

VILLAGE OF ST. JACOB, ILLINOIS

ANNUAL FINANCIAL REPORT
YEAR ENDED MARCH 31, 2020

VILLAGE OF ST. JACOB, ILLINOIS

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1-2
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u>	3-4
<u>BASIC FINANCIAL STATEMENTS:</u>	
<u>Statement</u>	
<u>Government-Wide Financial Statements --</u>	
A Statement of Net Position - Modified Cash Basis	5
B Statement of Activities - Modified Cash Basis	6
<u>Fund Financial Statements --</u>	
C Statement of Assets, Liabilities and Fund Balances - Modified Cash Basis - Governmental Funds	7
D Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances - Modified Cash Basis - Governmental Funds	8-10
E Statement of Assets, Liabilities and Fund Balances - Modified Cash Basis - Proprietary Funds	11
F Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balances - Modified Cash Basis - Proprietary Funds	12
G Statement of Cash Flows - Modified Cash Basis - Proprietary Funds	13
NOTES TO BASIC FINANCIAL STATEMENTS	14-33
<u>SUPPLEMENTAL INFORMATION:</u>	
<u>Schedule</u>	
1 Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance - Modified Cash Basis - Budget and Actual - General Fund	34

SUPPLEMENTAL INFORMATION:(CONTINUED)

Schedule

2	Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance - Modified Cash Basis - Budget and Actual - Special Revenue Funds	35-37
3	Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance - Modified Cash Basis - Budget and Actual - Proprietary Funds	38
4	Notes to Budgetary Comparison Schedule	39
5	Schedule of Illinois Municipal Retirement Funding Progress and Employer Contributions	40
6	Combining Statement of Assets, Liabilities and Changes in Fund Balance - Modified Cash Basis - NonMajor Governmental Funds	41
7	Combining Statement of Revenues Received, Expenditures Disbursed and Changes in Fund Balance - Modified Cash Basis - NonMajor Governmental Funds	42



LOY MILLER TALLEY, PC

Certified Public Accountants

Integrity ★ Vision ★ Results

Independent Auditor's Report

August 7, 2020

To the Honorable Mayor and
Members of the Board of Trustees
Village of St. Jacob, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of St. Jacob, Illinois, as of and for the year ended March 31, 2020, and the related notes to the financial statements, which collectively comprise the Village'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 the modified cash basis of accounting described in Note 1.D; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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

#2 Crossroads Court
Alton, Illinois 62002
(618) 465-1196
Fax (618) 465-2900

100 S. State Street
Jerseyville, Illinois 62052
(618) 498-6246
Fax (618) 498-3384
www.lmtcpas.com

1105 Main Street
Greenfield, Illinois 62044
(217) 368-3011
Fax (217) 368-2424

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position - modified cash basis of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of St. Jacob, Illinois, as of March 31, 2020, and the respective changes in financial position - modified cash basis, thereof for the year then ended in accordance with the basis of accounting as described in Note 1.D.

Basis of Accounting

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 7, 2020, on our consideration of the Village of St. Jacob, Illinois, internal control over financial reporting and on our test 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 the effectiveness of the Village of St. Jacob, Illinois' 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 Village of St. Jacob, Illinois, internal control over financial reporting and compliance.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Village of St. Jacob, Illinois' basic financial statements. The budgetary comparison and other information on pages 34-39 and 40-42, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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 it.

Loy Miller Talley, PC

Certified Public Accountants
Alton, Illinois



LOY MILLER TALLEY, PC

Certified Public Accountants

Integrity ★ Vision ★ Results

Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an
Audit of Financial Statements Performed
in Accordance with Government Auditing Standards

August 7, 2020

To the Honorable Mayor and
Members of the Board of Trustees
Village of St. Jacob, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Village of St. Jacob, Illinois, as of and for the year ended March 31, 2020, and the related notes to the financial statements, which collectively comprise the Village of St. Jacob, Illinois' basic financial statements, and have issued our report thereon dated August 7, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Village of St. Jacob, Illinois' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of St. Jacob, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of St. Jacob, Illinois' internal control.

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

#2 Crossroads Court
Alton, Illinois 62002
(618) 465-1196
Fax (618) 465-2900

100 S. State Street
Jerseyville, Illinois 62052
(618) 498-6246
Fax (618) 498-3384
www.lmtcpas.com

1105 Main Street
Greenfield, Illinois 62044
(217) 368-3011
Fax (217) 368-2424

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of St. Jacob, Illinois' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Loy Miller Talley, PC

Certified Public Accountants
Alton, Illinois

VILLAGE OF ST. JACOB, ILLINOISSTATEMENT OF NET POSITION
MODIFIED CASH BASIS
MARCH 31, 2020

	<u>Primary Government</u>		
	<u>Governmental</u>	<u>Business</u>	
	<u>Activities</u>	<u>Type</u>	<u>Total</u>
		<u>Activities</u>	
<u>ASSETS:</u>			
Cash and Cash Equivalents	\$ 357,128	\$ 780,403	\$ 1,137,531
Capital Assets, Net of Accumulated Depreciation	<u>1,273,394</u>	<u>703,960</u>	<u>1,977,354</u>
Total Assets	<u>\$ 1,630,522</u>	<u>\$ 1,484,363</u>	<u>\$ 3,114,885</u>
<u>LIABILITIES:</u>			
Overdraft	\$ 201,673		\$ 201,673
Customer Deposits	-	\$ 60,191	60,191
Payroll Withholdings	8,602	-	8,602
Noncurrent Liabilities:			
Due Within One Year	35,000	-	35,000
Due In More Than One Year	<u>653,088</u>	<u>-</u>	<u>653,088</u>
Total Liabilities	<u>\$ 898,363</u>	<u>\$ 60,191</u>	<u>\$ 958,554</u>
<u>NET POSITION:</u>			
Invested In Capital Assets, Net of Related Debt	\$ 585,306	\$ 703,960	\$ 1,289,266
Restricted	284,827	-	284,827
Unrestricted	<u>(137,974)</u>	<u>720,212</u>	<u>582,238</u>
Total Net Position	<u>\$ 732,159</u>	<u>\$ 1,424,172</u>	<u>\$ 2,156,331</u>

See Accompanying Notes to the Basic Financial Statements.

