



CITY OF O'FALLON, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended April 30, 2021

The background of the lower half of the cover features a grayscale photograph of a modern building with a complex, geometric facade. Overlaid on this image are several large, semi-transparent, light gray geometric shapes, including triangles and polygons, creating a layered, architectural effect.

SIKICH.COM

CITY OF O’FALLON, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INTRODUCTORY SECTION	
LIST OF OFFICIALS	i
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1-4
INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE.....	5
MANAGEMENT DISCUSSION AND ANALYSIS.....	MD&A 1-11
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position.....	6-7
Statement of Activities	8
Fund Financial Statements	
Government Funds	
Balance Sheet.....	9
Reconciliation of the Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position	10
Statement of Revenues, Expenditures, and Changes in Fund Balances	11-12
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities	13
Proprietary Funds	
Statement of Net Position.....	14-15
Statement of Revenues, Expenses, and Changes in Net Position	16
Statement of Cash Flows.....	17-18
Fiduciary Funds	
Statement of Fiduciary Net Position	19
Statement of Change in Fiduciary Net Position	20
Notes to the Financial Statements	21-69
REQUIRED SUPPLEMENTARY INFORMATION	
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
General Fund	70-71
Motor Fuel Tax Special Revenue Fund.....	72
Tax Increment Financing Special Revenue Fund.....	73

CITY OF O’FALLON, ILLINOIS
TABLE OF CONTENTS (Continued)

REQUIRED SUPPLEMENTARY INFORMATION (Continued)

Schedule of Changes in Net Pension Liability and Related Ratios - Illinois Municipal Retirement Fund	74
Schedule of Employer Contributions – Illinois Municipal Retirement Fund	75
Notes to Required Supplementary Information	76

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUND

Combining Balance Sheet – Tax Increment Financing (TIF) Funds	77
Combining Schedule of Revenue, Expenditures, and Changes in Fund Balances – TIF Funds	78

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet – Nonmajor Governmental Funds	79-80
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	81-82

**Schedules of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual:**

Park Special Revenue Fund	83
Fire Special Revenue Fund	84
Ambulance Special Revenue Fund	85
IMRF Special Revenue Fund	86
Cemetery Special Revenue Fund	87
Social Security Special Revenue Fund	88
Special Service Special Revenue Fund	89
Capital Improvement Capital Projects Fund	90
2002 Bond Issue Capital Projects Fund	91
Convention Center Capital Projects Fund	92
Sports Park Complex Capital Projects Fund	93
Park Land Capital Projects Fund	94
Proposition S Infrastructure Capital Projects Fund	95
Strategic Plan Capital Projects Fund	96
2010 Bond Issue Debt Service Fund	97
Build America Debt Service Fund	98
Green Mount Debt Service Fund	99
Destination O’Fallon Debt Service Fund	100

CITY OF O’FALLON, ILLINOIS
TABLE OF CONTENTS (Continued)

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (Continued)

FIDUCIARY FUNDS

Combining Statement of Fiduciary Net Position	
Pension Trust Funds.....	101
Combining Statement of Changes in Fiduciary Net Position	
Pension Trust Funds.....	102
Schedule of Changes in Fiduciary Net Position – Budget and Actual	
Police Pension Fund.....	106
Firefighters’ Pension Fund.....	104
Combining Statement of Fiduciary Net Position	
Custodial Funds	105
Combining Statement of Changes in Fiduciary Net Position	
Custodial Funds	106
Schedule of Changes in Fiduciary Net Position – Budget and Actual	
Special Service Area Debt Service Fund	107
Newbold Debt Service Fund.....	108
Harley Davidson Debt Service Fund	109

DISCRETELY PRESENTED COMPONENT UNIT

Statement of Net Position and Balance Sheet	110
Statement of Activities and Statement of Revenues, Expenditures, and Changes in Fund Balances	111

OTHER INFORMATION

Schedule of Funding Progress	
Police Pension Fund.....	112
Firefighters’ Pension Fund.....	113
Comparative Statements of Net Position	114-115
Comparative Statements of Activities	116-117
Assessed Valuations and Property Tax Rates – Last Ten Years.....	118

INTRODUCTORY SECTION

CITY OF O'FALLON, ILLINOIS

CITY OFFICIALS

AS OF APRIL 30, 2021

MAYOR

Herb Roach

CLERK

Jerry Mouser

TREASURER

David Hursey

CITY COUNCIL

Ross Rosenberg

Jessica Lotz

Kevin Hagarty

Todd Roach

Chris Monroe

Tom Vorce

Nathan Parchman

Dennis Muyleart

Jerry Albrecht

Roy Carney

Jim Campbell

Gwen Randolph

Stephanie Smallheer

Dan Witt

DEPARTMENT HEADS

City Administrator – Walter Denton

Chief Financial Officer – Sandy Evans

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

3201 W. White Oaks Dr., Suite 102
Springfield, IL 62704
217.793.3363

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of O'Fallon, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of O'Fallon, Illinois (the City), as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
Business-Type Activities	Qualified
Discretely Presented Component Unit	Qualified
General Fund	Unmodified
Motor Fuel Tax Fund	Unmodified
Tax Increment Financing Fund	Unmodified
Water Fund	Qualified
Sewer Fund	Qualified
Aggregate Remaining Fund Information	Unmodified

Basis for Qualified Opinions on the Governmental Activities, the Business-Type Activities, Each Major Proprietary Fund, and Discretely Presented Component Unit

The City has not determined whether the annual pension costs for the Police Pension and Firefighters' Pension are overstated or understated in accordance with accounting principles generally accepted in the United States of America, which require an asset or liability to be recorded in the government-wide statement of net position for the governmental activities based on the net pension liability or asset, which would change the expenses and net position in the governmental activities on the statement of activities. The amount by which this departure would affect assets, liabilities, net position, and expenses of the governmental activities is not reasonably determinable. The City has also excluded a portion of the Police Pension and Fire Pension Fund disclosures to the Pension Trust Funds. In our opinion, disclosure of this information is required by accounting principles generally accepted in the United States of America.

The City has not recognized the other postemployment benefit (OPEB) expense or liability which is required in accordance with accounting principles generally accepted in the United States of America and under Government Accounting Standards Board (GASB) Statement No. 75, to be recorded in the governmental activities. The amount by which this departure would affect assets, liabilities, net position, and expenses of the governmental activities is not reasonably determinable. The City has also not disclosed the descriptive information about the other post-employment benefits required by standards.

Qualified Opinions on the Governmental Activities, the Business-Type Activities, Each Major Proprietary Fund, and Discretely Presented Component Unit

In our opinion, except for the effects of the matters described in the "Basis for Qualified Opinions on the Governmental Activities, the Business-Type Activities, Each Major Proprietary Fund and Discretely Presented Component Unit" paragraphs, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major proprietary fund, and discretely presented component unit of the City of O'Fallon as of April 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the City of O'Fallon as of April 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Adjustments to Prior Period Financial Statements

As part of our audit of the 2021 financial statements we also audited adjustments described in Note 12 that were applied to restate the 2020 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2020 financial statements of the City other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2020 financial statements as a whole.

Other Matters

Required Supplementary Information

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

Management has omitted the schedule of employer contributions, the schedule of changes in employer's net pension liability and related ratios, and the schedule of investment returns for April 30, 2015 through April 30, 2021 for the Police and Firefighters' Pension Funds, and has omitted the schedule of changes in the employer's total OPEB liability and related ratios for April 30, 2019 through April 30, 2021, that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other 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 and the List of Officials, as listed in the table of contents, 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 relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2021 combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The other information and List of Officials, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sikich LLP

Springfield, Illinois
October 27, 2021

3201 W. White Oaks Dr., Suite 102
Springfield, IL 62704
217.793.3363

SIKICH.COM

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE

To the Honorable Mayor and City Council
City of O'Fallon, Illinois

We have examined management's assertion that the City of O'Fallon, Illinois (the City), complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended April 30, 2021 for the Green Mount Medical Campus TIF Fund, the Central Park TIF Fund, the Route 50/Scott Troy Road TIF Fund, and the Central City TIF Fund. Management is responsible for the City's assertion. Our responsibility is to express an opinion on management's assertion about the City's compliance with specific requirements based on our examination.

Our examination was made in accordance with the standards established by the American Institute of Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, management's assertion that the City complied with the aforementioned requirements for the year ended April 30, 2021, is fairly stated in all material respects.

This report is intended solely for the information and use of the Mayor, City Council, management of the City, the Illinois State Comptroller's Office and the Joint Review Boards and is not intended to be and should not be used by anyone other than these specified parties.

SiKich LLP

Springfield, Illinois
October 27, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of O’Fallon, Illinois
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A) (UNAUDITED)
April 30, 2021

This section of the City of O’Fallon’s annual financial report presents an easily readable analysis of the government’s financial performance for the fiscal year ended April 30, 2021.

The MD&A provides an analysis of the overall financial position and results of the previous year’s operations to assess whether the City’s finances have improved or deteriorated. The analysis describes capital asset and long-term debt activity and concludes with information regarding currently known facts, decisions or conditions that are expected to have a significant effect on the City’s future financial position and operations. Please read this analysis in conjunction with the City’s financial statements including all supplementary information and note disclosures.

Most of fiscal year 2021 occurred during the global Covid-19 pandemic. Many of the comparisons to prior year revenues and expenditures mentioned in this report are due to the impact of Covid-19. During that time, city staff took steps to control expenditures and continue to do so in FY2022.

Using this Annual Report

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

Government-Wide Financial Statements

The government-wide financial statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns that add to a total for the Primary Government. The government-wide statements consist of a Statement of Net Position and a Statement of Activities and are prepared using the economic resources measurement focus and accrual basis of accounting. These statements will report all the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses of the government. Each statement distinguishes between the governmental and business-type activities of the primary government and presents a total primary government in a separate column. Fiduciary activities, (such as the police and firefighters’ pension and special service area funds), whose resources are not available to finance the government’s programs, are excluded from the government-wide financial statements.

The focus of the Statement of Net Position is designed to be similar to bottom line results for the city and its governmental and business-type activities. This statement combines and consolidates governmental fund’s current financial resources (short-term spendable resources) with capital assets and long-term obligations.

The Statement of Activities (Change in Net Position) is focused on both the gross and net cost of various activities (including governmental and business-type) that are supported by the government’s general tax and other revenues. This is intended to summarize and simplify the user’s analysis of cost of various governmental services and/or subsidy to various business-type activities.

Fund-based Financial Statements

The fund-based financial statements consist of a series of statements that provide information about the government’s major and non-major governmental, proprietary (enterprise/business-type), and fiduciary funds.

Governmental fund financial statements (including the general fund, special revenue, capital projects and debt service) are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The statements consist of a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balance.

Proprietary fund financial statements (enterprise/business-type) and fiduciary fund financial statements (police and firefighters' pensions and SSA's) are prepared using the economic resources measurement focus and the accrual basis of accounting. The proprietary fund statements consist of a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows. The fiduciary fund statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

The O'Fallon Public Library has been determined to be part of the reporting entity because the city exercises financial accountability over the assets and operations. The governing board is appointed by the mayor with city council approval. Therefore, the Library is included in the accompanying financial statements as a component unit.

The fund financial statements include a reconciliation between the government-wide and fund financial statements because of the difference in basis of accounting. The differences are primarily in how fixed assets and debt are treated and the timing for recording some revenues and expenses.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure-roads, bridges, storm sewers, etc...) have not been reported nor depreciated in governmental financial statements. The statement requires that these assets be valued and reported within the governmental column of the government-wide statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) that periodically measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The city has chosen to depreciate assets over their useful life.

Financial Analysis of the City as a Whole

Statement of Net Position

The City's combined net position increased \$13,814,193. Governmental activities increased \$7,880,498 and business activities had an increase of \$5,933,695. Net position of the City's governmental activities totals \$115.6 million with 58.8% of that being invested in capital assets (buildings, roads, equipment, etc.) net of related debt. The net position of the business-type activities totals \$69.1 million with 55.0% invested in capital assets net of related debt.

Fiscal Year 2021 required adjustments be made to prior year activities. Governmental activities were increased a total of \$2,591,841. Changes include an increase of \$5,224 for capital asset infrastructure, an increase of \$61,878 to correct deferred revenue and liabilities, a change to record property tax receipts for pension trusts in the General Fund (increase \$1,264,000) which is offset by recording the expense of employer contributions from the General Fund to the Pension Trusts (decrease \$1,264,000), increase to revenues to properly recognize revenue in accordance with GASB33 for state tax revenues totaling \$239,245, an increase of \$3,135,987 reclassifying long-term debt as no commitment debt, and a reduction in fund balance of \$850,493 for reclassifying debt service funds out of Governmental Activities to custodial funds. Business-type activities were increased \$158,415 for capital asset infrastructure corrections. These are mentioned in Note 12 Prior Period Adjustments in the annual financial report. All totals for 2020 are reclassified for comparative purposes as necessary. The totals in the Statement of Net Position below include restatements to reflect what ending net position would have been had the prior period adjustments been posted.

Statement of Net Position								
April 30, 2021								
	Governmental Activities		Business-Type Activities		Primary Government Total		Component Unit	
	2021	2020	2021	2020	2021	2020	2021	2020
ASSETS								
Other assets	\$ 63,689,903	\$ 52,027,862	\$34,000,799	\$29,257,202	\$ 97,690,702	\$ 81,285,064	\$6,997,121	\$5,658,109
Capital assets (net of accumulated depreciation)	78,100,979	83,048,979	39,978,072	39,251,498	118,079,051	122,300,477	1,392,305	1,584,296
Capital assets, non-depreciable	30,929,435	30,565,534	3,307,594	2,718,285	34,237,029	33,283,819	-	-
TOTAL ASSETS	172,720,317	165,642,375	77,286,465	71,226,985	250,006,782	236,869,360	8,389,426	7,242,405
DEFERRED OUTFLOWS OF RESOURCES								
Deferred outflow - pension related	1,140,193	2,611,736	412,538	1,090,908	1,552,731	3,702,644	79,146	241,619
Deferred loss on refunding	935,731	1,107,701	-	-	935,731	1,107,701	-	-
TOTAL DEFERRED OUTFLOWS	2,075,924	3,719,437	412,538	1,090,908	2,488,462	4,810,345	79,146	241,619
LIABILITIES								
Accounts payable	2,070,127	1,945,154	1,873,411	750,203	3,943,538	2,695,357	47,195	8,827
Other liabilities	1,936,665	3,433,935	39,744	528,747	1,976,409	3,962,682	9,194	81,741
Non-current liabilities	44,502,139	49,497,957	5,828,602	6,990,135	50,330,741	56,488,092	89,599	145,392
TOTAL LIABILITIES	48,508,931	54,877,046	7,741,757	8,269,085	56,250,688	63,146,131	145,988	235,960
DEFERRED INFLOWS OF RESOURCES								
Deferred inflow - pension related	2,484,779	2,964,274	899,030	1,082,702	3,383,809	4,046,976	172,480	234,301
Deferred property taxes	8,170,139	6,360,439	-	-	8,170,139	6,360,439	1,256,500	1,239,357
TOTAL DEFERRED INFLOWS	10,654,918	9,324,713	899,030	1,082,702	11,553,948	10,407,415	1,428,980	1,473,658
NET POSITION								
Net Investment in Capital Assets	67,952,461	76,688,534	37,955,666	35,651,545	105,908,127	112,340,079	1,392,305	1,584,296
Restricted	26,794,498	20,969,214	-	-	26,794,498	20,969,214	4,318,718	4,190,110
Unrestricted	20,885,433	7,502,305	31,102,550	27,314,561	51,987,983	34,816,866	1,182,581	-
TOTAL NET POSITION	\$115,632,392	\$105,160,053	\$69,058,216	\$62,966,106	\$184,690,608	\$168,126,159	\$6,893,604	\$5,774,406
Prior Period Adjustments:								
Asset infrastructure		5,224		158,415		163,639		
Correction of deferred revenue & liabilities		61,878				61,878		
Record revenue of Pension Trusts property tax receipt in GF		1,264,000				1,264,000		
Record expense of employer contributions to Pension Trusts		(1,264,000)				(1,264,000)		
GASB33 revenue recognition		239,245				61,878		
Reclassification of LT debt as no commitment debt		3,135,987				3,135,987		
Reclass debt service funds as custodial funds		(850,493)				(850,493)		
TOTAL NET POSITION RESTATED	\$115,632,392	\$107,751,894	\$69,058,216	\$63,124,521	\$184,690,608	\$170,699,048	\$6,893,604	\$5,774,406

Statement of Changes in Net Position

Governmental Activities

As noted, net position from governmental activities increased \$7,880,498 (7.3% growth). Total revenues increased by \$1,176,815 (2.8%). Expenses decreased this year \$409,713 (1.2%).

Statement of Changes in Net Position								
April 30, 2021								
	Governmental Activities		Business-Type Activities		Primary Government Total		Component Unit	
	2021	2020	2021	2020	2021	2020	2021	2020
REVENUES								
Program Revenues								
Charges for services	\$ 9,811,000	\$ 10,746,300	\$20,345,267	\$19,117,356	\$ 30,156,267	\$ 29,863,656	\$ 40,255	\$ 64,567
Operating grants	3,258,727	1,663,803	108	-	3,258,835	1,663,803	47,775	38,050
Capital grants	1,351,488	2,759,824	208,672	959,560	1,560,160	3,719,384	-	-
General Revenues								
Taxes	10,476,221	9,692,235	-	-	10,476,221	9,692,235	1,228,727	1,180,840
Unrestricted - Intergovernmental	16,673,018	15,293,816	-	-	16,673,018	15,293,816	14,266	19,220
Investment income	467,636	680,893	146,905	679,661	614,541	1,360,554	934,078	(68,106)
Gain (loss) on disposal of fixed assets	45,881	75,191	43,460	12,535	89,341	87,726	-	-
Miscellaneous	192,643	187,737	46,115	36,266	238,758	224,003	51,706	53,482
TOTAL REVENUES	42,276,614	41,099,799	20,790,527	20,805,378	63,067,141	61,905,177	2,316,807	1,288,053
EXPENSES								
General government	3,785,369	3,475,602			3,785,369	3,475,602		
Public safety	13,589,716	13,539,896			13,589,716	13,539,896		
Highways and streets	7,622,746	7,699,763			7,622,746	7,699,763		
Zoning	1,077,655	1,162,503			1,077,655	1,162,503		
Cemetery	165,292	143,296			165,292	143,296		
Culture and recreation	5,222,573	5,692,317			5,222,573	5,692,317		
Tax increment financing	1,146,334	980,038			1,146,334	980,038		
Tourism	221,578	325,250			221,578	325,250		
Interest on long-term debt	1,565,071	1,787,382			1,565,071	1,787,382		
Water			10,653,586	10,134,471	10,653,586	10,134,471		
Sewer			4,203,028	4,794,453	4,203,028	4,794,453		
Library							1,197,609	1,323,719
TOTAL EXPENSES	34,396,334	34,806,047	14,856,614	14,928,924	49,252,948	49,734,971	1,197,609	1,323,719
Transfers	218	502,310	(218)	(466,924)	-	35,386		(35,386)
Change in Net Position	7,880,498	6,796,062	5,933,695	5,409,530	13,814,193	12,205,592	1,119,198	(71,052)
NET POSITION BEGINNING	105,160,053	98,363,991	62,966,106	57,556,576	168,126,159	155,920,567	5,774,406	5,845,458
Prior Period Adjustments:								
Asset infrastructure	5,224		158,415		163,639			
Correction of deferred revenue & liabilities	61,878				61,878			
Record revenue of Pension Trusts property tax receipt in GF	1,264,000				1,264,000			
Record expense of employer contributions to Pension Trusts	(1,264,000)				(1,264,000)			
GASB33 revenue recognition	239,245				239,245			
Reclassification of LT debt as no commitment debt	3,135,987				3,135,987			
Reclass debt service funds as custodial funds	(850,493)				(850,493)			
NET POSITION ENDING	\$ 115,632,392	\$ 105,160,053	\$69,058,216	\$62,966,106	\$184,690,608	\$168,126,159	\$6,893,604	\$5,774,406

Significant revenue changes were:

- Charges for Service variance includes Park program and camp revenues are down approximately \$615,000 due to cancellations related to Covid, Hotel/Motel dropped about \$240,000 due to Covid, General Fund has an additional \$1,264,000 in revenue for an audit adjustment to reflect receipt of public safety pension property tax (offset by expenses below)
- Operating grants includes money received from the federal Cures Act; \$1,255,000 in municipal relief funds and \$750,000 in local business relief funds (see offset expense mentioned below)
- Capital grants include \$1,003,000 in rebuild IL program funds but decreased overall due to less contributed capital because fewer infrastructure projects were completed this year
- Investment income dropped significantly from prior year due to market fluctuations

Significant expense changes were:

- Although overall spending for General Government was reduced, the increase is due to \$750,000 in business relief grants (offset by revenues listed above), consulting services for the Master Plan update, an audit adjustment reclassing the IT cost reimbursements, and a GASB 68 pension audit reduction
- Public safety expenses include an audit adjustment that increases expenses for a reclassification of pension expense (see revenue offset above), but were offset by several decreases which include an audit adjustment reclassing the IT costs, GASB 68 pension audit reduction, overall reduced spending, and capital equipment purchased this fiscal year is approximately the same value as prior year
- Highways and streets spending is down from prior year mainly due to fewer contributed capital projects completed, an audit adjustment reclassing the IT costs, and a GASB 68 pension audit reduction
- Culture and recreations costs are down because of cancelled programs and overall reduced spending due to Covid, prior year included costs for sealing the walking trail at the sports park, and a GASB 68 pension audit reduction
- TIF expenditures increased over prior year with the addition of the façade program and other improvements in the Central City TIF and higher payouts in Central Park TIF from increased tax revenues
- Interest expense decreased due to reclassification of no commitment bonds from Governmental Activities as custodial funds in Fiduciary Activities

Business-type Activities

As noted, net position from business-type activities increased by \$5,933,695. Total revenues of the City's business-type activities are relatively flat to prior year; decreased by \$14,851. The payoff of Shiloh Sanitary Sewer District and tap on fees for new construction was offset by fewer capital grant revenues. Expenses dropped \$72,310 or .5% due to reduced capital spending in sewer. Fund net position balances for the City's business-type activities are \$69.1 million for fiscal year 2021, with \$31.1 million being unrestricted.

Financial Analysis of the City's Fund Financial Statements

For the fiscal year ended April 30, 2021, the Governmental Funds reflect a \$7,795,821 increase in fund balance, which includes prior period adjustments. Cash and investments increased by \$7,205,244. Revenues increased by 8.8% (\$3,404,366). The expenses decreased from last year 6.8% (\$2,452,561), leaving a positive net change in fund balance of \$7.8 million.

Status of Fund Balance			
Governmental Funds			
	Fiscal Year	Fiscal Year	Increase/
	5/1/2020-4/30/2021	5/1/2019-4/30/2020	(Decrease)
General	\$ 27,189,730	\$ 22,356,391	\$ 4,833,339
Motor Fuel Tax	\$ 7,091,762	\$ 4,641,361	\$ 2,450,401
Tax Increment Financing	(4,736,593)	(4,484,915)	(251,678)
Non-major Funds			
Park	2,846,129	2,442,672	403,457
Fire	2,437,628	2,108,887	328,741
Ambulance	4,055,677	4,008,970	46,707
IMRF	284,038	141,914	142,124
Other non-major	11,928,344	12,085,614	(157,270)
TOTAL	\$ 51,096,715	\$ 43,300,894	\$ 7,795,821

Significant changes were:

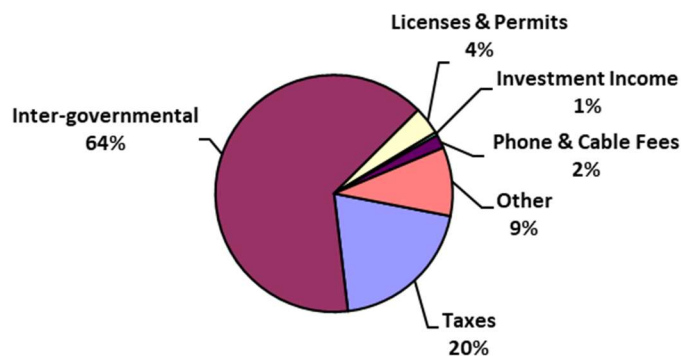
- General fund balance increased mainly due to receipt of higher state sales, use and income tax, receipt of federal grant money from the Cures Act, and an audit adjustment to correct pension funds property tax receivable
- MFT increased due to lower capital expenditures and the receipt of two installments of rebuild IL grants
- Despite COVID-19 affecting many programs and reporting lower revenues, Park still reported an increase in fund balance due to much lower spending and capital outlay from prior year
- Fire department increased its fund balance over prior year which included the final payment on a new fire truck
- IMRF fund balance increased due an increase in the property tax levy and a prior year adjustment

Within the Governmental Funds, the General Fund is the primary operating fund of the City. During the year, revenues exceeded expenditures in the General Fund by \$7,705,466.

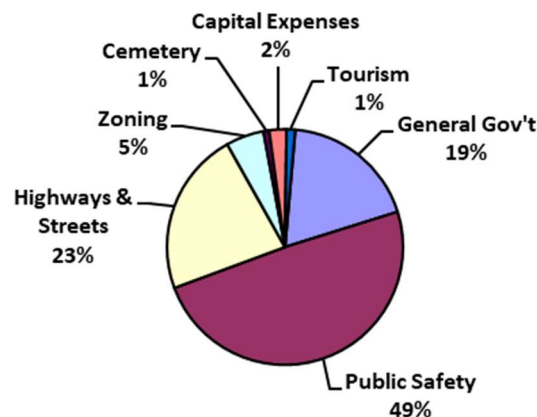
Management believes that this level of fund balance is acceptable.

Revenues for the City are generated from a number of sources and for the most part are dependent on different financial factors. This relative mix of different sources, as illustrated in the chart below, provides long-term stability.

Revenue by Sources-General Fund



Expenditures by Program-General Fund



The City has one fund set up for the parks system and the City pool. During the year, revenues were \$3,390,622 and expenses were \$2,877,573. Other financing uses were \$243,553, leaving an increase in fund balance of \$269,496. The city's park system continues to escalate with new programs such as the Vine Street Market, and we expect continued growth at the Sports Park with the addition of several soccer and baseball/softball fields in recent years. The ending fund balance in the Park Fund is \$2,846,129.

General Fund Budgetary Highlights

General Fund actual revenues are \$3,005,023 higher than the final budget and operating expenses are \$257,897 lower than the final budget amount. This amounts to a net gain of \$3,262,920 actual vs budget. This increase was mainly due to receipt of higher than budgeted state sales and income tax, receipt of federal grant money from the Cures Act, and an audit adjustment to correct pension funds property tax receivable.

