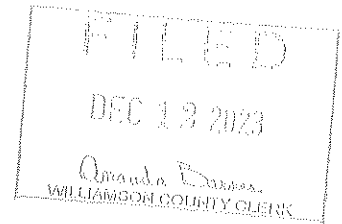


SHELLY HUGGINS, CITY CLERK
CITY OF HERRIN
300 NORTH PARK AVENUE
HERRIN, ILLINOIS 62948
(618)942-3175 · Fax (618)988-9115
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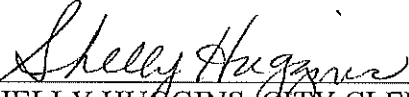
STATE OF ILLINOIS
WILLIAMSON COUNTY
CITY OF HERRIN



I, SHELLY HUGGINS, DO HEREBY CERTIFY that I am the duly qualified City Clerk of the City of Herrin, Illinois, Williamson County, and as such clerk, I am the keeper of the records and files of the City Council of said City.

I do hereby certify that the following is a true and correct copy of the City of Herrin's Annual Audit for Fiscal Year May 1, 2022 to April 30, 2023 that was passed by the City of Herrin Council at the regular meeting of said Council on December 11, 2023.

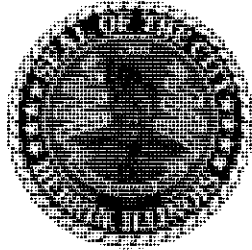
IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of the City of Herrin, Illinois at my office this 11th day of December, 2023.



SHELLY HUGGINS, CITY CLERK
HERRIN, ILLINOIS

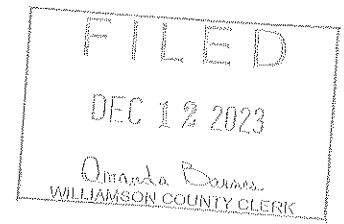
SEAL

Annual
Financial Statements
and
Independent Auditors' Report



City of Herrin, Illinois

Fiscal Year Ended April 30, 2023



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Independent Auditors' Report

To the Honorable Mayor and City Council
City of Herrin, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Herrin, Illinois (the City) as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Herrin, Illinois, as of April 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 89 through 98 and the retirement plans schedules of changes in net pension liability and related ratios, and schedules of contributions on pages 83 through 88 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Herrin, Illinois basic financial statements. The combining and individual nonmajor fund financial statements are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The Consolidated year-end financial report (CYEFR) is presented for the purposes of additional analysis as required by the Illinois Grant Accountability and Transparency Act (GATA) and is not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and year-end financial report (CYFER) 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 nonmajor fund financial statements and consolidated year-end financial report (CYEFR) are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Kerber, Eck + Braeckel, LLP

Marion, Illinois
November 20, 2023



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 City Council
City of Herrin, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Herrin, Illinois, as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Herrin, Illinois' basic financial statements and have issued our report thereon dated November 20, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Herrin, 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 Herrin, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Herrin, 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control described in the accompanying schedule of findings and questioned costs as items 2023-01 through 2023-02 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

City of Herrin, Illinois' Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on City of Herrin, Illinois' response to the findings identified in our audit as described in the schedule of findings and responses. City of Herrin, Illinois' response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

Kerber, Eck + Braeckel, LLP

Marion, Illinois
November 20, 2023

City of Herrin, Illinois
SCHEDULE OF FINDINGS AND RESPONSES
For the fiscal year ended April 30, 2023

MATERIAL WEAKNESSES

Finding Number 2023-01 - repeat

Criteria

Audit Journal Entries and Year-end Close

Condition and Context

Errors noted in the year end balances indicate issues with the year-end close process.

Cause

The City contracts with a firm to assist with the year-end close process. During the fiscal year a few infrequent occurrences were not recorded properly by management and were not corrected by the contracted firm. Some of those infrequent occurrences included adoption of a new accounting standard for recording leases, deferral of a large amount of grant funds not yet expended for their purpose, and the sale of a lake property with the funds used to purchase certificates of deposit.

Effect

As a result, there was a total of 10 audit journal entries and two prior period adjustments related to the new accounting standard.

Recommendation

We recommend management formally document year-end financial closing procedures. This would include developing a list that identifies specific asset and liability accounts which needs to be reviewed and reconciled to supporting documentation. Maintaining appropriate workpapers that documents and references the conversion process provides a clear trail of the work performed. This would allow a member of management to review the work in an efficient manner. In addition, changes in key personnel due to turnover or extended periods of absence would not significantly impact the conversion process.

Management Response

The City acknowledges that additional audit and client journal entries were necessary during the FY 2023 audit process. Management recognizes that the land sale and subsequent purchase of certificates of deposit was not properly recorded. They also had not made changes to the accounting for leases to comply with the new accounting standard.

City of Herrin, Illinois
SCHEDULE OF FINDINGS AND RESPONSES
For the fiscal year ended April 30, 2023

MATERIAL WEAKNESSES

Finding Number 2023-01 - repeat

Management Response

There were also adjustments to record transactions related to capital asset purchases, construction and the associated depreciation as well as adjustments to accounts receivable and accounts payable. Management will continue to work with their contracted CPA firm to further reduce errors in their year-end closing process.

Official Responsible for Ensuring the Corrective Action Plan is implemented

Carl Goodwin, Treasurer

Planned Completion Date for the Corrective Action Plan

Recommendations are considered at the issuance of the report and it is planned the correction be implemented for the next fiscal year end April 30, 2024.

Finding Number 2023-02-repeat

Criteria

Segregation of Duties

Condition and Context

During the audit, we noted segregation of duties in some of the key financial processes:

- An individual in the Treasurer's office is responsible for preparing the bank reconciliations and is also involved in preparing accounts payable, recording invoices, and printing checks.
- An individual in the Treasurer's office responsible for recording vendor invoices and printing checks, also maintains the vendor master file.
- An individual in the Treasurer's office responsible for maintaining the employee master file is also involved in processing payroll and printing payroll checks.

Due to limited staff at the City, separating the incompatible duties may not be possible or cost effective.

City of Herrin, Illinois
SCHEDULE OF FINDINGS AND RESPONSES
For the fiscal year ended April 30, 2023

MATERIAL WEAKNESSES

Finding Number 2023-02 - repeat

Cause

Limited staffing available to better segregate duties.

Effect

Segregation of duties is a key control in the accounting system. Allowing one individual to perform too many steps in an accounting process could enable an individual to commit and conceal a fraudulent act.

Recommendation

While separating the incompatible duties may not always be possible, we recommend that the City take any steps to better separate the above segregation of duties issues. In addition, we recommend the City periodically review their internal controls over processing procedures and staffing assignments for any potential incompatible duties or other internal control weakness.

Management Response

The City of Herrin continues to strive to improve its internal controls. It will take any steps possible to better separate incompatible duties. The City does contract with a third party certified public accountant who provides additional oversight and review of the financial statements and therefore mitigates some of the risk related to the incompatible duties outlined above. In addition, the treasurer reviews all bank reconciliations.

Official Responsible for Ensuring the Corrective Action Plan is implemented

Carl Goodwin, Treasurer

Planned Completion Date for the Corrective Action Plan

Recommendations are considered at the issuance of the report, however due to the limited staffing, these recommendations may not be able to be implemented.

City of Herrin, Illinois
STATEMENT OF NET POSITION
April 30, 2023

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	Total
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 4,283,876	\$ 2,076,749	\$ 6,360,625	\$ 355,945
Investments	1,205,260	-	1,205,260	483,258
Receivables				
Property taxes	1,264,003	-	1,264,003	237,700
Other governments and agencies	1,292,981	-	1,292,981	-
Consumers	137,192	527,049	664,241	-
Lease receivable	655,340	102,087	757,427	-
Internal balance	488,938	(488,938)	-	-
Restricted assets				
Cash and cash equivalents	6,962,002	408,527	7,370,529	-
Receivables: other governments and agencies	43,884	-	43,884	-
Total current assets	16,333,476	2,625,474	18,958,950	1,076,903
NONCURRENT ASSETS				
Capital assets not being depreciated	84,907	40,000	124,907	-
Capital assets being depreciated, net	7,124,901	17,873,547	24,998,448	735,825
Total noncurrent assets	7,209,808	17,913,547	25,123,355	735,825
Total assets	23,543,284	20,539,021	44,082,305	1,812,728
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - IMRF regular	958,538	535,259	1,493,797	65,777
Deferred outflows - IMRF SLEP	52,621	-	52,621	-
Deferred outflows - Firefighter's Pension	2,023,199	-	2,023,199	-
Deferred outflows - Police Pension	2,444,903	-	2,444,903	-
Total deferred outflows of resources	5,479,261	535,259	6,014,520	65,777
Total assets & deferred outflows of resources	\$ 29,022,545	\$ 21,074,280	\$ 50,096,825	\$ 1,878,505

See accompanying notes to financial statements.

City of Herrin, Illinois
STATEMENT OF NET POSITION - CONTINUED
April 30, 2023

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	Total
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	\$ 557,088	\$ 111,136	\$ 668,224	\$ 13,082
Accrued expenses	78,450	15,094	93,544	3,705
General obligation bonds, current portion	1,629,501	-	1,629,501	-
Notes payable, current portion	15,528	-	15,528	-
Leases, current portion	27,299	44,347	71,646	-
Accrued interest	406,632	-	406,632	-
Deferred revenue	1,691,516	-	1,691,516	-
Consumer deposits	-	399,904	399,904	-
Total current liabilities	4,406,014	570,481	4,976,495	16,787
NONCURRENT LIABILITIES				
General obligation bonds	27,524,347	-	27,524,347	-
Notes payable	190,318	-	190,318	-
Leases	169,850	39,293	209,143	-
Compensated absences	841,954	228,262	1,070,216	-
Net pension liability - IMRF	1,384,713	773,239	2,157,952	95,021
Net pension liability - IMRF SLEP	70,159	-	70,159	-
Net pension liability - Firefighter's Pension	1,199,069	-	1,199,069	-
Net pension liability - Police Pension	1,381,851	-	1,381,851	-
Total noncurrent liabilities	32,762,261	1,040,794	33,803,055	95,021
Total liabilities	37,168,275	1,611,275	38,779,550	111,808
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - Leases	560,901	82,705	643,606	-
Deferred inflows - IMRF regular	252,872	141,206	394,078	17,353
Deferred inflows - IMRF SLEP	-	-	-	-
Deferred inflows - Firefighter's Pension	975,565	-	975,565	-
Deferred inflows - Police Pension	495,055	-	495,055	-
Total deferred inflows of resources	2,284,393	223,911	2,508,304	17,353
Total liabilities and deferred inflows of resources	\$ 39,452,668	\$ 1,835,186	\$ 41,287,854	\$ 129,161
NET POSITION				
Net investment in capital assets	\$ 1,821,736	\$ 17,789,907	\$ 19,611,643	\$ 735,825
Restricted for				
Debt service	847,388	-	847,388	-
Maintenance of roadways	1,140,178	-	1,140,178	-
Economic development	2,870,861	-	2,870,861	-
Other governmental purpose	9,715	-	9,715	-
Unrestricted (deficit)	(17,120,001)	1,449,187	(15,670,814)	1,013,519
Total net position	\$ (10,430,123)	\$ 19,239,094	\$ 8,808,971	\$ 1,749,344

See accompanying notes to financial statements.

City of Herrin, Illinois
STATEMENT OF ACTIVITIES
For the fiscal year ended April 30, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position			Component Units
		Service Charges, Permits, and Fees	Operating Grants and Contributions	Primary Government		Total	
				Governmental Activities	Business-Type Activities		
Primary government							
Governmental activities							
General government	\$ (2,430,844)	\$ 402,661	\$ -	\$ (2,028,183)	\$ -	\$ (2,028,183)	\$ -
Public safety	(4,463,586)	320,043	168,000	(3,975,543)	-	(3,975,543)	-
Transportation and public works	(2,544,780)	1,283,324	2,500	(1,258,956)	-	(1,258,956)	-
Community development	(2,330,615)	-	435,791	(1,894,824)	-	(1,894,824)	-
Interest on long-term debt	(1,077,724)	-	-	(1,077,724)	(3,451)	(1,081,175)	-
Total governmental activities	(12,847,549)	2,006,028	606,291	(10,235,230)	(3,451)	(10,238,681)	-
Business-type activities							
Water	(2,911,284)	2,815,234	-	-	(96,050)	(96,050)	-
Solid waste	(1,391,901)	1,576,600	-	-	184,699	184,699	-
Total business-type activities	(4,303,185)	4,391,834	-	-	88,649	88,649	-
Total primary government	\$ (17,150,734)	\$ 6,397,862	\$ 606,291	(10,235,230)	85,198	(10,150,032)	-
Component unit							
Public Library	\$ (375,053)	\$ 8,068	\$ 14,503	-	-	-	(352,492)
Civic Center	(220,134)	120,477	3,024	-	-	-	(96,633)
Total component unit	\$ (595,197)	\$ 128,545	\$ 17,527	-	-	-	(449,125)
General Revenues							
Taxes							
Property tax				5,301,820	-	5,301,820	236,807
Sales tax				2,118,801	-	2,118,801	-
Gaming tax				329,059	-	329,059	-
Home rule tax				1,941,711	-	1,941,711	142,327
Gas tax				214,965	-	214,965	-
Income tax				1,925,018	-	1,925,018	-
Replacement tax				231,190	-	231,190	600
Telecommunications tax				101,641	-	101,641	-
Use tax				506,502	-	506,502	-
Auto rental tax				29	-	29	-
Cannabis tax				19,032	-	19,032	-
Foreign fire tax				41,967	-	41,967	-
Motor fuel tax				696,605	-	696,605	-
Investment earnings				88,310	44,168	132,478	5,906
Miscellaneous income				1,293,569	-	1,293,569	70,562
Interfund transfers				723,600	(723,600)	-	-
Total general revenues, Intergovernmental revenue and transfers				15,533,819	(679,432)	14,854,387	456,202
Change in net position				5,298,589	(594,234)	4,704,355	7,077
Net position, beginning of year - as originally stated				(15,821,499)	19,815,401	3,993,902	1,742,267
Prior period adjustment				92,787	17,927	110,714	-
Net position, beginning of year - as restated				(15,728,712)	19,833,328	4,104,616	1,742,267
Net position, end of year				\$ (10,430,123)	\$ 19,239,094	\$ 8,808,971	\$ 1,749,344

See accompanying notes to financial statements.

City of Herrin, Illinois
BALANCE SHEET
GOVERNMENTAL FUNDS
April 30, 2023

	General	Tax Increment Fund #1	Grant Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 4,283,876	\$ -	\$ -	\$ -	\$ 4,283,876
Receivables					
Property taxes	1,264,003	-	-	-	1,264,003
Fees receivable from consumers	137,192	-	-	-	137,192
Other governments and agencies	1,292,981	-	-	-	1,292,981
Due from other funds	90,786	-	-	-	90,786
Investments	1,205,260	-	-	-	1,205,260
Lease receivable	655,340	-	-	-	655,340
Restricted assets					
Cash and cash equivalents	-	1,428,923	1,702,086	3,830,993	6,962,002
Receivables					
Other governments and agencies	-	-	-	43,884	43,884
Due from other funds	-	427,152	-	-	427,152
Total assets	8,929,438	1,856,075	1,702,086	3,874,877	16,362,476
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-
Total assets & deferred outflows of resources	\$ 8,929,438	\$ 1,856,075	\$ 1,702,086	\$ 3,874,877	\$ 16,362,476
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts payable	\$ 119,340	\$ 255,475	\$ 8,665	\$ 173,608	\$ 557,088
Accrued expenses	78,450	-	-	-	78,450
Accrued interest	-	-	-	406,632	406,632
Deferred revenue	-	-	1,691,516	-	1,691,516
Due to other funds	-	-	-	29,000	29,000
Total liabilities	197,790	255,475	1,700,181	609,240	2,762,686
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - Property taxes	1,264,003	-	-	-	1,264,003
Deferred inflows - Leases	560,901	-	-	-	560,901
Total deferred inflows of resources	1,824,904	-	-	-	1,824,904
Fund balance					
Nonspendable	-	-	-	-	-
Restricted	-	1,600,600	1,905	3,265,637	4,868,142
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	6,906,744	-	-	-	6,906,744
Total fund balances	6,906,744	1,600,600	1,905	3,265,637	11,774,886
Total liabilities, deferred inflows of resources, and fund balances	\$ 8,929,438	\$ 1,856,075	\$ 1,702,086	\$ 3,874,877	\$ 16,362,476

See accompanying notes to financial statements.

