

**CITY OF WILMINGTON, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

**APRIL 30, 2019**

**CITY OF WILMINGTON, ILLINOIS**

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***INDEPENDENT AUDITORS' REPORT***



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### Independent Auditors' Report

To the Honorable Mayor and  
Board of Commissioners  
City of Wilmington, Illinois

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

We have audited the accompanying modified cash basis financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Wilmington, Illinois, as of and for the year ended April 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; 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 error or fraud.

#### **Auditors' Responsibility**

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

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

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

#### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wilmington, Illinois, as of April 30, 2019, and the respective changes in modified cash basis financial position, thereof for the year then ended in accordance with the basis of accounting as described in Note 1.



## **Basis of Accounting**

We draw attention to Note 1 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 opinions are not modified with respect to that matter.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Wilmington, Illinois' basic financial statements. The other information and the notes to other information on pages 49-59, and the supplemental information on pages 60-82, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The IMRF and Police Pension data schedules, retiree health insurance plan schedules, notes to other information, agency fund schedules, and the assessed valuations, tax rates, tax extensions and tax collections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### *Comparative Information*

We previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City of Wilmington, Illinois, for the year ended April 30, 2018, which are presented in summary for comparative purposes with the accompanying financial statements. In our report dated September 18, 2018, we expressed unmodified opinions on the respective financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information.

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

In accordance with Government Auditing Standards, we have also issued our report dated October 15, 2019, on our consideration of the City of Wilmington, Illinois' internal control over financial reporting and our tests of its compliance with provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City of Wilmington, Illinois' internal control over financial reporting and compliance.

*Mack & Associates, P.C.*  
Mack & Associates, P.C.  
Certified Public Accountants

Morris, Illinois  
October 15, 2019

***BASIC FINANCIAL STATEMENTS***

**Government-wide Financial Statement**  
**Statement of Net Position - Modified Cash Basis**  
**April 30, 2019**

	Primary Government		Total	
	Governmental Activities	Business-Type Activities	April 30,	
			2019	2018
<u>Assets</u>				
Cash and Cash Equivalents	\$ 1,319,500	2,436,779	3,756,279	3,566,552
Receivables	-	437,625	437,625	334,874
Capital Assets				
Land	7,341,347	1,512,200	8,853,547	8,929,847
Vehicles	928,342	418,477	1,346,819	1,081,812
Equipment	1,436,274	757,738	2,194,012	2,053,856
Buildings	4,934,442	17,274,738	22,209,180	22,830,602
Improvements	1,087,218	5,499,381	6,586,599	6,577,721
Infrastructure	2,751,653	-	2,751,653	2,751,653
Accumulated Depreciation	(4,385,356)	(7,214,985)	(11,600,341)	(10,803,924)
Total Assets	<u>15,413,420</u>	<u>21,121,953</u>	<u>36,535,373</u>	<u>37,322,993</u>
<u>Liabilities and Net Position</u>				
Current Liabilities:				
Accounts Payable/Reserves	32,072	-	32,072	27,929
Deposits	8,549	2,000	10,549	10,822
Total Current Liabilities	<u>40,621</u>	<u>2,000</u>	<u>42,621</u>	<u>38,751</u>
Long-Term Liabilities:				
Due Within One Year	340,079	761,054	1,101,133	1,073,259
Due in More Than One Year	539,921	8,082,326	8,622,247	9,293,379
Total Long-Term Liabilities	<u>880,000</u>	<u>8,843,380</u>	<u>9,723,380</u>	<u>10,366,638</u>
Total Liabilities	<u>920,621</u>	<u>8,845,380</u>	<u>9,766,001</u>	<u>10,405,389</u>
Net Position:				
Net Investment in Capital Assets	13,213,920	9,404,169	22,618,089	23,054,929
Unrestricted Net Position	822,686	1,634,538	2,457,224	2,351,331
Restricted Net Position	456,193	1,237,866	1,694,059	1,511,344
Total Net Position	<u>\$ 14,492,799</u>	<u>12,276,573</u>	<u>26,769,372</u>	<u>26,917,604</u>

The Notes to Basic Financial Statements are an integral part of this statement.

**Government-wide Financial Statement**  
**Statement of Activities - Modified Cash Basis**  
**For the Year Ended April 30, 2019**

Program Activities	Expenses	Program Revenues		Net (Expenses) Revenue And Changes in Net Position		Totals April 30,	
		Fees and Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	2019	2018
<b>Governmental Activities:</b>							
General Government	\$ 6,611,059	276,273	188,759	(6,146,027)	-	(6,146,027)	(3,287,984)
Public Safety	3,044,248	-	-	(3,044,248)	-	(3,044,248)	(2,484,764)
Streets and Highways	967,075	-	273,210	(693,865)	-	(693,865)	(2,486,086)
Unallocated Interest	22,382	-	-	(22,382)	-	(22,382)	(27,699)
Total Governmental Activities	10,644,764	276,273	461,969	(9,906,522)	-	(9,906,522)	(8,286,533)
<b>Business-Type Activities:</b>							
Water	1,421,487	1,509,804	-	-	88,317	88,317	(74,552)
Sewer	1,704,516	2,053,319	-	-	348,803	348,803	200,899
Garbage	452,967	454,305	-	-	1,338	1,338	3,186
Total Business-Type Activities	3,578,970	4,017,428	-	-	438,458	438,458	129,533
<b>Total Primary Government</b>	<b>\$14,223,734</b>	<b>4,293,701</b>	<b>461,969</b>	<b>(9,906,522)</b>	<b>438,458</b>	<b>(9,468,064)</b>	<b>(8,157,000)</b>
<b>General Revenues:</b>							
<b>Taxes:</b>							
Property Taxes				\$ 1,322,550	-	1,322,550	1,261,938
TIF Revenue				4,702,092	-	4,702,092	2,009,793
State Sales Tax				991,297	-	991,297	971,217
Road and Bridge Tax				5,035	-	5,035	4,878
Utility Tax				551,355	-	551,355	523,315
Personal Property Replacement Tax				54,796	-	54,796	53,093
State Income Tax				555,737	-	555,737	606,317
Local Use Tax				169,242	-	169,242	148,487
Pull Tab Tax				2,654	-	2,654	-
Video Gaming Tax				106,350	-	106,350	86,290
Motor Fuel Tax				150,762	-	150,762	150,655
Interest on Investments				51,733	45,485	97,218	56,484
Reimbursements				361,422	-	361,422	643,953
Fines and Forfeitures				103,967	-	103,967	110,898
Miscellaneous				80,256	63,699	143,955	100,163
Total General Revenues				9,209,248	109,184	9,318,432	6,727,481
<b>Special Items:</b>							
Sales of Assets				1,400	-	1,400	2,893
Transfer of Catfish Days Fund to City				-	-	-	23,653
Total Special Items				1,400	-	1,400	26,546
Change in Net Position				(695,874)	547,642	(148,232)	(1,402,973)
Net Position, Beginning of Year				15,188,673	11,728,931	26,917,604	28,320,577
Net Position, End of Year				\$ 14,492,799	12,276,573	26,769,372	26,917,604

The Notes to Basic Financial Statements are an integral part of this statement.

**Statement of Assets, Liabilities, and Fund Balances - Modified Cash Basis  
Governmental Funds  
April 30, 2019**

	Major Funds					Total Governmental Funds	
	General Fund	Capital Projects Fund	Bond & Interest Fund	Ridgeport TIF #2 Fund	Non-Major Funds	April 30,	
						2019	2018
<u>Assets</u>							
Cash and Cash Equivalents	\$ 423,603	392,487	187,035	13,611	302,764	1,319,500	1,433,877
Due from Other Funds	28,284	-	-	-	-	28,284	59,709
<b>Total Assets</b>	<b>\$ 451,887</b>	<b>392,487</b>	<b>187,035</b>	<b>13,611</b>	<b>302,764</b>	<b>1,347,784</b>	<b>1,493,586</b>
<u>Liabilities and Fund Balances</u>							
<b>Liabilities:</b>							
Accounts Payable/Reserves	\$ -	-	32,072	-	-	32,072	27,929
Zoning Deposit	8,549	-	-	-	-	8,549	7,822
Due to Other Funds	-	-	-	28,284	-	28,284	59,709
<b>Total Liabilities</b>	<b>8,549</b>	<b>-</b>	<b>32,072</b>	<b>28,284</b>	<b>-</b>	<b>68,905</b>	<b>95,460</b>
<b>Fund Balances:</b>							
Unassigned	416,053	-	-	(14,673)	-	401,380	544,239
Assigned	14,554	-	-	-	-	14,554	23,653
Committed	-	392,487	-	-	14,265	406,752	246,955
Restricted	12,731	-	154,963	-	288,499	456,193	583,279
<b>Total Fund Balances</b>	<b>443,338</b>	<b>392,487</b>	<b>154,963</b>	<b>(14,673)</b>	<b>302,764</b>	<b>1,278,879</b>	<b>1,398,126</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 451,887</b>	<b>392,487</b>	<b>187,035</b>	<b>13,611</b>	<b>302,764</b>	<b>1,347,784</b>	<b>1,493,586</b>

**Reconciliation to Statement of Net Position:**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities of \$18,479,276 (net of accumulated depreciation of \$4,385,356) are not financial resources and, therefore, are not reported in the funds.	\$ 14,093,920	14,571,051
Some liabilities, including capital debt obligations payable, are not due and payable in the current period and, therefore, are not reported in the funds.	(880,000)	(780,504)
<b>Net Position of Governmental Activities</b>	<b>\$ 14,492,799</b>	<b>15,188,673</b>

The Notes to Basic Financial Statements are an integral part of this statement.

**Statement of Revenues Received, Expenditures Disbursed, and Changes in Fund Balances**  
**Modified Cash Basis**  
**Governmental Funds**  
**For the Year Ended April 30, 2019**

	Major Funds					Total Governmental Funds	
	General Fund	Capital Projects Fund	Bond & Interest Fund	Ridgeport TIF #2 Fund	Non-Major Funds	April 30,	
						2019	2018
Revenues Received:							
Property Taxes	\$ 1,174,004	-	145,544	-	3,002	1,322,550	1,261,938
TIF Revenue	-	-	-	4,702,092	-	4,702,092	2,009,793
State Sales Tax	991,297	-	-	-	-	991,297	971,217
Road & Bridge Tax	5,035	-	-	-	-	5,035	4,878
Utility Tax	551,355	-	-	-	-	551,355	523,315
Replacement Tax	54,796	-	-	-	-	54,796	53,093
State Income Tax	555,737	-	-	-	-	555,737	606,317
Local Use Tax	169,242	-	-	-	-	169,242	148,487
Pull Tabs Tax	2,654	-	-	-	-	2,654	-
Video Gaming Tax	106,350	-	-	-	-	106,350	86,290
Motor Fuel Tax	-	-	-	-	150,762	150,762	150,655
Licenses and Permits	70,972	-	-	-	-	70,972	55,187
Miscellaneous	80,256	-	-	-	-	80,256	49,683
Grants & Contributions	14,960	273,210	-	-	173,799	461,969	873,075
Reimbursements	326,663	-	34,355	-	404	361,422	643,953
Tags and Fines	103,967	-	-	-	-	103,967	110,898
Fees and Services	181,752	-	-	-	3,740	185,492	150,101
Interest Income	14,803	7,627	3,967	18,709	6,627	51,733	35,810
Catfish Days	19,809	-	-	-	-	19,809	-
K9 Unit Restricted Contributions	-	-	-	-	-	-	4,588
<b>Total Revenues Received</b>	<b>4,423,652</b>	<b>280,837</b>	<b>183,866</b>	<b>4,720,801</b>	<b>338,334</b>	<b>9,947,490</b>	<b>7,739,278</b>
Expenditures Disbursed:							
General Government	1,407,601	-	5,488	59,556	-	1,472,645	1,370,936
Public Safety	2,404,617	-	-	-	175,195	2,579,812	2,440,363
Street and Highway	601,630	145,305	-	-	276,473	1,023,408	3,024,097
Capital Outlay	409,187	-	-	4,632,330	27,869	5,069,386	2,212,891
Debt Service	41,904	-	310,982	-	-	352,886	341,745
<b>Total Expenditures</b>	<b>4,864,939</b>	<b>145,305</b>	<b>316,470</b>	<b>4,691,886</b>	<b>479,537</b>	<b>10,498,137</b>	<b>9,390,032</b>

The Notes to Basic Financial Statements are an integral part of this statement.

## Statement of Revenues Received, Expenditures Disbursed, and Changes in Fund Balances

## Modified Cash Basis

## Governmental Funds

For the Year Ended April 30, 2019

	Major Funds					Total Governmental Funds	
	General Fund	Capital Projects Fund	Bond & Interest Fund	Ridgeport TIF #2 Fund	Non-Major Funds	April 30,	
						2019	2018
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	\$ (441,287)	135,532	(132,604)	28,915	(141,203)	(550,647)	(1,650,754)
Other Financing Sources (Uses):							
Operating Transfers In (Out)	(31,800)	10,000	(3,200)	-	25,000	-	-
Transfer of Catfish Days Fund to City	-	-	-	-	-	-	23,653
Proceeds from Sales of Assets	1,400	-	-	-	-	1,400	2,893
Bond Proceeds	290,000	-	140,000	-	-	430,000	150,000
Total Other Financing Sources (Uses)	259,600	10,000	136,800	-	25,000	431,400	176,546
Net Change in Fund Balances	(181,687)	145,532	4,196	28,915	(116,203)	(119,247)	(1,474,208)
Fund Balances - Beginning	625,025	246,955	150,767	(43,588)	418,967	1,398,126	2,872,334
Fund Balances - Ending	\$ 443,338	392,487	154,963	(14,673)	302,764	1,278,879	1,398,126

**Reconciliation to the Statement of Activities:**

Net change in fund balances - governmental activities \$ (119,247) (1,474,208)

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

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

Debt Principal	330,504	314,046
Loan Proceeds	(430,000)	(150,000)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The change in fund balance must be increased by capital purchases and decreased by depreciation expense.

Capital Asset Purchases	364,805	123,624
Capital Asset Disposals, Net	(433,616)	(36,857)
Depreciation	(408,320)	(380,265)

Change in net position of governmental activities (Statement B) \$ (695,874) (1,603,660)

**Statement of Fund Net Position**  
**Proprietary Funds**  
**April 30, 2019**

	Major Funds				Total Proprietary Funds	
	Water Operations Fund	Water Capital Projects Fund	Sewer Operations Fund	Sewer Capital Projects Fund	April 30,	
					2019	2018
<u>Assets</u>						
Cash and Cash Equivalents	\$ 261,748	853,809	637,954	683,268	2,436,779	2,132,675
Receivables	191,808	41,114	94,502	110,201	437,625	334,874
Due from Capital Projects Fund	-	-	-	-	-	-
Capital Assets						
Land	600,500	-	911,700	-	1,512,200	1,512,200
Vehicles	204,882	-	213,595	-	418,477	402,477
Equipment	354,845	-	402,893	-	757,738	724,502
Buildings	3,173,976	-	14,100,762	-	17,274,738	17,274,738
Improvements	3,378,501	-	2,120,880	-	5,499,381	5,499,381
Accumulated Depreciation	(2,526,811)	-	(4,688,174)	-	(7,214,985)	(6,562,782)
<b>Total Assets</b>	<b>5,639,449</b>	<b>894,923</b>	<b>13,794,112</b>	<b>793,469</b>	<b>21,121,953</b>	<b>21,318,065</b>
<u>Liabilities</u>						
Deposits	2,000	-	-	-	2,000	3,000
Long-Term Debt:						
Due Within One Year	53,000	-	708,054	-	761,054	742,755
Due in More than One Year	852,087	-	7,230,239	-	8,082,326	8,843,379
<b>Total Liabilities</b>	<b>907,087</b>	<b>-</b>	<b>7,938,293</b>	<b>-</b>	<b>8,845,380</b>	<b>9,589,134</b>
<u>Net Position</u>						
Net Investment in Capital Assets	4,280,806	-	5,123,363	-	9,404,169	9,264,382
Unrestricted	451,556	450,526	732,456	-	1,634,538	1,536,484
Restricted	-	444,397	-	793,469	1,237,866	928,065
<b>Total Net Position</b>	<b>\$ 4,732,362</b>	<b>894,923</b>	<b>5,855,819</b>	<b>793,469</b>	<b>12,276,573</b>	<b>11,728,931</b>

The Notes to Basic Financial Statements are an integral part of this statement.



**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended April 30, 2019**

	Major Funds				Total Proprietary Funds	
	Water Operations Fund	Water Capital Projects Fund	Sewer Operations Fund	Sewer Capital Projects Fund	April 30,	
					2019	2018
Operating Revenues:						
Water and Sewer Charges	\$ 1,114,233	395,571	958,797	1,094,522	3,563,123	3,018,367
Garbage Charges	454,305	-	-	-	454,305	441,817
Miscellaneous	-	-	-	26,697	26,697	5,233
Total Operating Revenues	<u>1,568,538</u>	<u>395,571</u>	<u>958,797</u>	<u>1,121,219</u>	<u>4,044,125</u>	<u>3,465,417</u>
Operating Expenses:						
Personnel Services	459,728	6,000	434,294	-	900,022	927,455
Contractual Services	855,118	206,994	449,487	161,191	1,672,790	1,357,160
Commodities	125,132	-	-	-	125,132	132,380
Depreciation	204,093	-	448,110	-	652,203	666,803
Other Expenses	(27)	-	-	-	(27)	147
Total Operating Expenses	<u>1,644,044</u>	<u>212,994</u>	<u>1,331,891</u>	<u>161,191</u>	<u>3,350,120</u>	<u>3,083,945</u>
Operating Income (Loss)	<u>(75,506)</u>	<u>182,577</u>	<u>(373,094)</u>	<u>960,028</u>	<u>694,005</u>	<u>381,472</u>
Non-Operating Revenues / (Expenses):						
Interest Income	4,703	17,567	-	23,215	45,485	20,674
Other Income	16,413	6,600	7,389	6,600	37,002	45,247
Debt Service	(17,416)	-	(211,434)	-	(228,850)	(246,706)
Total Non-Operating Revenues / (Expenses)	<u>3,700</u>	<u>24,167</u>	<u>(204,045)</u>	<u>29,815</u>	<u>(146,363)</u>	<u>(180,785)</u>
Income (Loss) Before Contributions and Transfers	<u>(71,806)</u>	<u>206,744</u>	<u>(577,139)</u>	<u>989,843</u>	<u>547,642</u>	<u>200,687</u>
Capital Contributions	25,945	(25,945)	16,000	(16,000)	-	-
Operating Transfers In (Out)	-	-	550,000	(550,000)	-	-
Change in Net Position	<u>(45,861)</u>	<u>180,799</u>	<u>(11,139)</u>	<u>423,843</u>	<u>547,642</u>	<u>200,687</u>
Total Net Position - Beginning	<u>4,778,223</u>	<u>714,124</u>	<u>5,866,958</u>	<u>369,626</u>	<u>11,728,931</u>	<u>11,528,244</u>
Total Net Position - Ending	<u>\$ 4,732,362</u>	<u>894,923</u>	<u>5,855,819</u>	<u>793,469</u>	<u>12,276,573</u>	<u>11,728,931</u>

The Notes to Basic Financial Statements are an integral part of this statement.

