



C. J. SCHLOSSER  
& COMPANY, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

**VILLAGE OF SWANSEA, ILLINOIS**

FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED  
APRIL 30, 2024

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**VILLAGE OF SWANSEA, ILLINOIS**

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## **INDEPENDENT AUDITOR'S REPORT**

Honorable President and Board of Trustees  
Village of Swansea  
Swansea, 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 Swansea, Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as 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 Swansea, Illinois, as of April 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Swansea, 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.

### **Responsibilities of Management for the Financial Statements**

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

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

### **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's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

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

### **Required Supplementary Information**

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

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual nonmajor fund financial statements and the Independent Auditor's Report on Compliance with Tax Increment Financing Act are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the Independent Auditor's Report on Compliance with Tax Increment Financing Act are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*C. Q. Schlemmer & Company LLC*

Certified Public Accountants

Alton, Illinois

October 2, 2024

## **VILLAGE OF SWANSEA, ILLINOIS** **MANAGEMENT'S DISCUSSION AND ANALYSIS**

This section of the Village of Swansea, Illinois' (Village) annual audit presents a management's discussion and analysis of the Village's financial activity during the fiscal year ended April 30, 2024. The Management's Discussion and Analysis is designed to focus on current activities, resulting changes and currently known facts and should be read in conjunction with the basic financial statements and footnotes. Responsibility for the completeness and fairness of this information rests with the Village.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This Management's Discussion and Analysis is intended to serve as an introduction to the Village's basic financial statements. There are three components to the basic statements:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

This report also contains Required Supplementary Information and Other Supplementary Information in addition to the basic financial statements.

### **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business. The government-wide financial statements exclude fiduciary fund activities.

The government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, culture and recreation, streets, and public works. The business-type activities relate entirely to operating the sewer system.

The statement of net position presents information on the Village's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The statement of activities presents information showing how the Village's net position changed during the most recent fiscal year. Changes in net position are reported on the modified accrual basis for the governmental activities and the accrual basis for the business-type activities.

**VILLAGE OF SWANSEA, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FUND FINANCIAL STATEMENTS**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the Village can be divided into three categories: governmental, proprietary and fiduciary.

**Governmental Funds.** Governmental funds are used to account for essential functions reported as governmental activities in the government-wide financial statements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financial decisions. The governmental fund's Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance provide a reconciliation to facilitate this comparison between the governmental fund financial statements and the government-wide financial statements.

The Village maintains 6 individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance for four major funds: General Fund, Tax Increment Financing Fund, Capital Projects Fund, and the ARPA (American Rescue Plan Act) Fund. Data from the other governmental funds are combined into a single, aggregated presentation called "Other Governmental Funds." Individual fund data for the nonmajor governmental funds is provided in the form of combining schedules in the other supplementary information section of this report.

The Village adopts an annual budget for all governmental funds. Budget comparison schedules for the major funds have been provided to demonstrate legal compliance with the adopted budget.

**Proprietary Fund.** Enterprise funds are used to report the same functions and the same type of information presented as business-type activities in the government-wide financial statements. The Village uses an enterprise fund to account for its sewer operations.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs.

**Notes to Basic Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Required Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information concerning the Village's progress in funding its obligation to provide pension and retirement benefits to its employees. The Village also reports expenditures of its major funds in comparison to appropriated amounts.

**VILLAGE OF SWANSEA, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Other Supplementary Information.** The combining fund statements, referred to earlier in connection with nonmajor governmental funds, are presented immediately following the Required Supplementary Information.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The Village presents its financial statements under the reporting model pursuant to Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$58,247,328 at the close of the most recent fiscal year.

The largest portion of the Village's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure), less any related debt used to acquire those assets that are still outstanding. The Village uses these capital assets to provide services to citizens; consequentially, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The condensed statement of net position is as follows:

	Governmental Activities		Business-type Activities		Total	
	April 30, 2024	April 30, 2023	April 30, 2024	April 30, 2023	April 30, 2024	April 30, 2023
Current and other assets	\$ 18,629,695	\$ 18,646,523	\$ 8,663,908	\$ 8,944,384	\$ 27,293,603	\$ 27,590,907
Capital assets	<u>31,022,182</u>	<u>29,324,233</u>	<u>19,989,423</u>	<u>19,845,993</u>	<u>51,011,605</u>	<u>49,170,226</u>
Total assets	<u>49,651,877</u>	<u>47,970,756</u>	<u>28,653,331</u>	<u>28,790,377</u>	<u>78,305,208</u>	<u>76,761,133</u>
Deferred outflows	<u>2,383,718</u>	<u>3,539,356</u>	<u>237,094</u>	<u>356,277</u>	<u>2,620,812</u>	<u>3,895,633</u>
Long-term liabilities						
outstanding	11,894,718	13,249,356	6,166,923	7,640,791	18,061,641	20,890,147
Other liabilities	<u>936,950</u>	<u>701,489</u>	<u>187,888</u>	<u>204,774</u>	<u>1,124,838</u>	<u>906,263</u>
Total liabilities	<u>12,831,668</u>	<u>13,950,845</u>	<u>6,354,811</u>	<u>7,845,565</u>	<u>19,186,479</u>	<u>21,796,410</u>
Deferred inflows	<u>3,420,104</u>	<u>3,829,905</u>	<u>72,109</u>	<u>79,087</u>	<u>3,492,213</u>	<u>3,908,992</u>
Net position:						
Net investment in capital assets	31,022,182	29,094,233	14,359,297	12,945,289	45,381,479	42,039,522
Restricted	5,342,336	4,818,121	-	-	5,342,336	4,818,121
Unrestricted	<u>(580,695)</u>	<u>(182,992)</u>	<u>8,104,208</u>	<u>8,276,713</u>	<u>7,523,513</u>	<u>8,093,721</u>
Total net position	<u>\$ 35,783,823</u>	<u>\$ 33,729,362</u>	<u>\$ 22,463,505</u>	<u>\$ 21,222,002</u>	<u>\$ 58,247,328</u>	<u>\$ 54,951,364</u>

Total net position increased \$3,295,964 resulting in a balance of \$58,247,328 as of April 30, 2024. Total current assets, which are comprised of cash, investments and receivables, decreased \$297,304. Non-current assets increased \$1,841,379 due primarily to current year depreciation exceeding capital outlay additions.

**VILLAGE OF SWANSEA, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Total liabilities decreased in the current year by \$2,609,931 for an ending total balance of \$19,186,479. The decrease is due primarily to debt retirement and fluctuations in the net pension liability.

The change in net position is further examined in the Analysis of Net Position section of the MD&A.

**ANALYSIS OF NET POSITION**

<u>Analysis of Net Position</u>	<u>2024</u>		<u>2023</u>	
	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>
Net investment in capital assets	77.9%	\$ 45,381,479	76.5%	\$ 42,039,522
Restricted	9.2%	5,342,336	8.8%	4,818,121
Unrestricted	12.9%	7,523,513	14.7%	8,093,721
Total net position	<u>100.0%</u>	<u>\$ 58,247,328</u>	<u>100.0%</u>	<u>\$ 54,951,364</u>

The Village had an overall increase in net position of \$3,295,964 for the government-wide financial statements for the year ended April 30, 2024. Capital net asset balances increased by \$3,341,957 in the current year primarily due to capital acquisitions and debt reduction exceeding depreciation expense. Unrestricted and restricted balances reported changes from general operations and were reduced as a result of transferring money for capital additions.

The revenue and expenditure comparisons that comprise the current year increase follow.

**GOVERNMENTAL ACTIVITIES**

**REVENUE COMPARISON BY TYPE**

<u>Governmental activities</u>	<u>2024</u>	<u>2023</u>
Property tax	\$ 3,362,139	\$ 3,226,945
Utility tax	859,946	873,827
Excise tax	65,995	74,205
State income tax	2,394,124	2,213,883
Sales and use tax	3,316,588	3,310,536
Motor fuel tax	667,200	574,275
Replacement tax	32,412	49,209
Other taxes	413,787	391,922
Franchise fees	349,834	374,392
Operating grants and contributions	16,741	1,221,155
Capital grants and contributions	88,530	447,515
Charges for services	532,784	739,106
Investment earnings	377,984	96,519
Miscellaneous	7,094	2,248
Total revenues	<u>\$ 12,485,158</u>	<u>\$ 13,595,737</u>

**VILLAGE OF SWANSEA, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**EXPENDITURES BY CATEGORY**

<u>Expenditures by category</u>	<u>2024</u>		<u>2023</u>	
	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>
General government	12.6%	\$ 1,318,056	10.0%	\$ 1,090,104
Public safety	61.0%	6,357,840	60.4%	6,617,591
Culture and recreation	4.0%	421,365	2.8%	308,410
Streets and public works	20.1%	2,100,518	25.1%	2,754,807
Community & economic dev	2.2%	229,564	1.5%	168,378
Interest on long-term debt	<u>0.0%</u>	<u>3,354</u>	<u>0.1%</u>	<u>14,428</u>
Total expenditures	<u>100.0%</u>	<u>\$ 10,430,697</u>	<u>100.0%</u>	<u>\$ 10,953,718</u>

Total revenues for the governmental activities decreased \$1,110,579 for the year ended April 30, 2024 due to less operating grants received compared to prior year. Revenue increases were realized in property taxes, state income tax, and investment earnings.

The largest category of expenditures is public safety which consists of the Village's police and fire departments. Streets and public works expenses was the second largest category of governmental activities expenses.

The above expenditure categories include amounts for depreciation expense on assets purchased in the current and prior years. The breakdown by category is as follows:

	<u>2024</u>	<u>2023</u>
General government	\$ 96,435	\$ 96,825
Public safety	451,378	335,536
Streets and public works	906,201	925,708
Culture and recreation	<u>96,773</u>	<u>122,470</u>
Total depreciation	<u>\$ 1,550,787</u>	<u>\$ 1,480,539</u>

Total capital outlay expenditures for governmental activities in the current year totaled \$3,248,736, which was \$1,697,949 higher than the related depreciation in the current year.