City of Herrin, Illinois
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
April 30, 2023

Total fund balances for governmental funds \$ 11,774,886

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	84,907	
Buildings, net of \$3,673,194 accumulated depreciation	228,603	
Building improvements, net of \$166,044 accumulated depreciation	125,340	
Improvements other than buildings, net of \$156,172 accumulated depreciation	106,375	
Equipment, net of \$4,976,763 accumulated depreciation	1,154,409	
Infrastructure, net of \$2,698,604 accumulated depreciation	5,336,549	
Right-of-use asset, net of \$57,870 accumulated amortization	<u>173,625</u>	
Total capital assets		7,209,808

Other long-term assets which are not available to pay for current-period expenditures and, therefore, are deferred in the funds. 1,264,003

Deferred outflows and deferred inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental fund balance sheet. 3,755,769

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities consist of:

GOB bonds payable	(29,075,000)	
Finance leases	(197,149)	
Notes payable	(205,846)	
Bond premium	(350,077)	
Bond discount	271,229	
Compensated absences	(841,954)	
Net pension liability	<u>(4,035,792)</u>	
Total long-term liabilities		<u>(34,434,589)</u>

Total net position of governmental activities \$ (10,430,123)

See accompanying notes to financial statements.

City of Herrin, Illinois
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the fiscal year ended April 30, 2023

	General	Tax Increment Fund #1	Grant Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property tax	\$ 2,391,037	\$ 1,661,510	\$ -	\$ 612,365	\$ 4,664,912
Intergovernmental revenue	7,555,948	-	-	1,174,363	8,730,311
Licenses, & perrnits	298,373	-	-	-	298,373
Fines and fees	302,791	-	-	-	302,791
Charges for services	1,329,543	-	-	-	1,329,543
Interest Income	34,871	28,997	1,905	22,537	88,310
Miscellaneous income	1,329,575	-	41,815	-	1,371,390
Total revenues	13,242,138	1,690,507	43,720	1,809,265	16,785,630
EXPENDITURES					
General government and administrative	2,442,947	-	30	178	2,443,155
Public safety	4,857,946	-	-	32,943	4,890,889
Transportation and public works	1,787,430	-	41,785	367,096	2,196,311
Community development	-	1,605,578	-	725,037	2,330,615
Capital outlay	470,231	-	-	-	470,231
Debt Service					
Principal	65,315	-	-	1,340,000	1,405,315
Interest	15,153	-	-	1,062,571	1,077,724
Total expenditures	9,639,022	1,605,578	41,815	3,527,825	14,814,240
Excess (Deficiency) of revenues over expenditures	3,603,116	84,929	1,905	(1,718,560)	1,971,390
OTHER FINANCING SOURCES (USES)					
Issuance of bonds	-	-	-	-	-
Bonds issuance costs	-	-	-	-	-
Premium on bond issuance	-	-	-	-	-
Transfers in	738,626	-	-	2,483,364	3,221,990
Transfers out	(2,467,764)	-	-	(30,626)	(2,498,390)
Total other financing sources (uses)	(1,729,138)	-	-	2,452,738	723,600
NET CHANGE IN FUND BALANCES	1,873,978	84,929	1,905	734,178	2,694,990
FUND BALANCES, BEGINNING OF YEAR - AS ORIGINALLY STATED	4,964,979	1,515,671	(25,000)	2,531,459	8,987,109
PRIOR PERIOD ADJUSTMENT	67,787	-	25,000	-	92,787
FUND BALANCES, BEGINNING OF YEAR - AS RESTATED	5,032,766	1,515,671	-	2,531,459	9,079,896
FUND BALANCES, END OF YEAR	\$ 6,906,744	\$ 1,600,600	\$ 1,905	\$ 3,265,637	\$ 11,774,886

See accompanying notes to financial statements.

City of Herrin, Illinois
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the fiscal year ended April 30, 2023

Net change in fund balances - total governmental funds	\$ 2,694,990
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The change in net position reported for governmental activities in the statement of activities is different because:

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. This is the amount by which capital outlays (\$639,371) exceeded depreciation \$(512,141) in the current period.	127,230
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Change in compensated absences	(55,703)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Repayment on long-term debt	1,405,315	
Amortization of discount on bonds	(7,534)	
Amortization bond premium	54,569	
Acquisition of right-of-use assets through leases	(169,140)	
	1,283,210	

The net effect of the change in deferred revenues. Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.	636,908
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Governmental funds report pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.	611,954
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Change in net position of governmental activities	\$ 5,298,589
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See accompanying notes to financial statements.

City of Herrin, Illinois
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
April 30, 2023

	Business-type Activities - Enterprise Funds		
	Water Fund	Sewer Fund	Total
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 1,235,902	\$ 840,847	\$ 2,076,749
Accounts receivable			
Consumers	330,076	196,973	527,049
Lease receivable	102,087	-	102,087
Due from other funds	-	112,543	112,543
Restricted assets			
Cash	408,527	-	408,527
Total current assets	2,076,592	1,150,363	3,226,955
NONCURRENT ASSETS			
Capital assets not being depreciated	40,000	-	40,000
Capital assets being depreciated, net	7,353,253	10,520,294	17,873,547
Total noncurrent assets	7,393,253	10,520,294	17,913,547
Total assets	9,469,845	11,670,657	21,140,502
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - IMRF regular	384,089	151,170	535,259
Total deferred outflows of resources	384,089	151,170	535,259
Total assets and deferred outflows of resources	\$ 9,853,934	\$ 11,821,827	\$ 21,675,761
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	\$ 81,637	\$ 29,499	\$ 111,136
Accrued expenses	11,054	4,040	15,094
Current portion of leases	44,347	-	44,347
Due to other funds	203,329	398,152	601,481
Consumer deposits	399,904	-	399,904
Total current liabilities	740,271	431,691	1,171,962
NONCURRENT LIABILITIES			
Leases, noncurrent portion	39,293	-	39,293
Compensated absences	102,432	125,830	228,262
Net pension liability	554,858	218,381	773,239
Total noncurrent liabilities	696,583	344,211	1,040,794
Total liabilities	1,436,854	775,902	2,212,756
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - Leases	82,705	-	82,705
Deferred inflows - IMRF regular	101,326	39,880	141,206
Total deferred inflows of resources	184,031	39,880	223,911
Total liabilities and deferred inflows or resources	\$ 1,620,885	\$ 815,782	\$ 2,436,667
NET POSITION			
Net investment in capital assets	\$ 7,269,613	\$ 10,520,294	\$ 17,789,907
Unrestricted	963,436	485,751	1,449,187
Total net position	\$ 8,233,049	\$ 11,006,045	\$ 19,239,094

See accompanying notes to financial statements.

City of Herrin, Illinois
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended April 30, 2023

	Business-type Activities - Enterprise Funds		
	Water	Sewer	Total
	Fund	Fund	
OPERATING REVENUES			
Charges for services	\$ 2,815,234	\$ 1,576,600	\$ 4,391,834
Total operating revenues	2,815,234	1,576,600	4,391,834
OPERATING EXPENSES			
Salaries	831,738	336,393	1,168,131
Employee benefits	223,561	145,809	369,370
Purchase of water	1,000,166	-	1,000,166
Audit	14,600	-	14,600
Utilities	18,461	102,476	120,937
Postage	39,636	-	39,636
Insurance	64,514	32,930	97,444
Health insurance claims	122,582	-	122,582
Office supplies	5,707	-	5,707
Legal and engineering	8,978	11,517	20,495
Permits	-	17,500	17,500
Supplies	137,588	53,423	191,011
Clothing allowance	11,948	4,972	16,920
Other	68,639	37,249	105,888
Repair and maintenance	1,997	245,787	247,784
Depreciation	361,169	403,845	765,014
Total operating expenses	2,911,284	1,391,901	4,303,185
Operating income (loss)	(96,050)	184,699	88,649
NONOPERATING REVENUES (EXPENSES)			
Interest income	30,781	13,387	44,168
Interest expense	(3,451)	-	(3,451)
Total nonoperating revenues (expenses)	27,330	13,387	40,717
TRANSFERS			
Transfer in	-	-	-
Transfer out	(253,200)	(470,400)	(723,600)
Total transfers in (out)	(253,200)	(470,400)	(723,600)
CHANGE IN NET POSITION	(321,920)	(272,314)	(594,234)
NET POSITION, BEGINNING OF YEAR - AS ORIGINALLY STATED	8,537,042	11,278,359	19,815,401
PRIOR PERIOD ADJUSTMENT	17,927	-	17,927
NET POSITION, BEGINNING OF YEAR - AS RESTATED	8,554,969	11,278,359	19,833,328
NET POSITION, END OF YEAR	\$ 8,233,049	\$ 11,006,045	\$ 19,239,094

See accompanying notes to financial statements.

City of Herrin, Illinois
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended April 31, 2023

	Business-type Activities - Enterprise Funds		
	Water Fund	Sewer Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 2,768,583	\$ 1,553,664	\$ 4,322,247
Receipts from leases and interest	5,746	-	5,746
Payments to suppliers	(1,486,643)	(584,938)	(2,071,581)
Payments to employees	(1,058,862)	(463,475)	(1,522,337)
Net cash provided by operating activities	228,824	505,251	734,075
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers to other funds	(253,200)	(470,400)	(723,600)
Net cash used in noncapital financing activities	(253,200)	(470,400)	(723,600)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	-	-	-
Principal payments on capital leases	(43,090)	-	(43,090)
Interest and agent fees paid	(3,451)	-	(3,451)
Net cash used in capital and related financing activities	(46,541)	-	(46,541)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Income	30,781	13,387	44,168
Net cash provided by investing activities	30,781	13,387	44,168
Net change in cash	(40,136)	48,238	8,102
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,684,565	792,609	2,477,174
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,644,429	\$ 840,847	\$ 2,485,276
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (96,050)	\$ 184,699	\$ 88,649
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation and amortization	361,169	403,845	765,014
Changes in assets and liabilities			
Accounts receivable	(46,651)	(22,936)	(69,587)
Accounts payable	(2,961)	12,416	9,455
Accrued salaries	10,565	13,342	23,907
Deposits payable	11,134	-	11,134
Due from other funds	-	-	-
Due to other funds	-	(91,500)	(91,500)
Deferred outflows of resources	(203,214)	(85,764)	(288,978)
Deferred inflows of resources	(715,744)	(262,252)	(977,996)
Lease receivable	5,746	-	5,746
Net pension asset	349,972	135,020	484,992
Net pension liability	554,858	218,381	773,239
NET CASH FROM OPERATING ACTIVITIES	\$ 228,824	\$ 505,251	\$ 734,075
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents	\$ 1,235,902	\$ 840,847	\$ 2,076,749
Restricted cash	408,527	-	408,527
TOTAL CASH AND INVESTMENTS	\$ 1,644,429	\$ 840,847	\$ 2,485,276

See accompanying notes to financial statements.

City of Herrin, Illinois
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
April 30, 2023

	Pension Trust Funds
ASSETS	
Cash	\$ 1,193,245
Receivables	
Property taxes	-
Employee contributions receivable	4,950
Accrued interest	-
Total receivables	<u>4,950</u>
Investments, at fair value	
Illinois Police Officers Pension Investments Funds, pooled	26,471,868
Illinois Firefighters Pension Investment Funds, pooled	<u>18,751,208</u>
Total investments	<u>45,223,076</u>
Total assets	<u><u>46,421,271</u></u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows	<u>-</u>
Total deferred outflows of resources	<u>-</u>
LIABILITIES	
Federal withholding	3,468
Due to City of Herrin	<u>164</u>
Total liabilities	<u>3,632</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows - property taxes	<u>-</u>
Total deferred inflows of resources	<u>-</u>
NET POSITION	
Held in trust for pension benefits	<u><u>\$ 46,417,639</u></u>

See accompanying notes to financial statement.

City of Herrin, Illinois
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
For the fiscal year ended April 30, 2023

	Pension Trust Funds
ADDITIONS	
Contributions	
Property taxes	\$ 776,024
Plan member	277,368
Municipal contributions	144,802
	<hr/>
Total contributions	1,198,194
	<hr/>
Investment income	
Net appreciation (depreciation) in fair value of investments	2,011,939
Gain (loss) on sale of investments	(1,319,015)
Capital gains	-
Dividends	192,045
Interest	115,697
	<hr/>
Net investment income (loss)	1,000,666
	<hr/>
Total additions	2,198,860
	<hr/>
DEDUCTIONS	
Benefits	2,091,904
Legal fees	13,463
Investment fees	36,677
Refund of contributions	3,049
Audit and actuarial fees	25,833
Other expenses	11,726
	<hr/>
Total deductions	2,182,652
	<hr/>
Change in net position held in trust for pension benefits	16,208
	<hr/>
NET POSITION, BEGINNING OF YEAR	46,401,431
	<hr/>
NET POSITION, END OF YEAR	\$ 46,417,639
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See accompanying notes to financial statements.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE A | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting Entity

The City of Herrin, Illinois (the City) was incorporated April 17, 1900. The City operates as a home rule municipality under a Mayor-Aldermanic form of government comprised of the Mayor and eight alderman, who are elected for four year terms. Other officers of the City include The City Clerk and Treasurer who are elected for four year terms. Department Heads and related staff are appointed by the Mayor with the consent of the City Council. The City's major operations include police and fire protection, development services, public works, water and sewer, library, civic center, and general administrative services. The accounting policies of the City conform to United States generally accepted accounting principles (GAAP) as applicable to governments.

As required by GAAP, these financial statements present the government and its component units, an entity for which the government is considered to be financially accountable. A blended component unit, although legally a separate entity, is, in substance, a part of the government's operations and so data from this unit is combined with data from the primary government. A discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government.

The Herrin City Library is included in the City's reporting entity as a discrete component unit. The Mayor and Council have control over the Library Board. The City Council sets the annual tax levy which is the major financing source of the Library.

The Herrin Civic Center is included in the City's reporting entity as a discrete component unit. The Mayor and Council have control over the Civic Center's Board.

Complete financial statements for the discrete component unit may be obtained at the entity's administrative office.

City of Herrin, Illinois
300 North Park Avenue
Herrin, Illinois 62948

As of April 30, 2023, the City did not have any blended component units.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE A | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally 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.

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City normally considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures, other than compensated absences and principal and interest on long-term debt which are recorded when due, are recorded when the related liability is incurred.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE A | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible to accrual criteria are met.

Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. See Note C for property tax accrual policy.

The City reports the following major governmental funds:

The General Fund is used to account for all financial transactions which are not required to be accounted for in another fund. This fund accounts for the general operating transactions of the City including police and fire protection, street and equipment repairs and maintenance, cemeteries, development services and administration.

The Tax Increment Fund #1 is used to account for the revenues and expenses associated with Tax Increment Financing District #1.

The Grant Projects Fund is used to account for grants or similar revenue and the expenses on the specific projects in accordance with the requirements of the associated grant agreements.

The City reports the following major proprietary funds:

The Water Fund is used to account for provision of water to the residents of the City. Activities include administration, operations and maintenance of the water systems, and billing and collection of charges.

The Sewer Fund is used to account for provision of sanitation services to the residents of the City. Activities include administration, operations and maintenance of the sewer systems, and billing and collection of charges.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE A | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Additionally, the government reports the following fund types:

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent on behalf of others. The following are the City's fiduciary fund types:

- a. Pension Trust Funds are used to account for pension plans established by state and local governments. The measurement focus is based on the flow of economic resources and the accrual basis of accounting.
 - i. The Firefighter's Pension Fund is used to account for the accumulation of resources for pension benefit payments to qualified firemen.
 - ii. The Police Pension Fund is used to account for the accumulation of resources for pension benefit payments to qualified policemen.

