
<b>TOTAL</b>	<u><u>\$ 2,739,452</u></u>

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)*

The Police Pension Fund net pension liability and deferred outflows and inflows of resources are not reported on the City’s financial statements as the City reports on the modified cash basis of accounting as discussed in Note 1d.

Firefighters’ Pension Plan

*Plan Administration*

Firefighter sworn personnel are covered by the Firefighters’ Pension Plan, a single-employer defined benefit pension plan sponsored by the City. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-101) and may be amended only by the Illinois legislature. The City accounts for the Firefighters’ Pension Plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the City Council are appointed by the City Mayor, one member is elected by pension beneficiaries, and two members are elected by active firefighter employees.

*Plan Membership*

At April 30, 2021 (most recent data available), membership consisted of:

Inactive plan members currently receiving benefits	3
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	<u>3</u>
 TOTAL	 <u><u>7</u></u>

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Benefits Provided*

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension, and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtained by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Contributions*

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with fewer than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements.

Benefits and refunds are recognized when due and payable in accordance with the terms of the Firefighters' Pension Plan. The costs of administering the Firefighters' Pension Plan are financed through investment earnings. The City is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Firefighters' Pension Plan. For the year ended April 30, 2022, the City's contribution was 68.60% of covered payroll.

*Illinois Firefighters' Pension Investment Fund*

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory.

*Deposits with Financial Institutions*

The plan retains all of its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the plan.

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Deposits with Financial Institutions (Continued)*

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy requires that any funds deposited directly in financial institutions should be made with fully federally insured financial institutions and that any deposits in excess of FDIC insurance should be collateralized at 110% of the fair market value of the deposits. The collateral will be held in a safekeeping by a third party and evidenced by a written agreement.

*Investments*

Investments of the plan are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report as of June 30, 2021. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, Illinois 60148 or at [www.ifpif.org](http://www.ifpif.org).

*Fair Value Measurement*

The plan categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Plan held no investments subject to fair value measurement at April 30, 2022.

*Net Asset Value*

The Net Asset Value (NAV) of the plan's pooled investment in IFPIF was \$1,104,982 at April 30, 2022. The pooled investments consist of the investments as noted in the target allocation table available at [www.ifpif.org](http://www.ifpif.org). Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at April 30, 2022. The plan may redeem shares by giving notice by 5:00 pm central time on the 1<sup>st</sup> of each month. Requests properly submitted on or before the 1<sup>st</sup> of each month will be processed for redemption by the 14<sup>th</sup> of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Investment Policy*

IFPIF's current investment policy was adopted by the Board of Trustees on June 17, 2022. IFPIF is authorized to invest in all investments allowed by ILCS. The IFPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

*Investment Rate of Return*

For the year ended April 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (5.98%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Discount Rate*

The discount rate used to measure the total pension liability at April 30, 2022 was 7.125%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments of 7.125% was blended with the index rate of 3.21% for tax-exempt general obligation bonds rated AA or better at April 30, 2022 to arrive at a discount rate of 7.125% used to determine the total pension liability.

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2021	\$ -	\$ 1,252,005	\$ (1,252,005)
Changes for the period			
Service cost	39,841	-	39,841
Interest	102,016	-	102,016
Difference between expected and actual experience	2,091,356	-	2,091,356
Changes in assumptions	(471,661)	-	(471,661)
Changes in benefit terms	-	-	-
Employer contributions	-	92,804	(92,804)
Employee contributions	-	12,792	(12,792)
Net investment income	-	(76,438)	76,438
Benefit payments and refunds	(100,576)	(100,576)	-
Administrative expense	-	(11,533)	11,533
Net changes	1,660,976	(82,951)	1,743,927
BALANCES AT APRIL 30, 2022	\$ 1,660,976	\$ 1,169,054	\$ 491,922

The funded status of the plan as of April 30, 2022 is 70.38%.

Changes in assumptions related to the discount rate, bond rate, mortality rates, mortality improvement rates, retirement rates, termination rates and disability rates were made since the previous measurement period.

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation performed as of May 1, 2021 using the following actuarial methods and assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total pension liability was rolled forward by the actuary using updating procedures to April 30, 2022, including updating the discount rate at April 30, 2022, as noted below.

Actuarial valuation date	May 1, 2021
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	3.50%
Interest rate	7.125%
Cost of living adjustments	3.00% (Tier 1) 1.25% (Tier 2)
Asset valuation method	Fair value

Mortality rates were based on the PubS-2010(A) study.