**BUSINESS-TYPE ACTIVITIES**

**REVENUE COMPARISON BY TYPE**

<u>Business-type Activities</u>	<u>2024</u>	<u>2023</u>
Sewer Charges	\$ 3,511,905	\$ 3,417,009
Capital Grants and Contributions	85,000	-
Investment earnings	<u>535,454</u>	<u>229,616</u>
Total revenues	<u>\$ 4,132,359</u>	<u>\$ 3,646,625</u>

**VILLAGE OF SWANSEA, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**EXPENDITURES BY CATEGORY**

<u>Operating Expenditures</u>	<u>2024</u>		<u>2023</u>	
	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>
Personal services	22.0%	\$ 617,020	25.2%	\$ 796,385
Contractual services	26.0%	729,767	31.7%	999,102
Supplies and materials	6.8%	191,263	4.3%	136,141
Depreciation	<u>45.2%</u>	<u>1,267,412</u>	<u>38.8%</u>	<u>1,223,355</u>
Total expenditures	<u>100.0%</u>	<u>\$ 2,805,462</u>	<u>100.0%</u>	<u>\$ 3,154,983</u>

Revenues for the business-type activities increased \$485,734 for the year ended April 30, 2024 mostly related to increased investment earnings.

Expenditures for the business-type activities decreased by \$349,521. The largest categories of operating disbursements are related to personal and contractual services.

**FUNDS FINANCIAL ANALYSIS**

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the Village's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of 2024, the Village's governmental funds reported combined ending fund balances of \$15,419,816 a decrease of \$162,006 in comparison with the prior year. Of the total fund balance, \$5,342,336 constitutes restricted fund balance, which is restricted primarily for restricted tax purposes. The unassigned fund balance, \$6,838,208 constitutes amounts which are available for spending at the Village's discretion.

The General Fund is the chief operating fund of the Village. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$6,838,208, while the total fund balance was \$6,924,013. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 81.67% of the total general fund expenditures, while total fund balance represents 82.70% of that same amount. The fund balance of the General Fund decreased \$157,925 during the current fiscal year due to capital projects.

At the end of the current fiscal year, the restricted fund balance of the Tax Increment Financing Fund was \$1,993,179, an increase of \$14,005 in comparison with the prior year.

The committed fund balance of the Capital Projects Fund was \$2,203,350, an increase of \$148,483 in comparison with the prior year.

**VILLAGE OF SWANSEA, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The committed fund balance of the ARPA Fund was \$950,547, a decrease of \$679,733 in comparison with the prior year.

**Proprietary funds.** The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Factors concerning the finances of this fund have already been addressed in the discussion of the Village's government-wide financial statements.

**BUDGETARY HIGHLIGHTS**

The Village's expenditures did not exceed the budgeted amounts. The appropriations were not amended in the current year. A comparison of budget and actual is as follows:

	<u>Budget</u>	<u>Actual</u>
General Fund	\$ 8,561,627	\$ 8,509,795
Tax Increment Financing Fund	1,088,105	689,529
ARPA Fund	300,000	256,169
Capital Projects Fund	2,531,012	2,238,500

**TRANSFERS**

The Village made interfund transfers to provide sufficient funds to pay for expenses incurred in funds with related purposes. All transfers were from unrestricted funds. Additional information related to transfers is located in Note 8 of the financial statements.

**CAPITAL ASSETS**

The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2024 amounted to \$51,011,605 (net of accumulated depreciation). This investment in capital assets includes land, buildings, sewer system improvements, and vehicles and equipment.

Major capital asset events during the current fiscal year included the following:

- Clinton Hills Loop Trail Reconstruction
- Police Department Renovations and Parking Lot Improvements
- Fire Department Parking Lot Improvements
- Purchase of Spartan Fire Pumper
- Purchase of a 2022 Ford F450
- Purchase of a 2023 Ford F150
- Installation of Pickleball Courts at Clinton Hills
- Improvements at Schranz Memorial Park
- Improvements related to the UV Disinfection System for the WWTP
- Improvements related to filters for the WWTP
- Purchase of three 2023 Ford Police Interceptors
- Purchase of a Case Compact Track Loader
- Purchase of a Case Loader Backhoe

Additional information related to capital assets is located in Note 5 of the financial statements.

**VILLAGE OF SWANSEA, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**LONG-TERM DEBT**

At April 30, 2024, the Village reported outstanding debt of \$5,630,126 with the principal obligations extending until fiscal year 2032. The outstanding debt decreased due to the pay-off of the General Obligation Fire Protection Refunding Bond, Series 2013. The Village did not enter into any new debt obligations in the current year. Total debt principal retirements were \$1,500,578 in the current year.

Additional information related to long-term debt is located in Note 6 of the financial statements.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Village of Swansea, Illinois for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Village of Swansea, 1444 Boul Avenue, Swansea, IL 62226.

**VILLAGE OF SWANSEA, ILLINOIS**

STATEMENT OF NET POSITION  
APRIL 30, 2024

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
<b><u>Assets</u></b>			
Cash and Cash Equivalents	\$ 8,441,292	\$ 3,297,715	\$ 11,739,007
Investments	6,716,753	4,800,566	11,517,319
Receivables (Net of allowance for uncollectibles):	2,999,049	531,801	3,530,850
Prepaid Expenses	85,375	33,826	119,201
Capital Assets:			
Land	8,850,567	-	8,850,567
Buildings and Improvements	8,509,619	42,973	8,552,592
Sewer Plant	-	22,819,973	22,819,973
Equipment and Vehicles	8,676,568	2,057,917	10,734,485
Infrastructure	34,571,824	16,050,928	50,622,752
Less: Accumulated Depreciation	<u>(29,586,396)</u>	<u>(20,982,368)</u>	<u>(50,568,764)</u>
Net Capital Assets	<u>31,022,182</u>	<u>19,989,423</u>	<u>51,011,605</u>
Other Assets:			
Insurance Trust	<u>387,226</u>	<u>-</u>	<u>387,226</u>
Total Assets	<u>49,651,877</u>	<u>28,653,331</u>	<u>78,305,208</u>
<b><u>Deferred Outflows of Resources</u></b>			
Future Pension Expense	1,885,970	188,616	2,074,586
Future OPEB Expense	<u>497,748</u>	<u>48,478</u>	<u>546,226</u>
	<u>2,383,718</u>	<u>237,094</u>	<u>2,620,812</u>
<b><u>Liabilities</u></b>			
Accounts Payable	813,385	174,268	987,653
Accrued Wages and Compensated Absences	123,565	10,956	134,521
Accrued Interest Payable	-	2,664	2,664
Noncurrent Liabilities:			
Due Within One Year	48,144	1,306,506	1,354,650
Due in More Than One Year	<u>11,846,574</u>	<u>4,860,417</u>	<u>16,706,991</u>
Total Liabilities	<u>12,831,668</u>	<u>6,354,811</u>	<u>19,186,479</u>
<b><u>Deferred Inflows of Resources</u></b>			
Unavailable Property Taxes	1,595,988	-	1,595,988
Future Pension Expense	1,132,116	4,712	1,136,828
Future OPEB Expense	<u>692,000</u>	<u>67,397</u>	<u>759,397</u>
	<u>3,420,104</u>	<u>72,109</u>	<u>3,492,213</u>
<b><u>Net Position</u></b>			
Net Investment in Capital Assets	31,022,182	14,359,297	45,381,479
Restricted for:			
Economic Development	1,993,179	-	1,993,179
Restricted Tax Revenues	3,348,727	-	3,348,727
Forfeitures and Seizures	430	-	430
Unrestricted	<u>(580,695)</u>	<u>8,104,208</u>	<u>7,523,513</u>
Total Net Position	<u>\$ 35,783,823</u>	<u>\$ 22,463,505</u>	<u>\$ 58,247,328</u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF SWANSEA, ILLINOIS**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED APRIL 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
<b>Primary Government:</b>							
<b>Governmental Activities:</b>							
General Government	\$ 1,318,056	\$ 277,263	\$ 7,186	\$ -	\$ (1,033,607)		\$ (1,033,607)
Public Safety	6,357,840	210,664	5,080	-	(6,142,096)		(6,142,096)
Public Works	2,100,518	20,710	-	-	(2,079,808)		(2,079,808)
Culture and Recreation	421,365	3,411	4,475	88,530	(324,949)		(324,949)
<b>Community and</b>							
Economic Development	229,564	20,736	-	-	(208,828)		(208,828)
Interest on Long-term Debt	3,354	-	-	-	(3,354)		(3,354)
<b>Total Governmental Activities</b>	<u>10,430,697</u>	<u>532,784</u>	<u>16,741</u>	<u>88,530</u>	<u>(9,792,642)</u>		<u>(9,792,642)</u>
<b>Business-type Activities:</b>							
Sewerage	2,890,856	3,511,905	-	85,000		\$ 706,049	706,049
<b>Total Business-type Activities</b>	<u>2,890,856</u>	<u>3,511,905</u>	<u>-</u>	<u>85,000</u>		<u>706,049</u>	<u>706,049</u>
<b>Total Primary Government</b>	<u>\$ 13,321,553</u>	<u>\$ 4,044,689</u>	<u>\$ 16,741</u>	<u>\$ 173,530</u>	<u>(9,792,642)</u>	<u>706,049</u>	<u>(9,086,593)</u>
<b>General Revenues:</b>							
Property Tax, Levied for General Purposes					3,362,139	-	3,362,139
<b>Intergovernmental Revenues:</b>							
Sales and Use Tax					3,316,588	-	3,316,588
Replacement Tax					32,412	-	32,412
State Income Tax					2,394,124	-	2,394,124
Motor Fuel Tax					667,200	-	667,200
Video Gaming Tax					371,326	-	371,326
Excise Tax					65,995	-	65,995
Utility Tax					859,946	-	859,946
Franchise Fees					349,834	-	349,834
Other Taxes					42,461	-	42,461
Unrestricted Investment Earnings					377,984	535,454	913,438
Miscellaneous					7,094	-	7,094
<b>Total General Revenues and Transfers</b>					<u>11,847,103</u>	<u>535,454</u>	<u>12,382,557</u>
<b>Change in Net Position</b>					<u>2,054,461</u>	<u>1,241,503</u>	<u>3,295,964</u>
<b>Net Position - Beginning</b>					<u>33,729,362</u>	<u>21,222,002</u>	<u>54,951,364</u>
<b>Net Position - Ending</b>					<u>\$ 35,783,823</u>	<u>\$ 22,463,505</u>	<u>\$ 58,247,328</u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF SWANSEA, ILLINOIS**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
APRIL 30, 2024