The City's fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and agency). Since by definition these assets are being held for benefit of a third party and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements. Separately issued financial statements of the pension funds may be obtained from the City.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes or other charges between the City's water and sewer function and various other functions of the government. Eliminations of those charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicant for goods, services, or privileges provided, 2) operating grants and contributions, 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE A | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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.

4. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund.

5. Cash and Cash Equivalents

Except where otherwise required, the City maintains all deposits in various bank accounts in the name of the City. These deposits are invested on a short-term basis with interest income being allocated to the funds based on their respective balance. The City considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

6. Investments

Investments held by governmental funds are stated at fair value based upon quoted market prices.

Investments held by the fiduciary funds are managed as a single consolidated portfolio and entities that transferred assets to the portfolio are considered Participant Members. Each Participant Member owns a percentage of the overall pool, and their allocated fund is based on the initial in-kind asset transfer and additional cash contributions and withdrawals submitted to the fund. Percentage ownerships for all Participant Member Funds are recalculated each time a contribution or withdrawal is received and invested (or redeemed) from the consolidated portfolio. Income and expense activity for each month is earned at the consolidated portfolio level and is then allocated to each member fund based on the weighted average of the percentage ownership during the month. Participant Member Funds do not own the underlying assets in the consolidated portfolios, but instead own a percentage of the overall Net Asset Value (NAV) of the consolidated fund.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE A | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

7. Accounts Receivable

Accounts receivable consists primarily of property taxes recorded in the government funds, and charges for services accounted for in the enterprise funds. Charges for water services are accounted for in the Water Fund, sewer services are accounted for in the Sewer Fund, and garbage services in the General Fund. All receivables are recorded net of any allowances for doubtful accounts.

Credit is extended to utility customers on a partially-secured basis with a cash deposit required at the inception of service. Property tax receivables are secured by a lien on the related real estate. Other receivables are generally unsecured.

8. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined by the City as assets with an initial, individual cost of \$10,000 or more and an estimated useful life greater than one year. Such assets are recorded at cost or estimated original cost. Donated capital assets are recorded at estimated fair market value at the date of donation.

Right-to-use leased assets are recorded at cost based on the present value of expected payments over the lease term of the respective lease plus any payments made to the lessor at or before the commencement of the lease term.

The costs of normal maintenance repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs are capitalized on capital assets of business-type activities as a component of construction in progress, based on actual interest cost of the project, less interest income earned on temporary investments of project funds. No interest expense or interest income was charged to construction in progress in Fiscal Year 2023.

Property, plant, and equipment and right-to-use lease assets of the City, as well as its component unit, are depreciated and amortized using the straight-line method over the estimated useful life of each asset.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE A | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

8. Capital Assets

The estimated useful lives are as follows:

Land improvements	5-25 years
Buildings	5-50 years
Building Improvements	5-50 years
Equipment	3-20 years
Infrastructure	10-50 years

9. Compensated Absences

Accumulated unpaid vacation and vested sick pay are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

10. Long-Term Liabilities

In the government-wide financial statements and the enterprise fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bond using the effective interest method. Bonds payable are reported net of applicable bond premiums or discounts.

In the fund financial statements long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the Debt Service Fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a liability of a governmental fund.

11. Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The governmental funds have no items that qualify for reporting in this category.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE A | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

11. Deferred Outflows/Inflows of Resources

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow (revenue) until that time. The City has two types of items that qualify for the reporting in this category. Accordingly, the items, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes and lease revenue, in this category. These amounts are deferred and recognized as an inflow of resources in the period that amounts become available.

12. Fund Equity and Net Position

The following classifications describe spending constraints placed on the purposes for which resources can be used in the fund financial statements:

Nonspendable fund balance - includes fund balance amounts that cannot be spent either because it is not in spendable form (such as inventory) or because of legal or contractual constraints.

Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Assigned fund balance - amounts a government intends to use for specific purposes; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned fund balance - amounts available for any purpose; positive amounts are reported only in the general fund.

The City Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance. Assigned fund balance is established by the City Council through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes). Assigned fund balance can also be established by the passage of a resolution, or by the city manager.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE A | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

12. Fund Equity and Net Position

The City uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents or contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City does not have a formal stabilization policy or minimum fund balance policy.

The City reports three types of net position in its government-wide statement of net position:

Net investment in capital assets - consists of capital asset balances less accumulated depreciation and reduced by outstanding balances of debt used to acquire, construct, or improve those assets.

Restricted net position - net position is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations such as creditors, grantors, or laws or regulations of other governments.

Unrestricted net position - consists of all other net position that does not meet the definitions of the above two components and are available for the City's general use.

13. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the general-purpose financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

14. New Accounting Pronouncements

Effective for the year ending April 30, 2023, the City adopted GASB Statement No. 87, *Leases*, which is intended to improve accounting and financial reporting for leases by governments to better meet the information needs of financial statement users. The Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Information regarding The City's leases is disclosed in Note G. Additionally, the requirements of this statement resulted in the restatement of beginning net position, as detailed in Note N.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE B | DEPOSITS AND INVESTMENTS

1. Deposits

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City. It is the City's policy for deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation (FDIC) insurance.

At year-end the carrying amount of the City's deposits totaled \$14,936,414 and the bank balances totaled \$15,302,091. Of the bank balances, \$1,058,473 were covered by federal depository insurance, \$14,043,619 were collateralized by U.S. Government securities held by the pledging institution's trust department in the City's name, and \$199,998 was uninsured/uncollateralized.

Reconciliation to Government-Wide Statement of Net Position:

Cash and cash equivalents	\$ 6,360,625
Restricted cash and cash equivalents	7,370,529
Investments in certificates of deposit	<u>1,205,260</u>
	<u>\$ 14,936,414</u>

Custodial Credit Risk

Fiduciary Funds:

At year-end the carrying amount of the Fiduciary Fund's deposits totaled \$1,193,245 and the bank balances totaled \$1,187,793. Of the bank balances, \$455,749 were covered by federal depository insurance and \$732,044 were uninsured/uncollateralized.

Component Unit:

At year-end the carrying amount of the City's Component Unit deposits totaled \$839,203 and the bank balances totaled \$860,098. Of the bank balances, \$860,098 were covered by federal depository insurance and \$-0- were uninsured/uncollateralized.

Reconciliation to Government-Wide Statement of Net Position:

Cash and cash equivalents	\$ 355,945
Investments in certificates of deposit	<u>483,258</u>
	<u>\$ 839,203</u>

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE B | DEPOSITS AND INVESTMENTS

2. Investments

Police Pension Fund

The Illinois Police Officers' Pension Investment Fund (IPOPf) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police officer pension funds. IPOPf was created by Public Act 101-0610, and codified within the Illinois Pension Code to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IPOPf by Illinois suburban and downstate police officer pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IPOPf. A schedule of investment expenses is included in IPOPf's annual report. For additional information on IPOPf's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IPOPf at 456 Fulton Street, Suite 402, Peoria, Illinois 61602 or at www.ipopif.org.

IPOPf is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in the Illinois Police Officers' Pension Investment Fund are valued at Illinois Fund's share price, the price for which the investments could be sold. IPOPf acts as the investment custodian under the Treasury and Security Division.

The Police Officers' Pension Fund's investment policy, in accordance with Illinois Statutes, establishes a target allocation across asset classes. The target allocation table is available at www.ipopif.org.

Investment Policy: IPOPf's current investment policy was adopted by the Board of Trustees on December 17, 2021, revised April 14, 2023. IPOPf is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPf shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

Investments: At year end, the Fund's allocated value of investments with the Illinois Police Officers' Pension Investment Fund were \$26,471,868 measured at the Net Asset Value (NAV) per share as determined by the pool. The pooled investments consist of the investments as noted in the target allocation table available at www.ipopif.org.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE B | DEPOSITS AND INVESTMENTS

2. Investments

Firefighters' Pension Fund

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at www.ifpif.org.

IFPIF is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in the Illinois Firefighters' Pension Investment Fund are valued at Illinois Fund's share price, the price for which the investments could be sold. IFPIF acts as the investment custodian under the Treasury and Security Division.

The Firefighters' Pension Fund's investment policy, in accordance with Illinois Statutes, establishes a target allocation across asset classes. The target allocation table is available at www.ifpif.org.

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

Investments: At year end, the Fund's allocated value of investments with the Illinois Firefighters' Pension Investment Fund were \$18,751,208 measured at the Net Asset Value (NAV) per share as determined by the pool. The pooled investments consist of the investments as noted in the target allocation table available at www.ifpif.org.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE B | DEPOSITS AND INVESTMENTS

3. Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There are three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

Level 3 Unobservable inputs supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying financial statements, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy.

Certificates of Deposit– Certificates of deposit are recorded at cost plus earnings which approximates fair value.

Fair Value Measurements

The following tables present the fair value measurements of assets and liabilities recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at April 30, 2023:

Input levels by investment category of the component unit’s financial instruments at April 30, 2023 are as follows:

<u>Investment Category</u>	<u>Fair Value</u>	<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>	<u>Level 3 Inputs</u>
Certificates of Deposit	\$ 483,258	\$ -	\$ 483,258	\$ -

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE B | DEPOSITS AND INVESTMENTS

3. Fair Value

Input levels by investment category of the governmental activities financial instruments at April 30, 2023 are as follows:

<u>Investment Category</u>	<u>Fair Value</u>	<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>	<u>Level 3 Inputs</u>
Certificates of Deposit	\$ 1,205,260	\$ -	\$ 1,205,260	\$ -

NOTE C | PROPERTY TAXES

A tax levy ordinance is prepared and adopted by the City Council and filed with the County Clerk on or before the last Tuesday in December. The taxes upon real property, together with all penalties, interest and costs that may accrue thereon, become a prior and first lien on such real property, superior to all other liens and encumbrances, from and including the first day of January in the year in which the taxes are levied until the taxes, penalties, interest and costs are repaid. Property taxes are payable in two installments generally in August and October. The City receives significant distributions of tax receipts approximately one month after these due dates.

Property taxes are recognized as revenue when they become available to finance expenditures. This occurs when the taxes have been collected. Accordingly, assessed but uncollected taxes are reported in the City's financial statements as receivables fully offset by deferred revenue accounts.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE D | RESTRICTED ASSETS

Certain resources are classified as restricted assets on the Statement of Net Position and governmental funds balance sheet because their use is limited to a specific purpose. A summary of restricted assets at April 30, 2023 is as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Restricted Assets</u>			
Debt Service			
Cash	1,254,020	-	1,254,020
Due from other funds	-	-	-
Motor Fuel Tax			
Cash	1,132,213	-	1,132,213
Due from other governments and agencies	43,884	-	43,884
Tax Increment			
Cash	2,745,965	-	2,745,965
Due from other funds	427,152	-	427,152
Foreign Fire Insurance Board			
Cash	30,580	-	30,580
Grant Projects			
Cash	1,702,086	-	1,702,086
Housing			
Cash	97,138	-	97,138
Water			
Consumer Deposits	-	408,527	408,527
	<u>\$ 7,433,038</u>	<u>\$ 408,527</u>	<u>\$ 7,841,565</u>

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE E | CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2023 for the primary government is as follows:

	Balance April 30, <u>2022</u>	<u>Additions</u>	Deductions and <u>Transfers</u>	Balance April 30, <u>2023</u>
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 84,907	\$ -	\$ -	\$ 84,907
Construction in Progress	-	-	-	-
Total capital assets, not being depreciated	84,907	-	-	84,907
Capital assets, being depreciated:				
Land Improvements	262,547	-	-	262,547
Buildings	3,901,797	-	-	3,901,797
Building Improvements	291,384	-	-	291,384
Equipment	5,780,887	470,231	(119,946)	6,131,172
Infrastructure	8,157,185	-	(122,032)	8,035,153
Right-to-use lease assets				
Vehicles	62,355	41,675	-	104,030
Equipment	-	127,465	-	127,465
Total capital assets, being depreciated	18,456,155	639,371	(241,978)	18,853,548
Less accumulated depreciation for:				
Land improvements	(144,379)	(11,793)	-	(156,172)
Buildings	(3,651,230)	(21,964)	-	(3,673,194)
Building improvements	(158,242)	(7,802)	-	(166,044)
Equipment	(4,852,619)	(244,090)	119,946	(4,976,763)
Infrastructure	(2,619,934)	(200,702)	122,032	(2,698,604)
Right-to-use lease assets				
Vehicles	(32,080)	(19,417)	-	(51,497)
Equipment	-	(6,373)	-	(6,373)
Total accumulated depreciation	(11,458,484)	(512,141)	241,978	(11,728,647)
Total capital assets, being depreciated, net	6,997,671	127,230	-	7,124,901
Governmental activities capital assets, net	\$ 7,082,578	\$ 127,230	\$ -	\$ 7,209,808

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE E | CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2023 for the business-type activities is as follows:

	Balance April 30, <u>2022</u>	<u>Additions</u>	Deductions and <u>Transfers</u>	Balance April 30, <u>2023</u>
Business-type activities				
Capital assets, not being depreciated				
Land	\$ 40,000	\$ -	\$ -	\$ 40,000
Construction in Progress	-	-	-	-
Total capital assets, not being depreciated	40,000	-	-	40,000
Capital assets, being depreciated:				
Buildings	10,884,423	-	-	10,884,423
Building Improvements	36,386	-	-	36,386
Equipment	1,299,935	-	-	1,299,935
Infrastructure	22,031,326	-	-	22,031,326
Right-to-use lease assets				
Vehicles	68,497	-	-	68,497
Equipment	156,745	-	-	156,745
Total capital assets, being depreciated	34,477,312	-	-	34,477,312
Less accumulated depreciation for:				
Buildings	(7,635,755)	(137,494)	-	(7,773,249)
Building Improvements	(19,261)	(1,662)	-	(20,923)
Equipment	(1,126,370)	(32,944)	-	(1,159,314)
Infrastructure	(6,982,733)	(558,758)	-	(7,541,491)
Right-to-use lease assets				
Vehicles	(27,449)	(11,764)	-	(39,213)
Equipment	(47,183)	(22,392)	-	(69,575)
Total accumulated depreciation	(15,838,751)	(765,014)	-	(16,603,765)
Total capital assets, being depreciated, net	18,638,561	(765,014)	-	17,873,547
Business-type activities capital assets, net	\$ 18,678,561	\$ (765,014)	\$ -	\$ 17,913,547

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE E | CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2023 for the component units' is as follows:

	Balance April 30, <u>2022</u>	<u>Additions</u>	Deductions and <u>Transfers</u>	Balance April 30, <u>2023</u>
Capital assets, not being depreciated:				
Land	\$ 49,833	\$ -	\$ -	\$ 49,833
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	49,833	-	-	49,833
Capital assets, being depreciated:				
Land Improvements	13,095	-	-	13,095
Buildings	1,253,444	-	-	1,253,444
Building Improvements	256,122	23,520	-	279,642
Equipment	694,050	828	-	694,878
Total capital assets, being depreciated	2,216,711	24,348	-	2,241,059
Less accumulated depreciation for:				
Land improvements	(13,095)	-	-	(13,095)
Buildings	(638,198)	(31,336)	-	(669,534)
Building improvements	(170,975)	(13,918)	-	(184,893)
Equipment	(683,015)	(4,530)	-	(687,545)
Total accumulated depreciation	(1,505,283)	(49,784)	-	(1,555,067)
Total capital assets, being depreciated, net	711,428	(25,436)	-	685,992
Component units capital assets, net	\$ 761,261	\$ (25,436)	\$ -	\$ 735,825

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE E | CAPITAL ASSETS

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

Governmental activities:	
General Government	\$ 29,071
Public Safety	165,656
Public works	<u>317,414</u>
Total depreciation expense - governmental activities	<u>\$ 512,141</u>
Business-type activities:	
Waterworks	\$ 361,169
Sewerage	<u>403,845</u>
Total depreciation expense - business-type activities	<u>\$ 765,014</u>

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

Component unit activities:	
Public Library	\$ 32,696
Civic Center	<u>17,088</u>
Total depreciation expense – component unit activities	<u>\$ 49,784</u>

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE F | LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS

General Obligation Bonds - Governmental Activities

General obligation bonds payable at April 30, 2023 are comprised of the following:

Governmental Activities

\$25,195,000 general obligation bonds dated April 1, 2022 due annually from December 1, 2022 through December 1, 2040 installments of \$755,000 to \$1,820,000. Interest is payable each June 1 and December 1 beginning December 1, 2022 with interest at 1.48% to 4.20%.	\$ 24,440,000
\$1,920,000 general obligation bonds dated September 29, 2021 due annually from December 1, 2011 through December 1, 2027 installments of \$10,000 to \$365,000. Interest is payable each June 1 and December 1 beginning June 1, 2022 with interest at 3%.	1,585,000
\$210,000 general obligation bonds dated September 29, 2021 due annually from December 1, 2021 through December 1, 2028 installments of \$20,000 to \$135,000. Interest is payable each June 1 and December 1 beginning June 1, 2022 with interest at 1% to 3%.	165,000
\$2,020,000 general obligation bonds dated September 29, 2021 due annually from December 1, 2021 through December 1, 2032 installments of \$70,000 to \$255,000. Interest is payable each June 1 and December 1 beginning June 1, 2022 with interest at 3%.	1,835,000

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE F | LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS

Governmental Activities

\$1,155,000 general obligation bonds dated April 5, 2016 due annually from December 1, 2016 through December 1, 2035 installments of \$45,000 to \$85,000. Interest is payable each June 1 and December 1 beginning June 1, 2016 with interest at 1.35% to 4.5% 820,000

\$565,000 general obligation bonds dated May 22, 2017 due annually from December 1, 2018 through December 1, 2025 installments of \$55,000 to \$80,000. Interest is payable each June 1 and December 1 beginning December 1, 2018 with interest at 1.75% to 3% 230,000

29,075,000

Remaining unamortized discount on bond issuance (271,229)

Remaining unamortized premium on bond issuance 350,077

\$ 29,153,848

\$25,195,000 in general obligation bonds issued on April 1, 2022 were used to (i) fund a portion of the unfunded liabilities of the City's Police Plan and Fire Plan and (ii) pay costs associated with the issuance of the Bonds.

