

**VILLAGE OF ST. JACOB, ILLINOIS**

ANNUAL FINANCIAL REPORT

YEAR ENDED MARCH 31, 2021

# **VILLAGE OF ST. JACOB, ILLINOIS**

## **TABLE OF CONTENTS**

	<b><u>PAGE</u></b>
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

### **BASIC FINANCIAL STATEMENTS:**

#### **Statement**

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

A	Statement of Net Position - Modified Cash Basis	5
B	Statement of Activities - Modified Cash Basis	6

##### **Fund Financial Statements --**

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
-------------------------------------	-------

### **SUPPLEMENTAL INFORMATION:**

#### **Schedule**

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

---

June 16, 2021

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, 2021, 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](http://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, 2021, 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 June 16, 2021, 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

-----

June 16, 2021

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, 2021, 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 June 16, 2021.

**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](http://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, ILLINOIS**STATEMENT OF NET POSITION  
MODIFIED CASH BASIS  
MARCH 31, 2021

	<u>Primary Government</u>		
	<u>Governmental</u>	<u>Business</u>	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
<b><u>ASSETS:</u></b>			
Cash and Cash Equivalents	\$ 390,645	\$ 893,026	\$ 1,283,671
Capital Assets, Net of Accumulated Depreciation	<u>1,221,155</u>	<u>676,030</u>	<u>1,897,185</u>
Total Assets	<u>\$ 1,611,800</u>	<u>\$ 1,569,056</u>	<u>\$ 3,180,856</u>
<b><u>LIABILITIES:</u></b>			
Overdraft	\$ 164,036		\$ 164,036
Customer Deposits	-	\$ 61,582	61,582
Payroll Withholdings	8,844	-	8,844
Noncurrent Liabilities:			
Due Within One Year	35,000	-	35,000
Due In More Than One Year	<u>618,088</u>	<u>-</u>	<u>618,088</u>
Total Liabilities	<u>\$ 825,968</u>	<u>\$ 61,582</u>	<u>\$ 887,550</u>
<b><u>NET POSITION:</u></b>			
Invested In Capital Assets, Net of Related Debt	\$ 568,067	\$ 676,030	\$ 1,244,097
Restricted	364,205	-	364,205
Unrestricted	<u>(146,440)</u>	<u>831,444</u>	<u>685,004</u>
Total Net Position	<u>\$ 785,832</u>	<u>\$ 1,507,474</u>	<u>\$ 2,293,306</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, 2021

Functions/Programs	Expenses	Program Revenues	Charges for Services	Grants	Net (Expense) Revenue and Changes in Net Position		
					Governmental Activities	Business-Type Activities	Total
<b>PRIMARY GOVERNMENT:</b>							
Governmental Activities --							
General Government	\$ 301,717	\$ 19,578			\$ (282,139)	\$	\$ (282,139)
Public Safety	170,905	9,171		44,481	(117,253)		(117,253)
Highway & Streets	127,995	-		36,181	(91,814)		(91,814)
Depreciation (Unallocated)	82,661	-		-	(82,661)	-	(82,661)
Total Governmental Activities	\$ 683,278	\$ 28,749		\$ 80,662	\$ (573,867)	\$	\$ (573,867)
Business-Type Activities --							
Water	\$ 390,791	\$ 454,742			\$	\$ 63,951	\$ 63,951
Sewer	83,254	95,683				12,429	12,429
Trash	131,593	134,176			\$	2,583	2,583
Total Business-Type Activities	\$ 605,638	\$ 684,601			\$	\$ 78,963	\$ 78,963
Total Primary Government	\$ 1,288,916	\$ 713,350		\$ 80,662	\$ (573,867)	\$ 78,963	\$ (494,904)
<b>GENERAL REVENUES:</b>							
Sales & Use Tax					\$ 101,336	\$	\$ 101,336
Gaming Tax					2,091		2,091
Replacement Tax					1,004		1,004
Income Tax					123,652		123,652
Real Estate Tax					244,967		244,967
Utility Tax					60,173		60,173
Cannabis Tax					876		876
Motor Fuel Tax					39,341		39,341
Interest Income					83	4,339	4,422
Miscellaneous					51,574	-	51,574
Homecoming Income					2,443	-	2,443
Total General Revenues					\$ 627,540	\$ 4,339	\$ 631,879
<b>CHANGE IN NET POSITION</b>							
					\$ 53,673	\$ 83,302	\$ 136,975
<b>NET POSITION, BEGINNING OF YEAR</b>					732,159	1,424,172	2,156,331
<b>NET POSITION, END OF YEAR</b>					\$ 785,832	\$ 1,507,474	\$ 2,293,306

See Accompanying Notes to the Basic Financial Statements.