	<u>General Fund</u>	<u>Tax Increment Financing Fund</u>	<u>Capital Projects Fund</u>	<u>ARPA Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>						
Cash and Cash Equivalents	\$ 2,064,449	\$ 1,777,977	\$ 1,714,170	\$ 407,127	\$ 2,477,569	\$ 8,441,292
Investments	4,161,926	247,213	502,353	1,037,912	767,349	6,716,753
Interfund Receivable	-	7,017	-	-	27,214	34,231
Receivables (Net, where applicable, of allowances for uncollectibles):						
Property Tax	856,081	739,907	-	-	-	1,595,988
Intergovernmental	1,057,343	-	125,730	-	120,146	1,303,219
Other	99,842	-	-	-	-	99,842
Prepaid Expenses	85,375	-	-	-	-	85,375
Total Assets	<u>\$ 8,325,016</u>	<u>\$ 2,772,114</u>	<u>\$ 2,342,253</u>	<u>\$ 1,445,039</u>	<u>\$ 3,392,278</u>	<u>\$ 18,276,700</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balance</u>						
Liabilities:						
Accounts Payable	\$ 193,762	\$ 39,028	\$ 94,390	\$ 467,278	\$ 18,927	\$ 813,385
Interfund Payable	7,017	-	-	27,214	-	34,231
Accrued Wages and Compensated Absences	123,565	-	-	-	-	123,565
Total Liabilities	<u>324,344</u>	<u>39,028</u>	<u>94,390</u>	<u>494,492</u>	<u>18,927</u>	<u>971,181</u>
Deferred Inflows of Resources:						
Unavailable Property Taxes	856,081	739,907	-	-	-	1,595,988
Unavailable Intergovernmental Taxes	220,578	-	44,513	-	24,624	289,715
Total Deferred Inflows of Resources	<u>1,076,659</u>	<u>739,907</u>	<u>44,513</u>	<u>-</u>	<u>24,624</u>	<u>1,885,703</u>
Fund Balance:						
Nonspendable	85,375	-	-	-	-	85,375
Restricted	430	1,993,179	-	-	3,348,727	5,342,336
Committed	-	-	2,203,350	950,547	-	3,153,897
Unassigned	6,838,208	-	-	-	-	6,838,208
Total Fund Balance	<u>6,924,013</u>	<u>1,993,179</u>	<u>2,203,350</u>	<u>950,547</u>	<u>3,348,727</u>	<u>15,419,816</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 8,325,016</u>	<u>\$ 2,772,114</u>	<u>\$ 2,342,253</u>	<u>\$ 1,445,039</u>	<u>\$ 3,392,278</u>	<u>\$ 18,276,700</u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF SWANSEA, ILLINOIS**

RECONCILIATION OF THE BALANCE SHEET OF THE  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION  
APRIL 30, 2024

Amounts reported for governmental fund balances are different because:

Fund balances - total governmental funds	\$ 15,419,816
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the balance sheet of the governmental funds.	31,022,182
The balance of the pooled insurance trust is not recorded as an asset on the balance sheet of the governmental funds.	387,226
The amount of compensated absences is not recorded as a liability on the balance sheet of the governmental funds.	(48,144)
The amount of postemployment health care benefits is not recorded as a liability on the balance sheet of the governmental funds.	(2,175,700)
Net pension liabilities/assets are not reported on the balance sheet of the governmental funds.	(9,111,272)
Intergovernmental revenues that are not available for current use are reported as deferred on the balance sheet of the governmental funds but not on the statement of net position.	<u>289,715</u>
Net position of governmental activities	<u>\$ 35,783,823</u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF SWANSEA, ILLINOIS**

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED APRIL 30, 2024

	General Fund	Tax Increment Financing Fund	Capital Projects Fund	ARPA Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Property Tax	\$ 2,378,418	\$ 652,135	\$ 99,919	\$ -	\$ 231,667	\$ 3,362,139
Intergovernmental:						
Sales and Use Tax	2,508,866	-	516,401	-	277,555	3,302,822
Replacement Tax	32,412	-	-	-	-	32,412
State Income Tax	2,394,124	-	-	-	-	2,394,124
Motor Fuel Tax	-	-	-	-	667,200	667,200
Excise Tax	66,583	-	-	-	-	66,583
Video Gaming Tax	371,326	-	-	-	-	371,326
Grants	5,000	-	88,530	-	-	93,530
Other	42,461	-	-	-	-	42,461
Utility Tax	859,946	-	-	-	-	859,946
Licenses, Fees and Permits	233,683	-	-	-	-	233,683
Charges for Services	433,227	13,719	-	-	-	446,946
Fines	130,253	-	-	-	-	130,253
Investment Earnings	195,626	56,813	37,562	43,714	44,269	377,984
Gifts and Donations	11,741	-	-	-	-	11,741
Miscellaneous Revenues/Reimbursements	70,218	7,017	-	-	1,595	78,830
Total Revenues	<u>9,733,884</u>	<u>729,684</u>	<u>742,412</u>	<u>43,714</u>	<u>1,222,286</u>	<u>12,471,980</u>
Expenditures:						
Current:						
General Government	1,315,541	-	2,634	-	-	1,318,175
Public Safety	5,906,148	-	64,474	62,568	-	6,033,190
Public Works	774,685	-	12,041	-	451,587	1,238,313
Culture and Recreation	276,848	-	41,431	11,979	-	330,258
Community and Economic Development	-	204,825	-	-	24,739	229,564
Debt Service:						
Principal	-	-	-	-	230,000	230,000
Interest and Fees	-	-	-	-	5,750	5,750
Capital Outlay	99,725	510,854	1,992,211	645,946	-	3,248,736
Total Expenditures	<u>8,372,947</u>	<u>715,679</u>	<u>2,112,791</u>	<u>720,493</u>	<u>712,076</u>	<u>12,633,986</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,360,937</u>	<u>14,005</u>	<u>(1,370,379)</u>	<u>(676,779)</u>	<u>510,210</u>	<u>(162,006)</u>
Other Financing Sources (Uses):						
Transfers In	-	-	1,518,862	-	-	1,518,862
Transfers Out	<u>(1,518,862)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,518,862)</u>
Total Other Financing Sources	<u>(1,518,862)</u>	<u>-</u>	<u>1,518,862</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(157,925)	14,005	148,483	(676,779)	510,210	(162,006)
Fund Balance, Beginning of Year	<u>7,081,938</u>	<u>1,979,174</u>	<u>2,054,867</u>	<u>1,627,326</u>	<u>2,838,517</u>	<u>15,581,822</u>
Fund Balance, End of Year	<u>\$ 6,924,013</u>	<u>\$ 1,993,179</u>	<u>\$ 2,203,350</u>	<u>\$ 950,547</u>	<u>\$ 3,348,727</u>	<u>\$ 15,419,816</u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF SWANSEA, ILLINOIS**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED APRIL 30, 2024

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

Net change in fund balances - total governmental funds \$ (162,006)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays of \$3,248,736 exceeded depreciation expense of \$1,550,787 in the current year. 1,697,949

The amount of compensated absences is not recorded as expense in the fund financial statements. In the statement of activities, these amounts are included and recorded currently in the various functional expense categories. This amount is the difference between beginning and ending compensated absences balances that has been included in the statement of activities. 1,842

The amount of net pension liabilities/assets related to IMRF and the police and fire pensions are not recorded as an expense in the fund financial statements. In the statement of activities, these amounts are included and recorded currently in the proper functional expense category. This amount is the difference between beginning and ending net pension liabilities/assets balances that has been included in the statement of activities. 336,448

The amount of postemployment healthcare benefits is not recorded as expense in the fund financial statements. In the statement of activities, these amounts are included and recorded currently in the various functional expense categories. This amount is the difference between beginning and ending compensated absences balances that has been included in the statement of activities. (102,879)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of those differences in the treatment of long-term debt and related items. 232,396

Intergovernmental revenues that are not available for current use are reported as deferred on the balance sheet of the governmental funds but not on the statement of net position. This amount is the difference between beginning and ending deferred revenues that has been included in the statement of activities. 13,178

The balance of the Village's portion of the pooled insurance trust is not recorded as an asset in the fund financial statements. In the statement of net position, this amount is included and adjusted through the general functional expense category. This amount is the difference between beginning and ending insurance trust balance. 37,533

Change in net position of governmental activities \$ 2,054,461

The notes to the financial statements are an integral part of this statement

**VILLAGE OF SWANSEA, ILLINOIS**

STATEMENT OF NET POSITION  
 PROPRIETARY FUND - SEWERAGE  
 APRIL 30, 2024

**Assets:**

Current Assets:

Cash and Cash Equivalents	\$ 3,297,715
Investments	4,800,566
Receivables (Net, where applicable, of allowances for uncollectible):	
Services	531,801
Prepaid Insurance	<u>33,826</u>
Total Current Assets	<u>8,663,908</u>

Noncurrent Assets:

Capital Assets:

Sewer Plant	22,819,973
Buildings and Improvements	42,973
Equipment and Vehicles	2,057,917
Sewer System	<u>16,050,928</u>
Total	40,971,791
Less - Accumulated Depreciation	<u>(20,982,368)</u>
Net Capital Assets	<u>19,989,423</u>
Total Noncurrent Assets	<u>19,989,423</u>
Total Assets	<u>\$ 28,653,331</u>

**Deferred Outflows of Resources**

Future Pension Expense	\$ 188,616
Future OPEB Expense	<u>48,478</u>
	<u>\$ 237,094</u>

**Liabilities:**

Current Liabilities:

Accounts Payable	\$ 174,268
Accrued Wages	10,956
Current Portion - Notes Payable	1,288,115
Accrued Compensated Absences	18,391
Accrued Interest Payable	<u>2,664</u>
Total Current Liabilities	<u>1,494,394</u>

