

VILLAGE OF ERIE, ILLINOIS
ANNUAL FINANCIAL REPORT
April 30, 2022

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Independent Auditor's Report

President and Trustees of the Board
Village of Erie
Erie, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Erie, Illinois as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Erie, Illinois as April 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of Erie, Illinois, 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.

As described in the Notes to Financial Statements, page 24, the Village prepares its financial statements on the modified cash basis of accounting. This practice represents a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with accounting principles generally accepted in the United States of America.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting, 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 Village of Erie, Illinois' 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.

Auditor's 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 auditor's 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 generally accepted 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 generally accepted 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 Village of Erie, Illinois' 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 Village of Erie, Illinois' 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 management's discussion and analysis and budgetary comparison information on pages 3-11 and 42-43 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Erie, Illinois' basic financial statements. The supplementary information, including the combining and individual nonmajor fund financial statements and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The statistical schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Minor, Kelly M. CPA PC
D. J. M. CPA

Savanna, Illinois
September 8, 2022

VILLAGE OF ERIE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2022

As the Management of the Village of Erie, Illinois, we offer the reader of the Village's financial statements this narrative overview and analysis of the financial activities of the Village of Erie, Illinois for the year ended April 30, 2022.

The Management's Discussion and Analysis is provided at the beginning of the report to provide an overview of the Village's financial position at April 30, 2022, and the results of its financial activities for the year then ended. This summary should not be taken as a replacement for the audit report, which consists of the financial statements, notes to the financial statements, required and other supplementary information. We encourage readers to consider this information in conjunction with the Village's financial statements, which follow.

2022 FINANCIAL HIGHLIGHTS

The Village's assets exceeded its liabilities at the close of the fiscal year by \$3,854,098 (net position). Of this amount \$1,267,739 (unrestricted net position) may be used to meet the Village's ongoing obligations.

- The Village's total net position increased by \$167,879 during 2022 as reported in the Statement of Activities - Modified Cash Basis. This increase was attributable to decreases in highway and street expenditures, in addition to increases in tax and grant receipts. In 2021, total net position decreased \$29,117 due to increases in highway and street, law enforcement, general government, and water and sanitation expenditures.
- The Village's major revenue sources for 2021 consist of \$556,493 in charges for services, \$290,643 in property taxes, \$225,445 in state income taxes, \$208,157 in sales taxes, and \$80,587 in utility tax revenues. In comparison to \$553,022 in charges for services, \$279,664 in property taxes, \$183,649 in state income taxes, \$1154,978 in sales taxes, and \$79,042 in utility tax revenues for 2020.
- At the close of fiscal year 2022, the Village's governmental funds reported combined ending fund balances of \$1,026,616 an increase of \$197,553 or 23.83%, in comparison to the prior year.
- At the end of fiscal year 2022, the unassigned fund balance, as stated in the governmental funds, was \$553,916 which is 54.24% of total governmental funds expenditures. As of April 30, 2022, the combined restricted fund balance for drug enforcement, street improvements, and Covid-19 relief/infrastructure was \$188,256; and the combined fund balance assigned to future projects, audit, social security, and insurance purposes totaled \$284,444.

USING THIS ANNUAL REPORT

The annual report consists of the Independent Auditor's Reports, and a series of financial statements and other information as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Village's financial activities.

VILLAGE OF ERIE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2022

USING THIS ANNUAL REPORT (CONTINUED)

The Government-wide Financial Statement consists of a Statement of Net Position and a Statement of Activities. These statements provide information about the activities of the Village as a whole and present an overall view of the Village's finances.

The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report the Village's operations in more detail than the government-wide statement by providing information about the most significant funds.

Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Supplemental and Other Information further explains and supports the financial statements with a comparison of the Village's budget for the year, and provides detailed information about the nonmajor governmental funds and statistical data.

BASIS OF ACCOUNTING

The Village maintains its financial records for governmental and fiduciary fund types on the modified cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Revenues and assets are recognized when received, regardless of when they were earned and expenditures/expenses and liabilities are recognized when payment is made, regardless of when they are incurred. Capital assets are also recorded and depreciated over their useful lives. The modified cash basis of accounting does not give effect to accounts receivable, accounts payable, and some accrued items. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with accounting principles generally accepted in the United States of America. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the cash basis of accounting.

REPORTING THE VILLAGE'S FINANCIAL ACTIVITIES

Government-wide Financial Statement

One of the most important questions asked about the Village's finances is, "Is the Village as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and Statement of Activities report information which helps answer this question.

The Statement of Net Position and the Statement of Activities present the Village's net position. Over time, increases or decreases in the Village's net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. The Statement of Net Position and the Statement of Activities are divided into two kinds of activities:

VILLAGE OF ERIE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2022

REPORTING THE VILLAGE'S FINANCIAL ACTIVITIES (CONTINUED)

- Governmental Activities include general government, law enforcement, highway and streets, and public health and welfare. Property taxes finance most of these activities.
- Business-type Activities include the water and sanitation system and cemetery operations. These activities are financed primarily by user charges.

Fund Financial Statements

The Village has two kinds of funds:

- 1) **Governmental funds** account for most of the Village's basic services. These focus on how money flows into and out of those funds, and the balances at year-end that are available for spending. The governmental funds include: 1) the General Fund, 2) the Special Revenue Funds, such as Motor Fuel Tax, Audit, Social Security, Illinois Municipal Retirement (IMRF), and Insurance Funds. The General and Motor Fuel Tax Funds are considered major funds of the Village. While the other four are nonmajor governmental funds and are provided in the form of combining statements in the Other Supplementary Information section of this report. The governmental fund financial statements provide a detailed, short-term view of the Village's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Village's programs.

The required financial statements for governmental funds include a statement of assets, liabilities, and fund balances - modified cash basis and a statement of revenues received, expenditures disbursed, changes in fund balances - modified cash basis.

- 2) **Proprietary funds** account for the Village's Enterprise Funds. Enterprise Funds are used to report business-type activities. The Village maintains three Enterprise Funds to provide separate information for water and sanitation and cemetery services. The Water and Sanitation Fund is considered a major fund of the Village, while the two cemetery funds are nonmajor proprietary funds and are provided in the form of combining statements in the Other Supplementary Information section of the report.

The required financial statements for proprietary funds include a statement of net position - modified cash basis, a statement of revenues received, expenses disbursed, and changes in net assets - modified cash basis and a statement of cash flows - modified cash basis.

The Village adopts annual budgets for all major governmental funds and certain other funds. A budgetary comparison statement has been provided for the major governmental funds only, which is in compliance with GASB Statement No. 34.

VILLAGE OF ERIE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2022

CONDENSED FINANCIAL INFORMATION

Statement of Net Position - Governmental Activities - Modified Cash Basis

	<u>2022</u>	<u>2021</u>
Assets:		
Current assets	\$ 1,026,616	\$ 831,747
Capital assets (net)	<u>843,321</u>	<u>882,159</u>
Total assets	<u>1,869,937</u>	<u>1,713,906</u>
Liabilities:		
Current liabilities	39,566	41,104
Long-term liabilities	<u>129,236</u>	<u>168,817</u>
Total liabilities	<u>168,802</u>	<u>209,921</u>
Net assets:		
Invested in capital assets, net of related debt	674,519	674,922
Restricted net position	188,256	67,243
Unrestricted net position	<u>838,360</u>	<u>761,820</u>
Total net position	<u>\$1,701,135</u>	<u>\$1,503,985</u>

Statement of Net Position - Business Type Activities - Modified Cash Basis

	<u>2022</u>	<u>2021</u>
Assets:		
Current assets	\$ 526,352	\$ 553,944
Capital assets (net)	<u>3,283,676</u>	<u>3,230,527</u>
Total assets	<u>3,810,028</u>	<u>3,784,471</u>
Liabilities:		
Current liabilities	84,262	63,420
Long-term liabilities	<u>1,572,803</u>	<u>1,538,817</u>
Total liabilities	<u>1,657,065</u>	<u>1,602,237</u>
Net assets:		
Invested in capital assets, net of related debt	1,626,611	1,628,290
Restricted net position	96,973	79,647
Unrestricted net position	<u>429,379</u>	<u>474,297</u>
Total net position	<u>\$ 2,152,963</u>	<u>\$2,182,234</u>

VILLAGE OF ERIE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of financial position. The analysis of condensed financial information on the next two pages shows the Village's changes in net position for governmental and business-type activities for fiscal years 2022 and 2021:

Changes in Net Position of Governmental Activities - Modified Cash Basis

	<u>2022</u>	<u>2021</u>
Revenues received:		
Program receipts:		
Charges for services	\$ 107,457	\$ 101,841
Grants and Contributions:		
Operating Grants	101,995	58,968
General receipts and transfers:		
Property taxes	290,643	279,664
Income taxes	225,445	183,649
Sales taxes	208,157	154,978
Utility taxes	80,587	79,042
Other taxes	137,845	125,952
Interest income	5,385	6,452
Other	107,178	119,927
Transfers	<u>-</u>	<u>42,981</u>
Total receipts	<u>1,264,692</u>	<u>1,153,454</u>
Expenditures disbursed:		
General government	260,194	225,852
Law enforcement	260,702	260,853
Highway and streets	379,909	490,078
Public health and welfare	115,552	115,549
Interest and fees	5,204	6,252
Transfers	<u>45,981</u>	<u>-</u>
Total disbursements	<u>1,067,542</u>	<u>1,098,584</u>
Change in net position	197,150	54,870
Net position, beginning of year	<u>1,503,985</u>	<u>1,449,115</u>
Net position, end of year	<u>\$1,701,135</u>	<u>\$1,503,985</u>

In 2021, the Village's total receipts for governmental activities increased by 9.64%, or \$111,238 to \$1,264,692. Increases in charges for services, property, income, sales, and other taxes; along with increases in grants accounted for this increase over 2021's total receipts of \$1,153,454.