VILLAGE OF ST JACOB, ILLINOIS

STATEMENT OF ACTIVITIES
MODIFIED CASH BASIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2020

Functions/Programs	Expenses	Program Revenues	Charges for Services	Grants	Net (Expense) Revenue and Changes in Net Position		
					Governmental Activities	Business-Type Activities	
						Primary Government	Total
PRIMARY GOVERNMENT:							
Governmental Activities --							
General Government	\$ 306,463	\$ 25,068			\$ (281,395)	\$	\$ (281,395)
Public Safety	139,623	11,603	\$ 422		(127,598)		(127,598)
Highway & Streets	148,134	-	-		(148,134)		(148,134)
Depreciation (Unallocated)	85,348	-	-		(85,348)		(85,348)
Total Governmental Activities	\$ 679,568	\$ 36,671	\$ 422		\$ (642,475)	\$	\$ (642,475)
Business-Type Activities --							
Water	\$ 431,051	\$ 474,409			\$	43,358	\$ 43,358
Sewer	87,181	110,753				23,572	23,572
Trash	129,743	121,627	\$ -		\$ -	(8,116)	\$ (8,116)
Total Business-Type Activities	\$ 647,975	\$ 706,789	\$ -		\$ -	58,814	\$ 58,814
Total Primary Government	\$ 1,327,543	\$ 743,460	\$ 422		\$ (642,475)	\$ 58,814	\$ (583,661)
GENERAL REVENUES:							
Sales & Use Tax		\$ 80,780			\$		\$ 80,780
Gaming Tax		4,126					4,126
Replacement Tax		1,123					1,123
Income Tax		118,299					118,299
Real Estate Tax		235,245					235,245
Utility Tax		58,851					58,851
Cannabis Tax		77					77
Motor Fuel Tax		38,266					38,266
Interest Income		738				729	1,467
Miscellaneous		32,368				-	32,368
Homecoming Income		31,099				-	31,099
Total General Revenues		\$ 600,972			\$ 729		\$ 601,701
CHANGE IN NET POSITION							
NET POSITION, BEGINNING OF YEAR							
					\$ (41,503)	\$ 59,543	\$ 18,040
					773,662	1,364,629	2,138,291
NET POSITION, END OF YEAR					\$ 732,159	\$ 1,424,172	\$ 2,156,331

See Accompanying Notes to the Basic Financial Statements.

VILLAGE OF ST. JACOB, ILLINOISSTATEMENT OF ASSETS, LIABILITIES AND
FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
MARCH 31, 2020

	General Fund	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ -	\$ 357,128	\$ 357,128
Total Assets	\$ -	\$ 357,128	\$ 357,128
<u>LIABILITIES AND FUND EQUITY</u>			
LIABILITIES:			
Overdraft	\$ 129,372	\$ 72,301	\$ 201,673
Payroll Withholdings	8,602	-	8,602
Total Liabilities	\$ 137,974	\$ 72,301	\$ 210,275
FUND EQUITY:			
Fund Balance:			
Restricted		\$ 284,827	\$ 284,827
Unassigned	\$ (137,974)	-	(137,974)
Total Fund Balance	\$ (137,974)	\$ 284,827	\$ 146,853
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 357,128	\$ 357,128

Reconciliation to Statement of Net Position:

Fund Balance - Total Governmental Funds	\$ 146,853
Capital assets used in governmental activities are not financial resources therefore, are not reported on the balance sheet of the governmental	1,273,394
Some Liabilities, including Capital Debt Obligations Payable, are not due and payable in the current period and, therefore, are not reported in the funds	(688,088)
Net position of governmental activities	\$ 732,159

See Accompanying Notes to the Basic Financial Statements.

VILLAGE OF ST. JACOB, ILLINOIS

STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2020

	General <u>Fund</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
REVENUES RECEIVED:			
Property Taxes	\$ 113,430	\$ 121,815	\$ 235,245
Replacement Tax	1,123	-	1,123
Sales Tax	43,732	-	43,732
State Income Tax	118,299	-	118,299
Local Use Tax	37,048	-	37,048
Motor Fuel Tax	-	38,266	38,266
Video Game Tax	4,126	-	4,126
Utility Tax	58,851	-	58,851
Cannabis Tax	77	-	77
Grants	422	-	422
Licenses and Permits	25,068	-	25,068
Fines and Penalties	11,603	-	11,603
Rental Income	3,950	-	3,950
Homecoming Income	31,099	-	31,099
Investment Earnings	14	724	738
Miscellaneous	28,418	-	28,418
Total Revenues Received	<u>\$ 477,260</u>	<u>\$ 160,805</u>	<u>\$ 638,065</u>
EXPENDITURES DISBURSED:			
General Government:			
Wages & Payroll Taxes	\$ 78,380	\$ 15,551	\$ 93,931
Retirement	-	9,893	9,893
Supplies	5,490	-	5,490
Repairs & Maintenance	9,780	-	9,780
Contract Labor	7,442	-	7,442
Advertising	2,243	-	2,243
Dues	305	-	305
Utilities	11,983	-	11,983
Interest	-	16,847	16,847
Professional Fees	38,220	6,085	44,305
Community Development	1,287	-	1,287
Equipment Rent	165	-	165
Insurance	33,195	34,847	68,042
Office Supplies	2,082	-	2,082
Miscellaneous	2,759	-	2,759
Total General Government	<u>\$ 193,331</u>	<u>\$ 83,223</u>	<u>\$ 276,554</u>

(Continued on Next Page)

See Accompanying Notes to the Basic Financial Statements.

VILLAGE OF ST. JACOB, ILLINOIS

STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2020

EXPENDITURES DISBURSED (Continued):**Public Safety:**

Wages & Payroll Taxes	\$ 104,423	\$ 8,110	\$ 112,533
Retirement	-	3,764	3,764
Supplies	4,280	-	4,280
Repairs & Maintenance	2,231	-	2,231
Contract Labor	3,600	-	3,600
Advertising	90	-	90
Dues	60	-	60
Utilities	2,205	-	2,205
Fuel	4,798	-	4,798
Professional Fees	5,315	-	5,315
Miscellaneous	747	-	747
Total Public Safety	<u>\$ 127,749</u>	<u>\$ 11,874</u>	<u>\$ 139,623</u>

Highway & Streets:

Wages & Payroll Taxes	\$ 61,630	\$ 4,781	\$ 66,411
Supplies	11,935	-	11,935
Road Maintenance	2,821	36,408	39,229
Contract Labor	-	11,790	11,790
Professional Fees	3,877	-	3,877
Equipment Rent	175	-	175
Office Supplies	12	-	12
Utilities	8,952	-	8,952
Fuel	5,753	-	5,753
Total Highway & Streets	<u>\$ 95,155</u>	<u>\$ 52,979</u>	<u>\$ 148,134</u>

Homecoming Expenses:

Homecoming Expense	<u>\$ 29,909</u>	<u>\$ -</u>	<u>\$ 29,909</u>
Total Homecoming Expenses	<u>\$ 29,909</u>	<u>\$ -</u>	<u>\$ 29,909</u>

Capital Outlay:

Equipment	<u>\$ 7,150</u>	<u>\$ -</u>	<u>\$ 7,150</u>
Total Capital Outlay	<u>\$ 7,150</u>	<u>\$ -</u>	<u>\$ 7,150</u>

TOTAL EXPENDITURES DISBURSED	<u>\$ 453,294</u>	<u>\$ 148,076</u>	<u>\$ 601,370</u>
-------------------------------------	-------------------	-------------------	-------------------

(Continued on Next Page)

See Accompanying Notes to the Basic Financial Statements.

VILLAGE OF ST. JACOB, ILLINOIS

STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2020

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 23,966	\$ 12,729	\$ 36,695
OTHER FINANCING SOURCES (USES):			
Payment of Long-Term Debt		\$ (35,000)	\$ (35,000)
Transfers In (Out)	\$ 34,253	(34,253)	-
Total Other Financing Sources (Uses)	\$ 34,253	\$ (69,253)	\$ (35,000)
NET CHANGE IN FUND BALANCES	\$ 58,219	\$ (56,524)	\$ 1,695
FUND BALANCES, BEGINNING OF YEAR	(196,193)	341,351	145,158
FUND BALANCES, END OF YEAR	\$ (137,974)	\$ 284,827	\$ 146,853

Reconciliation to the Statement of Activities:

Net Change in Fund Balance - Total Governmental Funds \$ 1,695

Amounts reported for Governmental Activities
in the Statement of Activities are different because:

Loan Proceeds from Long-Term Liabilities are Recorded as
Revenue in the Governmental Funds, but Increase Long-
Term Liabilities in the Statement of Net Position:

 Payment of Long-Term Liabilities 35,000

Governmental funds report capital outlays as expenditures
while governmental activities report depreciation expense
to allocate those expenditures over the life of the assets:

 Capital Outlay 7,150
 Depreciation expense (85,348)

Change in Net Position of Governmental Activities \$ (41,503)

See Accompanying Notes to the Basic Financial Statements.