Capital Asset and Debt Administration

At the end of 2021, the city had \$152.3 million (net of accumulated depreciation) invested in a broad range of capital assets, including police, fire, park facilities, roads, water, and sewer lines, etc. Governmental activities had \$109.0 million and business-type activities had \$43.3 million invested at the end of fiscal year 2021, net of depreciation.

Governmental Activities Changes in Capital Assets For the Year Ended April 30, 2021

<u>Governmental Activities</u>				
	Balance 4/30/2020	Increases	Decreases	Balance 4/30/2021
Non-depreciable capital assets:				
Land	\$ 29,894,424			\$ 29,894,424
Construction in progress	671,110	1,024,281	660,380	1,035,011
Total Non-depreciable capital assets	30,565,534	1,024,281	660,380	30,929,435
Depreciable capital assets:				
Land/building improvements	12,736,066			12,736,066
Buildings	25,493,943			25,493,943
Equipment	7,958,060	224,840	194,269	7,988,631
Vehicles	7,647,217	518,665	164,695	8,001,187
Parks/Sportsplex	30,624,557			30,624,557
Infrastructure	144,796,487	898,041		145,694,528
Total Depreciable capital assets	229,256,330	1,641,546	358,964	230,538,912
Less accumulated depreciation	146,202,127	6,549,179	313,373	152,437,933
Depreciable capital assets, net	83,054,203	(4,907,633)	45,591	78,100,979
Governmental Activities Capital Assets, net	\$ 113,619,737	\$ (3,883,352)	\$ 705,971	\$ 109,030,414
This year's major changes to the capital assets include the following:				
CIP increased overall with the start of W Presidential Streets Phase 1 construction offset by the completion of two drainage projects				
Equipment purchases include fire station alert system, body cameras, and an electronic siren				
Park equipment includes purchase and upgrade of mower, grader, and tractor				
Vehicles include 6 SUV's for Public Safety, an ambulance for EMS, SUV for Community Development and a truck for Parks offset by the trade in of several vehicles for the newer models.				
Infrastructure includes the completion of drainage projects and commercial developments				

Business-Type Activities	Balance 4/30/2020	Increases	Decreases	Balance 4/30/2021
Non-depreciable capital assets:				
Land	\$ 584,357			\$ 584,357
Construction in progress	2,154,358	3,334,417	2,765,538	2,723,237
Total Non-depreciable capital assets	2,738,715	3,334,417	2,765,538	3,307,594
Depreciable capital assets:				
Buildings and improvements	2,580,958			2,580,958
Equipment	11,982,816	177,180	14,367	12,145,629
Utility systems	70,475,912	2,974,210		73,450,122
Total Depreciable capital assets	85,039,686	3,151,390	14,367	88,176,709
Less accumulated depreciation	45,650,204	2,562,800	14,367	48,198,637
Depreciable capital assets, net	39,389,482	588,590	-	39,978,072
Business-Type Activities Capital Assets, net	\$ 42,128,197	\$ 3,923,007	\$ 2,765,538	\$ 43,285,666
This year's major changes to the capital assets include the following:				
CIP increased overall with construction beginning on W Presidential Streets offset by the completion of several projects				
Equipment includes trade in of a 2012 Ford F750 for a 2019 model				
Infrastructure includes the completion of water/sewer rehabilitation projects and commercial developments				
See Note 3 in the annual financial report for additional information on capital assets				

Debt Outstanding

Governmental Activities						
Bond	Bond Description	Date to Mature	Sourced by	Principal Issued	Principal Paid to Date	Principal Balance 4/30/2021
2010 Series	Public Safety Building <i>refinanced 2020</i>		Utility Tax	\$ 5,545,000	\$ 5,545,000	\$ -
2010 Series	Infrastructure <i>refinanced 2020</i>		Sales Tax	\$ 5,130,000	\$ 5,130,000	\$ -
2020 Series	Public Safety Building	Jan 2024	Utility Tax	\$ 575,956	\$ -	\$ 575,956
2020 Series	Infrastructure	Jan 2022	Sales Tax	\$ 1,529,044	\$ -	\$ 1,529,044
2018 B & C Series	Convention Ctr Sports park Infrastructure <i>refinanced 2019</i>	Jan 2035	Food & Beverage Tax Hotel/Motel Tax 1/2 Cent Sales Tax	\$ 14,850,000	\$ 1,130,000	\$ 13,720,000
2018A Series	Sports park <i>refinanced 2019</i>	Jan 2029	Hotel/Motel Tax	\$ 723,000	\$ 129,000	\$ 594,000
2018A Series	EMS <i>refinanced 2019</i>	Jan 2029	EMS	\$ 482,000	\$ 86,000	\$ 396,000
2018A Series	Sports park <i>refinanced 2019</i>	Jan 2039	Hotel/Motel Tax	\$ 7,185,000	\$ -	\$ 7,185,000
2015 Series	HSHS Mine Remediation	Jan 2030	TIF Revenue	\$ 5,175,000	\$ 605,000	\$ 4,570,000
2015 Series	HSHS Roadwork	Jan 2034	TIF Revenue	\$ 1,950,000	\$ -	\$ 1,950,000
2016 Bond	Convention Ctr Sports park Infrastructure	Jan 2025	Food & Beverage Tax Hotel/Motel Tax 1/2 Cent Sales Tax	\$ 3,450,000	\$ 1,875,000	\$ 1,575,000
2017 Series	Destination O'Fallon	Jan 2037	Hotel/Motel Tax	\$ 9,460,000	\$ 1,445,000	\$ 8,015,000
	Amortization of bond premiums					\$ 1,370,188
Governmental Activities Total				\$ 56,055,000	\$ 15,945,000	\$ 41,480,188

Business-Type Activities						
Bond	Bond Description	Date to Mature	Sourced by	Principal Issued	Principal Paid to Date	Principal Balance 4/30/2021
IEPA 2797-refinanced	Pump Station	May 2028	Water Sales	\$ 933,394	\$ 933,394	\$ -
IEPA 128600-refinanced	Water Towers	Feb 2030	Water Sales	\$ 5,385,450	\$ 5,385,450	\$ -
IEPA 3318-refinanced	Headworks/Disinfection	Apr 2033	Sewer Sales	\$ 3,630,062	\$ 3,630,062	\$ -
Series 2021	Pump Station	Apr 2030	Water Sales	\$ 420,000		\$ 420,000
Series 2021	Water Towers	Apr 2029	Water Sales	\$ 2,845,000		\$ 2,845,000
Series 2021	Headworks/Disinfection	Apr 2031	Sewer Sales	\$ 2,065,000		\$ 2,065,000
Business-Type Activities Total				\$ 15,278,906	\$ 9,948,906	\$ 5,330,000
No Commitment Debt-Special Service Area Bonds (payable by a tax levy)						
Bond	Bond Description	Date to Mature	Sourced by	Principal Issued	Principal Paid to Date	Principal Balance 4/30/2021
SSA #1	Shoppes at Greenmount	Dec 2025	Property Tax	\$ 975,000	\$ 360,000	\$ 615,000
SSA #2	Greenmount Common	Dec 2024	Property Tax	\$ 185,000	\$ 85,000	\$ 100,000
SSA #4	Regency Extension	Dec 2025	Property Tax	\$ 650,000	\$ 240,000	\$ 410,000
SSA #6	Newbold	Dec 2026	Property Tax	\$ 1,540,000	\$ 775,000	\$ 765,000
SSA #7	Frieze Harley Davidson	Dec 2027	Property Tax	\$ 1,360,000	\$ 620,000	\$ 740,000
No-Commitment Debt Total				\$ 4,710,000	\$ 2,080,000	\$ 2,630,000

The City's notes payable for governmental activities total \$533,496 for a fire truck. The city is not engaged in any capital lease agreements.

The City issued \$7,640,000 in general obligation bonds in September 2001. The entire proceeds of this issue were used to liquidate several other bond obligations. During fiscal year 2011, these bonds were defeased with the Series 2010 bond issue and the City removed this liability from its account.

The 2002 Bond Issue was a general obligation bond in the amount of \$14,000,000. This bond was issued to complete infrastructure projects and the police station on Seven Hills Road. In 2007 the city defeased the street infrastructure portion of these bonds. During fiscal year 2011, the City issued \$10,675,000 in general obligation bond Series 2010 to refund and defease prior 2001 and 2002 issues. In 2021, Series 2010 bonds were refunded, and the City issued \$2,105,000 general obligation refunding bonds.

The 2006 Bond Issue was a general obligation bond in the amount of \$20,100,000. This bond was issued to defease a portion of the 2002 bond issue and construct a convention center, sports complex, and other road improvements. In 2010 the City defeased a portion of this 2006 issue. In 2017, another portion of the 2006 bond issue was refunded with the 2016 bond issuance (\$3,450,000).

The 2009 Bond Issue was a general obligation bond in the amount of \$18,450,000. As stated above, this bond was issued to defease a portion of the 2006 bond issue and to finance additions to the Family Sports Park. In October 2018, these bonds were refunded, and the City issued \$9,205,000 general obligation refunding bonds, Series 2018B and \$5,645,000 general obligation refunding bonds, Series 2018C.

The City also issued \$9,295,000 in general obligation taxable bonds Series 2009A to finance an addition to the City library and additions to the Family Sports Park. During fiscal year 2013, the \$2 million portion that was originally intended to finance an addition to the city library, was reallocated to Parks and EMS. These bonds are Build America Bonds which provide a federal subsidy through a refundable tax credit in an amount equal to 35 percent (35%) of the total coupon interest. In late October of 2014, the percent was reduced by 7.3% because of sequestration. In September 2018, these bonds were refunded, and the City issued \$8,390,000 general obligation refunding bonds, Series 2018A.

In 2016, the City issued general obligation bond Series 2015 in the amount of \$7,125,000. This bond was issued to finance the tax increment financing obligations for the mine remediation and Greenmount Road improvements of the Greenmount Medical Complex.

The City issued \$9,460,000 of general obligation bond Series 2017 to finance cost of construction and/or improvements of the Destination O'Fallon project which included Phase 4 additions to the Sports Park and a downtown multi-seasonal pavilion.

In 2005 and 2007, various bonds were issued for the City's special service areas (SSA) to be used for various commercial ventures. During fiscal year 2013, the remaining portion of the SSA6 & SSA7 bonds were refunded with the 2012A SSA6 (\$1,540,000) and 2012B SSA7 (\$1,360,000) bond issues and the City has removed the original liabilities off its books. Although the liabilities were removed from the City's books, activities such as property tax revenue and bond payment are still reflected in the City records due to the nature of the refunding arrangement. During fiscal year 2019, SSA1 (\$975,000), SSA2 (\$185,000), and SSA4 (\$650,000) bonds were refunded with the SSA 2017 bond issue. In fiscal year 2021, these special service area bonds have been reclassified from Governmental Activities with a prior period adjustment and are represented as custodial funds in the Fiduciary Activities report (see note 12 in the annual financial report).

See Note 4 in the annual financial report for additional information on long-term debt.

Economic Factors

The most recent assessed valuation for the city is \$765,414,890. The assessed valuation for the City increased by \$28,087,333 over last year due to population growth, new home development and increased property value. The City's tax rate decreased by \$0.0211 for a current rate of \$.9016, a rate as low as the rate in 2009, in comparison to last year's rate of \$.9227.

O'Fallon today is recognized as one of the fastest growing cities in southern Illinois with a population of 32,289 according to the 2020 Census. Immediately adjacent to Scott Air Force Base, less than 20 minutes from downtown St. Louis and with four I-64 interchanges, O'Fallon has an excellent central location for serving major Midwest markets. Along with outstanding access and exceptional development potential, O'Fallon is nationally recognized for its rich heritage of education excellence and is renowned for its high standard of living.

In addition to its major employer Scott AFB, O'Fallon has a diverse retail base with several national retail businesses: Super Wal-Mart, Sam's Club, Home Depot, PetSmart, Walgreens, and Menard's. O'Fallon is the Auto Mart for the St. Louis Metro Area with 15 dealers in a 2-mile area. With 14 modern hotels, O'Fallon has become a complementary location for the major tourist venues in the St. Louis region. Our 200-acre Family Sports Park, featuring all weather soccer fields and baseball/softball diamonds, and a free splash pad, draws thousands of visitors every year to take part in a variety of sporting events.

O'Fallon is the heart of the new growth corridor in the St. Louis Metro East. O'Fallon's Downtown District features O'Fallon Station, a new pavilion designed for special events and a Saturday morning farmers' market - Vine Street Market. HSHS-St. Elizabeth opened a \$300 million regional medical campus in O'Fallon November 2017 and in early 2021 began offering comprehensive cancer care in their new Cancer Care Center. Memorial Hospital in partnership with Barnes Jewish Christian (BJC), has a brand new \$100 million campus on the borders of O'Fallon in neighboring Shiloh. This campus houses Medical Office Buildings including Siteman Cancer Center which opened early 2021. In addition to a growing commercial and industrial base, more homes are built annually in O'Fallon than in any nearby community. O'Fallon averages approximately 160 new homes every year.

O'Fallon has a median family income of \$104,389 (average household income of \$101,873) with 70.4% of the population working in management, professional, sales and related occupations. 96.6% of the residents have graduated from high school and 80.3% of O'Fallon residents have some college or more. For a 150-year-old city, O'Fallon has a young population with a median age of 37.9.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives.

If you have any questions about this report or need additional financial information, contact the Director of Finance, Sandy Evans at (618) 624-4500 extension 8723.

BASIC FINANCIAL STATEMENTS

CITY OF O'FALLON, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Totals	
ASSETS				
Cash and cash equivalents	\$ 39,072,305	\$ 22,838,988	\$ 61,911,293	\$ 877,201
Restricted cash and cash equivalents	378,611	-	378,611	-
Investments	10,449,207	7,131,555	17,580,762	4,748,521
Receivables, net:				
Property tax	8,170,139	-	8,170,139	1,256,500
Due from other governmental entities	3,531,442	2,260	3,533,702	1,036
Interest	31,674	25,438	57,112	10,765
Other	1,203,976	32,521	1,236,497	207
Water and sewer fees	-	2,574,824	2,574,824	-
Service fees	397,066	-	397,066	-
Due from employees	82	-	82	-
Due from fiduciary funds	678	-	678	-
Internal balances	(859,429)	859,429	-	-
Prepaid items	400,858	205,340	606,198	39,495
Net pension asset - IMRF	913,294	330,444	1,243,738	63,396
Capital assets:				
Land and construction in progress	30,929,435	3,307,594	34,237,029	-
Other capital assets, net of accumulated depreciation	78,100,979	39,978,072	118,079,051	1,392,305
Total assets	172,720,317	77,286,465	250,006,782	8,389,426
DEFERRED OUTFLOWS OF RESOURCES				
Pension items - IMRF	1,140,193	412,538	1,552,731	79,146
Unamortized loss on refunding	935,731	-	935,731	-
Total deferred outflows of resources	2,075,924	412,538	2,488,462	79,146
Total assets and deferred outflows of resources	174,796,241	77,699,003	252,495,244	8,468,572

This statement is continued on the following page.

CITY OF O'FALLON, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Totals	
LIABILITIES				
Accounts payable	\$ 2,070,127	\$ 1,873,411	\$ 3,943,538	\$ 47,195
Accrued payroll and benefits	184,203	37,484	221,687	8,158
Unearned revenue	1,255,425	2,260	1,257,685	1,036
Accrued interest	497,037	-	497,037	-
Noncurrent liabilities:				
Due within one year	3,863,489	743,315	4,606,804	25,591
Due in more than one year	40,638,650	5,085,287	45,723,937	64,008
Total liabilities	48,508,931	7,741,757	56,250,688	145,988
DEFERRED INFLOWS OF RESOURCES				
Pension items - IMRF	2,484,779	899,030	3,383,809	172,480
Deferred property taxes	8,170,139	-	8,170,139	1,256,500
Total deferred inflows of resources	10,654,918	899,030	11,553,948	1,428,980
Total liabilities and deferred inflows of resources	59,163,849	8,640,787	67,804,636	1,574,968
NET POSITION				
Net investment in capital assets	67,952,461	37,955,666	105,908,127	1,392,305
Restricted:				
Debt service	143,691	-	143,691	-
Construction/capital projects	9,213,920	-	9,213,920	-
Highways and streets	5,942,002	-	5,942,002	-
Culture and recreation	2,830,171	-	2,830,171	-
Public safety	6,839,632	-	6,839,632	-
Retirement	518,581	-	518,581	74,702
Cemetery	1,049,796	-	1,049,796	-
Special service areas	256,705	-	256,705	-
Specific purpose	-	-	-	4,244,016
Unrestricted	20,885,433	31,102,550	51,987,983	1,182,581
Total net position	\$ 115,632,392	\$ 69,058,216	\$ 184,690,608	\$ 6,893,604

See notes to financial statements.

CITY OF O'FALLON, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2021

FUNCTIONS/PROGRAMS	Program Revenues				Net Revenues (Expenses) And Changes in Net Position			Component Unit
	Expenses	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities	Business-type Activities	Total	
Primary Government								
Government activities:								
General government	\$ 3,785,369	\$ 1,624,523	\$ 33,399	\$ -	\$ (2,127,447)	\$ -	\$ (2,127,447)	\$ -
Public safety	13,589,716	3,768,680	2,057,934	-	(7,763,102)	-	(7,763,102)	-
Highway and streets	7,622,746	-	1,160,166	1,351,488	(5,111,092)	-	(5,111,092)	-
Zoning	1,077,655	856,195	-	-	(221,460)	-	(221,460)	-
Cemetery	165,292	42,075	-	-	(123,217)	-	(123,217)	-
Culture and recreation	5,222,573	1,818,022	7,228	-	(3,397,323)	-	(3,397,323)	-
Tax increment financing	1,146,334	-	-	-	(1,146,334)	-	(1,146,334)	-
Tourism	221,578	1,701,505	-	-	1,479,927	-	1,479,927	-
Interest and fiscal charges	1,565,071	-	-	-	(1,565,071)	-	(1,565,071)	-
Total governmental activities	34,396,334	9,811,000	3,258,727	1,351,488	(19,975,119)	-	(19,975,119)	-
Business-type activities								
Water	10,653,586	12,652,785	81	110,492	-	2,109,772	2,109,772	-
Sewer	4,203,028	7,692,482	27	98,180	-	3,587,661	3,587,661	-
Total business-type activities	14,856,614	20,345,267	108	208,672	-	5,697,433	5,697,433	-
Total primary government	\$ 49,252,948	\$ 30,156,267	\$ 3,258,835	\$ 1,560,160	(19,975,119)	5,697,433	(14,277,686)	-
Component Unit:								
Library	\$ 1,197,609	\$ 40,255	\$ 47,775	\$ -	\$ -	\$ -	\$ -	\$ (1,109,579)
General Revenues								
Taxes:								
Property					7,298,908	-	7,298,908	1,228,727
Road and bridge					268,118	-	268,118	-
Utility					2,056,311	-	2,056,311	-
Food and beverage					852,884	-	852,884	-
Unrestricted - intergovernmental								
Income taxes					3,489,559	-	3,489,559	-
TIF surplus					32,331	-	32,331	6,889
Replacement					34,008	-	34,008	7,377
Sales tax					13,117,120	-	13,117,120	-
Investment income					467,636	146,905	614,541	934,078
Gain (loss) on disposal of capital assets					45,881	43,460	89,341	-
Miscellaneous					192,643	46,115	238,758	51,706
Transfers in (out)					218	(218)	-	-
Total general revenues and transfers					27,855,617	236,262	28,091,879	2,228,777
Change in net position					7,880,498	5,933,695	13,814,193	1,119,198
Net position - May 1					105,160,053	62,966,106	168,126,159	5,774,406
Prior period adjustment					2,591,841	158,415	2,750,256	-
Net position - May 1, restated					107,751,894	63,124,521	170,876,415	5,774,406
Net position - April 30					\$ 115,632,392	\$ 69,058,216	\$ 184,690,608	\$ 6,893,604

See notes to financial statements.

CITY OF O'FALLON, ILLINOIS

BALANCE SHEET - GOVERNMENTAL FUNDS

April 30, 2021

	General Fund	Motor Fuel Tax Fund	Tax Increment Financing Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 16,608,341	5,018,328	79,259	\$ 17,366,377	\$ 39,072,305
Investments	3,662,153	1,940,620	-	4,846,434	10,449,207
Restricted cash and cash equivalents	378,611	-	-	-	378,611
Receivables, net:					
Taxes	1,753,548	-	2,211,391	4,205,200	8,170,139
Due from other governmental entities	2,671,768	127,240	-	732,434	3,531,442
Interest	10,565	5,574	-	15,535	31,674
Service fees	-	-	-	397,066	397,066
Other	887,548	-	-	316,428	1,203,976
Due from employees	82	-	-	-	82
Prepaid items	338,369	-	-	62,489	400,858
Due from other funds	15,793	-	-	-	15,793
Advances to other funds	3,890,658	-	-	-	3,890,658
Due from fiduciary funds	678	-	-	-	678
Total assets	<u>30,218,114</u>	<u>7,091,762</u>	<u>2,290,650</u>	<u>27,941,963</u>	<u>67,542,489</u>
DEFERRED OUTFLOWS OF RESOURCES					
None	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 30,218,114</u>	<u>\$ 7,091,762</u>	<u>\$ 2,290,650</u>	<u>\$ 27,941,963</u>	<u>\$ 67,542,489</u>
LIABILITIES					
Accounts payable	\$ 315,785	\$ 1,149,760	\$ 49,972	\$ 554,610	\$ 2,070,127
Accrued payroll and benefits	135,654	-	-	48,549	184,203
Unearned revenue	823,397	-	-	432,028	1,255,425
Due to other funds	-	-	15,793	-	15,793
Advances from other funds	-	-	4,750,087	-	4,750,087
Total liabilities	<u>1,274,836</u>	<u>1,149,760</u>	<u>4,815,852</u>	<u>1,035,187</u>	<u>8,275,635</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	<u>1,753,548</u>	<u>-</u>	<u>2,211,391</u>	<u>4,205,200</u>	<u>8,170,139</u>
FUND BALANCES					
Nonspendable					
Advances	3,890,658	-	-	-	3,890,658
Prepaid items	338,369	-	-	62,489	400,858
Restricted					
Forfeiture funds	392,858	-	-	-	392,858
Debt service	-	-	-	143,691	143,691
Capital projects	-	-	-	9,213,920	9,213,920
Highways and streets	-	5,942,002	-	-	5,942,002
Culture and recreation	-	-	-	2,830,171	2,830,171
Public safety	-	-	-	6,446,774	6,446,774
Retirement	-	-	-	518,581	518,581
Cemetery	-	-	-	1,049,796	1,049,796
Special service areas	-	-	-	256,705	256,705
Assigned					
Strategic planning	-	-	-	2,179,767	2,179,767
Tourism	2,045,856	-	-	-	2,045,856
Unassigned (deficit)	<u>20,521,989</u>	<u>-</u>	<u>(4,736,593)</u>	<u>(318)</u>	<u>15,785,078</u>
Total fund balances	<u>27,189,730</u>	<u>5,942,002</u>	<u>(4,736,593)</u>	<u>22,701,576</u>	<u>51,096,715</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 30,218,114</u>	<u>\$ 7,091,762</u>	<u>\$ 2,290,650</u>	<u>\$ 27,941,963</u>	<u>\$ 67,542,489</u>

See notes to financial statements.

CITY OF O'FALLON, ILLINOIS

RECONCILIATION OF THE FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2021

Total Fund Balances - Governmental Funds	\$ 51,096,715
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	109,030,414
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.	
Long-term liabilities at year-end consist of:	
Accrued compensated absences payable	(2,488,455)
Accrued interest payable	(497,037)
Bonds payable	(40,110,000)
Notes payable	(533,496)
The net pension asset for the Illinois Municipal Retirement Fund is shown as an asset on the statement of net position	913,294
Unamortized losses on refunding bonds, bond premiums, and bond discounts are to be amortized over the life of the bonds and are not reported in the funds. Deferred gains and losses, bond premiums, and bond discounts at year-end consist of:	
Unamortized loss on refunding	935,731
Unamortized bond premiums	(1,370,188)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions after the measurement date are recognized as deferred outflows and inflows of resources on the statement of net position	
Deferred outflows - IMRF	1,140,193
Deferred inflows - IMRF	(2,484,779)
Total Net Position of Governmental Activities	\$ 115,632,392

See notes to financial statements.

CITY OF O'FALLON, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2021

	General Fund	Motor Fuel Tax Fund	Tax Increment Financing Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes					
Property	\$ 1,614,847	\$ -	\$ 1,737,994	\$ 3,946,067	\$ 7,298,908
Utility	937,735	-	-	1,118,576	2,056,311
Food and beverage	852,884	-	-	-	852,884
Rural fire district	-	-	-	431,237	431,237
Intergovernmental receipts					
Replacement tax	6,299	-	-	27,709	34,008
Motor fuel tax allotments	-	1,160,166	-	-	1,160,166
Rebuild Illinois Fund Program	-	1,003,058	-	-	1,003,058
State sales tax	10,855,933	-	-	2,261,187	13,117,120
State income tax	3,489,559	-	-	-	3,489,559
Road and bridge tax	268,118	-	-	-	268,118
Grants	1,731,176	110,769	-	354,233	2,196,178
Metropolitan Enforcement Group	13,152	-	-	-	13,152
TIF surplus distribution	32,331	-	-	-	32,331
Other	-	-	-	499,465	499,465
Licenses and permits	970,333	-	-	19,335	989,668
Subdivision fees	57,549	-	-	-	57,549
Police reports	6,655	-	-	-	6,655
Combined dispatch	940,323	-	-	-	940,323
Municipal aggregation fees	119,675	-	-	-	119,675
Fines and fees	265,943	-	-	-	265,943
Service fees	69,760	-	-	1,648,616	1,718,376
Recreation fees	-	-	-	806,149	806,149
Room tax	1,701,505	-	-	-	1,701,505
Investment income	123,370	43,635	-	300,631	467,636
Phone and cable television franchise fees	473,927	-	-	265,605	739,532
Rentals	10,954	-	-	294,644	305,598
Fees in lieu of taxes	769,030	-	-	50,780	819,810
Concession income	-	-	-	140,936	140,936
Donations	15,300	-	-	15,420	30,720
Annex fees	-	-	-	236,413	236,413
Cemetery revenue	32,163	-	-	-	32,163
Miscellaneous revenues and reimbursements	87,676	-	-	74,250	161,926
Total revenues	<u>25,446,197</u>	<u>2,317,628</u>	<u>1,737,994</u>	<u>12,491,253</u>	<u>41,993,072</u>

This statement is continued on the following page.