**VILLAGE OF ST. JACOB, ILLINOIS**STATEMENT OF ASSETS, LIABILITIES AND  
FUND BALANCES - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS  
MARCH 31, 2021

	General Fund	Other Governmental Funds	Total Governmental Funds
<b><u>ASSETS</u></b>			
Cash and Cash Equivalents	\$ -	\$ 390,645	\$ 390,645
Total Assets	\$ -	\$ 390,645	\$ 390,645
<b><u>LIABILITIES AND FUND EQUITY</u></b>			
<b>LIABILITIES:</b>			
Overdraft	\$ 137,596	\$ 26,440	\$ 164,036
Payroll Withholdings	8,844	-	8,844
Total Liabilities	\$ 146,440	\$ 26,440	\$ 172,880
<b>FUND EQUITY:</b>			
Fund Balance:			
Restricted		\$ 364,205	\$ 364,205
Unassigned	\$ (146,440)	-	(146,440)
Total Fund Balance	\$ (146,440)	\$ 364,205	\$ 217,765
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 390,645	\$ 390,645

**Reconciliation to Statement of Net Position:**

Fund Balance - Total Governmental Funds	\$ 217,765
Capital assets used in governmental activities are not financial resources therefore, are not reported on the balance sheet of the governmental	1,221,155
Some Liabilities, including Capital Debt Obligations Payable, are not due and payable in the current period and, therefore, are not reported in the funds	(653,088)
Net position of governmental activities	\$ 785,832

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, 2021

	General <u>Fund</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
<b>REVENUES RECEIVED:</b>			
Property Taxes	\$ 119,347	\$ 125,620	\$ 244,967
Replacement Tax	1,004	-	1,004
Sales Tax	52,307	-	52,307
State Income Tax	123,652	-	123,652
Local Use Tax	49,029	-	49,029
Motor Fuel Tax	-	39,341	39,341
Video Game Tax	2,091	-	2,091
Utility Tax	60,173	-	60,173
Cannabis Tax	876	-	876
Grants	44,481	36,181	80,662
Licenses and Permits	18,778	-	18,778
Fines and Penalties	9,171	-	9,171
Rental Income	800	-	800
Homecoming Income	2,443	-	2,443
Investment Earnings	14	69	83
Miscellaneous	51,574	-	51,574
Total Revenues Received	<u>\$ 535,740</u>	<u>\$ 201,211</u>	<u>\$ 736,951</u>
<b>EXPENDITURES DISBURSED:</b>			
General Government:			
Wages & Payroll Taxes	\$ 75,698	\$ 14,690	\$ 90,388
Retirement	-	13,379	13,379
Supplies	17,054	-	17,054
Repairs & Maintenance	15,923	-	15,923
Contract Labor	928	-	928
Advertising	140	-	140
Dues	375	-	375
Utilities	7,547	-	7,547
Interest	-	15,926	15,926
Professional Fees	42,741	6,295	49,036
Community Development	1,591	-	1,591
Equipment Rent	1,249	-	1,249
Insurance	43,640	34,330	77,970
Office Supplies	1,432	-	1,432
Miscellaneous	1,924	-	1,924
Total General Government	<u>\$ 210,242</u>	<u>\$ 84,620</u>	<u>\$ 294,862</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, 2021

## EXPENDITURES DISBURSED (Continued):

## Public Safety:

Wages & Payroll Taxes	\$ 125,661	\$ 9,600	\$ 135,261
Retirement	-	5,624	5,624
Supplies	3,679	-	3,679
Repairs & Maintenance	3,622	-	3,622
Contract Labor	3,600	-	3,600
Office Supplies	338	-	338
Dues	170	-	170
Utilities	2,623	-	2,623
Fuel	6,976	-	6,976
Professional Fees	6,894	-	6,894
Miscellaneous	2,118	-	2,118
Total Public Safety	<u>\$ 155,681</u>	<u>\$ 15,224</u>	<u>\$ 170,905</u>

## Highway &amp; Streets:

Wages & Payroll Taxes	\$ 60,985	\$ 4,460	\$ 65,445
Supplies	14,014	-	14,014
Road Maintenance	3,508	28,979	32,487
Contract Labor	1,607	750	2,357
Professional Fees	127	-	127
Equipment Rent	2,116	-	2,116
Office Supplies	15	-	15
Utilities	7,951	-	7,951
Fuel	3,483	-	3,483
Total Highway & Streets	<u>\$ 93,806</u>	<u>\$ 34,189</u>	<u>\$ 127,995</u>

## Homecoming Expenses:

Homecoming Expense	<u>\$ 6,855</u>	<u>\$ -</u>	<u>\$ 6,855</u>
Total Homecoming Expenses	<u>\$ 6,855</u>	<u>\$ -</u>	<u>\$ 6,855</u>

## Capital Outlay:

Equipment	\$ 27,318	\$ -	\$ 27,318
Building	<u>3,104</u>	<u>-</u>	<u>3,104</u>
Total Capital Outlay	<u>\$ 30,422</u>	<u>\$ -</u>	<u>\$ 30,422</u>