VILLAGE OF ST. JACOB, ILLINOIS

STATEMENT OF ASSETS, LIABILITIES, AND
 FUND BALANCES - MODIFIED CASH BASIS - PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED MARCH 31, 2020

ASSETS:	Water Enterprise Fund	Sewer Enterprise Fund	Trash Enterprise Fund	Total Enterprise Funds
Current Assets:				
Cash	\$ 614,780	\$ 118,921	\$ 46,702	\$ 780,403
Total Current Assets	\$ 614,780	\$ 118,921	\$ 46,702	\$ 780,403
Noncurrent Assets:				
Capital Assets, Net of Accumulated Depreciation	\$ 592,874	\$ 111,086	-	\$ 703,960
Total Assets	\$ 1,207,654	\$ 230,007	\$ 46,702	\$ 1,484,363
LIABILITIES:				
Current Liabilities:				
Customer Deposits	\$ 60,191	-	-	\$ 60,191
Total Current Liabilities	\$ 60,191	-	-	\$ 60,191
Total Liabilities	\$ 60,191	-	-	\$ 60,191
NET POSITION:				
Net Position Invested in Capital Assets, Net of Related Debt	\$ 592,874	\$ 111,086		\$ 703,960
Unrestricted Net Position	554,589	118,921	46,702	720,212
Total Net Position	\$ 1,147,463	\$ 230,007	\$ 46,702	\$ 1,424,172

See Accompanying Notes to the Basic Financial Statements.

VILLAGE OF ST. JACOB, ILLINOISSTATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS - PROPRIETARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2020

	Water Enterprise Fund	Sewer Enterprise Fund	Trash Enterprise Fund	Total Enterprise Funds
OPERATING REVENUES:				
Charges for Services --				
Water	\$ 474,409			\$ 474,409
Sewer	-	\$ 110,753		110,753
Trash	-	-	\$ 121,627	121,627
Total Operating Revenues	\$ 474,409	\$ 110,753	\$ 121,627	\$ 706,789
OPERATING EXPENSES:				
Advertising	\$ 51			\$ 51
Water & Sewer Treatment & Maintenance	18,867	\$ 926		19,793
Water Purchases	182,063	-		182,063
Supplies	39,703	2,789		42,492
Equipment Rent	3,508	120		3,628
Wages & Payroll Taxes	100,141	27,044	\$ 1,824	129,009
Contract Labor	990	17,379	127,919	146,288
Insurance	1,011	-	-	1,011
Fuel	3,494	-	-	3,494
Office Supplies	17,840	-	-	17,840
Dues and Subscriptions	340	-	-	340
Utilities	19,050	2,643	-	21,693
EPA Fee	-	2,500	-	2,500
Miscellaneous	273	481	-	754
Professional Fees	3,919	2,426	-	6,345
Depreciation	39,446	30,873	-	70,319
Total Operating Expenses	\$ 430,696	\$ 87,181	\$ 129,743	\$ 647,620
OPERATING INCOME	\$ 43,713	\$ 23,572	\$ (8,116)	\$ 59,169
NON-OPERATING REVENUES (EXPENSES):				
Investment Income	\$ 729			\$ 729
Interest Expense	(355)	\$ -	\$ -	(355)
Total Non-Operating Income	\$ 374	\$ -	\$ -	\$ 374
CHANGE IN NET POSITION	\$ 44,087	\$ 23,572	\$ (8,116)	\$ 59,543
TOTAL FUND NET POSITION, BEGINNING	1,103,376	206,435	54,818	1,364,629
TOTAL FUND NET POSITION, ENDING	\$ 1,147,463	\$ 230,007	\$ 46,702	\$ 1,424,172

See Accompanying Notes to the Basic Financial Statements.

VILLAGE OF ST. JACOB, ILLINOIS

STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
 PROPRIETARY FUND
 FOR THE FISCAL YEAR ENDED MARCH 31, 2020

	Water Enterprise Fund	Sewer Enterprise Fund	Trash Enterprise Fund	Total Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from Customers	\$ 475,887	\$ 110,753	\$ 121,627	\$ 708,267
Payments to Suppliers	(291,109)	(29,264)	(127,919)	(448,292)
Payments to Employees	(100,141)	(27,044)	(1,824)	(129,009)
Net Cash Provided by Operating Activities	\$ 84,637	\$ 54,445	\$ (8,116)	\$ 130,966
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchase of Equipment	\$ (36,144)	\$ (30,997)		\$ (67,141)
Principal Paid on Bonds and Loans	(19,154)	-		(19,154)
Interest Paid on Bonds and Loans	(355)	-	-	(355)
Net Cash (Used) by Capital and Related Financing Activities	\$ (55,653)	\$ (30,997)	\$ -	\$ (86,650)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment Income	\$ 729	\$ -	\$ -	\$ 729
Net Cash Provided by Investing Activities	\$ 729	\$ -	\$ -	\$ 729
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 29,713	\$ 23,448	\$ (8,116)	\$ 45,045
BALANCE, BEGINNING OF YEAR	585,067	95,473	54,818	735,358
BALANCE, END OF YEAR	\$ 614,780	\$ 118,921	\$ 46,702	\$ 780,403
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating Income	\$ 43,713	\$ 23,572	\$ (8,116)	\$ 59,169
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation Expense	39,446	30,873	-	70,319
Deposits	1,478	-	-	1,478
Net Cash provided by Operating Activities	\$ 84,637	\$ 54,445	\$ (8,116)	\$ 130,966

See Accompanying Notes to the Basic Financial Statements.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 1.D, these financial statements are presented on a modified cash basis of accounting. This modified basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the modified cash basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails.

1.A Financial Reporting Entity

As the governing authority, for reporting purposes, the Village is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (the Village), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Village for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a) The ability of the Village to impose its will on that organization and/or
 - b) The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Village.
2. Organizations for which the Village does not appoint a voting majority but are fiscally dependent on the Village.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon application of these criteria, there were no potential component units and all of the Village's activities were included in the primary government reporting entity.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.B Basis of Presentation

Government-Wide Financial Statements --

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements --

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The Village presently has no fiduciary funds. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

- a) Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b) Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds --

- a) General Fund -- The General Fund is the primary operating fund of the Village and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.B Basis of Presentation (Continued)

Governmental Funds (Continued)

- b) Special Revenue Funds -- Special Revenue Funds are used to account for the proceeds of the specific revenue sources that are either legally restricted to expenditures for specified purpose or designated to financial particular functions or activities of the Village. The Village includes the following Special Revenue Fund, which is reported as a major fund:

<u>Fund</u>	<u>Brief Description</u>
Motor Fuel Tax	Accounts for gasoline excise and commercial vehicle taxes legally restricted for street and alley improvements.
Audit	Accounts for revenues received and expenditures disbursed for the Village Audits.
Social Security	Accounts for revenues received and expenditures disbursed for the Village employees subject to Social Security Taxes.
IMRF	Accounts for revenues received and expenditures disbursed for the Village employees who are members of the Illinois Municipal Retirement System.
Insurance	Accounts for revenues received and expenditures disbursed for the Village Liability Insurance.
Debt	Accounts for the accumulation of resources for, and the payment of, general long-term principal, interest, and related costs.