VILLAGE OF ERIE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The cost of all governmental activities in 2022 was \$1,021,561 compared to \$1,098,584 in 2021. The \$77,023 decrease was primarily due to a decrease in highway and streets spending in comparison to 2021. As shown in the Statement of Activities on pages 13 and 14, the amount taxpayers ultimately financed for these activities in 2022 was \$812,109, in comparison to \$937,775, the amount taxpayers financed in 2021. Some of the cost was paid by those that directly benefited from the services (\$107,457 in 2022 and \$101,841 in 2021).

Overall, the Village's governmental activities net position increased in 2022 by \$197,150, compared to an increase of \$54,870 in 2021. The primary reason for this increase, was attributable to a decrease in highway and street expenditures, and increased tax and grant revenue received in 2022 as compared to 2021.

Changes in Net Position of Business-type Activities - Modified Cash Basis

	<u>2022</u>	<u>2021</u>
Revenues received:		
Program receipts:		
Charges for service:		
Water and sanitation	\$ 448,746	\$ 451,121
Cemetery operations	290	60
Capital grants and contributions:		
Water and sanitation	-	26,440
General revenues and transfers:		
Property taxes	2,513	2,529
Unrestricted investment earnings	3,629	3,288
Transfers in	45,981	3,000
Miscellaneous	1,165	3,444
Total receipts	<u>502,324</u>	<u>489,882</u>
Expenses disbursed:		
Water and sanitation operations	502,515	505,359
Cemetery operations	754	75
Interest expense	28,326	22,454
Transfers out	-	45,981
Total disbursements	<u>531,595</u>	<u>573,869</u>
Change in net position	<u>(29,271)</u>	<u>(83,987)</u>
Net position, beginning of year	<u>2,182,234</u>	<u>2,266,221</u>
Net position, end of year	<u><u>\$2,152,963</u></u>	<u><u>\$2,182,234</u></u>

Total business-type activities receipts for 2022 and 2021 were fairly consistent at \$502,324 and \$489,882, respectively; an increase of \$12,442 or 2.54%. Total disbursements for 2022 decreased by \$42,274 or 7.37% under the prior year, primarily due to transfers out to the General Fund for a new vehicle purchase in 2021.

**VILLAGE OF ERIE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2022**

INDIVIDUAL GOVERNMENTAL FUND ANALYSIS

As the Village of Erie, Illinois completed 2022 and 2021, its governmental funds reported a combined fund balance of \$1,026,616 and \$829,063, respectively, a 2022 increase of \$197,553 over the previous year's balance in comparison to 2021's increase of \$56,047. The following are the major reasons for the change in fund balance for 2022:

In 2022, the General Fund balance increased \$170,175, over the prior year to \$855,934. Increases in property taxes, intergovernmental receipts, receipts from services, and grants attributed to this increase in fund balance, along with decreases in highway and street expenditures. In 2021, General Fund balance increased by \$99,847, due primarily to increases in property taxes, intergovernmental receipts, receipts from services, grants, and other revenue, despite increases in operating and debt service expenditures.

The Motor Fuel Tax Fund balance increased by \$17,361 in 2022 to \$82,451, in comparison to a decrease in fund balance of \$43,363 in 2021. This significant change between 2022 and 2021's change in fund balances, resulted from a reduction in highway and street expenditures being spent in 2022, in comparison to \$153,300 being expended in 2021.

In 2022, the nonmajor special revenue funds, collectively, noted an increase of \$10,017 to \$88,231, resulting from an increase of property tax revenue, in comparison to a slight decrease in fund balance of \$437 in 2021. The Social Security and IMRF funds contributed to the 2022's increase in fund balance of the four nonmajor special revenue funds. In 2021, three of the four nonmajor special revenue funds contributed to the slight decrease.

INDIVIDUAL BUSINESS-TYPE FUND ANALYSIS

The Village's Water and Sanitation Utility Fund 2022's net position decreased by \$28,882 under 2021's net position to \$2,140,396. In 2021, net position decreased by \$84,050 under 2020's to \$2,169,278. Despite lower operating revenues due to a federal grant received in 2021, decreased spending and transfers in resulted in a smaller decrease in net position in comparison to 2021.

In 2022, the Other Enterprise funds had a decrease in net position of \$389, in comparison to an increase in net position of \$63 in 2021.

BUDGETARY ANALYSIS

The budgetary comparison and related disclosures are reported as Required Supplemental Information for the General Fund and the major Special Revenue fund - Motor Fuel Tax Fund.

For the years ended April 30, 2022 and 2021, the Village's budget is prepared based upon anticipated cash receipts and cash disbursements. Budget columns are provided for the original and final adopted budgets for the fiscal year. However, for 2022 and 2021, the original budgets were not amended. Significant variances from the final budget and actual balances are discussed below:

**VILLAGE OF ERIE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2022**

BUDGETARY ANALYSIS (CONTINUED)

General Fund and Motor Fuel Tax Fund Budgetary Variances

Overall, the Village is conservative in budgeting for its expenses. The Village budgets for contingency expenses within the fund for unanticipated expenses during the budget process, accounting for the large positive variances in some of the budgeted line items for the years ended April 30, 2022 and 2021. The Village's expenditures did not exceed budgeted amounts in both 2022 and 2022.

ECONOMIC FACTORS

The slow economic condition of the area and rising operating expenses have affected the Village's financial position over the past few years, although 2022 showed an improvement. For the fiscal years ending April 30, 2022 there was a \$197,150 increase in governmental activities' net position, but business-type activities suffered a decrease of \$29,271. In 2021, increases of only \$54,879 were seen in governmental activities, due to decreased grants and tax revenues, and increased spending, in comparison to 2022. The decrease in business-type activities net position, was reduced to only \$29,271 in comparison to a decrease of \$83,987 in 2021. However, this improvement was due primarily to a change in transfers in between the two years; as operating receipts and expenditures remained fairly constant.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

Capital Assets

The Village of Erie's investment in capital assets for its governmental activities and business-type activities at year totaled \$843,321 and \$3,283,676, respectively (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, furniture and fixtures, sidewalks, and infrastructure such as roads. There were \$4,636 and \$168,893 in capital asset additions recorded during 2022 for governmental activities and business-type activities, respectively. Depreciation charges against the capital assets during the current period were \$43,474 and \$115,744 for governmental activities and business-type activities, respectively. See Note – 4 for details of the Village's capital assets.

Debt Administration

On August 14, 2017, a loan agreement with Erie State Bank was signed for new Village Hall. As of April 30, 2020, \$408,000 in loan proceeds had been advanced to the Village. The loan is being recorded equally in the General Fund and in the Water and Sanitation Fund. Principal payments during 2022 totaled \$40,962 for the General Fund and the Water and Sanitation Fund on this note.

On April 13, 2018 loan agreement shared by the Village's General Fund and Water and Sanitation Fund. Principal payments totaling \$10,371 were paid during 2022 on the \$50,000 note payable with Erie State Bank, for equipment shared by both funds.

On January 30, 2020, the Village entered into an agreement with John Deere Financial to finance \$52,596 of equipment purchased that would be shared between the General Fund and Water and Sanitation Fund. Principal payments totaling \$10,648 were paid during 2022.

**VILLAGE OF ERIE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2022**

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY (CONTINUED)

On February 13, 2020, \$1,420,000 in Waterworks and Sewerage System Revenue Bonds purchased by the USDA issued for improvements and updates to the water and sanitation systems. During 2022, \$25,000 in principal payments on this debt were made from the Water and Sanitation Fund.

On January 28, 2021, a loan agreement for \$91,962 was signed with Erie State Bank for the purchase of a new truck to be shared equally between the General Fund and Water and Sanitation Fund. Principal payments during 2022 totaled \$14,889 which were equally paid between the two funds.

On December 30, 2021, a loan agreement with Morton Community Bank for \$123,037 was signed for the purchase of a Vermeer Vac System for the Water and Sanitation Fund. Principal payments during 2022 totaled \$4,774 which were paid from the Water and Sanitation Fund.

See Note – 5 for more details on the Village's debt.

FACTORS OR CONDITIONS IMPACTING FUTURE PERIODS

Financial and budget planning is directly related to and supportive of the Village's budget plan and operational needs. There are no known facts, conditions, or decisions that are expected to have a significant effect on the financing of planned facilities or services. The Village has a long range plan for street and drainage repairs and maintenance.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Village's finances and to show the Village's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Village of Erie at P.O. Box 37, Erie, Illinois.