**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended April 30, 2019**

	Major Funds				Total Proprietary Funds	
	Water Operations Fund	Water Capital Projects Fund	Sewer Operations Fund	Sewer Capital Projects Fund	Year Ended April 30,	
					2019	2018
<b>Cash Flows From Operating Activities:</b>						
Receipts from Customers	\$ 1,525,275	366,680	1,033,592	989,130	3,914,677	3,455,681
Payments to Employees	(459,728)	(6,000)	(434,294)	-	(900,022)	(927,455)
Payments to Suppliers	(981,250)	(206,994)	(449,487)	(161,191)	(1,798,922)	(1,488,540)
Other Receipts (Expenses)	16,440	6,600	7,389	33,297	63,726	330,333
Net Cash Provided By (Used In) Operating Activities	100,737	160,286	157,200	861,236	1,279,459	1,370,019
<b>Cash Flows from Non-Capital Financing Activities:</b>						
Transfers (To) From Other Funds	-	-	550,000	(550,000)	-	-
Net Cash Provided By (Used In) Non-Capital Financing Activities	-	-	550,000	(550,000)	-	-
<b>Cash Flows From Capital Financing Activities:</b>						
Acquisition / Construction of Assets	(3,925)	(25,945)	(3,366)	(16,000)	(49,236)	(48,774)
Payments of Long-Term Debt	(52,075)	-	(690,679)	-	(742,754)	(724,899)
Payments of Interest	(17,416)	-	(211,434)	-	(228,850)	(246,706)
Net Cash Provided By (Used In) Capital Financing Activities	(73,416)	(25,945)	(905,479)	(16,000)	(1,020,840)	(1,020,379)
<b>Cash Flows From Investing Activities:</b>						
Interest Received	4,703	17,567	-	23,215	45,485	20,674
Net Cash Provided By (Used In) Investing Activities	4,703	17,567	-	23,215	45,485	20,674
<b>Net Increase in Cash and Cash Equivalents</b>	<b>32,024</b>	<b>151,908</b>	<b>(198,279)</b>	<b>318,451</b>	<b>304,104</b>	<b>370,314</b>
<b>Cash Balance - Beginning of Year</b>	<b>229,724</b>	<b>701,901</b>	<b>836,233</b>	<b>364,817</b>	<b>2,132,675</b>	<b>1,762,361</b>
<b>Cash Balance - End of Year</b>	<b>\$ 261,748</b>	<b>853,809</b>	<b>637,954</b>	<b>683,268</b>	<b>2,436,779</b>	<b>2,132,675</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:</b>						
Operating Income (Loss)					\$ 694,005	381,472
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:						
Depreciation					652,203	666,803
(Increase) Decrease in Accounts Receivable					(102,751)	(4,503)
(Increase) Decrease in Due from Capital Projects Fund					-	280,000
Increase (Decrease) in Hydrant Deposits					(1,000)	1,000
Non-Operating Income					37,002	45,247
Net Cash Provided By (Used In) Operating Activities					\$ 1,279,459	1,370,019

The Notes to Basic Financial Statements are an integral part of this statement.

**Statement of Fiduciary Net Position**  
**April 30, 2019**

	Agency Funds	Police Pension Trust Fund	Total April 30,	
			2019	2018
<u>Assets</u>				
Cash	\$ 81,904	325,552	407,456	120,219
Certificates of Deposit	-	2,559,813	2,559,813	2,740,399
Stock Equities	-	667,917	667,917	366,066
Mutual Funds	-	2,030,685	2,030,685	2,018,947
Accrued Interest	-	13,122	13,122	13,417
Prepaid Insurance	-	3,977	3,977	1,330
Total Assets	<u>81,904</u>	<u>5,601,066</u>	<u>5,682,970</u>	<u>5,260,378</u>
<u>Liabilities and Net Position</u>				
Payable to Others	<u>81,904</u>	<u>490</u>	<u>82,394</u>	<u>89,649</u>
Total Liabilities	<u>81,904</u>	<u>490</u>	<u>82,394</u>	<u>89,649</u>
Assets Held in Trust for Pension Benefits	<u>-</u>	<u>5,600,576</u>	<u>5,600,576</u>	<u>5,170,729</u>
Total Net Position	<u>\$ -</u>	<u>5,600,576</u>	<u>5,600,576</u>	<u>5,170,729</u>

The Notes to Basic Financial Statements are an integral part of this statement.

**Statement of Changes in Fiduciary Net Position  
Police Pension Trust Fund  
For the Year Ended April 30, 2019**

	Total April 30,	
	2019	2018
Additions:		
Contributions:		
Employer	\$ 404,836	400,699
Employee	93,921	84,071
Total Contributions	<u>498,757</u>	<u>484,770</u>
Investment Income:		
Interest Received	229,000	223,802
Unrealized Gain (Loss)	57,507	(24,202)
Investment Expense	<u>(26,879)</u>	<u>(14,835)</u>
Net Investment Income	<u>259,628</u>	<u>184,765</u>
Total Additions	<u>758,385</u>	<u>669,535</u>
Deductions:		
Administrative:		
Accounting and Bookkeeping	9,580	9,315
Audit Fee	3,380	2,800
Actuarial Fee	3,710	3,600
Fiduciary Insurance	589	-
State Compliance Fee	964	874
Office Expense	134	110
Legal Expense	3,400	6,700
Training	1,925	775
Professional Fees	5,880	3,150
Travel and Conferences	2,274	1,906
Dues	795	795
Total Administrative	<u>32,631</u>	<u>30,025</u>
Benefits and Refunds:		
Pension and Disability Benefits	<u>295,907</u>	<u>288,187</u>
Total Benefits and Refunds	<u>295,907</u>	<u>288,187</u>
Total Deductions	<u>328,538</u>	<u>318,212</u>
Change in Net Position	429,847	351,323
Net Position, Beginning of Year	<u>5,170,729</u>	<u>4,819,406</u>
Net Position, End of Year	<u>\$ 5,600,576</u>	<u>5,170,729</u>

The Notes to Basic Financial Statements are an integral part of this statement.

***NOTES TO BASIC FINANCIAL STATEMENTS***

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

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

The City of Wilmington, Illinois is an Illinois unit of local government. The City provides general governmental services to citizens.

The financial statements of the City of Wilmington have been prepared on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Illinois, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the City's accounting policies are described below.

*A. Reporting Entity*

The City Council is the basic level of government which has oversight responsibility and control over all activities related to the operation of the City of Wilmington, the primary government unit. The Council receives funding from local, state, and federal government sources and must comply with the requirements of these funding sources. The City is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since Council members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, and the ability to significantly influence operations and primary accountability for fiscal matters.

The City follows the provision of Governmental Accounting Standards Board Statement No. 39, "Determining Whether Certain Organizations Are Component Units – an amendment of Statement No. 14." As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate, tax-exempt entities and meet all of the following criteria:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

The City, for financial purposes, includes all funds relevant to the operations of the City. The accompanying financial statements present the City's primary government over which the City exercise significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City. The City did not omit from the financial statements any agency that met the inclusion criteria. In addition, the City is not aware of any entity which would exercise such oversight as to result in the City being considered a component unit of the entity.

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

*B. Government-wide and Fund Financial Statements*

Government-wide Financial Statements:

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. For the most part, the effect of the inter-fund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to citizens or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as general revenues.

Earnings on investments not included among program revenues are reported instead as general revenues.

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

The government-wide financial statements are reported using the modified cash basis of accounting. Revenues are recorded when cash is received and expenses are recorded when cash is paid.

Fund Financial Statements:

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures, or expenses, as appropriate. City resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The City has the following funds:

Governmental Fund Types - Governmental funds are those through which general governmental functions of the City are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets and liabilities, the fund equity, is referred to as “fund balance.” The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following comprise the City’s major governmental funds:

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

B. *Government-wide and Fund Financial Statements* – (Continued)

Governmental Fund Types – (Continued)

General Fund - The General Fund is the main operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund revenues include special revenues for social security, IMRF, police pension, tort, road & bridges, auditing and special street tax levies. The expenditures for these special purposes are included as General Fund expenditures. Expenditures for these special revenues normally exceed the related special revenues received.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. The Ridgeport TIF #2 is considered a major special revenue fund used for capital projects and City road maintenance as a result of the Ridgeport TIF City.

Capital Projects Funds – The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and special assessment funds). The Capital Projects Fund is considered to be a major fund.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of finances for, and payment of, general long-term debt principal, interest and related costs. The Bond and Interest Fund is the City's only Debt Service Fund. The fund balance of the Bond and Interest Fund is restricted to signify the amounts that are restricted exclusively for debt service expenses. The Debt Service Fund is considered to be a major fund.

Proprietary Fund Types

Enterprise Funds - Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that costs (expenses including depreciation) of providing goods and services to the general public on a continuing basis be financed and recovered primarily through user charges.

Provision for depreciation, however, is recorded as a cost of the Water & Sewer Funds. Payments for principal retirement of revenue bonds are shown as a reduction in the principal balance, and payments for capital outlay are recorded as an addition to capital assets on the Statement of Fund Net Position.



CITY OF WILMINGTON, ILLINOIS

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

*B. Fund Accounting - (Continued)*

Proprietary Fund Types – (Continued)

Major Enterprise Funds are:

1. Water Operations Fund - This fund is used to account for operations that are financed and operated in a manner similar to private business enterprises—where the intent of the City is that costs of providing goods and services to the general public on a continuing basis be financed and recovered primarily through user charges. This fund is used to account for water revenues and expenditures relating to water and garbage operations.
2. Water Capital Projects Fund - This fund is used to account for water revenues and expenditures relating to the water expansion and improvements.
3. Sewer Operations Fund - This fund is used to account for sewer revenues and expenditures relating to the sewer operations.
4. Sewer Capital Projects Fund - This fund is used to account for sewer revenues and expenditures relating to sewer expansion and improvements.

Fiduciary Funds - used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds.

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. The City's has agency funds which report resources that belong to the City's Police Department.

City of Wilmington's Police Pension Fund is another one of the City's fiduciary funds. The Pension Fund provides retirement benefits to police officers of the City. The Pension Plan Committee serves as the governing body and is comprised of three active members and two appointed members elected by the active officers. Currently there are seven members receiving benefits. An audit of the City of Wilmington's Police Pension Fund can be obtained by contacting the City Clerk of the City of Wilmington at 1165 S Water Street, Wilmington, IL 60481.

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

*C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

Measurement Focus

In the Government-wide Statement of Net Position and the Statement of Activities, the governmental and business-type activities are presented using the economic resources measurement focus.

In the fund financial statements, the governmental and business-type activities are presented using the “current financial resources” measurement focus or the “economic resources” measurement focus.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses).

All proprietary funds are accounted for using an economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Net position is segregated into contributed capital and net position. Proprietary fund-type operating statements present increases (revenues) and decreases (expenses) in total net position.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the cash basis of accounting. Revenues are recognized when cash is received. Expenditures are recognized when checks are written.

Cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

All proprietary funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when earned. Expenses are recognized when incurred.

Modified accrual basis financial statements include recognition of receivables and payables and other accrued and deferred items, and exclude long-term liabilities attributable to the Illinois Municipal Retirement Fund net pension obligations.

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

*D. Assets, Liabilities, and Net Position*

Cash and Investments

Statutes authorize the City to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agency, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Public Treasurer's Investment Pool.

Capital Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheets.

The reported fund balance (net current position) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current position. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Depreciation is provided in amounts sufficient to relate costs of the depreciable assets to operations over their estimated service lives on the straight-line basis. A capitalization threshold of \$500 is used to report capital assets. The service lives by type of asset are as follows:

Site Improvements	55 years
Buildings	40 years
Furniture & Equipment	5-7 years
Vehicles	5-7 years

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.

CITY OF WILMINGTON, ILLINOIS

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

*D. Assets, Liabilities, and Net Position – (Continued)*

Net Position

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - 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. At April 30, 2019, net investment in capital assets consists of the following:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital assets, at cost	\$ 18,479,276	25,462,534
Less: Accumulated depreciation	(4,385,356)	(7,214,985)
Less: Long-term liabilities	<u>(880,000)</u>	<u>(8,843,380)</u>
Net investment in capital assets	<u>\$ 13,213,920</u>	<u>9,404,169</u>

- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definitions of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year’s presentation.

*E. Property Taxes*

On the cash basis of accounting, property taxes are recognized as revenues when they are received. Property taxes are levied and attach as an enforceable lien on property on January 1 and are payable in two installments due on June 1 and September 1 subsequent to the year of levy.

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

*E. Property Taxes (Continued)*

The 2017 property tax levy, in the amount of \$1,293,795, adjusted to \$1,294,235, was approved by the City Council on December 5, 2017 and was received by the City in the current fiscal year. The 2018 property tax levy in the amount of \$1,341,530, adjusted to \$1,311,315, was approved by the City Council on December 4, 2018. The 2018 property tax levy will be received in the subsequent fiscal year.

*F. Compensated Absences*

Accumulated unpaid vacations and other employee benefit amounts are not accrued in governmental funds. Permanent full-time employees are eligible for vacation after one year of service. Permanent full-time employees are granted 96 sick hours and 32 personal hours each year. Upon termination, any earned but unused vacation shall be liquidated in a cash payment to the terminating employee. An employee shall be compensated in cash for any accumulated unused sick leave up to 960 hours when they are permanently separated from employment if the employee is covered under a bargaining agreement. Employees who are not covered by a bargaining agreement do not receive compensation for any accumulated unused sick leave, unless specified in the employee's contract.

*G. Pensions and Postemployment Benefits Other than Pensions (OPEB)*

For purposes of measuring the net pension/OPEB liabilities, information about the fiduciary net position of the Plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans.

*H. Comparative Data*

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**NOTE 2: CASH AND INVESTMENTS**

Cash and cash equivalents, for reporting purposes, include bank accounts, petty cash and all short-term investments with a remaining maturity of three months or less when purchased, such as certificates of deposit. All amounts are stated at cost which approximates market value.

Permitted Deposits and Investments - Statutes authorize the City to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two rating services, and the Illinois Public Treasurer's Investment Pool.

CITY OF WILMINGTON, ILLINOIS

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

NOTE 2: CASH AND INVESTMENTS – (Continued)

Separate bank accounts are not maintained for all City funds. Certain funds maintain their uninvested cash balances in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund. Occasionally funds participating in the common bank account will incur overdrafts (deficits) in the account. The overdrafts result from expenditures which have been approved by the City Council. Such overdrafts constitute unauthorized interfund loans, since they were not authorized by the City Council.

Custodial Credit Risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposits and certificates of deposit are entirely covered by federal depository insurance (FDIC) or by securities held by the pledging financial institution. The FDIC currently insures the first \$250,000 of the City's deposits at each financial institution. As of April 30, 2019, the carrying amount of the City's deposits was \$146,709 (including \$800 petty cash and excluding \$3,608,770 of Illinois and IIIT Funds) and the bank balance was \$476,236.

State statutes, city bond ordinances and city resolutions authorize the City's investments. The City is authorized to invest in U.S. Government obligations and its agencies or instrumentalities, collateralized mortgage obligations directly issued by a federal agency or instrumentality, obligations of any state or political subdivision of any state rated within the four highest general classifications established by a nationally recognized rating service, money market mutual funds registered under the Investment Company Act of 1940 that invest in allowable securities and fully collateralized repurchase agreements.

Investments

As of April 30, 2019, the City held investments in The Illinois Funds and Illinois Institutional Investors Trust. The Illinois Funds are duly chartered and administered by the State Treasurer's Office and the portfolio normally consist of U.S. Treasury Bills, Treasury Notes, collateralized certificates of deposit, and repurchase agreements and is not subject to being categorized. The IIIT Funds portfolio of securities, which include mutual funds, are managed discretely by PFM Assets Management LLC. The City records all interest revenue earned from investment activities in the respective funds.

The City's investments at April 30, 2019 are presented below. These funds are reported as cash on the financial statements since they are demand deposits.

Investment Type	Rating	Fair Value	Investment Maturity < 1 Year	Percent of Portfolio
Illinois Funds	AAAm	\$ 3,348,105	3,348,105	93%
IIIT Funds	AAAm	260,665	260,665	7%
Total		<u>\$ 3,608,770</u>	<u>3,608,770</u>	<u>100%</u>

Interest Rate Risk

The City's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the Illinois Trust invests only in securities having remaining maturities of 397 days or less in order to maintain a dollar-weighted average maturity of 60 days or less, as is required to maintain the AAAm S&P rating.

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

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**NOTE 2: CASH AND INVESTMENTS – (Continued)**

*Investments – (Continued)*

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented above are the actual ratings as of April 30, 2019 for Illinois Funds and Illinois Trust Funds.

Concentration of Credit Risk

The City's investment policy limits the amount that the City may invest in any one corporate investor to 10% of the corporation's outstanding obligations.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that deposits in excess of federally insured amounts to be collateralized to the extent of 110% and evidenced by a written agreement. The City's investments at April 30, 2019 were with Illinois Trust and therefore, are not categorized with respect to custodial credit risk.