CITY OF O'FALLON, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS (Continued)**

For the Year Ended April 30, 2021

	General Fund	Motor Fuel Tax Fund	Tax Increment Financing Fund	Other Governmental Funds	Total Governmental Funds
EXPENDITURES					
Current:					
General government	\$ 3,331,448	\$ -	\$ -	\$ 426,564	\$ 3,758,012
Public safety	8,727,073	-	-	4,357,627	13,084,700
Highways and streets	3,992,308	241,000	-	322,321	4,555,629
Zoning	923,461	-	-	144,681	1,068,142
Cemetery	138,232	-	-	36,343	174,575
Culture and recreation	-	-	-	2,879,485	2,879,485
Tax increment financing	-	-	1,146,334	-	1,146,334
Tourism	210,508	-	-	20,667	231,175
Capital outlay	417,701	484,955	-	1,446,533	2,349,189
Debt service:					
Principal	-	-	-	2,918,057	2,918,057
Interest and fiscal charges	-	-	-	1,574,272	1,574,272
Bond issuance costs	-	-	-	23,915	23,915
Total expenditures	<u>17,740,731</u>	<u>725,955</u>	<u>1,146,334</u>	<u>14,150,465</u>	<u>33,763,485</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>7,705,466</u>	<u>1,591,673</u>	<u>591,660</u>	<u>(1,659,212)</u>	<u>8,229,587</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets	60,727	-	-	30,745	91,472
Proceeds from refunding bonds, at par	-	-	-	2,105,000	2,105,000
Proceeds from refunding bonds premium	-	-	-	36,609	36,609
Payment to escrow agent	-	-	-	(2,117,695)	(2,117,695)
Transfers in	218	-	-	4,828,852	4,829,070
Transfers out	(3,211,796)	-	(843,338)	(773,718)	(4,828,852)
Total other financing sources (uses)	<u>(3,150,851)</u>	<u>-</u>	<u>(843,338)</u>	<u>4,109,793</u>	<u>115,604</u>
NET CHANGE IN FUND BALANCES	<u>4,554,615</u>	<u>1,591,673</u>	<u>(251,678)</u>	<u>2,450,581</u>	<u>8,345,191</u>
FUND BALANCES, MAY 1	<u>20,467,980</u>	<u>4,641,361</u>	<u>(4,484,915)</u>	<u>22,676,468</u>	<u>43,300,894</u>
Prior period adjustment	<u>2,167,135</u>	<u>(291,032)</u>	<u>-</u>	<u>(2,425,473)</u>	<u>(549,370)</u>
FUND BALANCE, MAY 1, AS RESTATED	<u>22,635,115</u>	<u>4,350,329</u>	<u>(4,484,915)</u>	<u>20,250,995</u>	<u>42,751,524</u>
FUND BALANCES, APRIL 30	<u>\$ 27,189,730</u>	<u>\$ 5,942,002</u>	<u>\$ (4,736,593)</u>	<u>\$ 22,701,576</u>	<u>\$ 51,096,715</u>

See notes to financial statements.

CITY OF O'FALLON, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2021

Net Change in Fund Balances - Governmental Funds	\$ 8,345,191
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	1,767,786
Contributions of capital assets are reported only in the statement of activities	237,661
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation of capital assets	(6,549,179)
Sales of capital assets are reported as a proceed in governmental funds but as a gain (loss) from sale on the statement of activities	(45,591)
The repayment and refunding of the principal portion long-term debt are reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	
Payment to escrow agent	2,117,695
Principal repaid	2,918,057
Amortization of debt related costs	(8,229)
The issuance of bonds is reported as an other financing source in governmental funds but as an increase of principal outstanding on the statement of activities	
Refunding bonds issued	(2,105,000)
Premium on refunding bonds issued	(36,609)
Certain changes in long-term debt are reported as (increases) decreases in interest expense on the statement of activities	
Change in accrued interest	41,345
The change in the net pension liability (asset) for the Illinois Municipal Retirement Fund is reported only in the statement of activities	2,263,749
The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(992,048)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Compensated absences	(74,330)
Change in Net Position of Governmental Activities	\$ 7,880,498

See notes to financial statements.

CITY OF O'FALLON, ILLINOIS

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

April 30, 2021

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 11,002,010	\$ 11,836,978	\$ 22,838,988
Investments	4,142,405	2,989,150	7,131,555
Receivables, net:			
Service charges	1,608,050	966,774	2,574,824
Interest	12,520	12,918	25,438
Due from other governmental entities	940	1,320	2,260
Other	32,521	-	32,521
Prepaid items	71,811	133,529	205,340
Total current assets	<u>16,870,257</u>	<u>15,940,669</u>	<u>32,810,926</u>
Noncurrent assets			
Non-depreciable capital assets:			
Land and construction in progress	892,860	2,414,734	3,307,594
Depreciable capital assets:			
Other capital assets, net	21,025,513	18,952,559	39,978,072
Net pension asset - IMRF	211,233	119,211	330,444
Advances to other funds	217,963	641,466	859,429
Total noncurrent assets	<u>22,347,569</u>	<u>22,127,970</u>	<u>44,475,539</u>
Total assets	<u>39,217,826</u>	<u>38,068,639</u>	<u>77,286,465</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	<u>263,711</u>	<u>148,827</u>	<u>412,538</u>
Total assets and deferred outflows of resources	<u>39,481,537</u>	<u>38,217,466</u>	<u>77,699,003</u>

This statement is continued on the following page.

CITY OF O'FALLON, ILLINOIS

STATEMENT OF NET POSITION - PROPRIETARY FUNDS (Continued)

April 30, 2021

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
LIABILITIES			
Current liabilities			
Accounts payable	944,429	928,982	\$ 1,873,411
Accrued payroll	24,088	13,396	37,484
Compensated absences payable	122,744	60,571	183,315
Unearned revenue	940	1,320	2,260
Current portion of bonds payable	360,000	200,000	560,000
Total current liabilities	<u>1,452,201</u>	<u>1,204,269</u>	<u>2,656,470</u>
Long-term liabilities			
Compensated absences payable	209,398	105,889	315,287
Long-term portion of bonds payable	2,905,000	1,865,000	4,770,000
Total long-term liabilities	<u>3,114,398</u>	<u>1,970,889</u>	<u>5,085,287</u>
Total liabilities	<u>4,566,599</u>	<u>3,175,158</u>	<u>7,741,757</u>
DEFERRED INFLOWS OF RESOURCES			
Pension items - IMRF	<u>574,696</u>	<u>324,334</u>	<u>899,030</u>
Total liabilities and deferred inflows of resources	<u>5,141,295</u>	<u>3,499,492</u>	<u>8,640,787</u>
NET POSITION			
Net investment in capital assets	18,653,373	19,302,293	37,955,666
Unrestricted	<u>15,686,869</u>	<u>15,415,681</u>	<u>31,102,550</u>
Total net position	<u>\$ 34,340,242</u>	<u>\$ 34,717,974</u>	<u>\$ 69,058,216</u>

See notes to financial statements.

CITY OF O'FALLON, ILLINOIS

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS**

For the Year Ended April 30, 2021

	Water	Sewer	Total
OPERATING REVENUES			
Charges for services:			
Sales	\$ 11,697,081	\$ 6,220,666	\$ 17,917,747
Tap-on fees	720,550	334,822	1,055,372
Service charges and fees	154,102	1,136,994	1,291,096
Sprinklers and hydrants	81,052	-	81,052
Total operating revenues	12,652,785	7,692,482	20,345,267
OPERATING EXPENSES			
Personal services	2,104,106	1,146,876	3,250,982
Contractual services	6,160,281	1,029,156	7,189,437
Commodities	378,373	496,846	875,219
Fee in lieu of taxes	589,280	230,530	819,810
Depreciation	1,309,608	1,253,192	2,562,800
Miscellaneous	5,599	12,509	18,108
Total operating expenses	10,547,247	4,169,109	14,716,356
OPERATING INCOME (LOSS)	2,105,538	3,523,373	5,628,911
NONOPERATING REVENUES (EXPENSES)			
Investment income	91,962	54,943	146,905
Interest expense	(106,339)	(33,919)	(140,258)
Miscellaneous refunds and reimbursements	31,768	14,347	46,115
Intergovernmental	81	27	108
Gain on sale of capital assets	1,730	41,730	43,460
Total nonoperating revenues (expenses)	19,202	77,128	96,330
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	2,124,740	3,600,501	5,725,241
TRANSFERS AND CAPITAL CONTRIBUTIONS			
Capital contributions	110,492	98,180	208,672
Transfers in	2,000,000	-	2,000,000
Transfers out	(153)	(2,000,065)	(2,000,218)
Total transfers and capital contributions	2,110,339	(1,901,885)	208,454
CHANGE IN NET POSITION	4,235,079	1,698,616	5,933,695
NET POSITION, MAY 1	29,977,385	32,988,721	62,966,106
Prior period adjustment	127,778	30,637	158,415
NET POSITION, MAY 1, AS RESTATED	30,105,163	33,019,358	63,124,521
NET POSITION, APRIL 30	\$ 34,340,242	\$ 34,717,974	\$ 69,058,216

See notes to financial statements.

CITY OF O'FALLON, ILLINOIS

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

For the Year Ended April 30, 2021

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 12,656,635	\$ 7,704,607	\$ 20,361,242
Payments to suppliers	(6,507,154)	(1,229,395)	(7,736,549)
Payments to employees	(2,369,022)	(1,347,518)	(3,716,540)
Miscellaneous receipts	31,768	14,347	46,115
	<u>3,812,227</u>	<u>5,142,041</u>	<u>8,954,268</u>
Net cash provided from operating activities			
Cash flows from noncapital financing activities:			
Decrease (increase) of interfund balances	(1,386,603)	1,298,622	(87,981)
Transfer in (out)	1,999,847	(2,000,065)	(218)
Intergovernmental	81	27	108
	<u>613,325</u>	<u>(701,416)</u>	<u>(88,091)</u>
Net cash used by noncapital financing activities			
Cash flows from capital and related financing activities:			
Payments on long-term debt	(300,113)	(737,367)	(1,037,480)
Interest on debt	(80,904)	(44,857)	(125,761)
Proceeds from sale of capital assets	1,730	41,730	43,460
Capital assets purchased	(1,194,569)	(2,317,028)	(3,511,597)
	<u>(1,573,856)</u>	<u>(3,057,522)</u>	<u>(4,631,378)</u>
Net cash used by capital and related financing activities			
Cash flows from investing activities			
Purchase (sale) of investment, net	965,331	262,178	1,227,509
Interest on investments	112,241	78,886	191,127
	<u>1,077,572</u>	<u>341,064</u>	<u>1,418,636</u>
Net cash used by investing activities			
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	3,929,268	1,724,167	5,653,435
CASH AND CASH EQUIVALENTS, MAY 1	7,072,742	10,112,811	17,185,553
CASH AND CASH EQUIVALENTS, APRIL 30	<u>\$ 11,002,010</u>	<u>\$ 11,836,978</u>	<u>\$ 22,838,988</u>

This statement is continued on the following page.

CITY OF O'FALLON, ILLINOIS

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (Continued)

For the Year Ended April 30, 2021

	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	<u>\$ 2,105,538</u>	<u>\$ 3,523,373</u>	<u>\$ 5,628,911</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	1,309,608	1,253,192	2,562,800
Miscellaneous	31,768	14,347	46,115
(Increase) decrease in:			
Accounts receivable	2,910	10,805	13,715
Prepaid items	14,564	28,253	42,817
Deferred outflows - IMRF	472,715	205,655	678,370
Increase (decrease) in:			
Accounts payable	611,815	511,393	1,123,208
Accrued payroll liabilities	2,477	2,506	4,983
Compensated absences payable	26,575	10,527	37,102
Deferred revenues	940	1,320	2,260
Net pension liability (asset) - IMRF	(670,575)	(331,766)	(1,002,341)
Deferred inflows - IMRF	<u>(96,108)</u>	<u>(87,564)</u>	<u>(183,672)</u>
Net cash provided by (used in) operating activities	<u>\$ 3,812,227</u>	<u>\$ 5,142,041</u>	<u>\$ 8,954,268</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Capital contribution	110,492	98,180	208,672
Issuance of refunding bonds	3,265,000	2,065,000	5,330,000
Issuance costs on refunding bonds	(41,504)	(7,739)	(49,243)
Refunding escrow payments	<u>(3,223,496)</u>	<u>(2,057,261)</u>	<u>(5,280,757)</u>
Total noncash investing, capital, and financing activities	<u>\$ 110,492</u>	<u>\$ 98,180</u>	<u>\$ 208,672</u>

See notes to financial statements.

CITY OF O'FALLON, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION

April 30, 2021

	Pension Trust Funds	Custodial Funds	Total
ASSETS			
Cash and cash equivalents	\$ 4,369,638	\$ 226,939	\$ 4,596,577
Restricted cash	-	616,023	616,023
Investments			
U.S. Treasuries	2,172,499	-	2,172,499
U.S. agency obligations	1,507,839	-	1,507,839
Corporate bonds	5,626,908	-	5,626,908
Negotiable certificates of deposit	2,193,403	-	2,193,403
Equity mutual funds	26,541,176	-	26,541,176
Receivables, net:			
Interest receivable	66,326	-	66,326
Total assets	<u>42,477,789</u>	<u>842,962</u>	<u>43,320,751</u>
LIABILITIES			
Due to primary government	678	-	678
Total liabilities	<u>678</u>	<u>-</u>	<u>678</u>
NET POSITION RESTRICTED			
Pension benefits	42,477,111	-	42,477,111
Debt service	-	842,962	842,962
Total net position	<u><u>\$ 42,477,111</u></u>	<u><u>\$ 842,962</u></u>	<u><u>\$ 43,320,073</u></u>

See notes to financial statements.

CITY OF O'FALLON, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Year Ended April 30, 2021

	Pension Trust Funds	Custodial Funds	Total
ADDITIONS			
Contributions:			
Plan members	\$ 465,444	\$ -	\$ 465,444
Employer	1,258,910	-	1,258,910
Property owners	-	565,077	565,077
Total contributions	<u>1,724,354</u>	<u>565,077</u>	<u>2,289,431</u>
Investment income:			
Interest earned	1,045,773	84	1,045,857
Net appreciation (depreciation) in fair value of investments	9,743,581	-	9,743,581
Less: investment fees	(28,501)	-	(28,501)
Net investment income	<u>10,760,853</u>	<u>84</u>	<u>10,760,937</u>
Total additions	<u>12,485,207</u>	<u>565,161</u>	<u>13,050,368</u>
DEDUCTIONS			
Benefits	1,656,027	-	1,656,027
Refunds	43,346	-	43,346
Administration services	15,831	-	15,831
Debt service			
Principal	-	425,000	425,000
Interest and fiscal charges	-	147,692	147,692
Total deductions	<u>1,715,204</u>	<u>572,692</u>	<u>2,287,896</u>
CHANGE IN NET POSITION	<u>10,770,003</u>	<u>(7,531)</u>	<u>10,762,472</u>
NET POSITION, MAY 1	32,971,108	-	32,971,108
Prior period adjustment	<u>(1,264,000)</u>	<u>850,493</u>	<u>(413,507)</u>
NET POSITION, MAY 1, AS RESTATED	<u>31,707,108</u>	<u>850,493</u>	<u>32,557,601</u>
NET POSITION, APRIL 30	<u><u>\$ 42,477,111</u></u>	<u><u>\$ 842,962</u></u>	<u><u>\$ 43,320,073</u></u>

See notes to financial statements.

CITY OF O'FALLON

NOTES TO FINANCIAL STATEMENTS

April 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of O'Fallon (the City) are prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP). However, the City has not determined whether the annual pension costs for the Police Pension and Firefighters' Pension Funds are overstated or understated, has not recognized the other postemployment benefit (OPEB) expense or liability, and has omitted required disclosures in accordance with accounting principles generally accepted in the United States of America. 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 Financial Reporting Entity

The City was incorporated on May 5, 1905 under the provisions of the State of Illinois. The City operates on a Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, health and social services (ambulance), culture and recreation, public improvements, planning and zoning, and general administrative services. Other services include utilities (water and sewer).

As required by generally accepted accounting principles, these financial statements present the City (the primary government) and all related organizations for which the City exercises financial accountability. The Police Pension Fund and Fire Pension Fund have been included as fiduciary component units due to the fiduciary responsibility exercised over these Pension Funds.

The City has developed criteria to determine whether outside agencies with activities which benefit the citizens of the City should be included within its financial statements as component units. The criteria for including organizations within the City's reporting entity, as set forth in GASB Statement No. 14, *The Financial Reporting Entity*, and updated in GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, is financial accountability. Financial accountability is defined as either 1) appointment of a voting majority of the component unit's board and either the ability to impose will by the primary government or the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government or 2) the component unit is fiscally dependent on the primary government and there are potential financial benefits or burdens on the primary government.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Discretely Presented Component Unit

The O'Fallon Public Library (the Library) has been determined to be part of the reporting entity because the City exercises financial accountability over the assets, operations, and management of the Library. The governing boards of the Library are appointed by the Mayor with approval of the City Council. Therefore, the Library is included in the accompanying financial statements as a discretely presented component unit. Separately audited financial statements of the Library are not available.

The Library's budget is approved and adopted by the City Council. The Library also submits its property tax levy to the Council for approval and the taxes are levied under the City's authority and included as part of the City's total tax levy.

Fiduciary Component Units

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 are appointed by the City's Mayor, one elected by pension beneficiaries, and two elected police employees constitute the pension board. The City is obligated to fund all PPERS costs not funded by PPERS participants based upon actuarial valuations, which creates a financial burden on the City. 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, which results in the PPERS being fiscally dependent upon the City. PPERS is reported as a pension trust fund. PPERS does not issue a stand-alone financial report.

Firefighters' Pension Employees Retirement System

The City's sworn firefighters 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 are appointed by the City's Mayor, one elected pension beneficiary, and two elected fire employees constitute the pension board. The City is obligated to fund all FPERS costs not funded by FPERS participants based upon actuarial valuations, which creates a financial on the City. 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, which results in the FPERS being fiscally dependent on the City. FPERS is reported as a pension trust fund. FPERS does not issue a stand-alone financial report.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report financial information for the City as a whole excluding fiduciary activities of the City such as employee pension plans. 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, which rely to a significant extent on fees and charges to external customers.

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) operating 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.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major enterprise funds are reported in separate columns with composite columns for nonmajor funds in the fund financial statements.

The City reports the following major governmental funds:

The General Fund is the City's main operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Motor Fuel Tax Special Revenue Fund is used to account for street maintenance and improvements financed by the City's restricted share of the state allotments.

The Tax Increment Financing (TIF) Special Revenue Fund is used to account for the financial transactions and proceeds of all the tax increment financing districts within the City.

The City reports the following major proprietary funds:

The Water and Sewer Enterprise Funds are used to account for the activities of the water and sewerage operations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Continued)

The City reports the following major fiduciary funds:

The City reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund. In addition, the City reports the following custodial funds as fiduciary funds: the Special Service Area Debt Service Fund, the Newbold Debt Service Fund, and the Harley Davidson Debt Service Fund, which accounts for the repayment of no commitment debt.

Fund Accounting

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

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

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of debt (debt service funds). 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 to 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 (e.g., assets held on behalf of outside parties, including other governments). The City utilizes pension trust funds which is generally used to account for assets that the City holds in a fiduciary capacity (for its Police and Firefighters' Pension Funds). The City utilizes custodial funds to account for funds received and restricted for debt service on the special service area (noncommitment) debt (for its Special Service Area Debt Service Fund, Newbold Debt Service Fund, and Harley Davidson Debt Service Fund.)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are reported when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing water, sewer, and recreation services. Incidental revenues/expenses are reported as nonoperating.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City.

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

Property taxes, sales taxes, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports unearned revenue on its financial statements. Unearned revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability or deferred inflow of resources for unearned revenue is removed from the combined balance sheet and revenue is recognized.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Budget

Budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations for all funds lapse at the end of the year.

Cash, Cash Equivalents, and Investments

Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit, and short-term investments with original maturities of three months or less from the date of acquisition.

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. Investment income earned on pooled cash or investments is allocated to the various funds. Investment income on restricted cash and investments is credited directly to the related fund.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash, Cash Equivalents, and Investments (Continued)

Investments (Continued)

The Illinois Public Reserves Investment Management Trust, known as IPRIME, is a Local Government Investment Pool (LGIP) and operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. GASB Statement No. 79 defines how LGIPs that comply with certain rules may continue to be valued at amortized cost and maintain a stable \$1.00 share price. IPRIME meets all of these requirements and is exempt from the requirements of Rule 2a-7 promulgated under the Investment Company Act of 1940. For the fiscal year ending 2020, IPRIME is audited under GASB accounting standards.

Allowance for Uncollectable Accounts

The City maintains an allowance for doubtful accounts in the following funds. This comprises the balances on accounts outstanding over a certain period.

	<u>2021</u>
Ambulance Fund	\$ 1,894,317
Water Fund	29,472
Sewer Fund	<u>15,795</u>
	<u>\$ 1,939,584</u>

Advances and Due To/From Other Funds

Noncurrent portions of long-term interfund loans receivable (reported in "advances to" asset accounts) are equally offset by fund balance reserve account which indicates that they do not constitute "available spendable resources" since they are not a component of net current assets. Current portions of long-term interfund loans receivable (reported in "due from" asset accounts) are considered "available spendable resources" and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statements as "internal balances."

Inventory

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of proprietary funds are recorded as expenditures when purchased rather than consumed. Accounting principles generally accepted in the United States of America require that the consumption method be used to recognize inventory purchases, however, management believes the effect of using the purchase method does not result in a material difference in the statement of inventory.

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Prepaid Expenses

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

Restricted Assets

Certain proceeds from the issuance of debt, as well as certain resources set aside for debt repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable debt covenants.

Property Taxes

The City's property tax is levied each year on all taxable real property located in the City on or before the last Tuesday in December. The levy is passed by the Council in December. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments due in July and September of the subsequent year. The City receives significant distributions of tax receipts in the months of July and September

For governmental funds, only property taxes which are intended to finance the current fiscal year and collected within 60 days subsequent to year-end, are recorded as revenues. The accompanying financial statements include the 2019 property tax levy in revenue.

The applicable tax statistics for the City, for the latest years available, are as follows:

	<u>2020</u>		<u>2019</u>	
Assessed Valuation	<u>\$ 765,414,890</u>		<u>\$ 737,327,557</u>	
	<u>Maximum</u>	<u>Actual</u>	<u>Maximum</u>	<u>Actual</u>
Tax Rates				
General	n/a	0.0131	n/a	0.0448
Fire protection	n/a	0.1732	n/a	0.1730
Fire pension	n/a	0.0066	n/a	0.0087
Ambulance	n/a	0.0784	n/a	0.0746
Library	n/a	0.1503	n/a	0.1537
Library – municipal retirement	n/a	0.0068	n/a	0.0070
Library – social security	n/a	0.0072	n/a	0.0075
Park and recreation	n/a	0.0889	n/a	0.0841
Police pension	n/a	0.1699	n/a	0.1628
Municipal retirement	n/a	0.0928	n/a	0.0959
Social security	n/a	0.1144	n/a	0.1106
		<u>0.9016</u>		<u>0.9227</u>

The City is home rule so maximum rates are not applicable.

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes (Continued)

The City also levies for seven special service areas for maintenance expense. They have various assessed valuations depending on the area serviced and are accounted for in the special revenue fund in total. The assessed valuation of all areas combined is \$37,150,365. Each area has a maximum rate of \$0.3500. The total extension for all areas combined is \$15,227.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost exceeding the totals listed below (amount not rounded) 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. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

Capital assets of the City and its component unit (O'Fallon Public Library), in excess of the following cost totals, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Cost</u>	<u>Years</u>
Buildings	\$ 50,000	40
Water and sewer system	50,000	20-40
Infrastructure	50,000	10-30
Equipment	25,000	5-20
Land/building improvements	50,000	20
Vehicles	15,000	5-10

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

Vacation

Vested or accumulated vacation leave that is matured and payable is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. The entire accumulated vacation leave is accrued when incurred in the government-wide financial statements. For governmental funds, the expenditure for vacation leave is recorded in the fund when the employees who have accumulated vacation leave are paid. Therefore, the current portion of the liability is not reported in the governmental funds.

Sick Leave

Eligible full-time employees will accrue sick leave benefits at the rate of 13 days per year (two hours for every full week worked). For part-time employees sick leave eligibility will be based on the foregoing schedule but will be prorated based on the total number of hours per week the employee is regularly scheduled to work as compared with a 40-hour work week. Sick leave benefits will be calculated based on the employee's base pay rate at the time of absence.

For employees hired prior to January 1, 2002, unused sick leave benefits will be paid to employees in good standing while they are employed or upon termination of employment up to 1040 hours. Employees may sell back to the City during their employment the 1040 hours, but the employee must maintain a minimum of 400 hours of available sick time. For employees hired after January 1, 2002, however, the maximum amount of unused sick leave that will be paid for upon separation is 480 hours.

A schedule of the accrual for combined vacation and sick leave follows:

	<u>Total</u>	<u>Due Within One Year</u>
Governmental activities	\$ 2,488,455	\$ 831,921
Business-type activities	498,602	183,315
Component unit	<u>89,599</u>	<u>25,591</u>
	<u>\$ 3,076,656</u>	<u>\$ 1,040,827</u>

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences (Continued)

Compensatory Time

A non-exempt employee, except for police or firefighters, who works more than 40 hours during a work week can receive a comparable amount of compensatory time off during the same work week after approval by the department supervisor. If the supervisor determines that the comp time cannot be taken during the same work week, the supervisor shall grant the accrual of comp time at the rate of one and one-half times or grant pay at the rate of one and one-half times the employee's regular hourly rate. An employee may accrue up to a maximum of 40 hours of banked comp time and shall make every effort to use compensatory time before the end of the fiscal year. Any compensatory time not used prior to the end of the fiscal year shall be bought back at the employee's regular rate of pay.

Liabilities for compensated absences for the City are generally liquidated from the General Fund, Park Fund, Fire Fund, Ambulance Fund, Water Fund, and Sewer Fund

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Although the straight-line method is not considered to be a generally accepted accounting principle, management feels that the use of this method will not result in a material difference. Bonds payable are reported net of the applicable bond premiums or discounts. Bond issuance costs are expensed when incurred.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance/Net Position

The government-wide and proprietary fund financial statements are classified in the following categories:

Net investment in capital assets – represents capital assets, net of accumulated depreciation, less the outstanding balance of any notes, leases, or other borrowings that are attributable to the acquisition, construction, or improvements of the assets. Net investment in capital assets excludes unspent bond and loan proceeds.