TOTAL EXPENDITURES DISBURSED	<u>\$ 497,006</u>	<u>\$ 134,033</u>	<u>\$ 631,039</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, 2021

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 38,734	\$ 67,178	\$ 105,912
OTHER FINANCING SOURCES (USES):			
Payment of Long-Term Debt		\$ (35,000)	\$ (35,000)
Transfers In (Out)	\$ (47,200)	47,200	-
Total Other Financing Sources (Uses)	\$ (47,200)	\$ 12,200	\$ (35,000)
NET CHANGE IN FUND BALANCES	\$ (8,466)	\$ 79,378	\$ 70,912
FUND BALANCES, BEGINNING OF YEAR	(137,974)	284,827	146,853
FUND BALANCES, END OF YEAR	\$ (146,440)	\$ 364,205	\$ 217,765

**Reconciliation to the Statement of Activities:**

Net Change in Fund Balance - Total Governmental Funds \$ 70,912

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 30,422  
    Depreciation expense (82,661)

Change in Net Position of Governmental Activities \$ 53,673

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, 2021

	Water Enterprise Fund	Sewer Enterprise Fund	Trash Enterprise Fund	Total Enterprise Funds
<b>ASSETS:</b>				
Current Assets:				
Cash	\$ 692,236	\$ 151,505	\$ 49,285	\$ 893,026
Total Current Assets	\$ 692,236	\$ 151,505	\$ 49,285	\$ 893,026
Noncurrent Assets:				
Capital Assets, Net of Accumulated Depreciation	\$ 585,099	\$ 90,931	\$ -	\$ 676,030
Total Assets	\$ 1,277,335	\$ 242,436	\$ 49,285	\$ 1,569,056
<b>LIABILITIES:</b>				
Current Liabilities:				
Customer Deposits	\$ 61,582	\$ -	\$ -	\$ 61,582
Total Current Liabilities	\$ 61,582	\$ -	\$ -	\$ 61,582
Total Liabilities	\$ 61,582	\$ -	\$ -	\$ 61,582
<b>NET POSITION:</b>				
Net Position Invested in Capital Assets, Net of Related Debt	\$ 585,099	\$ 90,931	\$ -	\$ 676,030
Unrestricted Net Position	630,654	151,505	49,285	831,444
Total Net Position	\$ 1,215,753	\$ 242,436	\$ 49,285	\$ 1,507,474

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 - PROPRIETARY FUNDS  
FOR THE YEAR ENDED MARCH 31, 2021

	Water Enterprise Fund	Sewer Enterprise Fund	Trash Enterprise Fund	Total Enterprise Funds
<b>OPERATING REVENUES:</b>				
Charges for Services --				
Water	\$ 454,742			\$ 454,742
Sewer	-	\$ 95,683		95,683
Trash	-	-	\$ 134,176	134,176
Total Operating Revenues	<u>\$ 454,742</u>	<u>\$ 95,683</u>	<u>\$ 134,176</u>	<u>\$ 684,601</u>
<b>OPERATING EXPENSES:</b>				
Advertising	\$ 764			\$ 764
Water & Sewer Treatment & Maintenance	10,477	\$ 11,425		21,902
Water Purchases	198,493	-		198,493
Supplies	14,342	3,324		17,666
Equipment Rent	707	-		707
Wages & Payroll Taxes	92,588	26,909	\$ 1,725	121,222
Contract Labor	250	12,530	129,868	142,648
Insurance	486	-	-	486
Fuel	2,921	-	-	2,921
Office Supplies	12,971	-	-	12,971
Dues and Subscriptions	348	-	-	348
Utilities	14,872	3,722	-	18,594
EPA Fee	-	2,500	-	2,500
Miscellaneous	2,004	56	-	2,060
Professional Fees	3,868	2,633	-	6,501
Depreciation	35,700	20,155	-	55,855
Total Operating Expenses	<u>\$ 390,791</u>	<u>\$ 83,254</u>	<u>\$ 131,593</u>	<u>\$ 605,638</u>
<b>OPERATING INCOME</b>	<u>\$ 63,951</u>	<u>\$ 12,429</u>	<u>\$ 2,583</u>	<u>\$ 78,963</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>				
Investment Income	\$ 4,339	\$ -	\$ -	\$ 4,339
Total Non-Operating Income	<u>\$ 4,339</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,339</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 68,290</u>	<u>\$ 12,429</u>	<u>\$ 2,583</u>	<u>\$ 83,302</u>
<b>TOTAL FUND NET POSITION, BEGINNING</b>	<u>1,147,463</u>	<u>230,007</u>	<u>46,702</u>	<u>1,424,172</u>
<b>TOTAL FUND NET POSITION, ENDING</b>	<u>\$ 1,215,753</u>	<u>\$ 242,436</u>	<u>\$ 49,285</u>	<u>\$ 1,507,474</u>