Proprietary Funds --

- a) Enterprise Funds -- Enterprise Funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector. The Village includes the following Enterprise Fund that is reported as a major fund:

<u>Fund</u>	<u>Brief Description</u>
Water & Sewer	Accounts for the activities of the public trust in providing water, wastewater, and sanitation services to the public.
Trash	Accounts for the activities providing the collection processes of trash services.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.C Fund Balance Reporting

Effective May 1, 2011, the Village adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The objective of the statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. Fund balances are to be classified into the five major classifications:

Nonspendable Fund Balance -- The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. Due to the cash basis nature of the Village all such items are expensed at the time of purchase, so there is nothing to report for this classification.

Restricted Fund Balance -- The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes.

Committed Fund Balance -- The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (the Board of Trustees). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

The Board of Trustees commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. No committed fund balance exists at March 31, 2020.

Assigned Fund Balance -- The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Trustees itself or by the Mayor when the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. No assigned fund balance exists at March 31, 2020.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.C Fund Balance Reporting (Continued)

Unassigned Fund Balance -- The unassigned fund balance classification is the residual classification for amounts in the General Fund and Non-Major Governmental Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds. Unassigned Fund Balance amounts are shown in the financial statements as Unreserved Fund Balances.

For the purposes of fund balance classification, the Village's policy is to have expenditures spent from the restricted fund balances first, followed in order by committed fund balance (if any), assigned fund balance (if any) and last unassigned fund balance.

1.D Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "how" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus --

In the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined in item "b" below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus, as applied to the modified cash basis of accounting is used as appropriate:

- a) All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b) The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent, financial or nonfinancial) associated with their activities are reported. Proprietary fund equity is classified as net assets.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.D Measurement Focus and Basis of Accounting (Continued)

Basis of Accounting --

In the government-wide Statement of Net Position and Statement of Activities and the fund financial statements, governmental, business-like, and component unit activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, net assets/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for depreciation in the government-wide statements, proprietary fund statements, and the similar discretely presented component unit statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in these financial statements.

If the Village utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

1.E Assets, Liabilities and Equity

Cash and Cash Equivalents --

For the purpose of financial reporting "cash and cash equivalents" includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less. Trust account investments in open-ended mutual fund shares are also considered cash equivalents.

Investments --

Investments classified in the financial statements consist entirely of certificates of deposit whose original maturity term exceeds three months, and money market accounts. Investments are carried at cost, which approximates fair value.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.E Assets, Liabilities and Equity (Continued)

Capital Assets --

The Village's modified cash basis of accounting reports capital assets resulting from cash transactions and reports depreciation where appropriate. The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund and similar discretely presented component unit operations and whether they are reported in the government-wide or fund financial statements.

a) Government-Wide Statements

In the government-wide financial statements, capital assets arising from cash transactions are accounted for as assets in the Statement of Net Assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable.

Depreciation of all exhaustible capital assets arising from cash transactions is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$5,000 is used to report capital assets. The range of estimated useful lives by type of asset is as follows:

Buildings and Improvements	15-40 Years
Distribution and Collection Systems	15-50 Years
Vehicles and Equipment	5-10 Years
Infrastructure	40 Years

b) Fund Financial Statements

In the fund financial statements, capital assets arising from cash transactions acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets acquired for use in proprietary fund operations are accounted for the same as in the government-wide statements.

Long-Term Debt --

All long-term debt arising from cash basis transactions to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.E Assets, Liabilities and Equity (Continued)

b) Fund Financial Statements (Continued)

Long-Term Debt -- (Continued)

Long-term debt arising from cash basis transactions of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as the treatment in the government-wide statements.

Equity Classification --

a) Government-Wide Statements --

Equity is classified as net assets and displayed in three components:

1. Invested in capital assets, net of related debt -- Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
2. by (a) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
3. Unrestricted net position -- All other net assets that do not meet the definition of "restricted: or "invested in capital assets, net of related debt".

b) Fund Financial Statements --

Governmental fund equity is classified as fund balance. Proprietary Fund Equity is classified the same as in the Government-Wide Statements.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.F Revenues, Expenditures and Expenses

Program Revenues --

In the Statement of Activities, modified cash basis revenues that are derived directly from each activity or from parties outside the Village's taxpayers are reported as program revenues. The Village has the following program revenues in each activity:

1. General Government -- Licenses and permits.
2. Public Safety -- Fine Revenue.
3. Streets and Public Works -- Commercial vehicle and gasoline excise tax shared by the State.

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

Operating Revenue and Expenses --

Operating revenues and expenses for proprietary funds result from providing services and producing and delivering goods and/or services. They also include all revenues and expenses not related to capital and related financing, noncapital financing or investing activities.

1.G Internal and Interfund balance and Activities

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements --

Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

1. Interfund Loans -- Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
2. Interfund Services -- Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
3. Interfund Reimbursements -- Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund Transfers -- Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.G Internal and Interfund balance and Activities (Continued)

Government-Wide Financial Statements --

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

1. Internal Balances -- Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the Statement of Net Assets, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
2. Internal Activities -- Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers -- Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

1.H Use of Estimates

The preparation of financial statements in conformity with the other comprehensive basis of accounting (OCBOA) used by the Village requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

NOTE 2. CASH AND CERTIFICATES OF DEPOSIT

Cash and investments as of March 31, 2020 are classified in the accompanying financial statements as follows:

	<u>2020</u>
Cash	<u>\$ 935,858</u>
Total	<u>\$ 935,858</u>

Cash includes \$935,858 of deposits with financial institutions of which all of it is insured by FDIC limits. The investments in CD's, are fully insured by FDIC limits.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 2. CASH AND CERTIFICATES OF DEPOSIT (Continued)

The Village's funds are required to be deposited and invested under the terms of a depository contract pursuant to Statute. The depository bank pledges for safekeeping and trust with the Village's third party agent, approved securities in an amount sufficient to protect Village funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the dollar amount of Federal Deposit Insurance Corporation coverage.

Under the depository contract, the Village, at its own discretion, invests funds in time deposits and certificates of deposit provided by the depository bank at interest rates approximating United States Treasury Bill rates.

A. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Village manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

The following methods and assumptions were used by the Organization in estimating the fair value of its financial instruments:

B. Cash and Cash Equivalents

The carrying amount reported in the Statements of Assets, Liabilities and Net Position for cash and cash equivalents approximates its fair value.

C. Investments

Fair values, which are the amounts reported in the Statements of Assets, Liabilities and Net Position, are based on quoted market prices, if available, or estimated using quoted market prices for similar securities.

NOTE 3. PROPERTY TAXES

Property tax revenues are recorded on the "deferred method". Because of the extraordinarily long period of time between the levy date and the receipts of tax distributions from the County Collector, the property taxes are not "available" to finance current year expenditures. The current year tax levy is recorded as income when received.