Noncurrent Liabilities:

Net OPEB Liability	192,979
Net Pension Liability	325,427
Notes Payable	<u>4,342,011</u>
Total Noncurrent Liabilities	<u>4,860,417</u>
Total Liabilities	<u>\$ 6,354,811</u>

**Deferred Inflows of Resources**

Future Pension Expense	\$ 4,712
Future OPEB Expense	<u>67,397</u>
	<u>\$ 72,109</u>

**Net Position:**

Net Investment in Capital Assets	\$ 14,359,297
Unrestricted	<u>8,104,208</u>
Total Net Position	<u>\$ 22,463,505</u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF SWANSEA, ILLINOIS**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
PROPRIETARY FUND - SEWERAGE FUND  
FOR THE YEAR ENDED APRIL 30, 2024

Operating Revenues:	
Charges for Services	\$ 3,467,036
Fees	37,150
Miscellaneous Revenue	<u>7,719</u>
Total Operating Revenues	<u>3,511,905</u>
Operating Expenses:	
Salaries	532,487
Employee Benefits	84,533
Contractual Services	729,767
Commodities	191,263
Depreciation	<u>1,267,412</u>
Total Operating Expenses	<u>2,805,462</u>
Operating Income	<u>706,443</u>
Nonoperating Revenues (Expenses):	
Investment Earnings	535,454
Interest and Fiscal Charges	<u>(85,394)</u>
Total Nonoperating Revenues (Expenses)	<u>450,060</u>
Income Before Capital Contributions and Transfers	1,156,503
Capital Contributions	<u>85,000</u>
Change in Net Position	1,241,503
Net Position - Beginning of Year	<u>21,222,002</u>
Net Position - End of Year	<u>\$ 22,463,505</u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF SWANSEA, ILLINOIS**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUND - SEWERAGE FUND  
FOR THE YEAR ENDED APRIL 30, 2024

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 3,576,733
Payments to Suppliers	(1,120,823)
Payments to Employees	<u>(529,888)</u>
Net Cash Provided by Operating Activities	<u>1,926,022</u>
Cash Flows from Noncapital Financing Activities:	
None	<u>-</u>
Net Cash Provided by Noncapital Financing Activities	<u>-</u>
Cash Flows from Capital and Related Financing Activities:	
Capital Expenditures	(1,325,842)
Principal Payments on Notes	(1,270,578)
Interest Payments and Fiscal Charges	<u>(85,837)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(2,682,257)</u>
Cash Flows from Investing Activities:	
Sales (Purchases) of Investments	(188,122)
Interest Received	<u>535,454</u>
Net Cash Provided by Investing Activities	<u>347,332</u>
Net Change in Cash and Cash Equivalents	(408,903)
Cash and Cash Equivalents, Beginning of Year	<u>3,148,531</u>
Cash and Cash Equivalents, End of Year	<u>\$ 2,739,628</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 706,443
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Depreciation	1,267,412
Change in Net Pension Liability and Related Deferrals	(82,160)
Change in OPEB Liability and Related Deferrals	(10,649)
(Increase) Decrease in Assets:	
Services Receivables	64,828
Prepaid Expenses	(5,133)
Increase (Decrease) in Liabilities:	
Accrued Wages and Compensated Absences	2,599
Accounts Payable	<u>(17,318)</u>
Net Cash Provided by Operating Activities	<u>\$ 1,926,022</u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF SWANSEA, ILLINOIS**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS - PENSION TRUST FUNDS  
FOR THE YEAR ENDED APRIL 30, 2024

Additions:	
Employer Contributions	\$ 1,629,360
Employee Contributions	222,790
Investment Earnings:	
Investment Earnings	1,695,576
Less: Investment Expense	<u>(15,558)</u>
Net Investment Earnings	<u>1,680,018</u>
Total Additions	<u>3,532,168</u>
Deductions:	
Benefit Payments	1,047,475
Refund of Contributions	188,281
Contractual Services	<u>32,478</u>
Total Deductions	<u>1,268,234</u>
Change in Net Position	2,263,934
Net Position - Beginning of Year	<u>19,640,361</u>
Net Position - End of Year	<u>\$ 21,904,295</u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF SWANSEA, ILLINOIS**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS - PENSION TRUST FUNDS  
APRIL 30, 2024

Assets:	
Cash and Cash Equivalents	\$ 316,451
Investments:	
Illinois Police Officer's Pension Investment Fund	18,445,382
Illinois Firefighters Investment Fund	1,487,096
Receivables:	
Property Tax	1,637,287
Accrued Interest	707
Other	<u>17,372</u>
Total Assets	<u>21,904,295</u>
Liabilities:	
None	<u>-</u>
Total Liabilities	<u>-</u>
Net Position - Restricted for Pension Benefits	<u>\$ 21,904,295</u>

The notes to the financial statements are an integral part of this statement

# VILLAGE OF SWANSEA, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS APRIL 30, 2024

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Swansea, Illinois (“Village”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village’s accounting policies are described below.

(a) The financial reporting entity

The Village of Swansea has a President-Trustee form of Government. The Board consists of a Mayor and six Trustees who are elected at-large by the people of the Village. The Mayor and Board of Trustees, acting together, are the governing body. All governing body members serve four-year terms. The governing body, being the elected representative of the people, adopts all ordinances and resolutions, and determines the general goals and policies for the Village. The Village is a political subdivision of the State of Illinois. These financial statements present all the fund types of the Village. Component units are legally separate entities for which the Village is financially accountable, including a financial benefit or burden. The Village did not report any component units in the Village’s financial statements.

(b) Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

and other items not properly included among program revenues are reported instead as general revenues.

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

(c) Measurement focus, basis of accounting and financial statement presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental revenues, franchise taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized, when applicable, as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The Tax Increment Financing Fund accounts for incremental taxes and other revenues as well as all expenses related to improvements and promotional costs connected to the tax increment financing districts.

The Capital Projects Fund accounts for the dedicated revenues and the expenditures to provide capital improvements and equipment for the Village.

The ARPA Fund accounts for the receipts of the American Rescue Plan Act and the expenditures associated with such.

The Village reports the following major proprietary fund:

The Sewerage Fund accounts for all activities related to the billing, administration, distribution and collection processes of the sewer utilities. The Village operates the sewage treatment plant, sewage pumping stations and collection systems.

Additionally, the Village reports the following fund type:

The pension trust fund accounts for the activities of the Police and Firefighter Pension Funds, which accumulate resources for pension benefit payments to qualified public safety employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are reimbursements between funds for direct costs applicable to the other fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

(d) Assets, liabilities and net position or equity

Deposits and investments

The Village's cash and cash equivalents are cash on hand, demand deposits, certificates of deposits and short-term investments with original maturities of three months or less. All short-term cash surpluses are maintained in a cash and investment pool and interest allocated to each fund based on month-end balances and investment policies.

The Village is authorized by state statute to invest in obligations of the United States of America, insured interest bearing accounts of banks, savings and loan associations or credit unions, certain short-term obligations of corporations organized in the United States, money market mutual funds that invest in obligations of the United States of America or its agencies or are guaranteed by the full faith and credit of the United States of America, the Illinois Funds, the Illinois Metropolitan Investment Fund and repurchase agreements of government securities. The pension trust funds are also allowed to invest limited percentages of their monies in mutual funds and equity securities.

All cash and investments are recorded in all funds at fair value. Investment income is recognized as earned. Gains or losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

Receivables and payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectible amounts. Any allowance for uncollectible amounts has been deducted from the related receivable on the statement of net position.

Unbilled sewer utility receivables related to the business-type activities are recorded at year-end. They are determined by taking cycle billings subsequent to April 30 and prorating the applicable number of days to the current fiscal year.

The Village levied its 2023 property taxes on December 4, 2023 based upon the assessed valuation as of the previous January 1. Property taxes are due in installments in the following year, usually beginning in June, and are considered delinquent after the due dates. Property taxes for 2023 become an enforceable lien in January 2024. Because this tax levy will be used to pay expenses budgeted in fiscal year 2025, no part of this tax levy is shown as a revenue as of April 30, 2024 in the statement of activities.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost and estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects when constructed.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20 - 50
Public domain infrastructure	15 - 40
System infrastructure	5 - 50
Equipment and vehicles	3 - 10
Improvements other than buildings	10 - 25

Compensated absences

Accumulated unpaid vacation pay amounts are accrued when incurred. The Village's vacation policy permits employees to earn 80 to 168 hours of vacation per year, based on length of service and employee classification.

Employees who are enrolled in IMRF, except police officers and firefighters, earn sick leave at the rate of 4 hours per month to a maximum of 2,080 hours. Those employees hired prior to this ordinance accumulate sick leave at 8 hours per month. There is no limit on sick leave accrual for police officers and firefighters.

At April 30, 2024, the Village estimated that the accumulated liability for unused vacation for governmental activities employees totaled \$48,144. Amounts reflected in the financial statements at April 30, 2024 for business-type activities employees related to unused vacation benefits totaled \$18,391.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Long-term obligations

In the government-wide financial statements, and proprietary fund types in 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 fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are expensed in the year of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund balance

In the fund financial statements, the Village classifies the fund balances based upon the following criteria:

Nonspendable - includes amounts that cannot be spent because they are either 1) not in spendable form, or 2) legally or contractually required to remain intact.

Restricted - balances with constraints that are either externally imposed by creditors or imposed by law through constitutional provisions or enabling legislation.

Committed - balances that are to be only used for specific purposes pursuant to constraints imposed by formal approval of the Village Trustees, which has the highest level of decision-making authority. Formal Board approval is required to establish and amend or remove any specific committed balances.

Assigned - balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Assigned balances are authorized by the Village Board or by the Village Administrator under the direction of the Village Board. The Village does not maintain any assigned balances as of April 30, 2024.

Unassigned - the residual classification of the General Fund balance.