**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate of 7.125% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.125%) or 1 percentage point higher (8.125%) than the current rate:

	1% Decrease (6.125%)	Current Discount Rate (7.125%)	1% Increase (8.125%)
Net pension liability	\$ 703,100	\$ 491,922	\$ 318,248

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended April 30, 2022, the City recognized pension expense of \$92,804. At April 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,857,684	\$ -
Changes in assumption	-	418,961
Net difference between projected and actual earnings on pension plan investments	111,100	-
<b>TOTAL</b>	<b>\$ 1,968,784</b>	<b>\$ 418,961</b>

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)*

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the firefighters' pension will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	
2023	\$ 208,747
2024	208,747
2025	208,747
2026	208,747
2027	180,972
Thereafter	<u>533,863</u>
<b>TOTAL</b>	<b><u>\$ 1,549,823</u></b>

The Firefighters' Pension Fund net pension liability and deferred outflows and inflows of resources are not reported on the City's financial statements as the City reports on the modified cash basis of accounting as discussed in Note 1d.

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

b. Plan Net Position

Police Pension Plan and Firefighters' Pension Plan

	Police Pension	Firefighters' Pension	Total
<b>ASSETS</b>			
Cash and short-term investments	\$ 44,889	\$ 64,072	\$ 108,961
Investments at fair value			
Held in the Illinois Firefighters' Pension Investment Fund	-	1,104,982	1,104,982
U.S. Treasury obligations and U.S. agency obligations	919,339	-	919,339
Municipal bonds	222,087	-	222,087
Equity mutual bonds	159,351	-	159,351
Corporate bonds	117,460	-	117,460
Negotiable certificate of deposit	119,375	-	119,375
	<u>1,582,501</u>	<u>1,169,054</u>	<u>2,751,555</u>
Total assets			
	1,582,501	1,169,054	2,751,555
<b>LIABILITIES</b>			
None	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities			
	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION RESTRICTED FOR PENSION</b>			
	<u>\$ 1,582,501</u>	<u>\$ 1,169,054</u>	<u>\$ 2,751,555</u>

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**9. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

c. Changes in Plan Net Position

Police Pension Plan and Firefighters' Pension Plan

	Police Pension	Firefighters' Pension	Total
<b>ADDITIONS</b>			
Contributions			
Employer	\$ 213,086	\$ 92,804	\$ 305,890
Employee	33,125	12,792	45,917
Total contributions	246,211	105,596	351,807
Investment income			
Net depreciation in fair value of investments	(175,049)	(90,328)	(265,377)
Interest	42,202	15,899	58,101
Total investment income	(132,847)	(74,429)	(207,276)
Less investment expense	(5,267)	(1,972)	(7,239)
Net investment income	(138,114)	(76,401)	(214,515)
Total additions	108,097	29,195	137,292
<b>DEDUCTIONS</b>			
Pension benefits	232,943	100,575	333,518
Administrative expenses	25,189	11,571	36,760
Total deductions	258,132	112,146	370,278
<b>NET DECREASE</b>	(150,035)	(82,951)	(232,986)
<b>NET POSITION RESTRICTED FOR PENSIONS</b>			
May 1	1,732,536	1,252,005	2,984,541
April 30	\$ 1,582,501	\$ 1,169,054	\$ 2,751,555

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. OTHER POSTEMPLOYMENT BENEFITS**

The City’s other postemployment benefits liability, deferred outflows of resources and deferred inflows of resources would not be reported on the City’s financial statements as the City reports on the modified cash basis of accounting as discussed in Note 1d. Therefore, the City and its discretely presented component units have not recorded any postemployment benefit liability as of April 30, 2022.

**11. CAPITAL LEASES**

The City has entered into multiple capital lease arrangements. These arrangements are for purchases of vehicles, buildings and equipment. Obligations of governmental activities and business-type activities under capital leases, typically paid from the General Fund, Water Fund and Sewer Fund at April 30, 2022 is as follows:

Fiscal Year Ending April 30,	Capital Leases
2023	\$ 50,427
2024	50,718
2025	11,180
2026	8,124
TOTAL LEASE PAYMENTS	<u>\$ 120,449</u>

**12. DISCRETELY PRESENTED COMPONENT UNIT - BEARDSTOWN HOUSTON MEMORIAL PUBLIC LIBRARY**

a. Financial Information

No separate financial statements are available for the Beardstown Houston Public Library (the Library).

b. Deposits and Investments

Library Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank’s failure, the Library’s deposits may not be returned to it. The Library’s investment policy does not address this risk.

**12. DISCRETELY PRESENTED COMPONENT UNIT - BEARDSTOWN HOUSTON  
MEMORIAL PUBLIC LIBRARY (Continued)**

b. Deposits and Investments (Continued)

Library Investments

The Library categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Library does not have any investments requirement fair value measurements as of April 30, 2022.

Interest rate risk is the risk that changes in interest rates will adversely affect the market value of an investment. The Library's investment policy does not address this risk.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Library's investment policy does not address this risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in possession of an outside party. The Library's investment policy does not address this risk.