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, 2021

## CASH FLOWS FROM OPERATING ACTIVITIES:

Receipts from Customers	\$ 456,133	\$ 95,683	\$ 134,176	\$ 685,992
Payments to Suppliers	(262,503)	(36,190)	(129,868)	(428,561)
Payments to Employees	(92,588)	(26,909)	(1,725)	(121,222)
Net Cash Provided by Operating Activities	\$ 101,042	\$ 32,584	\$ 2,583	\$ 136,209

## CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Purchase of Equipment	\$ (27,925)	\$ -	\$ -	\$ (27,925)
Net Cash (Used) by Capital and Related Financing Activities	\$ (27,925)	\$ -	\$ -	\$ (27,925)

## CASH FLOWS FROM INVESTING ACTIVITIES:

Investment Income	\$ 4,339	\$ -	\$ -	\$ 4,339
Net Cash Provided by Investing Activities	\$ 4,339	\$ -	\$ -	\$ 4,339

## NET INCREASE IN CASH AND CASH EQUIVALENTS

\$ 77,456 \$ 32,584 \$ 2,583 \$ 112,623

## BALANCE, BEGINNING OF YEAR

614,780 118,921 46,702 780,403

## BALANCE, END OF YEAR

\$ 692,236 \$ 151,505 \$ 49,285 \$ 893,026

RECONCILIATION OF OPERATING INCOME  
TO NET CASH PROVIDED BY OPERATING ACTIVITIES:

Operating Income	\$ 63,951	\$ 12,429	\$ 2,583	\$ 78,963
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation Expense	35,700	20,155	-	55,855
Deposits	1,391	-	-	1,391
Net Cash provided by Operating Activities	\$ 101,042	\$ 32,584	\$ 2,583	\$ 136,209

See Accompanying Notes to the Basic Financial Statements.



## **VILLAGE OF ST. JACOB, ILLINOIS**

### **NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2021**

#### **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, 2021

#### **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, 2021

#### **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, 2021**

#### **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, 2021.

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, 2021.

## **VILLAGE OF ST. JACOB, ILLINOIS**

### **NOTES TO BASIC FINANCIAL STATEMENTS**

MARCH 31, 2021

#### **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, 2021

#### **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, 2021**

### **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, 2021

#### **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, 2021**

#### **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, 2021

#### **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, 2021 are classified in the accompanying financial statements as follows:

	<u>2021</u>
Cash	\$ 1,119,635
Total	<u>\$ 1,119,635</u>

## **VILLAGE OF ST. JACOB, ILLINOIS**

### **NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2021**

#### **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 December 16, 2020 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 2019 and prior levy.

## **VILLAGE OF ST. JACOB, ILLINOIS**

### **NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2021**

#### **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	2020	2019	2018
<u>Tax Rates:</u>				
General	0.2500	0.2297	0.2319	0.2320
Police Protection	0.0750	0.0709	0.0687	0.0696
Audit	None	0.0836	0.0859	0.0882
Social Security	None	0.0996	0.1031	0.1067
Insurance	None	0.2130	0.2254	0.2412
IMRF	None	0.1234	0.1288	0.1346
Street Lighting	0.0500	<u>0.0458</u>	<u>0.0473</u>	<u>0.0464</u>
		<u>0.8660</u>	<u>0.8911</u>	<u>0.9187</u>
Assessed Valuation		<u>\$ 25,121,728</u>	<u>\$ 23,294,092</u>	<u>\$ 21,558,922</u>
<u>Tax Extensions:</u>				
General		\$ 57,705	\$ 54,019	\$ 50,017
Police Protection		17,811	16,003	15,005
Audit		21,002	20,010	19,015
Social Security		25,021	24,016	23,003
Insurance		53,509	52,505	52,000
IMRF		31,000	30,003	29,018
Street Lighting		<u>11,506</u>	<u>11,018</u>	<u>10,003</u>
Totals		<u>\$ 217,554</u>	<u>\$ 207,574</u>	<u>\$ 198,061</u>
Collections		<u>\$ -</u>	<u>\$ 206,076</u>	<u>\$ 196,096</u>
Percentage of Extensions Collected		0.00%	99.28%	99.01%

#### **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, 2021

#### **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, 2037.

\$ 653,088

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>
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>\$ 653,088</u>	<u>\$ 136,548</u>

## **VILLAGE OF ST. JACOB, ILLINOIS**

### NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2021

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

The following is a summary of changes in long-term debt for the year ended March 31, 2021:

	<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	\$ 688,088	\$ -	\$ 35,000	\$ 653,088	\$ 35,000
Total Governmental	\$ 688,088	\$ -	\$ 35,000	\$ 653,088	\$ 35,000

#### Debt Service Requirements to Maturity --

The annual debt service requirements to maturity, including principal and interest, for long-term debt, as of March 31, 2021, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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>\$ 653,088</u>	<u>\$ 136,548</u>	<u>\$ 789,636</u>