Restricted – represents net position that is legally restricted or identified for specific purposes by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted – represents net position that is the residual assets for future operations or distribution

The governmental fund equities, under GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, are classified in the following categories:

Nonspendable – represents fund balances that cannot be spent because they are either a) not in spendable form (i.e. inventory and prepaid items) or b) legally or contractually required to be maintained intact

Restricted – represents fund balances that can be used only for specific purposes due to a) constitutional provisions or enabling legislation or b) externally imposed constraints such as creditors, grantors, laws, or other governments

Committed – represents fund balances that can be used only for specific purposes pursuant to constraints imposed by the City Council, which is considered the City's highest level of decision-making authority, through an ordinance or resolution

Assigned – represents fund balances that are any amounts for which it is the City's intent that the funds be used for specific purposes but there is no legal or binding restrictions or commitments (i.e. assignments made by the City's management)

Unassigned – represents fund balances that are residual amounts for the government's general fund and includes all spendable amounts not contained in the other classifications

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance/Net Position (Continued)

The City's flow of funds assumption prescribes 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. The City would typically use Restricted fund balances first, followed by Committed resources and Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first.

Grant Revenue

Resources received by the City from other governments are accounted for within applicable funds based on the purpose and requirements of each grant. Revenues are recognized on an accounting basis consistent with the Fund's measurement objective.

Revenues related to expenditure-driven grants are recognized to the extent expenditures are incurred. Any excess or deficiency of grant revenues received compared to expenditures incurred is recorded as unearned revenue or amounts receivable from the grantor.

Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

Elimination of interfund activity has been made for governmental activities in the government-wide financial statements.

Use of Estimates

The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from those estimates.

Deferred Outflows and Inflows of Resources

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the City has delayed the implement of GASB Statement No. 87, *Leases*, to April 30, 2023.

2. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available-for-use by all funds except the pension trust funds. Each fund's portion of this pool is displayed on the financial statements as "cash and cash equivalents." In addition, investments are separately held by several of the City's funds. The deposits and investments of the pension trust funds are held separately from those of other funds. The investments are governed by three separate investment policies; one policy for the City adopted by the City Council which the Library also follows, and a policy each for the Police Pension Fund and the Firefighters' Pension Fund approved by their respective boards.

The City has adopted an investment policy consistent with Illinois Compiled Statutes (ILCS) governing the investments of the City. Statutes and the investment policy authorize the City to make deposits/invest in commercial banks, obligations of the United States Government, United States Government agencies and United States Government instrumentality obligations, obligations of corporations rated within the three highest classifications by one standard rating service, money market mutual funds, mutual funds with underlying investments guaranteed by the full faith and credit of the United States or other similar obligations of the United States and its instrumentalities, municipal bonds, Illinois Metropolitan Investment Fund, The Illinois Funds, and all other as allowable by ILCS. Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations, tax anticipation warrants, veterans' loans, obligations of the State of Illinois and its political subdivisions, and Illinois insurance company general and separate accounts, mutual funds and equity securities.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, deposits may not be returned to it. The investment policies of the City, Police Pension Fund, and Firefighters' Pension Fund require pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance. Collateral is to be held by the City or Pension Funds or in safekeeping or evidenced by a tri-party signed safekeeping agreement. At April 30, 2021, the City, Police Pension Fund, and Firefighters' Pension Fund had no uncollateralized deposits.

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Investments

The City and Pension Funds categorize 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 O'Fallon

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

In accordance with its investment policy, the City limits its exposure to interest rate risk by attempting to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City shall not directly invest in securities maturing more than three (3) years from the date of purchase. However, reserve funds may be invested in securities exceeding three (3) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

The following table presents the investments and maturities of the City's debt securities as of April 30, 2021:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Fixed income mutual funds	\$ 420,571	\$ -	\$ 211,524	\$ 209,047	\$ -
Negotiable certificates of deposit	1,978,497	1,216,482	762,015	-	-
TOTAL	\$ 2,399,068	\$ 1,216,482	\$ 973,539	\$ 209,047	\$ -

The City has the following recurring fair value measurements as of April 30, 2021: the fixed income mutual funds of \$420,571, the equity mutual funds of \$556,340, and the negotiable certificates of deposit of \$1,978,497 are valued using quoted matrix pricing models (Level 2 inputs).

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. State law limits investments in commercial paper, corporate bonds, and money market mutual funds to the top two ratings, issued by nationally recognized statistical rating organizations. The City has an investment policy that further limits its investment choices. As of April 30, 2021, the City's deposits in the Illinois Funds external investment pool was rated AAAM by Standard & Poor's. The investments fixed income mutual funds and negotiable certificates of deposit for the City are not rated.

2. DEPOSITS AND INVESTMENTS

Investments (Continued)

City of O'Fallon (Continued)

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. State law requires depository financial institutions to pledge as collateral for public funds on deposit, governmental unit securities, which, when combined with Federal Deposit Insurance Corporation ("FDIC") insurance, are at least equal to the amount on deposit at all times. To limit its exposure, the City's investment policy 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 City's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the City's name. The Illinois Funds and the money market mutual fund are not subject to custodial credit risk.

Concentration of credit risk - The City's investment policy diversifies investments by limiting investments to avoid over-concentration in securities from a specific issuer, investing in securities with varying maturities, investing a portion of the portfolio in readily available funds such as bank cash management accounts, money market funds, Illinois Funds to ensure liquidity is maintained to meet ongoing obligations. With the exception of U.S. Treasuries and U.S. agency obligations, as well as Illinois Investment Pools, no more than 50% of the City of O'Fallon's total investment portfolio shall be invested in a single security type and no more than 50% of the City's total investment portfolio shall be invested with a single financial institution. The City had four certificates of deposit (14.50%, 11.61%,

O'Fallon Police Pension Fund

In accordance with its investment policy, the Police Pension Fund limits its exposure to interest rate risk by attempting to match its investments with anticipated cash flow requirements. The investment policy does not limit the maximum maturity length of investments in the Fund.

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS

Investments (Continued)

O'Fallon Police Pension Fund (Continued)

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of April 30, 2021:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasuries	\$ 2,066,207	\$ 252,148	\$ 829,320	\$ 984,739	\$ -
U.S. agency obligations	1,374,133	15	493,537	228	880,353
Corporate bonds	5,364,744	906,793	4,457,951	-	-
Negotiable certificates of deposit	1,940,386	-	1,940,386	-	-
TOTAL	\$ 10,745,470	\$ 1,158,956	\$ 7,721,194	\$ 984,967	\$ 880,353

The Police Pension Fund has the following recurring fair value measurements as of April 30, 2021: the U.S. Treasuries of \$2,066,207 and the equity mutual funds of \$26,419,632 are valued using quoted prices in active markets for identical assets (Level 1 inputs), the U.S. agency obligations of \$1,374,133, the corporate bonds of \$5,364,744, negotiable certificates of deposit of \$1,940,386, are valued using quoted matrix pricing models (Level 2 inputs).

The Police Pension 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 obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government, certificates of deposit issued by federally chartered banks or savings and loan institutions, and investment-grade corporate bonds rated at or above BBB- by Standard and Poor's or Baa3 by Moody's. The U.S. agency obligations are rated AA+ to AAA, the corporate bonds are rated A to AAA, and the certificates of deposit are not rated.

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's investment policy 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 Illinois Funds, money market mutual funds, and equity mutual funds are not subject to custodial credit risk.

Concentration of credit risk – There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represents 5% or more of the Police Pension Fund's investments.

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

O'Fallon Firefighters' Pension Fund

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of April 30, 2021:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasuries	\$ 106,292	\$ -	\$ 106,292	\$ -	\$ -
U.S. agency obligations	133,706	-	133,706	-	-
Corporate bonds	262,164	50,749	211,415	-	-
Negotiable certificates of deposit	253,017	50,287	202,730	-	-
TOTAL	\$ 755,179	\$ 101,036	\$ 654,143	\$ -	\$ -

The Firefighters' Pension Fund has the following recurring fair value measurements as of April 30, 2021: the U.S. Treasuries of \$106,292 and the equity mutual funds of \$121,544 are valued using quoted prices in active markets for identical assets (Level 1 inputs), the U.S. agency obligations of \$133,706, the corporate bonds of \$262,164, negotiable certificates of deposit of \$253,017, are valued using quoted matrix pricing models (Level 2 inputs).

The Firefighters' Pension 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 obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government, certificates of deposit issued by federally chartered banks or savings and loan institutions, and investment-grade corporate bonds rated at or above BBB- by Standard and Poor's or Baa3 by Moody's. The U.S. agency obligations are rated AA+ to AAA, the corporate bonds are rated A to AAA, and the certificates of deposit are not rated.

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's investment policy 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 Illinois Funds, money market mutual funds, and equity mutual funds are not subject to custodial credit risk.

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

O'Fallon Firefighters' Pension Fund

Concentration of credit risk - There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represents 5% or more of the Police Pension Fund's investments, aside from one U.S. government obligation (5.53%), three corporate bonds (5.74%, 6.18%, 6.18%), and one certificate of deposit (5.68%).

3. CAPITAL ASSETS

The City's capital asset activity for the year ended April 30, 2021 was as follows:

	Balance May 1, 2020, Restated	Additions	Reductions	Balance April 30, 2021
<u>Governmental Activities</u>				
Non-depreciable capital assets				
Land	\$29,894,424	\$ -	\$ -	\$29,894,424
Construction in process	671,110	1,024,281	660,380	1,035,011
Total Non-depreciable capital assets	30,565,534	1,024,281	660,380	30,929,435
Depreciable capital assets				
Land/building improvements	12,736,066	-	-	12,736,066
Buildings	25,493,943	-	-	25,493,943
Equipment	7,958,060	224,840	194,269	7,988,631
Vehicles	7,647,217	518,665	164,695	8,001,187
Parks/Sportsplex	30,624,557	-	-	30,624,557
Infrastructure	144,796,487	898,041	-	145,694,528
Total Depreciable capital assets	229,256,330	1,641,546	358,964	230,538,912
Less: Accumulated depreciation				
Land/building improvements	3,273,593	422,908	-	3,696,501
Buildings	9,686,463	669,343	-	10,355,806
Equipment	6,600,237	374,044	194,269	6,780,012
Vehicles	5,685,955	707,997	119,104	6,274,848
Parks/Sportsplex	9,740,373	1,993,710	-	11,734,083
Infrastructure	111,215,506	2,381,177	-	113,596,683
Total Accumulated depreciation	146,202,127	6,549,179	313,373	152,437,933
Depreciable capital assets, net	83,054,203	(4,907,633)	45,591	78,100,979
Governmental Activities Capital Assets, Net	<u>\$113,619,737</u>	<u>\$ (3,883,352)</u>	<u>\$ 705,971</u>	<u>\$109,030,414</u>

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CAPITAL ASSETS (Continued)

	Balance May 1, 2020, Restated	Additions	Reductions	Balance April 30, 2021
<u>Business-Type Activities</u>				
Non-depreciable capital assets				
Land	\$ 584,357	\$ -	\$ -	\$ 584,357
Construction in process	2,154,358	3,334,417	2,765,538	2,723,237
Total Non-depreciable capital assets	2,738,715	3,334,417	2,765,538	3,307,594
Depreciable capital assets				
Buildings and improvements	2,580,958	-	-	2,580,958
Equipment	11,982,816	177,180	14,367	12,145,629
Utility systems	70,475,912	2,974,210	-	73,450,122
Total Depreciable capital assets	85,039,686	3,151,390	14,367	88,176,709
Less: Accumulated depreciation				
Buildings and improvements	1,174,680	79,991	-	1,254,671
Equipment	9,230,126	451,552	14,367	9,667,311
Utility systems	35,245,398	2,031,257	-	37,276,655
Total Accumulated depreciation	45,650,204	2,562,800	14,367	48,198,637
Depreciable capital assets, net	39,389,482	588,590	-	39,978,072
Business-Type Activities Capital Assets, Net	\$ 42,128,197	\$ 3,923,007	\$ 2,765,538	\$ 43,285,666
Primary Government Capital Assets, Net	\$ 155,747,934	39,655	3,471,509	152,316,080

Depreciation expense was charged to functions/programs of the primary government and component unit for the year ended April 30, 2021 as follows:

	Amount
<u>Governmental Activities:</u>	
General government	\$ 334,193
Public safety	1,071,780
Highways and streets, including depreciation of general infrastructure assets	2,710,642
Cultural and recreation	2,432,564
Total Depreciation Expense - Governmental Activities	\$ 6,549,179
<u>Business-type Activities:</u>	
Water Funds	\$ 1,309,608
Sewer Funds	1,253,192
Total Depreciation Expense - Business-type Activities	\$ 2,562,800

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT

Long-term liability activity for the year ended April 30, 2021 was as follows:

	Balance May 1, 2020, Restated	Additions	Reductions	Balance April 30, 2021	Due Within One Year
Governmental Activities:					
Bonds Payable					
Bonds payable 2010	\$ 3,135,000	\$ -	\$ 3,135,000	\$ -	\$ -
Bonds payable 2015	6,830,000	-	310,000	6,520,000	330,000
Bonds payable 2016	1,970,000	-	395,000	1,575,000	400,000
Bonds payable 2017	8,400,000	-	385,000	8,015,000	395,000
Bonds payable 2018A	8,285,000	-	110,000	8,175,000	110,000
Bonds payable 2018B	9,035,000	-	10,000	9,025,000	10,000
Bonds payable 2018C	5,155,000	-	460,000	4,695,000	475,000
Bonds payable 2020 (direct placement)	-	2,105,000	-	2,105,000	1,090,000
Add: Premiums on bonds	1,515,015	36,609	181,436	1,370,188	-
Total Bonds Payable	44,325,015	2,141,609	4,986,436	41,480,188	2,810,000
Notes Payable					
Fire truck (direct placement)	746,553	-	213,057	533,496	221,568
Total Notes Payable	746,553	-	213,057	533,496	221,568
Compensated absences	2,414,125	2,488,455	2,414,125	2,488,455	831,921
Net pension liability - IMRF*	1,350,455	-	1,350,455	-	-
Total Governmental Activities	\$ 48,836,148	\$ 4,630,064	\$ 8,964,073	\$ 44,502,139	\$ 3,863,489

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

	Balance May 1, 2020, Restated	Additions	Reductions	Balance April 30, 2021	Due Within One Year
Business-Type Activities:					
Water Fund – Notes Payable					
Water construction note	\$ 438,166	\$ -	\$ 438,166	\$ -	\$ -
Water tank note	3,085,443	-	3,085,443	-	-
Total Water Fund – Notes Payable	3,523,609	-	3,523,609	-	-
Water Fund – Bonds Payable					
Bonds payable 2021					
Water construction (direct placement)	-	420,000	-	420,000	55,000
Bonds payable 2021					
Water tank (direct placement)	-	2,845,000	-	2,845,000	305,000
Total Water Fund – Bonds Payable	-	3,265,000	-	3,265,000	360,000
Sewer Fund – Notes Payable					
Construction loan	2,794,629	-	2,794,629	-	-
Total Sewer Fund – Notes Payable	2,794,629	-	2,794,629	-	-
Sewer Fund – Bonds Payable					
Construction (direct placement)	-	2,065,000	-	2,065,000	200,000
Total Sewer Fund – Notes Payable	-	2,065,000	-	2,065,000	200,000
Compensated absences	461,500	498,602	461,500	498,602	183,315
Net pension liability - IMRF*	671,897	-	671,897	-	-
Total Business-Type Activities	\$ 7,451,635	\$ 5,828,602	\$ 7,451,635	\$ 5,828,602	\$ 743,315
Total Primary Government Long-Term Liabilities	\$ 56,287,783	\$ 10,458,666	\$ 16,415,708	\$ 50,330,741	\$ 4,606,804

* The IMRF net pension liabilities became net pension assets as of April 30, 2021.

Bonds payable

Governmental Activities

The City issued \$18,450,000 in General Obligation Refunding Bonds Series 2009 to defease a portion of a previous 2006 bond issue and to finance additions to the City park. The bonds have interest rates ranging from 3.00% to 5.50%. In October of 2018, these bonds were refunded and the City issued \$9,205,000 General Obligation Refunding Bonds, Series 2018B and \$5,645,000 General Obligation Refunding Bonds, Series 2018C.

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

Bonds payable (Continued)

Governmental Activities (Continued)

The new bonds have interest rates ranging from 3.00% - 4.00%. This debt is paid from the 2002 Bond Issue Fund, the Convention Center Fund, and the Sports Park Fund. The following is the future debt service maturity schedule

For the years ending April 30,	Series 2018B		Series 2018C	
	Principal	Interest	Principal	Interest
2022	\$ 10,000	\$ 372,010	\$ 475,000	\$ 187,800
2023	10,000	371,710	490,000	168,800
2024	10,000	371,410	510,000	149,200
2025	10,000	371,110	535,000	128,800
2026-2030	2,325,000	1,806,330	2,685,000	236,400
2031-2035	6,660,000	820,000	-	-
	<u>\$ 9,025,000</u>	<u>\$ 4,112,570</u>	<u>\$ 4,695,000</u>	<u>\$ 871,000</u>

The City also issued \$9,295,000 in General Obligation Taxable Bonds Series 2009A to finance an addition to the City library and additions to the City park. These were Build America Bonds and had interest rates ranging from 2.50% to 6.30%. Build America Bonds provide a federal subsidy through a refundable credit payable to the City by the U.S. Treasury in an amount equal up to 35% of the total coupon interest payable, however, the City has not received the full 35% in recent years due to sequestration. These bonds were being paid from governmental funds and the component unit but the City approved in 2012 to pay all debt from governmental funds. In September of 2018, these bonds were refunded and the City issued \$8,390,000 General Obligation Refunding Bonds, Series 2018A. The new bonds have interest rates ranging from 3.00% - 4.00%. This debt is paid from the Sports Park Fund and the Build America Fund. The following is the future debt service maturity schedule:

For the years ending April 30,	Principal	Interest	Total
2022	\$ 110,000	\$ 312,100	\$ 422,100
2023	115,000	308,800	423,800
2024	120,000	305,350	425,350
2025	120,000	301,750	421,750
2026-2030	525,000	1,451,900	1,976,900
2031-2035	-	1,412,000	1,412,000
2036-2039	7,185,000	735,000	7,920,000
	<u>\$ 8,175,000</u>	<u>\$ 4,826,900</u>	<u>\$ 13,001,900</u>

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

Bonds payable (Continued)

Governmental Activities (Continued)

The City issued \$7,125,000 in General Obligation Bonds Series 2015 during the fiscal year ended April 30, 2016 for the purpose of financing the costs of remediation and certain other infrastructure costs in connection with developer improvements to a portion of a hospital medical campus. The bonds have interest rates ranging from 2.00% to 4.00%. This debt is paid from the Green Mount Fund. The following is the future debt service to maturity schedule:

<u>For the years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 330,000	\$ 218,900	\$ 548,900
2023	345,000	212,300	557,300
2024	355,000	205,400	560,400
2025	375,000	197,590	572,590
2026-2030	3,355,000	721,125	4,076,125
2031-2034	1,760,000	169,445	1,929,445
	<u>\$ 6,520,000</u>	<u>\$ 1,724,760</u>	<u>\$ 8,244,760</u>

The City issued \$3,495,000 in General Obligation Bonds Series 2016 to refund a portion of a previous 2006 bond issue. The bonds have interest rates ranging from 2.00% to 3.00%. This debt is paid from the 2010 Bond Issue Fund, Convention Center Fund, and Sports Park Fund. The following is the future debt service maturity schedule:

<u>For the years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 400,000	\$ 45,250	\$ 445,250
2023	410,000	35,250	445,250
2024	425,000	22,950	447,950
2025	340,000	10,200	350,200
	<u>\$ 1,575,000</u>	<u>\$ 113,650</u>	<u>\$ 1,688,650</u>

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

Bonds payable (Continued)

Governmental Activities (Continued)

The City issued \$9,460,000 of General Obligation Bonds Series 2017 to finance the costs of acquisition, construction, and/or improvements of a downtown plaza, the family sports park soccer complex, and other capital improvements related to the City's Destination O'Fallon Economic Development Project. The bonds have interest rates ranging from 2.00% to 3.65%. This debt is paid from the Destination O'Fallon Fund. The following is the future debt service maturity schedule:

<u>For the years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 395,000	\$ 257,285	\$ 652,285
2023	405,000	247,410	652,410
2024	420,000	235,260	655,260
2025	430,000	222,660	652,660
2026-2030	2,355,000	914,845	3,269,845
2031-2035	2,760,000	517,785	3,277,785
2036-2037	1,250,000	60,495	1,310,495
	<u>\$ 8,015,000</u>	<u>\$ 2,455,740</u>	<u>\$ 10,470,740</u>

The City issued \$2,105,000 in General Obligation Refunding Bonds Series 2020 during fiscal year 2020 to refund a portion of the General Obligation Refunding Bonds, Series 2001 and a portion of the General Obligation Bonds Series, 2002B.

On September 15, 2020, the City issued \$2,105,000 General Obligation Refunding Bonds Series 2020 to refund \$2,100,000 of the outstanding General Obligation Bonds, Series 2010. As a result of the refunding, the City realized a cash flow savings of \$81,719 and an economic gain of \$83,008. The bonds have an interest rate of 1.00%. This debt is paid from the 2002 Bond Issue Fund and the 2010 Bond Issue Fund. The following is the future debt service to maturity schedule:

<u>For the fiscal years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,090,000	\$ 27,248	\$ 1,117,248
2023	505,000	10,150	515,150
2024	510,000	5,100	515,100
	<u>\$ 2,105,000</u>	<u>\$ 42,498</u>	<u>\$ 2,147,498</u>

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

Bonds payable (Continued)

Business-type activities

On March 23, 2021, the City issued \$5,330,000 General Obligation Refunding Bonds, Series 2021 to refund \$413,258 of the outstanding IEPA Note Payable L17-2797, \$2,810,237 of the outstanding IEPA Note Payable L17-128600, and \$2,057,262 of the outstanding IEPA Note Payable L17-3318. As a result of the refunding, the City realized a cash flow savings of \$158,398 and an economic gain of \$161,668. The bonds have an interest rate of 1.55%. This debt is paid from the Water Fund and the Sewer Fund. The following is the future debt service to maturity schedule:

General Obligation Refunding Bonds, Series 2021 – Construction loan – water

The annual requirements to amortize the above debt outstanding including interest as of April 30, 2021 are as follows:

For the fiscal years ending April 30,	Water Construction Loan			Water (Tank) Construction Loan		
	Principal	Interest	Total	Interest	Principal	Total
2022	\$ 55,000	5,280	60,280	305,000	35,768	340,768
2023	55,000	5,658	60,658	300,000	39,370	339,370
2024	55,000	4,805	59,805	305,000	34,720	339,720
2025	55,000	3,953	58,953	310,000	29,993	339,993
2026	55,000	3,100	58,100	315,000	25,188	340,188
2027-2030	145,000	4,108	4,108	1,310,000	51,150	1,361,150
	<u>\$ 420,000</u>	<u>\$ 26,904</u>	<u>\$ 446,904</u>	<u>\$ 2,845,000</u>	<u>\$ 216,189</u>	<u>\$ 3,061,189</u>

General Obligation Refunding Bonds, Series 2021 – Construction loan – sewer

For the fiscal years ending April 30,	Principal	Interest	Total
2022	\$ 200,000	\$ 25,962	\$ 225,962
2023	195,000	28,908	223,908
2024	200,000	25,885	225,885
2025	200,000	22,785	222,785
2026	205,000	19,685	224,685
2027-2031	1,065,000	50,065	1,115,065
	<u>\$ 2,065,000</u>	<u>\$ 173,290</u>	<u>\$ 2,238,290</u>

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

Loans and notes payable

Governmental activities

During fiscal years 2013 and 2014, the City borrowed funds for the purchase of three fire trucks. In September 2016, the City refinanced this loan for \$1,440,473. The loan was again refinanced in December 2019 for \$809,616. The loan is payable in monthly installments of principal and interest of \$19,851, with interest at 3.90%, and matures in August 2023. This debt is paid from the Fire Fund. The following is the future debt service to maturity schedule:

For the fiscal years ending April 30,	Principal	Interest	Total
2022	\$ 221,568	\$ 16,642	\$ 238,210
2023	230,365	7,845	238,210
2024	81,563	4,081	85,644
	<u>\$ 533,496</u>	<u>\$ 28,568</u>	<u>\$ 562,064</u>

No Commitment Debt - Special Service Area Bonds

The City issued various ad valorem tax bonds during the fiscal year ended April 30, 2005 for some of its special service areas; the proceeds were used for various commercial ventures near a major interstate within the City, which were refunded with the issuance of the Special Tax Refunding Bonds Series 2018. The bonds are payable by a tax levy from the SSA #1, SSA #2, and SSA #4 only, and are not City obligations. Bonds outstanding at April 30, 2021 were \$615,000, \$100,000, and \$410,000 for SSA #1, SSA #2, and SSA #4, respectively. These bonds are treated as special service area no commitment debt without City obligation. The City acts only as an agent for the property owners in collecting property taxes and forwarding payments to the bond paying agent. The bonds are not reflected in long-term debt.

During fiscal year ending April 30, 2013, the City issued the 2012A Special Service Area #6 (\$1,540,000) and 2012B Special Service Area #7 (\$1,360,000) ad valorem tax refunding bonds in order to refund bonds previously issued in 2007; the original proceeds were used for various commercial ventures within the City. The bonds are payable by a tax levy from the SSA #6 (Newbold Debt Service Fund) and SSA #7 (Harley Davidson Debt Service Fund) only, and are not City obligations. Bonds outstanding at April 30, 2021 were \$765,000 and \$740,000 for SSA #6 and SSA #7, respectively. These bonds are treated as special service area no commitment debt without City obligation. The City acts only as an agent for the property owners in collecting property taxes and forwarding payments to the bond paying agent. The bonds are not reflected in long-term debt.

4. LONG-TERM DEBT (Continued)

Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property: ... (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent; ... Indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum ... shall not be included in the foregoing percentage amount."

To date the General Assembly has set no limits for home rule municipalities. The City is a home rule municipality. Under the Illinois Compiled Statutes, home rule governments may issue notes and bonds in excess of any statutory limitation and they shall not reduce the debt incurring power otherwise authorized for any such unit of government. Therefore, the City has no legal debt limitation.

5. EMPLOYEE RETIREMENT SYSTEMS

The City has three separate retirement plans for its employees as follows:

Police Pension Fund

Defined Benefit Pension Plan

The City contributes to a defined benefit pension plan, the Police Pension Plan, which is a single employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions are established and administered as prescribed by "Article 3. Police Pension Fund – Municipalities 500,000 and Under," of the Illinois Pension Code and can only be amended by the Illinois General Assembly. The pension plan does not issue a separate report.