The Village's property tax is levied each year on all taxable property located in the Village on or before the last Tuesday in December. The levy was passed on November 20, 2019 by the Trustees. Property taxes attach as an enforceable lien on property as of January 1 and are payable in four installments on or about July 1, September 1, October 1 and December 1. The Village receives significant distributions of tax receipts approximately one month after these due dates. Property taxes recorded in these financial statements are from the 2018 and prior levy.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 3. PROPERTY TAXES (Continued)

The following are the tax rates limits permitted by State Statute and by local referendum and the actual rates levied per \$100 of assessed valuation:

	Maximum	Levy Years		
	Rate	2019	2018	2017
<u>Tax Rates:</u>				
General	0.2500	0.2319	0.2320	0.2500
Police Protection	0.0750	0.0687	0.0696	0.0721
Audit	None	0.0859	0.0882	0.0927
Social Security	None	0.1031	0.1067	0.1132
Insurance	None	0.2254	0.2412	0.2573
IMRF	None	0.1288	0.1346	0.1390
Street Lighting	0.0500	<u>0.0473</u>	<u>0.0464</u>	<u>0.0464</u>
		<u>0.8911</u>	<u>0.9187</u>	<u>0.9707</u>
Assessed Valuation		<u>\$ 23,294,092</u>	<u>\$ 21,558,922</u>	<u>\$ 19,436,877</u>
<u>Tax Extensions:</u>				
General		\$ 54,019	\$ 50,017	\$ 48,592
Police Protection		16,003	15,005	14,014
Audit		20,010	19,015	18,018
Social Security		24,016	23,003	22,003
Insurance		52,505	52,000	50,011
IMRF		30,003	29,018	27,017
Street Lighting		<u>11,018</u>	<u>10,003</u>	<u>9,019</u>
Totals		<u>\$ 207,574</u>	<u>\$ 198,061</u>	<u>\$ 188,674</u>
Collections		<u>\$ -</u>	<u>\$ 196,096</u>	<u>\$ 188,319</u>
Percentage of Extensions Collected		0.00%	99.01%	99.81%

NOTE 4. LIABILITY INSURANCE

The Village is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village was unable to obtain general comprehensive insurance at a cost it considered to be economically justifiable. Therefore the Village joined with other municipalities in the State in belonging to the Illinois Municipal League Risk Management Association (IMLRMA), a public entity risk pool currently operating as a common risk management and insurance program for Illinois municipalities.

The Village pays an annual premium to IMLRMA for its comprehensive insurance coverage. Settled claims for these risks have not exceeded the insurance coverage premiums in the past four fiscal years.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2020

NOTE 5. LONG-TERM DEBT

Governmental Activities

On May 1, 2017, the Village entered into a loan of \$790,000 with the USDA, Rural Development for a new Village Hall. The loan is to be repaid in 19 annual payments including interest at 2.375%, with a final payment due on May 1, 2031.

\$ 688,088

Annual debt service requirements to maturity for long-term debt are as follows:

<u>Year Ended</u> <u>March 31,</u>	<u>Governmental</u> <u>Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2021	\$ 35,000	\$ 16,342
2022	35,000	15,511
2023	35,000	14,680
2024	35,000	13,848
2025	40,000	13,017
2026	40,000	12,067
2027	40,000	11,117
2028	40,000	10,167
2029	40,000	9,217
2030	40,000	8,267
2031	45,000	7,317
2032	45,000	6,248
2033	45,000	5,180
2034	45,000	4,111
2035	45,000	3,042
2036	50,000	1,973
2037	<u>33,088</u>	<u>786</u>
	<u>\$ 688,088</u>	<u>\$ 152,890</u>

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 5. LONG-TERM DEBT (Continued)

The following is a summary of changes in long-term debt for the year ended March 31, 2020:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Business-Type Activities:</u>					
Notes Payable	\$ 19,154	\$ -	\$ 19,154	\$ -	\$ -
Total Business-Type	<u>\$ 19,154</u>	<u>\$ -</u>	<u>\$ 19,154</u>	<u>\$ -</u>	<u>\$ -</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities:</u>					
USDA, Rural Development	\$ 723,088	\$ -	\$ 35,000	\$ 688,088	\$ 35,000
Total Governmental	<u>\$ 723,088</u>	<u>\$ -</u>	<u>\$ 35,000</u>	<u>\$ 688,088</u>	<u>\$ 35,000</u>

Debt Service Requirements to Maturity --

The annual debt service requirements to maturity, including principal and interest, for long-term debt, as of March 31, 2020, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 35,000	\$ 16,342	\$ 51,342
2022	35,000	15,511	50,511
2023	35,000	14,680	49,680
2024	35,000	13,848	48,848
2025	40,000	13,017	53,017
2026	40,000	12,067	52,067
2027	40,000	11,117	51,117
2028	40,000	10,167	50,167
2029	40,000	9,217	49,217
2030	40,000	8,267	48,267
2031	45,000	7,317	52,317
2032	45,000	6,248	51,248
2033	45,000	5,180	50,180
2034	45,000	4,111	49,111
2035	45,000	3,042	48,042
2036	50,000	1,973	51,973
2037	33,088	786	33,874
	<u>\$ 688,088</u>	<u>\$ 152,890</u>	<u>\$ 840,978</u>

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2019, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>GOVERNMENTAL ACTIVITIES:</u>				
Capital Assets, Being Depreciated:				
Buildings and Systems	\$ 1,060,420			\$ 1,060,420
Vehicles and Equipment	468,029	\$ 7,150		475,179
Infrastructure	424,270	-	\$ -	424,270
Total Capital Assets being Depreciated	<u>\$ 1,952,719</u>	<u>\$ 7,150</u>	<u>\$ -</u>	<u>\$ 1,959,869</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ 89,878	\$ 35,742		\$ 125,620
Vehicles and Equipment	351,555	34,604		386,159
Infrastructure	159,694	15,002	\$ -	174,696
Total Accumulated Depreciation	<u>\$ 601,127</u>	<u>\$ 85,348</u>	<u>\$ -</u>	<u>\$ 686,475</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,351,592</u>	<u>\$ (78,198)</u>	<u>\$ -</u>	<u>\$ 1,273,394</u>
<u>BUSINESS-TYPE ACTIVITIES:</u>				
Land	\$ 76,122	\$ -	\$ -	\$ 76,122
Capital Assets, Being Depreciated:				
Buildings and Systems	\$ 1,844,784	\$ 42,644		\$ 1,887,428
Vehicles and Equipment	329,632	24,498	\$ -	354,130
Total Capital Assets, Being Depreciated	<u>\$ 2,174,416</u>	<u>\$ 67,142</u>	<u>\$ -</u>	<u>\$ 2,241,558</u>
Less Accumulated Depreciation for:				
Buildings and Systems	\$ 1,276,381	\$ 40,858		\$ 1,317,239
Vehicles and Equipment	267,019	29,461	\$ -	296,480
Total Accumulated Depreciation	<u>\$ 1,543,400</u>	<u>\$ 70,319</u>	<u>\$ -</u>	<u>\$ 1,613,719</u>
Business-Type Activities Capital Assets, Net	<u>\$ 707,138</u>	<u>\$ (3,177)</u>	<u>\$ -</u>	<u>\$ 703,961</u>

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

Governmental Activities:		
General Government		\$ 35,823
Public Safety		11,114
Highways and Streets		38,411
Total Depreciation Expense - Governmental Activities		<u>\$ 85,348</u>
Business-Type Activities - Water and Sewer		<u>\$ 70,319</u>

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 7. PENSION PLAN

A. Illinois Municipal Retirement Fund

Plan Description. The Village's defined benefit pension plan for employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2019 was 3.64 percent of annual covered payroll. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. The required contribution for calendar year 2019 was \$11,295.