Foreign Currency Credit Risk

The City has no foreign currency risk for investments at year-end.

**NOTE 3: POLICE PENSION FUND INVESTMENTS**

Overview

The Pension Trust Fund is authorized to invest in bonds, notes and other obligations of the U.S. Government; corporate debentures and obligations; insured mortgage notes and loans; common and preferred stocks; stock options; and other investment vehicles as set forth in the Illinois Compiled Statutes. The Police Pension Fund is subject to a separate audit that is available by contacting the City at 1165 S Water St, Wilmington, IL 60481.

The Pension Fund's investments are stated at fair value for both reporting and actuarial purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sale price of the fiscal year.

CITY OF WILMINGTON, ILLINOIS

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

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NOTE 3: **POLICE PENSION FUND INVESTMENTS** – (Continued)

Overview – (Continued)

As of April 30, 2019, the Pension Fund had the following investments valued at fair value:

	<u>Fair Value</u>
Certificates of Deposit	\$ 2,559,813
Mutual Funds	2,030,685
Stock Equities	<u>667,917</u>
Total Investments	<u>\$ 5,258,415</u>

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the counterparty, the Fund may not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Fund does not have a formal written policy with regards to custodial credit risk for investments. At April 30, 2019, the Fund had no custodial credit risk in that all of its investments were held through a SIPC member brokerage firm.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity and by investing in intermediate term fixed income securities.

At April 30, 2019, the fund held the following investments subject to interest rate risk:

	<u>Fair Value</u>	<u>Average Maturity (Years)</u>
Certificates of Deposit	\$ 2,559,813	1.05

The table above assumes callable securities will not be called early. At April 30, 2019, none of the certificates of deposit and FNMA notes are subject to call options. All investments are within the Fund's investment policy.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund helps limit its exposure to credit risk by investing in securities issued by the United States Treasury and agencies of the United States government that are explicitly guaranteed by the United States government. The Fund has no other formal policy for reducing credit risk. The Fund had no investments subject to credit risk at April 30, 2019.



**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

**NOTE 4: PERSONAL PROPERTY REPLACEMENT TAX**

The City receives Personal Property Replacement Tax, which represents an additional State of Illinois income tax on corporations (certain utilities), trusts, partnerships, and Subchapter S corporations and a new tax on the invested capital of public utilities providing gas, communications, electrical and waste services. The City received Personal Property Replacement Tax totaling \$54,796 for the year ended April 30, 2019.

**NOTE 5: RISK MANAGEMENT**

The City's risk management activities are recorded in the General, Water, and Sewer Funds. Property and liability, workers' compensation, and unemployment insurance programs of the City are recorded in these funds.

The City is exposed to various risks related to torts; theft of, damage to and destruction of assets, errors and omissions and natural disasters. The City is a member of the Illinois Public Risk Fund (IPRF) to provide workers' compensation coverage. The IPRF was created to establish an intergovernmental joint insurance pool providing for the defense and payment when due of all compensation and other benefits under the Illinois Workers' Compensation Act and the Illinois Workers' Occupational Diseases Act, on behalf of public agency members, and other units of local government and public entities within the State of Illinois which may become eligible for membership from time to time according to the bylaws. The City participates in a municipal insurance cooperative called Illinois Municipal Insurance Co-Op (IMIC) with 19 municipal members. IMIC covers all of the City's property and liability insurance. The City experienced a significant reduction in coverage during 2018 related to the dam. Insurance on the dam was reduced from \$5,000,000 to \$500,000 with a \$50,000 deductible for every event at the dam. Except for the reduction noted above, there have been no significant reductions in coverage from the prior year for the City's other policies. Since there have been no settlements, they have not exceeded coverage in the past three years.

**NOTE 6: CAPITAL ASSETS**

Depreciation expense is allocated as follows:

<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
General Government	\$ 83,172	Water	\$ 204,093
Public Safety	121,944	Sewer	448,110
Streets & Highway	203,204		
Total Governmental	<u>\$ 408,320</u>	Total Business-Type	<u>\$ 652,203</u>

The City's significant capital purchases during the fiscal year included:

<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
2020 International HV507	\$ 157,798	Sewer Jet Truck	\$ 16,000
2019 Ford Explorer	46,589		
K3 Truck 786	44,620		

CITY OF WILMINGTON, ILLINOIS

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

NOTE 6: CAPITAL ASSETS – (Continued)

A summary of changes in capital assets follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 7,417,647	-	(76,300)	7,341,347
Other capital assets:				
Vehicles	679,335	249,007	-	928,342
Equipment	1,329,354	106,920	-	1,436,274
Improvements	1,078,340	8,878	-	1,087,218
Infrastructure	2,751,653	-	-	2,751,653
Buildings	5,555,864	-	(621,422)	4,934,442
Total other capital assets	<u>11,394,546</u>	<u>364,805</u>	<u>(621,422)</u>	<u>11,137,929</u>
Less accumulated depreciation:				
Vehicles	598,114	77,713	-	675,827
Equipment	1,194,979	69,393	-	1,264,372
Improvements	291,386	49,703	-	341,089
Infrastructure	434,528	68,791	-	503,319
Buildings	1,722,135	142,720	(264,106)	1,600,749
Total accumulated depreciation	<u>4,241,142</u>	<u>408,320</u>	<u>(264,106)</u>	<u>4,385,356</u>
Other capital assets, net	<u>7,153,404</u>	<u>(43,515)</u>	<u>(357,316)</u>	<u>6,752,573</u>
Total governmental activities, net	<u>\$ 14,571,051</u>	<u>(43,515)</u>	<u>(433,616)</u>	<u>14,093,920</u>
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 1,512,200	-	-	1,512,200
Other capital assets:				
Vehicles	402,477	16,000	-	418,477
Equipment	724,502	33,236	-	757,738
Buildings	17,274,738	-	-	17,274,738
Improvements	5,499,381	-	-	5,499,381
Total other capital assets	<u>23,901,098</u>	<u>49,236</u>	<u>-</u>	<u>23,950,334</u>
Less accumulated depreciation:				
Vehicles	320,043	22,289	-	342,332
Equipment	575,191	53,657	-	628,848
Buildings	4,434,239	431,868	-	4,866,107
Improvements	1,233,309	144,389	-	1,377,698
Total accumulated depreciation	<u>6,562,782</u>	<u>652,203</u>	<u>-</u>	<u>7,214,985</u>
Total business-type activities, net	<u>\$ 18,850,516</u>	<u>(602,967)</u>	<u>-</u>	<u>18,247,549</u>

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

**NOTE 7: CHANGE IN LONG-TERM DEBT OBLIGATIONS**

The following is a summary of general long-term debt transactions of the City for the year ended April 30, 2019:

	Payable at May 1, 2018	Proceeds	Reductions	Payable at April 30, 2019	Due in One Year
Governmental Funds:					
General Obligation Bonds - SSA Deer Ridge Park Special Tax Bonds:					
Dated May 6, 2008					
Payable 1/15 at 6.5%	\$ 140,000	-	25,000	115,000	25,000
Equipment Loan - First Midwest Bank:					
Dated July 31, 2013					
Payable 6/1 at 3.5%	40,504	-	40,504	-	-
General Obligation Refunding Bonds, Series 2015					
Dated November 5, 2015					
Payable 12/1 at .5%	450,000	-	115,000	335,000	115,000
Equipment Loan - Grundy Bank					
Dated November October 24, 2018					
Payable 5/15 at 3.47%	-	290,000	-	290,000	60,079
General Obligation Limited Rollover Bond, Series 2017:					
Dated November 22, 2017					
Payable 11/15 at 1.9%	150,000	-	150,000	-	-
General Obligation Limited Rollover Bond, Series 2018:					
Dated November 27, 2018					
Payable 11/15 at 2.95%	-	140,000	-	140,000	140,000
Total Governmental Funds	<u>780,504</u>	<u>430,000</u>	<u>330,504</u>	<u>880,000</u>	<u>340,079</u>
Business-Type Funds:					
IEPA Loan Refunding Water Treatment:					
Dated May 24, 2007					
Payable 7/1 & 1/1 at 2.5%	8,628,972	-	690,679	7,938,293	708,054
Dated February 2, 2016					
Payable 4/17 & 10/17 at 2.21%	591,682	-	28,031	563,651	28,654
Dated February 2, 2012					
Payable 2/6 & 8/6 at 1.25%	365,480	-	24,044	341,436	24,346
Total Business-Type Funds	<u>9,586,134</u>	<u>-</u>	<u>742,754</u>	<u>8,843,380</u>	<u>761,054</u>
Total Long-term Obligations	<u>\$ 10,366,638</u>	<u>430,000</u>	<u>1,073,258</u>	<u>9,723,380</u>	<u>1,101,133</u>

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

**NOTE 7: CHANGE IN LONG-TERM DEBT OBLIGATIONS – (Continued)**

**Special Tax Bonds, SSA Dear Ridge Park  
Series 2008B, dated May 6, 2008**

Paying agent	First DuPage Bank, Westmont, Illinois
Interest rate	6.5 %
Interest payable	January 15
Bond maturity	January 15
Bonds outstanding:	
Original issue	\$ 315,000
Bonds retired to April 30, 2019	<u>200,000</u>
Bonds outstanding April 30, 2019	<u>\$ 115,000</u>

The annual requirements to amortize bonded debt as of April 30, 2019 are as follows:

Bond Debt Service, Series 2008 SSA Pay Options		
Schedule of Maturities		
<u>Year Ended April 30,</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 25,000	7,475
2021	30,000	5,850
2022	30,000	3,900
2023	30,000	1,950
Total	<u>\$ 115,000</u>	<u>19,175</u>

**General Obligation Refunding (Alternative Revenue Sources) Bonds  
Series 2015, dated November 5, 2015**

Paying agent	Amalgamated Bank of Chicago, Illinois
Interest rate	0.5% to 2.5%
Interest payable	December 1
Bond maturity dates	December 1
Bonds outstanding:	
Original issue	\$ 685,000
Bonds retired to April 30, 2019	<u>350,000</u>
Bonds outstanding April 30, 2019	<u>\$ 335,000</u>

The Series 2015 Alternative Revenue Sources Bonds were issued to refund the previously issued Series 2006 Alternative Revenue Sources Bonds. The annual requirements to amortize bonded debt as of April 30, 2019 are as follows:

CITY OF WILMINGTON, ILLINOIS

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

**NOTE 7: CHANGE IN LONG-TERM DEBT OBLIGATIONS – (Continued)**

**General Obligation Refunding (Alternative Revenue Sources) Bonds  
Series 2015, dated November 5, 2015 (Continued)**

Bond Debt Service, Refunding Bonds Series 2015  
Schedule of Maturities

<u>Year Ended April 30,</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 115,000	7,800
2021	120,000	5,500
2022	100,000	2,500
Total	<u>\$ 335,000</u>	<u>15,800</u>

**First Midwest Bank Equipment Loan,  
dated July 31, 2013**

On July 31, 2013, the City of Wilmington entered into a \$190,000 equipment loan with First Midwest Bank (formerly Standard Bank) at an interest rate of 3.5% with a maturity date of June 1, 2018. Annual payments of \$41,904 are due May 15 of each year. The remaining balance on the equipment loan was paid in the current fiscal year.

**Grundy Bank Equipment Loan,  
dated October 24, 2018**

On October 24, 2018, the City of Wilmington entered into a \$290,000 equipment loan with Grundy Bank at an interest rate of 3.47% with a maturity date of May 15, 2023. Annual payments of \$63,238 are due May 15 of each year as follows:

<u>Year Ended April 30,</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 60,079	3,159
2021	55,260	7,978
2022	57,177	6,061
2023	59,161	4,077
2024	58,323	2,024
	<u>\$ 290,000</u>	<u>23,299</u>

**General Obligation Limited Bonds  
Series 2017, dated November 22, 2017**

On November 22, 2017, the City of Wilmington issued \$150,000 of General Obligation Limited Bonds, Series 2017 at an interest rate of 1.9%. The entire balance, including interest of \$2,795, was paid in the current fiscal year.

CITY OF WILMINGTON, ILLINOIS

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

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**NOTE 7: CHANGE IN LONG-TERM DEBT OBLIGATIONS – (Continued)**

**General Obligation Limited Bonds  
Series 2018, dated November 27, 2018**

On November 27, 2018, the City of Wilmington issued \$140,000 of General Obligation Limited Bonds, Series 2018 at an interest rate of 2.95%. The entire balance, including interest, is due November 15, 2019.

All principal and interest payments made from the governmental funds were made from the Debt Service Fund, except for the equipment loan debt service payment that was made from the General Fund.

**IEPA Water Treatment Refunding Loan,  
dated May 24, 2007**

On May 24, 2007, the City of Wilmington signed an agreement with the State of Illinois Environmental Protection Agency for a loan from the State's Water Revolving Fund. The loan, in the amount of \$13,597,663, payable over twenty (20) years at a 2.5% simple annual interest rate, with semi-annual repayments with the first repayment due July 1, 2009 and the final repayment due January 1, 2029, is to be used for construction of a waste water plant under the provision of the State of Illinois Environmental Protection Act. At April 30, 2019, the loan had an outstanding balance of \$7,938,293. Semi-annual payments of \$451,057 are due June 1<sup>st</sup> and December 1<sup>st</sup> of each year as follows:

Schedule of Maturities		
<u>Fiscal Year Ended</u>		
<u>April 30,</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 708,054	194,060
2021	725,866	176,248
2022	744,126	157,988
2023	762,846	139,268
2024	782,036	120,077
2025-2029	4,215,365	295,207
Total	<u>\$ 7,938,293</u>	<u>1,082,848</u>

Principal and interest payments for the water treatment loan are made from the Sewer Operations Fund.

**IEPA Water Treatment Refunding Loan,  
dated February 2, 2012**

On February 2, 2012, the City of Wilmington signed an agreement with the State of Illinois Environmental Protection Agency for a loan from the State's Water Revolving Fund. The loan, in the amount of \$650,000 (with 25% forgiveness, for a net payback of \$487,500), payable over twenty (20) years at a 1.25% simple annual interest rate, with semi-annual repayments with the first repayment due August 6, 2012 and the final repayment due August 6, 2032, is to be used for improvements to the drinking water plant under the provision of the State of Illinois Environmental Protection Act. At April 30, 2019, the loan had an outstanding balance of \$341,436. Semi-annual payments of \$14,269 are due August 6<sup>th</sup> and February 6<sup>th</sup> of each year as follows:

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

**NOTE 7: CHANGE IN LONG-TERM DEBT OBLIGATIONS – (Continued)**

**IEPA Water Treatment Refunding Loan,  
dated February 2, 2012 (Continued)**

Schedule of Maturities		
<u>Fiscal Year Ended</u>	<u>Principal</u>	<u>Interest</u>
<u>April 30,</u>		
2020	\$ 24,346	4,192
2021	24,651	3,887
2022	24,960	3,578
2023	25,273	3,265
2024	25,590	2,948
2025-2029	132,845	9,845
2030-2032	83,771	1,841
Total	<u>\$ 341,436</u>	<u>29,556</u>

Principal and interest payments on the water treatment loan are paid from the Water Operations Fund.

**IEPA Water Treatment Refunding Loan,  
dated February 2, 2016**

On February 2, 2016, the City of Wilmington signed an agreement with the State of Illinois Environmental Protection Agency for a loan from the State's Water Revolving Fund. The loan, in the amount of \$649,534, payable over twenty (20) years at a 2.21% simple annual interest rate, with semi-annual repayments with the first repayment due April 17, 2016 and the final repayment due October 17, 2035, is to be used for improvements to the drinking water plant under the provision of the State of Illinois Environmental Protection Act. Semi-annual payments of \$20,477 are due October 17<sup>th</sup> and April 17<sup>th</sup> of each year as follows:

Schedule of Maturities		
<u>Fiscal Year Ended</u>	<u>Principal</u>	<u>Interest</u>
<u>April 30,</u>		
2020	\$ 28,654	12,300
2021	29,291	11,663
2022	29,941	11,012
2023	30,607	10,346
2024	31,287	9,666
2025-2029	167,177	37,588
2030-2034	186,596	18,169
2035-2036	60,098	1,333
Total	<u>\$ 563,651</u>	<u>112,077</u>

Principal and interest payments on the water treatment loan are paid from the Water Operations Fund.

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

**NOTE 8: INDIVIDUAL FUND DISCLOSURES**

During the course of normal operations, the City has numerous transactions among funds, including expenditures and transfers of resource primarily to provide services. The governmental and proprietary type funds financial statements generally reflect such transactions as transfers if interfund.

At April 30, 2019, there was an interfund receivable and payable in the amount of \$28,284 between the General Fund and the Ridgeport TIF #2 Fund, respectively. The interfund activity is for excess TIF administrative expenditures that were paid from the General Fund.

The transfers represent both routine and non-routine items. A transfer of \$6,800 was made from the General Fund to the Debt Service Fund to make up for real estate tax abatements that were deducted by the County in the distribution of real estate taxes across all of the City's funds rather than the General Fund only. An additional transfer of \$25,000 was made from the General Fund to the ESDA Fund for capital purchases and operating expenditures. A transfer of \$550,000 was made from the Sewer Fund to the Sewer Capital Projects Fund for improvements to the sewer plant and an additional \$10,000 transfer was made from the Debt Service Fund to the Capital Projects Fund for the excess of the 2018 bonds.

<u>Fund</u>	<u>Transfers To Other Funds</u>	<u>Transfers From Other Funds</u>
Governmental Funds:		
General	\$ 31,800	-
ESDA	-	25,000
Debt Service	10,000	6,800
Capital Projects	-	10,000
Enterprise Funds:		
Sewer Operations	550,000	-
Sewer Capital Projects	-	550,000
Total	<u>\$ 591,800</u>	<u>591,800</u>

**NOTE 9: CONTINGENCIES - LITIGATION**

The City is a party to various legal proceedings which normally occur in governmental operations. The attorneys did not report any loss contingencies in these cases.



Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

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**NOTE 10: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)**

*Plan Description* – The City’s defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The City’s plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF’s pension benefits is provided in the “Benefits Provided” section of this document. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan’s fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](http://www.imrf.org).