\$1,920,000 in general obligation refunding bonds, series 2021A issued on September 29, 2021 were used to refund \$2,006,255 of the City's general obligation bonds dated September 28, 2011 and October 11, 2017 and pay issuance costs associated with the issuance of the bonds.

\$210,000 in general obligation refunding bonds, series 2021B issued on September 29, 2021 were used to refund \$199,904 of the City's general obligation bonds dated December 4, 2009 and pay issuance costs associated with the issuance of the bonds.

\$2,020,000 in general obligation refunding bonds, series 2021C issued on September 29, 2021 were used to refund \$2,184,759 of the City's capital lease for the Johnson Control Project dated December 29, 2017 and pay issuance costs associated with the issuance of the bonds.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE F | LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS

Governmental Activities

\$1,155,000 in general obligation bonds issued on April 5, 2016 were used for the wastewater collection system improvements and the construction of the Beltz and Vet Lift Station and force main project costs.

\$565,000 in general obligation refunding bonds issued on May 22, 2017 were used to finance water system projects including waterline replacement projects.

The City of Herrin is a "Home Rule" unit as established by the 1970 Illinois Constitution. As a Home Rule Community, no statutory debt limit exists.

The annual requirements to amortize all bonds outstanding as of April 30, 2023 are as follows:

Year Ending April 30,	Principal	Interest
2024	1,590,000	1,015,417
2025	1,700,000	977,205
2026	1,750,000	932,777
2027	1,725,000	877,127
2028	1,595,000	815,775
2029-2033	7,745,000	3,322,283
2034-2038	7,725,000	1,890,984
2039-2041	5,245,000	394,405
	<u>\$ 29,075,000</u>	<u>\$ 10,225,973</u>

1. Governmental Activity Long-Term Debt Notes Payable

The City has financed certain capital expenditures through bank borrowings and other loan agreements at April 30, 2023 as follows:

All the governmental activity notes payable were used in the acquisition of equipment and vehicles for use by the City.

Term bank loans, due in monthly installments for an annual amount of \$24,051; term of the loans varies through May 2033; interest rates range from 3.24% to 4.33%.

\$ 205,846

\$ 205,846

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE F | LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS

1. Governmental Activity Long-Term Debt Notes Payable

The annual requirements to amortize all governmental activity long-term debt notes payable as of April 30, 2023 are as follows:

Year Ending April 30,	Principal	Interest
2024	15,528	8,523
2025	16,214	7,838
2026	16,930	7,121
2027	17,678	6,374
2028	18,459	5,593
2029-2033	105,268	14,989
2034-2038	15,769	200
	<u>\$ 205,846</u>	<u>\$ 50,638</u>

Long-term liability activity for the year ended April 30, 2023, was as follows:

<u>Governmental activities</u>	Balance April 30, 2022	Additions	Reductions	Balance April 30, 2023	Due Within One Year
General obligation bonds	\$ 30,415,000	\$ -	\$ (1,340,000)	\$ 29,075,000	\$ 1,590,000
Bond premium	404,646	-	(54,569)	350,077	54,569
Bond discount	(278,763)		7,534	(271,229)	(15,068)
Notes payable	242,087		(36,241)	205,846	15,528
Leases	57,083	169,140	(29,074)	197,149	27,299
Compensated absences	786,251	454,654	(398,951)	841,954	-
Net pension liability (asset)	(1,397,658)	5,433,449	-	4,035,791	-
Government activity Long-term liabilities	<u>\$ 30,228,646</u>	<u>\$ 6,057,243</u>	<u>\$ (1,851,301)</u>	<u>\$ 34,434,588</u>	<u>\$ 1,672,328</u>

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE F | LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS

2. Business-Type Activity

Long-term liability activity for the year ended April 30, 2023, was as follows:

<u>Business-type activities</u>	Balance April 30, 2022	Additions	Reductions	Balance April 30, 2023	Due Within One Year
Leases	\$ 126,730	\$ -	\$ (43,090)	\$ 83,640	\$ 44,347
Compensated absences	206,247	228,262	(206,247)	228,262	-
Net pension liability (asset)	(484,992)	1,258,231	-	773,239	-
<u>Business-type activity</u>					
Long-term liabilities	\$ (152,015)	\$ 1,486,493	\$ (249,337)	\$ 1,085,141	\$ 44,347

Compensated absences and the net pension liability for the business type activities are liquidated by the general fund.

NOTE G | LEASES

1. Lessee Arrangements – Governmental activities

The City has entered into various leases for vehicles and equipment with remaining lease terms ranging from three to 10 years. All leases are comprised of fixed lease payments.

The City has financed certain capital expenditures through lease financing arrangements at April 30, 2023 as follows:

Governmental activities

Leases, due in monthly and semiannual installments for an annual amount of \$25,874; term of the leases varies through October 2023; interest rates range from 3.35% to 4.75%.	<u>\$ 197,149</u>
	<u>\$ 197,149</u>

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE G | LEASES

1. Lessee Arrangements – Governmental activities

The annual requirements to amortize all governmental activity leases as of April 30, 2023 are as follows:

Year Ending <u>April 30,</u>	<u>Principal</u>	<u>Interest</u>
2024	27,299	6,578
2025	28,258	5,620
2026	29,251	4,626
2027	26,146	3,619
2028	19,469	2,776
2029-2033	<u>66,726</u>	<u>6,127</u>
	<u>\$ 197,149</u>	<u>\$ 29,346</u>

2. Lessee Arrangements – Business-type activities

The City has entered into various leases for vehicles and equipment with remaining lease terms ranging from less than 2 to 3 years. All leases are comprised of fixed lease payments.

The City has financed certain capital expenditures through lease financing arrangements at April 30, 2023 as follows:

Lease, due in monthly installments of approximately \$1,618 through November 15, 2024. The lease bears an interest rate of 3.75%.	\$ 28,280
Lease, due in monthly installments of approximately \$1,245 through January 13, 2025. The lease bears an interest rate of 3.45%.	24,050
Lease, due in monthly installments of approximately \$1,016 through January 7, 2026. The lease bears an interest rate of 2.76%.	<u>31,310</u>
	<u>\$ 83,640</u>

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE G | LEASES

2. Lessee Arrangements – Business-type activities

All the business-type activity leases were used in the acquisition of equipment for the use of the City.

The annual requirements to amortize all business-type activity capital leases as of April 30, 2023 are as follows:

Year Ending <u>April 30,</u>	<u>Principal</u>	<u>Interest</u>
2024	44,347	2,194
2025	31,294	726
2026	7,999	89
	<u>\$ 83,640</u>	<u>\$ 3,009</u>

3. Lessor Arrangements

The City leases buildings, towers and land through its governmental funds and water tower space through proprietary funds to third parties. These agreements have terms ranging from 5 to 32 years. Payments are generally fixed monthly amounts with certain annual increases included in the measurement of the lease receivable. At April 30, 2023, the City recognized \$83,708 in lease revenue, including interest.

NOTE H | RETIREMENT PLANS

The employees of the City of Herrin are covered by one of the following defined benefit pension plans: the Illinois Municipal Retirement Fund (IMRF), the Police Pension Plan, or the Firefighter's Pension Plan. The Police Pension and Firefighter's Pension Plans are single-employer plans and are accounted for as pension trust funds in the City's financial statements. The Illinois Municipal Retirement Fund is a multiple-employer agent PERS (Public Employee Retirement System). The Illinois Municipal Retirement Fund is not included in the balances shown in the financial statements, except for the contributions made during the year and charged to operating expenditures or expenses. City contributions to these pension plans are funded with property taxes, replacement taxes and general operating revenues.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

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 employer 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.

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).

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.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Regular Personnel (Non-SLEP)

Actuarial Assumptions

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	35.5%	6.50%
International Equities	18.0%	7.60%
Fixed Income	25.5%	4.90%
Real Estate	10.5%	6.20%
Alternative Investments	9.5%	6.25-9.90%
Cash Equivalents	<u>1.0%</u>	4.00%
Total	<u>100%</u>	

Single Discount Rate

A single Discount Rate of 7.25% was used to measure the total pension liability. 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 long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.05%, and the resulting single discount rate is 7.25%.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Regular Personnel (Non-SLEP)

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2021	\$ 17,106,795	\$ 18,540,480	\$ (1,433,685)
Changes for the year:			
Service Cost	287,602	-	287,602
Interest on the Total Pension Liability	1,215,281	-	1,215,281
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	102,295	-	102,295
Changes of Assumptions	-	-	-
Contributions - Employer	-	350,084	(350,084)
Contributions - Employees	-	147,096	(147,096)
Net Investment Income	-	(2,355,755)	2,355,755
Benefit Payments, including Refunds of Employee Contributions	(976,205)	(976,205)	-
Other (Net Transfer)	-	(222,905)	222,905
Net Changes	628,973	(3,057,685)	3,686,658
Balances at December 31, 2022	\$ 17,735,768	\$ 15,482,795	\$ 2,252,973
Primary government		\$ 2,157,951	
Component unit		95,022	
Net pension liability		<u>\$ 2,252,973</u>	
Plan fiduciary net position as a percentage of the total pension liability		87.30%	
Covered Valuation payroll		\$ 3,268,801	
Net pension liability as a percentage of covered valuation payroll		68.92%	

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Regular Personnel (Non-SLEP)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	Current Single Discount		
	1% Decrease 6.25%	Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 20,113,342	\$ 17,735,768	\$ 15,869,722
Plan Fiduciary Net Position	15,482,795	15,482,795	15,482,785
Net Pension Liability	\$ 4,630,547	\$ 2,252,973	\$ 386,937
Net Pension Liability - Primary Government	\$ 4,435,250	\$ 2,157,952	\$ 370,618
Net Pension Liability - Component Unit	195,297	95,021	16,319
Net Pension Liability	\$ 4,630,547	\$ 2,252,973	\$ 386,937

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Regular Personnel (Non-SLEP)

Pension Expense, Deferred Outflow of Resources, and Deferred Inflow of Resources Related to Pensions

For the year ended April 30, 2023, the City recognized pension expense of \$342,652. At April 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources			Deferred Inflows of Resources		
	Primary Government	Component Unit	Total	Primary Government	Component Unit	Total
Deferred Amounts to be Recognized in Pension Expense in Future Periods						
Differences between expected and actual experience	\$ 149,235	\$ 6,571	\$ 155,806	\$ (278,544)	\$ (12,265)	\$ (290,809)
Changes of assumptions	47,677	2,099	49,776	(115,534)	(5,088)	(120,622)
Net difference between projected and actual earning on pension plan investments	1,209,552	53,260	1,262,812	-	-	-
Total Deferred Amounts to be recognized in pension expense in future periods	1,406,464	61,930	1,468,394	(394,078)	(17,353)	(411,431)
Pension Contributions made subsequent to the Measurement Date	87,333	3,847	91,180	-	-	-
Total Deferred Amounts Related to Pensions	\$ 1,493,797	\$ 65,777	\$ 1,559,574	\$ (394,078)	\$ (17,353)	\$ (411,431)

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Regular Personnel (Non-SLEP)

Pension Expense, Deferred Outflow of Resources, and Deferred Inflow of Resources Related to Pensions

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31,	Net Deferred Inflows of Resources		
	Primary Government	Component Unit	Total
2023	\$ (134,368)	\$ (5,917)	\$ (140,285)
2024	122,264	5,384	127,648
2025	387,197	17,050	404,247
2026	717,442	31,591	749,033
2027	7,184	316	7,500
Thereafter	-	-	-
Total	\$ 1,099,719	\$ 48,424	\$ 1,148,143

Sheriff's Law Enforcement (SLEP)

Employees Covered by Benefit Terms

As of December 31, 2022, the following employees were covered by the benefit terms:

Retirees and Beneficiaries currently receiving benefits	<u>1</u>
Inactive Plan Members entitled to but not yet receiving benefits	0
Active Plan Members	0
Total	<u>1</u>

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Sheriff's Law Enforcement (SLEP)

Contributions

As set by statute, the City's SLEP Plan Members are required to contribute 7.25% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate for calendar year 2022 was 12.43%. For the fiscal year ended April 30, 2023, the City contributed \$10,387 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The City's net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2022:

- The **Actuarial Cost Method** used was Aggregate Entry Age Normal.
- The **Asset Valuation Method** used was 5 year smoothed market, 20% corridor.
- The **Inflation Rate** was assumed to be 2.5%
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- The **Investment Rate of Return** was 7.25%
- **Projected Retirement Age** was from the Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
- **Mortality**
 - For **Non-Disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.
 - For **Disabled Retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Sheriff's Law Enforcement (SLEP)

Actuarial Assumptions

- For **Active Members**, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	35.5%	6.50%
International Equities	18.0%	7.60%
Fixed Income	25.5%	4.90%
Real Estate	10.5%	6.20%
Alternative Investments	9.5%	6.25-9.90%
Cash Equivalents	<u>1.0%</u>	4.00%
Total	<u>100%</u>	

Single Discount Rate

A single Discount Rate of 7.25% was used to measure the total pension liability. 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 long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.05%, and the resulting single discount rate is 7.25%.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Sheriff's Law Enforcement (SLEP)

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2021	\$ 561,690	\$ 619,149	\$ (57,459)
Changes for the year:			
Service Cost	-	-	-
Interest on the Total Pension Liability	39,151	-	39,151
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	4,265	-	4,265
Changes of Assumptions	-	-	-
Contributions - Employer	-	11,850	(11,850)
Contributions - Employees	-	-	-
Net Investment Income	-	(97,624)	97,624
Benefit Payments, including Refunds of Employee Contributions	(43,347)	(43,347)	-
Other (Net Transfer)	-	1,572	(1,572)
Net Changes	69	(127,549)	127,618
Balances at December 31, 2022	<u>\$ 561,759</u>	<u>\$ 491,600</u>	<u>\$ 70,159</u>

Plan fiduciary net position as a percentage
of the total pension liability 87.51%

Covered Valuation payroll \$ -

Net pension liability as a percentage
of covered valuation payroll 0.00%

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Sheriff's Law Enforcement (SLEP)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 616,170	\$ 561,759	\$ 515,031
Plan Fiduciary Net Position	491,600	491,600	491,600
Net Pension Liability	\$ 124,570	\$ 70,159	\$ 23,431

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Sheriff's Law Enforcement (SLEP)

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

For the year ended April 30, 2023, the City recognized pension expense of \$7,460. At April 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts Related to Pensions		
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earning on pension plan investments	50,134	-
Total Deferred Amounts to be recognized in pension expense in future periods	50,134	-
Pension Contributions made subsequent to the Measurement Date	2,487	-
Total Deferred Amounts Related to Pensions	\$ 52,621	\$ -

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Sheriff's Law Enforcement (SLEP)

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

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year Ending December 31,</u>	<u>Net Deferred Outflows of Resources</u>
2023	\$ 117
2024	8,217
2025	16,003
2026	28,284
2027	-
Thereafter	-
Total	<u>\$ 52,621</u>

Firefighters' Pension Fund

Plan Description

The Plan is a single-employer defined benefit pension plan that covers all sworn fire personnel. The Plan provides retirement, disability, and death benefits to plan members and their beneficiaries. The defined benefits and the employee and employer contribution levels are governed by Illinois State Statutes, Chapter 40 5/4, Article 4, and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

Membership of the plan consisted of the following at April 30, 2023 the date of the latest actuarial valuation:

Active members	17
Retirees and beneficiaries	13
Inactive, non-retiring members	<u>1</u>
Total	<u>31</u>
Participating employers	<u>1</u>

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Firefighters' Pension Fund

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the State legislature. Plan members are required to contribute 9.455% of their base salary to the Firefighter's Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Administrative costs of the plan are financed through investment earnings.