# **VILLAGE OF ST. JACOB, ILLINOIS**

## **NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2021**

### **NOTE 6. CAPITAL ASSETS**

Capital asset activity for the year ended March 31, 2020, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b><u>GOVERNMENTAL ACTIVITIES:</u></b>				
Capital Assets, Being Depreciated:				
Buildings and Systems	\$ 1,060,420	\$ 3,104		\$ 1,063,524
Vehicles and Equipment	475,179	27,318		502,497
Infrastructure	<u>424,270</u>	<u>-</u>	<u>\$ -</u>	<u>424,270</u>
Total Capital Assets being Depreciated	<u>\$ 1,959,869</u>	<u>\$ 30,422</u>	<u>\$ -</u>	<u>\$ 1,990,291</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ 125,620	\$ 35,845		\$ 161,465
Vehicles and Equipment	386,159	31,814		417,973
Infrastructure	<u>174,696</u>	<u>15,002</u>	<u>\$ -</u>	<u>189,698</u>
Total Accumulated Depreciation	<u>\$ 686,475</u>	<u>\$ 82,661</u>	<u>\$ -</u>	<u>\$ 769,136</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,273,394</u>	<u>\$ (52,239)</u>	<u>\$ -</u>	<u>\$ 1,221,155</u>
<b><u>BUSINESS-TYPE ACTIVITIES:</u></b>				
Land	<u>\$ 76,122</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,122</u>
Capital Assets, Being Depreciated:				
Buildings and Systems	\$ 1,887,428			\$ 1,887,428
Vehicles and Equipment	<u>354,130</u>	<u>\$ 27,925</u>	<u>\$ -</u>	<u>382,055</u>
Total Capital Assets, Being Depreciated	<u>\$ 2,241,558</u>	<u>\$ 27,925</u>	<u>\$ -</u>	<u>\$ 2,269,483</u>
Less Accumulated Depreciation for:				
Buildings and Systems	\$ 1,317,239	\$ 32,106		\$ 1,349,345
Vehicles and Equipment	<u>296,480</u>	<u>23,749</u>	<u>\$ -</u>	<u>320,229</u>
Total Accumulated Depreciation	<u>\$ 1,613,719</u>	<u>\$ 55,855</u>	<u>\$ -</u>	<u>\$ 1,669,574</u>
Business-Type Activities Capital Assets, Net	<u>\$ 703,961</u>	<u>\$ (27,930)</u>	<u>\$ -</u>	<u>\$ 676,031</u>

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

Governmental Activities:	
General Government	\$ 35,926
Public Safety	13,807
Highways and Streets	<u>32,928</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 82,661</u>
Business-Type Activities - Water and Sewer	<u>\$ 55,855</u>

## **VILLAGE OF ST. JACOB, ILLINOIS**

### **NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2021**

#### **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](http://www.imrf.org).

*Funding Policy.* As set by statute, members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2020 was 5.78 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 2020 was \$19,132.

##### **Three-Year Trend Information for IMRF**

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
3/31/2020	\$ 19,132	100%	\$ -
3/31/2019	11,295	100%	-
3/31/2018	21,126	100%	-

The required contribution for 2020 was determined as part of the December 31, 2018 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2018 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, 2018 is being amortized as a level percentage of projected payroll on an open 23 year basis.



## **VILLAGE OF ST. JACOB, ILLINOIS**

### **NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2021**

#### **NOTE 7. PENSION PLAN (Continued)**

*Funded Status and Funding Progress.* As of December 31, 2020, the most recent actuarial valuation date, the plan was 114.99 percent funded. The actuarial accrued liability for benefits was \$356,103 and the actuarial value of assets was \$409,467, resulting in a overfunded actuarial accrued liability (UAAL) of \$53,364. The covered payroll for calendar year 2020 (annual payroll of active employees covered by the plan) was \$331,001 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)
12/31/20	\$ 409,467	\$ 356,103	\$ (53,364)	114.99%	\$ 331,001	0.00%
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%

On a market value basis, the actuarial value of assets as of December 31, 2020 is \$506,183. On a market basis, the funded ratio would be 142.15%.

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, 2021**

#### **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, 2020.

Actuarial valuation Date	December 31, 2020
Measurement Date of the Net Pension Liability	December 31, 2020
Fiscal Year End	March 31, 2021
Membership	
Number of	
-Retirees and Beneficiaries	6
-Inactive, Non-Retired Members	11
-Active Members	7
-Total	24
Total pension liability	
Service Cost	\$ 31,847
Interest on the Total Pension Liability	68,774
Difference between expected and actual experience of the Total Pension Liability	13,064
Change of Assumptions	(7,041)
Benefit payments, including refunds of employee contributions	(60,724)
Net change in total pension liability	\$ 45,920
Total pension liability - beginning	963,051
Total pension liability - ending	<u>\$ 1,008,971</u>
Plan fiduciary net position	
Contributions - employer	\$ 19,132
Contributions - employee	14,895
Net investment income	154,485
Benefit payments, including refunds of employee contributions	(60,724)
Other (Net Transfer)	10,205
Net change in plan fiduciary net position	\$ 137,993
Plan fiduciary net position - beginning	1,031,668
Plan fiduciary net position - ending	<u>\$ 1,169,661</u>
Net pension liability/(asset)	\$ (160,690)
Plan fiduciary net position as a percentage of total pension liability	115.93%
Covered Valuation payroll	\$ 331,001
Net pension liability as a percentage of covered valuation payroll	-48.55%