*Benefits Provided* – IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff’s Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date). The City’s employees participate in the Regular and SLEP plans.

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

Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of services, credit plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

**NOTE 10: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF) - (Continued)**

Employees Covered by Benefit Terms – As of December 31, 2018, the following City employees were covered by the benefit terms:

	RP	SLEP
Retirees and Beneficiaries	31	-
Inactive, Non-Retired Members	23	-
Active Members	20	1
Total	<u>74</u>	<u>1</u>

Contributions – As set by statute, the City’s Regular and SLEP members are required to contribute a 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 City’s annual contribution rates and actual City contributions for calendar year 2018 and the fiscal year ended April 30, 2019 are summarized below. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF’s Board of Trustees, while the supplemental retirement benefits rate is set by statute.

	RP	SLEP	Total
Plan member required contribution rate	4.50%	7.50%	N/A
City required contribution rate for 2018	9.76%	10.99%	N/A
City required contribution rate for 2019	7.50%	10.49%	N/A
City actual contributions for 2018	\$ 126,293	11,433	137,726
City actual contributions for fiscal year 2019	\$ 113,839	11,468	125,307

Net Pension Liability – The City’s net pension liabilities were measured as of December 31, 2018. The total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of that date.

At December 31, 2018, the City had net pension liability (asset) for each plan, determined as follows:

	RP	SLEP	Total
Total Pension Liability	\$ 9,608,403	107,600	9,716,003
Plan Fiduciary Net Position	8,495,953	85,188	8,581,141
Net Pension Liability (Asset)	<u>\$ 1,112,450</u>	<u>22,412</u>	<u>1,134,862</u>

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

**NOTE 10: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF) - (Continued)**

Actuarial Assumptions - The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.50%.
- Salary Increases were expected to be 3.39% to 14.25%.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2014 to 2016.
- For non-disabled retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	37%	7.15%
International Equity	18%	7.25%
Fixed Income	28%	3.75%
Real Estate	9%	6.25%
Alternative Investments	7%	3.20-8.50%
Cash Equivalents	1%	2.50%
Total	100%	

CITY OF WILMINGTON, ILLINOIS

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

**NOTE 10: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF) - (Continued)**

Single Discount Rate - A Single Discount Rate of 7.25% was used to measure the total pension liabilities. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuations, the expected rates of return on plan investments are 7.25%, the municipal bond rates are 3.71%, and the resulting single discount rates are 7.25%.

Changes in the Net Pension Liability – A schedules of changes in the net pension liabilities and related ratios can be found on pages 52-53 of the Other Information section of this report.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the Plan's net pension liabilities, calculated using single discount rates of 7.25%, as well as what the Plans' net pension liabilities would be if they were calculated using single discount rates that is 1% lower or 1% higher.

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
<u>Regular Plan</u>			
Total Pension Liability	\$ 10,823,487	9,608,403	8,613,373
Plan Fiduciary Net Position	8,495,953	8,495,953	8,495,953
Net Pension Liability (Asset)	<u>\$ 2,327,534</u>	<u>1,112,450</u>	<u>117,420</u>
<u>SLEP Plan</u>			
Total Pension Liability	\$ 123,864	107,600	94,000
Plan Fiduciary Net Position	85,188	85,188	85,188
Net Pension Liability (Asset)	<u>\$ 38,676</u>	<u>22,412</u>	<u>8,812</u>
Total Net Pension Liability (Asset)	<u>\$ 2,366,210</u>	<u>1,134,862</u>	<u>126,232</u>

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

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**NOTE 11: POLICE PENSION**

*Plan Description*

The Police Pension Plan is a defined-benefit, single employer pension plan that covers all sworn police personnel of the City. Although this is a single employer plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (ILCS) and may only be amended by the Illinois legislature. Administrative costs are financed through investment earnings. This fund is accounted for and reported as a pension trust fund of the City. The Police Pension Plan is subject to a separate audit that is available by contacting the City at 1165 S. Water Street, Wilmington, Illinois 60481.

*Plan Membership*

At April 30, 2019, the measurement date, membership in this plan consisted of the following:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	7
Inactive Plan Members Entitled to but Not Yet	
Receiving Benefits	2
Active Plan Members	13
Total	<u>22</u>

*Benefits Provided*

Following is a summary of the police pension plan as provided for in the Illinois Statutes:

The police pension plan provides retirement benefits as well as death and disability benefits. There are two tiers or levels of benefits:

Employees that are hired prior to January 1, 2011 (Tier 1), attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years, but less than 20 years of credited service, may retire and receive a reduced benefit, which begins at age 60. The monthly benefit of an employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

CITY OF WILMINGTON, ILLINOIS

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

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NOTE 11: POLICE PENSION – (Continued)

*Benefits Provided – (Continued)*

Employees that are hired after January 1, 2011 (Tier 2), attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary.

Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

*Contributions*

Covered employees are required to contribute 9.91% of their base salary to the plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City of Wilmington is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. By the year 2040, the City's contributions must accumulate to the point where the past service cost for the plan is fully funded.

*Net Pension Liability*

The components of the net pension liability of the City as of April 30, 2019 were as follows:

Total pension liability	\$ 9,456,764
Plan fiduciary net position	<u>5,600,576</u>
Net pension liability (asset)	<u>\$ 3,856,188</u>
Plan fiduciary net position as a percentage of the total pension liability	59%
Covered payroll	\$ 908,328
Net pension liability as a percentage of covered valuation payroll	425%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios of the other information for additional information related to the funded status of the Fund.

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

**NOTE 11: POLICE PENSION – (Continued)**

*Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation performed for the year ended April 30, 2019 using the following actuarial methods and assumptions:

Actuarial Assumptions	
Actuarial Valuation Date	May 1, 2018
Actuarial Assumptions:	
Discount Rate used for the Total Pension Liability	6.25%
Long-Term Expected Rate of Return on Plan Assets	6.25%
High-Quality 20-Year Tax-Exempt G.O. Bond Rate	3.97%
Projected Individual Salary Increases	4.00% - 7.00%
Projected Increase in Total Payroll	3.25%
Consumer Price Index (Utilities)	2.50%
Inflation Rate Included	2.50%
Mortality Table	L&A 2016 Illinois Police Mortality Rates
Disability Rates	L&A 2016 Illinois Police Disability Rates
Retirement Rates	L&A 2016 Illinois Police Retirement Rates 110% (Capped at age 65)
Termination Rates	L&A 2016 Illinois Police Termination Rates
Percent Married	80.00%

All rates shown in the economic assumptions are assumed to be annual rates, compounded on an annual basis. For more information on the selection of the actuarial assumptions, please see the assumption document prepared by the fund, available by contacting the City at 1165 S. Water Street, Wilmington, Illinois 60481.

*Expected Return on Pension Plan Investments*

The long-term expected rate of return on assets is intended to represent the best estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. The expected rates of return on assets shown here is from the State of Illinois Department of Insurance Actuarial Experience Study dated September 26, 2012. Long-term Real Rates of Return are shown as the Expected Rate of Return, net of the assumed inflation rate.

There are multiple approaches seen to providing these rates. Typically, the information is either based on capital market projections, or historical rates seen for the asset classes. We do not provide an opinion on the reasonableness of the returns provided nor the reasonableness of the approach used in determination of the rates provided. The information is shown below for convenience.

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

**NOTE 11: POLICE PENSION – (Continued)**

*Expected Return on Pension Plan Investments – (Continued)*

The rates provide in the table below are based on the arithmetic average. The Investment Policy Statement will provide more detail regarding the Fund's policies on asset allocation targets and acceptable ranges.

Asset Class	Long-Term Expected Rate of Return	Long-Term Inflation Expectations	Long-Term Expected Real Rate of Return
US Large Cap Equity	8.30%	2.50%	5.80%
US Mid Cap Equity	9.30%	2.50%	6.80%
US Small Cap Equity	9.30%	2.50%	6.80%
Non-US Developed Large Cap Equity	8.40%	2.50%	5.90%
Emerging Markets Equity Unhedged	10.50%	2.50%	8.00%
US Corporate Bonds	4.20%	2.50%	1.70%
US Government Fixed Income	3.20%	2.50%	0.70%
US Cash	3.00%	2.50%	0.50%
Global Real Estate - REITS	8.30%	2.50%	5.80%
Commodities - Long Only	4.90%	2.50%	2.40%

Long-term expected real returns under GASB are expected to reflect the period of time that begins when a plan member begins to provide service to the employer and ends at the point when all benefits to the plan member have been paid. The rates provided above are intended to estimate those figures.

*Discount Rate*

The discount rate used in the determination of the Total Pension Liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

Cash flow projections were used to determine the extent which the plan's future net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the plan's projected net position, the expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments.



CITY OF WILMINGTON, ILLINOIS

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

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NOTE 11: POLICE PENSION – (Continued)

*Discount Rate – (Continued)*

The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index. The rate used in the valuation is the April 25, 2019 rate. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

For the purposes of this valuation the expected rate of return on pension plan investments is 6.25%; the municipal bond rate is 3.79% (based upon the weekly rate closest to but not later than the measurement date of the 20-Year Bond Buyer Index as published by the Federal Reserve 04-25-2019); and the resulting single discount rate is 6.25%.

*Changes in the Net Pension Liability*

A schedule of changes in the net pension liability and related ratios can be found on page 55 of the Other Information section of this report.

*Discount Rate Sensitivity*

The following presents the Plan's net pension liabilities, calculated using a single discount rate of 6.25%, as well as what the Plans' net pension liabilities would be if they were calculated using single discount rates that is 1% lower or 1% higher.

	<b>1% Decrease</b>	<b>Current Single Discount Rate</b>	<b>1% Increase</b>
	<b>5.25%</b>	<b>6.25%</b>	<b>7.25%</b>
Total pension liability	\$ 11,136,397	9,456,764	8,130,643
Plan fiduciary net position	5,600,576	5,600,576	5,600,576
Net pension liability	<u>\$ 5,535,821</u>	<u>3,856,188</u>	<u>2,530,067</u>

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

**NOTE 12: MOTOR FUEL TAX ALLOTMENTS**

Under current procedures, the allotments to the City are being received from the State of Illinois each month. These allotments, however, may be expended only for specific projects that have been approved by the Department of Transportation, State of Illinois.

**NOTE 13: DEFERRED COMPENSATION PLAN**

The City offers its full-time employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by the International City Management Association Retirement Corporation (ICMARC). The plan, available to all employees, permits them to defer a portion of their salary until future years. Contributions to the deferred compensation plan were \$19,358 for the year ended April 30, 2019.

**NOTE 14: TOWER AND LAND LEASE REVENUE**

The City entered into an agreement with T-Mobile Central LLC for the use of the City's cellular tower. The agreement renews every five years, with the last renewal in August 2016. T-Mobile leases a portion of the tower from the City for \$1,100 per month. The City received \$13,200 from T-Mobile under the lease agreement for the year ended April 30, 2019.

The City entered into a lease agreement with the Wilmington Junior Football and Cheerleading League to use the land located at 845 Widows Road for an annual payment of \$1. The City entered into a similar lease with the Wilmington Little League for \$1 per year for 19 years for the use of the City's ballparks.

**NOTE 15: LEASE OBLIGATIONS**

<u>Company</u>	<u>Type</u>	<u>Term</u>	<u>Start Date</u>	<u>Amount</u>	<u>2019 Expense</u>
Neopost	Postage machine & Folder machine	63 months	5/18/2015	\$ 246	\$ 2,952
Konica Minolta	3 Copiers	60 months	3/27/2017	475	5,700
Commercial Electronic	3 Cameras	60 months	10/27/2015	366	4,392
WESCOM	Emergency dispatch radio system	84 months	10/1/2017	3,878	46,536

Future minimum lease obligations are shown below:

<u>Year</u>	<u>Payment</u>
2020	\$ 59,575
2021	55,169
2022	51,761
2023	46,536
2024	46,536
Thereafter	19,390

CITY OF WILMINGTON, ILLINOIS

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

**NOTE 16: RESTRICTED TAX LEVIES AND CONTRIBUTIONS**

Within the General Fund there are different types of tax levies and restricted contributions. The description of the types of tax levies and restricted contributions and their related expenditures follows:

	Beginning Restriction	Restricted Receipts	Expenditures	Restricted Balance
Tax Levies:				
IMRF	\$ -	38,143	38,143	-
Social Security	-	95,256	95,256	-
Audit	-	17,195	17,195	-
Police Pension	-	404,836	404,836	-
Road & Bridge	-	89,821	89,821	-
Workers' Comp.	-	76,219	76,219	-
Police Protection	-	190,512	190,512	-
Tort	-	71,510	71,510	-
Contributions:				
K9 Unit	13,545	-	814	12,731
Totals	\$ 13,545	983,492	984,306	12,731

**NOTE 17: OTHER POSTRETIREMENT BENEFITS OTHER THAN PENSIONS**

Plan Description - In addition to the benefits described in Notes 10 and 11, the City provides postemployment healthcare benefits (OPEB) for retired employees through a single employer defined benefit plan. The City adopted a plan in which the City allows retired employees to participate in the City's health insurance plan. The plan does not issue a separate report.

Membership - At April 30, 2019, membership consisted of:

Total active employees	34
Inactive employees currently receiving benefit payments	12
Inactive employees entitled to but not yet receiving benefit payments	-
Total	<u>46</u>

Benefits Provided - The City provides continued health insurance to all eligible employees. To be eligible for the benefits, an employee must qualify for retirement under one of the City's retirement plans. For eligible employees under 65, the retiree pays the full cost of coverage.

Contributions - The City is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement. A portion of the City's contributions and benefit payments is based on the cost sharing provisions. In addition, a portion is related to the increase in active premiums due to the presence of retirees in the determination of blended retiree / active premiums.

City contributions and benefit payments for the year ended April 30, 2019 were \$124,040. Of that amount, \$70,981 are explicit benefit payments due to select retirees, and \$53,149 are implicit benefit payments due to the presence of retirees in the determination of the blended retiree/active premiums.

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

**NOTE 17: OTHER POSTRETIREMENT BENEFITS OTHER THAN PENSIONS – (Continued)**

Net OPEB Liability - At April 30, 2019, the City had an unreported net OPEB liability for the plan, determined as follows:

Total OPEB Liability	\$ 1,694,758
Plan Fiduciary Net Position	<u>-</u>
Net OPEB Liability	<u>\$ 1,694,758</u>

The net OPEB liability was measured as of April 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of May 1, 2018.

Actuarial Assumptions – The Total OPEB liability was determined using the following actuarial assumptions:

Valuation Date	5/1/2018
Measurement Date	4/30/2019
Actuarial Cost Method	Entry Age Normal (Level%)
Discount Rate for the Total OPEB Liability	
Beginning of Year	3.97%
End of Year	3.79%
High Quality 20 Year Tax-Exempt G.O. Bond Rate	
Beginning of Year	3.97%
End of Year	3.79%
Total Payroll Increases	2.50%
Inflation Rate	2.50%
Annual Blended Premiums	
HMO	\$ 6,534
H.S.A.	\$ 7,932
PPO	\$ 9,554
Medicare Supplement	\$ 2,880
Healthcare Cost Trend Rates	
HMO	6.60-5.00%
H.S.A.	7.20-5.00%
PPO	7.10-5.00%
Medicare Supplement	3.20%
Retiree Contribution Rates	Same as Healthcare Cost Trend Rates
Election at Retirement	
MAP, AFCSME, and Non-Bargaining	30%
MAP-PSEBA	100%
Currently Waiving	10%
Plan Participation Rate	100% PPO
Retirement Rates	December 31, 2017 IMRF Actuarial Valuation
Termination Rates	December 31, 2017 IMRF Actuarial Valuation
Disability Rates	December 31, 2017 IMRF Actuarial Valuation
Mortality Rates	Sex-Distinct Raw Rates from RP-2014 Study with Blue Collar Adjustment. These rates are improved generationally using MP-2016

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

**NOTE 17: OTHER POSTRETIREMENT BENEFITS OTHER THAN PENSIONS – (Continued)**

*Discount Rate* – The discount rate used in the determination of the Total OPEB liability is based on a combination of the Expected long-term rate of return on plan assets and the municipal bond rate. If an employer does not have a trust dedicated exclusively to payment of OPEB benefits, as is the case with the City of Wilmington, Illinois, then only the municipal bond rate is used in determining the Total OPEB liability.

The municipal bond rate assumption is based on the Bond Buyer 20-Bond GO Index. The beginning of year rate shown earlier in the Assumptions section is the April 26, 2018 rate, and the end of year rate shown is the April 25, 2019 rate. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer and the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

*Changes in the Net OPEB Liability*

	Total OPEB Liability (A)	OPEB Plan Net Position (B)	Net OPEB Liability (A) - (B)
Balances at April 30, 2018	\$ 1,722,781	-	1,722,781
Changes for the year:			
Service Cost	9,333	-	9,333
Interest	65,930	-	65,930
Changes of Assumptions	20,754	-	20,754
Contributions - Employer	-	124,040	(124,040)
Benefit Payments	(124,040)	(124,040)	-
Administrative expense	-	-	-
Net Changes	(28,023)	-	(28,023)
Balances at April 30, 2019	\$ 1,694,758	-	1,694,758

Notes to Basic Financial Statements  
For the Year Ended April 30, 2019

**NOTE 17: OTHER POSTRETIREMENT BENEFITS OTHER THAN PENSIONS – (Continued)**

***Sensitivity of Net OPEB Liability to Changes in the Discount Rate***

The following presents the net OPEB liability of the City, calculated using the discount rate of 3.79%, as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher.

	1% Decrease (2.79%)	Current Discount Rate (3.79%)	1% Increase (4.79%)
Net OPEB Liability	\$ 1,820,836	1,694,758	1,585,069

The sensitivity of the Net OPEB Liability to the discount rate is based primarily on two factors:

1. The duration of the plan’s expected benefit payments. Younger plans with benefit payments further in the future will be more sensitive to changes in the discount rate.
2. The funded percentage of the plan (ratio of Net Position to the Total OPEB Liability). The higher than funded percentage, the higher the sensitivity to the discount rate.