Three-Year Trend Information for IMRF

<u>Fiscal</u> <u>Year</u> <u>Ending</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
3/31/2019	\$ 11,295	100%	\$ -
3/31/2018	21,126	100%	-
3/31/2017	15,690	100%	-

The required contribution for 2019 was determined as part of the December 31, 2017 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2017 included (a) 7.50% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 3.50% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with 20% corridor between the actuarial and market value of assets. The Village plan's unfunded actuarial accrued liability at December 31, 2017 is being amortized as a level percentage of projected payroll on an open 24 year basis.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 7. PENSION PLAN (Continued)

Funded Status and Funding Progress. As of December 31, 2019, the most recent actuarial valuation date, the plan was 105.02 percent funded. The actuarial accrued liability for benefits was \$306,688 and the actuarial value of assets was \$322,070, resulting in a overfunded actuarial accrued liability (UAAL) of \$15,382. The covered payroll for calendar year 2019 (annual payroll of active employees covered by the plan) was \$310,308 because the plan is over funded, there is no ratio of the UAAL to the covered payroll.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) --Entry Age (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a % of Covered Payroll ((B-A)/C)
12/31/19	\$ 322,070	\$ 306,688	\$ (15,382)	105.02%	\$ 310,308	0.00%
12/31/18	264,677	264,612	(65)	100.02%	231,137	0.00%
12/31/17	359,244	311,433	(47,811)	115.35%	193,706	0.00%

On a market value basis, the actuarial value of assets as of December 31, 2019 is \$368,946. On a market basis, the funded ratio would be 120.30%.

The actuarial value of assets and accrued liability cover active and inactive members have service credit with Village of St. Jacob. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 7. PENSION PLAN (Continued)

GASB Statement No. 68 requires the notes of the Village's financial statements to disclose the total pension expense, the pension plan's liabilities and assets, and deferred outflows of resources and inflows of resources related to pensions, and certain additional information. The following summarizes the changes in net pension liability and related ratios for the calendar year ended December 31, 2019.

Actuarial valuation Date	December 31, 2019
Measurement Date of the Net Pension Liability	December 31, 2019
Fiscal Year End	March 31, 2020
Membership	
Number of	
-Retirees and Beneficiaries	6
-Inactive, Non-Retired Members	9
-Active Members	8
-Total	23
Total pension liability	
Service Cost	\$ 23,429
Interest on the Total Pension Liability	65,500
Difference between expected and actual experience of the Total Pension Liability	12,200
Benefit payments, including refunds of employee contributions	(59,633)
Net change in total pension liability	\$ 41,496
Total pension liability - beginning	921,555
Total pension liability - ending	<u>\$ 963,051</u>
Plan fiduciary net position	
Contributions - employer	\$ 11,294
Contributions - employee	13,964
Net investment income	178,902
Benefit payments, including refunds of employee contributions	(59,633)
Other (Net Transfer)	3,748
Net change in plan fiduciary net position	\$ 148,275
Plan fiduciary net position - beginning	883,393
Plan fiduciary net position - ending	<u>\$ 1,031,668</u>
Net pension liability/(asset)	\$ (68,617)
Plan fiduciary net position as a percentage of total pension liability	107.12%
Covered Valuation payroll	\$ 310,308
Net pension liability as a percentage of covered valuation payroll	-22.11%

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2020

NOTE 7. PENSION PLAN (Continued)

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Wage Growth	3.25%
Price Inflation	2.50%
Salary Increases	3.39% to 14.25% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experienced-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment 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.

Discount Rate

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

Sensitivity of net pension liability/(asset) to the single discount rate assumption

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate.

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Employer's proportionate share of the net pension liability	\$ 1,074,943	\$ 963,051	\$ 870,753
Plan Fiduciary Net Position	<u>1,031,668</u>	<u>1,031,668</u>	<u>1,031,668</u>
Net Pension Liability/(Asset)	<u>\$ 43,275</u>	<u>\$ (68,617)</u>	<u>\$ (160,915)</u>

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2020

NOTE 7. PENSION PLAN (Continued)

B. Social Security

All Village employees are covered under Social Security. The Village reported \$46,077, the total required contribution for the current fiscal year.

NOTE 8. STATEMENT OF LEGAL DEBT:

The computation of legal debt margin is as follows:

Assessed Valuation as of December 31, 2019	\$ 23,294,092
Debt Limit - 5.75% of Assessed Valuation	\$ 1,339,410
Less: General Obligation of Assessed Valuation of Bonded Indebtedness	<u>688,088</u>
Legal Debt Margin	<u>\$ 651,322</u>

NOTE 9. INTERFUND TRANSFERS

The following is a summary of interfund transfers for the year ended March 31, 2020:

General Fund Transfer To:	
Debt Service Fund	\$ 12,000
	<u>\$ 12,000</u>

The Village made transfers to move funds from the general fund to the Debt Service fund.

Motor Fuel Tax Fund Transfer To:	
General Fund	\$ 46,253
	<u>\$ 46,253</u>

The Village made transfers to move funds from the motor fuel tax fund to the general fund for road maintenance.

NOTE 10. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The following individual funds had a deficit fund balance or a deficit retained earnings balance as of March 31, 2020:

General Fund, had a deficit fund balance of (\$137,974).
Motor Fuel Tax Fund, Special Revenue Fund had a deficit fund balance of (\$72,301).

VILLAGE OF ST. JACOB, ILLINOIS

STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,
AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2020

	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Over (Under) Budget</u>
REVENUES RECEIVED:			
Property Taxes	\$ 115,600	\$ 113,430	\$ (2,170)
Replacement Tax	900	1,123	223
Sales Tax	46,000	43,732	(2,268)
State Income Tax	120,000	118,299	(1,701)
Local Use Tax	33,700	37,048	3,348
Video Game Tax	5,600	4,126	(1,474)
Utility Tax	65,000	58,851	(6,149)
Cannabis Tax	-	77	77
Grants	-	422	422
Licenses and Permits	35,615	25,068	(10,547)
Fines and Penalties	1,000	11,603	10,603
Rental Income	2,100	3,950	1,850
Homecoming Income	-	31,099	31,099
Investment Earnings	168	14	(154)
Miscellaneous	<u>9,825</u>	<u>28,418</u>	<u>18,593</u>
 Total Revenues Received	 <u>\$ 435,508</u>	 <u>\$ 477,260</u>	 <u>\$ 41,752</u>
EXPENDITURES DISBURSED:			
Current:			
General Government	\$ 273,787	\$ 193,331	\$ 80,456
Public Safety	118,750	127,749	(8,999)
Highways and Streets	111,477	95,155	16,322
Homecoming Expenses	11,175	29,909	(18,734)
Capital Outlay	<u>136,573</u>	<u>7,150</u>	<u>129,423</u>
Total Expenditures Disbursed	<u>\$ 651,762</u>	<u>\$ 453,294</u>	<u>\$ 198,468</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	 <u>\$ (216,254)</u>	 <u>\$ 23,966</u>	 <u>\$ 240,220</u>
OTHER FINANCING SOURCES (USES):			
Transfer In (Out)	\$ (75,000)	\$ 34,253	\$ 109,253
Total Other Financing Sources (Uses)	<u>\$ (75,000)</u>	<u>\$ 34,253</u>	<u>\$ 109,253</u>
 Net Change in Fund Balances	 <u>\$ (291,254)</u>	 <u>\$ 58,219</u>	 <u>\$ 349,473</u>
 FUND BALANCE, BEGINNING OF YEAR		 <u>(196,193)</u>	
 FUND BALANCE, END OF YEAR		 <u>\$ (137,974)</u>	