## **VILLAGE OF ST. JACOB, ILLINOIS**

### **NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2021**

#### **NOTE 7. PENSION PLAN (Continued)**

The total pension liability in the December 31, 2020 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	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	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 2.00%; 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	\$ 1,120,258	\$ 1,008,971	\$ 919,990
Plan Fiduciary Net Position	<u>1,169,661</u>	<u>1,169,661</u>	<u>1,169,661</u>
Net Pension Liability/(Asset)	<u>\$ (49,403)</u>	<u>\$ (160,690)</u>	<u>\$ (249,671)</u>

## **VILLAGE OF ST. JACOB, ILLINOIS**

### **NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2021**

#### **NOTE 7. PENSION PLAN (Continued)**

##### **B. Social Security**

All Village employees are covered under Social Security. The Village reported \$46,573, 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, 2020	<u>\$ 25,121,728</u>
Debt Limit - 5.75% of Assessed Valuation	\$ 1,444,499
Less: General Obligation of Assessed Valuation of Bonded Indebtedness	<u>653,088</u>
Legal Debt Margin	<u>\$ 791,411</u>

#### **NOTE 9. INTERFUND TRANSFERS**

The following is a summary of interfund transfers for the year ended March 31, 2021:

General Fund Transfer To:	
Debt Service Fund	<u>\$ 47,200</u>
	<u>\$ 47,200</u>

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

#### **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, 2021:

General Fund, had a deficit fund balance of (\$146,440).  
Motor Fuel Tax Fund, Special Revenue Fund had a deficit fund balance of (\$26,440).

#### **NOTE 11. SIGNIFICANT EVENTS**

Since February 2020, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including the United States of America, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

**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, 2021

	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Over (Under) Budget</u>
<b>REVENUES RECEIVED:</b>			
Property Taxes	\$ 114,553	\$ 119,347	\$ 4,794
Replacement Tax	1,130	1,004	(126)
Sales Tax	43,800	52,307	8,507
State Income Tax	118,300	123,652	5,352
Local Use Tax	36,500	49,029	12,529
Video Game Tax	4,150	2,091	(2,059)
Utility Tax	5,900	60,173	54,273
Cannabis Tax	-	876	876
Grants	-	44,481	44,481
Licenses and Permits	25,125	18,778	(6,347)
Fines and Penalties	1,000	9,171	8,171
Rental Income	3,950	800	(3,150)
Homecoming Income	-	2,443	2,443
Investment Earnings	13	14	1
Miscellaneous	<u>28,671</u>	<u>51,574</u>	<u>22,903</u>
Total Revenues Received	<u>\$ 383,092</u>	<u>\$ 535,740</u>	<u>\$ 152,648</u>
<b>EXPENDITURES DISBURSED:</b>			
Current:			
General Government	\$ 191,345	\$ 210,242	\$ (18,897)
Public Safety	158,350	155,681	2,669
Highways and Streets	105,927	93,806	12,121
Homecoming Expenses	4,700	6,855	(2,155)
Capital Outlay	<u>64,200</u>	<u>30,422</u>	<u>33,778</u>
Total Expenditures Disbursed	<u>\$ 524,522</u>	<u>\$ 497,006</u>	<u>\$ 27,516</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (141,430)</u>	<u>\$ 38,734</u>	<u>\$ 180,164</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfer In (Out)	<u>\$ (54,000)</u>	<u>\$ (47,200)</u>	<u>\$ 6,800</u>
Total Other Financing Sources (Uses)	<u>\$ (54,000)</u>	<u>\$ (47,200)</u>	<u>\$ 6,800</u>
Net Change in Fund Balances	<u>\$ (195,430)</u>	<u>\$ (8,466)</u>	<u>\$ 186,964</u>
FUND BALANCE, BEGINNING OF YEAR		<u>(137,974)</u>	
FUND BALANCE, END OF YEAR		<u>\$ (146,440)</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, 2021