***Sensitivity of Net OPEB Liability to Changes in the Healthcare Cost Trend Rates***

The following presents the net OPEB liability of the City, calculated using the current healthcare cost trend rates, as well as what the City’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1.00% lower or 1.00% higher.

	1% Decrease (Varies)	Current Healthcare Cost Trend Rate (Varies)	1% Increase (Varies)
Net OPEB Liability	\$ 1,559,080	1,694,758	1,848,963

Please refer to the Assumptions section for detail on the assumed trend rates.

**NOTE 18: TAX ABATEMENTS**

The City enters into property tax abatement agreements with businesses under state statute (ILCS 200/18-165). Under the statute, any taxing district, upon a majority vote of its governing authority, may, after the determination of the assessed valuation of its property, order the clerk of that county to abate a portion of its taxes on the following; commercial and industrial property, horse racing, auto racing, academic or research institute, housing for older persons, historical society, recreational facilities, relocated corporate headquarters, United States Military Public/Private Residential Developments, property located in qualified business corridor.

## CITY OF WILMINGTON, ILLINOIS

### Notes to Basic Financial Statements For the Year Ended April 30, 2019

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#### NOTE 18: TAX ABATEMENTS – (Continued)

For the fiscal year ended April 30, 2019, the City abated property taxes totaling \$57,058 under state statute, including the following agreement that exceeded 10 percent of the total amount abated:

- A 36 percent property tax abatement to Illinois Transport for maintaining its location at 20012 W Arsenal Rd, Wilmington, IL 60481. The abatement amounted to \$27,874, or 49 percent of the total taxes abated by the City.
- A 30 percent property tax abatement to U.S. Cold Storage for maintaining its location at 800 E Kankakee River Dr, Wilmington, IL 60481. The abatement amounted to \$26,100, or 46 percent of the total taxes abated by the City.

#### NOTE 19: FUND BALANCE – GASB 54 PRESENTATION

According to Government Accounting Standards, fund balances are to be classified into five major classifications: Non-spendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Below are definitions of the differences of how these balances are reported.

##### A. *Non-spendable Fund Balance*

The non-spendable 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.

##### B. *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. Debt Service Funds are by definition restricted for these specified purposes. The Water Capital Projects Fund is a major proprietary fund that has a restricted balance of \$444,397, \$400,000 to secure the construction of a sixteen-inch water main under the Kankakee River as a result of the Prologis Payment in Lieu of providing a water tower for the City, and \$44,397 for water meter replacement. The non-major special revenue funds are also restricted for a specified purpose. See Note 16 for restrictions within the General Fund.

##### C. *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 City Council). 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. Funds in the Capital Projects Fund and non-major Mobile Equipment Fund in the amounts of \$392,487 and \$14,265, respectively, are committed for capital outlays in the future.

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

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**NOTE 19: FUND BALANCE – GASB 54 PRESENTATION – (Continued)**

*D. 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 nor committed. Intent may be expressed by (a) the City Council itself or (b) the finance committee or by the Treasurer/Administrator when the City Council has delegated the authority to assign amounts to be used for specific purposes. The City generated income \$19,809 and expended \$28,908 as a result of the annual Catfish Days event, resulting in a reduction to the assigned balance in the General Fund to \$14,554.

*E. Unassigned Fund Balance*

The unassigned fund balance classification is the residual classification for amounts in the General Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds.

The unassigned fund balance classification is also used to categorize deficit fund balances. As of April 30, 2019, the deficit fund balance of \$14,673 was unassigned in the Ridgeport TIF #2 Fund.

*F. Expenditures of Fund Balance*

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

**NOTE 20: RIDGEPORT TIF #2 DISTRICT**

The City entered into a redevelopment agreement with the RidgePort Center to facilitate the construction of the RidgePort Logistics Center within city boundaries on May 18, 2010, thereby creating the RidgePort TIF #2 District. The agreement has since undergone several amendments to increase the size of the TIF District to induce more job creation and enhance the tax base of the City.

The City used incremental tax revenues of \$4,702,092 to pay for development project costs and obligations incurred during the RidgePort Logistics Center construction in 2019.

The City made payments totaling \$4,691,886 from the TIF Fund for construction projects and related engineering and professional fees during the current fiscal year, per an approved agreement. In addition, the City reimbursed Ridgeport Logistics Center \$119,030 as a sales tax credit during 2019.



**CITY OF WILMINGTON, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended April 30, 2019**

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**NOTE 21: LEGAL DEBT MARGIN**

Legal debt margin is the percent of the City's assessed valuation which is subject to debt limitation. The statutory debt limitation for the City is 8.625%. The City's legal debt margin limitation is as follows for the year ended April 30, 2019:

Assessed valuation (2018)	<u>\$ 142,271,253</u>
Statutory debt limitation (8.625%)	\$ 12,270,896
Applicable Debt:	
GO Bonds - SSA Deer Ridge Park STB	115,000
GO Bonds - Refunding Bonds Series 2015	335,000
GO Bonds - Limited Series 2018	140,000
Equipment Loan	<u>290,000</u>
Amount of debt applicable to debt limitation	<u>880,000</u>
Legal Debt Margin	<u>\$ 11,390,896</u>

**NOTE 22: SUBSEQUENT EVENTS**

Management evaluated subsequent events through October 15, 2019, the date the financial statements were available to be issued. No amounts were required to be recorded or disclosed in the financial statements as of April 30, 2019.

***OTHER INFORMATION***

Statement of Assets, Liabilities and Fund Balance  
Arising from Cash Transactions  
April 30, 2019

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<u>Assets</u>	
Cash in Bank	\$ 423,603
Due from Other Funds	<u>28,284</u>
Total Assets	<u>\$ 451,887</u>
 <u>Liabilities and Fund Balance</u>	
Liabilities:	
Zoning Deposit	<u>\$ 8,549</u>
Fund Balance:	
Restricted - K9 Unit	12,731
Assigned - Catfish Days	14,554
Unassigned	<u>416,053</u>
Total Fund Balance	<u>443,338</u>
Total Liabilities and Fund Balance	<u>\$ 451,887</u>

Statement of Revenues Received, Expenditures Disbursed and  
Change in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)

	Original Appropriations	Final Appropriations	Year Ended	
			April 30, 2019	April 30, 2018
Revenues Received:				
Property Taxes	\$ 1,181,956	1,181,956	1,174,004	1,124,172
State Sales Tax	975,000	975,000	991,297	971,217
Township Road & Bridge Taxes	4,000	4,000	5,035	4,878
Utility Tax	515,000	515,000	551,355	523,315
Personal Property Replacement Tax	48,000	48,000	54,796	53,093
State Income Tax	550,000	550,000	555,737	606,317
Local Use Tax	151,000	151,000	169,242	148,487
Pull Tab/Games Tax	1,800	1,800	2,654	-
Video Gaming Tax	95,000	95,000	106,350	86,290
Grant Income	14,960	14,960	14,960	11,810
Miscellaneous	62,000	62,000	77,461	26,312
Insurance Claims	10,000	10,000	2,601	15,996
Rental of Property	500	500	194	3,125
Interest Income	8,000	8,000	14,803	8,898
Fines	130,000	130,000	103,967	110,898
Reimbursements	578,500	578,500	326,663	531,668
Licenses & Permits	77,000	77,000	70,972	55,187
Fees & Services	663,000	663,000	181,752	146,141
Catfish Days	35,000	35,000	19,809	-
K9 Unit Restricted Contributions	3,000	3,000	-	4,588
<b>Total Revenues Received</b>	<b>5,103,716</b>	<b>5,103,716</b>	<b>4,423,652</b>	<b>4,432,392</b>
Expenditures Disbursed: (Schedule 1)				
Finance and Administrative Department	859,000	859,000	725,406	556,471
Public Grounds and Buildings	118,500	118,500	101,807	86,594
Building Department	206,500	206,500	46,551	49,280
Planning and Zoning Department	255,500	255,500	51,843	131,147
Police Department	2,105,100	2,105,100	1,999,781	1,863,123
Streets & Alleys Department	761,442	758,942	601,630	605,611
FICA & IMRF	254,500	254,500	216,784	208,432
Audit	26,900	26,900	25,874	25,186
Police Pension	410,000	410,000	404,836	400,699
Insurance	335,000	335,000	239,336	248,627
Debt Service	41,910	41,910	41,904	41,904
Capital Outlay	406,000	408,500	409,187	18,170
<b>Total Expenditures Disbursed</b>	<b>5,780,352</b>	<b>5,780,352</b>	<b>4,864,939</b>	<b>4,235,244</b>
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	(676,636)	(676,636)	(441,287)	197,148
Other Financing Sources (Uses):				
Proceeds from Sale of Assets	-	-	1,400	2,893
Loan Proceeds	300,000	300,000	290,000	-
Transfer of Catfish Days Fund to City	-	-	-	23,653
Operating Transfers Out	(132,000)	(132,000)	(31,800)	(83,718)
<b>Total Other Financing Sources (Uses)</b>	<b>168,000</b>	<b>168,000</b>	<b>259,600</b>	<b>(57,172)</b>
Net Change in Fund Balance	\$ (508,636)	(508,636)	(181,687)	139,976
Fund Balance, Beginning of Year			625,025	485,049
Fund Balance, End of Year			\$ 443,338	625,025

**Statement of Assets, Liabilities and Fund Balance Arising  
from Cash Transactions  
April 30, 2019**

<u>Assets</u>		
Cash in Bank		\$ 13,611
Total Assets		<u>\$ 13,611</u>
 <u>Liabilities and Fund Balance</u> 		
Liabilities:		
Due to Other Funds		<u>\$ 28,284</u>
Fund Balance:		
Unassigned Fund Balance (Deficit)		<u>(14,673)</u>
Total Liabilities and Fund Balance (Deficit)		<u>\$ 13,611</u>

**Statement of Revenues Received, Expenditures Disbursed and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)**

	<u>Original Appropriations</u>	<u>Final Appropriations</u>	Year Ended	
			<u>April 30, 2019</u>	<u>April 30, 2018</u>
Revenues Received:				
Ridgeport TIF Revenue	\$ 4,910,000	4,910,000	4,702,092	2,009,793
Interest Income	15,000	15,000	18,709	14,124
Total Revenues Received	<u>4,925,000</u>	<u>4,925,000</u>	<u>4,720,801</u>	<u>2,023,917</u>
Expenditures Disbursed:				
TIF# 2 Distributions	4,890,000	4,865,000	4,632,330	2,102,097
TIF Professional Fees/Admin	25,000	25,000	25,000	25,000
TIF Administrative Overage Expenditures	25,000	50,000	34,556	34,709
Total Expenditures Disbursed	<u>4,940,000</u>	<u>4,940,000</u>	<u>4,691,886</u>	<u>2,161,806</u>
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	(15,000)	(15,000)	28,915	(137,889)
Other Financing Sources (Uses):				
Operating Transfers In	-	-	-	9,970
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,970</u>
Net Change in Fund Balance	<u>\$ (15,000)</u>	<u>(15,000)</u>	28,915	(127,919)
Fund Balance (Deficit), Beginning of Year			<u>(43,588)</u>	<u>84,331</u>
Fund Balance (Deficit), End of Year			<u>\$ (14,673)</u>	<u>(43,588)</u>

**Illinois Municipal Retirement Fund - Regular Plan**  
**Schedule of Changes in the Employer's Net Pension Liability and Related Ratios**

Calendar Year Ended December 31,	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>TOTAL PENSION LIABILITY</b>										
Service Cost	\$ 126,872	143,030	161,036	155,644	-	-	-	-	-	-
Interest	650,084	634,912	544,174	527,128	-	-	-	-	-	-
Benefit Changes	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	204,049	171,205	930,091	(69,862)	-	-	-	-	-	-
Assumption Changes	267,043	(268,608)	(10,309)	9,133	-	-	-	-	-	-
Benefit Payments and Refunds	(487,989)	(452,336)	(379,344)	(396,215)	-	-	-	-	-	-
Net Change in Total Pension Liability	760,059	228,203	1,245,648	225,828	-	-	-	-	-	-
Total Pension Liability - Beginning	8,848,344	8,620,141	7,374,493	7,148,665	-	-	-	-	-	-
Total Pension Liability - Ending	<u>\$ 9,608,403</u>	<u>8,848,344</u>	<u>8,620,141</u>	<u>7,374,493</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>PLAN FIDUCIARY NET POSITION</b>										
Employer Contributions	\$ 126,293	133,693	140,045	137,062	-	-	-	-	-	-
Employee Contributions	58,203	60,343	63,401	61,740	-	-	-	-	-	-
Net Investment Income	(522,803)	1,435,325	465,177	34,854	-	-	-	-	-	-
Benefit Payments and Refunds	(487,989)	(452,336)	(379,344)	(396,215)	-	-	-	-	-	-
Other	214,933	(112,998)	998,683	(151,533)	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	(611,363)	1,064,027	1,287,962	(314,092)	-	-	-	-	-	-
Plan Net Position - Beginning	9,107,316	8,043,289	6,755,327	7,069,419	-	-	-	-	-	-
Plan Net Position - Ending	<u>\$ 8,495,953</u>	<u>9,107,316</u>	<u>8,043,289</u>	<u>6,755,327</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<u>\$ 1,112,450</u>	<u>(258,972)</u>	<u>576,852</u>	<u>619,166</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.42%	102.93%	93.31%	91.60%	N/A	N/A	N/A	N/A	N/A	N/A
Covered-Employee Payroll	\$ 1,282,565	1,340,952	1,408,915	1,372,005	N/A	N/A	N/A	N/A	N/A	N/A
Employer's Net Pension Liability as a Percentage of the Covered Valuation Payroll	86.74%	-19.31%	40.94%	45.13%	N/A	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule:**

This schedule is intended to show information for ten years and additional years' information will be displayed as it becomes available.

**Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel Plan**  
**Schedule of Changes in the Employer's Net Pension Liability and Related Ratios**

Calendar Year Ended December 31,	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>TOTAL PENSION LIABILITY</b>										
Service Cost	\$ 17,240	16,993	16,126	14,341	-	-	-	-	-	-
Interest	6,322	4,660	38,220	42,791	-	-	-	-	-	-
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	4,740	2,504	(502,848)	(119,467)	-	-	-	-	-	-
Changes of Assumptions	3,626	(2,116)	(82)	(1,111)	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	-	-	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	31,928	22,041	(448,584)	(63,446)	-	-	-	-	-	-
Total Pension Liability - Beginning	75,672	53,631	502,215	565,661	-	-	-	-	-	-
Total Pension Liability - Ending	<u>\$ 107,600</u>	<u>75,672</u>	<u>53,631</u>	<u>502,215</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>PLAN FIDUCIARY NET POSITION</b>										
Contributions - Employer	\$ 11,433	10,260	14,386	12,531	-	-	-	-	-	-
Contributions - Member	7,802	7,293	6,908	6,473	-	-	-	-	-	-
Net Investment Income	(1,651)	7,152	36,908	2,758	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	-	-	-	-	-	-	-	-	-	-
Other	(1,299)	(1,715)	(505,775)	(70,327)	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	16,285	22,990	(447,573)	(48,565)	-	-	-	-	-	-
Plan Net Position - Beginning	68,903	45,913	493,486	542,051	-	-	-	-	-	-
Plan Net Position - Ending	<u>\$ 85,188</u>	<u>68,903</u>	<u>45,913</u>	<u>493,486</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<u>\$ 22,412</u>	<u>6,769</u>	<u>7,718</u>	<u>8,729</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.17%	91.05%	85.61%	98.26%	N/A	N/A	N/A	N/A	N/A	N/A
Covered-Employee Payroll	\$ 104,024	97,243	92,104	86,304	N/A	N/A	N/A	N/A	N/A	N/A
Employer's Net Pension Liability as a Percentage of the Covered Valuation Payroll	21.55%	6.96%	8.38%	10.11%	N/A	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule:**

This schedule is intended to show information for ten years and additional years' information will be displayed as it becomes available.

CITY OF WILMINGTON, ILLINOIS

Illinois Municipal Retirement Fund  
Schedules of Employer Contributions

Regular Plan					Schedule C-3
Calendar Year	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 125,178	126,293	(1,115)	1,282,565	9.85%
2017	133,693	133,693	-	1,340,952	9.97%
2016	140,046	140,045	1	1,408,915	9.94%
2015	137,063	137,062	1	1,372,005	9.99%

Sheriff's Law Enforcement Personnel Plan					Schedule C-4
Calendar Year	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 11,432	11,433	(1)	104,024	10.99%
2017	10,259	10,260	(1)	97,243	10.55%
2016	14,387	14,386	1	92,104	15.62%
2015	-	12,531	(12,531)	86,304	14.52%

Note to Schedules

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 25-year closed period
	Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the employer upon adoption of ERI.
	SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 20 years for most employers (three employers were financed over 29 years).
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	3.50%
Price inflation	2.75%
Salary increases	3.75% to 14.50% including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011 - 2013.

Mortality For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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-2014 (base year 2012). 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-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information

Notes This schedule is intended to show information for ten years and additional years' information will be displayed as it becomes available.

There were no benefit changes during the year.