VILLAGE OF ST. JACOB, ILLINOIS

STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED AND CHANGES IN
FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED MARCH 31, 2020

	Audit Fund			Social Security Fund		
	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Over (Under) Budget</u>	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Over (Under) Budget</u>
REVENUES RECEIVED:						
Investment Income	\$ 19,000	\$ 18,826	\$ (174)	\$ 23,000	\$ 22,775	\$ (225)
Property Taxes						
Total Revenues Received	\$ 19,000	\$ 18,826	\$ (174)	\$ 23,000	\$ 22,776	\$ (224)
EXPENDITURES DISBURSED:						
General Government	\$ 19,000	\$ 6,085	\$ 12,915	\$ 24,000	\$ 15,551	\$ 8,449
Public Safety	-	-	-	-	8,110	(8,110)
Highways & Streets	-	-	-	-	4,781	(4,781)
Total Expenditures Disbursed	\$ 19,000	\$ 6,085	\$ 12,915	\$ 24,000	\$ 28,442	\$ (4,442)
EXCESS (DEFICIENCY) OF REVENUES RECEIVED OVER (UNDER) EXPENDITURES DISBURSED	\$ -	\$ 12,741	\$ 12,741	\$ (1,000)	\$ (5,666)	\$ (4,666)
FUND BALANCE, BEGINNING OF YEAR		46,569			20,132	
FUND BALANCE, END OF YEAR		\$ 59,310			\$ 14,466	

VILLAGE OF ST. JACOB, ILLINOIS

STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED AND CHANGES IN
FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED MARCH 31, 2020

	<u>Motor Fuel Tax Fund</u>			<u>IMRF</u>		
	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Over (Under) Budget</u>	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Over (Under) Budget</u>
REVENUES RECEIVED:						
MFT Allotments	\$ 96,000	\$ 38,266	\$ (57,734)			
Investment Income	-	721	721			
Property Taxes	-	-	-	\$ 28,000	\$ 28,730	1 \$ 730
Total Revenues Received	\$ 96,000	\$ 38,987	\$ (57,013)	\$ 28,000	\$ 28,731	\$ 731
EXPENDITURES DISBURSED:						
General Government				\$ 28,000	\$ 9,893	\$ 18,107
Public Safety				-	3,764	(3,764)
Highways & Streets	\$ 105,000	\$ 48,198	\$ 56,802	-	-	-
Total Expenditures Disbursed	\$ 105,000	\$ 48,198	\$ 56,802	\$ 28,000	\$ 13,657	\$ 14,343
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ (9,000)	\$ (9,211)	\$ (211)	\$ -	\$ 15,074	\$ 15,074
OTHER FINANCING SOURCES (USES)						
Transfers Out	\$ -	\$ (46,253)	\$ (46,253)	\$ -	\$ -	\$ -
Total Other Financing Sources (Uses)	\$ -	\$ (46,253)	\$ (46,253)	\$ -	\$ -	\$ -
NET CHANGE IN FUND BALANCE	\$ (9,000)	\$ (55,464)	\$ (46,464)	\$ -	\$ 15,074	\$ 15,074
FUND BALANCE, BEGINNING OF YEAR		(16,837)			66,062	
FUND BALANCE, END OF YEAR		\$ (72,301)			\$ 81,136	

VILLAGE OF ST. JACOB, ILLINOIS

STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED AND CHANGES IN
FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED MARCH 31, 2020

	<u>Liability Fund</u>			<u>Debt Service</u>		
	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Over (Under) Budget</u>	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Over (Under) Budget</u>
REVENUES RECEIVED:						
Investment Income	\$ 48,000	\$ 51,484	\$ 3,484	\$ -	\$ -	\$ -
Property Taxes						
Total Revenues Received	\$ 48,000	\$ 51,485	\$ 3,485	\$ -	\$ -	\$ -
EXPENDITURES DISBURSED:						
General Government	\$ 52,000	\$ 34,847	\$ 17,153	\$ -	\$ 16,847	\$ (16,847)
Total Expenditures Disbursed	\$ 52,000	\$ 34,847	\$ 17,153	\$ -	\$ 16,847	\$ (16,847)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ (4,000)	\$ 16,638	\$ 20,638	\$ -	\$ (16,847)	\$ (16,847)
OTHER FINANCING SOURCES (USES)						
Transfers In					\$ 12,000	\$ 12,000
Payment of Long Term Debt	\$ -	\$ -	\$ -	\$ -	(35,000)	(35,000)
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ (23,000)	\$ (23,000)
NET CHANGE IN FUND BALANCE	\$ (4,000)	\$ 16,638	\$ 20,638	\$ -	\$ (39,847)	\$ (39,847)
FUND BALANCE, BEGINNING OF YEAR		99,396			126,029	
FUND BALANCE, END OF YEAR		\$ 116,034			\$ 86,182	

VILLAGE OF ST. JACOB, ILLINOIS

STATEMENT OF REVENUE RECEIVED, EXPENDITURES DISBURSED, AND CHANGES IN
FUND BALANCE - MODIFIED CASH BASIS - BUDGET TO ACTUAL -
PROPRIETARY FUNDS
FOR THE YEAR ENDED MARCH 31, 2020

	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Over (Under) Budget</u>
OPERATING REVENUES:			
Charge for Services --			
Water	\$ 436,800	\$ 474,409	\$ 37,609
Sewer	103,000	110,753	7,753
Trash	<u>117,147</u>	<u>121,627</u>	<u>4,480</u>
Total Operating Revenues	<u>\$ 656,947</u>	<u>\$ 706,789</u>	<u>\$ 49,842</u>
OPERATING EXPENSES:			
Advertising	\$ 1,075	\$ 51	\$ 1,024
Water & Sewer Treatment & Maintenance	67,550	19,793	47,757
Water Purchases	180,000	182,063	(2,063)
Supplies	41,300	42,492	(1,192)
Equipment Rent	2,050	3,628	(1,578)
Wages & Payroll Taxes	140,665	129,009	11,656
Contract Labor	164,000	146,288	17,712
Insurance	500	1,011	(511)
Fuel	7,500	3,494	4,006
Office Expense	17,800	17,840	(40)
Dues and Subscriptions	350	340	10
Utilities	21,000	21,693	(693)
EPA Fee	2,500	2,500	-
Miscellaneous	3,000	754	2,246
Professional Fees	9,500	6,345	3,155
Depreciation	<u>128,100</u>	<u>70,319</u>	<u>57,781</u>
Total Operating Expenses	<u>\$ 786,890</u>	<u>\$ 647,620</u>	<u>\$ 139,270</u>
OPERATING INCOME (LOSS)	<u>\$ (129,943)</u>	<u>\$ 59,169</u>	<u>\$ 189,112</u>
NON-OPERATING REVENUES (EXPENSES):			
Investment Income		\$ 729	\$ 729
Interest Expense	\$ -	(355)	(355)
Total Non-Operating Revenues (Expenses)	<u>\$ -</u>	<u>\$ 374</u>	<u>\$ 374</u>
NET CHANGE IN FUND BALANCE	<u>\$ (129,943)</u>	<u>\$ 59,543</u>	<u>\$ 189,486</u>
FUND BALANCE, BEGINNING OF YEAR		<u>1,364,629</u>	
FUND BALANCE, END OF YEAR		<u>\$ 1,424,172</u>	