When expenditures are incurred for which the Village has both restricted and unrestricted funds available, the Village spends any restricted funds before using unrestricted sources. Likewise, the Village uses committed, assigned and then

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

unassigned balances, in that order, when spending amounts for which all three categories are available. The following details the description and amount of all constraints recorded by the Village in the fund financial statements:

<u>Governmental Funds</u>	
Nonspendable:	
Prepaid Items	\$ 85,375
Restricted:	
TIF Economic Development	\$ 1,993,179
Forfeiture Funds	430
Business Districts	1,835,915
Motor Fuel Tax	1,504,277
Debt Service	8,535
	<u>\$ 5,342,336</u>
Committed:	
Capital Projects	<u>\$ 3,153,897</u>

Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. These estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenditures. Actual results could vary from estimates that were used.

**NOTE 2: BUDGETARY AND LEGAL COMPLIANCE**

Village ordinance requires that a legally adopted annual budget be prepared for all funds. The Village Administrator compiles a budget of estimated revenues and expenditures for the Village and submits the budget to the Village Board prior to May 1 each year. The legal level of budgetary control is defined as the budgeted appropriation amount at the program level of expenditures within a department. Unexpended appropriations lapse at year-end. Supplemental appropriations can be made with the majority vote of the Village Board.

The Village prepares its annual budget on the cash basis of accounting, which differs from accounting principles generally accepted in the United States of America (GAAP). The budget and all transactions are presented in accordance with the Village's method (budget basis) in the required supplementary information for the major governmental funds to provide a meaningful comparison of actual results with the budget.

VILLAGE OF SWANSEA, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**NOTE 3: CASH AND CASH EQUIVALENTS AND INVESTMENTS**

**General Government & Business-Like Activities**

At April 30, 2024, the carrying amount of the Village's deposits was \$23,256,130 and the bank balance was \$23,514,160. The deposits were comprised of checking accounts, money market accounts, and certificates of deposit.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the Village's name. The Village had \$1,811,161 in bank balances that exceeded FDIC coverage and were uncollateralized at April 30, 2024.

As of April 30, 2024, the Village had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
Cash on Hand		\$ 1,400
Deposits as reported above	N/A	23,254,926
Total deposits and investments		<u>\$ 23,256,326</u>
As Reported in the Statement of Net Position:		
Cash and Cash Equivalents		\$ 11,739,008
Investments		<u>11,517,319</u>
		<u>\$ 23,256,327</u>

Interest Rate Risk. The Village's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. As of April 30, 2024, the Village did not have any investments subject to credit risk.

To minimize credit risk, it is the Village's policy to limit investments to the safest type of security and diversify the portfolio, to the extent necessary, in order to minimize potential losses on individual securities

Concentration of Credit Risk. As of April 30, 2024, the Village did not have a concentration of credit risk related to investments.

Foreign Currency Risk. As of April 30, 2024, the Village has no foreign currency risk.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Firefighter's Pension Fund**

At April 30, 2024, the carrying amount and the bank balance of the Firefighter's Pension Fund deposits was \$29,497. The deposits were comprised of a checking account.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the Firefighter's Pension Fund's deposits may not be returned to it. The Firefighter's Pension Fund requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the Fire Pension's name.

As of April 30, 2024, the Firefighter's Pension Fund had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
Illinois Firefighters Investment Fund	--	\$ 1,487,096
Deposits as reported above		<u>29,497</u>
Total deposits and investments		<u>\$ 1,516,593</u>

As of April 30, 2024, the Firefighter's Pension Fund has transferred a large percentage of the investment funds to the Illinois Firefighter's Pension Investment Fund (IFPIF) investment account. The IFPIF is a pooled investment account maintained by the State of Illinois. The Village's portion of the balance held in this investment pool is \$1,487,096 as of April 30, 2024.

Interest Rate Risk. The Firefighter's Pension Fund's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund. The policy also requires diversification of the investment portfolio via length of maturity to manage its exposure to fair value losses arising from increasing interest rates.

Credit Risk. As of April 30, 2024, the Firefighter's Pension Fund did not have any investments subject to credit risk.

Concentration of Credit Risk. As of April 30, 2024, the Firefighter's Pension Fund investments did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2024, the Firefighter's Pension Fund has no foreign currency risk.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**Police Pension Fund**

At April 30, 2024, the carrying amount and bank balance of the Police Pension Fund's deposits were \$286,954. The deposits were comprised of checking and interest checking accounts.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the Police Pension Fund's deposits may not be returned to it. The Police Pension Fund requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the Police Pension Fund's name.

As of April 30, 2024, the Police Pension Fund had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
Illinois Police Officer's Pension Investment Fund	--	\$ 18,445,382
Deposits as reported above		<u>286,954</u>
Total deposits and investments		<u>\$ 18,732,336</u>

As of April 30, 2024, the Police Pension Fund has transferred a large percentage of the investment funds to the Illinois Police Officer's Pension Investment Fund (IPOPIF) investment account. The IPOPIF is a pooled investment account maintained by the State of Illinois. The Village's portion of the balance held in this investment pool is \$18,445,382 as of April 30, 2024.

Interest Rate Risk. The Police Pension Fund's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity to manage its exposure to fair value losses arising from increasing interest rates.

Credit Risk. As of April 30, 2024 the Police Pension Fund did not have any investments subject to credit risk.

Concentration of Credit Risk. As of April 30, 2024, the Police Pension Fund's investments did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2024, the Police Pension Fund has no foreign currency risk.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**NOTE 4: RECEIVABLES**

The Village reports the following receivables in the statement of net position as of April 30, 2024. These amounts are reported net of the applicable allowances for uncollectible accounts.

	<u>General</u>	<u>Other Major Funds</u>	<u>Sewer</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Receivables:					
Property Tax	\$ 856,081	\$ 739,907	\$ -	\$ -	\$ 1,595,988
Intergovernmental	1,057,343	125,730	-	120,146	1,303,219
Accounts	-	-	531,801	-	531,801
Other	<u>99,842</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,842</u>
Gross Receivables	2,013,266	865,637	531,801	120,146	3,530,850
Less: Allowance for uncollectible	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 2,013,266</u>	<u>\$ 865,637</u>	<u>\$ 531,801</u>	<u>\$ 120,146</u>	<u>\$ 3,530,850</u>

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the components of unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes receivable	\$ 1,595,988	\$ --
Intergovernmental taxes	289,715	--

VILLAGE OF SWANSEA, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**NOTE 5: CAPITAL ASSETS**

Capital asset activity for governmental activities for the year ended April 30, 2024 was as follows:

<u>Governmental activities:</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 8,392,765	\$ 457,802	\$ -	\$ 8,850,567
Capital assets, being depreciated:				
Buildings and improvements	7,667,721	841,898	-	8,509,619
Equipment and vehicles	7,449,232	1,227,336	-	8,676,568
Infrastructure	33,850,124	721,700	-	34,571,824
Total capital assets being depreciated	48,967,077	2,790,934	-	51,758,011
Less accumulated depreciation for:				
Buildings and improvements	3,612,796	167,871	-	3,780,667
Equipment and vehicles	5,078,060	529,426	-	5,607,486
Infrastructure	19,344,753	853,490	-	20,198,243
Total accumulated depreciation	28,035,609	1,550,787	-	29,586,396
Total capital assets, being depreciated, net	20,931,468	1,240,147	-	22,171,615
Governmental activities capital assets, net	\$ 29,324,233	\$ 1,697,949	\$ -	\$ 31,022,182

Capital asset activity for business-type activities for the year ended April 30, 2024 was as follows:

<u>Business-type activities:</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Sewer plant	\$ 22,819,973	\$ -	\$ -	\$ 22,819,973
Buildings and improvements	42,973	-	-	42,973
Equipment and vehicles	1,708,975	348,942	-	2,057,917
Sewer system	14,989,028	1,061,900	-	16,050,928
Total capital assets being depreciated	39,560,949	1,410,842	-	40,971,791
Less accumulated depreciation for:				
Sewer plant	10,320,185	800,012	-	11,120,197
Buildings and improvements	29,884	1,295	-	31,179
Equipment and vehicles	882,927	164,667	-	1,047,594
Sewer system	8,481,960	301,438	-	8,783,398
Total accumulated depreciation	19,714,956	1,267,412	-	20,982,368
Total capital assets, being depreciated, net	19,845,993	143,430	-	19,989,423
Business-type activities capital assets, net	\$ 19,845,993	\$ 143,430	\$ -	\$ 19,989,423

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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

Governmental activities:	
General government	\$ 96,435
Public safety	451,378
Public works, including depreciation of general infrastructure assets	906,201
Culture and recreation	<u>96,773</u>
Total depreciation expense - governmental activities	<u>\$ 1,550,787</u>
Business-type activities:	
Sewerage	<u>\$ 1,267,412</u>

**NOTE 6: LONG-TERM DEBT**

Notes Payable

The Village has entered into several notes payable. The following are descriptions of the Village's outstanding notes payable:

\$9,387,981 note payable through the Bank of Springfield, dated December 18, 2020 for the improvement of the wastewater plant, bears interest at 1.34%; monthly principal and interest payments of \$109,776 are due through June 2028. This loan was used to pay off a similar loan through the Illinois Environmental Protection Agency (IEPA), dated October 2008, with interest at 2.50%. This note is being retired by the Sewerage fund. The principal amount of the note outstanding as of April 30, 2024 is \$5,333,334.

\$665,850 note payable through the Illinois Environmental Protection Agency (IEPA), dated December 2010, for the improvement of the Western Avenue lift station, bears interest at 1.25%; semiannual principal and interest payments of \$19,950 are due through April 2032. This note is being retired by the Sewerage fund. The principal amount of the note outstanding as of April 30, 2024 is \$296,792.