Plan Description

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 Board of Trustees. Two members of the Board of Trustees are appointed by the City's Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Police Pension Fund (Continued)

Plan Description (Continued)

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.

At April 30, 2020 (most recent information available), the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits, but not yet receiving them	31
Current employees	48
Total	<u>79</u>

Benefits Provided

The Police Pension Plan provides retirement benefits through two tiers of 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 a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 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 obtaining 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 police officer 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 officers' salary for pension purposes is capped at \$113,645, 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.

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Police Pension Fund (Continued)

Benefits Provided (Continued)

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 police officer 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 Police Pension Plan as actuarially determined by an enrolled actuary, including amounts for administrative costs. Benefits and refunds are recorded as a liability when due and payable. 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 pension year ended April 30, 2020 (most recent information available), the City's contribution as a percentage of covered payroll was 29.03%.

Annual Pension Cost

Employer contributions have been determined as follows:

Actuarial valuation date	May 1, 2020
Funding method	Projected Unit Credit
Amortization method	Normal cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan's funded ratio to 90% by the end of fiscal year 2040
Asset valuation method	Investment gains and losses are recognized over a 5-year period
Significant Actuarial Assumptions:	
Interest rate	6.50%
Interest rate, prior fiscal year	6.50%
Health mortality rates - Male	RP-2014 Health Annuitant with Blue Collar Adjustment, Males

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Police Pension Fund (Continued)

Annual Pension Cost (Continued)

Employer contributions (Continued)

Significant Actuarial Assumptions: (Continued)

Health mortality rates - Female	RP-2014 Health Annuitant with Blue Collar Adjustment, Females
Disability mortality rates - Male	115% of RP-2014 Health Annuitant with Blue Collar Adjustment, Males
Disability mortality rates - Female	115% of RP-2014 Health Annuitant with Blue Collar Adjustment, Females
Decrements other than mortality	Experience tables
Rate of service-related deaths	10.00%
Rate of service-related disabilities	60.00%
Salary increases	Service-related table with rates grading from 11.00% to 3.50% at 33 years of service
Payroll growth	3.50%
Tier 2 cost-of-living adjustment	1.25%
Marital assumptions	80% of members are assumed to be married; male spouses are assumed to be 3 years older than female spouses

Firefighters' Pension Fund

Defined Benefit Pension Plan

The City contributes to a defined benefit pension plan, the Firefighters' Pension Fund, which is a single employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions are established and administered as prescribed by "Article 4. Firefighters' Pension Fund – Municipalities 500,000 and Under" of the Illinois Pension Code and can only be amended by the Illinois General Assembly. The pension plan does not issue a separate report.

Plan Description

The Firefighters' Pension Fund is administered by a Board of Trustees located in each municipality maintaining a pension fund for its firefighters. Its duties are to control and manage the pension fund, to hear and determine applications for pensions, to authorize payment of pensions, to establish rules, to pay expenses, to invest funds, and to keep records. The City accounts for the plan as a pension trust fund.

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Firefighters' Pension Fund (Continued)

Plan Description (Continued)

At April 30, 2020 (most recent information available), the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits, but not yet receiving them	1
Current employees	<u>2</u>
Total	<u><u>3</u></u>

Benefits Provided

The Firefighters' Pension Plan provides retirement benefits through two tiers of 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 of a covered employee who retired with 20 or more years of service after January 1, 1977 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 obtaining 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 \$113,645, 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.

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Firefighters' Pension Fund (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 less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary including amounts for administrative costs. Benefits and refunds are recorded as a liability when due and payable. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past services costs for the Firefighters' Pension Plan. For the pension year ended April 30, 2020 (most recent information available), the City's contribution as a percentage of covered payroll was 36.51%.

Annual Pension Cost

Employer contributions have been determined as follows:

Actuarial valuation date	May 1, 2020
Funding method	Projected Unit Credit
Amortization method	Normal cost, plus an additional amount (determined as a level percentage of payroll) to bring the plan's funded ratio to 90% by the end of fiscal year 2040
Asset valuation method	Investment gains and losses are recognized over a 5-year period
Significant Actuarial Assumptions:	
Interest rate	5.00%
Interest rate, prior fiscal year	5.00%
Health mortality rates - Male	RP-2014 Health Annuitant with Blue Collar Adjustment, Males
Health mortality rates - Female	RP-2014 Health Annuitant with Blue Collar Adjustment, Females
Disability mortality rates - Male	115% of RP-2014 Health Annuitant with Blue Collar Adjustment, Males
Disability mortality rates - Female	115% of RP-2014 Health Annuitant with Blue Collar Adjustment, Females
Decrements other than mortality	Experience tables

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Firefighters' Pension Fund (Continued)

Annual Pension Cost (Continued)

Employer contributions (Continued)

Significant Actuarial Assumptions: (Continued)

Rate of service-related deaths	20.00%
Rate of service-related disabilities	80.00%
Salary increases	Service-related table with rates grading from 12.50% to 3.50% at 31 years of service
Payroll growth	3.50%
Tier 2 cost-of-living adjustment	1.25%
Marital assumptions	80% of members are assumed to be married; male spouses are assumed to be 3 years older than female spouses

Schedule of Fiduciary Net Position

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and cash equivalents	\$ 4,340,824	\$ 28,814	\$ 4,369,638
Investments			
U.S. Treasuries	2,066,207	106,292	2,172,499
U.S. agency obligations	1,374,133	133,706	1,507,839
Corporate bonds	5,364,744	262,164	5,626,908
Negotiable certificates of deposit	1,940,386	253,017	2,193,403
Equity mutual funds	26,419,632	121,544	26,541,176
Receivables			
Accrued interest	62,028	4,298	66,326
Total assets	41,567,954	909,835	42,477,789
LIABILITIES			
Due to primary government	678	-	678
Total liabilities	678	-	678
NET POSITION RESTRICTED FOR PENSION BENEFITS			
	\$ 41,567,276	\$ 909,835	\$ 42,477,111

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Schedule of Changes in Fiduciary Net Position

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Plan members	\$ 447,502	\$ 17,942	\$ 465,444
Employer	1,195,365	63,545	1,258,910
Total contributions	1,642,867	81,487	1,724,354
INVESTMENT INCOME			
Interest earned	1,023,437	22,336	1,045,773
Net appreciation on fair value of investments	9,709,682	33,899	9,743,581
Less: investment fees	(26,579)	(1,922)	(28,501)
Net investment income	10,706,540	54,313	10,760,853
Total additions	12,349,407	135,800	12,485,207
DEDUCTIONS			
Benefits	1,656,027	-	1,656,027
Refunds	43,346	-	43,346
Administration services	14,144	1,687	15,831
Total deductions	1,713,517	1,687	1,715,204
CHANGE IN NET POSITION	10,635,890	134,113	10,770,003
NET POSITION			
May 1	32,131,386	839,722	32,971,108
Prior period adjustment	(1,200,000)	(64,000)	(1,264,000)
May 1, as restated	30,931,386	775,722	31,707,108
April 30	\$ 41,567,276	\$ 909,835	\$ 42,477,111

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Illinois Municipal Retirement Fund

IMRF Plan Description

All employees (including those of the discretely presented component unit and other than those covered by the Police and Firefighters' Pension Plan) hired in positions that need 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. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by ILCS and can only be amended by the Illinois General Assembly.

Benefits Provided

All IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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 employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Illinois Municipal Retirement Fund (Continued)

Employees Covered by Benefit Terms

At December 31, 2020 (most recent information available), the following employees were covered by the benefit terms:

Retirees and Beneficiaries currently receiving benefits	92
Inactive Plan Members entitled to by not yet receiving benefits	95
Active Plan Members	<u>161</u>
	<u>348</u>

Contributions

As set by statute, the City's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate for fiscal year 2021 was 8.83% of covered payroll. For the fiscal year ended April 30, 2021, the City contributed \$859,246 to the plan, of which \$41,322 were Library contributions. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The City's net pension liability (asset) was measured as of December 31, 2020. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2020, using the following actuarial methods and assumptions:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Fair Value of Assets
- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability 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, IMRF'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 was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

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 and Library calculated using the discount rate of 7.25% as well as what the City's and Library'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) - IMRF			
City	\$ 3,295,252	\$ (1,243,738)	\$ (4,693,156)
Library	167,967	(63,396)	(239,220)
Total	<u>\$ 3,463,219</u>	<u>\$ (1,307,134)</u>	<u>\$ (4,932,376)</u>

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at January 1, 2020	\$ 34,293,458	\$ 32,125,714	\$ 2,167,744
Changes for the year:			
Service cost	903,682	-	903,682
Interest	2,461,290	-	2,461,290
Difference between expected and actual experience	261,962	-	261,962
Change in assumptions	(439,380)	-	(439,380)
Contributions - employer	-	816,416	(816,416)
Contributions - employee	-	583,627	(583,627)
Net investment income	-	4,792,149	(4,792,149)
Benefit payments, including refunds	(1,600,365)	(1,600,365)	-
Other (net transfer)	-	470,240	(470,240)
Net changes	1,587,189	5,062,067	(3,474,878)
Balances at December 31, 2020	\$ 35,880,647	\$ 37,187,781	\$ (1,307,134)

Changes in assumptions related to the inflation rate, salary increases, and mortality rates were made in 2020.

	City	Library	Total
Beginning Net Pension Liability (Asset) at January 1, 2020	\$ 2,022,352	\$ 145,392	\$ 2,167,744
Employer contributions	\$ 776,820	\$ 39,596	\$ 816,416
Ending Net Pension Liability (Asset) at December 31, 2020	\$ (1,243,738)	\$ (63,396)	\$ (1,307,134)

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

5. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2021, the City recognized pension expense of \$(961,420) and the Library recognized \$(66,814). At April 30, 2021, the City and Library reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 842,519	\$ 246,328
Changes in assumption	499,461	705,881
Net difference between projected and actual earnings on pension plan investments	-	2,604,080
Contributions subsequent to the measurement date	289,897	-
	<u>\$ 1,631,877</u>	<u>\$ 3,556,289</u>

\$289,897 reported as deferred outflows of resources related to pensions resulting from library contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the fiscal year ending April 30, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	City Net Deferred Inflows of Resources	Library Net Deferred Inflows of Resources	Total
2022	\$ (666,064)	\$ (33,951)	\$ (700,015)
2023	(263,526)	(13,433)	(276,959)
2024	(795,735)	(40,560)	(836,295)
2025	(358,846)	(18,291)	(377,137)
2026	(22,744)	(1,159)	(23,903)
Thereafter	-	-	-
TOTAL	<u>\$ (2,106,915)</u>	<u>\$ (107,394)</u>	<u>\$ (2,214,309)</u>

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INDIVIDUAL FUND DISCLOSURES

Due To/From Other Funds

The following are the due to/from balances as of April 30, 2021:

	Due To	Due From
Governmental activities		
General fund	\$	\$ 16,471
Tax increment financing fund	15,793	-
Total governmental activities	<u>15,793</u>	<u>16,471</u>
Fiduciary funds		
Police Pension fund	<u>678</u>	<u>-</u>
Total fiduciary funds	<u>678</u>	<u>-</u>
Total due to/froms	<u>\$ 16,471</u>	<u>\$ 16,471</u>

Due to/from other funds are the result of short-term loans between funds, and are expected to be repaid within one year.

Advances

The following are the long-term advances as of April 30, 2021:

	Due To	Due From
Governmental activities		
General fund	\$	\$ 3,890,658
Tax increment financing fund	4,750,087	-
Total governmental activities	<u>4,750,087</u>	<u>3,890,658</u>
Business-type activities		
Water fund	-	217,963
Sewer fund	-	641,466
Total business-type activities	<u>-</u>	<u>859,429</u>
Total advances	<u>\$ 4,750,087</u>	<u>\$ 4,750,087</u>

Advances to/from other funds are the result of long-term loans between funds, and are not expected to be repaid within one year.

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INDIVIDUAL FUND DISCLOSURES (Continued)

Interfund Transfers

The interfund transfers during the year ended April 30, 2021 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental activities		
General fund	\$ 218	\$ 1,874,092
Tax increment financing fund	-	843,338
Nonmajor governmental funds	<u>4,828,852</u>	<u>2,111,422</u>
Total governmental activities	4,829,070	4,795,852
Business-type activities		
Water fund	2,000,000	153
Sewer fund	<u>-</u>	<u>2,000,065</u>
Total business-type activities	2,000,000	2,000,218
Total interfund transfers	<u>\$ 6,829,070</u>	<u>\$ 6,829,070</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in the other fund in accordance with budgetary authorizations. The transfer from the Tax Increment Financing Fund was for debt service payments on the General Obligation Bonds, Series 2015.

Deficit Fund Balances

The following funds had deficit fund balances at April 30, 2021:

Tax Increment Financing Fund	\$ (4,736,593)
Destination O'Fallon Debt Service Fund	(318)

7. TAX INCREMENT FINANCING FUND

The City has entered into a TIF agreement, called "Green Mount Medical Campus" with a health care entity that provides for the establishment of a separate TIF district for the construction of improvements and mine remediation. This agreement calls for the issuance of bonds to cover certain preconstruction costs and is to be partially or fully funded by the incremental property tax revenues of the project. As of April 30, 2016, \$7,125,000 of General Obligation Bonds have been issued. Repayment terms of these bonds is further discussed in Note 4.

7. TAX INCREMENT FINANCING FUND (Continued)

The City has entered into a TIF agreement called "Central Park" with various redevelopment agreements with separate entities for the reimbursement of certain construction and/or operating expenses on an annual basis from the incremental property taxes collected on each property. The terms of these redevelopment agreements are fixed, and expire at the earlier of twenty-three years after the TIF has been established or when the costs incurred have been fully reimbursed.

During fiscal year 2016, the City began Route 50/Scott Troy Road TIF District or O'Fallon TIF District #4. The Tax Increment Financing (TIF) Fund was established to account for the transactions within this TIF District. The City has approved one project which this redevelopment plan supports. The agreement is to reimburse certain construction and/or operating expenses on an annual basis from the incremental property taxes collected on each property. The term of this redevelopment agreements is fixed, and expires at the earlier of twenty-three years after the TIF has been established or when the costs incurred have been fully reimbursed.

During fiscal year 2016, the City began Central City TIF District or O'Fallon TIF District #5. The Tax Increment Financing (TIF) Fund was established to account for the transactions within this TIF District. The City has approved various redevelopment agreements within this TIF with separate entities. These agreements are to reimburse certain construction and/or operating expenses on an annual basis from the incremental property taxes collected on each property. The terms of these redevelopment agreements are fixed, and expire at the earlier of twenty-three years after the TIF has been established or when the costs incurred have been fully reimbursed.

As of April 30, 2021, the TIF Fund has incurred cumulative costs totaling \$4,765,880 for the above projects that were paid through other funds and reflected as advances from other funds (\$4,750,087) and due to other funds (\$15,793).

8. TAX REBATES

The City has entered into various tax rebate and redevelopment agreements with private organizations to encourage economic development in the City. Some of the agreements provide for rebating a portion of sales taxes or special business taxes to local retailers and developers, agreed to by the City Council as follows:

	Maximum	Cumulative Payment as of April 30, 2021	Expiration Date	Specific
Auto Dealer	\$ 500,000	\$ 358,420	December 2026	50% of incremental sales tax
Retailer	500,000	231,194	June 2030	50% of incremental sales tax not to exceed \$50,000 per year

8. TAX REBATES (Continued)

The City paid a total of \$135,460 in tax rebates during the year ended April 30, 2021. The remaining balances owed are not presented in the accompanying financial statements because they are considered to be commitments and will not be a liability unless certain events occur in the future.

9. CLAIMS AND CONTINGENCIES

Litigation

The City is involved in various legal actions arising in the normal course of business. In the opinion of management and legal counsel, such matters will not have a material adverse effect on the financial condition of the City.

Federal and State Assisted Programs

The City has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as inappropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

10. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. The City has purchased insurance through the Illinois Counties Risk Management Trust (ICRMT) for general liability and other risks and the Illinois Public Risk Fund (IPRF) for workers' compensation. Additionally, to limit exposure to employee health risks, the City has purchased third party indemnity insurance. No settlements have exceeded insurance coverage for the past three years. There have been no material changes in insurance coverage limits during the year ended April 30, 2021.

11. DISCRETELY PRESENTED COMPONENT UNIT – O'FALLON PUBLIC LIBRARY

A. Financial Information

No separate financial statements are available for the O'Fallon Public Library (the Library).

**11. DISCRETELY PRESENTED COMPONENT UNIT – O’FALLON PUBLIC LIBRARY
(Continued)**

B. Cash and Investments

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank’s failure, deposits may not be returned to it. The Library follows the investment policy of the City which requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance. Collateral is to be held by the Library or in safekeeping or evidenced by a tri-party signed safekeeping agreement. At April 30, 2021, the Library had no uncollateralized deposits.

Library Investments

The Library categorize 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 follows the investment policy of the City which follows Illinois Compiled Statutes (ILCS). Statutes and the investment policy authorize the Library to make deposits/invest in commercial banks, obligations of the United States Government, United States Government agencies and United States Government instrumentality obligations, obligations of corporations rated within the three highest classifications by one standard rating service, money market mutual funds, mutual funds with underlying investments guaranteed by the full faith and credit of the United States or other similar obligations of the United States and its instrumentalities, municipal bonds, Illinois Metropolitan Investment Fund and The Illinois Funds, and all other as allowable by ILCS.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Library limits its exposure to interest rate risk by attempting to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Library shall not directly invest in securities maturing more than three (3) years from the date of purchase. However, reserve funds may be invested in securities exceeding three (3) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

**11. DISCRETELY PRESENTED COMPONENT UNIT – O'FALLON PUBLIC LIBRARY
(Continued)**

B. Cash and Investments (Continued)

Library Investments (Continued)

The following table presents the investments and maturities of the Library's debt securities as of April 30, 2021:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
Fixed income mutual funds	\$ 1,504,989	\$ -	\$ 787,356	\$ 633,270	\$ 84,363
Municipal bonds	25,084	-	25,084	-	-
Corporate bonds	383,547	-	383,547	-	-
TOTAL	\$ 1,913,620	\$ -	\$ 1,195,987	\$ 633,270	\$ 84,363

The Library has the following recurring fair value measurements as of April 30, 2021: fixed income mutual funds and equity mutual funds of \$3,728,320 have quoted prices in active markets for identical assets (Level 1 inputs), and the municipal bonds and corporate bonds of \$408,631 have significant other observable inputs and are part of a limited secondary market (Level 2 inputs).

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. State law limits investments in commercial paper, corporate bonds, and money market mutual funds to the top two ratings, issued by nationally recognized statistical rating organizations. The Library has an investment policy that further limits its investment choices. As of April 30, 2021, the fixed income mutual funds are not rated, the municipal bonds are rated AA by Standard and Poor's, and the corporate bonds are rated between BBB to A+ by Standard and Poor's.

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. State law requires depository financial institutions to pledge as collateral for public funds on deposit, governmental unit securities, which, when combined with Federal Deposit Insurance Corporation ("FDIC") insurance, are at least equal to the amount on deposit at all times. To limit its exposure, the Library's investment policy 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 Library's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the Library's name. The Illinois Funds and the money market mutual fund are not subject to custodial credit risk.

**11. DISCRETELY PRESENTED COMPONENT UNIT – O'FALLON PUBLIC LIBRARY
(Continued)**

B. Cash and Investments (Continued)

Library Investments (Continued)

Concentration of credit risk – The Library's investment policy diversifies investments by limiting investments to avoid over-concentration in securities from a specific issuer, investing in securities with varying maturities, investing a portion of the portfolio in readily available funds such as bank cash management accounts, money market funds, Illinois Funds to ensure liquidity is maintained to meet ongoing obligations. With the exception of U.S. Treasuries and U.S. agency obligations, as well as Illinois Investment Pools, no more than 50% of the Library of O'Fallon's total investment portfolio shall be invested in a single security type and no more than 50% of the Library's total investment portfolio shall be invested with a single financial institution.

The fund did not have any significant individual investments that represented 5.00% or more of investments for the Library at April 30, 2021, aside from one fixed income mutual fund that represented 5.35% of total investments.

C. Receivables

The property tax is levied each year on all taxable real property located in the Library on or before the last Tuesday in December. The levy is passed by Library Council in December. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments due in July and September of the subsequent year. The Library receives significant distributions of tax receipts in the months of July and September. For governmental funds, only property taxes which are intended to finance the current fiscal year and collected within 60 days subsequent to year-end, are recorded as revenues. The accompanying financial statements include the 2019 property tax levy in revenue.

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DISCRETELY PRESENTED COMPONENT UNIT – O'FALLON PUBLIC LIBRARY
(Continued)

D. Capital Assets

The following is a summary of the capital asset activity for the year ended April 30, 2021:

	Balance May 1, 2020	Additions	Reductions	Balance April 30, 2021
Component Unit				
Depreciable capital assets				
Buildings and improvements	\$ 3,881,431	\$ -	\$ 150,935	\$ 3,730,496
Total Depreciable capital assets	3,881,431	-	150,935	3,730,496
Less: Accumulated depreciation				
Buildings and improvements	2,297,135	191,991	150,935	2,338,191
Total Accumulated depreciation	2,297,135	191,991	150,935	2,338,191
Depreciable capital assets, net	1,584,296	(191,991)	-	1,392,305
Component Unit Capital Assets, Net	<u>\$ 1,584,296</u>	<u>\$ (191,991)</u>	<u>\$ -</u>	<u>\$ 1,392,305</u>
Component Unit:				
Culture and recreation			\$ 191,991	
Total Depreciation Expense - Component Unit			<u>\$ 191,991</u>	

E. Long-Term Debt

Changes in Long-Term Liabilities

During the year ended April 30, 2021, the following changes occurred in long-term liabilities for the Library:

	Balances April 30	Issuances	Reductions	Balances May 1	Current Portion
Compensated Absences Payable	\$ 78,324	\$ 89,599	\$ 78,324	\$ 89,599	\$ 25,591
Net Pension Liability – IMRF*	145,392	-	145,392	-	-
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 223,716</u>	<u>\$ 89,599</u>	<u>\$ 223,716</u>	<u>\$ 89,599</u>	<u>\$ 25,591</u>

The compensated absences and net pension liability are generally liquidated by the Library's General Fund.

* The IMRF net pension liability became a net pension asset as of April 30, 2021.

CITY OF O'FALLON
NOTES TO FINANCIAL STATEMENTS (Continued)

12. PRIOR PERIOD ADJUSTMENTS

The City has restated fund balance/net position as of May 1, 2020 as follows:

	Governmental Activities	General	Motor Fuel Tax	Nonmajor
FUND BALANCE/NET POSITION, MAY 1	\$ 105,160,053	\$ 20,467,980	\$ 4,641,361	\$ 22,676,468
RESTATEMENTS				
To recognize revenue in the proper period	239,245	278,724	(334,353)	294,874
To record expense/expenditure in the proper period	61,878	-	43,321	18,557
To increase revenues for property tax receipts in the General Fund to be contributed to Pension Trust Funds	1,264,000	1,264,000	-	-
To increase expense/expenditure for employer contributions to Pension Trust Funds from property tax receipts	(1,264,000)	(1,264,000)	-	-
To move the Hotel/Motel Tax Fund from Nonmajor to a subfund of the General Fund	-	1,888,411	-	(1,888,411)
To remove long-term debt related to custodial fund no commitment debt	3,135,987	-	-	-
To record capital assets in the proper period	5,224	-	-	-
To reclassify debt service funds as custodial funds	(850,493)	-	-	(850,493)
Subtotal	2,591,841	2,167,135	(291,032)	(2,425,473)
FUND BALANCE/NET POSITION, MAY 1 (RESTATED)	\$ 107,751,894	\$ 22,635,115	\$ 4,350,329	\$ 20,250,995
	Business-Type Activities	Water	Sewer	Fiduciary
FUND BALANCE/NET POSITION, MAY 1	\$ 62,966,106	\$ 29,977,385	\$ 32,988,721	\$ 32,971,108
RESTATEMENTS				
To recognize revenue in the proper period	-	-	-	(1,264,000)
To record capital assets in the proper period	158,415	127,778	30,637	-
To reclassify debt service funds as custodial funds	-	-	-	850,493
Subtotal	158,415	127,778	30,637	(413,507)
FUND BALANCE/NET POSITION, MAY 1 (RESTATED)	\$ 63,124,521	\$ 30,105,163	\$ 33,019,358	\$ 32,557,601

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Taxes				
Property	\$ 330,000	\$ 330,000	\$ 1,614,847	\$ 1,284,847
Utility	1,020,000	1,020,000	937,735	(82,265)
Food and beverage	950,000	950,000	852,884	(97,116)
Intergovernmental				
Replacement tax	-	-	6,299	6,299
State sales tax	9,563,100	9,563,100	10,855,933	1,292,833
State income tax	3,000,000	3,000,000	3,489,559	489,559
Road and bridge tax	285,000	285,000	268,118	(16,882)
Grants	26,400	776,400	1,731,176	954,776
Metropolitan Enforcement Group	10,000	10,000	13,152	3,152
TIF surplus distribution	32,000	32,000	32,331	331
Licenses and permits	942,800	942,800	970,333	27,533
Subdivision fees	65,000	65,000	57,549	(7,451)
Police reports	3,800	3,800	6,655	2,855
Combined dispatch	842,300	842,300	940,323	98,023
Municipal aggregation fees	84,000	84,000	119,675	35,675
Fines and fees	270,350	270,350	265,943	(4,407)
Service fees	213,685	213,685	69,760	(143,925)
Room tax	2,430,000	2,430,000	1,701,505	(728,495)
Investment income	162,709	162,709	123,370	(39,339)
Phone and cable television fees	525,000	525,000	473,927	(51,073)
Rentals	12,000	12,000	10,954	(1,046)
Fee in lieu of taxes	769,030	769,030	769,030	-
Donations	100,000	100,000	15,300	(84,700)
Cemetery revenue	27,000	27,000	32,163	5,163
Miscellaneous revenues and reimbursements	27,000	27,000	87,676	60,676
 Total revenues	 21,691,174	 22,441,174	 25,446,197	 3,005,023

This schedule is continued on the following page.