VILLAGE OF ST. JACOB, ILLINOIS

NOTES TO BUDGETARY COMPARISON SCHEDULE
MARCH 31, 2020

BUDGET LAW

The Village prepares its annual operating budget under the provision of the Municipal Budget Act (the "Budget Act"). In accordance with those provisions, the following process is used to adopt the annual budget:

- a. Prior to June 1, the Mayor submits to the Village Trustees a proposed operating budget for the fiscal year commencing the following July 1.
- b. Public hearings are conducted to obtain citizen comments. At least one public hearing must be held no later than 15 days prior to July 1.
- c. Subsequent to the public hearings but no later than seven days prior to July 1, the budget is adopted by resolution of the Village Trustees.
- d. The adopted budget is filed with the Office of State Auditor and Inspector.

The legal level of control at which expenditures may not legally exceed appropriations is the object category level by department within a fund. The Budget Act recognizes the following object categories as the minimum legal level of control by department within a fund:

- Personal Service
- Materials and Supplies
- Other Services and Charges
- Capital Outlay
- Debt Service
- Interfund Transfers

All transfers of appropriations between departments and supplemental appropriations require Village Trustees approval. The President may transfer appropriations between object categories within a department without Village Trustees approval. Supplemental appropriations must also be filed with Office of State Auditor and Inspector.

BASIS OF ACCOUNTING

The budget is prepared on the same modified cash basis of accounting as applied to the governmental funds in the basic financial statements. Revenues and expenditures are reported when they result from cash transactions.

VILLAGE OF ST. JACOB, ILLINOIS

SCHEDULE OF ILLINOIS MUNICIPAL RETIREMENT
FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS
MARCH 31, 2020

	2019	2018	2017	2016	2015	2014
Actuarial Value of Assets	322,070	264,677	359,244	304,712	284,420	220,993
Actuarial Accrued Liability (AAL)	306,688	264,612	311,433	335,598	320,894	256,170
Unfunded AAL (UAAL)	(15,382)	(65)	(47,811)	30,886	36,474	35,177
Funded Ratio	105.02%	100.02%	115.35%	90.80%	88.63%	86.27%
Covered Payroll	310,308	231,137	193,706	193,968	219,759	186,184
UAAL as a % of Covered Payroll	0.00%	0.00%	0.00%	15.92%	16.60%	18.89%
Employer Contributions:						
Required	11,294	21,126	15,690	15,925	21,998	19,624
Made	11,294	21,126	15,690	15,925	21,998	19,624
Percentage of Employer Contributions Made to Required Contributions	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

On a market value basis, the actuarial value of assets as of December 31, 2019 is \$368,946. On a market basis, the funded ratio would be 120.30%.

The actuarial valuations presented are prepared by the Illinois Municipal Retirement Fund using the following parameters:

Actuarial Cost Method:	Entry Age Normal Actuarial Cost
Amortization Method:	Level Percentage of Projected Payroll
Remaining Amortization Period:	25 Years
Asset Valuation Method:	Market value with techniques that smooth the effect of short-term volatility
Actuarial Assumptions:	
Interest Rate	7.50%
Salary Progression	3.39 - 14.25%
Cost of Living Adjustments	2.5%

VILLAGE OF ST. JACOB, ILLINOIS

COMBINING STATEMENT OF ASSETS, LIABILITIES AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS -
NONMAJOR GOVERNMENTAL FUNDS
FOR TAX YEAR ENDED MARCH 31, 2020

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Motor Fuel Tax	Audit	Social Security	Debt	IMRF	
<u>Assets</u>						
Cash and Cash Equivalents	\$ -	\$ 59,310	\$ 14,466	\$ 86,182	\$ 81,136	\$ 357,128
Total Assets	\$ -	\$ 59,310	\$ 14,466	\$ 86,182	\$ 81,136	\$ 357,128
<u>Liabilities</u>						
Overdraft	\$ 72,301	\$ -	\$ -	\$ -	\$ -	\$ 72,301
Total Liabilities	\$ 72,301	\$ -	\$ -	\$ -	\$ -	\$ 72,301
<u>Fund Balance</u>						
Fund Balance:						
Restricted	\$ (72,301)	\$ 59,310	\$ 14,466	\$ 86,182	\$ 81,136	\$ 284,827
Total Fund Balance	\$ (72,301)	\$ 59,310	\$ 14,466	\$ 86,182	\$ 81,136	\$ 284,827

VILLAGE OF ST. JACOB, ILLINOIS

COMBINING STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED MARCH 31, 2020

	Special Revenue Funds					Total
	Motor Fuel Tax	Audit	Social Security	Debt	IMRF	
					Liability Insurance	
REVENUES RECEIVED:						
Property Tax		\$ 18,826	\$ 22,775	\$	\$ 28,730	\$ 51,484
Motor Fuel Tax	\$ 38,266	-	-	-	-	-
Investment Earnings	721	-	1	\$ -	1	1
Total Revenues Received	\$ 38,987	\$ 18,826	\$ 22,776	\$ -	\$ 28,731	\$ 51,485
EXPENDITURES DISBURSED:						
Current:						
General Government		\$ 6,085	\$ 15,551	\$ 16,847	\$ 9,893	\$ 34,847
Public Safety		-	8,110	-	3,764	-
Highways & Streets	\$ 48,198	-	4,781	-	-	-
Total Expenditures Disbursed	\$ 48,198	\$ 6,085	\$ 28,442	\$ 16,847	\$ 13,657	\$ 34,847
EXCESS (DEFICIENCY) OF REVENUES RECEIVED OVER (UNDER) EXPENDITURES DISBURSED	\$ (9,211)	\$ 12,741	\$ (5,666)	\$ (16,847)	\$ 15,074	\$ 16,638
OTHER FINANCING SOURCES (USES):						
PAYMENT OF LONG TERM DEBT				\$ (35,000)		\$ (35,000)
TRANSFER IN (OUT)	\$ (46,253)	\$ -	-	12,000	\$ -	\$ (34,253)
TOTAL OTHER FINANCING SOURCES (USES)	\$ (46,253)	\$ -	-	\$ (23,000)	\$ -	\$ (69,253)
NET CHANGE IN FUND BALANCE	\$ (55,464)	\$ 12,741	\$ (5,666)	\$ (39,847)	\$ 15,074	\$ 16,638
FUND BALANCE, BEGINNING OF YEAR	(16,837)	46,569	20,132	126,029	66,062	99,396
FUND BALANCE, END OF YEAR	\$ (72,301)	\$ 59,310	\$ 14,466	\$ 86,182	\$ 81,136	\$ 116,034