Benefit Provisions

Tier I - Membership started prior to January 1, 2011

A firefighter age 50 or more with 20 years or more of creditable service who is no longer in service as a firefighter, shall receive 50% of the greater of the annual salary held in the year preceding retirement or the annual salary held on the last day of service. The annual pension shall be increased by 2½% of such annual salary for each additional year of service from 20 years of service to 30 years of service, up to a maximum of 75%.

A firefighter who is separated from service having between 10 and 20 years of creditable service, who is not entitled to receive a disability pension, and who did not apply for a refund of contributions at separation of service, shall receive an annual pension upon attainment of age 60 based on the monthly salary attached to rank in the fire services on the date of retirement or separation of service according to the following years of service: for 10 years, 15%; for 11 years, 17.6%; for 12 years, 20.4%, for 13 years, 23.4%; for 14 years, 26.6%; for 15 years, 30%; for 16 years, 33.6%; for 17 years, 37.4%; for 18 years, 41.4%; for 19 years, 45.6% of salary.

The annual pension of a firefighter retired from service with 20 or more years of creditable service shall increase annually, 3% of the original pension amount after the attainment of age 55 for each year elapsed since retirement, followed by an additional 3% of the amount of pension payable at the time of increase on each January 1 thereafter.

Tier II - Membership started after December 31, 2010

A firefighter age 55 or more with 10 years of creditable service who is no longer in service as a firefighter, shall receive 2½% of the final average salary for each year of service. The final average salary is defined as the average salary based on the highest consecutive 48 months of the final 60 months of service.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Firefighters' Pension Fund

Benefit Provisions

A firefighter who is separated from service having between 10 and 20 years of creditable service, who is not entitled to receive a disability pension, and who did not apply for a refund of contributions at separation of service, shall receive an annual pension upon attainment of age 60 based on the monthly salary attached to rank in the fire services on the date of retirement or separation of service according to the following years of service: for 10 years, 15%; for 11 years, 17.6%; for 12 years, 20.4%, for 13 years, 23.4%; for 14 years, 26.6%; for 15 years, 30%; for 16 years, 33.6%; for 17 years, 37.4%; for 18 years, 41.4%; for 19 years, 45.6% of salary.

Early retirement is offered for firefighters at age 50 or greater with 10 or more creditable years of service, but with a penalty of $\frac{1}{2}\%$ for each month that the firefighters' age is between 50 and 55.

The annual pension of a firefighter retired from service with 20 or more years of creditable service shall increase annually by the lessor of $\frac{1}{2}$ of the Consumer Price Index - all urban consumers (CPI-U) or 3% increase of the original pension amount after attainment of age 60, followed by an additional increase of the lessor of $\frac{1}{2}$ of the CPI-U or 3% of the original pension amount on each January 1 thereafter.

The Plan also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Members that terminate their participation may withdraw their contributions and forfeit future benefits.

Net Pension Liability

The City's net pension liability was measured as of April 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Firefighters' Pension Fund

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at April 30, 2023:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was 5 year smoothed fair value.
- The **Inflation Rate** was assumed to be 2.25%
- **Payroll Increases** were graded by years of service from 3.50% to 8.76%
- The **Investment Rate of Return** was 6.50%
- **Mortality:** Pub-2010 Adjusted for Plan Status, Demographic, and Illinois Public Pension Data, as Described

A complete detailed description of the actuarial assumptions and methods can be found in the May 1, 2023 actuarial valuation report.

Single Discount Rate

A single Discount Rate of 6.50% was used to measure the total pension liability. Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects:

1. A long-term expected rate of return on pension plan investments (to the extent that the plan's net fiduciary position is projected to be sufficient to pay benefits) and
2. A tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary position is insufficient to pay benefits).

For the purposes of this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 3.53%; and the resulting single discount rate is 6.50%.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Firefighters' Pension Fund

Single Discount Rate

Expected contributions are developed based on the following:

- Employee contributions for current participants
- Normal cost contributions for current participants
- Unfunded Accrued Liability (UAL) contributions for current and future participants

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Firefighters' Pension Fund

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2022	\$ 19,002,644	\$ 19,400,408	\$ (397,764)
Changes for the year:			
Service Cost	355,624	-	355,624
Interest on the Total Pension Liability	1,238,907	-	1,238,907
Changes of Benefit Terms	(19,398)	-	(19,398)
Differences Between Expected and Actual Experience of the Total Pension Liability	532,654	-	532,654
Changes of Assumptions	(2,031)	-	(2,031)
Contributions - Employer	-	393,047	(393,047)
Contributions - Employees	-	130,605	(130,605)
Net Investment Income	-	14,124	(14,124)
Benefit Payments, including Refunds of Employee Contributions	(947,424)	(947,424)	-
Other (Net Transfer)	-	(28,853)	28,853
Net Changes	<u>1,158,332</u>	<u>(438,501)</u>	<u>1,596,833</u>
Balances at April 30, 2023	<u>\$ 20,160,976</u>	<u>\$ 18,961,907</u>	<u>\$ 1,199,069</u>

Plan fiduciary net position as a percentage of the total
pension liability

94.05%

Covered Valuation payroll

\$ 1,399,867

Net pension liability as a percentage
of covered valuation payroll

85.66%

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Police Pension Fund

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the State legislature. Plan members are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Administrative costs of the plan are financed through investment earnings.

Benefit Provisions

Tier I - Membership started prior to January 1, 2011

A police officer age 50 or more with 20 years or more of creditable service who is no longer in service as a police officer, shall receive 50% of the greater of the annual salary held in the year preceding retirement or the annual salary held on the last day of service. The annual pension shall be increased by 2½% of such annual salary for each additional year of service from 20 years of service to 30 years of service, up to a maximum of 25%.

A police officer who is separated from service having between 8 and 20 years of creditable service, who is not entitled to receive a disability pension, and who did not apply for a refund of contributions at separation of service, shall receive an annual pension upon attainment of age 60 in the amount of 2½% of the annual salary held in the year preceding termination times the number of years of creditable service or 2½% of the annual salary held on the last day of service times the number of years of creditable service, whichever is greater.

The annual pension of a police officer retired from service with 20 or more years of creditable service shall increase annually, 3% of the original pension amount after the attainment of age 55 for each year elapsed since retirement, followed by an additional 3% of the amount of pension payable at the time of increase on each January 1 thereafter.

Tier II - Membership started after December 31, 2010

A police officer age 55 or more with 10 years of creditable service who is no longer in service as a police officer, shall receive 2½% of the final average salary for each year of service. The final average salary is defined as the average salary based on the highest consecutive 96 months of the final 120 months of service.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Police Pension Fund

A police officer who is separated from service having between 8 and 20 years of creditable service, who is not entitled to receive a disability pension, and who did not apply for a refund of contributions at separation of service, shall receive an annual pension upon attainment of age 60 in the amount of 2½% of the annual salary held in the year preceding termination times the number of years of creditable service or 2½% of the annual salary held on the last day of service times the number of years of creditable service, whichever is greater.

Early retirement is offered for police officers at age 50 or greater with 10 or more creditable years of service, but with a penalty of ½% for each month prior to age 55.

The annual pension of a police officer retired from service with 20 or more years of creditable service shall increase annually by the lessor of ½ of the Consumer Price Index - all urban consumers (CPI-U) or 3% increase of the original pension amount after attainment of age 60, followed by an additional increase of the lessor of ½ of the CPI-U or 3% of the original pension amount on each January 1 thereafter.

The Plan also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Members that terminate their participation may withdraw their contributions and forfeit future benefits.

Net Pension Liability

The City's net pension liability was measured as of April 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at April 30, 2023:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was 5 year smoothed fair value.
- The **Inflation Rate** was assumed to be 2.5%
- **Payroll Increases** were graded by years of service from 3.50% to 11.00%
- The **Investment Rate of Return** was 6.50%
- **Mortality:** PubS-2010, unadjusted, with generational improvements with most recent projection scale MP-2021.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Police Pension Fund

A complete detailed description of the actuarial assumptions and methods can be found in the May 1, 2023 actuarial valuation report.

Single Discount Rate

A single Discount Rate of 6.50% was used to measure the total pension liability.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Police Pension Fund

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2022	\$ 26,940,387	\$ 27,001,022	\$ (60,635)
Changes for the year:			
Service Cost	456,673	-	456,673
Interest on the Total Pension Liability	1,743,514	-	1,743,514
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	699,736	-	699,736
Changes of Assumptions	-	-	-
Contributions - Employer	-	382,977	(382,977)
Contributions - Employees	-	146,763	(146,763)
Contributions - Buy Back	144,802	144,802	-
Net Investment Income	-	949,684	(949,684)
Benefit Payments, including Refunds of Employee Contributions	(1,147,530)	(1,147,530)	-
Other (Net Transfer)	-	(21,987)	21,987
Net Changes	1,897,195	454,709	1,442,486
Balances at April 30, 2023	<u>\$ 28,837,582</u>	<u>\$ 27,455,731</u>	<u>\$ 1,381,851</u>

Plan fiduciary net position as a percentage of the total
pension liability

95.21%

Covered Valuation payroll

\$ 1,480,959

Net pension liability as a percentage
of covered valuation payroll

93.31%

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Police Pension Fund

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 6.5%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	5.50%	6.50%	7.50%
Net Pension Liability	\$ 5,863,993	\$ 1,381,851	\$ (2,213,103)

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

For the year ended April 30, 2023, the City recognized pension expense of \$(507,361). At April 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Aggregate Deferred Resources
Deferred Amounts Related to Pensions			
Deferred Amounts to be Recognized in Pension Expense in Future Periods			
Differences between expected and actual experience	\$ 599,772	\$ (495,055)	\$ 104,717
Changes of assumptions	-	-	-
Net difference between projected and actual earning on pension plan investments	1,845,131	-	1,845,131
Total Deferred Amounts to be recognized in pension expense in future periods	\$ 2,444,903	\$ (495,055)	\$ 1,949,848

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE H | RETIREMENT PLANS

Police Pension Fund

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year Ending April 30,</u>	<u>Net Deferred Outflows of Resources</u>
2024	\$ 563,375
2025	563,375
2026	563,375
2027	158,810
2028	951
Thereafter	<u>99,962</u>
Total	<u>\$ 1,949,848</u>

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE I | INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

The following is a schedule of interfund receivables and payables at April 30, 2023:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental Funds		
General Fund	\$ 90,786	\$ -
Debt Service Fund	-	-
Tax Increment Fund #1	427,152	-
Tax Increment Fund #3	-	2,000
Tax Increment Fund #4	-	27,000
	<hr/>	<hr/>
Total Governmental	517,938	29,000
Enterprise Funds:		
Water Fund	-	203,329
Sewer Fund	112,543	398,152
	<hr/>	<hr/>
Total Enterprise Funds	112,543	601,481
	<hr/>	<hr/>
Total All Funds	<u>\$ 630,481</u>	<u>\$ 630,481</u>

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payment between funds are made.

Interfund balances are not expected to be repaid within one year.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE I | INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

The following is a schedule of operating transfers as included in the Statement of Activities of the City.

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ 738,626	\$ 2,467,764
Debt Service Fund	2,483,364	
Water Fund	-	253,200
Sewer Fund	-	470,400
Total Major Funds	<u>3,221,990</u>	<u>3,191,364</u>
Non-major Funds:		
Motor Fuel Tax Fund	<u>\$ -</u>	<u>\$ 30,626</u>
Total Non-major	<u>-</u>	<u>30,626</u>
Total Transfers All Funds	<u>\$ 3,221,990</u>	<u>\$ 3,221,990</u>

Transfers are used to (1) move revenues from the funds that statute or budget requires to collect them to the fund that statute or budget requires to expend them or (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE J | EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The City only files a formal budget for the General, Water, Sewer and Library. Excess of expenditures over appropriations in individual funds for the year ended April 30, 2023 are as follows and include those funds that do not have a formal budget:

<u>Fund</u>	<u>Expenditures</u>	<u>Budget</u>
<u>Formal Budget Ordinance</u>		
General	\$ 9,639,022	\$ 8,828,760
Water	\$ 2,914,735	\$ 2,607,470
Sewer	\$ 1,391,901	\$ 1,149,600
Library	\$ 375,063	\$ 346,583
<u>Funds not Formally Budgeted</u>		
TIF #1	\$ 1,605,578	<i>Not Applicable</i>
Debt Service	\$ 2,402,749	<i>Not Applicable</i>
Motor Fuel Tax	\$ 367,096	<i>Not Applicable</i>
TIF #2	\$ 186,033	<i>Not Applicable</i>
TIF #3	\$ 2,554	<i>Not Applicable</i>
TIF #4	\$ 27,688	<i>Not Applicable</i>
Foreign Fire Insurance Board	\$ 32,943	<i>Not Applicable</i>
Grant Projects	\$ 41,815	<i>Not Applicable</i>
Housing	\$ 508,762	<i>Not Applicable</i>
Civic Center	\$ 220,134	<i>Not Applicable</i>

NOTE K | FUND DEFICITS

Tax Increment Fund #4 and Housing Fund had a deficit fund balance of (\$188) and (\$22,770) as of April 30, 2023.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE L | RESERVES OF RETAINED EARNINGS AND FUND BALANCES

The financial statements include restricted fund balances for the following funds as of April 30, 2023:

Governmental Activities

Restricted Fund Balances

Debt Service	\$ 847,388
Motor Fuel Tax	1,140,178
Tax Increment Financing	2,870,861
Foreign Fire Insurance Board	30,580
Housing	(22,770)
State Loans	<u>1,905</u>
	<u>\$ 4,868,142</u>

Proprietary and fiduciary activities:

Proprietary funds and fiduciary funds include a number of reserves, which are maintained for specific purposes. The nature and purpose of the significant reserves are:

Reserve for Employees' Pension Benefits

The Police and Firefighter's Pension Trust Funds are single-employer, defined benefits pension plans. As a result, the net position is reserved for employees' pension benefits.

NOTE M | RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the City carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

City of Herrin, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE N | PRIOR PERIOD ADJUSTMENT

Government Wide Financial Statements

The City adopted GASB Statement No. 87, leases which requires retrospective application for prior years by restating financial statements for all periods presented. The restatement as of April 30, 2022 was \$92,787 to governmental activities and \$17,927 to business-type activities to reflect lease receivables and the associated deferred inflows for leases in place at that time at their net present value.