BASIC FINANCIAL STATEMENTS

VILLAGE OF ERIE, ILLINOIS
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
April 30, 2022

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents:			
Unrestricted	\$ 585,170	\$ 436,712	\$ 1,021,882
Restricted	336,446	89,640	426,086
Certificates of deposits	105,000	-	105,000
Capital assets, net of accumulated depreciation	843,321	3,283,676	4,126,997
Total assets	<u>1,869,937</u>	<u>3,810,028</u>	<u>5,679,965</u>
LIABILITIES			
Note payable bank, current	39,566	84,262	123,828
Note payable, less current portion	129,236	1,572,803	1,702,039
Total liabilities	<u>168,802</u>	<u>1,657,065</u>	<u>1,825,867</u>
NET POSITION			
Invested in capital assets, net of related debt	674,519	1,626,611	2,301,130
Restricted for:			
Streets and roads	82,451	-	82,451
Cemetery operations	-	7,333	7,333
Water debt reserve	-	48,480	48,480
Water asset	-	41,160	41,160
Other purposes	105,805	-	105,805
Unrestricted	838,360	429,379	1,267,739
Total net position	<u>\$ 1,701,135</u>	<u>\$ 2,152,963</u>	<u>\$ 3,854,098</u>

These financial statements should be read only in connection with the
accompanying summary of significant accounting
policies and notes to financial statements.

VILLAGE OF ERIE, ILLINOIS
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
Year Ended April 30, 2022

	<u>Expenses</u>	<u>Program Revenues</u> <u>Charges for</u> <u>Service</u>
FUNCTIONS/PROGRAMS		
Governmental activities		
General government	\$ 260,194	\$ 107,457
Law enforcement	260,702	-
Highway and streets	379,909	-
Public health and welfare	115,552	-
Interest and fees	5,204	-
Total governmental activities	<u>1,021,561</u>	<u>107,457</u>
Business-type activities		
Water and sanitation	530,841	448,746
Cemetery operations	754	290
Total business-type activities	<u>531,595</u>	<u>449,036</u>
TOTAL	<u><u>\$ 1,553,156</u></u>	<u><u>\$ 556,493</u></u>
General revenues		
Property taxes		
Income taxes		
Sales taxes		
Utility taxes		
Other tax revenue		
Unrestricted investment earnings		
Miscellaneous		
Total general revenues		
Transfers		
Total general revenues and transfers		
CHANGE IN NET POSITION		
NET POSITION, BEGINNING OF YEAR		
NET POSITION, END OF YEAR		

<u>Operating Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ 101,995	\$ (50,742)	\$ -	\$ (50,742)
-	(260,702)	-	(260,702)
-	(379,909)	-	(379,909)
-	(115,552)	-	(115,552)
-	(5,204)	-	(5,204)
<u>101,995</u>	<u>(812,109)</u>	<u>-</u>	<u>(812,109)</u>
-	-	(82,095)	(82,095)
-	-	(464)	(464)
-	-	<u>(82,559)</u>	<u>(82,559)</u>
<u>\$ 101,995</u>	<u>(812,109)</u>	<u>(82,559)</u>	<u>(894,668)</u>
	290,643	2,513	293,156
	225,445	-	225,445
	208,157	-	208,157
	80,587	-	80,587
	137,845	-	137,845
	5,385	3,629	9,014
	107,178	1,165	108,343
	<u>1,055,240</u>	<u>7,307</u>	<u>1,062,547</u>
	<u>(45,981)</u>	<u>45,981</u>	<u>-</u>
	1,009,259	53,288	1,062,547
	197,150	(29,271)	167,879
	<u>1,503,985</u>	<u>2,182,234</u>	<u>3,686,219</u>
	<u>\$ 1,701,135</u>	<u>\$ 2,152,963</u>	<u>\$ 3,854,098</u>

These financial statements should be read only in connection with the accompanying summary of significant accounting policies and notes to financial statements.

VILLAGE OF ERIE, ILLINOIS
STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES -
GOVERNMENTAL FUNDS - MODIFIED CASH BASIS
April 30, 2022

	<u>General</u>	<u>Motor Fuel Tax</u>	<u>Nonmajor Funds</u>	<u>Total</u>
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents				
Unrestricted	\$ 414,488	\$ 82,451	\$ 88,231	\$ 585,170
Restricted	336,446	-	-	336,446
Certificate of deposits	105,000	-	-	105,000
	<u>105,000</u>	<u>-</u>	<u>-</u>	<u>105,000</u>
Total current assets	<u>\$ 855,934</u>	<u>\$ 82,451</u>	<u>\$ 88,231</u>	<u>\$ 1,026,616</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
None	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCES				
Restricted for:				
Drug enforcement	\$ 3,810	\$ -	\$ -	\$ 3,810
Street improvements	-	82,451	-	82,451
Covid-19 relief/infrastructure	101,995			101,995
Assigned to:				
Future projects	230,640	-	-	230,640
Audit	-	-	15	15
Social Security	-	-	10,798	10,798
Insurance	-	-	42,991	42,991
Unassigned	519,489	-	34,427	553,916
	<u>519,489</u>	<u>-</u>	<u>34,427</u>	<u>553,916</u>
Total fund balances	<u>855,934</u>	<u>82,451</u>	<u>88,231</u>	<u>1,026,616</u>
Total liabilities and fund balances	<u>\$ 855,934</u>	<u>\$ 82,451</u>	<u>\$ 88,231</u>	<u>\$ 1,026,616</u>

These financial statements should be read only in connection with the
accompanying summary of significant accounting
policies and notes to financial statements.

VILLAGE OF ERIE, ILLINOIS
RECONCILIATION OF THE STATEMENT OF ASSETS, LIABILITIES, AND
FUND BALANCES - MODIFIED CASH BASIS TO THE
STATEMENT OF NET POSITION- MODIFIED CASH BASIS
April 30, 2022

Total governmental fund balances (page 15)	\$ 1,026,616
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*Amounts reported for governmental activities in the
statement of net position are different because:*

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$1,614,146 and the accumulated depreciation is \$770,825	843,321
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Liabilities related to a bank note payable are not due and payable in the current period and therefore, are not reported in the funds.	<u>(168,802)</u>
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Net position of governmental activities (page 12)	<u><u>\$ 1,701,135</u></u>
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These financial statements should be read only in connection with the
accompanying summary of significant accounting
policies and notes to financial statements.

VILLAGE OF ERIE, ILLINOIS
STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS - MODIFIED CASH BASIS
Year Ended April 30, 2022

	<u>General</u>	<u>Motor Fuel Tax</u>	<u>Nonmajor Funds</u>	<u>Total</u>
REVENUES RECEIVED				
Property taxes	\$ 156,292	\$ -	\$ 134,351	\$ 290,643
Intergovernmental receipts	553,075	98,958	-	652,033
Receipts from services	107,457	-	-	107,457
Grants	101,995	-	-	101,995
Interest income	4,502	328	555	5,385
Other revenue	97,856	-	9,322	107,178
Total revenue received	<u>1,021,177</u>	<u>99,286</u>	<u>144,228</u>	<u>1,264,691</u>
EXPENDITURES DISBURSED				
Current Operating				
General government	116,995	-	136,648	253,643
Law enforcement	254,649	-	-	254,649
Highway and streets	267,113	81,925	-	349,038
Public health and welfare	115,552	-	-	115,552
Debt Service				
Principal	38,435	-	-	38,435
Interest	5,204	-	-	5,204
Capital outlay	4,636	-	-	4,636
Total expenditures disbursed	<u>802,584</u>	<u>81,925</u>	<u>136,648</u>	<u>1,021,157</u>
EXCESS (DEFICIENCY) OF REVENUES RECEIVED OVER (UNDER) EXPENDITURES DISBURSED	<u>218,593</u>	<u>17,361</u>	<u>7,580</u>	<u>243,534</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	2,437	2,437
Operating transfers out	(48,418)	-	-	(48,418)
Total other financing sources (uses)	<u>(48,418)</u>	<u>-</u>	<u>2,437</u>	<u>(45,981)</u>
NET CHANGES IN FUND BALANCES	170,175	17,361	10,017	197,553
FUND BALANCES, BEGINNING OF YEAR	<u>685,759</u>	<u>65,090</u>	<u>78,214</u>	<u>829,063</u>
FUND BALANCES, END OF YEAR	<u>\$ 855,934</u>	<u>\$ 82,451</u>	<u>\$ 88,231</u>	<u>\$ 1,026,616</u>

These financial statements should be read only in connection with the
accompanying summary of significant accounting
policies and notes to financial statements.

VILLAGE OF ERIE, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES RECEIVED, EXPENDITURES
DISBURSED, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
Year Ended April 30, 2022

Net change in fund balances - total governmental funds (page 17)	\$	197,553
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*Amounts reported for governmental activities in the
Statement of Activities are 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 depreciation of \$43,474 was more than capitalized assets of \$4,636 in the current period.		(38,838)
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Repayment of principal on mortgage payable is an expenditure in the governmental funds; however, the repayment reduces liabilities in the Statement of Net Position.		38,435
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Change in net position of governmental activities (page 14)	\$	197,150
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These financial statements should be read only in connection with the
accompanying summary of significant accounting
policies and notes to financial statements.