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND (Continued)**

For the Year Ended April 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
EXPENDITURES				
Current:				
General government	\$ 3,266,840	\$ 4,016,840	\$ 3,331,448	\$ (685,392)
Public safety	7,774,947	7,774,947	8,727,073	952,126
Highways and streets	3,941,302	3,941,302	3,992,308	51,006
Zoning	1,055,574	1,055,574	923,461	(132,113)
Cemetery	159,791	159,791	138,232	(21,559)
Tourism	447,549	447,549	210,508	(237,041)
Capital outlay	602,625	602,625	417,701	(184,924)
Total expenditures	<u>17,248,628</u>	<u>17,998,628</u>	<u>17,740,731</u>	<u>(257,897)</u>
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>4,442,546</u>	<u>4,442,546</u>	<u>7,705,466</u>	<u>3,262,920</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	5,000	5,000	60,727	55,727
Transfers in	-	-	218	218
Transfers out	<u>(3,716,925)</u>	<u>(3,716,925)</u>	<u>(3,211,796)</u>	<u>505,129</u>
Total other financing sources (uses)	<u>(3,711,925)</u>	<u>(3,711,925)</u>	<u>(3,150,851)</u>	<u>561,074</u>
NET CHANGE IN FUND BALANCE	<u>\$ 730,621</u>	<u>\$ 730,621</u>	<u>4,554,615</u>	<u>\$ 3,823,994</u>
FUND BALANCE, MAY 1			20,467,980	
Prior period adjustment			<u>2,167,135</u>	
FUND BALANCES, MAY 1, AS RESTATED			22,635,115	
FUND BALANCE, APRIL 30			<u>\$ 27,189,730</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
MOTOR FUEL TAX SPECIAL REVENUE FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Intergovernmental receipts:				
Motor fuel tax allotments	\$ 1,100,000	\$ 1,100,000	\$ 1,160,166	\$ 60,166
Rebuild Illinois Fund Program	-	-	1,003,058	1,003,058
Grants	100,000	100,000	110,769	10,769
Investment income	75,020	75,020	43,635	(31,385)
Total revenues	<u>1,275,020</u>	<u>1,275,020</u>	<u>2,317,628</u>	<u>(31,385)</u>
EXPENDITURES				
Current:				
Highways and streets	450,000	450,000	241,000	(209,000)
Capital outlay	900,000	900,000	484,955	(415,045)
Total expenditures	<u>1,350,000</u>	<u>1,350,000</u>	<u>725,955</u>	<u>(624,045)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (74,980)</u>	<u>\$ (74,980)</u>	<u>\$ 1,591,673</u>	<u>\$ 592,660</u>
FUND BALANCE, MAY 1			4,641,361	
Prior period adjustment			<u>(291,032)</u>	
FUND BALANCES, MAY 1, AS RESTATED			4,350,329	
FUND BALANCE, APRIL 30			<u>\$ 5,942,002</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
TAX INCREMENT FINANCING FUND**

For the Year Ended April 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Taxes:				
Property	1,615,325	1,615,325	\$ 1,737,994	\$ 122,669
Miscellaneous revenues and reimbursements	1,650	1,650	-	(1,650)
Total revenues	<u>1,616,975</u>	<u>1,616,975</u>	<u>1,737,994</u>	<u>121,019</u>
EXPENDITURES				
Current:				
Tax increment financing	1,137,450	1,219,734	1,146,334	(73,400)
Total expenditures	<u>1,137,450</u>	<u>1,219,734</u>	<u>1,146,334</u>	<u>(73,400)</u>
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES)	<u>479,525</u>	<u>397,241</u>	<u>591,660</u>	<u>194,419</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	30,900	30,900	-	(30,900)
Transfers out	(535,425)	(535,425)	(843,338)	(307,913)
Total other financing sources (uses)	<u>(504,525)</u>	<u>(504,525)</u>	<u>(843,338)</u>	<u>(338,813)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (25,000)</u>	<u>\$ (107,284)</u>	(251,678)	<u>\$ (144,394)</u>
FUND BALANCE, MAY 1			<u>(4,484,915)</u>	
FUND BALANCE, APRIL 30			<u>\$ (4,736,593)</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Six Calendar Years

MEASUREMENT DATE DECEMBER 31,	2020	2019	2018	2017	2016	2015
Total pension liability						
Service cost	\$ 903,682	\$ 870,397	\$ 812,321	\$ 813,022	\$ 729,494	\$ 736,496
Interest on total pension liability	2,461,290	2,301,928	2,168,237	2,158,996	1,985,087	1,890,993
Benefit changes	-	-	-	-	-	-
Differences between expected and actual experience	261,962	531,527	268,836	(632,603)	705,433	(279,103)
Assumption changes	(439,380)	-	987,404	(921,609)	(38,096)	35,830
Benefit payments and refunds	(1,592,953)	(1,451,864)	(1,397,982)	(1,190,516)	(1,089,943)	(1,091,648)
Net change in total pension liability	1,594,601	2,251,988	2,838,816	227,290	2,291,975	1,292,568
Total pension liability beginning	34,293,458	32,041,470	29,202,654	28,975,364	26,683,389	25,390,820
Total pension liability ending	35,888,059	34,293,458	32,041,470	29,202,654	28,975,364	26,683,388
Plan fiduciary net position						
Contributions - employer	816,416	743,270	926,124	808,212	805,453	742,506
Contributions - employee	422,076	433,168	400,306	382,084	358,904	314,621
Pension plan net investment income	4,470,607	4,995,868	(1,412,804)	4,263,906	1,592,539	115,693
Benefit payments	(1,592,953)	(1,451,864)	(1,397,982)	(1,190,516)	(1,089,943)	(1,091,647)
Other	125,789	154,730	522,881	(772,984)	135,463	(318,103)
Net change in plan fiduciary net position	4,241,935	4,875,172	(961,475)	3,490,702	1,802,416	(236,930)
Plan fiduciary net position beginning	32,125,714	27,250,542	28,212,017	24,721,315	22,918,899	23,155,829
Plan fiduciary net position ending	36,367,649	32,125,714	27,250,542	28,212,017	24,721,315	22,918,899
Employer net pension liability (asset)	<u>\$ (479,590)</u>	<u>\$ 2,167,744</u>	<u>\$ 4,790,928</u>	<u>\$ 990,637</u>	<u>\$ 4,254,049</u>	<u>\$ 3,764,489</u>
Plan fiduciary net position as a percentage of the total pension liability	101.34%	93.68%	85.05%	96.61%	85.32%	85.89%
Covered payroll	\$ 9,235,477	\$ 9,099,755	\$ 8,834,119	\$ 8,461,759	\$ 7,798,223	\$ 6,991,582
Employer's net pension liability (asset) as a percentage of covered payroll	-5.19%	23.82%	54.23%	11.71%	54.55%	53.84%

Measurement Date December 31, 2020 - There was a change with respect to actuarial assumptions. The price inflation assumption was changed from 2.50% to 2.25%, the salary increase assumption was changed from 3.35% - 14.25% to 2.85% - 13.75% and the retirement and mortality assumptions were updated.

Measurement Date December 31, 2018 - There was a change with respect to actuarial assumptions. The discount rate changed from 7.50% to 7.25%.

Measurement Date December 31, 2017 - There was a change with respect to actuarial assumptions. Certain demographic assumptions were changed, which impacted mortality rates, mortality improvement rates, retirement rates, disability rates and termination rates.

Measurement Date December 31, 2016 - There was a change with respect to actuarial assumptions related to the assumed rate on the discount rate. The rate was changed to 7.50%.

Measurement Date December 31, 2015 - There was a change with respect to actuarial assumptions related to the assumed rate on the discount rate. The rate was changed to 7.46%.

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

LAST TEN FISCAL YEARS

FISCAL YEAR ENDED APRIL 30,	2021**	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined pension contributions	\$ 859,246	\$ 703,411	\$ 851,609	\$ 833,483	\$ 791,520	\$ 742,506	\$ 779,952	\$ 721,039	\$ 664,531	\$ 621,416
Contributions in relation to the actuarially determined contribution	859,246	743,270	926,124	808,212	805,453	742,506	779,971	721,039	664,531	620,896
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (39,859)</u>	<u>\$ (74,515)</u>	<u>\$ 25,271</u>	<u>\$ (13,933)</u>	<u>\$ -</u>	<u>\$ (19)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 520</u>
Covered payroll	\$ 9,727,415	\$ 9,099,755	\$ 8,834,119	\$ 8,461,759	\$ 7,798,223	\$ 6,991,582	\$ 6,788,093	\$ 6,205,155	\$ 5,906,945	\$ 5,732,623
Contributions as a percentage of covered payroll	8.83%	8.17%	10.48%	9.55%	10.33%	10.62%	11.49%	11.62%	11.25%	10.83%

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine 2020 contribution rates:*

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	23-year closed period
Asset valuation method	5-year smoothed market, 20% corridor
Wage growth	3.25%
Price inflation	2.50%
Salary increases	3.35% to 14.25%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016
Mortality	For non-disabled retirees, and IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, and IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
Other information	There were no benefit changes during the year.

*Based on valuation assumptions used in the December 31, 2018 actuarial valuation

**The City began presenting information on fiscal year basis in 2021. Prior years are presented on calendar year basis.

CITY OF O'FALLON

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2021

LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgetary Data

The City followed these procedures in establishing the budgetary data reported in the financial statements for the year ended April 30, 2021:

1. Prior to April 30 of the previous fiscal year, the proposed budget was distributed to the various committees for their review.
2. The committee reviews of the budget were conducted from February 24, 2020 through March 23, 2020.
3. A public hearing on the proposed budget was held on April 20, 2020.
4. Formal adoption of the budget was on April 20, 2020.

Budgets are adopted on a basis consistent with GAAP. Annual budgets are adopted at the fund level for the Governmental, Proprietary, and Fiduciary Funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year-end. Certain budget amendments were made during the current fiscal year.

EXPENDITURES IN EXCESS OF BUDGET

The following funds had expenditures in excess of budgeted amounts:

<u>Fund</u>	<u>Excess</u>
2010 Bond Issue Debt Service	\$ 5,100
2002 Bond Issue Debt Service	17,328

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUND

CITY OF O'FALLON, ILLINOIS

COMBINING BALANCE SHEET - TAX INCREMENT FINANCING (TIF) FUNDS

April 30, 2021

	Green Mount Medical TIF	Central Park TIF	Rt. 50/ Scott Troy Rd TIF	Central City TIF	Total
ASSETS					
Cash and cash equivalents	\$ -	\$ 27,216	\$ -	\$ 52,043	\$ 79,259
Receivables, net:					
Taxes	827,988	851,663	368,904	162,836	2,211,391
Other	-	-	-	-	-
Total assets	<u>827,988</u>	<u>878,879</u>	<u>368,904</u>	<u>214,879</u>	<u>2,290,650</u>
DEFERRED OUTFLOWS OF RESOURCES					
None	-	-	-	-	-
Total assets and deferred outflows of resources	<u>827,988</u>	<u>878,879</u>	<u>368,904</u>	<u>214,879</u>	<u>2,290,650</u>
LIABILITIES					
Accounts payable	46	49,152	46	728	49,972
Due to other funds		-	15,793	-	15,793
Advances from other funds	4,750,087	-	-	-	4,750,087
Total liabilities	<u>4,750,133</u>	<u>49,152</u>	<u>15,839</u>	<u>728</u>	<u>4,815,852</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable resources - property taxes	827,988	851,663	368,904	162,836	2,211,391
Total liabilities and deferred inflows of resources	<u>5,578,121</u>	<u>900,815</u>	<u>384,743</u>	<u>163,564</u>	<u>7,027,243</u>
FUND BALANCES					
Restricted					
Tax increment financing	-	-	-	51,315	51,315
Unassigned (Deficit)	(4,750,133)	(21,936)	(15,839)	-	(4,787,908)
Total fund balances	<u>(4,750,133)</u>	<u>(21,936)</u>	<u>(15,839)</u>	<u>51,315</u>	<u>(4,736,593)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 827,988</u>	<u>\$ 878,879</u>	<u>\$ 368,904</u>	<u>\$ 214,879</u>	<u>\$ 2,290,650</u>

CITY OF O'FALLON, ILLINOIS

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - TIF FUNDS**

For the Year Ended April 30, 2021

	Green Mount Medical TIF	Central Park TIF	Rte 50/ Scott Troy Rd TIF	Central City TIF	Total
REVENUES					
Taxes:					
Property	\$ 484,224	\$ 743,437	\$ 373,610	\$ 136,723	\$ 1,737,994
Total revenues	<u>484,224</u>	<u>743,437</u>	<u>373,610</u>	<u>136,723</u>	<u>1,737,994</u>
EXPENDITURES					
Current:					
Tax increment financing	229	702,533	358,789	84,783	1,146,334
Total expenditures	<u>229</u>	<u>702,533</u>	<u>358,789</u>	<u>84,783</u>	<u>1,146,334</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>483,995</u>	<u>40,904</u>	<u>14,821</u>	<u>51,940</u>	<u>591,660</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	(843,338)	-	-	-	(843,338)
Total other financing sources (uses)	<u>(843,338)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(843,338)</u>
NET CHANGE IN FUND BALANCE	<u>(359,343)</u>	<u>40,904</u>	<u>14,821</u>	<u>51,940</u>	<u>(251,678)</u>
FUND BALANCE (DEFICIT), MAY 1	<u>(4,390,790)</u>	<u>(62,840)</u>	<u>(30,660)</u>	<u>(625)</u>	<u>(4,484,915)</u>
FUND BALANCE (DEFICIT), APRIL 30	<u>\$ (4,750,133)</u>	<u>\$ (21,936)</u>	<u>\$ (15,839)</u>	<u>\$ 51,315</u>	<u>\$ (4,736,593)</u>

NONMAJOR GOVERNMENTAL FUND

CITY OF O'FALLON, ILLINOIS

COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2021

	Special Revenue							Capital Projects			
	Park Fund	Fire Fund	Ambulance Fund	IMRF Fund	Cemetery Fund	Social Security Fund	Special Service Funds	Capital Improvement Fund	2002 Bond Issue Fund	Convention Center Fund	Sports Park Complex Fund
ASSETS											
Cash and cash equivalents	\$ 3,009,699	\$ 1,662,689	\$ 2,897,223	\$ 284,038	\$ 28,934	\$ 252,126	\$ 257,656	\$ 178,608	\$ 580,447	\$ 362,062	\$ 200,078
Investments	-	653,372	720,430	-	1,020,416	-	-	-	-	-	-
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	-
Receivables:											
Taxes	680,000	1,325,000	600,000	710,000	-	875,000	15,200	-	-	-	-
Other governmental entities	59,387	498	-	-	-	-	-	-	-	-	-
Interest	-	2,923	2,803	-	446	-	-	-	-	-	-
Service fees	-	-	397,066	-	-	-	-	-	-	-	-
Other	91,394	145,493	79,541	-	-	-	-	-	-	-	-
Prepaid items	15,958	25,183	21,348	-	-	-	-	-	-	-	-
Total assets	<u>3,856,438</u>	<u>3,815,158</u>	<u>4,718,411</u>	<u>994,038</u>	<u>1,049,796</u>	<u>1,127,126</u>	<u>272,856</u>	<u>178,608</u>	<u>580,447</u>	<u>362,062</u>	<u>200,078</u>
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 3,856,438</u>	<u>\$ 3,815,158</u>	<u>\$ 4,718,411</u>	<u>\$ 994,038</u>	<u>\$ 1,049,796</u>	<u>\$ 1,127,126</u>	<u>\$ 272,856</u>	<u>\$ 178,608</u>	<u>\$ 580,447</u>	<u>\$ 362,062</u>	<u>\$ 200,078</u>
LIABILITIES											
Accounts payable	114,313	42,933	42,713	-	-	17,583	951	-	-	-	-
Accrued payroll and benefits	19,429	9,099	20,021	-	-	-	-	-	-	-	-
Unearned revenue	196,567	498	-	-	-	-	-	-	-	-	-
Total liabilities	<u>330,309</u>	<u>52,530</u>	<u>62,734</u>	<u>-</u>	<u>-</u>	<u>17,583</u>	<u>951</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES											
Unavailable revenue - property taxes	680,000	1,325,000	600,000	710,000	-	875,000	15,200	-	-	-	-
FUND BALANCES											
Nonspendable											
Prepaid items	15,958	25,183	21,348	-	-	-	-	-	-	-	-
Restricted											
Debt service	-	-	-	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	178,608	580,447	362,062	200,078
Culture and recreation	2,830,171	-	-	-	-	-	-	-	-	-	-
Public safety	-	2,412,445	4,034,329	-	-	-	-	-	-	-	-
Retirement	-	-	-	284,038	-	234,543	-	-	-	-	-
Cemetery	-	-	-	-	1,049,796	-	-	-	-	-	-
Special service areas	-	-	-	-	-	-	256,705	-	-	-	-
Assigned											
Strategic planning	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	<u>2,846,129</u>	<u>2,437,628</u>	<u>4,055,677</u>	<u>284,038</u>	<u>1,049,796</u>	<u>234,543</u>	<u>256,705</u>	<u>178,608</u>	<u>580,447</u>	<u>362,062</u>	<u>200,078</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,856,438</u>	<u>\$ 3,815,158</u>	<u>\$ 4,718,411</u>	<u>\$ 994,038</u>	<u>\$ 1,049,796</u>	<u>\$ 1,127,126</u>	<u>\$ 272,856</u>	<u>\$ 178,608</u>	<u>\$ 580,447</u>	<u>\$ 362,062</u>	<u>\$ 200,078</u>

This schedule is continued on the following page.

CITY OF O'FALLON, ILLINOIS

COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS (Continued)

April 30, 2021

	Capital Projects			Debt Service							
	Park Land Fund	Prop S Infrastructure Fund	Strategic Plan Fund	2010 Bond Issue Fund	Build America Fund	Green Mount Fund	Destination O'Fallon Fund	Special Revenue Total	Capital Projects Total	Debt Service Total	Total
ASSETS											
Cash and cash equivalents	\$ 1,845,571	\$ 3,910,723	\$ 1,752,832	\$ 143,691	\$ -	\$ -	\$ -	\$ 8,392,365	\$ 8,830,321	\$ 143,691	\$ 17,366,377
Investments	416,433	1,628,244	407,539	-	-	-	-	2,394,218	2,452,216	-	4,846,434
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	-
Receivables:											
Taxes	-	-	-	-	-	-	-	4,205,200	-	-	4,205,200
Other governmental entities	-	655,549	17,000	-	-	-	-	59,885	672,549	-	732,434
Interest	2,429	4,538	2,396	-	-	-	-	6,172	9,363	-	15,535
Service fees	-	-	-	-	-	-	-	397,066	-	-	397,066
Other	-	-	-	-	-	-	-	316,428	-	-	316,428
Prepaid items	-	-	-	-	-	-	-	62,489	-	-	62,489
Total assets	<u>2,264,433</u>	<u>6,199,054</u>	<u>2,179,767</u>	<u>143,691</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,833,823</u>	<u>11,964,449</u>	<u>143,691</u>	<u>27,941,963</u>
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 2,264,433</u>	<u>\$ 6,199,054</u>	<u>\$ 2,179,767</u>	<u>\$ 143,691</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,833,823</u>	<u>\$ 11,964,449</u>	<u>\$ 143,691</u>	<u>\$ 27,941,963</u>
LIABILITIES											
Accounts payable	-	335,799	-	-	-	-	318	218,493	335,799	318	554,610
Accrued payroll and benefits	-	-	-	-	-	-	-	48,549	-	-	48,549
Unearned revenue	-	234,963	-	-	-	-	-	197,065	234,963	-	432,028
Total liabilities	<u>-</u>	<u>570,762</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>318</u>	<u>464,107</u>	<u>570,762</u>	<u>318</u>	<u>1,035,187</u>
DEFERRED INFLOWS OF RESOURCES											
Unavailable revenue - property taxes	-	-	-	-	-	-	-	4,205,200	-	-	4,205,200
FUND BALANCES											
Nonspendable											
Prepaid items	-	-	-	-	-	-	-	62,489	-	-	62,489
Restricted											
Debt service	-	-	-	143,691	-	-	-	-	-	143,691	143,691
Capital projects	2,264,433	5,628,292	-	-	-	-	-	-	9,213,920	-	9,213,920
Culture and recreation	-	-	-	-	-	-	-	2,830,171	-	-	2,830,171
Public safety	-	-	-	-	-	-	-	6,446,774	-	-	6,446,774
Retirement	-	-	-	-	-	-	-	518,581	-	-	518,581
Cemetery	-	-	-	-	-	-	-	1,049,796	-	-	1,049,796
Special service areas	-	-	-	-	-	-	-	256,705	-	-	256,705
Assigned											
Strategic planning	-	-	2,179,767	-	-	-	-	-	2,179,767	-	2,179,767
Unassigned	-	-	-	-	-	-	(318)	-	-	(318)	(318)
Total fund balances	<u>2,264,433</u>	<u>5,628,292</u>	<u>2,179,767</u>	<u>143,691</u>	<u>-</u>	<u>-</u>	<u>(318)</u>	<u>11,164,516</u>	<u>11,393,687</u>	<u>143,373</u>	<u>22,701,576</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,264,433</u>	<u>\$ 6,199,054</u>	<u>\$ 2,179,767</u>	<u>\$ 143,691</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,833,823</u>	<u>\$ 11,964,449</u>	<u>\$ 143,691</u>	<u>\$ 27,941,963</u>

CITY OF O'FALLON, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2021

	Special Revenue							Capital Projects					
	Park Fund	Fire Fund	Ambulance Fund	IMRF Fund	Cemetery Fund	Social Security Fund	Special Service Funds	Hotel/ Motel Tax Fund	Capital Improvement Fund	2002 Bond Issue Fund	Convention Center Fund	Sports Park Complex Fund	Park Land Fund
REVENUES													
Taxes													
Property	\$ 614,256	\$ 1,263,566	\$ 544,865	\$ 700,439	\$ -	\$ 807,805	\$ 15,136	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility	1,118,576	-	-	-	-	-	-	-	-	-	-	-	-
Rural fire district	-	-	431,237	-	-	-	-	-	-	-	-	-	-
Intergovernmental receipts:													
Replacement tax	-	-	-	4,646	-	23,063	-	-	-	-	-	-	-
State sales tax	10,777	-	-	-	-	-	-	-	-	-	-	-	-
Grants	7,228	1,000	329,005	-	-	-	-	-	-	-	-	-	-
Other	-	499,465	-	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	19,335	-	-	-	-	-	-	-	-	-	-	-
Service fees	74,275	11,524	1,552,904	-	9,913	-	-	-	-	-	-	-	-
Recreation fees	806,149	-	-	-	-	-	-	-	-	-	-	-	-
Room tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment income	3,604	9,570	15,528	427	227,246	-	-	-	12	195	141	373	3,504
Phone and cable television franchise fees	265,605	-	-	-	-	-	-	-	-	-	-	-	-
Rentals	294,644	-	-	-	-	-	-	-	-	-	-	-	-
Fee in lieu of taxes	-	-	-	-	-	50,780	-	-	-	-	-	-	-
Concession income	140,936	-	-	-	-	-	-	-	-	-	-	-	-
Donations	14,770	650	-	-	-	-	-	-	-	-	-	-	-
Annex fees	-	-	-	-	-	-	-	-	-	-	-	-	236,413
Miscellaneous revenues and reimbursements	39,802	935	593	-	100	-	-	-	-	2,544	-	-	-
Total revenues	3,390,622	1,806,045	2,874,132	705,512	237,259	881,648	15,136	-	12	2,739	141	373	239,917
EXPENDITURES													
Current:													
General government	-	-	-	108,824	-	188,487	-	-	-	-	-	-	-
Public safety	-	1,244,124	2,439,387	246,745	-	427,371	-	-	-	-	-	-	-
Highways and streets	-	-	-	86,128	-	149,177	5,280	-	-	-	-	-	-
Zoning	-	-	-	52,957	-	91,724	-	-	-	-	-	-	-
Cemetery	-	-	-	11,057	6,135	19,151	-	-	-	-	-	-	-
Culture and recreations	2,691,877	-	-	68,670	-	118,938	-	-	-	-	-	-	-
Tourism	-	-	-	7,564	-	13,103	-	-	-	-	-	-	-
Capital outlay	185,696	-	330,805	-	-	-	-	-	-	-	-	-	-
Debt service:													
Principal	-	213,057	-	-	-	-	-	-	-	694,710	279,395	365,895	-
Interest and fiscal charges	-	25,152	-	-	-	-	-	-	-	230,723	204,873	550,903	-
Bond issuance costs	-	-	-	-	-	-	-	-	-	17,445	-	-	-
Total expenditures	2,877,573	1,482,333	2,770,192	581,945	6,135	1,007,951	5,280	-	-	942,878	484,268	916,798	-
REVENUES OVER (UNDER)													
EXPENDITURES	513,049	323,712	103,940	123,567	231,124	(126,303)	9,856	-	12	(940,139)	(484,127)	(916,425)	239,917
OTHER FINANCING SOURCES (USES)													
Proceeds from sale of capital assets	25,716	5,029	-	-	-	-	-	-	-	-	-	-	-
Issuance of refunding bonds, at par	-	-	-	-	-	-	-	-	-	1,529,044	-	-	-
Issuance of refunding bonds premium	-	-	-	-	-	-	-	-	-	26,592	-	-	-
Payment to escrow agent	-	-	-	-	-	-	-	-	-	(1,538,192)	-	-	-
Transfers in	66,563	-	-	-	-	-	-	-	-	925,121	484,059	916,323	-
Transfers out	(335,832)	-	(57,233)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(243,553)	5,029	(57,233)	-	-	-	-	-	-	942,565	484,059	916,323	-
NET CHANGE IN FUND BALANCES	269,496	328,741	46,707	123,567	231,124	(126,303)	9,856	-	12	2,426	(68)	(102)	239,917
FUND BALANCES, MAY 1	2,442,672	2,108,887	4,008,970	141,914	818,672	360,846	246,849	1,888,411	178,596	578,021	362,130	200,180	2,024,516
Prior period adjustment	133,961	-	-	18,557	-	-	-	(1,888,411)	-	-	-	-	-
FUND BALANCES, MAY 1, AS RESTATED	2,576,633	2,108,887	4,008,970	160,471	818,672	360,846	246,849	-	178,596	578,021	362,130	200,180	2,024,516
FUND BALANCES, APRIL 30	\$ 2,846,129	\$ 2,437,628	\$ 4,055,677	\$ 284,038	\$ 1,049,796	\$ 234,543	\$ 256,705	\$ -	\$ 178,608	\$ 580,447	\$ 362,062	\$ 200,078	\$ 2,264,433

This schedule is continued on the following page.