NOTE O | SUBSEQUENT EVENT

Management evaluated all events and transactions that occurred after April 30, 2023 through November 20, 2023 the issue date of these financial statements. No subsequent events were identified.

Required Supplementary Information

City of Herrin, Illinois
REQUIRED SUPPLEMENTARY INFORMATION
MULTI-YEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
IMRF REGULAR PLAN
Last 10 Calendar Years

	2022	2021	2020	2019	2018	2017	2016	2015
Calendar year ending December 31,								
Total pension liability	\$ 287,602	\$ 267,545	\$ 238,468	\$ 282,860	\$ 278,136	\$ 297,319	\$ 265,290	\$ 274,774
Interest on the total pension liability	1,215,281	1,164,852	1,153,348	1,173,817	1,142,175	1,146,941	1,054,011	994,215
Benefit changes	102,295	(87,380)	155,945	(868,823)	(101,578)	(174,270)	608,221	193,216
Assumption changes	(976,205)	(934,471)	(259,567)	(894,033)	493,311	(569,376)	(58,730)	17,799
Benefit payments and refunds	628,973	430,546	486,269	(306,179)	1,000,419	(7,899)	1,183,931	850,885
Net change in total pension liability	17,106,795	16,676,249	16,189,980	16,496,159	15,495,740	15,803,693	14,319,708	13,468,823
Total pension liability - beginning	\$ 17,735,768	\$ 17,106,795	\$ 16,676,249	\$ 16,189,980	\$ 16,496,159	\$ 15,803,693	\$ 14,319,708	\$ 13,468,823
Total pension liability - ending (a)								
Plan fiduciary net position	\$ 350,084	\$ 421,453	\$ 406,843	\$ 313,721	\$ 344,927	\$ 365,351	\$ 448,162	\$ 341,635
Employer contributions	147,096	141,084	134,749	129,170	124,302	128,128	148,412	115,664
Employee contributions	(2,355,755)	2,776,343	2,065,869	2,431,835	(764,674)	2,230,550	803,493	56,392
Pension plan net investment income	(976,205)	(934,471)	(861,945)	(894,033)	(811,625)	(719,513)	(684,861)	(629,119)
Benefit payments and refunds	(222,905)	(284,920)	140,596	(565,353)	30,750	(448,543)	453,934	199,791
Other	(3,057,685)	2,119,489	1,888,112	1,415,340	(1,076,320)	1,575,973	1,169,140	84,363
Net change in plan fiduciary net position	18,540,460	16,420,991	14,532,879	13,117,539	14,193,859	12,617,866	11,448,746	11,364,383
Plan fiduciary net position - beginning	\$ 15,482,795	\$ 18,540,460	\$ 16,420,991	\$ 14,532,879	\$ 13,117,539	\$ 14,193,859	\$ 12,617,866	\$ 11,448,746
Plan fiduciary net position - ending (b)								
Net pension liability/(asset) - ending (a) - (b)	\$ 2,252,973	\$ (1,433,685)	\$ 255,258	\$ 1,657,101	\$ 3,318,620	\$ 1,301,881	\$ 2,865,753	\$ 2,870,962
Plan fiduciary net position as a percentage of total pension liability	87.30%	108.38%	98.47%	89.76%	79.52%	91.60%	81.39%	79.95%
Cover valuation payroll	\$ 3,268,801	\$ 3,099,439	\$ 2,994,427	\$ 2,828,868	\$ 2,677,994	\$ 2,808,008	\$ 2,826,136	\$ 2,549,519
Net pension liability as a percentage of covered valuation payroll	68.92%	-46.26%	8.52%	58.58%	126.16%	46.36%	102.11%	112.61%

Notes to Schedule:
This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

(see independent auditors' report)

City of Herrin, Illinois
REQUIRED SUPPLEMENTARY INFORMATION
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
IMRF SLEP PLAN
Last 10 calendar years

	2022	2021	2020	2019	2018	2017	2016	2015
Calendar year ending December 31,								
Total pension liability	\$ 39,151	\$ 39,124	\$ 39,035	\$ 38,839	\$ 39,108	\$ 39,694	\$ 38,521	\$ 38,215
Service cost	-	-	39,035	-	-	-	-	-
Interest on the total pension liability	4,265	4,139	3,699	3,437	3,135	2,871	2,985	2,881
Benefit changes	(43,347)	(42,430)	(41,518)	(40,595)	(39,669)	(38,752)	(37,873)	(36,962)
Difference between expected and actual experience	68	833	1,684	1,781	16,118	(7,356)	(47,836)	717
Assumption changes	561,690	560,857	559,173	557,292	541,274	546,630	596,466	585,749
Benefit payments and refunds	561,759	561,690	560,857	559,173	557,392	541,274	546,630	585,749
Net change in total pension liability	\$ 11,850	\$ 32,684	\$ 40,526	\$ 44,772	\$ 49,247	\$ 44,729	\$ 28,935	\$ 29,201
Total pension liability - beginning	(97,624)	99,450	71,975	79,877	(29,985)	63,261	20,647	1,417
Total pension liability - ending (a)	1,572	(42,430)	(41,518)	(40,595)	(39,669)	(38,752)	(37,873)	(36,962)
Plan fiduciary net position	(127,549)	89,874	75,041	85,298	(4,076)	58,811	13,666	13,311
Employer contributions	619,149	529,225	454,284	368,986	373,062	344,251	300,585	287,274
Employee contributions	491,800	619,149	529,325	454,284	368,986	373,062	314,251	300,585
Pension plan net investment income	70,159	(57,459)	31,532	104,889	188,406	168,212	234,379	295,881
Benefit payments and refunds	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	\$ 87,51%	\$ 110.23%	\$ 94.38%	\$ 81.24%	\$ 66.20%	\$ 68.92%	\$ 57.28%	\$ 50.39%
Plan fiduciary net position - beginning	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position - ending (b)								
Net pension liability/(asset) - ending (a) - (b)								
Plan fiduciary net position as a percentage of total pension liability								
Cover valuation payroll								
Net pension liability as a percentage of covered valuation payroll								

Notes to Schedule:
This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

City of Herrin, Illinois
REQUIRED SUPPLEMENTARY INFORMATION
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTER'S PENSION PLAN
Last 10 Fiscal Years

	4/30/2023	4/30/2022	4/30/2021	4/30/2020	4/30/2019	4/30/2018	4/30/2017	4/30/2016
Total pension liability								
Service cost	\$ 355,624	\$ 326,704	\$ 420,075					
Interest on the total pension liability	1,238,907	1,165,751	1,242,665					
Benefit changes	(19,398)	-	-					
Difference between expected and actual experience	532,654	(878,351)	(1,102,005)					
Assumption changes	(2,031)	-	-					
Benefit payments and refunds	(947,424)	(892,592)	(795,704)					
Net change in total pension liability	1,158,332	(778,488)	(234,949)					
Total pension liability - beginning	19,002,644	19,281,132	19,516,081					
Total pension liability - ending (a)	\$ 20,160,976	\$ 19,002,644	\$ 19,281,132					
Plan fiduciary net position								
Employer contributions	\$ 393,047	\$ 9,790,573	\$ 913,664					
Employee contributions	130,605	110,812	105,058					
Pension plan net investment income	14,124	(747,216)	1,782,770					
Benefit payments and refunds	(947,424)	(892,592)	(795,704)					
Other	(28,853)	(29,196)	(19,254)					
Net change in plan fiduciary net position	(438,503)	8,232,381	1,986,534					
Plan fiduciary net position - beginning	19,400,408	11,168,027	9,181,493					
Plan fiduciary net position - ending (b)	\$ 18,961,907	\$ 19,400,408	\$ 11,168,027					
Net pension liability/(asset) - ending (a) - (b)	1,199,069	(397,764)	8,113,105					
Plan fiduciary net position as a percentage of total pension liability	94.05%	102.09%	57.97%					
Cover valuation payroll	\$ 1,399,867	\$ 1,146,639	\$ 1,110,546					
Net pension liability as a percentage of covered valuation payroll	85.66%	-34.69%	730.55%					

Notes to Schedule:
This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

(see independent auditors' report)

City of Herrin, Illinois
REQUIRED SUPPLEMENTARY INFORMATION
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION PLAN
Last 10 Fiscal Years

	4/30/2023	4/30/2022	4/30/2021	4/30/2020	4/30/2019	4/30/2018	4/30/2017	4/30/2016
Total pension liability								
Service cost	\$ 456,673	\$ 292,786	\$ 418,833					
Interest on the total pension liability	1,743,514	1,091,319	1,486,027					
Benefit changes	-	-	-					
Difference between expected and actual experience	699,736	(693,074)	1,067,128					
Assumption changes	-	-	-					
Contributions - Buy Back	144,802	-	-					
Benefit payments and refunds	(1,147,530)	(1,148,273)	(907,078)					
Net change in total pension liability	1,697,155	(457,242)	2,044,910					
Total pension liability - beginning	26,940,387	27,397,629	25,352,719					
Total pension liability - ending (a)	\$ 28,637,582	\$ 26,940,387	\$ 27,397,629					
Plan fiduciary net position								
Employer contributions	\$ 382,977	\$ 17,200,872	\$ 1,366,409					
Employee contributions	146,763	167,167	121,951					
Contributions - Buy Back	144,802	-	-					
Pension plan net investment income	949,684	(735,025)	2,143,934					
Benefit payments and refunds	(1,147,530)	(1,148,273)	(907,076)					
Other	(21,987)	(46,197)	(47,069)					
Net change in plan fiduciary net position	454,709	15,438,544	2,678,148					
Plan fiduciary net position - beginning	27,001,022	11,562,479	8,884,331					
Plan fiduciary net position - ending (b)	\$ 27,455,731	\$ 27,001,023	\$ 11,562,479					
Net pension liability/(asset) - ending (a) - (b)	1,381,851	(60,636)	15,835,150					
Plan fiduciary net position as a percentage of total pension liability	95.21%	100.23%	42.20%					
Cover valuation payroll	\$ 1,480,959	\$ 1,205,729	\$ 1,204,601					
Net pension liability as a percentage of covered valuation payroll	93.31%	-5.03%	1314.56%					

Notes to Schedule:
This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

City of Herrin, Illinois
REQUIRED SUPPLEMENTARY INFORMATION
MULTIYEAR SCHEDULE OF CONTRIBUTIONS
Last 10 Calendar Years

IMRF - Regular Plan						
Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll	
2022	\$ 324,592 *	\$ 350,084	\$ (25,492)	\$ 3,268,801	10.71%	
2021	\$ 373,172	\$ 421,453	\$ (48,281)	\$ 3,099,439	13.60%	
2020	\$ 406,344	\$ 408,843	\$ (2,499)	\$ 2,994,427	13.65%	
2019	\$ 313,721	\$ 313,721	\$ -	\$ 2,828,868	11.09%	
2018	\$ 344,926	\$ 344,927	\$ (1)	\$ 2,677,994	12.88%	
2017	\$ 378,800	\$ 385,351	\$ (6,551)	\$ 2,808,008	13.72%	
2016	\$ 383,507	\$ 448,162	\$ (64,655)	\$ 2,826,136	15.86%	
2015	\$ 341,636	\$ 341,635	\$ 1	\$ 2,549,519	13.40%	

*Estimated based on contribution rate of 9.93% and covered valuation payroll of \$3,268,801.

IMRF - SLEP Plan						
Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll	
2022	\$ - *	\$ 11,850	\$ (11,850)	\$ -	-	
2021	\$ - *	\$ 32,684	\$ (32,684)	\$ -	-	
2020	\$ -	\$ 40,526	\$ (40,526)	\$ -	-	
2019	\$ -	\$ 44,772	\$ (44,772)	\$ -	-	
2018	\$ -	\$ 49,347	\$ (49,347)	\$ -	-	
2017	\$ -	\$ 44,729	\$ (44,729)	\$ -	-	
2016	\$ -	\$ 28,935	\$ (28,935)	\$ -	-	
2015	\$ -	\$ 29,201	\$ (29,201)	\$ -	-	

*Estimated based on contribution rate of 12.43% and covered valuation payroll of \$0

Notes to Schedule:

Summary Actuarial Methods and Assumptions Used in the Calculation of the 2022 Contribution Rate**

Valuation Date:

Notes

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

Methods and Assumptions Used to Determine 2022 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): 21-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 16 years for most employers (five employers were financed over 17 years; one employer was financed over 18 years; two employers were financed over 19 years; one employer was financed over 20 years; three employers were financed over 25 years; four employers were financed over 26 years and one employer was financed over 27 years).

Asset Valuation Method: 5-year smoothed market; 20% corridor

Wage Growth: 2.75%

Price Inflation: 2.25%

Salary Increases: 2.85% to 13.75% including inflation

Investment Rate of Return: 7.25%

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017 - 2019.

Mortality: For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-1010. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes

There were no benefit changes during the year.

** Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

(see independent auditors' report)

City of Herrin, Illinois
REQUIRED SUPPLEMENTARY INFORMATION
MULTIYEAR SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

Calendar Year Ending April 30,	Firefighter's Pension Plan					Actual Contribution as a % of Covered Valuation Payroll
	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll		
2023	\$ 393,047	\$ 393,047	\$ -	\$ 1,399,867	28.08%	
2022	\$ 973,819	\$ 9,790,573	\$ (8,816,754)	\$ 1,146,639	853.85%	
2021	\$ 913,664	\$ 913,664	\$ -	\$ 1,110,546	82.27%	
2020	\$ 720,013	\$ 752,414	\$ (32,401)	\$ 1,106,370	68.01%	
2019	\$ 720,013	\$ 720,013	\$ -	\$ 1,094,974	65.76%	
2018	\$ 720,013	\$ 720,013	\$ -	\$ 1,148,609	62.69%	
2017	\$ 497,853	\$ 600,000	\$ (102,147)	\$ 1,081,165	55.50%	
2016	\$ 514,465	\$ 600,500	\$ (86,035)	\$ 1,044,142	57.51%	

Notes to Schedule:

The Actuarially Determined Contribution shown above for the current year is the Recommended Contribution from the May 1, 2022 Actuarial Valuation completed by Foster & Foster for the December 2022 tax levy, if applicable. The methods and assumptions shown below are based on the same Actuarial Valuation. For more detail on the age-based and service-based rates disclosed below, please see the Actuarial Valuation.

Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Equivalent Single Amortization Period	100% funded over 15 years, layered
Asset Valuation Method:	5-year smoothed fair value
Inflation:	2.25%
Total Payroll Increases:	3.25%
Salary Increases:	3.50% to 8.76% including inflation
Investment Rate of Return:	6.50%
Mortality:	PubS-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described.
Retirement Rates:	100% of L&A 2020 Illinois Firefighters Retirement Rates Capped at Age 65
Termination Rates:	100% of L&A 2020 Illinois Firefighters Termination Rates
Disability Rates:	100% of L&A 2020 Illinois Firefighters Disability Rates

Calendar Year Ending April 30,	Police Pension Plan					Actual Contribution as a % of Covered Valuation Payroll
	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll		
2023	\$ 382,977	\$ 382,977	\$ -	\$ 1,480,959	25.86%	
2022	\$ 1,453,639	\$ 17,200,872	\$ (15,747,233)	\$ 1,205,729	1426.60%	
2021	\$ 1,364,625	\$ 1,366,409	\$ (1,784)	\$ 1,204,601	113.43%	

Notes to Schedule:

Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Equivalent Single Amortization Period	100% funded over 20 years
Asset Valuation Method:	5-year smoothed fair value
Inflation:	2.50%
Total Payroll Increases:	4.50%
Salary Increases:	3.50% to 11.00% including inflation
Investment Rate of Return:	6.50%
Mortality:	PubS-2010 Employee mortality, unadjusted, with generational improvements with most recent projection scale (currently Scale MP-2021).
Retirement Rates:	Based on a 2022 experience study performed for the Illinois Police Officers' Pension Investment Fund.
Termination Rates:	Based on a 2022 experience study performed for the Illinois Police Officers' Pension Investment Fund.
Disability Rates:	Based on a 2022 experience study performed for the Illinois Police Officers' Pension Investment Fund.