	Audit Fund			Social Security Fund		
	Original and Final Budget	Actual Amounts	Over (Under) Budget	Original and Final Budget	Actual Amounts	Over (Under) Budget
REVENUES RECEIVED:						
Property Taxes	\$ 20,000	\$ 19,865	\$ (135)	\$ 24,000	\$ 23,843	\$ (157)
Total Revenues Received	\$ 20,000	\$ 19,865	\$ (135)	\$ 24,000	\$ 23,843	\$ (157)
EXPENDITURES DISBURSED:						
General Government	\$ 20,000	\$ 6,295	\$ 13,705	\$ 24,000	\$ 14,690	\$ 9,310
Public Safety	-	-	-	-	9,600	(9,600)
Highways & Streets	-	-	-	-	4,460	(4,460)
Total Expenditures Disbursed	\$ 20,000	\$ 6,295	\$ 13,705	\$ 24,000	\$ 28,750	\$ (4,750)
EXCESS (DEFICIENCY) OF REVENUES RECEIVED OVER (UNDER) EXPENDITURES DISBURSED	\$ -	\$ 13,570	\$ 13,570	\$ -	\$ (4,907)	\$ (4,907)
FUND BALANCE, BEGINNING OF YEAR		59,310			14,466	
FUND BALANCE, END OF YEAR		\$ 72,880			\$ 9,559	

(Continued on Next Page)

**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, 2021

	Motor Fuel Tax Fund			IMRF		
	<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	\$ 40,750	\$ 39,341	\$ (1,409)			
Grant Revenue	-	36,181	36,181			
Investment Income	-	68	68			
Property Taxes	-	-	-	\$ 30,000	\$ 29,786	\$ (214)
Total Revenues Received	\$ 40,750	\$ 75,590	\$ 34,840	\$ 30,000	\$ 29,786	\$ (214)
EXPENDITURES DISBURSED:						
General Government				\$ 30,000	\$ 13,379	\$ 16,621
Public Safety				-	5,624	(5,624)
Highways & Streets	\$ 49,900	\$ 29,729	\$ 20,171	-	-	-
Total Expenditures Disbursed	\$ 49,900	\$ 29,729	\$ 20,171	\$ 30,000	\$ 19,003	\$ 10,997
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ (9,150)	\$ 45,861	\$ 55,011	\$ -	\$ 10,783	\$ 10,783
NET CHANGE IN FUND BALANCE	\$ (9,150)	\$ 45,861	\$ 55,011	\$ -	\$ 10,783	\$ 10,783
FUND BALANCE, BEGINNING OF YEAR		(72,301)			81,136	
FUND BALANCE, END OF YEAR		\$ (26,440)			\$ 91,919	

**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, 2021

	<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		1 \$	1			
Property Taxes	\$ 52,000	52,126	126	\$ -	\$ -	\$ -
Total Revenues Received	\$ 52,000	52,127	127	\$ -	\$ -	\$ -
EXPENDITURES DISBURSED:						
General Government	\$ 52,000	34,330	17,670	\$ -	15,926	(15,926)
Total Expenditures Disbursed	\$ 52,000	34,330	17,670	\$ -	15,926	(15,926)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ -	17,797	17,797	\$ -	(15,926)	(15,926)
OTHER FINANCING SOURCES (USES)						
Transfers In					\$ 47,200	\$ 47,200
Payment of Long Term Debt	\$ -	-	-	\$ -	(35,000)	(35,000)
Total Other Financing Sources (Uses)	\$ -	-	-	\$ -	12,200	12,200
NET CHANGE IN FUND BALANCE	\$ -	17,797	17,797	\$ -	(3,726)	(3,726)
FUND BALANCE, BEGINNING OF YEAR		116,034			86,182	
FUND BALANCE, END OF YEAR		133,831			82,456	



**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, 2021

	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Over (Under) Budget</u>
OPERATING REVENUES:			
Charge for Services --			
Water	\$ 475,400	\$ 454,742	\$ (20,658)
Sewer	109,500	95,683	(13,817)
Trash	117,147	134,176	17,029
Total Operating Revenues	<u>\$ 702,047</u>	<u>\$ 684,601</u>	<u>\$ (17,446)</u>
OPERATING EXPENSES:			
Advertising	\$ 100	\$ 764	\$ (664)
Water & Sewer Treatment & Maintenance	24,250	21,902	2,348
Water Purchases	200,000	198,493	1,507
Supplies	47,900	17,666	30,234
Equipment Rent	8,000	707	7,293
Wages & Payroll Taxes	144,265	121,222	23,043
Contract Labor	159,000	142,648	16,352
Insurance	1,500	486	1,014
Fuel	5,000	2,921	2,079
Office Expense	20,000	12,971	7,029
Dues and Subscriptions	500	348	152
Utilities	23,500	18,594	4,906
EPA Fee	2,500	2,500	-
Miscellaneous	1,500	2,060	(560)
Professional Fees	10,700	6,501	4,199
Depreciation	135,000	55,855	79,145
Total Operating Expenses	<u>\$ 783,715</u>	<u>\$ 605,638</u>	<u>\$ 178,077</u>
OPERATING INCOME (LOSS)	<u>\$ (81,668)</u>	<u>\$ 78,963</u>	<u>\$ 160,631</u>
NON-OPERATING REVENUES (EXPENSES):			
Investment Income	\$ 730	\$ 4,339	\$ 3,609
Interest Expense	-	-	-
Total Non-Operating Revenues (Expenses)	<u>\$ 730</u>	<u>\$ 4,339</u>	<u>\$ 3,609</u>
NET CHANGE IN FUND BALANCE	<u>\$ (80,938)</u>	<u>\$ 83,302</u>	<u>\$ 164,240</u>
FUND BALANCE, BEGINNING OF YEAR		<u>1,424,172</u>	
FUND BALANCE, END OF YEAR		<u>\$ 1,507,474</u>	