Concentration of credit risk is the risk that the Library has a high percentage of their investments invested in one type of investment. The Library's investment policy does not address this risk.

c. Property Tax Calendar

The following information gives significant dates on the property tax calendar of the Library:

- The property tax lien date is January 1;
- Property taxes are due to the County Collector in two installments, June 1 and September 1; and
- Property taxes for 2021 were levied in December 2021 and are normally received monthly beginning in June and generally ending by December 2022.

**CITY OF BEARDSTOWN, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**12. DISCRETELY PRESENTED COMPONENT UNIT - BEARDSTOWN HOUSTON MEMORIAL PUBLIC LIBRARY (Continued)**

d. Capital Assets

The following is a summary of the capital asset activity for the year ended April 30, 2022:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>				
Buildings and improvements	\$ 1,143,101	\$ -	\$ -	\$ 1,143,101
Total capital assets being depreciated	<u>1,143,101</u>	<u>-</u>	<u>-</u>	<u>1,143,101</u>
Less accumulated depreciation for Buildings and improvements	480,102	22,862	-	502,964
Total accumulated depreciation	<u>480,102</u>	<u>22,862</u>	<u>-</u>	<u>502,964</u>
Total capital assets being depreciated, net	<u>662,999</u>	<u>(22,862)</u>	<u>-</u>	<u>640,317</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<u>\$ 662,999</u>	<u>\$ (22,862)</u>	<u>\$ -</u>	<u>\$ 640,317</u>

Depreciation expense was charged to functions/programs of the governmental activities as follows:

<b>GOVERNMENTAL ACTIVITIES</b>	
Culture and Recreation	<u>\$ 22,862</u>
<b>TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 22,862</u></u>

**13. DISCRETELY PRESENTED COMPONENT UNIT - LINCOLN COURTROOM AND MUSEUM**

a. Financial Information

No separate financial statements are available for the Lincoln Courtroom and Museum (the Museum).

**13. DISCRETELY PRESENTED COMPONENT UNIT - LINCOLN COURTROOM AND MUSEUM (Continued)**

b. Deposits and Investments

Museum Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Museum's deposits may not be returned to it. The Museum's investment policy does not address this risk.

Museum Investments

The Museum categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Museum does not have any investments requirement fair value measurements as of April 30, 2022.

Interest rate risk is the risk that changes in interest rates will adversely affect the market value of an investment. The Museum's investment policy does not address this risk.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Museum's investment policy does not address this risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Museum will not be able to recover the value of its investments that are in possession of an outside party. The Museum's investment policy does not address this risk.

Concentration of credit risk is the risk that the Museum has a high percentage of their investments invested in one type of investment. The Museum's investment policy does not address this risk.



**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**

**MAJOR GOVERNMENTAL FUNDS**

**CITY OF BEARDSTOWN, ILLINOIS**

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS  
GENERAL FUND

For the Year Ended April 30, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES COLLECTED</b>			
Property taxes	\$ 399,419	\$ 399,419	\$ 405,419
Other taxes	1,873,268	1,873,268	2,122,305
Charges for services	114,000	114,000	123,402
Intergovernmental	2,038,590	2,038,590	1,323,337
Investment income	800	800	677
Miscellaneous income	288,300	288,300	222,842
	<hr/>	<hr/>	<hr/>
Total revenues collected	4,714,377	4,714,377	4,197,982
<b>EXPENDITURES PAID</b>			
Current			
General government	1,856,284	1,856,284	826,724
Public safety	1,719,596	1,719,596	1,594,822
Public works	744,945	744,945	722,992
Capital outlay	157,000	157,000	80,356
	<hr/>	<hr/>	<hr/>
Total expenditures paid	4,477,825	4,477,825	3,224,894
<b>EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID</b>	236,552	236,552	973,088
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	37,500
Transfers (out)	(359,932)	(359,932)	(144,717)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(359,932)	(359,932)	(107,217)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (123,380)</u>	<u>\$ (123,380)</u>	865,871
<b>FUND BALANCE, MAY 1</b>			<hr/> 936,948
<b>FUND BALANCE, APRIL 30</b>			<u><u>\$ 1,802,819</u></u>

(See independent auditor's report.)