Upon default of the above notes payable, the lender has the option to make all amounts due and payable at that time.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The annual debt requirements to retire the notes payable as of April 30, 2024 are as follows:

Fiscal Year Ended <u>April 30,</u>	<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 1,288,115	\$ 68,299
2026	1,305,684	50,730
2027	1,323,494	32,920
2028	1,341,529	14,885
2029	256,526	2,526
2030-2032	<u>114,778</u>	<u>2,521</u>
	<u>\$ 5,630,126</u>	<u>\$ 171,881</u>

The following is a summary of changes in long-term liabilities for the year ended April 30, 2024:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retired</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Governmental Activities:</u>					
Bonds and notes payable:					
General obligation bonds	\$ 230,000	\$ -	\$ 230,000	\$ -	\$ -
Other liabilities:					
OPEB liability	1,905,259	76,189	-	1,981,448	-
Net pension liability	11,064,111	-	1,198,985	9,865,126	-
Compensated absences	<u>49,986</u>	<u>-</u>	<u>1,842</u>	<u>48,144</u>	<u>48,144</u>
Governmental activities long-term liabilities	<u>\$ 11,958,250</u>	<u>\$ 76,189</u>	<u>\$ 1,430,827</u>	<u>\$ 11,894,718</u>	<u>\$ 48,144</u>
<u>Business-type Activities:</u>					
Bonds and notes payable:					
Notes from direct borrowings	\$ 6,900,704	\$ -	\$ 1,270,578	\$ 5,630,126	\$ 1,288,115
Other liabilities:					
OPEB liability	204,557	-	11,578	192,979	-
Net pension liability	518,863	-	193,436	325,427	-
Compensated absences	<u>16,667</u>	<u>1,724</u>	<u>-</u>	<u>18,391</u>	<u>18,391</u>
Business-type activities long-term liabilities	<u>\$ 9,865,421</u>	<u>\$ 1,724</u>	<u>\$ 1,475,592</u>	<u>\$ 6,166,923</u>	<u>\$ 1,306,506</u>

The liabilities related to the pension benefit obligation, the OPEB liability and the compensated absences in the governmental activities are being retired by the General Fund.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**NOTE 7: LEGAL DEBT MARGIN**

The computation of legal debt margin at April 30, 2024 is as follows:

Bonded Debt Limit*	\$ 31,082,083
Bonded Indebtedness	<u>                  -</u>
Legal Debt Margin	<u>\$ 31,082,083</u>

\* The bonded indebtedness of the Village is limited by Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes to 8.625% of the assessed valuation of taxable tangible property.

**NOTE 8: INTERFUND TRANSFERS**

The Village made a transfer of \$1,518,862 from the General Fund to the Capital Projects Fund for constructions costs during the year ended April 30, 2024.

**NOTE 9: RETIREMENT AND PENSION FUND COMMITMENTS**

1. Illinois Municipal Retirement Fund

*Plan Description.* The Village'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 Plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

*Funding Policy.* As set by statute, members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2023 was 9.65 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

*Covered Employees.* The following types of employees comprise the membership of the plan.

Retirees and Beneficiaries	26
Inactive, non-Retired Members	20
Active Members	<u>26</u>
Total	<u>72</u>

*Discount Rate.* GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. 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) 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 this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 3.77%; and the resulting single discount rate is 7.25%.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Actuarial Valuation Date	12/31/23
Measurement Date of the Net Pension Liability	12/31/23
Fiscal Year End	04/30/24

Development of the Single Discount Rate as of December 31, 2023	
Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate	3.77%
Last year ending December 31 in the 2024 to 2123 projection period for which projected benefit payments are fully funded	2123
Resulting Single Discount Rate based on the above development	7.25%
Single Discount Rate calculated using December 31, 2022 Measurement Date	7.25%

The Long-Term Municipal Bond Rate is based on the Fidelity Index's "20-Year Municipal GO AA Index" as of December 29, 2023.

*Actuarial Assumptions.* The following are the actuarial assumptions used in the calculation of the net pension liability.

Actuarial Cost Method	Entry Age Normal
Remaining Amortization Period	20 year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
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 2023 valuation pursuant to an experience study of the period 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. 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-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

*Net Pension Liability.* The following is a summary of the Net Pension Liability as shown as a liability in the financial statements.

<b>Total pension liability</b>	
Service Cost	\$ 121,629
Interest on the Total Pension Liability	596,181
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	73,433
Changes of assumptions	(18,952)
Benefit payments, including refunds of employee contributions	<u>(508,869)</u>
Net change in total pension liability	\$ 263,422
Total pension liability - beginning	<u>8,416,808</u>
Total pension liability - ending	<u>\$ 8,680,230</u>
 <b>Plan fiduciary net position</b>	
Contributions - employer	\$ 148,257
Contributions - employee	69,136
Net investment income	788,289
Benefit payments, including refunds of employee contributions	(508,869)
Other	<u>196,106</u>
Net change in plan fiduciary net position	\$ 692,919
Plan fiduciary net position - beginning	<u>6,991,242</u>
Plan fiduciary net position - ending	<u>\$ 7,684,161</u>
 <b>Net pension liability/(asset)</b>	 <u>\$ 996,069</u>
 <b>Plan fiduciary net position as a percentage of the total pension liability</b>	 88.52%
 <b>Covered valuation payroll</b>	 \$ 1,536,352
 <b>Net pension liability as a percentage of covered valuation payroll</b>	 64.83%

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Single Discount		
	1% Decrease 6.25%	Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 9,584,578	\$ 8,680,230	\$ 7,953,123
Plan Fiduciary Net Position	7,684,161	7,684,161	7,684,161
Net Pension Liability/(Asset)	<u>\$ 1,900,417</u>	<u>\$ 996,069</u>	<u>\$ 268,962</u>

*Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses.* The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 101,733	\$ -
Changes in assumptions	-	14,421
Contributions subsequent to valuation date	50,128	-
Net difference between projected and actual earnings on pension plan investments	425,454	-
Total	<u>\$ 577,315</u>	<u>\$ 14,421</u>

Year Ending December 31,	Net Deferred Outflows of Resources
2024	\$ 107,846
2025	162,003
2026	297,509
2027	(54,592)
2028	-
Thereafter	-
	<u>\$ 512,766</u>

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2. Firefighters' Pension Fund

a) Plan Description

Plan Administration. The Board consists of two members appointed by the Village, two active members of the fire department elected by the membership, and one retired member of the fire department elected by the membership.

Plan Membership as of April 30, 2024:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	1
Active Plan Members	<u>2</u>
Total	<u>3</u>

Benefits Provided.

The Plan provides retirement, termination, disability, and death benefits.

Normal Retirement:

Tier 1: Age 50 and 20 years of Credited Service. Tier 2: Age 55 with 10 years of Credited Service. Benefit: Tier 1: 50% of annual salary attached to rank on last day of service plus 2.5% of annual salary for each year over 20 years, up to a maximum of 75% of salary. The minimum monthly benefit is \$1,159.27 per month. Tier 2: 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service. The maximum benefit is 75% of average salary.

Cost of Living Adjustment:

Tier 1 Retirees: An annual increase equal to 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55. Disabled Retirees: An annual increase equal to 3.00% per year of the original benefit amount beginning at age 60. Those that become disabled prior to age 60 receive an increase of 3.00% of the original benefit amount for each year since benefit commencement upon reaching age 60. Tier 2: An annual increase each January 1 equal to 3.00% per year or one-half of the annual unadjusted percentage increase in the consumer price index-u for the twelve months ending with the September preceding each November 1, whichever is less, of the original pension after the attainment of age 60 or first anniversary of pension start date whichever is later.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Disability Benefit:

Eligibility: Total and permanent as determined by the Board of Trustees. Seven years of service required for non-service connected disability. Benefit: A maximum of: a.) 65% of salary attached to the rank held by the member on last day of service, and; b.) The monthly retirement pension that the member is entitled to receive if he or she retired immediately. For non-service connected disabilities, a benefit of 50% of salary attached to rank held by member on last day of service.

Pre-Retirement Death Benefit:

Service Incurred: 100% of salary attached to rank held by member on last day of service. Non-Service Incurred: A maximum of: a.) 54% of salary attached to the rank held by member on last day of service, and; b.) The monthly retirement pension earned by the deceased member at time of death, regardless of whether death occurs before or after age 50.

Vesting (Termination):

Less than 10 years: Refund of Member Contributions.

10 or more years: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is based on the monthly salary attached to the Member's rank at separation from service. The following schedule applies:

<u>Service</u>	<u>% of Salary</u>
10	15.0%
11	17.6%
12	20.4%
13	23.4%
14	26.6%
15	30.0%
16	33.6%
17	37.4%
18	41.4%
19	45.6%

Contributions.

Employee: 9.455% of Salary. Village: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability by December 31, 2040.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

b) Investments

Investment Policy:

The long-term asset allocation is determined by the Illinois Firefighter's Pension Investment Fund and is as follows as of April 30, 2024:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
U.S. Equity	25.00%	5.20%
Developed Market Equity	13.00	5.60
Emerging Market Equity	7.00	5.50
Private Equity	10.00	8.60
Public Credit	3.00	1.90
Private Credit	7.00	7.00
Core Fixed Income	9.00	1.80
Core Plus Fixed Income	9.00	2.40
Short-Term Treasuries	3.00	0.30
Real Estate	10.00	4.90
Infrastructure	4.00	5.10
Total	<u>100.00%</u>	

The long-term expected rate of return on pension plan investments is the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) and are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Concentrations:

The Plan has does not have a concentration of 5% or more of the investments.

Rate of Return:

For the year ended April 30, 2024, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 11.40%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

c) Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor on April 30, 2024 were as follows:

Total Pension Liability	\$ 1,914,612
Plan Fiduciary Net Position	<u>(1,645,468)</u>
Net Pension Liability	<u>\$ 269,144</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	85.94%

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of April 30, 2024 using the following actuarial assumptions.

Inflation	3.00%
Salary Increases	3.00%
Investment Rate of Return	5.00%
Pre-Retirement Mortality Rate: PRI-2012 Employee Tables for Males and Females with expected mortality improvement using Scale MP 2021	
Post-Retirement Mortality Rate: PRI-2012 Annuitant Tables for Males/Females with expected mortality improvement using Scale MP 2021	

Discount Rate:

The discount rate used to measure the total pension liability was 5.00 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future projected benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	1% Decrease	Current Discount Rate	1% Increase
	4.00%	5.00%	6.00%
Net Pension Liability	\$ 582,479	\$ 269,144	\$ 13,815

*Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses.* The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 101,266	\$ 966
Changes in assumptions	107,025	25,172
Net difference between projected and actual earnings on pension plan investments	40,688	-
Total	<u>\$ 248,979</u>	<u>\$ 26,138</u>

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ending <u>April 30,</u>	Net Deferred Outflows of <u>Resources</u>
2025	\$ 113,080
2026	72,540
2027	10,082
2028	(265)
2029	13,849
Thereafter	<u>13,555</u>
	<u>\$ 222,841</u>

3. Police Pension Fund

a) Plan Description

Plan Administration. The Board consists of two members appointed by the Village, two active members of the police department elected by the membership, and one retired member of the police department elected by the membership.