VILLAGE OF ERIE, ILLINOIS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS -
MODIFIED CASH BASIS
April 30, 2022

	<u>Water and Sanitation</u>	<u>Other Enterprise Funds</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 429,379	\$ 7,333	\$ 436,712
Restricted cash	89,640	-	89,640
Capital assets, net of accumulated depreciation	<u>3,278,442</u>	<u>5,234</u>	<u>3,283,676</u>
Total assets	<u>3,797,461</u>	<u>12,567</u>	<u>3,810,028</u>
LIABILITIES			
Note payable, current	84,262	-	84,262
Note payable, less current portion	<u>1,572,803</u>	<u>-</u>	<u>1,572,803</u>
Total liabilities	<u>1,657,065</u>	<u>-</u>	<u>1,657,065</u>
NET POSITION			
Invested in capital assets, net of related debt	1,621,377	5,234	1,626,611
Restricted			
Water debt reserve	48,480		48,480
Water asset replacement	41,160		41,160
Cemetery services	-	7,333	7,333
Unrestricted	<u>429,379</u>	<u>-</u>	<u>429,379</u>
Total net position	<u>\$ 2,140,396</u>	<u>\$ 12,567</u>	<u>\$ 2,152,963</u>

These financial statements should be read only in connection with the
accompanying summary of significant accounting
policies and notes to financial statements.

VILLAGE OF ERIE, ILLINOIS
STATEMENT OF REVENUES RECEIVED, EXPENSES DISBURSED,
AND CHANGES IN NET POSITION- PROPRIETARY FUNDS -
MODIFIED CASH BASIS
Year Ended April 30, 2022

	Water and Sanitation	Other Enterprise Funds	Total
OPERATING REVENUES RECEIVED			
User fees	\$ 448,746	\$ -	\$ 448,746
Receipts from services	-	290	290
Other revenue	1,165	-	1,165
Total operating revenues received	<u>449,911</u>	<u>290</u>	<u>450,201</u>
OPERATING EXPENSES DISBURSED			
General government	221,185	-	221,185
Power and heating	82,366	-	82,366
Repair and maintenance	61,280	680	61,960
Other operating expense	22,014	-	22,014
Depreciation	115,670	74	115,744
Total operating expenses disbursed	<u>502,515</u>	<u>754</u>	<u>503,269</u>
OPERATING INCOME (LOSS)	<u>(52,604)</u>	<u>(464)</u>	<u>(53,068)</u>
NON-OPERATING REVENUES (EXPENSES)			
Property taxes	2,513	-	2,513
Interest income	3,554	75	3,629
Other debt service interest	(28,326)	-	(28,326)
Total non-operating revenues (expenses)	<u>(22,259)</u>	<u>75</u>	<u>(22,184)</u>
NET INCOME BEFORE TRANSFERS	(74,863)	(389)	(75,252)
Transfers in	45,981	-	45,981
Transfers out	-	-	-
	<u>45,981</u>	<u>-</u>	<u>45,981</u>
CHANGE IN NET POSITION	(28,882)	(389)	(29,271)
NET POSITION, BEGINNING OF YEAR	<u>2,169,278</u>	<u>12,956</u>	<u>2,182,234</u>
NET POSITION, END OF YEAR	<u>\$ 2,140,396</u>	<u>\$ 12,567</u>	<u>\$ 2,152,963</u>

These financial statements should be read only in connection with the
accompanying summary of significant accounting
policies and notes to financial statements.

VILLAGE OF ERIE, ILLINOIS
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS - MODIFIED CASH BASIS
Year Ended April 30, 2022

	<u>Water and Sanitation</u>	<u>Other Enterprise Funds</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users	\$ 449,911	\$ 290	\$ 450,201
Cash payments to employees for services	(145,024)	-	(145,024)
Cash payments to suppliers for services	(241,821)	(680)	(242,501)
Net cash provided by operating activities	<u>63,066</u>	<u>(390)</u>	<u>62,676</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers in	45,981	-	45,981
Intergovernmental income	2,513	-	2,513
Net cash used in non-capital financing activities	<u>48,494</u>	<u>-</u>	<u>48,494</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds on loan agreements	123,037	-	123,037
Acquisition of capital assets	(168,893)	-	(168,893)
Principal paid on loan agreements	(68,210)	-	(68,210)
Interest paid and service fees	(28,326)	-	(28,326)
Net cash used in capital and related financing activities	<u>(142,392)</u>	<u>-</u>	<u>(142,392)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	<u>3,554</u>	<u>75</u>	<u>3,629</u>
NET INCREASE (DECREASE) IN CASH	<u>(27,278)</u>	<u>(315)</u>	<u>(27,593)</u>
CASH, BEGINNING OF YEAR	<u>546,297</u>	<u>7,648</u>	<u>553,945</u>
CASH, END OF YEAR	<u><u>\$ 519,019</u></u>	<u><u>\$ 7,333</u></u>	<u><u>\$ 526,352</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income	\$ (52,604)	\$ (464)	\$ (53,068)
Adjustments to reconcile operating income to net cash flows from operating activities:			
Depreciation expense	115,670	74	115,744
Changes in liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net cash flows from operating activities	<u><u>\$ 63,066</u></u>	<u><u>\$ (390)</u></u>	<u><u>\$ 62,676</u></u>

These financial statements should be read only in connection with the
accompanying summary of significant accounting
policies and notes to financial statements.

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE - 1 NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Village Board of Erie, Illinois is a body corporate and politically established under Illinois Compiled Statutes (ILCS) governed by an elected President and Board of Trustees. The Village is considered to be a primary government since it is legally separate and fiscally independent.

The Village has developed criteria to determine whether outside agencies with activities which benefit the citizens of the Village should be included within its financial reporting entity. The criteria includes, but is not limited to, whether the Village (1) selects the governing authority or management, (2) has the ability to significantly influence operations, or (3) has accountability for fiscal matters (e.g., final budget approval, responsibility for funding deficits, management of assets, etc.). As of April 30, 2022, the Village had no fiduciary funds or component units that needed to be included in the Village's financial reporting entity.

Basis of Presentation

Government-wide Financial Statements - The statement of net position and the statement of activities report information on all of the activities of the Village. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are supported by tax and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The Statement of Net Position presents the Village's assets and liabilities, with the difference reported as net position. Net position are reported in three categories.

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.

Restricted net position result when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consist of net position that do not meet the definition of the two preceding categories. Unrestricted net position often have constraints on resources that are imposed by management, but can be removed or modified.

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

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE - 1 NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements - Separate financial statements are provided for governmental funds and proprietary funds. Two major individual governmental fund are reported in separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other nonmajor funds in a single column.

Governmental fund types - Governmental fund types are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets and liabilities, the fund equity, is referred to as "fund balance". The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The Village has the following major governmental funds and all remaining governmental funds are aggregated and reported as nonmajor governmental funds:

The General Fund is the general operating fund of the Village. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating expenses, and fixed charges that are not paid from other funds.

The Motor Fuel Tax Fund is used to record the receipt of the Village's share of state gasoline taxes. These funds are then expended for the maintenance of roads and bridges. State of Illinois requires separate accounting for such revenues and expenditures.

Proprietary fund types - Proprietary fund types are used to account for a government's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position, and cash flows. A proprietary fund is a fund in which a fee is charged to external users of goods and services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has the third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on pricing policy designed to recover similar costs.

The Village reports the following major proprietary fund and all remaining proprietary funds are aggregated and reported as nonmajor proprietary funds:

Water and Sanitation Fund - The Water and Sanitation Fund is used to account for the provision of water treatment and distribution to the residential and commercial users of the Village and to account for the storm drainage runoff service provided to the residential and commercial users of the Village.

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE - 1 NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting and Measurement Focus

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

The Village maintains its accounting records for governmental fund types on the modified cash basis of accounting. This modified cash basis of accounting is based on the recording of cash and cash equivalents and changes therein, and only recognizes revenues, expenses, assets, and liabilities resulting from cash transactions adjusted for modifications that have substantial support in generally accepted accounting principles. These modifications include adjustment for the following balances arising from cash transactions:

- Capital assets and the depreciation of those assets, where applicable
- Long-term debt
- Cash-based interfund receivables and payables
- Payroll withholding liabilities
- Investments

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected, and accrued revenue and receivables) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with accounting principles generally accepted in the United States of America.

For business-type activities, Financial Accounting Standard Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied as they apply to the modified cash basis, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, state shared revenues and various state, federal, and local grants. On a cash basis, revenues from taxes are recognized when the Village has received payment. Grants and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Likewise, general revenues include all taxes. When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the City's policy is generally to first apply the expenditure toward restricted fund balance and then to less-restrictive classifications - committed, assigned, and then unassigned fund balances.

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE - 1 NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting and Measurement Focus (Continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sanitation Fund are charges to customers for sale and services. Operating expenses for this fund include general government, power and heating, repair and maintenance, other operating expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The Village's proprietary funds are also presented using the modified cash basis of accounting, as described previously. This basis of accounting is not in accordance with generally accepted accounting principles for municipalities as recommended by the National Committee on Governmental Accounting.

Cash and Cash Equivalents

For the purposes of reporting cash and cash equivalents on the cash flows, the Village considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Village considers certificates of deposits with a maturity of more than three months when purchased to be deposits. Restricted cash and cash equivalents consist of board designated funds restricted for specific uses.