**Police Pension Fund**  
**Schedule of Changes in the Employer's Net Pension Liability and Related Ratios**

Fiscal Year Ended April 30,	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>TOTAL PENSION LIABILITY</b>										
Service Cost	\$ 263,958	256,565	241,473	223,133	248,151	-	-	-	-	-
Interest	565,970	534,797	540,365	486,936	477,927	-	-	-	-	-
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(280,736)	(535)	(483,383)	(5,840)	-	-	-	-	-	-
Changes of Assumptions	-	-	(96,679)	439,581	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(295,907)	(288,187)	(293,539)	(284,366)	(291,261)	-	-	-	-	-
Net Change in Total Pension Liability	253,285	502,640	(91,763)	859,444	434,817	-	-	-	-	-
Total Pension Liability - Beginning	9,203,479	8,700,839	8,792,602	7,933,158	7,498,341	-	-	-	-	-
Total Pension Liability - Ending	<u>\$ 9,456,764</u>	<u>9,203,479</u>	<u>8,700,839</u>	<u>8,792,602</u>	<u>7,933,158</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>PLAN FIDUCIARY NET POSITION</b>										
Contributions - Employer	\$ 404,836	400,699	383,176	374,680	335,691	-	-	-	-	-
Contributions - Member	93,921	84,071	92,567	88,541	86,701	-	-	-	-	-
Contributions - Other	-	-	44,748	-	-	-	-	-	-	-
Net Investment Income	259,628	184,765	247,426	(42,810)	100,344	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(295,907)	(288,187)	(293,538)	(284,366)	(291,261)	-	-	-	-	-
Administrative Expenses	(32,631)	(30,025)	(26,165)	(29,466)	(25,321)	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	429,847	351,323	448,214	106,579	206,154	-	-	-	-	-
Plan Net Position - Beginning	5,170,729	4,819,406	4,371,192	4,264,613	4,058,459	-	-	-	-	-
Plan Net Position - Ending	<u>\$ 5,600,576</u>	<u>5,170,729</u>	<u>4,819,406</u>	<u>4,371,192</u>	<u>4,264,613</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<u><b>\$ 3,856,188</b></u>	<u><b>4,032,750</b></u>	<u><b>3,881,433</b></u>	<u><b>4,421,410</b></u>	<u><b>3,668,545</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	59.22%	56.18%	55.39%	49.71%	53.76%	N/A	N/A	N/A	N/A	N/A
Covered-Employee Payroll	\$ 908,328	878,779	851,118	852,379	874,560	N/A	N/A	N/A	N/A	N/A
Employer's Net Pension Liability as a Percentage of the Covered Valuation Payroll	424.54%	458.90%	456.04%	518.71%	419.47%	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule:**

This schedule is intended to show information for ten years and additional years' information will be displayed as it becomes available.

There were no benefit changes in the fiscal years shown.

See Note 3 in the Notes to Other Information for detail on assumption changes.

**Police Pension Fund  
Schedule of Employer Contributions**

Calendar Year	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2019	\$ 384,553	404,836	(20,283)	908,328	44.6%
2018	391,681	400,699	(9,018)	878,779	45.6%
2017	353,993	383,176	(29,183)	851,118	45.0%
2016	343,756	374,680	(30,924)	852,379	44.0%
2015	314,088	335,691	(21,603)	874,560	38.4%

**Note to Schedule**

Valuation Date: Actuarially determined contributions are calculated as of May 1 of each year prior to the beginning of the year in which contributions are reported.

**Methods and assumptions used to determine contribution rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	23 Years
Asset Valuation Method	5-Year Smoothed Market Value
Inflation Rate	2.50%
Payroll Increases	3.25%
Individual Pay Increases	4.00-7.00%
Investment Rate of Return	6.25%
Mortality Rates	RP-2014 Adjusted for Plan Status, Collar, and Illinois Public Pension Data, as Appropriate
Retirement Rates	110% L&A 2016 Illinois Police Retirement Rates Capped at age 65
Disability Rates	L&A 2016 Illinois Police Disability Rates
Termination Rates	L&A 2016 Illinois Police Termination Rates

**Other Information**

There were no benefit changes during the year.

A detailed description of the actuarial assumptions and methods can be found in the May 1, 2018 actuarial valuation report.

This schedule is intended to show information for ten years and additional years' information will be displayed as it becomes available.

**Postretirement Health Plan**  
**Schedule of Changes in the Employer's Net OPEB Liability and Related Ratios**

Fiscal Year Ended April 30,	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>TOTAL OPEB LIABILITY</b>										
Service Cost	\$ 9,333	-	-	-	-	-	-	-	-	-
Interest	65,930	-	-	-	-	-	-	-	-	-
Assumption Changes	20,754	-	-	-	-	-	-	-	-	-
Benefit Payments and Refunds	(124,040)	-	-	-	-	-	-	-	-	-
Net Change in Total OPEB Liability	(28,023)	-	-	-	-	-	-	-	-	-
Total OPEB Liability - Beginning	1,722,781	-	-	-	-	-	-	-	-	-
Total OPEB Liability - Ending	<u>\$ 1,694,758</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OPEB PLAN NET POSITION</b>										
Employer Contributions	\$ 124,040	-	-	-	-	-	-	-	-	-
Benefit Payments and Refunds	(124,040)	-	-	-	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	-	-	-	-	-	-	-	-	-	-
Plan Net Position - Beginning	-	-	-	-	-	-	-	-	-	-
Plan Net Position - Ending	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EMPLOYER'S NET OPEB LIABILITY (ASSET)</b>	<b><u>\$ 1,694,758</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Covered-Employee Payroll	\$ 2,272,158	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Employer's Net OPEB Liability as a Percentage of the Covered Valuation Payroll	74.59%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule:**

This schedule is intended to show information for ten years and additional years' information will be displayed as it becomes available.

**Schedule of Employer Contributions**

Schedule C-8

Fiscal Year Ended April 30,	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially Determined Contribution	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in Relation to the Actuarially-Determined Contribution	-	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Covered Employee Payroll	\$ 2,272,158	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered-Employee Payroll	0.00%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Note:** There is no ADC or Employer Contribution in relation to the ADC, as there is no Trust that exists for funding the OPEB Liability. However, the City did make contributions from other City resources in the current year in the amount of \$124,040.

***NOTES TO OTHER INFORMATION***

**CITY OF WILMINGTON, ILLINOIS**

**Notes to Other Information  
For the Year Ended April 30, 2019**

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**NOTE 1: BUDGETS AND BUDGETARY ACCOUNTING**

These procedures are followed in establishing the budgetary data reflected in the financial statements.

During the first two months of the fiscal year, the City officials prepare the proposed budget and appropriation ordinance. The proposed appropriation ordinance is placed on file and a public hearing is conducted at a public meeting to obtain comments from the community. The appropriation ordinance uses the cash basis of accounting, which is the same basis that is used in financial reporting. This allows for comparability between budgeted and actual amounts.

Prior to July 31, the appropriation ordinance is legally adopted through passage of an ordinance.

The 2018 appropriation ordinance was adopted on July 17, 2018. Transfers between line items of the appropriation must be approved by the City officials. A supplemental budget and line item transfers were adopted on March 5, 2019. All annual appropriations lapse at fiscal year-end.

**NOTE 2: MAJOR FUND BUDGETARY COMPARISON INFORMATION**

The following is an analysis of budget versus actual amounts for the City's major governmental funds for the year ended April 30, 2019.

<u>Fund</u>	<u>Original Appropriations</u>	<u>Final Appropriations</u>	<u>Actual Expenditures</u>	<u>Excess (Deficiency)</u>
General Fund	\$ 5,780,352	5,780,352	4,864,939	915,413
Ridgeport TIF #2 Fund	4,940,000	4,940,000	4,691,886	248,114

All funds operated within the confines of the approved budget during the year ended April 30, 2019.

Notes to Other Information  
For the Year Ended April 30, 2019

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**NOTE 3: ASSUMPTION CHANGES – POLICE PENSION**

The assumptions related to the police pension fund were changed from the prior year.

The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.97% to 3.79% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year end based on changes in market conditions as reflected in the Index. The change was made to reflect our understanding of the requirements of GASB under Statement 68.

The discount rate used in the determination of the Total Pension Liability remained constant at 6.25%. The discount rate is impacted by a couple of metrics. Any change in the underlying High Quality 20 Year Tax Exempt G.O. Bond Rate will impact the blended discount rate.

In addition, changes were made that impact the projection of the net position of the fund. For example, changes in the formal or informal funding policy can impact the discount rate. Actual changes in the net position from one year to the next can impact the projections as well.

***SUPPLEMENTAL INFORMATION***

Statement of Assets, Liabilities and Fund Balance Arising  
from Cash Transactions  
April 30, 2019

<u>Assets</u>		
Cash in Bank		\$ 392,487
Total Assets		<u>\$ 392,487</u>
<u>Fund Balance</u>		
Committed Fund Balance		\$ 392,487
Total Fund Balance		<u>\$ 392,487</u>

Statement of Revenues Received, Expenditures Disbursed and  
Change in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)

Schedule D-2

	Original Appropriations	Final Appropriations	Year Ended	
			April 30, 2019	April 30, 2018
Revenues Received:				
Grants - IDOT KKK St/Fkd Crk B	\$ 60,000	60,000	-	4,614
Grants - State	52,000	52,000	-	-
Interest Income	3,000	3,000	7,627	7,464
Developers Fees	301,000	301,000	-	-
EDP:				
53/N River Road	182,000	182,000	106,460	209,997
Traffic Signal 53/Arsenal	-	-	-	9,637
South Arsenal/53	1,280,000	1,280,000	80,719	252,645
Rt 53/Peotone	2,302,000	2,302,000	-	5,953
Will County - Route 53/Peotone	101,500	101,500	-	-
Other Income	60,000	60,000	86,031	208,344
Other Reimbursements	331,000	331,000	-	60,000
Total Revenues Received	<u>4,672,500</u>	<u>4,672,500</u>	<u>280,837</u>	<u>758,654</u>
Expenditures Disbursed:				
KKK St / Forked Creek Bridge Project	73,000	73,000	-	3,608
IDOT Rt 53/N River Rd Project	145,000	145,000	112,905	231,220
USCS/IDOT Rte 53 & Peotone Rd	2,745,000	2,745,000	-	-
South Arsenal Road Project	1,540,000	1,540,000	-	2,169,883
Service & Investment Fees	500	500	-	-
Prof Fees - Other	50,000	50,000	32,400	-
Misc. Other Capital Projects	391,000	391,000	-	-
Contingency	10,000	10,000	-	-
Total Expenditures Disbursed	<u>4,954,500</u>	<u>4,954,500</u>	<u>145,305</u>	<u>2,404,711</u>
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	(282,000)	(282,000)	135,532	(1,646,057)
Other Financing Sources (Uses):				
Operating Transfers In	50,000	50,000	10,000	30,314
Bond Proceeds	10,000	10,000	-	-
Total Other Financing Sources (Uses)	<u>60,000</u>	<u>60,000</u>	<u>10,000</u>	<u>30,314</u>
Net Change in Fund Balance	<u>\$ (222,000)</u>	<u>(222,000)</u>	<u>145,532</u>	<u>(1,615,743)</u>
Fund Balance, Beginning of Year			<u>246,955</u>	<u>1,862,698</u>
Fund Balance, End of Year			<u>\$ 392,487</u>	<u>246,955</u>



Statement of Assets, Liabilities and Fund Balance Arising  
 from Cash Transactions  
 April 30, 2019

<u>Assets</u>	
Cash in Bank	\$ 187,035
Total Assets	<u>\$ 187,035</u>
<u>Liabilities and Fund Balance</u>	
Liabilities:	
SSA Debt Service Reserve Fund	<u>\$ 32,072</u>
Fund Balance:	
Restricted Fund Balance	<u>154,963</u>
Total Liabilities and Fund Balance	<u>\$ 187,035</u>

Statement of Revenues Received, Expenditures Disbursed and  
 Change in Fund Balance - Budget and Actual  
 For the Year Ended April 30, 2019  
 (With Comparative Figures for 2018)

	Original Appropriations	Final Appropriations	Year Ended	
			April 30, 2019	April 30, 2018
Revenues Received:				
Property Taxes	\$ 146,067	146,067	145,544	135,211
SSA Repayments	33,000	33,000	34,355	38,222
Interest Income	1,500	1,500	3,967	1,893
Total Revenues Received	<u>180,567</u>	<u>180,567</u>	<u>183,866</u>	<u>175,326</u>
Expenditures Disbursed:				
Principal	290,000	290,000	290,000	275,000
Interest	22,000	22,000	20,982	24,841
Service fees	6,000	6,000	5,488	5,490
Miscellaneous and Contingency	6,000	6,000	-	-
Total Expenditures Disbursed	<u>324,000</u>	<u>324,000</u>	<u>316,470</u>	<u>305,331</u>
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	<u>(143,433)</u>	<u>(143,433)</u>	<u>(132,604)</u>	<u>(130,005)</u>
Other Financing Sources (Uses):				
Operating Transfers In	6,800	6,800	6,800	13,434
Operating Transfers Out	(10,000)	(10,000)	(10,000)	(15,000)
Bond Proceeds	140,000	140,000	140,000	150,000
Total Other Financing Sources (Uses)	<u>136,800</u>	<u>136,800</u>	<u>136,800</u>	<u>148,434</u>
Net Change in Fund Balance	<u>\$ (6,633)</u>	<u>(6,633)</u>	4,196	18,429
Fund Balance, Beginning of Year			<u>150,767</u>	<u>132,338</u>
Fund Balance, End of Year			<u>\$ 154,963</u>	<u>150,767</u>

**Combining Statement of Assets, Liabilities, and Fund Balances Arising  
from Cash Transactions - Non-Major Special Revenue Funds  
April 30, 2019**

	Special Revenue Funds				Total April 30, 2019
	ESDA Fund	Mobile Equipment Fund	Motor Fuel Tax Fund	Drug-Free Community Grant Fund	
<u>Assets</u>					
Cash in Bank	\$ 55,722	14,265	232,657	120	302,764
Total Assets	<u>\$ 55,722</u>	<u>14,265</u>	<u>232,657</u>	<u>120</u>	<u>302,764</u>
<u>Fund Balance</u>					
Committed Fund Balance	\$ -	14,265	-	-	14,265
Restricted Fund Balance	55,722	-	232,657	120	288,499
Total Fund Balance	<u>\$ 55,722</u>	<u>14,265</u>	<u>232,657</u>	<u>120</u>	<u>302,764</u>

**Combining Statement of Revenues Received, Expenditures Disbursed and  
Changes in Fund Balances - Non-Major Special Revenue Funds  
For the Year Ended April 30, 2019**

	Special Revenue Funds				Total April 30, 2019
	ESDA Fund	Mobile Equipment Fund	Motor Fuel Tax Fund	Drug-Free Community Grant Fund	
Revenues Received:					
Property Tax	\$ 3,002	-	-	-	3,002
Grants	30,500	-	-	138,299	168,799
MFT Allotments	-	-	150,762	-	150,762
Interest Income	-	-	6,627	-	6,627
Fines	-	3,740	-	-	3,740
ESDA Vehicle MEF Replacement Fee	-	5,000	-	-	5,000
Reimbursements	404	-	-	-	404
Total Revenues Received	<u>33,906</u>	<u>8,740</u>	<u>157,389</u>	<u>138,299</u>	<u>338,334</u>
Expenditures Disbursed:					
Public Safety	37,016	-	-	138,179	175,195
Street and Highway	-	-	276,473	-	276,473
Capital Outlay	27,869	-	-	-	27,869
Total Expenditures Disbursed	<u>64,885</u>	<u>-</u>	<u>276,473</u>	<u>138,179</u>	<u>479,537</u>
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	<u>(30,979)</u>	<u>8,740</u>	<u>(119,084)</u>	<u>120</u>	<u>(141,203)</u>
Other Financing Sources (Uses):					
Operating Transfers In	25,000	-	-	-	25,000
Total Other Financing Sources (Uses)	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
Net Change in Fund Balance	<u>(5,979)</u>	<u>8,740</u>	<u>(119,084)</u>	<u>120</u>	<u>(116,203)</u>
Fund Balance, Beginning of Year	<u>61,701</u>	<u>5,525</u>	<u>351,741</u>	<u>-</u>	<u>418,967</u>
Fund Balance, End of Year	<u>\$ 55,722</u>	<u>14,265</u>	<u>232,657</u>	<u>120</u>	<u>302,764</u>

**Statement of Assets, Liabilities and Fund Balance Arising  
from Cash Transactions  
April 30, 2019**

<u>Assets</u>		
Cash in Bank		\$ 55,722
Total Assets		<u>\$ 55,722</u>
<u>Fund Balance</u>		
Restricted Fund Balance		\$ 55,722
Total Fund Balance		<u>\$ 55,722</u>

**Statement of Revenues Received, Expenditures Disbursed and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)**

	Year Ended			
	Original Appropriations	Final Appropriations	April 30, 2019	April 30, 2018
Revenues Received:				
Property Taxes	\$ 3,000	3,000	3,002	2,555
Grants - State	6,000	6,000	30,500	30,775
Other Income	5,000	5,000	-	4,250
Other Reimbursements	500	500	404	14,063
Total Revenues Received	<u>14,500</u>	<u>14,500</u>	<u>33,906</u>	<u>51,643</u>
Expenditures Disbursed:				
Wages	9,000	9,000	9,000	9,000
Dispatch	500	500	396	430
Dues and Subscriptions	600	600	455	555
Maintenance - Equipment	5,000	5,000	2,827	1,813
Maintenance - Radios & Pagers	1,500	1,500	70	-
Maintenance - Vehicles	4,000	4,000	1,849	2,828
Notices and Legal Publications	200	200	-	-
Other Professional Services	6,000	6,000	1,049	3,342
Telephone Service	11,500	11,500	10,435	7,797
Training, Meetings, and Travel Expense	4,000	4,000	1,075	3,059
Subscription Weather Service	100	100	84	84
Gasoline and Oil	4,000	4,000	2,949	3,030
Office Supplies	800	800	884	66
Postage	150	150	-	-
Operating Supplies and Tools	12,000	12,000	5,927	5,237
Miscellaneous and Contingency	6,500	6,500	16	-
Capital Outlay - Equipment Purchases	6,000	6,000	5,969	15,686
Expensed Equipment	1,500	1,500	-	-
Leased Equipment	23,000	23,000	21,900	10,950
Total Expenditures Disbursed	<u>96,350</u>	<u>96,350</u>	<u>64,885</u>	<u>63,877</u>
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	<u>(81,850)</u>	<u>(81,850)</u>	<u>(30,979)</u>	<u>(12,234)</u>
Other Financing Sources (Uses):				
Operating Transfers In	50,000	50,000	25,000	45,000
Operating Transfers Out	(5,000)	(5,000)	-	-
Total Other Financing Sources (Uses)	<u>45,000</u>	<u>45,000</u>	<u>25,000</u>	<u>45,000</u>
Net Change in Fund Balance	<u>\$ (36,850)</u>	<u>(36,850)</u>	<u>(5,979)</u>	<u>32,766</u>
Fund Balance, Beginning of Year			<u>61,701</u>	<u>28,935</u>
Fund Balance, End of Year			<u>\$ 55,722</u>	<u>61,701</u>