**CITY OF BEARDSTOWN, ILLINOIS**

DETAILED SCHEDULE OF EXPENDITURES PAID -  
BUDGET AND ACTUAL - MODIFIED CASH BASIS  
GENERAL FUND

For the Year Ended April 30, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>EXPENDITURES PAID</b>			
General government			
Administration			
Personal services	\$ 786,056	\$ 786,056	\$ 513,995
Contractual services	247,500	247,500	199,591
Commodities	146,500	146,500	94,036
Total administration	<u>1,180,056</u>	<u>1,180,056</u>	<u>807,622</u>
Golden age center			
Contractual services	2,000	2,000	1,643
Commodities	12,000	12,000	6,372
Total golden age center	<u>14,000</u>	<u>14,000</u>	<u>8,015</u>
Airport			
Contractual services	6,200	6,200	3,094
Commodities	656,028	656,028	7,993
Total airport	<u>662,228</u>	<u>662,228</u>	<u>11,087</u>
Total general government	<u>1,856,284</u>	<u>1,856,284</u>	<u>826,724</u>
Capital outlay	<u>7,000</u>	<u>7,000</u>	<u>1,925</u>
Public safety			
Police			
Personal services	709,646	709,646	892,768
Contractual services	191,800	191,800	144,058
Commodities	153,000	153,000	140,164
Total police	<u>1,054,446</u>	<u>1,054,446</u>	<u>1,176,990</u>
Fire			
Personal services	245,000	245,000	284,480
Contractual services	24,000	24,000	25,126
Commodities	387,000	387,000	75,416
Total fire	<u>656,000</u>	<u>656,000</u>	<u>385,022</u>

(This schedule is continued on the following page.)

**CITY OF BEARDSTOWN, ILLINOIS**

DETAILED SCHEDULE OF EXPENDITURES PAID -  
BUDGET AND ACTUAL - CASH BASIS (Continued)  
GENERAL FUND

For the Year Ended April 30, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>EXPENDITURES PAID (Continued)</b>			
Public safety (Continued)			
Police and fire commission			
Commodities	\$ 9,150	\$ 9,150	\$ 32,810
Total police and fire commission	9,150	9,150	32,810
Total public safety	1,719,596	1,719,596	1,594,822
Capital outlay	110,000	110,000	60,154
Public works			
Building and grounds			
Personal services	38,000	38,000	68,870
Commodities	66,500	66,500	55,566
Total building and grounds	104,500	104,500	124,436
Street and alley			
Personal services	383,684	383,684	373,695
Contractual services	25,861	25,861	24,924
Commodities	230,900	230,900	199,937
Total building and grounds	640,445	640,445	598,556
Total public works	744,945	744,945	722,992
Capital outlay	40,000	40,000	18,277
<b>TOTAL EXPENDITURES PAID</b>	<b>\$ 4,477,825</b>	<b>\$ 4,477,825</b>	<b>\$ 3,224,894</b>

(See independent auditor's report.)

**CITY OF BEARDSTOWN, ILLINOIS**

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS  
AMBULANCE WCC FUND**

For the Year Ended April 30, 2022

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES COLLECTED</b>		
Property taxes	\$ 240,274	\$ 240,396
Charges for services	325,000	350,479
Investment income	-	81
Miscellaneous	2,000	30,892
	<hr/>	<hr/>
Total revenues collected	567,274	621,848
	<hr/>	<hr/>
<b>EXPENDITURES PAID</b>		
Current		
Public safety	785,589	621,847
Capital outlay	10,000	-
	<hr/>	<hr/>
Total expenditures paid	795,589	621,847
	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (228,315)</u>	1
FUND BALANCE, MAY 1		<hr/> 116,632
<b>FUND BALANCE, APRIL 30</b>		<u><u>\$ 116,633</u></u>

(See independent auditor's report.)

**NONMAJOR GOVERNMENTAL FUNDS**

**CITY OF BEARDSTOWN, ILLINOIS**

COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES  
ARISING FROM MODIFIED CASH BASIS  
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2022

	<b>Special Revenue</b>			
	<b>Project Tiger Pride</b>	<b>Christmas Food Basket</b>	<b>Canine</b>	<b>DUI</b>
<b>ASSETS</b>				
Cash	\$ 12,024	\$ 7,387	\$ 1,507	\$ 7,794
Investments	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 12,024</b>	<b>\$ 7,387</b>	<b>\$ 1,507</b>	<b>\$ 7,794</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Unearned revenue	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-
<b>FUND BALANCES</b>				
Restricted				
Public safety	-	-	1,507	7,794
Public works	-	-	-	-
Workers' compensation	-	-	-	-
Social Security	-	-	-	-
Retirement	-	-	-	-
Economic development	-	-	-	-
Specific purpose	12,024	7,387	-	-
Assigned				
Capital projects	-	-	-	-
Total fund balances	12,024	7,387	1,507	7,794
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 12,024</b>	<b>\$ 7,387</b>	<b>\$ 1,507</b>	<b>\$ 7,794</b>