Other information:

Notes There were no benefit changes during the year.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

(see independent auditors' report)

City of Herrin, Illinois
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the year ended April 30, 2023

	Budgeted Amounts		Actual	Variance Under/(Over)
	Original	Final		
REVENUES				
Property tax	\$ 2,430,947	\$ 2,430,947	\$ 2,391,037	\$ (39,910)
Intergovernmental revenue	6,987,700	6,987,700	7,555,948	568,248
Licenses, & permits	300,300	300,300	298,373	(1,927)
Fines and fees	70,000	70,000	302,791	232,791
Charges for services	1,275,500	1,275,500	1,329,543	54,043
Interest income	-	-	34,871	34,871
Miscellaneous income	59,000	59,000	1,329,575	1,270,575
Total revenues	11,123,447	11,123,447	13,242,138	2,118,691
EXPENDITURES				
General government and administrative	2,463,450	2,463,450	2,442,947	20,503
Public safety	4,583,200	4,583,200	4,857,946	(274,746)
Transportation and public works	1,642,300	1,642,300	1,787,430	(145,130)
Capital outlay	15,000	15,000	470,231	(455,231)
Debt service				
Principal	124,810	124,810	65,315	59,495
Interest	-	-	15,153	(15,153)
Total expenditures	8,828,760	8,828,760	9,639,022	(810,262)
Excess (Deficiency) of revenues over expenditures	2,294,687	2,294,687	3,603,116	1,308,429
OTHER FINANCING SOURCES (USES)				
Transfers in	80,000	80,000	738,626	658,626
Transfers out	(2,467,187)	(2,467,187)	(2,467,764)	577
Total other financing sources (uses)	(2,387,187)	(2,387,187)	(1,729,138)	659,203
NET CHANGE IN FUND BALANCES	(92,500)	(92,500)	1,873,978	1,967,632
FUND BALANCES, BEGINNING OF YEAR - AS ORIGINALLY STATED			4,964,979	
PRIOR PERIOD ADJUSTMENT			67,787	
FUND BALANCES, BEGINNING OF YEAR - AS RESTATED			5,032,766	
FUND BALANCES, END OF YEAR			\$ 6,906,744	

(see independent auditors' report)

City of Herrin, Illinois
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the year ended April 30, 2023

	Budgeted Amounts		Actual	Over/ (Under)
	Original	Final		
REVENUES				
Property tax				
Property tax	\$ 2,430,947	\$ 2,430,947	\$ 2,391,037	\$ (39,910)
Total property tax	2,430,947	2,430,947	2,391,037	(39,910)
Sales, service, and utility taxes				
Sales tax	2,010,400	2,010,400	2,118,801	108,401
Home rule tax	1,805,000	1,805,000	1,941,711	136,711
Gas tax	217,200	217,200	214,965	(2,235)
Telecommunication tax	106,800	106,800	101,641	(5,159)
Income tax	1,736,200	1,736,200	1,925,018	188,818
Replacement tax	133,000	133,000	231,190	98,190
Use tax	476,000	476,000	506,502	30,502
Gaming tax	316,000	316,000	329,059	13,059
Auto rental tax	100	100	29	(71)
Cannabis use tax	19,000	19,000	19,032	32
911 Grant	168,000	168,000	168,000	-
Total sales, service, and utility taxes	6,987,700	6,987,700	7,555,948	568,248
Licenses and permits				
Cable TV fees	73,000	73,000	63,034	(9,966)
Liquor license fees	45,000	45,000	52,969	7,969
Ameren franchise fees	117,000	117,000	116,825	(175)
Misc licenses	8,300	8,300	12,930	4,630
Building permits	5,000	5,000	3,590	(1,410)
Occupancy permits	15,000	15,000	15,075	75
Property owners permits	35,000	35,000	31,550	(3,450)
Golf cart license	2,000	2,000	2,400	400
Total license and permits	300,300	300,300	298,373	(1,927)
Fines fees				
Fines from Williamson County	70,000	70,000	88,063	18,063
Misc police fines and fees	-	-	214,728	214,728
Total fines and fees	70,000	70,000	302,791	232,791
Charges for services				
Garbage fees/collections	1,172,000	1,172,000	1,166,903	(5,097)
Excavations	25,000	25,000	20,600	(4,400)
Animal control	4,500	4,500	4,975	475
Misc. police	16,000	16,000	64,163	48,163
Misc. fire	2,000	2,000	18,896	16,896
Landfill transfer station	56,000	56,000	54,006	(1,994)
Total charges for services	1,275,500	1,275,500	1,329,543	54,043
Interest income				
Interest	-	-	34,871	34,871
Total interest income	-	-	34,871	34,871
Miscellaneous income				
Rents	46,100	46,100	43,864	(2,236)
Public hearing ads	400	400	250	(150)
Tile and culvert	11,000	11,000	7,052	(3,948)
Reimbursement of police overtime	24,000	24,000	18,471	(5,529)
Insurance reimbursement	-	-	2,638	2,638
Sale of property	13,000	13,000	1,227,594	1,214,594
Traffic signal reimbursement	20,000	20,000	12,598	(7,402)
Opioids settlement revenue	-	-	28,356	28,356
Donation reimbursement	-	-	2,500	2,500
Railroad revenue	12,000	12,000	-	(12,000)
Road maintenance reimbursement MFT	(80,000)	(80,000)	(69,954)	10,046
Police equipment revenue	-	-	33,506	33,506
Miscellaneous	12,500	12,500	22,700	10,200
Total miscellaneous income	59,000	59,000	1,329,575	1,270,575
Total revenues	\$ 11,123,447	\$ 11,123,447	\$ 13,242,138	\$ 2,118,691

(see independent auditors' report)

City of Herrin, Illinois
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the year ended April 30, 2023

	Budgeted Amounts		Actual	(Over)/ Under
	Original	Final		
EXPENDITURES				
General government and administrative				
Salary of elected officials	\$ 147,500	\$ 147,500	\$ 166,358	\$ (18,858)
Salary of budget officers	110,800	110,800	112,864	(2,064)
Salary of clerical personnel	38,700	38,700	38,697	3
Salary of janitor	12,200	12,200	12,081	119
Salary of animal control	59,200	59,200	61,807	(2,607)
Group health	750,000	750,000	601,799	148,201
Workman's compensation insurance	115,700	115,700	115,398	302
City 457 expense	1,200	1,200	1,200	-
Fica city contribution	230,000	230,000	242,548	(12,548)
IMRF city contribution	265,000	265,000	201,094	63,906
Expenses by elected officials	32,000	32,000	26,363	5,637
Office supplies/equipment	15,000	15,000	10,317	4,683
Printing and postage	3,700	3,700	3,014	686
Telephone/communications/computer	3,600	3,600	1,344	2,256
Maintenance of building	25,000	25,000	35,005	(10,005)
Computer maintenance/supplies	9,500	9,500	30,323	(20,823)
Utilities	33,000	33,000	25,721	7,279
Liability insurance	106,700	106,700	106,625	75
Unemployment compensation	10,100	10,100	10,044	56
Civic Center expense	90,000	90,000	142,327	(52,327)
Animal control expense	30,000	30,000	32,265	(2,265)
Public notice ads	1,000	1,000	-	1,000
Demolition expenses	15,000	15,000	5,946	9,054
Paying Agent Bond Fees	-	-	500	(500)
Engineer's fees	7,000	7,000	9,426	(2,426)
Audit expense	34,350	34,350	39,025	(4,675)
Copy machine expense	4,200	4,200	3,868	332
Legal services	40,000	40,000	25,949	14,051
Misc expenses	22,500	22,500	14,082	8,418
Redco	40,000	40,000	40,000	-
Greater Egypt	3,200	3,200	3,335	(135)
Library share of replacement	600	600	600	-
New equipment/assets	10,000	10,000	9,107	893
Energy sales tax	18,000	18,000	13,213	4,787
Library special levies	52,000	52,000	52,000	-
Sales tax contingency	85,500	85,500	118,901	(33,401)
Grand administration fees	40,000	40,000	-	40,000
Clothing animal control	1,200	1,200	133	1,067
Employee health insurance benefit	-	-	896	(896)
Payroll tax	-	-	17,494	(17,494)
Pension bond reserves expenses	-	-	29	(29)
SIEG pass through account expenses	-	-	111,249	(111,249)
Total general government and administrative	2,463,450	2,463,450	2,442,947	20,503

(see independent auditors' report)

City of Herrin, Illinois
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the year ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>(Over)/ Under</u>
	<u>Original</u>	<u>Final</u>		
Public safety				
Police				
Salary full time police	1,451,000	1,451,000	1,511,275	(60,275)
Salary full time dispatcher	572,000	572,000	628,640	(56,640)
Salary part time police	63,500	63,500	73,445	(9,945)
Salary part time dispatcher	110,000	110,000	93,218	16,782
Dispatcher court and overtime	40,000	40,000	32,232	7,768
Police court and overtime	165,000	165,000	134,546	30,454
City 457 expense	34,800	34,800	36,450	(1,650)
Uniform allowance	25,400	25,400	26,885	(1,485)
Supplies/office/postage	20,000	20,000	16,625	3,375
Gas/oil	67,000	67,000	82,372	(15,372)
Telephone/communications/computer	15,600	15,600	17,178	(1,578)
Vehicle maint	21,400	21,400	21,900	(500)
Radio maintenance	8,500	8,500	6,000	2,500
Building maintenance	15,000	15,000	11,001	3,999
Utilities	13,000	13,000	10,236	2,764
Unreimbursed liability	3,000	3,000	2,842	158
Training police	35,000	35,000	34,975	25
Service agreements	15,000	15,000	17,564	(2,564)
Misc expenses	5,200	5,200	4,394	806
Leads terminal	14,000	14,000	11,508	2,492
New equipment/cars/bldg	10,000	10,000	14,476	(4,476)
K-9 expenses	-	-	1,888	(1,888)
Police equipment fund	-	-	14,645	(14,645)
IT expenses	46,000	46,000	45,071	929
HPD towing expense	-	-	52,960	(52,960)
Total police	2,750,400	2,750,400	2,902,326	(151,926)

(see independent auditors' report)

City of Herrin, Illinois
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the year ended April 30, 2023

	Budgeted Amounts		Actual	(Over)/ Under
	Original	Final		
Fire				
Salary full time firemen	1,330,000	1,330,000	1,372,671	(42,671)
Salary codes inspector	53,950	53,950	46,876	7,074
Call back pay	72,000	72,000	90,362	(18,362)
Overtime full time firemen	142,000	142,000	167,785	(25,785)
City 457 expense	18,000	18,000	18,250	(250)
Uniform allowance	16,650	16,650	17,946	(1,296)
Station supplies	5,600	5,600	6,578	(978)
Office supplies/equipment	3,000	3,000	4,549	(1,549)
Fire prevention	1,500	1,500	1,241	259
Volunteer fire expense	5,500	5,500	5,484	16
Telephone/communications/computer	9,300	9,300	6,977	2,323
Radio maintenance	6,500	6,500	6,480	20
Maintenance of building	8,500	8,500	8,205	295
Misc equipment/new equipment	40,000	40,000	63,272	(23,272)
Fuel/equipment maintenance	45,000	45,000	59,866	(14,866)
Utilities	18,000	18,000	16,498	1,502
Unreimbursed liability	1,000	1,000	1,537	(537)
Training/schools	15,000	15,000	24,248	(9,248)
General misc expenses	10,000	10,000	10,516	(516)
Misc expenses of codes inspector	7,000	7,000	4,747	2,253
S C B A	14,200	14,200	14,100	100
Fire station expenses	-	-	29	(29)
Leased equipment	2,500	2,500	2,276	224
Civil defense public warning system	5,000	5,000	34	4,966
EMS Supplies	2,600	2,600	5,093	(2,493)
Total fire	1,832,800	1,832,800	1,955,620	(122,820)
Total public safety	4,583,200	4,583,200	4,857,946	(274,746)
Transportation and public works				
Streets and alleys				
Salary street and alley	680,000	680,000	699,829	(19,829)
Overtime	8,000	8,000	5,004	2,996
City 457 expense	22,800	22,800	22,800	-
Clothing allowance	13,600	13,600	19,253	(5,653)
Supplies/office/postage	-	-	-	-
Gas & oil	65,000	65,000	80,754	(15,754)
Street and alley materials	20,000	20,000	22,608	(2,608)
Street signs	4,500	4,500	2,189	2,311
Traffic signals	20,000	20,000	45,850	(25,850)
Telephone/communications/computer	4,500	4,500	4,429	71
Building maintenance	4,300	4,300	7,483	(3,183)
Street maintenance	25,000	25,000	26,399	(1,399)
Utilities	90,000	90,000	107,641	(17,641)
Unreimbursed liability	2,500	2,500	1,035	1,465
Misc expenses of street and alley	65,000	65,000	73,627	(8,627)
Customer tile/culvert	11,000	11,000	6,230	4,770
Training	4,000	4,000	-	4,000
Total streets and alleys	1,040,200	1,040,200	1,125,131	(84,931)
Garbage				
Salary - garbage	127,000	127,000	201,378	(74,378)
Overtime	11,000	11,000	15,774	(4,774)
Total garbage	138,000	138,000	217,152	(79,152)

(see independent auditors' report)

City of Herrin, Illinois
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the year ended April 30, 2023

	Budgeted Amounts		Actual	(Over)/ Under
	Original	Final		
Transportation and public works				
Landfill				
Landfill analysis & reporting	35,000	35,000	28,955	6,045
Garbage dumping fees	145,000	145,000	127,048	17,952
Landfill closure	35,000	35,000	26,036	8,964
Total landfill	215,000	215,000	182,039	32,961
Cemetery				
Salaries cemetery	55,100	55,100	60,351	(5,251)
Overtime	4,100	4,100	875	3,225
Clothing allowance	800	800	1,000	(200)
Supplies/office/postage	1,100	1,100	1,747	(647)
Building maintenance	1,000	1,000	1,274	(274)
Vehicle/equipment maint	8,100	8,100	3,059	5,041
Utilities	3,500	3,500	1,852	1,648
New equipment	16,000	16,000	14,843	1,157
Total cemetery	89,700	89,700	85,001	4,699
City garage				
Salary mechanic	59,200	59,200	59,561	(361)
Overtime	1,500	1,500	1,858	(358)
Garage supplies	25,000	25,000	24,234	766
Telephone/communications/computer	3,700	3,700	2,927	773
Vehicle maint	70,000	70,000	89,527	(19,527)
Total city garage	159,400	159,400	178,107	(18,707)
Total transportation and public works	1,642,300	1,642,300	1,787,430	(145,130)
Capital outlay				
Capital outlay	15,000	15,000	470,231	(455,231)
Total capital outlay	15,000	15,000	470,231	(455,231)
Debt service				
Principal	124,810	124,810	65,315	59,495
Interest	-	-	15,153	(15,153)
Total debt service	124,810	124,810	80,468	44,342
Total expenditures	8,828,760	8,828,760	9,639,022	(810,262)
Excess (Deficiency) of revenues over expenditures	2,294,687	2,294,687	3,603,116	1,308,429
Other financing sources (uses)				
Transfers in	80,000	80,000	738,626	658,626
Transfers out	(2,467,187)	(2,467,187)	(2,467,764)	577
Total other financing sources (uses)	(2,387,187)	(2,387,187)	(1,729,138)	659,203
NET CHANGE IN FUND BALANCES	(92,500)	(92,500)	1,873,978	1,967,632
FUND BALANCES, BEGINNING OF YEAR - AS ORIGINALLY STATED			4,964,979	
PRIOR PERIOD ADJUSTMENT			67,787	
FUND BALANCES, BEGINNING OF YEAR - AS RESTATED			5,032,766	
FUND BALANCES, END OF YEAR			<u>\$ 6,906,744</u>	

(see independent auditors' report)

City of Herrin, Illinois
BUDGETARY COMPARISON STATEMENT
TAX INCREMENT FUND #1
For the Year ended April 30, 2023