**VILLAGE OF ST. JACOB, ILLINOIS**

NOTES TO BUDGETARY COMPARISON SCHEDULE  
MARCH 31, 2021

**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, 2021

	2020	2019	2018	2017	2016	2015
Actuarial Value of Assets	409,467	322,070	264,677	359,244	304,712	284,420
Actuarial Accrued Liability (AAL)	356,103	306,688	264,612	311,433	335,598	320,894
Unfunded AAL (UAAL)	(53,364)	(15,382)	(65)	(47,811)	30,886	36,474
Funded Ratio	114.99%	105.02%	100.02%	115.35%	90.80%	88.63%
Covered Payroll	331,001	310,308	231,137	193,706	193,968	219,759
UAAL as a % of Covered Payroll	0.00%	0.00%	0.00%	0.00%	15.92%	16.60%
Employer Contributions:						
Required	19,132	11,294	21,126	15,690	15,925	21,998
Made	19,132	11,294	21,126	15,690	15,925	21,998
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, 2020 is \$506,183 On a market basis, the funded ratio would be 142.15%.

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:	23 Years
Asset Valuation Method:	Market value with techniques that smooth the effect of short-term volatility
Actuarial Assumptions:	
Interest Rate	7.25%
Salary Progression	3.35 - 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, 2021

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Motor Fuel Tax	Audit	Social Security	Debt	IMRF	Liability Insurance
<u>Assets</u>						
Cash and Cash Equivalents	\$ -	\$ 72,880	\$ 9,559	\$ 82,456	\$ 91,919	\$ 133,831
Total Assets	\$ -	\$ 72,880	\$ 9,559	\$ 82,456	\$ 91,919	\$ 133,831
<u>Liabilities</u>						
Overdraft	\$ 26,440	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	\$ 26,440	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Fund Balance</u>						
Fund Balance: Restricted	\$ (26,440)	\$ 72,880	\$ 9,559	\$ 82,456	\$ 91,919	\$ 133,831
Total Fund Balance	\$ (26,440)	\$ 72,880	\$ 9,559	\$ 82,456	\$ 91,919	\$ 133,831

**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, 2021

	Special Revenue Funds					Total Nonmajor Governmental Funds
	Motor Fuel Tax	Audit	Social Security	Debt	IMRF	Liability Insurance
REVENUES RECEIVED:						
Property Tax		\$ 19,865	\$ 23,843		\$ 29,786	\$ 52,126
Motor Fuel Tax	\$ 39,341	-	-		-	-
Grant Revenue	36,181	-	-		-	-
Investment Earnings	68	-	-	\$ -	-	1
Total Revenues Received	\$ 75,590	\$ 19,865	\$ 23,843	\$ -	\$ 29,786	\$ 52,127
EXPENDITURES DISBURSED:						
Current:						
General Government		\$ 6,295	\$ 14,690	\$ 15,926	\$ 13,379	\$ 34,330
Public Safety		-	9,600	-	5,624	-
Highways & Streets	\$ 29,729	-	4,460	-	-	-
Total Expenditures Disbursed	\$ 29,729	\$ 6,295	\$ 28,750	\$ 15,926	\$ 19,003	\$ 34,330
EXCESS (DEFICIENCY) OF REVENUES RECEIVED OVER (UNDER) EXPENDITURES DISBURSED	\$ 45,861	\$ 13,570	\$ (4,907)	\$ (15,926)	\$ 10,783	\$ 17,797
OTHER FINANCING SOURCES (USES):						
PAYMENT OF LONG TERM DEBT TRANSFER IN (OUT)	\$ -	\$ -	\$ -	\$ (35,000)	\$ -	\$ -
TOTAL OTHER FINANCING SOURCES (USES)	\$ -	\$ -	\$ -	\$ 47,200	\$ -	\$ -
NET CHANGE IN FUND BALANCE	\$ 45,861	\$ 13,570	\$ (4,907)	\$ (3,726)	\$ 10,783	\$ 17,797
FUND BALANCE, BEGINNING OF YEAR	(72,301)	59,310	14,466	86,182	81,136	116,034
FUND BALANCE, END OF YEAR	\$ (26,440)	\$ 72,880	\$ 9,559	\$ 82,456	\$ 91,919	\$ 133,831
						\$ 364,205
						42