<b>Special Revenue</b>				
<b>Drug Enforcement</b>	<b>Ambulance ECC</b>	<b>Motor Fuel Tax</b>	<b>Workers Compensation</b>	<b>Garbage Surplus</b>
\$ 3,776	\$ 177,924	\$ 851,509	\$ 101,620	\$ 31,408
-	-	-	-	-
<u>\$ 3,776</u>	<u>\$ 177,924</u>	<u>\$ 851,509</u>	<u>\$ 101,620</u>	<u>\$ 31,408</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	31,408
-	-	-	-	-
<u>3,776</u>	<u>177,924</u>	<u>851,509</u>	<u>101,620</u>	<u>31,408</u>
<u>\$ 3,776</u>	<u>\$ 177,924</u>	<u>\$ 851,509</u>	<u>\$ 101,620</u>	<u>\$ 31,408</u>

(This statement is continued on the following pages.)

**CITY OF BEARDSTOWN, ILLINOIS**

COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES  
ARISING FROM MODIFIED CASH BASIS (Continued)  
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2022

	<b>Special Revenue</b>			
	<b>Social Security</b>	<b>IMRF</b>	<b>Tax Increment Financing #1</b>	<b>Tax Increment Financing #4</b>
<b>ASSETS</b>				
Cash	\$ 56,475	\$ 105,351	\$ 926,495	\$ 44,208
Investments	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 56,475</b>	<b>\$ 105,351</b>	<b>\$ 926,495</b>	<b>\$ 44,208</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Unearned revenue	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-
<b>FUND BALANCES</b>				
Restricted				
Public safety	-	-	-	-
Public works	-	-	-	-
Workers' compensation	-	-	-	-
Social Security	56,475	-	-	-
Retirement	-	105,351	-	-
Economic development	-	-	926,495	44,208
Specific purpose	-	-	-	-
Assigned				
Capital projects	-	-	-	-
Total fund balances	56,475	105,351	926,495	44,208
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 56,475</b>	<b>\$ 105,351</b>	<b>\$ 926,495</b>	<b>\$ 44,208</b>

Special Revenue		Capital Projects			Total
Cemetery	Tourism	Harbor Development	Police Vehicle		
\$ 50,029	\$ 19,645	\$ 111,151	\$ 10,512	\$ 2,518,815	
257,059	-	-	-	257,059	
\$ 307,088	\$ 19,645	\$ 111,151	\$ 10,512	\$ 2,775,874	
\$ -	\$ -	\$ -	\$ -	\$ -	
-	-	-	-	-	
-	-	-	-	191,001	
-	-	-	-	851,509	
-	-	-	-	101,620	
-	-	-	-	56,475	
-	-	-	-	105,351	
-	-	-	-	970,703	
307,088	19,645	-	-	377,552	
-	-	111,151	10,512	121,663	
307,088	19,645	111,151	10,512	2,775,874	
\$ 307,088	\$ 19,645	\$ 111,151	\$ 10,512	\$ 2,775,874	

(See independent auditor's report.)

**CITY OF BEARDSTOWN, ILLINOIS**

COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND  
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2022

	<b>Special Revenue</b>			
	<b>Project</b>	<b>Christmas</b>		
	<b>Tiger Pride</b>	<b>Food Basket</b>	<b>Canine</b>	<b>DUI</b>
<b>REVENUES COLLECTED</b>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Charges for services	-	-	-	3,073
Intergovernmental	-	-	-	5,220
Investment income	6	3	1	3
Miscellaneous income	-	7,700	2,650	-
<b>Total revenues collected</b>	<b>6</b>	<b>7,703</b>	<b>2,651</b>	<b>8,296</b>
<b>EXPENDITURES PAID</b>				
Current				
General government	-	3,885	-	-
Public safety	-	-	1,265	-
Public works	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	5,894
<b>Total expenditures paid</b>	<b>-</b>	<b>3,885</b>	<b>1,265</b>	<b>5,894</b>
<b>EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID</b>	<b>6</b>	<b>3,818</b>	<b>1,386</b>	<b>2,402</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>6</b>	<b>3,818</b>	<b>1,386</b>	<b>2,402</b>
<b>FUND BALANCES, MAY 1</b>	<b>12,018</b>	<b>3,569</b>	<b>121</b>	<b>5,392</b>
<b>FUND BALANCES, APRIL 30</b>	<b>\$ 12,024</b>	<b>\$ 7,387</b>	<b>\$ 1,507</b>	<b>\$ 7,794</b>

<b>Special Revenue</b>					
<b>Drug Enforcement</b>	<b>Ambulance ECC</b>	<b>Motor Fuel Tax</b>	<b>Workers Compensation</b>	<b>Garbage Surplus</b>	
\$ -	\$ 221,904	\$ -	\$ 72,074	\$ -	
-	-	-	-	-	
60	214,266	-	-	301,921	
-	-	385,928	-	-	
2	92	359	49	15	
-	2,000	-	-	-	
62	438,262	386,287	72,123	301,936	
-	-	-	83,019	299,204	
-	359,684	-	-	-	
-	-	46,293	-	-	
-	-	-	-	-	
-	359,684	46,293	83,019	299,204	
62	78,578	339,994	(10,896)	2,732	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
62	78,578	339,994	(10,896)	2,732	
3,714	99,346	511,515	112,516	28,676	
\$ 3,776	\$ 177,924	\$ 851,509	\$ 101,620	\$ 31,408	

(This statement is continued on the following pages.)