Plan Membership as of April 30, 2024:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	23
Active Plan Members	<u>22</u>
Total	<u>43</u>

Benefits Provided.

The Plan provides retirement, termination, disability, and death benefits.

Normal Retirement:

Tier 1: Age 50 and 20 years of Credited Service. Tier 2: Age 55 with 10 years of Credited Service. Benefit: Tier 1: 50% of annual salary attached to rank on last day of service plus 2.5% of annual salary for each year over 20 years, up to a maximum of 75% of salary. The minimum monthly benefit is \$1,000 per month. Tier 2: 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service. The maximum benefit is 75% of average salary.

Cost of Living Adjustment:

Tier 1 Retirees: An annual increase equal to 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55. Tier 2: An annual increase each January 1 equal to 3.00% per year or one-half of the annual unadjusted percentage increase in the consumer price index-u for the twelve

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

months ending with the September preceding each November 1, whichever is less, of the original pension after the attainment of age 60 or first anniversary of pension start date whichever is later.

**Disability Benefit:**

Eligibility: Total and permanent as determined by the Board of Trustees.  
Benefit: A maximum of: a.) 65% of salary attached to the rank held by the member on last day of service, and; b.) The monthly retirement pension that the member is entitled to receive if he or she retired immediately. For non-service connected disabilities, a benefit of 50% of salary attached to rank held by member on last day of service.

**Pre-Retirement Death Benefit:**

Service Incurred: 100% of salary attached to rank held by member on last day of service. Non-Service Incurred: A maximum of: a.) 50% of salary attached to the rank held by member on last day of service, and; b.) The monthly retirement pension earned by the deceased member at time of death, regardless of whether death occurs before or after age 50. For non-service deaths with less than 10 years of service, a refund of member contributions is provided.

**Vesting (Termination):**

Less than 10 years: Refund of Member Contributions.

10 or more years: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination times creditable service.

**Contributions.**

Employee: 9.91% of Salary. Village: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability over a period ending in 2040.

b) Investments

**Investment Policy:**

The long-term expected rate of return on pension plan investments is the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) and are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The long-term asset allocation is determined by the Illinois Police Officer's Pension Investment Fund and is as follows as of April 30, 2024:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
U.S. Large	23.00%	4.15%
U.S. Small	5.00	4.54
International Developed	18.00	4.64
International Developed Small	5.00	-.25
Emerging Markets	7.00	5.31
Private Equity	7.00	7.15
Bank Loans	3.00	2.48
High Yield Corp Credit	3.00	2.48
Emerging Market Debt	3.00	2.82
Private Credit	5.00	4.37
TIPS	3.00	-.12
Real Estate/Infrastructure	8.00	4.00
Cash	1.00	-.27
Short-Term Gov't/Credit	3.00	.73
U.S. Treasury	3.00	-.60
Core Plus Fixed Income	<u>3.00</u>	.73
Total	<u>100.00%</u>	

**Concentrations:**

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's fiduciary net position.

**Rate of Return:**

For the year ended April 30, 2024, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 11.17%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**c) Net Pension Liability of the Sponsor**

The components of the net pension liability of the sponsor on April 30, 2024 were as follows:

Total Pension Liability	\$ 29,184,166
Plan Fiduciary Net Position	<u>(20,258,827)</u>
Net Pension Liability	<u>\$ 8,925,339</u>
Plan Fiduciary Net Position as a % of Total Pension Liability	69.42%

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of April 30, 2024 using the following actuarial assumptions.

Inflation	2.75%
Salary Increases	4.00%
Investment Rate of Return	5.75%
Pre-Retirement Mortality Rate: PRI-2012 Employee Tables for Males and Females with expected mortality Improvement using Scale MP 2021	
Post-Retirement Mortality Rate: PRI-2012 Annuitant Tables for Males/Females with expected mortality Improvement using Scale MP 2021	

Discount Rate:

The discount rate used to measure the total pension liability was 5.75 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all future projected benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	1% Decrease	Current Discount Rate	1% Increase
	4.75%	5.75%	6.75%
Net Pension Liability	\$ 13,460,217	\$ 8,925,339	\$ 5,003,189

*Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses.* The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 266,557	\$ 380,279
Changes in assumptions	816,548	715,989
Net difference between projected and actual earnings on pension plan investments	165,185	-
Total	<u>\$ 1,248,290</u>	<u>\$ 1,096,268</u>

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ending <u>April 30,</u>	Net Deferred Outflows of <u>Resources</u>
2025	\$ 101,556
2026	375,706
2027	51,576
2028	(38,996)
2029	(27,903)
Thereafter	<u>(309,917)</u>
	<u>\$ 152,022</u>

**NOTE 10: RISK MANAGEMENT**

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

The Village is a member of the Intergovernmental Personnel Benefit Cooperative (IPBC). The IPBC is a pooled insurance cooperative established by certain units of local government in Illinois to administer personnel benefit programs to the participating members.

As a member of the cooperative, the Village has made contributions to the insurance plan, some of which are being maintained by the cooperative for future claims or for return to the Village. The funds are being held in several accounts and the balances as of April 30 for each of the past two years are as follows:

	Balances as of April 30,	
	<u>2023</u>	<u>2024</u>
Administrative Account	\$ 531	\$ 652
Benefit Account	341,704	357,579
HMO Account	1,626	4,699
Wellness Fund	977	1,020
Terminal Reserve Account	<u>4,855</u>	<u>23,276</u>
	<u>\$ 349,693</u>	<u>\$ 387,226</u>

**NOTE 11: POSTEMPLOYMENT HEALTHCARE PLAN**

*Plan Description.* The Village maintains a single-employer defined benefit healthcare plan available for retirees. The Village provides pre and post Medicare post-retirement healthcare benefits to all retirees who worked for the Village, were enrolled in one of the Village's healthcare plans at the time of employment, and receive a pension from the Village through IMRF, the Police Pension Fund or the Firefighter's Pension Fund. The various eligibility requirements vary with the type of retirement plan the employee was associated with. The Village does not issue a separate report related to post-retirement healthcare benefits.

*Funding Policy.* The contribution requirements are as determined by the contracts with Village employees and are funded as a pay-as-you-go basis.

*Annual OPEB Cost and Net OPEB Obligation.* The Village's annual other postemployment benefit (OPEB) cost is calculated based an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

The OPEB liability as of April 30, 2024, is calculated at \$2,172,428. This is an increase of \$62,612 in the current year from the prior year estimated balance of \$2,109,816.

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

*Net OPEB Liability.* The following is a summary of the Net OPEB Liability as shown as a liability in the financial statements.

<b>Total OPEB liability</b>	
Service Cost	\$ 101,442
Interest on the Total OPEB Liability	86,038
Changes of benefit terms	-
Difference between expected and actual experience of the Total OPEB Liability	(41,687)
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	<u>(83,181)</u>
Net change in total OPEB liability	\$ 62,612
Total OPEB liability - beginning	<u>2,109,816</u>
Total OPEB liability - ending	<u><u>\$ 2,172,428</u></u>
<b>Plan fiduciary net position</b>	
Contributions - employer	\$ 83,181
Contributions - employee	-
Net investment income	-
Benefit payments, including refunds of employee contributions	(83,181)
Other	<u>-</u>
Net change in plan fiduciary net position	\$ -
Plan fiduciary net position - beginning	<u>-</u>
Plan fiduciary net position - ending	<u><u>\$ -</u></u>
<b>Net OPEB liability/(asset)</b>	<u><u>\$ 2,172,428</u></u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	0.00%
<b>Covered valuation payroll</b>	\$ 3,986,537
<b>Net OPEB liability as a percentage of covered valuation payroll</b>	54.49%

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	3.35%	4.35%	5.35%
Total OPEB Liability	\$ 2,400,998	\$ 2,109,816	\$ 1,965,618
Plan Fiduciary Net Position	-	-	-
Net OPEB Liability/(Asset)	<u>\$ 2,400,998</u>	<u>\$ 2,109,816</u>	<u>\$ 1,965,618</u>

*Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future OPEB Expenses.* The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 278,074	\$ 128,438
Changes in assumptions	268,147	630,953
Net difference between projected and actual earnings on OPEB plan investments	-	-
Total	<u>\$ 546,221</u>	<u>\$ 759,391</u>

Year Ending <u>April 30,</u>	Net Deferred Inflows of <u>Resources</u>
2025	\$ (14,069)
2026	(14,069)
2027	(14,069)
2028	(14,069)
2029	(14,069)
Thereafter	<u>(142,825)</u>
	<u>\$ (213,170)</u>

*Funding Status and Funding Progress.* As of April 30, 2024, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability is \$2,172,428. The plan has no assets as payments are made on a pay-as-you-go basis. The covered payroll was \$3,986,537 and the ratio of the UAAL to the covered payroll was 54.49 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and

VILLAGE OF SWANSEA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Actuarial Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to the point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2024 actuarial valuation, the entry age normal cost method was used.

The actuarial assumptions included the following:

Annual healthcare cost trend rate: 6.00% to be reduced by .25% increments to an ultimate rate of 4.00 percent.

Remaining amortization period at April 30, 2024: 20 years.

Inflation rate: 2.75%

Assumed retirement age is 58 with the completion of 20 years of service.

Pre-Retirement Mortality Rate: PRI-2012 Employee Tables for Males and Females with expected mortality improvement using Scale MP 2021

Post-Retirement Mortality Rate: PRI-2012 Annuitant Tables for Males/Females with expected mortality Improvement using Scale MP 2021

**NOTE 12: SUBSEQUENT EVENTS**

The Village has evaluated events occurring after the financial statement date through October 2, 2024 in order to determine their potential for recognition or disclosure in the financial statements. The latter date is the same date the financial statements were available to be issued.