**Statement of Assets, Liabilities and Fund Balance Arising  
from Cash Transactions  
April 30, 2019**

<u>Assets</u>	
Cash in Bank	\$ 14,265
Total Assets	<u>\$ 14,265</u>
<u>Fund Balance</u>	
Committed Fund Balance	\$ 14,265
Total Fund Balance	<u>\$ 14,265</u>

**Statement of Revenues Received, Expenditures Disbursed and  
Change in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)**

	Original Appropriations	Final Appropriations	Year Ended	
			April 30, 2019	April 30, 2018
Revenues Received:				
Police Vehicle Fines and Transfers	\$ 15,000	15,000	3,740	3,960
Public Works Vehicle Replacement	15,000	15,000	-	-
ESDA Vehicle MEF Replacement	5,000	5,000	5,000	-
Total Revenues Received	<u>35,000</u>	<u>35,000</u>	<u>8,740</u>	<u>3,960</u>
Expenditures Disbursed:				
Police Vehicle Purchases				
ESDA Vehicle Purchases	-	-	-	65,988
Total Expenditures Disbursed	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,988</u>
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	<u>\$ 35,000</u>	<u>35,000</u>	8,740	(62,028)
Fund Balance, Beginning of Year			<u>5,525</u>	<u>67,553</u>
Fund Balance, End of Year			<u>\$ 14,265</u>	<u>5,525</u>

**CITY OF WILMINGTON, ILLINOIS  
MOTOR FUEL TAX FUND**

Schedule D-11

**Statement of Assets, Liabilities and Fund Balance Arising  
from Cash Transactions  
April 30, 2019**

<u>Assets</u>	
Cash in Bank	\$ 232,657
Total Assets	<u>\$ 232,657</u>
<u>Fund Balance</u>	
Restricted Fund Balance	\$ 232,657
Total Fund Balance	<u>\$ 232,657</u>

**Statement of Revenues Received, Expenditures Disbursed and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)**

Schedule D-12

	Original Appropriations	Final Appropriations	Year Ended	
			April 30, 2019	April 30, 2018
Revenues Received:				
MFT State Allotments	\$ 147,000	147,000	145,735	145,580
Interest Income	1,500	1,500	6,627	3,431
Capital Bill Program Allotment	5,000	5,000	5,027	5,075
Total Revenues Received	<u>153,500</u>	<u>153,500</u>	<u>157,389</u>	<u>154,086</u>
Expenditures Disbursed:				
MFT Street Projects	300,000	300,000	243,521	-
MFT Street Projects- Prior Yrs	10,000	4,000	-	-
Salt and Cinders	29,000	35,000	32,952	13,775
Contingency	5,000	5,000	-	-
Total Expenditures Disbursed	<u>344,000</u>	<u>344,000</u>	<u>276,473</u>	<u>13,775</u>
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	<u>\$ (190,500)</u>	<u>(190,500)</u>	(119,084)	140,311
Fund Balance, Beginning of Year			<u>351,741</u>	<u>211,430</u>
Fund Balance, End of Year			<u>\$ 232,657</u>	<u>351,741</u>

**Statement of Assets, Liabilities and Fund Balance Arising  
 from Cash Transactions  
 April 30, 2019**

<u>Assets</u>		
Cash in Bank		\$ 120
Total Assets		<u>\$ 120</u>
<u>Fund Balance</u>		
Restricted Fund Balance		\$ 120
Total Fund Balance		<u>\$ 120</u>

**Statement of Revenues Received, Expenditures Disbursed and  
 Changes in Fund Balance - Budget and Actual  
 For the Year Ended April 30, 2019  
 (With Comparative Figures for 2018)**

	Original Appropriations	Final Appropriations	Year Ended	
			April 30, 2019	April 30, 2018
Revenues Received:				
Grant Income	\$ 185,000	185,000	138,299	139,300
Total Revenues Received	<u>185,000</u>	<u>185,000</u>	<u>138,299</u>	<u>139,300</u>
Expenditures Disbursed:				
DFC Grant Expenditures	185,000	185,000	138,179	139,300
Total Expenditures Disbursed	<u>185,000</u>	<u>185,000</u>	<u>138,179</u>	<u>139,300</u>
Excess (Deficiency) of Revenues Received over (under) Expenditures Disbursed	<u>\$ -</u>	<u>-</u>	120	-
Fund Balance, Beginning of Year			-	-
Fund Balance, End of Year			<u>\$ 120</u>	<u>-</u>

Statement of Fund Net Position  
 April 30, 2019

<u>Assets</u>	
Cash in Bank	\$ 261,748
Accounts Receivable	191,808
Capital Assets:	
Land	600,500
Vehicles	204,882
Equipment	354,845
Buildings	3,173,976
Improvements	3,378,501
Accumulated Depreciation	<u>(2,526,811)</u>
Total Assets	<u>5,639,449</u>
 <u>Liabilities and Net Position</u> 	
Liabilities:	
Deposit - Hydrant Meters	2,000
Long-Term Debt:	
Due Within One Year	53,000
Due Beyond One Year	<u>852,087</u>
Total Liabilities	<u>907,087</u>
Net position:	
Net Investment in Capital Assets	4,280,806
Unrestricted Net Position	<u>451,556</u>
Total Net Position	<u>\$ 4,732,362</u>



**CITY OF WILMINGTON, ILLINOIS  
WATER OPERATIONS FUND**

Schedule E-2

**Statement of Revenues, Expenses, and  
Changes in Fund Net Position - Budget and Actual  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)**

	Original Appropriations	Final Appropriations	Year Ended April 30, 2019	April 30, 2018
Revenues:				
Water:				
Water Service Fees	\$ 1,005,000	1,005,000	1,102,324	938,481
Water Base Fees	-	-	-	166,277
Water Capacity User Fees	30,000	30,000	4,400	-
Water Meter Fees	16,000	16,000	7,509	4,150
Interest Income	1,200	1,200	4,703	1,216
Other Income	4,000	4,000	5,990	4,181
Other Reimbursements	13,000	13,000	10,423	10,199
Total Water Revenues	<u>1,069,200</u>	<u>1,069,200</u>	<u>1,135,349</u>	<u>1,124,504</u>
Garbage:				
Garbage Collection Fees	470,000	470,000	454,305	441,817
Total Revenues	<u>1,539,200</u>	<u>1,539,200</u>	<u>1,589,654</u>	<u>1,566,321</u>
Expenses:				
Water:				
Wages	391,503	381,003	364,958	345,770
FICA Taxes	34,000	34,000	29,790	31,577
SUTA Taxes	1,500	2,000	1,419	1,174
IMRF	44,000	44,000	34,961	41,665
Overtime Wages	30,000	35,000	28,600	36,003
Computer Repairs and Maintenance	14,500	14,500	10,702	10,513
Consulting	5,000	5,000	1,029	-
Dues and Subscriptions	800	800	-	266
Employee Health and Life Insurance	98,000	93,000	88,781	71,645
Legal Services	5,000	5,000	666	205
Prop, Equip, & Liab Insurance	84,000	84,000	82,505	72,380
Workers' Comp. Insurance	30,000	27,000	23,695	26,334
Maintenance:				
Equipment	20,000	20,000	10,643	7,671
Well	5,000	5,000	-	-
Fire Hydrants	-	-	-	5,546
Grounds and Building	13,000	13,000	8,504	7,168
Pumping System	25,000	25,000	19,209	13,684
Water Mains	8,500	11,500	9,597	2,901
Water Meters	6,500	9,500	6,249	-
Water Towers	8,000	8,000	6,963	8,404
Vehicles	2,500	4,500	2,305	1,491
Notices and Legal Publications	1,500	1,500	902	149
Other Professional Services	12,000	20,000	14,276	11,791
Lime/Sludge Disposal	45,000	45,500	45,263	-
Rental of Equipment	13,000	5,000	-	-
Telephone Service	6,500	6,500	5,584	5,504
Training, Meetings, and Travel Expense	4,000	4,000	2,211	269
Utilities	76,000	76,000	63,067	70,853
Gasoline and Oil	10,000	10,000	3,519	4,673

**CITY OF WILMINGTON, ILLINOIS  
WATER OPERATIONS FUND**

Schedule E-2  
(continued)

**Statement of Revenues, Expenses, and  
Changes in Fund Net Position - Budget and Actual  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)**

	Original Appropriations	Final Appropriations	Year Ended April 30, 2019	Year Ended April 30, 2018
Expenses: (continued)				
Water: (continued)				
Office Supplies	\$ 3,200	5,200	4,589	2,500
Postage	8,500	8,500	7,657	7,530
Operating Supplies and Tools	12,000	12,000	10,481	9,380
Uniforms	2,000	2,000	664	434
Water Treatment Chemicals	100,000	100,000	81,213	87,197
Miscellaneous and Contingency	2,000	2,000	-	-
Leased Equipment Expense	3,000	3,000	1,908	2,526
Equipment Purchases	8,000	10,000	3,095	6,722
New Meters	26,000	26,000	2,668	2,028
Expense Equipment	1,000	1,000	416	1,516
IEPA Loan Principal	52,200	52,200	-	-
IEPA Loan Interest	17,500	17,500	17,416	18,323
Service Fees	8,500	9,000	8,922	7,874
Contingency	20,000	20,000	-	-
Refunds	500	500	(27)	147
Total Water Expenses	<u>1,259,203</u>	<u>1,259,203</u>	<u>1,004,400</u>	<u>923,813</u>
Garbage:				
Garbage Collection and Disposal	<u>470,000</u>	<u>470,000</u>	<u>452,967</u>	<u>438,631</u>
Depreciation Expense	<u>-</u>	<u>-</u>	<u>204,093</u>	<u>209,740</u>
Total Expenses	<u>1,729,203</u>	<u>1,729,203</u>	<u>1,661,460</u>	<u>1,572,184</u>
Excess (Deficiency) of Revenues over (under) Expenses	(190,003)	(190,003)	(71,806)	(5,863)
Other Financing Sources (Uses):				
Contributed Capital	-	-	25,945	5,500
Operating Transfers In	100,000	100,000	-	15,000
Operating Transfers Out	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>	<u>(41,455)</u>
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>50,000</u>	<u>25,945</u>	<u>(20,955)</u>
Net Income (Loss)	<u>\$ (90,003)</u>	<u>(90,003)</u>	(45,861)	(26,818)
Net Position, Beginning of Year			<u>4,778,223</u>	<u>4,805,041</u>
Net Position, End of Year			<u>\$ 4,732,362</u>	<u>4,778,223</u>

Statement of Fund Net Position  
April 30, 2019

<u>Assets</u>		
Cash in Bank		\$ 853,809
Accounts Receivable		41,114
Total Assets		<u>894,923</u>
<u>Net Position</u>		
Unrestricted Net Position		450,526
Restricted Net Position		444,397
Total Net Position		<u>\$ 894,923</u>

Statement of Revenues, Expenses, and  
Change in Fund Net Position - Budget and Actual  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)

Schedule E-4

	Original Appropriations	Final Appropriations	Year Ended	
			April 30, 2019	April 30, 2018
Revenues:				
City Engineer Services	\$ -	-	-	5,233
Meter Replacement Program Fees	76,500	76,500	76,787	72,409
Penalty Fee	37,000	37,000	39,116	32,782
Water District System Maintenance Fee	4,000	4,000	6,400	-
Interest Income	5,000	5,000	17,567	7,027
Water Plant Debt Service Fee	260,000	260,000	273,268	-
Rental of Property	6,600	6,600	6,600	6,600
Total Revenues	<u>389,100</u>	<u>389,100</u>	<u>419,738</u>	<u>124,051</u>
Expenses:				
City Engineer Services	6,000	6,000	6,000	38,952
Legal Services	5,000	5,000	359	-
Maintenance:				
Equipment	10,000	-	-	-
Distribution	-	-	-	25,367
Water Meters	100,000	220,000	190,829	84,871
Consulting Fees	35,000	35,000	15,806	-
Other Professional Fees	-	-	-	5,908
Equipment Purchases	22,000	32,000	-	-
Water Capital Projects	108,000	108,000	-	-
Contingency	10,000	10,000	-	-
Total Expenses	<u>296,000</u>	<u>416,000</u>	<u>212,994</u>	<u>155,098</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	93,100	(26,900)	206,744	(31,047)
Other Financing Sources (Uses):				
Loan Proceeds - Capital Projects	300,000	300,000	-	-
Loan - Capital Improvement Projects	(300,000)	(210,000)	-	-
Capital Contributions	-	-	(25,945)	(5,500)
Operating Transfers In	-	-	-	41,455
Operating Transfers Out	(100,000)	(70,000)	-	(15,000)
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>20,000</u>	<u>(25,945)</u>	<u>20,955</u>
Net Income (Loss)	<u>\$ (6,900)</u>	<u>(6,900)</u>	180,799	(10,092)
Net Position, Beginning of Year			<u>714,124</u>	<u>724,216</u>
Net Position, End of Year			<u>\$ 894,923</u>	<u>714,124</u>

Statement of Fund Net Position  
April 30, 2019

<u>Assets</u>	
Cash in Bank	\$ 637,954
Accounts Receivable	94,502
Capital Assets:	
Land	911,700
Vehicles	213,595
Equipment	402,893
Buildings	14,100,762
Improvements	2,120,880
Accumulated Depreciation	(4,688,174)
Total Assets	<u>13,794,112</u>
 <u>Liabilities and Net Position</u>	
Liabilities:	
Long-Term Liabilities:	
Due Within One Year	708,054
Due Beyond One Year	7,230,239
Total Liabilities	<u>7,938,293</u>
Net Position:	
Net Investment in Capital Assets	5,123,363
Unrestricted Net Position	732,456
Total Net Position	<u>\$ 5,855,819</u>

**CITY OF WILMINGTON, ILLINOIS  
SEWER OPERATIONS FUND**

Schedule E-6

**Statement of Revenues, Expenses, and  
Change in Fund Net Position - Budget and Actual  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)**

	Original Appropriations	Final Appropriations	Year Ended	
			April 30, 2019	April 30, 2018
<b>Revenues:</b>				
Debt Service Revenue	\$ -	-	-	950,820
Sewer Service Fees	900,000	900,000	943,047	803,092
Sewer Capacity User Fee	100,000	100,000	15,750	-
Miscellaneous	-	-	814	993
Other Reimbursements	16,000	16,000	6,575	16,674
<b>Total Revenues</b>	<b>1,016,000</b>	<b>1,016,000</b>	<b>966,186</b>	<b>1,771,579</b>
<b>Expenses:</b>				
Wages	325,000	315,000	298,011	294,272
FICA Taxes	30,000	30,000	24,185	23,644
SUTA Taxes	2,000	2,000	1,222	1,082
IMRF	38,000	38,000	29,778	31,750
Overtime	20,000	20,000	17,443	12,575
Seasonal PT	11,000	11,000	10,026	-
Computer Repairs and Maintenance	16,000	16,000	9,219	8,469
Dues & Subscription & Memberships	1,200	1,200	1,040	893
Employee Health and Life Insurance	90,000	70,000	63,655	68,991
Engineering Professional Fees	5,000	5,000	-	-
Legal Services	5,000	5,000	820	923
Prop, Equip, & Liability Insurance	74,000	74,000	72,361	63,481
Workers' Comp. Insurance	25,000	25,000	18,749	19,740
<b>Maintenance:</b>				
Equipment	27,000	32,000	20,421	16,772
Grounds and Building	23,500	28,500	14,171	10,141
Sewers	30,000	55,000	38,187	11,834
Sewers - Process	31,500	31,500	24,409	21,729
Vehicles	8,500	8,500	305	3,075
Notices and Legal Publications	800	800	264	-
Other Professional Services	30,000	30,000	28,481	27,303
Rental of Equipment	8,000	5,000	-	3,333
Sewer Sludge Disposal	40,000	40,000	29,371	28,017
Telephone Service	6,500	6,500	5,394	5,060
Training, Meetings, and Travel Expense	12,500	7,500	3,314	2,408
Utilities - Electric and Gas	105,000	105,000	86,903	88,793
Gasoline and Oil	6,000	9,000	7,880	3,398
Office Supplies	6,000	6,000	4,260	2,416
Postage	8,500	8,500	7,869	7,724
Operating Supplies and Tools	17,000	20,000	16,998	13,969
Sewer Chemicals	55,000	50,000	39,841	28,986
Uniforms	3,500	3,500	1,131	1,064
Miscellaneous	500	500	280	800

**CITY OF WILMINGTON, ILLINOIS  
SEWER OPERATIONS FUND**

Schedule E-6  
(continued)

**Statement of Revenues, Expenses, and  
Change in Fund Net Position - Budget and Actual  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)**

	Original Appropriations	Final Appropriations	Year Ended	
			April 30, 2019	April 30, 2018
Expenses: (continued)				
Equipment Purchase	\$ 10,000	11,000	5,562	929
Leased Equipment Expense	3,000	3,000	1,650	2,244
Expensed Equipment	1,000	2,000	616	394
IEPA Loan Principal	691,000	691,000	-	-
IEPA Loan Interest	212,000	212,000	211,434	228,383
Service Fees	9,000	9,000	-	-
Refunds	500	500	(35)	157
Contingency	20,000	20,000	-	-
Depreciation Expense	-	-	448,110	457,063
Total Expenses	<u>2,008,500</u>	<u>2,008,500</u>	<u>1,543,325</u>	<u>1,491,812</u>
Excess (Deficiency) of Revenues over (under) Expenses	(992,500)	(992,500)	(577,139)	279,767
Other Financing Sources (Uses):				
Contributed Capital	-	-	16,000	27,250
Operating Transfers In	903,000	903,000	550,000	-
Operating Transfers Out	(100,000)	(100,000)	-	(100,000)
Total Other Financing Sources (Uses)	<u>803,000</u>	<u>803,000</u>	<u>566,000</u>	<u>(72,750)</u>
Net Income (Loss)	<u>\$ (189,500)</u>	<u>(189,500)</u>	(11,139)	207,017
Net Position, Beginning of Year			<u>5,866,958</u>	<u>5,659,941</u>
Net Position, End of Year			<u>\$ 5,855,819</u>	<u>5,866,958</u>