**CITY OF BEARDSTOWN, ILLINOIS**

COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID AND  
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS (Continued)  
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2022

	<b>Special Revenue</b>			
	<b>Social Security</b>	<b>IMRF</b>	<b>Tax Increment Financing #1</b>	<b>Tax Increment Financing #4</b>
<b>REVENUES COLLECTED</b>				
Property taxes	\$ 86,589	\$ 80,084	\$ 472,199	\$ 21,394
Other taxes	-	-	-	-
Charges for services	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	38	61	458	19
Miscellaneous income	-	-	-	-
<b>Total revenues collected</b>	<b>86,627</b>	<b>80,145</b>	<b>472,657</b>	<b>21,413</b>
<b>EXPENDITURES PAID</b>				
Current				
General government	96,075	78,701	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Economic development	-	-	107,393	-
Capital outlay	-	-	129,277	-
<b>Total expenditures paid</b>	<b>96,075</b>	<b>78,701</b>	<b>236,670</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID</b>	<b>(9,448)</b>	<b>1,444</b>	<b>235,987</b>	<b>21,413</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(9,448)</b>	<b>1,444</b>	<b>235,987</b>	<b>21,413</b>
<b>FUND BALANCES, MAY 1</b>	<b>65,923</b>	<b>103,907</b>	<b>690,508</b>	<b>22,795</b>
<b>FUND BALANCES, APRIL 30</b>	<b>\$ 56,475</b>	<b>\$ 105,351</b>	<b>\$ 926,495</b>	<b>\$ 44,208</b>

Special Revenue		Capital Projects			Total
Cemetery	Tourism	Harbor Development	Police Vehicle		
\$ -	\$ -	\$ -	\$ -	\$ 954,244	
-	14,758	-	-	14,758	
32,900	-	-	60	552,280	
-	-	-	10,408	401,556	
2,343	9	153	3	3,614	
12,000	-	5,202	-	29,552	
47,243	14,767	5,355	10,471	1,956,004	
170,339	16,321	131,250	-	878,794	
-	-	-	-	360,949	
-	-	-	-	46,293	
-	-	-	-	107,393	
20,418	-	-	-	155,589	
190,757	16,321	131,250	-	1,549,018	
(143,514)	(1,554)	(125,895)	10,471	406,986	
144,717	-	-	-	144,717	
-	-	(37,500)	-	(37,500)	
144,717	-	(37,500)	-	107,217	
1,203	(1,554)	(163,395)	10,471	514,203	
305,885	21,199	274,546	41	2,261,671	
\$ 307,088	\$ 19,645	\$ 111,151	\$ 10,512	\$ 2,775,874	

(See independent auditor's report.)

## **FIDUCIARY FUNDS**



**CITY OF BEARDSTOWN, ILLINOIS**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION - MODIFIED CASH BASIS  
PENSION TRUST FUNDS**

For the Year Ended April 30, 2022

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	<b>Police Pension</b>	<b>Firefighters' Pension</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and short term investments	\$ 44,889	\$ 64,072	\$ 108,961
Investments, at fair value			
Held in the Illinois Firefighters' Pension Investment Fund	-	1,104,982	1,104,982
U.S. Government and U.S. agency obligations	919,339	-	919,339
Municipal bonds	222,087	-	222,087
Equity mutual funds	159,351	-	159,351
Corporate bonds	117,460	-	117,460
Negotiable certificates of deposits	119,375	-	119,375
			<hr/>
Total assets	1,582,501	1,169,054	2,751,555
<b>LIABILITIES</b>			
None	-	-	-
			<hr/>
Total liabilities	-	-	-
<b>NET POSITION RESTRICTED FOR PENSIONS</b>			
	<u>\$ 1,582,501</u>	<u>\$ 1,169,054</u>	<u>\$ 2,751,555</u>

(See independent auditor's report.)