Capital Assets

Capital assets which include land, buildings, equipment, furniture and fixtures, roads, and sidewalks are reported in the applicable activities columns in the government-wide financial statements. Capital assets are defined as assets with an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increases the capacity of an asset are capitalized. Expenditures for capital asset acquisitions, along with other repairs and improvements are included as capital outlay expenditures in the governmental funds. The Village does not have a formal capitalization policy.

Assets which are acquired and held for the Village's use are stated at historical cost. Depreciation of capital assets is recorded in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position and is provided on the straight-line basis over the following useful lives: buildings 20-40 years, equipment / furniture & fixture 10-20 years, vehicles 5-10 years, and infrastructure 20-50 years.

Long-term obligations

In the government-wide financial statements and in the proprietary fund types of the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary type statement of net position.

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE - 1 NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable - Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors, or state or federal laws or imposed by law through constitutional provisions or enabling legislation.

Committed - Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the Village through ordinance or resolution approved prior to year end. Those committed amounts cannot be used for any other purpose unless the Village removes or changes the specified use by taking the same action it employed to commit those amounts.

Assigned - Amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village Trustees.

Unassigned - All amounts not included in other spendable classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance.

Property taxes

It is the Village's intention that property taxes generated from the 2020 property tax levy, be used to finance the operating budget of the fiscal year ending April 30, 2022. Therefore, property tax receipts represent the receipts generated by the 2020 property tax levy.

The Village's property tax is levied on or before the second Tuesday in December each year on all taxable real property located in the Village. The 2020 tax levy was passed by the Village Board on December 8, 2020. Property taxes attach as an enforceable lien on property as of January 1 and are generally payable in two installments in June and September. The Village receives significant distributions of tax receipts within one month of these due dates.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of receipts and disbursements during the reporting period. Actual results could differ from those estimates.

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE - 1 NATURE OF ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting

In accordance with the Code of Illinois, the Village Council annually adopts a budget on the cash basis following required public notice and hearings for all funds. For the year ended April 30, 2022, the Tentative Budget and Appropriation Ordinance for all Governmental fund types was presented for comment on July 13, 2021.

Public hearings are conducted to obtain taxpayer comment. Adoption of the final Budget and Appropriation Ordinance for the year ended April 30, 2022, was July 13, 2021. No budget adjustments were made.

For each fund, total fund expenditures may not legally exceed the appropriated expenditures. The ordinance lapses at the end of each fiscal year. The Village does not utilize an encumbrance system. Budgeted amounts are as originally adopted or as adjusted by the Village Board.

Legal spending and management control for Village monies is at the fund level. The Village may amend the ordinance after the first half of the year by a two-thirds vote of all Village board members. The Board may make transfers between funds, but no appropriation may be reduced below an amount sufficient to cover such obligations.

NOTE 2 - CASH AND DEPOSITS

The Village is authorized by statute to invest public funds not currently needed for operating expenses to notes, certificates, bonds, prime eligible bankers acceptances, certain high rated commercial paper, perfected repurchase agreements, or other evidences of indebtedness which are obligations of or guaranteed by the United States of America or any of its agencies, or in time deposits or savings accounts in depositories approved by the Trustees and the Treasurer of the State of Illinois.

The following summarizes the balances of cash and deposits by fund type at April 30, 2022:

<u>Fund Type</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
<i>Cash and cash equivalents:</i>			
Major funds			
General	\$ 414,488	\$ 336,446	\$ 750,934
Motor Fuel Tax	82,451	-	82,451
Water and Sanitation	429,379	89,640	519,019
Nonmajor funds - governmental	88,231	-	88,231
Nonmajor funds - proprietary	7,333	-	7,333
<i>Deposits:</i>			
Major funds			
General	<u>105,000</u>	<u>-</u>	<u>105,000</u>
Total	<u>\$ 1,126,882</u>	<u>\$ 426,086</u>	<u>\$1,552,968</u>

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE 2 - CASH AND DEPOSITS (CONTINUED)

At April 30, 2022, the carrying amount of the Village's cash and deposits was \$1,552,968 and the bank balance was \$1,464,777. The deposits are categorized in accordance with risk factors created by governmental reporting standards.

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Category 1 - Deposits covered by depository insurance or collateral held by the Village or an agency in the Village's name.	\$ 250,000	\$ 250,000
Category 2 - Deposits covered by collateral held by a financial institution in a pledged safekeeping account in the Village's name.	1,302,968	1,214,777
Category 3 - Uninsured, uncollateralized deposits for which collateral has been pledged but not in the Village's name and uninsured, unrestricted, and uncollateralized deposits.	<u>-</u>	<u>-</u>
Total	<u>\$1,552,968</u>	<u>\$1,464,777</u>

NOTE 3 - PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied by September 1 and payable the following year in two installments on June 1 and September 1. Property tax revenues are recorded as receipts in the year collected. Because of the extraordinarily long period of time between the levy date and the receipt of the tax distributions from the County Collector, all the property taxes are not "available" to finance current year expenditures.

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT

Capital assets activity for the year ended April 30, 2022 was as follows:

	<u>Balance April 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance April 30, 2022</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 342,773	\$ -	\$ -	\$ 342,773
Capital assets being depreciated:				
Buildings	178,647	-	-	178,647
Equipment	230,447	-	-	230,447
Furniture and fixtures	94,082	-	-	94,082
Vehicles	281,192	4,636	-	285,828
Roads and sidewalks	482,369	-	-	482,369
Total capital assets being depreciated	<u>1,266,737</u>	<u>4,636</u>	<u>-</u>	<u>1,271,373</u>
Less accumulated depreciation for:				
Buildings	24,581	6,833	-	31,414
Equipment	176,638	8,560	-	185,198
Furniture and fixtures	94,082	-	-	94,082
Vehicles	219,956	17,476	-	237,432
Road and sidewalks	212,094	10,605	-	222,699
Total accumulated depreciation	<u>727,351</u>	<u>43,474</u>	<u>-</u>	<u>770,825</u>
Capital assets being depreciated, net	<u>539,386</u>	<u>(38,838)</u>	<u>-</u>	<u>500,548</u>
Governmental activities total assets, net	<u>\$ 882,159</u>	<u>\$ (38,838)</u>	<u>\$ -</u>	<u>\$ 843,321</u>

Depreciation expense was charged by the Village for Governmental activities as follows:

General government	\$ 6,551
Law enforcement	6,054
Highway and streets	<u>30,869</u>
Total depreciation expense, governmental activities	<u>\$ 43,474</u>

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	<u>Balance April 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance April 30, 2022</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 10,000	\$ -	\$ -	\$ 10,000
Capital assets being depreciated:				
Buildings	1,014,029	-	-	1,014,029
Equipment	178,958	122,912	-	301,870
Furniture and fixtures	12,918	-	-	12,918
Vehicles	50,766	45,981	-	96,747
Infrastructure	2,972,363	-	-	2,972,363
Total capital assets being depreciated	<u>4,229,034</u>	<u>168,893</u>	<u>-</u>	<u>4,397,927</u>
Less accumulated depreciation for:				
Buildings	457,388	23,368		480,756
Equipment	139,215	15,188	-	154,403
Furniture and fixtures	7,612	74	-	7,686
Vehicles	41,183	13,428	-	54,611
Infrastructure	363,109	63,686	-	426,795
Total accumulated depreciation	<u>1,008,507</u>	<u>115,744</u>	<u>-</u>	<u>1,124,251</u>
Capital assets being depreciated, net	<u>3,220,527</u>	<u>53,149</u>	<u>-</u>	<u>3,273,676</u>
Business-type activities total assets, net	<u>\$3,230,527</u>	<u>\$ 53,149</u>	<u>\$ -</u>	<u>\$3,283,676</u>

Depreciation expense was charged by the Village for Business-type activities as follows:

Water and sanitation	\$ 115,670
Cemetery operations	74
Total depreciation expense, business-type activities	<u><u>\$ 115,744</u></u>

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE 5 - LONG-TERM DEBT

Long-term debt recorded in the Government-wide Statements at April 30, 2022 is comprised of the following:

Governmental activities:

Commercial promissory note payable, Erie State Bank, Erie, Illinois, dated August 14, 2017, requires annual payments of \$23,795, including interest at 2.90%, maturing August 14, 2027, secured by real estate with a total carrying value of \$295,670. This note and required payments are being divided between the General and Water & Sanitation Funds.	\$ 110,609
Commercial promissory note payable, Erie State Bank, Erie, Illinois, dated April 13, 2018, requires monthly payments of \$458, including interest at 3.75%, maturing on April 13, 2023, secured by equipment with a total carrying value of \$9,167. This note and required payments are being divided between the General and Water & Sanitation Funds.	5,380
Commercial promissory note payable, John Deere Financial, Johnston, Iowa, dated January 30, 2020, requires monthly payments of \$516, including interest at 4.7%, maturing on January 30, 2025, secured by equipment with a total carrying value of \$48,166. This note and its required payments are being divided between the General and Water & Sanitation Funds.	15,482
Commercial promissory note payable, Erie State Bank, Erie, Illinois dated January 28, 2021, requires monthly payments of \$663, including interest at 1.25%, maturing on February 2, 2027, secured by equipment with a total carrying value of \$45,981. This note and its required payments are being divided between the General and Water & Sanitation Funds.	<u>37,331</u> 168,802