**CITY OF WILMINGTON, ILLINOIS  
SEWER CAPITAL PROJECTS FUND**

Schedule E-7

**Statement of Fund Net Position  
April 30, 2019**

<u>Assets</u>	
Cash in Bank	\$ 683,268
Accounts Receivable	110,201
<b>Total Assets</b>	<b>793,469</b>
<u>Net Position</u>	
Restricted Net Position	793,469
<b>Total Net Position</b>	<b>\$ 793,469</b>

**Statement of Revenues, Expenses, and  
Changes in Fund Net Position - Budget and Actual  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)**

Schedule E-8

	Original Appropriations	Final Appropriations	Year Ended	
			April 30, 2019	April 30, 2018
<b>Revenues:</b>				
City Engineer Services	\$ -	-	-	2,635
WWTP Debt Service Revenue	1,013,000	1,013,000	1,043,928	-
Other Income - Misc	24,000	24,000	26,697	-
Sewer Collection System Fee	12,000	12,000	6,800	7,000
Penalty Fee	43,000	43,000	43,794	40,721
Interest Income	7,000	7,000	23,215	12,431
Property Rental	6,600	6,600	6,600	6,600
<b>Total Revenues</b>	<b>1,105,600</b>	<b>1,105,600</b>	<b>1,151,034</b>	<b>69,387</b>
<b>Expenses:</b>				
City Engineer Services	2,000	2,000	2,000	12,984
Professional Fees - Engineering	30,000	70,000	56,400	98,573
Legal Services	5,000	5,000	-	-
Professional Fees - Other	2,000	2,000	459	-
Miscellaneous - Other Capital Projects	34,000	34,000	-	-
Equipment Purchases	25,500	25,500	-	-
Sewer Main Extensions				
Sewer Collection Line Upgrade	50,000	150,000	102,332	-
Contingency	20,000	20,000	-	-
<b>Total Expenses</b>	<b>168,500</b>	<b>308,500</b>	<b>161,191</b>	<b>111,557</b>
<b>Excess (Deficiency) of Revenues over (under) Expenses</b>	<b>937,100</b>	<b>797,100</b>	<b>989,843</b>	<b>(42,170)</b>
<b>Other Financing Sources (Uses):</b>				
Loan Proceeds - Capital Project	1,000,000	1,000,000	-	-
Loan Payments	(1,000,000)	(1,000,000)	-	-
Capital contributions	-	-	(16,000)	(27,250)
Operating Transfers In	100,000	100,000	-	100,000
Operating Transfers Out	(903,000)	(763,000)	(550,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(803,000)</b>	<b>(663,000)</b>	<b>(566,000)</b>	<b>72,750</b>
<b>Net Income (Loss)</b>	<b>\$ 134,100</b>	<b>134,100</b>	<b>423,843</b>	<b>30,580</b>
<b>Net Position, Beginning of Year</b>			<b>369,626</b>	<b>339,046</b>
<b>Net Position, End of Year</b>			<b>\$ 793,469</b>	<b>369,626</b>

**CITY OF WILMINGTON, ILLINOIS  
AGENCY FUNDS**

Schedule F-1

**Combining Statement of Fiduciary Net Position  
April 30, 2019  
(With Comparative Figures for 2018)**

	Agency Funds					Totals	
	Police DUI Account	School Police Seizure Account	Police Benefit Account	Building Deposit Holding Account	Police Explorer Program Account	Year Ended April 30, 2019	April 30, 2018
<u>Assets</u>							
Cash in bank	\$ 11,321	19,199	6,438	43,674	1,272	81,904	87,709
<u>Liabilities</u>							
Payable to others	\$ 11,321	19,199	6,438	43,674	1,272	81,904	87,709

**Combining Statement of Changes in Fiduciary Net Position  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)**

Schedule F-2

	Agency Funds					Totals	
	Police DUI Account	School Police Seizure Account	Police Benefit Account	Building Deposit Holding Account	Police Explorer Program Account	Year Ended April 30, 2019	April 30, 2018
Additions	\$ 2,300	250	2,801	-	1,000	6,351	32,769
Deductions	-	8,190	3,966	-	-	12,156	20,204
Change in Net Position	2,300	(7,940)	(1,165)	-	1,000	(5,805)	12,565
Cash Balance, Beginning of Year	9,021	27,139	7,603	43,674	272	87,709	75,144
Cash Balance, End of Year	\$ 11,321	19,199	6,438	43,674	1,272	81,904	87,709



**Comparison of Expenditures with Appropriations  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)**

	Original Appropriations	Final Appropriations	Year Ended April 30, 2019	April 30, 2018
<u>Finance and Administration:</u>				
Wages - Finance and Administration	\$ 220,000	220,000	216,933	157,715
City Engineer Services	2,000	2,000	2,000	12,984
Elected / Appointed Officials Wages	40,000	40,000	30,999	34,935
Computer Repairs and Maintenance	22,000	25,000	17,101	16,191
Dues and Subscriptions	8,500	8,500	6,429	7,432
Employee Health and Life Insurance	48,000	48,000	46,528	43,136
Retired Employees Health Insurance	120,000	120,000	112,230	106,987
Legal Services	60,000	54,500	48,819	59,474
Maintenance - Equipment	3,500	3,500	1,804	2,384
Notices and Legal Publications	1,000	1,000	598	299
Other Professional Services	67,500	67,500	35,491	55,216
Telephone Service	9,500	9,500	9,326	8,313
Training, Meetings, and Travel Expenses	4,000	6,500	4,132	2,799
Office Supplies	4,000	4,000	3,099	3,521
Postage	2,500	2,500	737	1,734
Operating Supplies and Tools	2,000	2,000	1,027	1,466
Administrative Expense	1,000	1,000	-	214
WCHC - Community Matching	10,000	10,000	9,594	9,327
Economic Development Commission	3,000	3,000	2,500	2,500
Mayor's Expense	2,000	2,000	1,331	1,125
Community Festivals	10,000	10,000	7,500	10,000
Catfish Days Expense	35,000	35,000	28,908	-
Miscellaneous	4,000	4,000	1,012	554
Police Commission Expenses	16,000	16,000	6,689	13,456
Leased Equipment	3,000	3,000	2,398	2,502
Expensed Equipment	15,000	15,000	9,165	2,049
Service Fees	500	500	26	158
Sales Tax Credit	125,000	125,000	119,030	-
Contingency	20,000	20,000	-	-
Total Finance and Administration	859,000	859,000	725,406	556,471
<u>Public Grounds and Buildings:</u>				
Maintenance - Equipment	10,000	10,000	4,114	2,414
Maintenance - Grounds and Buildings	51,000	51,000	51,863	29,651
Janitorial Service	28,000	28,000	27,018	27,342
Other Professional Services	13,000	13,000	10,503	13,296
Rental of Building/Storage Space	1,500	1,500	1,380	1,380
Telephone Service	3,000	3,000	1,784	1,006
Utilities	6,000	6,000	2,272	5,101
Operating Supplies and Tools	4,000	4,000	2,782	1,510
Miscellaneous and Contingency	2,000	2,000	91	4,894
Total Public Grounds and Buildings	118,500	118,500	101,807	86,594

Comparison of Expenditures with Appropriations  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)

	Original Appropriations	Final Appropriations	Year Ended	
			April 30, 2019	April 30, 2018
<u>Police Department:</u>				
Salaries and Wages:				
Police	\$ 1,111,500	1,133,000	1,120,051	1,020,203
Overtime	85,000	110,000	108,891	84,253
Part-Time Officer	85,000	85,000	77,392	88,548
Crossing Guard	6,000	6,000	5,160	5,250
Vacation Buy-Out	118,000	60,500	31,938	22,026
Animal Control	4,000	4,000	2,120	1,650
Community Service & Affairs	3,000	3,000	1,292	1,137
Computer Repairs and Maintenance	25,000	28,000	21,999	19,725
Dispatching Services	211,000	211,000	210,672	205,977
Dues and Subscriptions	3,100	3,100	2,115	3,096
Employee Health and Life Insurance	190,000	192,000	197,682	158,847
Legal Services	40,000	40,000	25,805	26,054
Maintenance:				
Equipment	8,000	8,000	8,388	9,525
Vehicles	25,000	25,000	19,971	19,684
Notices Legal Publications	800	800	-	18
Other Professional Services	12,500	16,500	13,211	8,958
K9 Unit Program Expense	7,000	7,000	814	7,976
Telephone Service	22,500	22,500	20,127	17,024
Training, Meetings, and Travel Expense	15,000	15,000	17,821	10,249
Gasoline and Oil	35,000	37,000	33,543	30,090
Office Supplies	4,000	4,000	1,196	3,380
Postage	1,200	1,200	640	957
Operating Supplies and Tools	20,000	20,000	10,940	16,549
Uniforms	23,000	23,000	22,068	20,195
Miscellaneous and Contingency	1,000	1,000	331	290
Leased Equipment Expense	46,000	46,000	45,134	78,567
Expensed Equipment	2,500	2,500	480	2,895
Total Police Department	2,105,100	2,105,100	1,999,781	1,863,123

Comparison of Expenditures with Appropriations  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)

	Original Appropriations	Final Appropriations	Year Ended	
			April 30, 2019	April 30, 2018
<u>Streets &amp; Alleys</u>				
Salaries and Wages:				
Public Works	\$ 300,000	294,000	267,808	242,330
City Engineer Services	6,000	6,000	6,000	38,952
Overtime	24,000	28,000	16,820	23,908
Part-Time	22,000	24,000	20,299	17,155
Computer Repairs and Maintenance	1,000	1,000	248	973
Dues and Subscriptions	400	400	498	290
Employee Health and Life Insurance	110,000	92,500	49,265	66,550
Engineering Fees	5,000	5,000	-	1,037
JULIE Fees	3,500	3,500	2,695	2,999
Legal Services	1,000	1,000	-	-
Maintenance:				
Bridges	3,500	3,500	1,380	2,305
Curbs & Gutters	3,000	3,000	-	10,981
Equipment	25,000	25,000	14,575	21,830
Parking Lots	-	-	-	1,191
Sidewalks	5,000	6,000	3,840	4
Storm Sewers	10,000	10,000	1,460	10,743
Streets	37,500	43,000	36,280	13,546
Vehicles	20,000	20,000	17,915	12,502
Notices and Legal Publications	500	500	271	-
Equipment Rentals	7,000	7,000	-	-
Street Light Electricity	93,000	100,000	100,462	86,775
Telephone Service	3,500	3,500	2,652	2,677
Training, Meetings, and Travel Expense	5,000	5,000	1,832	1,122
Tree and Weed Removal	15,000	15,000	12,222	10,117
Gasoline and Oil	26,000	26,000	17,990	17,485
Office Supplies	1,500	1,500	658	214
Postage	300	300	28	-
Operating Supplies and Tools	13,000	13,000	12,372	11,787
Sign Replacement	6,000	6,000	3,361	2,950
Uniforms	7,000	7,000	4,311	4,336
Miscellaneous and Contingency	500	500	-	52
Expensed Equipment	6,242	7,742	6,388	800
Total Streets & Alleys	<u>761,442</u>	<u>758,942</u>	<u>601,630</u>	<u>605,611</u>

Comparison of Expenditures with Appropriations  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)

	Original Appropriations	Final Appropriations	Year Ended	
			April 30, 2019	April 30, 2018
<u>Social Security and IMRF:</u>				
Social Security Taxes	\$ 164,000	164,000	146,485	134,895
SUTA Taxes	9,500	11,500	9,731	8,123
IMRF Expense	81,000	79,000	60,568	65,414
Total Social Security and IMRF	254,500	254,500	216,784	208,432
<u>Auditing and Accounting:</u>				
Audit Fee	17,900	17,900	17,900	17,900
Payroll Processing Service	9,000	9,000	7,974	7,286
Total Auditing and Accounting	26,900	26,900	25,874	25,186
<u>Building Department:</u>				
Wages	25,000	25,000	23,140	7,720
City Engineer Services	2,000	2,000	2,000	12,984
Computer Repairs and Maintenance	1,200	1,200	281	458
Consulting Fee	170,000	170,000	20,090	4,637
Dues and Subscriptions	300	300	-	196
Employee Health and Life Insurance	-	-	-	2,183
Legal Services	1,000	1,000	-	-
Maintenance - Vehicles	-	-	-	1,003
City Engineer Vehicle Allowance	-	-	-	4,000
Telephone Services	1,600	1,600	762	1,329
Training, Meetings, and Travel Expense	1,000	1,000	-	1,049
Gasoline and Oil	-	-	-	1,819
Office Supplies	700	700	278	283
Postage	200	200	-	25
Operating Supplies and Tools	1,000	1,000	-	369
Miscellaneous and Contingency	2,000	2,000	-	11,225
Expensed Equipment	500	500	335	-
Total Building Department	206,500	206,500	46,551	49,280
<u>Planning and Zoning:</u>				
Wages	4,000	4,000	1,350	1,440
City Engineering Services	2,000	2,000	2,000	12,984
Consulting Fees	55,000	55,000	6,619	20,947
Consulting Fees - Developers	190,000	190,000	41,874	80,044
Employee Health and Life Insurance	-	-	-	2,183
Engineering Fees	-	-	-	1,843
Engineering Fees - Developers	-	-	-	6,540
Legal Services - Developers	-	-	-	2,698
Notices and Legal Publications	3,500	3,500	-	2,418
Office Supplies	250	250	-	-
Postage	250	250	-	-
Miscellaneous and Contingency	500	500	-	50
Total Planning and Zoning	255,500	255,500	51,843	131,147

Comparison of Expenditures with Appropriations  
For the Year Ended April 30, 2019  
(With Comparative Figures for 2018)

	Original Appropriations	Final Appropriations	Year Ended	
			April 30, 2019	April 30, 2018
<u>Police Pension:</u>				
Police Pension Fund Contribution	\$ 410,000	410,000	404,836	400,699
<u>Building, Liability, and Workers' Comp. Insurance</u>				
Property and Equipment Insurance	130,000	130,000	121,190	106,103
General Liability Insurance	155,000	155,000	118,146	142,524
Liability Insurance Deductible	50,000	50,000	-	-
Total Building, Liability, and Workers' Comp. Insurance	335,000	335,000	239,336	248,627
<u>Debt Service</u>				
Public Works - Principal	40,470	40,470	40,468	39,046
Public Works - Interest	1,440	1,440	1,436	2,858
Total Debt Service	41,910	41,910	41,904	41,904
<u>Capital Outlay</u>				
Finance and Administration				
Public Grounds and Buildings	12,500	12,500	12,195	-
Police Department	90,000	90,000	88,708	5,109
Public Works	303,500	306,000	307,949	13,061
Building Department	-	-	335	-
Total Capital Outlay	406,000	408,500	409,187	18,170
Total General Fund Expenditures	\$ 5,780,352	5,780,352	4,864,939	4,235,244

**Assessed Valuations, Tax Rates, Tax Extensions  
and Tax Collections**

	Tax Year				
	2014	2015	2016	2017	2018
Assessed Valuations	<u>\$ 121,093,144</u>	<u>121,573,744</u>	<u>127,437,230</u>	<u>135,706,732</u>	<u>142,271,253</u>
Tax Rates:					
Corporate	0.1449	0.1453	0.1413	0.1474	0.1779
Bond and Interest	0.1263	0.1233	0.1120	0.1126	0.1013
Police Pension	0.3248	0.3284	0.3320	0.3132	0.2945
Municipal Retirement	0.0325	0.0329	0.0314	0.0295	0.0309
Social Security	0.0812	0.0821	0.0785	0.0737	0.0754
ESDA/Civil Defense	0.0012	0.0012	0.0016	0.0023	0.0023
Police Protection	0.1624	0.1642	0.1570	0.1474	0.1028
Workers' Compensation Insurance	0.0610	0.0658	0.0628	0.0590	0.0617
Liability Insurance	0.0325	0.0411	0.0393	0.0553	0.0617
Municipal Audit	0.0268	0.0230	0.0173	0.0133	0.0132
Totals	<u>0.9936</u>	<u>1.0073</u>	<u>0.9732</u>	<u>0.9537</u>	<u>0.9217</u>
Tax Extensions:					
Corporate	\$ 175,464	185,166	180,069	200,032	253,101
Bond and Interest	152,941	157,130	142,730	152,806	144,121
Police Pension	393,311	418,504	423,092	425,033	418,989
Municipal Retirement	39,355	41,927	40,015	40,033	43,962
Social Security	98,328	104,626	100,038	100,016	107,273
ESDA/Civil Defense	1,453	1,529	2,039	3,121	3,272
Police Protection	196,655	209,252	200,076	200,032	146,255
Workers' Compensation Insurance	73,867	83,854	80,031	80,067	87,781
Liability Insurance	39,355	52,377	50,083	75,046	87,781
Municipal Audit	32,453	29,311	22,047	18,049	18,780
Totals	<u>1,203,181</u>	<u>1,283,676</u>	<u>1,240,220</u>	<u>1,294,235</u>	<u>1,311,315</u>
Township Road and Bridge	84,240	84,930	87,570	90,126	
Totals	<u>\$ 1,287,421</u>	<u>1,368,606</u>	<u>1,327,790</u>	<u>1,384,361</u>	
Tax Collections	<u>\$ 1,237,880</u>	<u>1,260,444</u>	<u>1,261,938</u>	<u>1,322,550</u>	



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CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditors' Report on Internal Control over Financial Reporting and  
On Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance With Government Auditing Standards**

To the Honorable Mayor and  
Board of Commissioners  
City of Wilmington, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wilmington, Illinois, as of and for the year ended April 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Wilmington, Illinois' basic financial statements, and have issued our report thereon dated October 15, 2019.

**Internal Control over Financial Reporting**

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

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

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

## Compliance and Other Matters

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

We noted certain matters that we reported to management of the City of Wilmington, Illinois, in a separate letter dated October 15, 2019.

### 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.

*Mack & Associates, P.C.*

Mack & Associates, P.C.  
Certified Public Accountants

Morris, Illinois  
October 15, 2019