**CITY OF BEARDSTOWN, ILLINOIS**

COMBINING STATEMENT OF CHANGES IN PLAN FIDUCIARY NET POSITION -  
MODIFIED CASH BASIS  
PENSION TRUST FUNDS

For the Year Ended April 30, 2022

	<b>Police Pension</b>	<b>Firefighters' Pension</b>	<b>Total</b>
<b>ADDITIONS</b>			
Contributions - employer	\$ 213,086	\$ 92,804	\$ 305,890
Contributions - employee	33,125	12,792	45,917
<b>Total contributions</b>	<b>246,211</b>	<b>105,596</b>	<b>351,807</b>
Investment income			
Net depreciation in fair value of investments	(175,049)	(90,328)	(265,377)
Interest earned on investments	42,202	15,899	58,101
<b>Total investment income</b>	<b>(132,847)</b>	<b>(74,429)</b>	<b>(207,276)</b>
Less investment expense	(5,267)	(1,972)	(7,239)
<b>Net investment income</b>	<b>(138,114)</b>	<b>(76,401)</b>	<b>(214,515)</b>
<b>Total additions</b>	<b>108,097</b>	<b>29,195</b>	<b>137,292</b>
<b>DEDUCTIONS</b>			
Benefits and refunds			
Retirement pension	66,576	100,575	167,151
Disability pension	28,220	-	28,220
Surviving spouse pension	48,991	-	48,991
Refund of contributions	89,156	-	89,156
Administrative	25,189	11,571	36,760
<b>Total deductions</b>	<b>258,132</b>	<b>112,146</b>	<b>370,278</b>
<b>NET DECREASE</b>	<b>(150,035)</b>	<b>(82,951)</b>	<b>(232,986)</b>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>			
May 1	1,732,536	1,252,005	2,984,541
April 30	\$ 1,582,501	\$ 1,169,054	\$ 2,751,555

(See independent auditor's report.)

# CITY OF BEARDSTOWN, ILLINOIS

## NOTES TO SUPPLEMENTARY INFORMATION

April 30, 2022

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### **BUDGETS**

The City prepares its budget ordinance (cash basis) in conformity with practices prescribed or permitted by the applicable statutes of the State of Illinois. The City did not adopt a budget for the ARPA Fund. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Administrator submits to the City Council a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures/expenses and the means of financing them. The proposed budget is used to prepare the tentative budget ordinance.
2. The Annual Budget Ordinance is made available for public inspection for 30 days, after which a public hearing is conducted to obtain taxpayer comments.
3. Before April 30, the Annual Budget Ordinance is adopted.
4. The legal spending limit is established at the fund level.
5. The budget is the legal spending limit. The budget columns are the working budget on which staff relies during the year and are presented for information purposes.

## **COMPONENT UNITS**

**CITY OF BEARDSTOWN, ILLINOIS**  
**COMPONENT UNIT - BEARDSTOWN HOUSTON MEMORIAL PUBLIC LIBRARY**

STATEMENT OF NET POSITION AND COMBINING BALANCE SHEET - MODIFIED CASH BASIS

April 30, 2022

	General	Capital Projects	Grant
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
<b>CURRENT ASSETS</b>			
Cash and investments	\$ 381,820	\$ 66,117	\$ 68,009
Total current assets	381,820	66,117	68,009
<b>NONCURRENT ASSETS</b>			
Capital assets			
Not depreciated	-	-	-
Depreciated (net of accumulated depreciation)	-	-	-
Total noncurrent assets	-	-	-
Total assets	381,820	66,117	68,009
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
None	-	-	-
Total deferred outflows of resources	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 381,820</b>	<b>\$ 66,117</b>	<b>\$ 68,009</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES/NET POSITION</b>			
<b>LIABILITIES</b>			
None	-	-	-
Total liabilities	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>			
None	-	-	-
Total deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	-	-	-
<b>FUND BALANCES/NET POSITION</b>			
Net investment in capital assets	-	-	-
Assigned	-	66,117	-
Restricted	-	-	68,009
Unassigned/unrestricted	381,820	-	-
Total fund balances/net position	381,820	66,117	68,009
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES/NET POSITION</b>	<b>\$ 381,820</b>	<b>\$ 66,117</b>	<b>\$ 68,009</b>

<b>Total</b>	<b>Adjustments</b>	<b>Statement of Net Position</b>
\$ 515,946	\$ -	\$ 515,946
515,946	-	515,946
-	1,143,101	1,143,101
-	(502,964)	(502,964)
-	640,137	640,137
515,946	640,137	1,156,083
-	-	-
-	-	-
\$ 515,946	\$ 640,137	\$ 1,156,083
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	640,137	640,137
66,117	(66,117)	-
68,009	-	68,009
381,820	66,117	447,937
515,946	640,137	1,156,083
\$ 515,946	\$ 640,137	\$ 1,156,083

(See independent auditor's report.)