Business-type activities:

Commercial promissory note payable, Erie State Bank, Erie, Illinois, dated August 14, 2017, requires annual payments of \$23,795, including interest at 2.90%, maturing on August 14, 2027, secured by real estate with a total carrying value of \$308,771. This note and its required payments being divided between the General and Water & Sanitation Funds.	110,609
Commercial promissory note payable, Erie State Bank, Erie, Illinois, dated April 13, 2018, requires monthly payments of \$458, including interest at 3.75%, maturing on April 13, 2023, secured by equipment with a total carrying value of \$19,166. This note and its required payments are being divided between the General and Water & Sanitation Funds.	5,380
Commercial promissory note payable, John Deere Financial, Johnston, Iowa, dated January 30, 2020, requires monthly payments of \$516, including interest at 4.7%, maturing on January 30, 2025, secured by equipment with a total carrying value of \$48,166. This note and its required payments are being divided between the General and Water & Sanitation Funds.	15,482
Commercial promissory note payable, Erie State Bank, Erie, Illinois dated January 28, 2021, requires monthly payments of \$663, including interest at 1.25%, maturing on February 2, 2027, secured by equipment with a total carrying value of \$45,981. This note and its required payments are being divided between the General and Water & Sanitation Funds.	37,331

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE 5 - LONG-TERM DEBT (CONTINUED)

Waterworks and Sewerage System Revenue Bonds, USDA-Rural Development, dated February 13, 2020, requires semi-annual interest payments of \$25,000 to \$50,000 on May 1, 2020 through May 1, 2059, plus interest of 1.625% paid semi-annually. 1,370,000

Commercial promissory note payable, Morton Community Bank, Morton, Illinois dated December 31, 2021, requires monthly payments of \$1,810, including interest at 1.85%, maturing on January 17, 2028, secured by water and sanitation equipment with a total carrying value of \$112,669.

118,263
1,657,065
\$ 1,825,867

Total long-term debt

Changes in long-term debt of the Village is as follows:

	<u>April 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>April 30, 2022</u>
Governmental activities:				
General obligation note payables,				
Erie State Bank	\$ 186,431	\$ -	\$ 33,111	\$ 153,320
JD Financial	20,806	-	5,324	15,482
Total	207,237	-	38,435	168,802
Business-type activities:				
General obligation note payables,				
Erie State Bank	186,431	-	33,111	153,320
Morton Community Bank	-	123,037	4,774	118,263
JD Financial	20,806	-	5,324	15,482
Total	207,237	123,037	43,209	287,065
Total general obligation note payables	414,474	123,037	81,644	455,867
Waterworks and sewerage system				
Revenue bonds, USDA	1,395,000	-	25,000	1,370,000
Total long-term debt	<u>\$1,809,474</u>	<u>\$ 123,037</u>	<u>\$ 106,644</u>	<u>\$1,825,867</u>

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE 5 - LONG-TERM DEBT (CONTINUED)

Maturities of long-term debt payments as of April 30, 2022, are as follows:

Year Ending April 30,	Governmental		Business-Type	
	Principal	Interest	Principal	Interest
2023	\$39,566	\$3,646	\$84,262	\$28,150
2024	35,168	2,651	80,231	26,287
2025	34,108	1,745	79,546	24,504
2026	30,807	1,017	81,626	22,851
2027	29,153	341	80,361	21,202
Thereafter	-	-	1,251,039	360,507
TOTAL	\$168,802	\$9,400	\$1,657,065	\$483,501

Since this debt is not expected to be paid from available resources, the debt is recorded in the Government-wide Statements.

NOTE 6 - ORDINANCE - WATERWORKS AND SEWERAGE

Village ordinances have authorized the following debt issuances for the Waterworks and Sewerage Fund:

\$1,420,000 in Waterworks and Sewerage Revenue Bonds, purchased by USDA Rural Development. These ordinances provide for the following separate accounts for each debt issuance:

1. Construction account – all amounts as and when received and advanced in connection with the bonds herein authorized and issued to be applied to the acquisition, construction, extension and improvement of the System.
2. Operation and maintenance account - monthly deposits of an amount considered necessary and sufficient to pay the reasonable current expenses of operating, repairing, and maintaining system for the current month.
3. Bond and interest account - monthly deposits to pay for the retirement and payment of bond principal and interest. After the required payment has been determined, a fractional amount shall so be computed that sufficient funds will be set aside in this account and be available for prompt payment of principal and interest as the same will become due.

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE 6 - ORDINANCE - WATERWORKS AND SEWERAGE (CONTINUED)

4. Reserve account – monthly deposits of \$404 shall be deposited into this account until such account accumulates a total amount of \$48,480.
5. Depreciation account –monthly deposits of \$1,470 shall be made and used to the extent necessary to make short-lived (2-15 years) asset replacements to the System.
6. Surplus account – after all required payments into the accounts hereinabove described have been made, including the payments of any deficiencies, and when there is on deposit in the above-described Reserve Account the full maximum amount required to be accumulated in such reserve account, then all moneys remaining in the fund may be used for the purpose of calling and redeeming and prepaying any outstanding bonds of the Municipality which by their terms are payable from the income and revenues of the System as such bonds become redeemable or prepayable according to their terms, or such moneys may to the extent permitted by law be used for the purpose of constructing extensions and improvements to the System or debt service in connection therewith.

NOTE 7 - LEGAL DEBT MARGIN

The Village is subject to a statutory limitation imposed by the State of Illinois for indebtedness of not more than 8.625% of the assessed valuation of taxable property as of January 1 of the preceding year.

Assessed valuation	<u>\$23,706,081</u>
Statutory debt limit - 8.625% of assessed value	\$ 2,044,649
Amount of debt applicable to debt limit	<u>(455,867)</u>
Legal debt margin	<u>\$ 1,588,782</u>

NOTE 8 - RISK MANAGEMENT

The Village is exposed to various risks of loss including, but not limited to, general liability, property casualty, workers compensation and public official liabilities. To limit exposure to these risks, the Village purchases insurance from a commercial enterprise. The Village assumes liability for any deductibles and claims in excess of coverage limitations. There has no significant reduction in insurance coverage from prior year. Also, there have been no settlement amounts which have exceeded insurance coverage during the year.

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE 9 - DEFINED BENEFIT PENSION PLAN

Plan Description

The Village of Erie'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 Village's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of multiple-employer public pension plan. 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. Benefits provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a public available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplemental information. The report may be obtained at www.imrf.org.

Benefits Provided - IMR 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 official selected 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 financial rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

Employees Covered by the Benefit Terms - As of December 31, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	6
Inactive employees entitled to but not yet receiving benefits	13
Active employees	7
<hr/> Total	<hr/> 26

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions— As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2021 was 10.80%. For the calendar year 2021, the Village contributed \$42,506 to the plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contributions 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 Village's net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Methods and Assumptions Used to Determine 2021 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): 22-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 17 years for most employers (16 employers were financed over year ranging from 18 to 28 years).
Asset Valuation Method	5-Year smoothed market; 20% corridor
Wage growth	3.25%
Price Inflation	2.50%
Salary Increases	3.35% to 14.25% including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP_2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
Other information:	
Notes	There were no benefit changes during the year.

** Based on Valuation Assumptions used in the December 31, 2019 actuarial valuation*

**VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022**

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Methods and Assumptions Used to Determine Total Pension Liability:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
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-2020. For active members, the Pub-2020, 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.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2021 Illinois Municipal Retirement Fund annual actuarial valuation report. The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study dated March 24, 2022 for the period of January 1, 2021 through December 31, 2021. As a result of the December 31, 2021 actuarial experience study, there were no new changes in the investment rate of return since the December 31, 2020 valuation. There were no other changes to the methods and assumptions used to determine the Total Pension Liability.

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

The *Single Discount Rate* (SDR) is used to measure the total pension liability. The projection of cash flow used to determine the SDR 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 contributions rates and the member rate. The SDR reflects: 1) The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and 2) The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%; the municipal bond rate is 1.84%; and the resulting single discount rate is 7.25%.

Due to the Village preparing its financial statements on the modified cash basis of accounting, pension liabilities and deferred inflows and outflows referred to throughout the note disclosure are not recognized in the actual financial statements.

Changes in the Net Pension Liability

	Total Pension Liability	Increase(Decrease) Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2010	\$ 1,352,485	\$ 1,230,279	\$ 122,206
Service Cost	37,280	-	37,280
Interest on the Total Pension Liability	97,049	-	97,049
Difference between expected and actual experience of the Total Pension Liability	(59,428)	-	(59,428)
Changes of Assumptions	-	-	-
Contributions - Employer	-	42,506	(42,506)
Contributions - Employee	-	17,711	(17,711)
Net investment income	-	207,962	(207,962)
Benefit payments - net of refunds	(65,039)	(65,039)	-
Administrative expense	-	-	-
Other changes (Net Transfer)	-	(690)	690
Net changes	9,862	202,450	(192,588)
Balances at December 31, 2020	\$ 1,362,347	\$ 1,432,729	\$ (70,382)

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE 9 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 1,544,879	\$ 1,362,347	\$ 1,243,660
Plan Fiduciary Net Position	1,432,729	1,432,729	1,432,729
Net Pension Liability/(Asset)	\$ 112,150	\$ (70,382)	\$ (189,069)

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF financial report which is publicly available at <http://imrf.org>.