CITY OF O'FALLON, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2021

	Capital Projects		Debt Service										
	Prop S Infrastructure Fund	Strategic Plan Fund	2010 Bond Issue Fund	Newbold Fund	Special Service Areas Fund	Harley Davidson Fund	Build America Fund	Green Mount Fund	Destination O'Fallon Fund	Special Revenue Total	Capital Projects Total	Debt Service Total	Total
REVENUES													
Taxes													
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,946,067	\$ -	\$ -	\$ 3,946,067
Utility	-	-	-	-	-	-	-	-	-	1,118,576	-	-	1,118,576
Rural fire district	-	-	-	-	-	-	-	-	-	431,237	-	-	431,237
Intergovernmental receipts:													
Replacement tax	-	-	-	-	-	-	-	-	-	27,709	-	-	27,709
State sales tax	2,250,410	-	-	-	-	-	-	-	-	10,777	2,250,410	-	2,261,187
Grants	-	17,000	-	-	-	-	-	-	-	337,233	17,000	-	354,233
Other	-	-	-	-	-	-	-	-	-	499,465	-	-	499,465
Licenses and permits	-	-	-	-	-	-	-	-	-	19,335	-	-	19,335
Service fees	-	-	-	-	-	-	-	-	-	1,648,616	-	-	1,648,616
Recreation fees	-	-	-	-	-	-	-	-	-	806,149	-	-	806,149
Room tax	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment income	37,152	2,700	179	-	-	-	-	-	-	256,375	44,077	179	300,631
Phone and cable television franchise fees	-	-	-	-	-	-	-	-	-	265,605	-	-	265,605
Rentals	-	-	-	-	-	-	-	-	-	294,644	-	-	294,644
Fee in lieu of taxes	-	-	-	-	-	-	-	-	-	50,780	-	-	50,780
Concession income	-	-	-	-	-	-	-	-	-	140,936	-	-	140,936
Donations	-	-	-	-	-	-	-	-	-	15,420	-	-	15,420
Annex fees	-	-	-	-	-	-	-	-	-	-	236,413	-	236,413
Miscellaneous revenues and reimbursements	30,276	-	-	-	-	-	-	-	-	41,430	32,820	-	74,250
Total revenues	2,317,838	19,700	179	-	-	-	-	-	-	9,910,354	2,580,720	179	12,491,253
EXPENDITURES													
Current:													
General government	32,097	97,156	-	-	-	-	-	-	-	297,311	129,253	-	426,564
Public safety	-	-	-	-	-	-	-	-	-	4,357,627	-	-	4,357,627
Highways and streets	81,736	-	-	-	-	-	-	-	-	240,585	81,736	-	322,321
Zoning	-	-	-	-	-	-	-	-	-	144,681	-	-	144,681
Cemetery	-	-	-	-	-	-	-	-	-	36,343	-	-	36,343
Culture and recreations	-	-	-	-	-	-	-	-	-	2,879,485	-	-	2,879,485
Tourism	-	-	-	-	-	-	-	-	-	20,667	-	-	20,667
Capital outlay	924,533	5,499	-	-	-	-	-	-	-	516,501	930,032	-	1,446,533
Debt service:													
Principal	-	-	560,000	-	-	-	110,000	310,000	385,000	213,057	1,340,000	1,365,000	2,918,057
Interest and fiscal charges	-	-	36,910	-	-	-	33,065	225,418	267,228	25,152	986,499	562,621	1,574,272
Bond issuance costs	-	-	6,470	-	-	-	-	-	-	-	17,445	6,470	23,915
Total expenditures	1,038,366	102,655	603,380	-	-	-	143,065	535,418	652,228	8,731,409	3,484,965	1,934,091	14,150,465
REVENUES OVER (UNDER)													
EXPENDITURES	1,279,472	(82,955)	(603,201)	-	-	-	(143,065)	(535,418)	(652,228)	1,178,945	(904,245)	(1,933,912)	(1,659,212)
OTHER FINANCING SOURCES (USES)													
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-	30,745	-	-	30,745
Issuance of refunding bonds, at par	-	-	575,956	-	-	-	-	-	-	-	1,529,044	575,956	2,105,000
Issuance of refunding bonds premium	-	-	10,017	-	-	-	-	-	-	-	26,592	10,017	36,609
Payment to escrow agent	-	-	(579,503)	-	-	-	-	-	-	-	(1,538,192)	(579,503)	(2,117,695)
Transfers in	-	200,000	598,155	-	-	-	143,065	843,338	652,228	66,563	2,525,503	2,236,786	4,828,852
Transfers out	(380,653)	-	-	-	-	-	-	-	-	(393,065)	(380,653)	-	(773,718)
Total other financing sources (uses)	(380,653)	200,000	604,625	-	-	-	143,065	843,338	652,228	(295,757)	2,162,294	2,243,256	4,109,793
NET CHANGE IN FUND BALANCES	898,819	117,045	1,424	-	-	-	-	307,920	-	883,188	1,258,049	309,344	2,450,581
FUND BALANCES, MAY 1	4,568,560	2,062,722	142,267	289,872	317,814	242,807	-	(307,920)	(318)	12,017,221	9,974,725	684,522	22,676,468
Prior period adjustment	160,913	-	-	(289,872)	(317,814)	(242,807)	-	-	-	(1,735,893)	160,913	(850,493)	(2,425,473)
FUND BALANCES, MAY 1, AS RESTATED	4,729,473	2,062,722	142,267	-	-	-	-	(307,920)	(318)	10,281,328	10,135,638	(165,971)	20,250,995
FUND BALANCES, APRIL 30	<u>\$ 5,628,292</u>	<u>\$ 2,179,767</u>	<u>\$ 143,691</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (318)</u>	<u>\$ 11,164,516</u>	<u>\$ 11,393,687</u>	<u>\$ 143,373</u>	<u>\$ 22,701,576</u>

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
PARK FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Taxes:				
Property	\$ 620,000	\$ 620,000	\$ 614,256	\$ (5,744)
Utility	1,130,090	1,130,090	1,118,576	(11,514)
Intergovernmental:				
State sales tax	24,000	24,000	10,777	(13,223)
Grants	25,000	25,000	7,228	(17,772)
Service fees	144,250	144,250	74,275	(69,975)
Recreation fees	1,300,000	1,300,000	806,149	(493,851)
Investment income	40,100	40,100	3,604	(36,496)
Phone and cable television fees	360,000	360,000	265,605	(94,395)
Rentals	360,000	360,000	294,644	(65,356)
Concession income	303,750	303,750	140,936	(162,814)
Donations	18,500	18,500	14,770	(3,730)
Miscellaneous revenues and reimbursements	26,500	26,500	39,802	13,302
Total revenues	<u>4,352,190</u>	<u>4,352,190</u>	<u>3,390,622</u>	<u>(961,568)</u>
EXPENDITURES				
Current:				
Culture and recreation	\$ 3,782,035	\$ 3,782,035	\$ 2,691,877	(1,090,158)
Capital outlay	298,700	298,700	185,696	(113,004)
Total expenditures	<u>4,080,735</u>	<u>4,080,735</u>	<u>2,877,573</u>	<u>(1,203,162)</u>
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES)	<u>271,455</u>	<u>271,455</u>	<u>513,049</u>	<u>241,594</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	25,716	25,716
Transfers in	107,970	107,970	66,563	(41,407)
Transfers out	(335,925)	(335,925)	(335,832)	93
Total other financing sources (uses)	<u>(227,955)</u>	<u>(227,955)</u>	<u>(243,553)</u>	<u>(15,598)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 43,500</u>	<u>\$ 43,500</u>	<u>269,496</u>	<u>\$ 225,996</u>
FUND BALANCE, MAY 1			2,442,672	
Prior period adjustment			<u>133,961</u>	
FUND BALANCES, MAY 1, AS RESTATED			2,576,633	
FUND BALANCE, APRIL 30			<u>\$ 2,846,129</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
FIRE FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Taxes:				
Property	\$ 1,275,000	\$ 1,275,000	\$ 1,263,566	\$ (11,434)
Intergovernmental:				
Grants	25,000	25,000	1,000	(24,000)
Other	513,970	513,970	499,465	(14,505)
Licenses and permits	6,000	6,000	19,335	13,335
Fines and fees	300	300	-	(300)
Service fees	1,500	1,500	11,524	10,024
Investment income	8,585	8,585	9,570	985
Donations	1,200	1,200	650	(550)
Miscellaneous revenues and reimbursements	-	-	935	935
Total revenues	<u>1,831,555</u>	<u>1,831,555</u>	<u>1,806,045</u>	<u>(25,510)</u>
EXPENDITURES				
Current:				
Public safety	\$ 1,581,917	\$ 1,581,917	\$ 1,244,124	(337,793)
Capital outlay	-	-	-	-
Debt service:				
Principal	213,110	213,110	213,057	(53)
Interest and fiscal charges	25,105	25,105	25,152	47
Total expenditures	<u>1,820,132</u>	<u>1,820,132</u>	<u>1,482,333</u>	<u>(337,799)</u>
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>11,423</u>	<u>11,423</u>	<u>323,712</u>	<u>312,289</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	5,029	5,029
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>5,029</u>	<u>5,029</u>
NET CHANGE IN FUND BALANCE	<u>\$ 11,423</u>	<u>\$ 11,423</u>	<u>328,741</u>	<u>\$ 317,318</u>
FUND BALANCE, MAY 1			<u>2,108,887</u>	
FUND BALANCE, APRIL 30			<u>\$ 2,437,628</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
AMBULANCE FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Taxes:				
Property	\$ 550,000	\$ 550,000	\$ 544,865	\$ (5,135)
Rural fire district	442,175	442,175	431,237	(10,938)
Intergovernmental:				
Grants	-	-	329,005	329,005
Service fees	1,490,000	1,490,000	1,552,904	62,904
Investment income	17,145	17,145	15,528	(1,617)
Miscellaneous revenues and reimbursements	3,000	3,000	593	(2,407)
Total revenues	<u>2,502,320</u>	<u>2,502,320</u>	<u>2,874,132</u>	<u>371,812</u>
EXPENDITURES				
Current:				
Public safety	\$ 2,709,916	\$ 2,709,916	\$ 2,439,387	(270,529)
Capital outlay	335,000	335,000	330,805	(4,195)
Total expenditures	<u>3,044,916</u>	<u>3,044,916</u>	<u>2,770,192</u>	<u>(274,724)</u>
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(542,596)</u>	<u>(542,596)</u>	<u>103,940</u>	<u>646,536</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(57,325)</u>	<u>(57,325)</u>	<u>(57,233)</u>	<u>92</u>
Total other financing sources (uses)	<u>(57,325)</u>	<u>(57,325)</u>	<u>(57,233)</u>	<u>92</u>
NET CHANGE IN FUND BALANCE	<u>\$ (599,921)</u>	<u>\$ (599,921)</u>	<u>46,707</u>	<u>\$ 646,628</u>
FUND BALANCE, MAY 1			<u>4,008,970</u>	
FUND BALANCE, APRIL 30			<u>\$ 4,055,677</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
IMRF FUND**

For the Year Ended April 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Taxes:				
Property	\$ 707,000	\$ 707,000	\$ 700,439	\$ (6,561)
Intergovernmental:				
Replacement tax	3,080	3,080	4,646	1,566
Investment income	-	-	427	427
Total revenues	<u>710,080</u>	<u>710,080</u>	<u>705,512</u>	<u>(4,568)</u>
EXPENDITURES				
Current:				
General government	132,785	132,785	108,824	(23,961)
Public safety	301,074	301,074	246,745	(54,329)
Highways and streets	105,092	105,092	86,128	(18,964)
Zoning	64,617	64,617	52,957	(11,660)
Cemetery	13,492	13,492	11,057	(2,435)
Culture and recreation	83,789	83,789	68,670	(15,119)
Tourism	9,231	9,231	7,564	(1,667)
Total expenditures	<u>710,080</u>	<u>710,080</u>	<u>581,945</u>	<u>(128,135)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>123,567</u>	<u>\$ 123,567</u>
FUND BALANCE, MAY 1			141,914	
Prior period adjustment			<u>18,557</u>	
FUND BALANCES, MAY 1, AS RESTATED			<u>160,471</u>	
FUND BALANCE, APRIL 30			<u>\$ 284,038</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
CEMETERY SPECIAL REVENUE FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Service fees	\$ 5,000	\$ 5,000	\$ 9,913	\$ 4,913
Investment income	25,000	25,000	227,246	202,246
Miscellaneous revenues and reimbursements	-	-	100	100
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>237,259</u>	<u>207,259</u>
EXPENDITURES				
Current:				
Cemetery	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 6,135</u>	<u>(23,865)</u>
Total expenditures	<u>30,000</u>	<u>30,000</u>	<u>6,135</u>	<u>(23,865)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 231,124</u>	<u>\$ 231,124</u>
FUND BALANCE, MAY 1			<u>818,672</u>	
FUND BALANCE, APRIL 30			<u>\$ 1,049,796</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
SOCIAL SECURITY SPECIAL REVENUE FUND**

For the Year Ended April 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Taxes:				
Property	\$ 815,000	\$ 815,000	\$ 807,805	\$ (7,195)
Intergovernmental receipts:				
Replacement tax	15,680	15,680	23,063	7,383
Fee in lieu of taxes	50,780	50,780	50,780	-
Total revenues	<u>881,460</u>	<u>881,460</u>	<u>881,648</u>	<u>188</u>
EXPENDITURES				
Current:				
General government	184,561	188,487	188,487	-
Public safety	418,469	427,371	427,371	-
Highways and streets	146,069	149,177	149,177	-
Zoning	89,813	91,724	91,724	-
Cemetery	18,752	19,151	19,151	-
Culture and recreation	116,461	118,938	118,938	-
Tourism	12,830	13,103	13,103	-
Total expenditures	<u>986,955</u>	<u>1,007,951</u>	<u>1,007,951</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (105,495)</u>	<u>\$ (126,491)</u>	(126,303)	<u>\$ 188</u>
FUND BALANCE, MAY 1			<u>360,846</u>	
FUND BALANCE, APRIL 30			<u>\$ 234,543</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
SPECIAL SERVICE SPECIAL REVENUE FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Taxes:				
Property	\$ 15,200	\$ 15,200	\$ 15,136	\$ (64)
Total revenues	<u>15,200</u>	<u>15,200</u>	<u>15,136</u>	<u>(64)</u>
EXPENDITURES				
Current:				
Highways and streets	\$ 15,200	\$ 15,200	\$ 5,280	(9,920)
Total expenditures	<u>15,200</u>	<u>15,200</u>	<u>5,280</u>	<u>(9,920)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	\$ 9,856	<u>\$ 9,856</u>
FUND BALANCE, MAY 1			<u>246,849</u>	
FUND BALANCE, APRIL 30			<u>\$ 256,705</u>	

CITY OF O'FALLON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND

For the Year Ended April 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Intergovernmental receipts:				
Grants	\$ 300,000	\$ 300,000	\$ -	\$ (300,000)
Investment income	-	-	12	12
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>12</u>	<u>12</u>
EXPENDITURES				
Capital outlay	<u>2,120,000</u>	<u>2,120,000</u>	-	(2,120,000)
Total expenditures	<u>2,120,000</u>	<u>2,120,000</u>	-	(2,120,000)
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(1,820,000)</u>	<u>(1,820,000)</u>	<u>12</u>	<u>2,120,012</u>
OTHER FINANCING SOURCES (USES)				
Capital contributions			-	-
Transfers in	<u>1,820,000</u>	<u>1,820,000</u>	-	(1,820,000)
Total other financing sources (uses)	<u>1,820,000</u>	<u>1,820,000</u>	-	(1,820,000)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12</u>	<u>\$ 300,012</u>
FUND BALANCE, MAY 1			<u>178,596</u>	
FUND BALANCE, APRIL 30			<u>\$ 178,608</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
2002 BOND ISSUE CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Investment income	\$ -	\$ -	\$ 195	\$ 195
Miscellaneous revenues and reimbursements	-	-	2,544	2,544
Total revenues	-	-	2,739	2,739
EXPENDITURES				
Debt service:				
Principal	694,710	694,710	694,710	-
Interest and fiscal charges	230,840	230,840	230,723	(117)
Bond issuance costs	-	-	17,445	17,445
Total expenditures	925,550	925,550	942,878	17,328
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES)	<u>(925,550)</u>	<u>(925,550)</u>	<u>(940,139)</u>	<u>(14,589)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of refunding bonds, at par	-	-	1,529,044	1,529,044
Issuance of refunding bonds premium	-	-	26,592	
Payment to escrow agent	-	-	(1,538,192)	(1,538,192)
Transfers in	925,550	925,550	925,121	(429)
Total other financing sources (uses)	925,550	925,550	942,565	(9,577)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	\$ 2,426	<u>\$ (24,166)</u>
FUND BALANCE, MAY 1			<u>578,021</u>	
FUND BALANCE, APRIL 30			<u>\$ 580,447</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
CONVENTION CENTER CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Investment income	\$ 3,025	\$ 3,025	\$ 141	\$ (2,884)
Total revenues	<u>3,025</u>	<u>3,025</u>	<u>141</u>	<u>(2,884)</u>
EXPENDITURES				
Debt service:				
Principal	279,395	279,395	279,395	-
Interest and fiscal charges	204,965	204,965	204,873	(92)
Total expenditures	<u>484,360</u>	<u>484,360</u>	<u>484,268</u>	<u>(92)</u>
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(481,335)</u>	<u>(481,335)</u>	<u>(484,127)</u>	<u>(2,792)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	481,335	481,335	484,059	2,724
Total other financing sources (uses)	<u>481,335</u>	<u>481,335</u>	<u>484,059</u>	<u>2,724</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (68)</u>	<u>\$ (68)</u>
FUND BALANCE, MAY 1			<u>362,130</u>	
FUND BALANCE, APRIL 30			<u>\$ 362,062</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
SPORTS PARK COMPLEX CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Investment income	\$ 3,540	\$ 3,540	\$ 373	\$ (3,167)
Total revenues	<u>3,540</u>	<u>3,540</u>	<u>373</u>	<u>(3,167)</u>
EXPENDITURES				
Debt service:				
Principal	365,895	365,895	365,895	-
Interest and fiscal charges	<u>550,980</u>	<u>550,980</u>	<u>550,903</u>	<u>(77)</u>
Total expenditures	<u>916,875</u>	<u>916,875</u>	<u>916,798</u>	<u>(77)</u>
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(913,335)</u>	<u>(913,335)</u>	<u>(916,425)</u>	<u>(3,090)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>913,335</u>	<u>913,335</u>	<u>916,323</u>	<u>2,988</u>
Total other financing sources (uses)	<u>913,335</u>	<u>913,335</u>	<u>916,323</u>	<u>2,988</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (102)</u>	<u>\$ (102)</u>
FUND BALANCE, MAY 1			<u>200,180</u>	
FUND BALANCE, APRIL 30			<u>\$ 200,078</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
PARK LAND CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Investment income	\$ 6,000	\$ 6,000	\$ 3,504	\$ (2,496)
Annex fees	210,000	210,000	236,413	26,413
Total revenues	<u>216,000</u>	<u>216,000</u>	<u>239,917</u>	<u>23,917</u>
EXPENDITURES				
Current:				
Culture and recreation	<u>216,000</u>	<u>216,000</u>	<u>-</u>	<u>(216,000)</u>
Total expenditures	<u>216,000</u>	<u>216,000</u>	<u>-</u>	<u>(216,000)</u>
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>239,917</u>	<u>239,917</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(700,000)</u>	<u>(700,000)</u>	<u>-</u>	<u>700,000</u>
Total other financing sources (uses)	<u>(700,000)</u>	<u>(700,000)</u>	<u>-</u>	<u>700,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ (700,000)</u>	<u>\$ (700,000)</u>	<u>\$ 239,917</u>	<u>\$ 939,917</u>
FUND BALANCE, MAY 1			<u>2,024,516</u>	
FUND BALANCE, APRIL 30			<u>\$ 2,264,433</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
PROPOSITION S INFRASTRUCTURE CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Intergovernmental receipts:				
State sales tax	\$ 2,100,000	\$ 2,100,000	\$ 2,250,410	\$ 150,410
Investment income	50,375	50,375	37,152	(13,223)
Miscellaneous revenues and reimbursements	32,000	32,000	30,276	(1,724)
Total revenues	<u>2,182,375</u>	<u>2,182,375</u>	<u>2,317,838</u>	<u>135,463</u>
EXPENDITURES				
Current:				
General government	35,000	35,000	32,097	(2,903)
Highways and streets	1,105,000	1,105,000	81,736	(1,023,264)
Capital outlay	850,000	850,000	924,533	74,533
Total expenditures	<u>1,990,000</u>	<u>1,990,000</u>	<u>1,038,366</u>	<u>(951,634)</u>
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES	192,375	192,375	1,279,472	1,087,097
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(380,955)</u>	<u>(380,955)</u>	<u>(380,653)</u>	302
Total other financing sources (uses)	<u>(380,955)</u>	<u>(380,955)</u>	<u>(380,653)</u>	302
NET CHANGE IN FUND BALANCE	<u>\$ (188,580)</u>	<u>\$ (188,580)</u>	<u>\$ 898,819</u>	<u>\$ 1,087,399</u>
FUND BALANCE, MAY 1			4,568,560	
Prior period adjustment			<u>160,913</u>	
FUND BALANCES, MAY 1, AS RESTATED			4,729,473	
FUND BALANCE, APRIL 30			<u>\$ 5,628,292</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
STRATEGIC PLAN CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Intergovernmental receipts:				
Grants	\$ -	\$ -	\$ 17,000	\$ 17,000
Investment income	7,135	7,135	2,700	(4,435)
Total revenues	<u>7,135</u>	<u>7,135</u>	<u>19,700</u>	<u>12,565</u>
EXPENDITURES				
Current:				
General government	90,000	90,000	97,156	7,156
Capital outlay	175,000	175,000	5,499	(169,501)
Total expenditures	<u>265,000</u>	<u>265,000</u>	<u>102,655</u>	<u>(162,345)</u>
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES)	<u>(257,865)</u>	<u>(257,865)</u>	<u>(82,955)</u>	<u>174,910</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	200,000	200,000	200,000	-
Transfers out	(682,000)	(682,000)	-	682,000
Total other financing sources (uses)	<u>(482,000)</u>	<u>(482,000)</u>	<u>200,000</u>	<u>682,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ (739,865)</u>	<u>\$ (739,865)</u>	<u>\$ 117,045</u>	<u>\$ 856,910</u>
FUND BALANCE, MAY 1			<u>2,062,722</u>	
FUND BALANCE, APRIL 30			<u>\$ 2,179,767</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
2010 BOND ISSUE DEBT SERVICE FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Investment income	\$ -	\$ -	\$ 179	\$ 179
Total revenues	<u>-</u>	<u>-</u>	<u>179</u>	<u>179</u>
EXPENDITURES				
Debt service:				
Principal	560,000	560,000	560,000	-
Interest and fiscal charges	38,280	38,280	36,910	(1,370)
Bond issuance costs	-	-	6,470	6,470
Total expenditures	<u>598,280</u>	<u>598,280</u>	<u>603,380</u>	<u>5,100</u>
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES)	<u>(598,280)</u>	<u>(598,280)</u>	<u>(603,201)</u>	<u>(4,921)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of refunding bonds, at par	-	-	575,956	575,956
Issuance of refunding bonds premium	-	-	10,017	10,017
Payment to escrow agent	-	-	(579,503)	(579,503)
Transfers in	<u>598,280</u>	<u>598,280</u>	<u>598,155</u>	<u>(125)</u>
Total other financing sources (uses)	<u>598,280</u>	<u>598,280</u>	<u>604,625</u>	<u>6,345</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,424</u>	<u>\$ 1,424</u>
FUND BALANCE, MAY 1			<u>142,267</u>	
FUND BALANCE, APRIL 30			<u>\$ 143,691</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
BUILD AMERICA DEBT SERVICE FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
None	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Debt service:				
Principal	110,000	110,000	110,000	-
Interest and fiscal charges	33,250	33,250	33,065	(185)
Total expenditures	143,250	143,250	143,065	(185)
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES	(143,250)	(143,250)	(143,065)	185
OTHER FINANCING SOURCES (USES)				
Transfers in	143,250	143,250	143,065	(185)
Total other financing sources (uses)	143,250	143,250	143,065	(185)
NET CHANGE IN FUND BALANCE	\$ -	\$ -	\$ -	\$ -
FUND BALANCE, MAY 1			-	
FUND BALANCE, APRIL 30			\$ -	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
GREEN MOUNT DEBT SERVICE FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
None	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Debt service:				
Principal	310,000	310,000	310,000	-
Interest and fiscal charges	225,425	225,425	225,418	(7)
Total expenditures	535,425	535,425	535,418	(7)
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES	(535,425)	(535,425)	(535,418)	7
OTHER FINANCING SOURCES (USES)				
Transfers in	535,425	535,425	843,338	307,913
Total other financing sources (uses)	535,425	535,425	843,338	307,913
NET CHANGE IN FUND BALANCE	\$ -	\$ -	\$ 307,920	\$ 307,920
FUND BALANCE, MAY 1			(307,920)	
FUND BALANCE, APRIL 30			\$ -	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
DESTINATION O'FALLON DEBT SERVICE FUND**

For the Year Ended April 30, 2021

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
None	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Debt service:				
Principal	385,000	385,000	385,000	-
Interest and fiscal charges	267,510	267,510	267,228	(282)
Total expenditures	652,510	652,510	652,228	(282)
EXCESS (DEFICIENCY OF REVENUES OVER EXPENDITURES	(652,510)	(652,510)	(652,228)	282
OTHER FINANCING SOURCES (USES)				
Transfers in	652,510	652,510	652,228	(282)
Total other financing sources (uses)	652,510	652,510	652,228	(282)
NET CHANGE IN FUND BALANCE	\$ -	\$ -	\$ -	\$ -
FUND BALANCE, MAY 1			(318)	
FUND BALANCE, APRIL 30			<u>\$ (318)</u>	

FIDUCIARY FUNDS

CITY OF O'FALLON, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET POSITION - PENSION TRUST FUNDS

April 30, 2021

	Police Pension Fund	Firefighters' Pension Fund	Total
ASSETS			
Cash and cash equivalents	\$ 4,340,824	\$ 28,814	\$ 4,369,638
Investments			
U.S. Treasuries	2,066,207	106,292	2,172,499
U.S. agency obligations	1,374,133	133,706	1,507,839
Corporate bonds	5,364,744	262,164	5,626,908
Negotiable certificates of deposit	1,940,386	253,017	2,193,403
Equity mutual funds	26,419,632	121,544	26,541,176
Receivables, net:			
Interest receivable	62,028	4,298	66,326
Total assets	<u>41,567,954</u>	<u>909,835</u>	<u>42,477,789</u>
LIABILITIES			
Due to primary government	678	-	678
Total liabilities	<u>678</u>	<u>-</u>	<u>678</u>
NET POSITION RESTRICTED FOR PENSION BENEFITS			
	<u>\$ 41,567,276</u>	<u>\$ 909,835</u>	<u>\$ 42,477,111</u>