	Budgeted Amounts		Actual	Variance Under/(Over)
	Original	Final		
REVENUES				
Property tax	\$ -	\$ -	\$ 1,661,510	\$ (1,661,510)
Interest income	-	-	28,997	(28,997)
Total revenues	-	-	1,690,507	(1,690,507)
EXPENDITURES				
Community development	-	-	1,605,578	(1,605,578)
Total expenditures	-	-	1,605,578	(1,605,578)
Excess (Deficiency) of revenues over expenditures	-	-	84,929	(84,929)
NET CHANGE IN FUND BALANCES	-	-	84,929	(84,929)
FUND BALANCES, BEGINNING OF YEAR			<u>1,515,671</u>	
FUND BALANCES, END OF YEAR			<u>\$ 1,600,600</u>	

(see independent auditors' report)

City of Herrin, Illinois
BUDGETARY COMPARISON STATEMENT
GRANT PROJECTS FUND
For the year ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Under/(Over)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property tax	\$ -	\$ -	\$ -	\$ -
Interest income	-	-	1,905	(1,905)
Miscellaneous income	-	-	41,815	(41,815)
Total Revenues	-	-	43,720	(43,720)
EXPENDITURES				
General government and administrative	-	-	30	(30)
Transportation and public works	-	-	41,785	(41,785)
Total expenditures	-	-	41,815	(41,815)
Excess (Deficiency) of revenues over expenditures	-	-	1,905	(1,905)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total financing sources (uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	1,905	(1,905)
FUND BALANCES, BEGINNING OF YEAR - AS ORIGINALLY STATED			(25,000)	
PRIOR PERIOD ADJUSTMENT			25,000	
FUND BALANCES, BEGINNING OF YEAR - AS RESTATED			-	
FUND BALANCES, END OF YEAR			<u>\$ 1,905</u>	

(see independent auditors' report)

City of Herrin, Illinois
BUDGETARY COMPARISON STATEMENT
WATER FUND
For the fiscal year ended April 30, 2023

	Budgeted Amounts		Actual	Variance Under/(Over)
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 2,860,670	\$ 2,860,670	\$ 2,815,234	\$ 45,436
Total operating revenues	2,860,670	2,860,670	2,815,234	45,436
OPERATING EXPENSES				
Salaries	808,100	808,100	831,738	(23,638)
Employee benefits	240,700	240,700	223,561	17,139
Purchase of water	1,020,000	1,020,000	1,000,166	19,834
Audit	17,175	17,175	14,600	2,575
Utilities	13,700	13,700	18,461	(4,761)
Postage	36,500	36,500	39,636	(3,136)
Insurance	64,700	64,700	64,514	186
Health insurance claims	156,000	156,000	122,582	33,418
Office supplies	12,200	12,200	5,707	6,493
Legal and engineering	5,000	5,000	8,978	(3,978)
Supplies	115,000	115,000	137,588	(22,588)
Clothing allowance	10,300	10,300	11,948	(1,648)
Other	105,095	105,095	68,639	36,456
Repair and maintenance	3,000	3,000	1,997	1,003
Depreciation	-	-	361,169	(361,169)
Total operating expenses	2,607,470	2,607,470	2,911,284	(303,814)
Operating income (loss)	253,200	253,200	(96,050)	349,250
NONOPERATING REVENUES (EXPENSES)				
Interest income	-	-	30,781	(30,781)
Interest expense	-	-	(3,451)	3,451
Total nonoperating revenues (expenses)	-	-	27,330	(27,330)
TRANSFERS				
Transfer in	-	-	-	-
Transfer out	(253,200)	(253,200)	(253,200)	-
Total transfers in (out)	(253,200)	(253,200)	(253,200)	-
CHANGE IN NET POSITION	-	-	(321,920)	321,920
NET POSITION, BEGINNING OF YEAR - AS ORIGINALLY STATED			8,537,042	
PRIOR PERIOD ADJUSTMENT			17,927	
NET POSITION, BEGINNING OF YEAR - AS RESTATED			8,554,969	
NET POSITION, END OF YEAR			<u>\$ 8,233,049</u>	

(see independent auditors' report)

City of Herrin, Illinois
BUDGETARY COMPARISON STATEMENT
SEWER FUND
For the Fiscal year ended April 30, 2023

	Budgeted Amounts		Actual	Variance Under/(Over)
	Original	Final		
OPERATING REVENUES				
Charges for services	\$ 1,632,000	\$ 1,632,000	\$ 1,576,600	\$ 55,400
Total operating revenues	1,632,000	1,632,000	1,576,600	55,400
OPERATING EXPENSES				
Salaries	305,000	305,000	336,393	(31,393)
Employee benefits	155,835	155,835	145,809	10,026
Utilities	103,500	103,500	102,476	1,024
Insurance	33,200	33,200	32,930	270
Legal and engineering	7,500	7,500	11,517	(4,017)
Permits	17,500	17,500	17,500	-
Supplies	42,500	42,500	53,423	(10,923)
Clothing allowance	4,000	4,000	4,972	(972)
Other	179,825	179,825	37,249	142,576
Repair and maintenance	300,740	300,740	245,787	54,953
Depreciation	-	-	403,845	(403,845)
Total operating expenses	1,149,600	1,149,600	1,391,901	(242,301)
Operating income (loss)	482,400	482,400	184,699	297,701
NONOPERATING REVENUES (EXPENSES)				
Interest income	-	-	13,387	(13,387)
Total nonoperating revenues (expenses)	-	-	13,387	(13,387)
TRANSFERS				
Transfer in	-	-	-	-
Transfer out	(470,400)	(470,400)	(470,400)	-
Total transfers in (out)	(470,400)	(470,400)	(470,400)	-
CHANGE IN NET POSITION	12,000	12,000	(272,314)	284,314
FUND BALANCES, BEGINNING OF YEAR			11,278,359	
FUND BALANCES, END OF YEAR			<u>\$ 11,006,045</u>	

(see independent auditors' report)

Combining Individual Fund Financial Statements

City of Herrin, Illinois
**COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES**
NONMAJOR GOVERNMENTAL FUNDS
 For the year ended April 30, 2023

	Special Revenue						Total Nonmajor Governmental Funds
	Motor Fuel Tax Fund	Tax Increment Fund #2	Tax Increment Fund #3	Tax Increment Fund #4	Debt Service Fund	Foreign Fire Insurance Board	
REVENUES							
Property tax	\$ -	\$ 547,169	\$ 15,848	\$ 49,348	\$ -	\$ -	\$ 612,365
Intergovernmental revenue	696,605	-	-	-	-	435,791	1,174,363
Interest income	955	20,307	4	8	1,263	-	22,537
Miscellaneous	-	-	-	-	-	-	-
Total revenues	697,560	567,476	15,852	49,356	1,263	435,791	1,809,265
EXPENDITURES							
General government and administrative	-	-	-	-	178	-	178
Public safety	-	-	-	-	-	32,943	32,943
Transportation and public works	367,096	-	-	-	-	-	367,096
Community development	-	186,033	2,554	27,688	-	508,762	725,037
Health and welfare	-	-	-	-	-	-	-
Debt service	-	-	-	-	1,340,000	-	1,340,000
Principal	-	-	-	-	1,062,571	-	1,062,571
Interest	-	-	-	-	-	-	-
Total expenditures	367,096	186,033	2,554	27,688	2,402,749	508,762	3,527,825
Excess (Deficiency) of revenues over expenditures	330,464	381,443	13,298	21,668	(2,401,486)	(72,971)	(1,718,560)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	2,483,364	-	2,483,364
Transfers out	(30,626)	-	-	-	-	-	(30,626)
Total financing sources (uses)	(30,626)	-	-	-	2,483,364	-	2,452,738
NET CHANGE IN FUND BALANCES	299,838	381,443	13,298	21,668	81,878	(72,971)	734,178
FUND BALANCE, APRIL 30, 2022	840,340	883,259	(7,551)	(21,856)	765,510	50,201	2,531,459
FUND BALANCE, APRIL 30, 2023	\$ 1,140,178	\$ 1,264,702	\$ 5,747	\$ (188)	\$ 847,388	\$ (22,770)	\$ 3,285,637

City of Herrin, Illinois
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
April 30, 2023

	Firemen's Pension Fund	Police Pension Fund	Totals
ASSETS			
Cash	\$ 205,749	\$ 987,496	\$ 1,193,245
Receivables			
Property taxes	-	-	-
Employee contributions receivable	4,950	-	4,950
Accrued interest	-	-	-
Total receivables	210,699	987,496	1,198,195
Investments, at fair value			
Illinois Police Officers Pension Investment Funds, pooled	-	26,471,868	26,471,868
Illinois Firefighters Pension Investment Funds, pooled	18,751,208	-	18,751,208
Total investments	18,751,208	26,471,868	45,223,076
Total assets	\$ 18,961,907	\$ 27,459,364	\$ 46,421,271
LIABILITIES			
Federal withholding	\$ -	\$ 3,468	\$ 3,468
Due to City of Herrin	-	164	164
Total current liabilities	-	3,632	3,632
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - property taxes	-	-	-
Total deferred inflows of resources	-	-	-
NET POSITION			
Held in trust for pension benefits	\$ 18,961,907	\$ 27,455,732	\$ 46,417,639

City of Herrin, Illinois
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
For the fiscal year ended April 30, 2023

	Firemen's Pension Fund	Police Pension Fund	Totals
ADDITIONS			
Contributions			
Property taxes	\$ 393,047	\$ 382,977	\$ 776,024
Plan member	130,605	146,763	277,368
Municipal contributions	-	144,802	144,802
Total contributions	<u>523,652</u>	<u>674,542</u>	<u>1,198,194</u>
Investment income			
Net appreciation (depreciation) in fair value of investments	469,803	1,542,136	2,011,939
Gain (loss) on sale of investments	(610,061)	(708,954)	(1,319,015)
Capital gains	-	-	-
Dividends	106,512	85,533	192,045
Interest	71,995	43,702	115,697
Net investment income (loss)	<u>38,249</u>	<u>962,417</u>	<u>1,000,666</u>
Total additions	<u>561,901</u>	<u>1,636,959</u>	<u>2,198,860</u>
DEDUCTIONS			
Benefits	947,424	1,144,480	2,091,904
Legal fees	5,250	8,213	13,463
Investment fees	24,124	12,553	36,677
Refund of Contributions	-	3,049	3,049
Audit and actuarial fees	14,645	11,188	25,833
Other expenses	8,959	2,767	11,726
Total deductions	<u>1,000,402</u>	<u>1,182,250</u>	<u>2,182,652</u>
Change in net position held in trust for pension benefits	<u>(438,501)</u>	<u>454,709</u>	<u>16,208</u>
NET POSITION, BEGINNING OF YEAR	<u>19,400,408</u>	<u>27,001,023</u>	<u>46,401,431</u>
NET POSITION, END OF YEAR	<u>\$ 18,961,907</u>	<u>\$ 27,455,732</u>	<u>\$ 46,417,639</u>

City of Herrin, Illinois
COMBINING STATEMENT OF NET POSITION - ACCRUAL BASIS
COMPONENT UNITS
April 30, 2023

	Component Units		
	City Library	Civic Center	Total
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 236,863	\$ 119,082	\$ 355,945
Investments	417,434	65,824	483,258
Accounts receivable			
Property taxes	237,700	-	237,700
Other	-	-	-
Total current assets	<u>891,997</u>	<u>184,906</u>	<u>1,076,903</u>
NONCURRENT ASSETS			
Net pension asset	-	-	-
Capital assets, net	597,337	138,488	735,825
Total noncurrent assets	<u>597,337</u>	<u>138,488</u>	<u>735,825</u>
Total assets	<u>1,489,334</u>	<u>323,394</u>	<u>1,812,728</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - IMRF regular	65,777	-	65,777
Total deferred outflows of resources	<u>65,777</u>	<u>-</u>	<u>65,777</u>
Total assets and deferred outflows of resources	<u>\$ 1,555,111</u>	<u>\$ 323,394</u>	<u>\$ 1,878,505</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	\$ 2,116	\$ 10,966	\$ 13,082
Accrued expenses	2,206	1,499	3,705
Total current liabilities	<u>4,322</u>	<u>12,465</u>	<u>16,787</u>
NONCURRENT LIABILITIES			
Net pension liability	95,021	-	95,021
Total noncurrent liabilities	<u>95,021</u>	<u>-</u>	<u>95,021</u>
Total liabilities	<u>99,343</u>	<u>12,465</u>	<u>111,808</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows - IMRF regular	17,353	-	17,353
Total deferred inflows of resources	<u>17,353</u>	<u>-</u>	<u>17,353</u>
Total liabilities and deferred inflows of resources	<u>\$ 116,696</u>	<u>\$ 12,465</u>	<u>\$ 129,161</u>
NET POSITION			
Net investment in capital assets	\$ 597,337	\$ 138,488	\$ 735,825
Unrestricted	841,078	172,441	1,013,519
Total net position	<u>\$ 1,438,415</u>	<u>\$ 310,929</u>	<u>\$ 1,749,344</u>

City of Herrin, Illinois
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - ACCRUAL BASIS
COMPONENT UNITS
For the fiscal year ended April 30, 2023

	Component Units		
	City Library	Civic Center	Total
REVENUES			
Property taxes	\$ 236,807	\$ -	\$ 236,807
Intergovernmental	70,819	142,327	213,146
Fees and fines	8,068	-	8,068
Interest income	5,463	443	5,906
Miscellaneous	14,846	123,501	138,347
Total revenues	336,003	266,271	602,274
EXPENSES			
Culture and recreation	375,063	220,134	595,197
Total expenses	375,063	220,134	595,197
Excess (Deficiency) of revenues over expenses	(39,060)	46,137	7,077
OTHER FINANCING SOURCES (USES)			
Transfer in	-	-	-
Transfer out	-	-	-
Total other financing sources (uses)	-	-	-
CHANGE IN NET POSITION	(39,060)	46,137	7,077
NET POSITION, BEGINNING OF YEAR	1,477,475	264,792	1,742,267
NET POSITION, END OF YEAR	\$ 1,438,415	\$ 310,929	\$ 1,749,344

Illinois Grant Accountability and Transparency Act Grantee Portal - Audit Consolidated Year-End Financial Report

[Grantee Portal](#) / [Audit Reviews](#) / [Audit](#) / [CYEFR](#)

[Add a Program](#)

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	CSFA #	Program Name	\$ State	\$ Federal	\$ Other	\$ Total
View	420-00-1758	Site Improvements	0	0	0	0
View	420-00-2433	Local Coronavirus Urgent Remediation Emergency (or Local CURE) & Economic Support Payments Grants Program	0	141,928	0	141,928
View	420-75-0070	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	0	274,078	0	274,078
View	420-75-1633	Community Development Block Grant Housing Rehabilitation Program	234,684	0	0	234,684
View	494-00-0967	High-Growth Cities Program	0	0	0	0
View	494-00-1488	Motor Fuel Tax Program	696,605	0	0	696,605
Totals:			931,289	569,070	15,650,375	17,150,734

View	494-00-2356	Local REBUILD ILLNOIS Bond Program	0	0	0	0
View	494-42-0495	Local Surface Transportation Program.	0	0	0	0
View	532-60-3017	Lead Service Line Inventory Grant Program	0	0	0	0
View	546-00-2094	Edward Byrne Memorial Justice Assistance Grant Program (JAG)	0	111,249	0	111,249
View		Other grant programs and activities		41,815	0	41,815
View		All other costs not allocated			15,650,375	15,650,375
Totals:			931,289	569,070	15,650,375	17,150,734

Please note the following:

- The CYEFR may be pre-populated with programs based on existing awards in the GATA system. These programs cannot be removed. If no spending occurred in a program leave the amounts at zero.
- Any grant expenditures not associated with funding received through the State of Illinois are to be entered in "Other grant programs and activities". The expenditures must be identified as federal (direct or pass-through) or other funding.
- All other expenditures not related to grants are to be entered in "All other costs not allocated".

City of Herrin, Illinois
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the fiscal year ended April 30,2023

MATERIAL WEAKNESSES

2022-01 – Audit Journal Entries and Year-End-Close – repeated in 2023 as finding 2023-01

2022-02 – Segregation of Duties – repeated in 2023 as finding 2023-02