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - For the calendar year ended December 31, 2021, the Village recognized pension expense of \$42,506. At December 31, 2021, the Village had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources, which are not reported due to the modified cash basis of accounting:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,521	\$ 46,775
Assumption changes	2,537	11,336
Net difference between projected and actual earnings on pension plan investments	23,031	177,572
Total	\$ 33,089	\$ 235,683

Other 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 ended December 31,</u>	
2022	\$ (47,053)
2023	(72,094)
2024	(52,936)
2025	(30,511)
2026	-
Thereafter	-
Total	\$ (202,594)

VILLAGE OF ERIE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2022

NOTE 10 - OPERATING TRANSFERS

Operating transfers within the Village for the year ended April 30, 2022 are as follows:

	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Funds		
General Fund	\$ -	\$ 48,418
Audit fund	2,437	-
Proprietary Funds		
Water and sanitation fund	<u>45,981</u>	<u>-</u>
Total all funds	<u><u>\$ 48,418</u></u>	<u><u>\$ 48,418</u></u>

NOTE 11 - COMPENSATED ABSENCES

The Village follows the policy of allowing unused sick days to be converted to personal days which must be used before September 1. Unused vacation days may be carried into the following fiscal year, but must be used by March 1 (or the employee's anniversary date). At April 30, 2022, the total amount of unused sick and vacation time for services performed during the year ended April 30, 2022, totaled approximately \$10,297.

NOTE 12 – UNCERTAINTIES

In March 2020, the COVID-19 outbreak was declared a global pandemic. The disruption to businesses across a range of industries in the United States continues to evolve. The full impact to local, regional and national economies, including the Village of Erie, Illinois, remains uncertain.

To date, the outbreak has not created a material disruption to the operations of the Village of Erie, Illinois. However, the extent of the financial impact of COVID-19 will depend on future developments, including the spread of the virus, new variants, duration and timing of the economic recovery. Due to these uncertainties, management cannot reasonably estimate the potential impact to the Village of Erie, Illinois' operations and finances.

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 8, 2022 the date the financial statements were available to be issued.

This information is an integral part of the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ERIE, ILLINOIS
BUDGETARY COMPARISON SCHEDULE OF REVENUES RECEIVED, EXPENDITURES
DISBURSED, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
Year Ended April 30, 2022

		Budgeted Amounts		Final to Actual Variance - Positive (Negative)
	Actual	Original	Final	
REVENUES RECEIVED				
Property taxes	\$ 156,292	\$ 137,560	\$ 137,560	\$ 18,732
Intergovernmental receipts	553,075	482,500	482,500	70,575
Receipts from services	107,457	39,400	39,400	68,057
Grants	101,995	90,000	90,000	11,995
Interest income	4,502	5,590	5,590	(1,088)
Other revenue	97,856	74,440	74,440	23,416
Total revenues received	1,021,177	829,490	829,490	191,687
EXPENDITURES DISBURSED				
Current				
General government	116,995	140,000	140,000	23,005
Law enforcement	254,649	278,950	278,950	24,301
Streets and roads	267,113	537,000	537,000	269,887
Public health and welfare	115,552	120,000	120,000	4,448
Debt service				
Principal	38,435	43,652	43,652	5,217
Interest	5,204	5,500	5,500	296
Capital outlay	4,636	217,000	217,000	212,364
Total expenditures disbursed	802,584	1,342,102	1,342,102	539,518
EXCESS (DEFICIENCY) OF REVENUES RECEIVED OVER (UNDER) EXPENDITURES DISBURSED	218,593	(512,612)	(512,612)	731,205
OTHER FINANCING SOURCES (USES)				
Operating transfers out	(48,418)	-	-	(48,418)
Total other financing sources (uses)	(48,418)	-	-	(48,418)
NET CHANGES IN FUND BALANCES	170,175	(512,612)	(512,612)	682,787
FUND BALANCE, BEGINNING OF YEAR	685,759	685,759	685,759	-
FUND BALANCE, END OF YEAR	\$ 855,934	\$ 173,147	\$ 173,147	\$ 682,787

See accompanying independent auditor's report.

VILLAGE OF ERIE, ILLINOIS
BUDGETARY COMPARISON SCHEDULE OF REVENUES RECEIVED, EXPENDITURES
DISBURSED, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
MOTOR FUEL TAX FUND
Year Ended April 30, 2022

		Budgeted Amounts		Final to Actual Variance - Positive (Negative)
	Actual	Original	Final	
REVENUES RECEIVED				
Intergovernmental receipts	\$ 98,958	\$ 75,596	\$ 75,596	\$ 23,362
Interest income	328	275	275	53
Total revenues received	<u>99,286</u>	<u>75,871</u>	<u>75,871</u>	<u>23,415</u>
EXPENDITURES DISBURSED				
Highway and streets	<u>81,925</u>	<u>182,000</u>	<u>182,000</u>	<u>100,075</u>
EXCESS (DEFICIENCY) OF REVENUES RECEIVED OVER (UNDER) EXPENDITURES DISBURSED	<u>17,361</u>	<u>(106,129)</u>	<u>(106,129)</u>	<u>123,490</u>
FUND BALANCE, BEGINNING OF YEAR	<u>65,090</u>	<u>65,090</u>	<u>65,090</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 82,451</u>	<u>\$ (41,039)</u>	<u>\$ (41,039)</u>	<u>\$ 123,490</u>

See accompanying independent auditor's report.

VILLAGE OF ERIE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
April 30, 2022

ILLINOIS MUNICIPAL RETIREMENT FUND
LAST 10 CALENDAR YEARS
(schedule to be built prospectively from 2015)

Calendar year ending December 31,	<u>2021</u>	<u>2020</u>
Total Pension liability		
Service Cost	\$ 37,280	\$ 38,733
Interest on the Total Pension Liability	97,049	92,735
Benefit Changes	-	-
Difference between Expected and Actual Experience	(59,428)	13,679
Assumption Changes	-	(20,616)
Benefit Payments and Refunds	<u>(65,039)</u>	<u>(63,553)</u>
Net Change in Total Pension Liability	9,862	60,978
Total Pension Liability - Beginning	<u>1,352,485</u>	<u>1,291,507</u>
Total Pension Liability - Ending (a)	<u>\$ 1,362,347</u>	<u>\$ 1,352,485</u>
Plan Fiduciary Net Position		
Employer Contributions	\$ 42,506	\$ 53,101
Employee Contributions	17,711	17,939
Pension Plan Net Investment Income	207,962	153,938
Benefit Payments and Refunds	(65,039)	(63,553)
Other	<u>(690)</u>	<u>5,123</u>
Net Change in Plan Fiduciary Net Position	202,450	166,548
Plan Fiduciary Net Position - Beginning	<u>1,230,279</u>	<u>1,063,731</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,432,729</u>	<u>\$ 1,230,279</u>
Net Pension Liability/(Asset) - Ending (a) - (b)	(70,382)	122,206
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	105.17%	90.96%
Covered Valuation Payroll	\$ 393,579	\$ 398,647
Net Pension Liability (Asset) as a Percentage of Covered Valuation Payroll	-17.88%	30.66%

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

See accompanying independent auditor's report.

2019	2018	2017	2016	2015
\$ 20,217	\$ 25,606	\$ 31,963	\$ 36,734	\$ 29,854
83,250	81,662	81,729	75,439	70,307
-	-	-	-	-
92,464	(6,893)	(16,136)	23,748	837
-	33,241	(37,779)	(4,548)	1,402
(85,183)	(57,764)	(57,229)	(41,067)	(30,696)
110,748	75,852	2,548	90,306	71,704
1,180,759	1,104,907	1,102,359	1,012,053	940,349
<u>\$ 1,291,507</u>	<u>\$ 1,180,759</u>	<u>\$ 1,104,907</u>	<u>\$ 1,102,359</u>	<u>\$ 1,012,053</u>
\$ 37,343	\$ 30,281	\$ 32,853	\$ 36,206	\$ 34,011
15,212	10,755	12,833	13,214	13,037
157,606	(43,338)	141,866	50,485	3,908
(85,183)	(57,764)	(57,229)	(41,067)	(30,696)
20,099	25,498	(864)	10,788	(39,486)
145,077	(34,568)	129,459	69,626	(19,226)
918,654	953,222	823,763	754,137	773,363
<u>\$ 1,063,731</u>	<u>\$ 918,654</u>	<u>\$ 953,222</u>	<u>\$ 823,763</u>	<u>\$ 754,137</u>
227,776	262,105	151,685	278,596	257,916
82.36%	77.80%	86.27%	74.73%	74.52%
\$ 328,529	\$ 239,005	\$ 285,187	\$ 293,640	\$ 289,708
69.33%	109.67%	53.19%	94.88%	89.03%

VILLAGE OF ERIE, ILLINOIS
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF IMRF FUNDING PROGRESS
April 30, 2022

(Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/21	\$ 503,109	\$ 607,820	\$ 104,711	82.77%	\$ 393,579	26.60%
12/31/20	371,964	593,825	221,861	62.64%	398,647	55.65%
12/31/19	258,443	534,889	276,446	48.32%	328,529	84.15%
12/31/18	447,003	665,502	218,499	67.17%	239,005	91.42%
12/31/17	392,509	593,819	201,310	66.10%	285,187	70.59%
12/31/16	305,392	569,698	264,306	53.61%	293,640	90.01%
12/31/15	362,152	596,987	234,835	60.66%	289,708	81.06%

On a market value basis, the actuarial value of assets as of December 31, 2021 is \$684,120. On a market basis, the funded ratio would be 112.55%.