CITY OF O'FALLON, ILLINOIS

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
PENSION TRUST FUNDS**

For the Year Ended April 30, 2021

	<u>Police Pension Fund</u>	<u>Firefighters' Pension Fund</u>	<u>Total</u>
ADDITIONS			
Contributions:			
Plan members	\$ 447,502	\$ 17,942	\$ 465,444
Employer	1,195,365	63,545	1,258,910
Total contributions	<u>1,642,867</u>	<u>81,487</u>	<u>1,724,354</u>
Investment income:			
Interest earned	1,023,437	22,336	1,045,773
Net appreciation (depreciation) in fair value of investments	9,709,682	33,899	9,743,581
Less: investment fees	<u>(26,579)</u>	<u>(1,922)</u>	<u>(28,501)</u>
Net investment income	<u>10,706,540</u>	<u>54,313</u>	<u>10,760,853</u>
Total additions	<u>12,349,407</u>	<u>135,800</u>	<u>12,485,207</u>
DEDUCTIONS			
Benefits	1,656,027	-	1,656,027
Refunds	43,346	-	43,346
Administration services	<u>14,144</u>	<u>1,687</u>	<u>15,831</u>
Total deductions	<u>1,713,517</u>	<u>1,687</u>	<u>1,715,204</u>
CHANGE IN NET POSITION	<u>10,635,890</u>	<u>134,113</u>	<u>10,770,003</u>
NET POSITION, MAY 1	32,131,386	839,722	32,971,108
Prior period adjustment	<u>(1,200,000)</u>	<u>(64,000)</u>	<u>(1,264,000)</u>
NET POSITION, MAY 1, AS RESTATED	30,931,386	775,722	31,707,108
NET POSITION, APRIL 30	<u><u>\$ 41,567,276</u></u>	<u><u>\$ 909,835</u></u>	<u><u>\$ 42,477,111</u></u>

CITY OF O'FALLON, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - BUDGET AND ACTUAL
POLICE PENSION FUND**

For the Year Ended April 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
ADDITIONS				
Contributions:				
Plan members	\$ 405,000	\$ 405,000	\$ 447,502	\$ 42,502
Employer	<u>1,204,200</u>	<u>1,204,200</u>	<u>1,195,365</u>	<u>(8,835)</u>
Total contributions	<u>1,609,200</u>	<u>1,609,200</u>	<u>1,642,867</u>	<u>33,667</u>
Investment income:				
Investment income	584,600	584,600	1,023,437	438,837
Net appreciation (depreciation) in fair value of investments	-	-	9,709,682	9,709,682
Less: investment fees	<u>(50,000)</u>	<u>(50,000)</u>	<u>(26,579)</u>	<u>23,421</u>
Net investment income	<u>534,600</u>	<u>534,600</u>	<u>10,706,540</u>	<u>10,171,940</u>
Total additions	<u>2,143,800</u>	<u>2,143,800</u>	<u>12,349,407</u>	<u>10,205,607</u>
DEDUCTIONS				
Benefits	1,250,000	1,250,000	1,656,027	406,027
Refunds	20,000	20,000	43,346	23,346
Administration services	<u>873,800</u>	<u>873,800</u>	<u>14,144</u>	<u>(859,656)</u>
Total deductions	<u>2,143,800</u>	<u>2,143,800</u>	<u>1,713,517</u>	<u>(430,283)</u>
CHANGE IN NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>10,635,890</u>	<u>\$ 10,635,890</u>
NET POSITION, MAY 1			32,131,386	
Prior period adjustment			<u>(1,200,000)</u>	
NET POSITION, MAY 1, AS RESTATED			<u>30,931,386</u>	
NET POSITION, APRIL 30			<u>\$ 41,567,276</u>	

CITY OF O'FALLON, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - BUDGET AND ACTUAL
FIREFIGHTERS' PENSION FUND**

For the Year Ended April 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
ADDITIONS				
Contributions:				
Plan members	\$ 17,000	\$ 17,000	\$ 17,942	\$ 942
Employer	64,000	64,000	63,545	(455)
Total contributions	<u>81,000</u>	<u>81,000</u>	<u>81,487</u>	<u>487</u>
Investment income:				
Investment income	15,100	15,100	22,336	7,236
Net appreciation (depreciation) in fair value of investments	-	-	33,899	33,899
Less: investment fees	<u>(3,000)</u>	<u>(3,000)</u>	<u>(1,922)</u>	<u>1,078</u>
Net investment income	<u>12,100</u>	<u>12,100</u>	<u>54,313</u>	<u>42,213</u>
Total additions	<u>93,100</u>	<u>93,100</u>	<u>135,800</u>	<u>42,700</u>
DEDUCTIONS				
Administration services	<u>93,100</u>	<u>93,100</u>	<u>1,687</u>	<u>(91,413)</u>
Total deductions	<u>93,100</u>	<u>93,100</u>	<u>1,687</u>	<u>(91,413)</u>
CHANGE IN NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>134,113</u>	<u>\$ 134,113</u>
NET POSITION, MAY 1			839,722	
Prior period adjustment			<u>(64,000)</u>	
NET POSITION, MAY 1, AS RESTATED			<u>775,722</u>	
NET POSITION, APRIL 30			<u>\$ 909,835</u>	

CITY OF O'FALLON, ILLINOIS

**COMBINING STATEMENT OF FIDUCIARY NET POSITION -
CUSTODIAL FUNDS**

April 30, 2021

	Special Service Area Debt Service	Newbold Debt Service	Harley Davidson Debt Service	Total
	<hr/>	<hr/>	<hr/>	<hr/>
ASSETS				
Cash and cash equivalents	\$ 93,984	\$ 85,521	\$ 47,434	\$ 226,939
Restricted cash	220,669	201,869	193,485	616,023
Total assets	<hr/> 314,653 <hr/>	<hr/> 287,390 <hr/>	<hr/> 240,919 <hr/>	<hr/> 842,962 <hr/>
LIABILITIES				
None	<hr/> -	<hr/> -	<hr/> -	<hr/> -
Total liabilities	<hr/> - <hr/>	<hr/> - <hr/>	<hr/> - <hr/>	<hr/> - <hr/>
NET POSITION RESTRICTED FOR DEBT SERVICE	<hr/> <hr/> \$ 314,653 <hr/> <hr/>	<hr/> <hr/> \$ 287,390 <hr/> <hr/>	<hr/> <hr/> \$ 240,919 <hr/> <hr/>	<hr/> <hr/> \$ 842,962 <hr/> <hr/>

CITY OF O'FALLON, ILLINOIS

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS**

For the Year Ended April 30, 2021

	Special Service Area Debt Service	Newbold Debt Service	Harley Davidson Debt Service	Total
ADDITIONS				
Contributions:				
Property owners	\$ 277,055	\$ 155,063	\$ 132,959	\$ 565,077
Total contributions	277,055	155,063	132,959	565,077
Investment income	75	5	4	84
Total additions	277,130	155,068	132,963	565,161
DEDUCTIONS				
Debt service				
Principal	235,000	105,000	85,000	425,000
Interest and fiscal charges	45,292	52,550	49,850	147,692
Total deductions	280,292	157,550	134,850	572,692
CHANGE IN NET POSITION	(3,162)	(2,482)	(1,887)	(7,531)
NET POSITION, MAY 1	-	-	-	-
Priod period adjustment	317,815	289,872	242,806	850,493
NET POSITION, MAY 1, AS RESTATED	317,815	289,872	242,806	850,493
NET POSITION, APRIL 30	<u>\$ 314,653</u>	<u>\$ 287,390</u>	<u>\$ 240,919</u>	<u>\$ 842,962</u>

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION - BUDGET AND ACTUAL
SPECIAL SERVICE AREA DEBT SERVICE FUND**

For the Year Ended April 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
ADDITIONS				
Contributions:				
Property owners	\$ 280,355	\$ 280,355	\$ 277,055	\$ (3,300)
Total contributions	<u>280,355</u>	<u>280,355</u>	<u>277,055</u>	<u>(3,300)</u>
Investment income	<u>-</u>	<u>-</u>	<u>75</u>	<u>75</u>
Total additions	<u>280,355</u>	<u>280,355</u>	<u>277,130</u>	<u>(3,225)</u>
DEDUCTIONS				
Debt service				
Principal	235,000	235,000	235,000	-
Interest and fiscal charges	<u>45,355</u>	<u>45,355</u>	<u>45,292</u>	<u>(63)</u>
Total deductions	<u>280,355</u>	<u>280,355</u>	<u>280,292</u>	<u>(63)</u>
CHANGE IN NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>(3,162)</u>	<u>\$ (3,162)</u>
NET POSITION, MAY 1			-	
Priod period adjustment			<u>317,815</u>	
NET POSITION, MAY 1, AS RESTATED			<u>317,815</u>	
NET POSITION, APRIL 30			<u>\$ 314,653</u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION - BUDGET AND ACTUAL
NEWBOLD DEBT SERVICE FUND**

For the Year Ended April 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
ADDITIONS				
Contributions				
Property owners	<u>\$ 158,000</u>	<u>\$ 158,000</u>	<u>\$ 155,063</u>	<u>\$ (2,937)</u>
Total contributions	<u>158,000</u>	<u>158,000</u>	<u>155,063</u>	<u>(2,937)</u>
Investment income	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>
Total additions	<u>158,000</u>	<u>158,000</u>	<u>155,068</u>	<u>(2,932)</u>
DEDUCTIONS				
Debt service				
Principal	<u>105,000</u>	<u>105,000</u>	<u>105,000</u>	<u>-</u>
Interest and fiscal charges	<u>53,000</u>	<u>53,000</u>	<u>52,550</u>	<u>(450)</u>
Total deductions	<u>158,000</u>	<u>158,000</u>	<u>157,550</u>	<u>(450)</u>
CHANGE IN NET POSITION	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (2,482)</u></u>	<u><u>\$ (2,482)</u></u>
NET POSITION, MAY 1			-	
Priod period adjustment			<u>289,872</u>	
NET POSITION, MAY 1, AS RESTATED			<u>289,872</u>	
NET POSITION, APRIL 30			<u><u>\$ 287,390</u></u>	

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION - BUDGET AND ACTUAL
HARLEY DAVIDSON DEBT SERVICE FUND**

For the Year Ended April 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
ADDITIONS				
Contributions				
Property owners	<u>\$ 135,280</u>	<u>\$ 135,280</u>	<u>\$ 132,959</u>	<u>\$ (2,321)</u>
Total contributions	<u>135,280</u>	<u>135,280</u>	<u>132,959</u>	<u>(2,321)</u>
Investment income	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
Total additions	<u>135,280</u>	<u>135,280</u>	<u>132,963</u>	<u>(2,317)</u>
DEDUCTIONS				
Debt service:				
Principal	<u>85,000</u>	<u>85,000</u>	<u>85,000</u>	<u>-</u>
Interest and fiscal charges	<u>50,280</u>	<u>50,280</u>	<u>49,850</u>	<u>(430)</u>
Total deductions	<u>135,280</u>	<u>135,280</u>	<u>134,850</u>	<u>(430)</u>
CHANGE IN NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,887)</u>	<u>\$ (1,887)</u>
NET POSITION, MAY 1			-	
Priod period adjustment			<u>242,806</u>	
NET POSITION, MAY 1, AS RESTATED			<u>242,806</u>	
NET POSITION, APRIL 30			<u>\$ 240,919</u>	

DISCRETELY PRESENTED COMPONENT UNIT

CITY OF O'FALLON, ILLINOIS

O'FALLON PUBLIC LIBRARY - COMPONENT UNIT
STATEMENT OF NET POSITION AND BALANCE SHEET

April 30, 2021

	General Operating	Ohlendorf Bequest	Total	Adjustments	Statement of Net Position
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Cash and cash equivalents	775,331	101,870	877,201	-	877,201
Investments	611,570	4,136,951	4,748,521	-	4,748,521
Receivables, net:					
Property taxes	1,256,500	-	1,256,500	-	1,256,500
Interest	5,570	5,195	10,765	-	10,765
Due from other governmental entities	1,036	-	1,036	-	1,036
Other	207	-	207	-	207
Prepaid items	39,495	-	39,495	-	39,495
Net pension asset - IMRF	-	-	-	63,396	63,396
Capital assets:					
Land and construction in progress	-	-	-	-	-
Other capital assets, net of accumulated depreciation	-	-	-	1,392,305	1,392,305
Total assets	2,689,709	4,244,016	6,933,725	1,455,701	8,389,426
DEFERRED OUTFLOWS OF RESOURCES					
Pension items - IMRF	-	-	-	79,146	79,146
Total deferred outflows of resources	-	-	-	79,146	79,146
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
	\$ 2,689,709	\$ 4,244,016	\$ 6,933,725	\$ 1,534,847	\$ 8,468,572
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	47,195	-	47,195	-	47,195
Accrued payroll and benefits	8,158	-	8,158	-	8,158
Unearned revenue	1,036	-	1,036	-	1,036
Noncurrent liabilities:					
Due within one year	-	-	-	25,591	25,591
Due in more than one year	-	-	-	64,008	64,008
Total liabilities	56,389	-	56,389	89,599	145,988
DEFERRED INFLOWS OF RESOURCES					
Pension items - IMRF	-	-	-	172,480	172,480
Unavailable/deferred property taxes	1,256,500	-	1,256,500	-	1,256,500
Total deferred inflows of resources	1,256,500	-	1,256,500	172,480	1,428,980
FUND BALANCES/NET POSITION					
Restricted:					
Retirement	74,702	-	74,702	-	74,702
Specific purpose	-	4,244,016	4,244,016	-	4,244,016
Unassigned	1,302,118	-	1,302,118	(1,302,118)	-
Net position:					
Net investment in capital assets	-	-	-	1,392,305	1,392,305
Unrestricted	-	-	-	1,182,581	1,182,581
Total fund balance/net position	1,376,820	4,244,016	5,620,836	1,272,768	6,893,604
Total liabilities, deferred inflows of resources and fund balances/net position	\$ 2,689,709	\$ 4,244,016	\$ 6,933,725	\$ 1,534,847	\$ 8,468,572

CITY OF O'FALLON, ILLINOIS

O'FALLON PUBLIC LIBRARY - COMPONENT UNIT

STATEMENT OF ACTIVITIES AND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the Year Ended April 30, 2021

	General Operating	Ohlendorf Bequest	Total	Adjustments	Statement of Activities
REVENUES					
Taxes					
Property	\$ 1,228,727	\$ -	\$ 1,228,727	\$ -	\$ 1,228,727
Intergovernmental					
Replacement tax	7,377	-	7,377	-	7,377
Grants	47,775	-	47,775	-	47,775
TIF surplus distribution	6,889	-	6,889	-	6,889
Investment income	12,174	921,904	934,078	-	934,078
Fines and fees	40,255	-	40,255	-	40,255
Donations	51,706	-	51,706	-	51,706
Miscellaneous	-	-	-	-	-
Total revenues	<u>1,394,903</u>	<u>921,904</u>	<u>2,316,807</u>	<u>-</u>	<u>2,316,807</u>
EXPENDITURES					
Current					
Culture and recreation	1,075,102	27,377	1,102,479	95,130	1,197,609
Capital outlay	-	-	-	-	-
Total expenditures	<u>1,075,102</u>	<u>27,377</u>	<u>1,102,479</u>	<u>95,130</u>	<u>1,197,609</u>
NET CHANGES IN FUND BALANCES/ NET POSITION	319,801	894,527	1,214,328	(95,130)	1,119,198
FUND BALANCES/NET POSITION, MAY 1	<u>1,057,019</u>	<u>3,349,489</u>	<u>4,406,508</u>	<u>1,367,898</u>	<u>5,774,406</u>
FUND BALANCES/NET POSITION, APRIL 30	<u>\$ 1,376,820</u>	<u>\$ 4,244,016</u>	<u>\$ 5,620,836</u>	<u>\$ 1,272,768</u>	<u>\$ 6,893,604</u>

OTHER INFORMATION

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF FUNDING PROGRESS
POLICE PENSION FUND**

For the Last Four Fiscal Years

Police Pension Fund Trend Information

	(1)	(2)	(3)	(4)	(5)	
		Actuarial		Unfunded		UAAL as a
Actuarial	Actuarial	Accrued	Funded	AAL	Covered	Percentage
Valuation	Value of	Liability	Ratio	(UAAL)	Payroll	of Covered
Date *	Assets	(AAL)	(1) / (2)	(2) - (1)		Payroll
		Entry Age				(4) / (5)
4/30/2020	\$ 34,466,029	\$ 45,219,912	76%	\$ 10,753,883	\$ 4,142,103	260%
4/30/2019	33,043,202	41,138,556	80%	8,095,354	4,193,075	193%
4/30/2018	30,904,738	38,678,400	80%	7,773,662	3,827,498	203%
4/30/2017	28,712,290	35,937,502	80%	7,225,212	3,567,343	203%

Employer Contributions

Actuarial	Employer
Year *	Contributions
4/30/2020	\$ 1,202,429
4/30/2019	1,196,603
4/30/2018	1,200,725
4/30/2017	1,096,446

* Most recent information available

CITY OF O'FALLON, ILLINOIS

**SCHEDULE OF FUNDING PROGRESS
FIREFIGHTERS' PENSION FUND**

For the Last Four Fiscal Years

Firefighters' Pension Fund Trend Information

	(1)	(2)	(3)	(4)	(5)	
		Actuarial		Unfunded		UAAL as a
Actuarial	Actuarial	Liability	Funded	AAL		Percentage
Valuation	Value of	(AAL)	Ratio	(UAAL)	Covered	of Covered
Date *	Assets	Entry Age	(1) / (2)	(2) - (1)	Payroll	(4) / (5)
4/30/2020	\$ 796,082	\$ 365,017	218%	\$ (431,065)	\$ 175,510	-246%
4/30/2019	606,282	260,551	233%	(345,731)	172,515	-200%
4/30/2018	546,823	446,603	122%	(100,220)	97,864	-102%
4/30/2017	418,735	64,273	651%	(354,462)	95,014	-373%

Employer Contributions

Actuarial	Employer
Year *	Contributions
4/30/2020	\$ 64,075
4/30/2019	44,663
4/30/2018	69,691
4/30/2017	135,865

* Most recent information available

CITY OF O'FALLON, ILLINOIS

COMPARATIVE STATEMENTS OF NET POSITION

April 30, 2021

	Primary Government		Component Unit	
	2021	2020	2021	2020
ASSETS				
Cash and cash equivalents	\$ 61,911,293	\$ 45,485,091	\$ 877,201	\$ 450,328
Restricted cash and cash equivalents	378,611	1,036,426	-	-
Investments	17,580,762	21,717,979	4,748,521	3,942,810
Receivables, net:				
Property tax	8,170,139	6,360,439	1,256,500	1,239,357
Due from other governmental entities	3,533,702	1,969,607	1,036	-
Interest	57,112	126,561	10,765	12,249
Other	1,236,497	764,645	207	-
Water and sewer fees	2,574,824	2,623,320	-	-
Service fees	397,066	426,899	-	-
Due from employees	82	4,046	-	-
Due from fiduciary funds	678	-	-	-
Prepaid items	606,198	770,051	39,495	13,365
Net pension asset - IMRF	1,243,738	-	63,396	-
Capital assets:				
Land and construction in progress	34,237,029	33,283,819	-	-
Other capital assets, net	118,079,051	122,300,477	1,392,305	1,584,296
Total assets	250,006,782	236,869,360	8,389,426	7,242,405
DEFERRED OUTFLOWS OF RESOURCES				
Pension items - IMRF	1,552,731	3,702,644	79,146	241,619
Unamortized loss on refunding	935,731	1,107,701	-	-
Total deferred outflows of resources	2,488,462	4,810,345	79,146	241,619
Total assets and deferred outflows of resources	252,495,244	241,679,705	8,468,572	7,484,024

This schedule is continued on the following page.

CITY OF O'FALLON, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2021

	Primary Government		Component Unit	
	2021	2020	2021	2020
LIABILITIES				
Accounts payable	\$ 3,943,538	\$ 2,695,357	\$ 47,195	\$ 8,827
Accrued payroll and benefits	221,687	172,304	8,158	3,417
Unearned revenue	1,257,685	281,572	1,036	-
Accrued interest	497,037	633,181	-	-
Noncurrent liabilities:				
Due within one year	4,606,804	6,708,219	25,591	78,324
Due in more than one year	45,723,937	52,655,498	64,008	145,392
Total liabilities	56,250,688	63,146,131	145,988	235,960
DEFERRED INFLOWS OF RESOURCES				
Pension items - IMRF	3,383,809	4,046,976	172,480	234,301
Deferred property taxes	8,170,139	6,360,439	1,256,500	1,239,357
Total deferred inflows of resources	11,553,948	10,407,415	1,428,980	1,473,658
Total liabilities and deferred inflows of resources	67,804,636	73,553,546	1,574,968	1,709,618
NET POSITION				
Net investment in capital assets	105,908,127	112,340,079	1,392,305	1,584,296
Restricted:				
Debt service	143,691	684,522	-	-
Construction/capital projects	9,213,920	7,721,981	-	-
Enabling legislation	-	12,562,711	-	4,190,110
Highways and streets	5,942,002	-	-	-
Culture and recreation	2,830,171	-	-	-
Public safety	6,839,632	-	-	-
Retirement	518,581	-	74,702	-
Cemetery	1,049,796	-	-	-
Special service areas	256,705	-	-	-
Special purpose	-	-	4,244,016	-
Unrestricted	51,987,983	34,816,866	1,182,581	-
Total net position	\$ 184,690,608	\$ 168,126,159	\$ 6,893,604	\$ 5,774,406

CITY OF O'FALLON, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2021

	Primary Government		Component Unit	
	2021	2020	2021	2020
EXPENSES				
Government activities:				
General government	\$ 3,785,369	\$ 3,338,376	\$ -	\$ -
Public safety	13,589,716	13,539,896	-	-
Highway and streets	7,622,746	7,699,763	-	-
Zoning	1,077,655	1,162,503	-	-
Cemetery	165,292	143,296	-	-
Culture and recreation	5,222,573	5,692,317	-	-
Tax increment financing	1,146,334	980,038	-	-
Tourism	221,578	325,250	-	-
Tax rebates	-	137,226	-	-
Interest and fiscal charges	1,565,071	1,787,382	-	-
Total governmental activities	34,396,334	34,806,047	-	-
Business-type activities				
Water	10,653,586	10,134,471	-	-
Sewer	4,203,028	4,794,453	-	-
Total business-type activities	14,856,614	14,928,924	-	-
Component Unit:				
Library	-	-	1,197,609	1,323,719
Total expenses	49,252,948	49,734,971	1,197,609	1,323,719
PROGRAM REVENUES				
Charges for services	30,156,267	29,863,656	40,255	64,567
Operating grants and contributions	3,258,835	1,663,803	47,775	38,050
Capital grants and contributions	1,560,160	3,719,384	-	-
Total program revenues	34,975,262	35,246,843	88,030	102,617
Net (Expense) Revenue and Changes in Net Position	<u>(14,277,686)</u>	<u>(14,488,128)</u>	<u>(1,109,579)</u>	<u>(1,221,102)</u>

This schedule is continued on the following page.

CITY OF O'FALLON, ILLINOIS

STATEMENT OF ACTIVITIES (Continued)

For the Year Ended April 30, 2021

	Primary Government		Component Unit	
	2021	2020	2021	2020
GENERAL REVENUES				
Taxes:				
Property	7,298,908	6,427,652	1,228,727	1,180,840
Road and bridge	268,118	307,368	-	-
Utility	2,056,311	2,045,074	-	-
Food and beverage	852,884	912,141	-	-
Unrestricted - intergovernmental				
Income	3,489,559	2,994,838	-	-
TIF surplus	32,331	31,857	6,889	13,304
Replacement	34,008	22,157	7,377	5,916
Sales tax	13,117,120	12,244,964	-	-
Investment income	614,541	1,360,554	934,078	(68,106)
Gain (loss) on disposal of fixed assets	89,341	87,726	-	-
Miscellaneous	238,758	224,003	51,706	53,482
Transfers in (out)	-	35,386	-	(35,386)
Total General Revenues and Transfers	<u>28,091,879</u>	<u>26,693,720</u>	<u>2,228,777</u>	<u>1,150,050</u>
Change in net position	<u>13,814,193</u>	<u>12,205,592</u>	<u>1,119,198</u>	<u>(71,052)</u>
Net position - May 1	168,126,159	155,831,400	5,774,406	5,845,458
Prior Period Adjustments	<u>2,750,256</u>	<u>89,167</u>	<u>-</u>	<u>-</u>
Net position - May 1, as restated	170,876,415	155,920,567	5,774,406	5,845,458
Net position - April 30	<u>\$ 184,690,608</u>	<u>\$ 168,126,159</u>	<u>\$ 6,893,604</u>	<u>\$ 5,774,406</u>

CITY OF O'FALLON, ILLINOIS

**ASSESSED VALUATIONS AND PROPERTY TAX
LAST TEN YEARS**

For the Year Ended April 30, 2021

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Assessed valuations	\$ 765,414,890	\$ 737,327,557	\$ 705,904,298	\$ 974,208,323	\$ 656,002,514	\$ 640,935,272	\$ 641,199,042	\$ 636,736,130	\$ 647,311,486	\$ 647,311,486
Property tax rates										
General	0.0131	0.0448	0.0709	0.0742	0.0389	0.0390	0.0388	0.0390	0.0382	0.0426
Fire protection	0.1732	0.1730	0.1736	0.1817	0.1868	0.1840	0.1821	0.1833	0.1802	0.1818
Firefighter's pension	0.0066	0.0087	0.0064	0.0104	0.0107	-	-	-	-	-
Ambulance	0.0784	0.0746	0.0709	0.0520	0.1580	0.1616	0.1610	0.1814	0.1784	0.2017
Library	0.1503	0.1537	0.1534	0.1606	0.1650	0.1571	0.1502	0.1512	0.1487	0.1500
Library - Municipal retirement	0.0068	0.0070	0.0073	0.0077	0.0079	-	-	-	-	-
Library - Social security	0.0072	0.0075	0.0078	0.0082	0.0084	-	-	-	-	-
Park and recreation	0.0889	0.0841	0.0836	0.0876	0.0892	0.0912	0.0902	0.0908	0.0892	0.0900
Police pension	0.1699	0.1628	0.1700	0.1780	0.1683	0.1720	0.1713	0.1724	0.1767	0.1619
Municipal retirement	0.0928	0.0959	0.0886	0.0895	0.0915	0.0905	0.0790	0.0602	0.0595	0.0535
Social security	0.1144	0.1106	0.1155	0.1338	0.1281	0.1311	0.1219	0.1227	0.1165	0.1009
Total property tax rates	<u>0.9016</u>	<u>0.9227</u>	<u>0.9480</u>	<u>0.9837</u>	<u>1.0528</u>	<u>1.0265</u>	<u>0.9945</u>	<u>1.0010</u>	<u>0.9874</u>	<u>0.9824</u>