**CITY OF BEARDSTOWN, ILLINOIS**  
**COMPONENT UNIT - BEARDSTOWN HOUSTON MEMORIAL PUBLIC LIBRARY**

STATEMENT OF ACTIVITIES AND COMBINING STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES/NET POSITION  
MODIFIED CASH BASIS

For the Year Ended April 30, 2022

	General	Capital Projects	Grant
<b>REVENUES</b>			
Taxes			
Property taxes	\$ 51,306	\$ -	\$ -
Intergovernmental	12,569	-	64,769
Charges for services	6,139	-	-
Investment income	16,917	762	-
Miscellaneous	29,427	-	1,210
Total revenues	116,358	762	65,979
<b>EXPENDITURES</b>			
Current			
Culture and recreation	181,946	-	25,253
Total expenditures	181,946	-	25,253
NET CHANGE IN FUND BALANCES/ NET POSITION	(65,588)	762	40,726
FUND BALANCES/ NET POSITION, JANUARY 1	447,408	65,355	27,283
<b>FUND BALANCES/ NET POSITION, DECEMBER 31</b>	<b>\$ 381,820</b>	<b>\$ 66,117</b>	<b>\$ 68,009</b>

<b>Total</b>	<b>Adjustments</b>	<b>Statement of Activities</b>
\$ 51,306	\$ -	\$ 51,306
77,338	-	77,338
6,139	-	6,139
17,679	-	17,679
30,637	-	30,637
<u>183,099</u>	<u>-</u>	<u>183,099</u>
<u>207,199</u>	<u>22,862</u>	<u>230,061</u>
<u>207,199</u>	<u>22,862</u>	<u>230,061</u>
(24,100)	(22,862)	(46,962)
<u>540,046</u>	<u>662,999</u>	<u>1,203,045</u>
<u>\$ 515,946</u>	<u>\$ 640,137</u>	<u>\$ 1,156,083</u>

(See independent auditor's report.)



**CITY OF BEARDSTOWN, ILLINOIS**  
**COMPONENT UNIT - LINCOLN COURTROOM AND MUSEUM**

STATEMENT OF NET POSITION AND COMBINING BALANCE SHEET - MODIFIED CASH BASIS

April 30, 2022

	General	Total	Adjustments	Statement of Net Position
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
<b>CURRENT ASSETS</b>				
Cash and investments	\$ 23,179	\$ 23,179	\$ -	\$ 23,179
Total current assets	23,179	23,179	-	23,179
<b>NONCURRENT ASSETS</b>				
None	-	-	-	-
Total noncurrent assets	-	-	-	-
Total assets	23,179	23,179	-	23,179
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
None	-	-	-	-
Total deferred outflows of resources	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
	\$ 23,179	\$ 23,179	\$ -	\$ 23,179
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES/ NET POSITION</b>				
<b>LIABILITIES</b>				
None	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>				
None	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Total liabilities and deferred inflows of resources	-	-	-	-
<b>FUND BALANCES/NET POSITION</b>				
Unassigned/Unrestricted	23,179	23,179	-	23,179
Total fund balances/net position	23,179	23,179	-	23,179
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES/ NET POSITION</b>				
	\$ 23,179	\$ 23,179	\$ -	\$ 23,179

(See independent auditor's report.)

**CITY OF BEARDSTOWN, ILLINOIS**  
**COMPONENT UNIT - LINCOLN COURTROOM AND MUSEUM**

STATEMENT OF ACTIVITIES AND COMBINING STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES/NET POSITION  
MODIFIED CASH BASIS

For the Year Ended April 30, 2022

	<b>General</b>	<b>Total</b>	<b>Adjustments</b>	<b>Statement of Activities</b>
<b>REVENUES</b>				
Charges for services	\$ 1,308	\$ 1,308	\$ -	\$ 1,308
Investment income	12	12	-	12
Miscellaneous	11,863	11,863	-	11,863
<b>Total revenues</b>	<b>13,183</b>	<b>13,183</b>	<b>-</b>	<b>13,183</b>
<b>EXPENDITURES</b>				
Current				
Culture and recreation	8,728	8,728	-	8,728
<b>Total expenditures</b>	<b>8,728</b>	<b>8,728</b>	<b>-</b>	<b>8,728</b>
<b>NET CHANGE IN FUND BALANCES/ NET POSITION</b>	<b>4,455</b>	<b>4,455</b>	<b>-</b>	<b>4,455</b>
<b>FUND BALANCES/ NET POSITION, JANUARY 1</b>	<b>18,724</b>	<b>18,724</b>	<b>-</b>	<b>18,724</b>
<b>FUND BALANCES/ NET POSITION, DECEMBER 31</b>	<b>\$ 23,179</b>	<b>\$ 23,179</b>	<b>\$ -</b>	<b>\$ 23,179</b>

(See independent auditor's report.)