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

**SCHEDULE OF MULTIYEAR EMPLOYER CONTRIBUTIONS – LAST SEVEN
CALENDAR YEARS**

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2021	\$ 42,507 *	\$ 42,506	\$ 1	\$ 393,579	10.80%
2020	53,100	53,101	(1)	398,647	13.32%
2019	36,138	37,343	(1,205)	328,529	11.37%
2018	30,282	30,281	1	239,005	12.67%
2017	32,854	32,853	1	285,187	11.52%
2016	36,206	36,206	-	293,640	12.33%
2015	34,012	34,011	1	289,708	11.74%

*Estimated based on contribution rate of 11.00% and covered valuation payroll of \$328,529. 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.

VILLAGE OF ERIE, ILLINOIS
NOTE TO REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON
April 30, 2022

NOTE 1 - BUDGETS AND BUDGETARY ACCOUNTING

In accordance with the Code of Illinois, the Village Council annually adopts a budget on the cash basis following required public notice and hearings for all funds except capital projects and special assessment funds. For those funds, continuing appropriations are adopted prior to initiation of the improvements.

SUPPLEMENTAL INFORMATION

VILLAGE OF ERIE, ILLINOIS
COMBINING STATEMENT OF ASSETS, LIABILITIES,
AND FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS -
MODIFIED CASH BASIS
April 30, 2022

	<u>Special Revenue Funds</u>				
	<u>Audit Fund</u>	<u>Social Security Fund</u>	<u>IMRF Fund</u>	<u>Insurance Fund</u>	<u>Total</u>
ASSETS					
Cash and investments	<u>\$ 15</u>	<u>\$ 10,798</u>	<u>\$ 34,427</u>	<u>\$ 42,991</u>	<u>\$ 88,231</u>
FUND BALANCES					
Assigned to:					
Audit	\$ 15	\$ -	\$ -	\$ -	\$ 15
Social Security	-	10,798	-	-	10,798
Insurance	-	-	-	42,991	42,991
Unassigned	<u>-</u>	<u>-</u>	<u>34,427</u>	<u>-</u>	<u>34,427</u>
		-			
Total fund balances	<u>\$ 15</u>	<u>\$ 10,798</u>	<u>\$ 34,427</u>	<u>\$ 42,991</u>	<u>\$ 88,231</u>

VILLAGE OF ERIE, ILLINOIS
COMBINING STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,
AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS - MODIFIED CASH BASIS
Year Ended April 30, 2022

	<u>Special Revenue Funds</u>				
	<u>Audit Fund</u>	<u>Social Security Fund</u>	<u>IMRF Fund</u>	<u>Insurance Fund</u>	<u>Total</u>
REVENUES RECEIVED					
Property taxes	\$ 9,820	\$ 37,000	\$ 52,007	\$ 35,524	\$ 134,351
Other taxes	-	-	-	-	-
Other income	-	3,155	4,310	1,857	9,322
Interest income	37	85	113	320	555
Total revenues received	<u>9,857</u>	<u>40,240</u>	<u>56,430</u>	<u>37,701</u>	<u>144,228</u>
EXPENDITURES DISBURSED					
General government	<u>12,300</u>	<u>36,018</u>	<u>44,127</u>	<u>44,203</u>	<u>136,648</u>
EXCESS (DEFICIENCY) OF REVENUES RECEIVED OVER (UNDER) EXPENDITURES DISBURSED	<u>(2,443)</u>	<u>4,222</u>	<u>12,303</u>	<u>(6,502)</u>	<u>7,580</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	2,437	-	-	-	2,437
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>2,437</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,437</u>
EXCESS (DEFICIENCY) OF RECEIPTS AND OTHER FINANCING SOURCES OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING USES	(6)	4,222	12,303	(6,502)	10,017
FUND BALANCES, BEGINNING OF YEAR	<u>21</u>	<u>6,576</u>	<u>22,124</u>	<u>49,493</u>	<u>78,214</u>
FUND BALANCES, END OF YEAR	<u>\$ 15</u>	<u>\$ 10,798</u>	<u>\$ 34,427</u>	<u>\$ 42,991</u>	<u>\$ 88,231</u>

VILLAGE OF ERIE, ILLINOIS
COMBINING STATEMENT OF NET POSITION -
NONMAJOR PROPRIETARY FUNDS - MODIFIED CASH BASIS
April 30, 2022

	<u>Cemetery Renovation Fund</u>	<u>Cemetery Perpetual Fund</u>	<u>Total</u>
ASSETS			
Cash	\$ 2,794	\$ 4,539	\$ 7,333
Capital assets (net of accumulated depreciation)			
Furniture and fixtures	<u>5,234</u>	<u>-</u>	<u>5,234</u>
Total assets	<u>8,028</u>	<u>4,539</u>	<u>12,567</u>
LIABILITIES			
None	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Investment in capital assets, net of related debt	5,234	-	5,234
Restricted	<u>2,794</u>	<u>4,539</u>	<u>7,333</u>
TOTAL NET POSITION	<u><u>\$ 8,028</u></u>	<u><u>\$ 4,539</u></u>	<u><u>\$ 12,567</u></u>

VILLAGE OF ERIE, ILLINOIS
COMBINING STATEMENT OF REVENUES RECEIVED, EXPENSES DISBURSED,
AND CHANGES IN NET POSITION - NONMAJOR PROPRIETARY FUNDS -
MODIFIED CASH BASIS
Year Ended April 30, 2022

	<u>Cemetery Renovation Fund</u>	<u>Cemetery Perpetual Fund</u>	<u>Total</u>
OPERATING REVENUES RECEIVED			
Receipts from services	\$ -	\$ 290	\$ 290
OPERATING EXPENSES DISBURSED			
Repairs and maintenance	680	-	680
Depreciation	74	-	74
Total operating expenses disbursed	<u>754</u>	<u>-</u>	<u>754</u>
OPERATING INCOME (LOSS)	<u>(754)</u>	<u>290</u>	<u>(464)</u>
NON-OPERATING REVENUE			
Interest income	<u>49</u>	<u>26</u>	<u>75</u>
CHANGE IN NET POSITION	(705)	316	(389)
NET POSITION, BEGINNING OF YEAR	<u>8,733</u>	<u>4,223</u>	<u>12,956</u>
NET POSITION, END OF YEAR	<u><u>\$ 8,028</u></u>	<u><u>\$ 4,539</u></u>	<u><u>\$ 12,567</u></u>

VILLAGE OF ERIE, ILLINOIS
SCHEDULE OF REVENUES RECEIVED AND EXPENSES DISBURSED
WATER AND SANITATION OPERATIONS- PROPRIETARY FUNDS -
MODIFIED CASH BASIS
Year Ended April 30, 2022

(Unaudited)

	<u>Water Operations</u>	<u>Sanitation Operations</u>	<u>Total</u>
OPERATING REVENUES RECEIVED			
User fees	\$ 218,776	\$ 229,970	\$ 448,746
Government grants	-	-	-
Receipts from services	-	-	-
Other revenue	1,165	-	1,165
Total operating revenues received	<u>219,941</u>	<u>229,970</u>	<u>449,911</u>
OPERATING EXPENSES DISBURSED			
General government	140,804	80,381	221,185
Power and heating	39,061	43,305	82,366
Repair and maintenance	17,530	43,750	61,280
Other operating expense	13,178	8,836	22,014
Depreciation	57,835	57,835	115,670
Total operating expenses disbursed	<u>268,408</u>	<u>234,107</u>	<u>502,515</u>
OPERATING INCOME (LOSS)	<u>(48,467)</u>	<u>(4,137)</u>	<u>(52,604)</u>
NON-OPERATING REVENUES (EXPENSES)			
Property taxes	2,513	-	2,513
Interest income	1,777	1,777	3,554
Other debt service interest	(25,396)	(2,930)	(28,326)
Total non-operating revenues (expenses)	<u>(21,106)</u>	<u>(1,153)</u>	<u>(22,259)</u>
NET INCOME BEFORE TRANSFERS	(69,573)	(5,290)	(74,863)
Transfers in	22,991	22,990	45,981
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	<u>(46,582)</u>	<u>17,700</u>	<u>(28,882)</u>

**VILLAGE OF ERIE, ILLINOIS
WATER AND SANITATION SYSTEM
Year Ended April 30, 2022**

(Unaudited)

Customer units served by the combined water & sewer systems	697
Customer units using water service	530
Customer units using sewer service	677
Customer units using trash service	627

Rates in effect at April 30, 2022:

Water and sewer users	\$50 bi-monthly minimum charge, additional charge of \$.006 per gallons used
Sewer only users	\$60 bi-monthly flat charge
Water only users	\$24 bi-monthly minimum charge, additional charge of \$.010 per gallon used
Trash pick-up	\$18 bi-monthly flat charge

Users of the system are billed every other month. Minimum charges above are based on a bi-monthly billing.