**VILLAGE OF SWANSEA, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - GENERAL FUND  
FOR THE YEAR ENDED APRIL 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual (Budget Basis)</u>	<u>Variance - Actual vs. Budget Final</u>
	<u>Original</u>	<u>Final</u>		
Receipts:				
Property Tax	\$ 2,389,207	\$ 2,389,207	\$ 2,378,418	\$ (10,789)
Intergovernmental:				
Sales and Use Tax	2,568,577	2,568,577	2,483,830	(84,747)
Replacement Tax	35,884	35,884	36,400	516
State Income Tax	2,235,585	2,235,585	2,355,197	119,612
Excise Tax	73,500	73,500	68,601	(4,899)
Grants	76,390	76,390	22,650	(53,740)
Video Gaming Tax	370,000	370,000	370,079	79
Other	35,000	35,000	42,461	7,461
Utility Tax	808,000	808,000	875,131	67,131
Licenses, Fees and Permits	349,500	349,500	233,683	(115,817)
Charges for Services	430,484	430,484	438,264	7,780
Fines	35,700	35,700	130,253	94,553
Investment Earnings	38,000	38,000	195,626	157,626
Gifts and Donations	23,000	23,000	11,741	(11,259)
Miscellaneous Revenues and Reimbursements	21,500	21,500	70,218	48,718
Total Receipts	<u>9,490,327</u>	<u>9,490,327</u>	<u>9,712,552</u>	<u>222,225</u>
Disbursements:				
General Government:				
Centralized Services	555,851	555,851	548,746	7,105
Swansea Report	19,900	19,900	21,456	(1,556)
Elected Officials	83,830	83,830	80,612	3,218
General Administration	323,729	323,729	326,431	(2,702)
Building & Zoning	319,852	319,852	359,471	(39,619)
Total Administration	<u>1,303,162</u>	<u>1,303,162</u>	<u>1,336,716</u>	<u>(33,554)</u>
Public Safety:				
Police	5,490,319	5,490,319	5,336,450	153,869
Fire	722,130	722,130	591,835	130,295
Total Public Safety	<u>6,212,449</u>	<u>6,212,449</u>	<u>5,928,285</u>	<u>284,164</u>
Public Works:				
Streets	743,405	743,405	770,021	(26,616)
Refuse & Recycling	-	-	-	-
Total Public Works	<u>743,405</u>	<u>743,405</u>	<u>770,021</u>	<u>(26,616)</u>

**VILLAGE OF SWANSEA, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - GENERAL FUND  
FOR THE YEAR ENDED APRIL 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual (Budget Basis)</u>	<u>Variance - Actual vs. Budget Final</u>
	<u>Original</u>	<u>Final</u>		
Disbursements (continued):				
Culture and Recreation:				
Parks	301,191	301,191	474,179	(172,988)
Senior Services	<u>1,420</u>	<u>1,420</u>	<u>594</u>	<u>826</u>
Total Culture and Recreation	<u>302,611</u>	<u>302,611</u>	<u>474,773</u>	<u>(172,162)</u>
Total Disbursements	<u>8,561,627</u>	<u>8,561,627</u>	<u>8,509,795</u>	<u>51,832</u>
Excess of Receipts Over				
Disbursements	<u>928,700</u>	<u>928,700</u>	<u>1,202,757</u>	<u>274,057</u>
Other Financing Sources:				
Transfers In (Out)	<u>(679,862)</u>	<u>(679,862)</u>	<u>(1,518,862)</u>	<u>(839,000)</u>
Total Other Financing Sources	<u>(679,862)</u>	<u>(679,862)</u>	<u>(1,518,862)</u>	<u>(839,000)</u>
Excess of Receipts and Other				
Financing Sources Over Disbursements	<u>\$ 248,838</u>	<u>\$ 248,838</u>	<u>(316,105)</u>	<u>\$ (564,943)</u>
Change in intergovernmental revenue on modified accrual basis			59,204	
Change in grant revenue on modified accrual basis			(17,650)	
Change in accounts payable on modified accrual basis			147,016	
Change in accrued wages on modified accrual basis			(28,172)	
Change in prepaid expenses on modified accrual basis			18,004	
Change in franchise fees receivable on modified accrual basis			(19,103)	
Change in utility tax receivable on modified accrual basis			679	
Change in services receivable on modified accrual basis			<u>(1,798)</u>	
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (157,925)</u>	

**VILLAGE OF SWANSEA, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - TAX INCREMENT FINANCING FUND  
 FOR THE YEAR ENDED APRIL 30, 2024

	Budgeted Amounts		Actual (Budget Basis)	Variance -
	Original	Final		Actual vs. Budget Final
Receipts:				
Property Tax	\$ 650,000	\$ 650,000	\$ 652,135	\$ 2,135
Charges for Services	-	-	13,719	13,719
Investment Earnings	8,050	8,050	56,813	48,763
Miscellaneous Revenues/Reimbursements	-	-	7,017	7,017
Total Receipts	<u>658,050</u>	<u>658,050</u>	<u>729,684</u>	<u>71,634</u>
Disbursements:				
Community Development	323,105	323,105	178,675	144,430
Capital Outlay	<u>765,000</u>	<u>765,000</u>	<u>510,854</u>	<u>254,146</u>
Total Disbursements	<u>1,088,105</u>	<u>1,088,105</u>	<u>689,529</u>	<u>398,576</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ (430,055)</u>	<u>\$ (430,055)</u>	40,155	<u>\$ 470,210</u>
Change in accounts payable on modified accrual basis			<u>(26,150)</u>	
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 14,005</u>	

**VILLAGE OF SWANSEA, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED APRIL 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u> (Budget Basis)	Variance -
	<u>Original</u>	<u>Final</u>		Actual vs. Budget Final
<b>Receipts:</b>				
Property Tax	\$ 100,000	\$ 100,000	\$ 99,919	\$ (81)
Intergovernmental Revenues	400,000	400,000	511,552	111,552
Grant Receipts	759,910	759,910	88,530	(671,380)
Investment Earnings	8,500	8,500	37,562	29,062
Total Receipts	<u>1,268,410</u>	<u>1,268,410</u>	<u>737,563</u>	<u>(530,847)</u>
<b>Disbursements:</b>				
Capital Outlay:				
General Government	-	-	2,634	(2,634)
Public Safety	-	-	64,474	(64,474)
Public Works	-	-	12,041	(12,041)
Culture and Recreation	-	-	41,431	(41,431)
Capital Projects	<u>2,531,012</u>	<u>2,531,012</u>	<u>2,117,920</u>	<u>413,092</u>
Total Disbursements	<u>2,531,012</u>	<u>2,531,012</u>	<u>2,238,500</u>	<u>292,512</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ (1,262,602)</u>	<u>\$ (1,262,602)</u>	<u>(1,500,937)</u>	<u>\$ (238,335)</u>
<b>Other Financing Sources (Uses):</b>				
Operating Transfers In	<u>679,862</u>	<u>679,862</u>	<u>1,518,862</u>	<u>839,000</u>
Total Other Financing Sources (Uses)	<u>679,862</u>	<u>679,862</u>	<u>1,518,862</u>	<u>839,000</u>
Excess (Deficiency) of Receipts and Other Financing Sources Over Disbursements and Other Financing (Uses)	<u>\$ (582,740)</u>	<u>\$ (582,740)</u>	17,925	<u>\$ 600,665</u>
Change in sales tax receivable on modified accrual basis			4,849	
Change in accounts payable on modified accrual basis			<u>125,709</u>	
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 148,483</u>	

**VILLAGE OF SWANSEA, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - ARPA FUND  
 FOR THE YEAR ENDED APRIL 30, 2024

	<u>Budgeted Amounts</u>		Actual	Variance -
	<u>Original</u>	<u>Final</u>	(Budget Basis)	Actual vs. <u>Budget Final</u>
Receipts:				
Investment Earnings	\$ 300	\$ 300	\$ 43,714	\$ 43,414
Total Receipts	<u>300</u>	<u>300</u>	<u>43,714</u>	<u>43,414</u>
Disbursements:				
Public Safety	-	-	37,209	(37,209)
Culture and Recreation	-	-	43,763	(43,763)
Capital Outlay	<u>300,000</u>	<u>300,000</u>	<u>175,197</u>	<u>124,803</u>
Total Disbursements	<u>300,000</u>	<u>300,000</u>	<u>256,169</u>	<u>43,831</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ (299,700)</u>	<u>\$ (299,700)</u>	<u>(212,455)</u>	<u>\$ 87,245</u>
Change in accounts payable on modified accrual basis			<u>(464,324)</u>	
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (676,779)</u>	

**VILLAGE OF SWANSEA, ILLINOIS**

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
APRIL 30, 2024

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:									
Service Cost	\$ 121,629	\$ 110,926	\$ 102,908	\$ 109,964	\$ 116,946	\$ 103,086	\$ 127,088	\$ 134,672	\$ 130,502
Interest	596,181	580,415	552,982	529,992	494,523	468,564	474,337	447,715	429,324
Difference between expected and actual assumption changes	73,433	28,013	190,451	125,174	252,143	122,598	(196,655)	21,261	(100,884)
Benefit payments, including refunds	<u>(508,869)</u>	<u>(505,608)</u>	<u>(438,333)</u>	<u>(399,866)</u>	<u>(341,925)</u>	<u>(297,430)</u>	<u>(267,043)</u>	<u>(224,063)</u>	<u>(204,147)</u>
Net change in total pension liability	263,422	213,746	408,008	339,869	521,687	588,808	(49,786)	348,241	269,787
Total pension liability - beginning	<u>8,416,808</u>	<u>8,203,062</u>	<u>7,795,054</u>	<u>7,455,185</u>	<u>6,933,498</u>	<u>6,344,690</u>	<u>6,394,476</u>	<u>6,046,235</u>	<u>5,776,448</u>
Total pension liability - ending	<u>\$ 8,680,230</u>	<u>\$ 8,416,808</u>	<u>\$ 8,203,062</u>	<u>\$ 7,795,054</u>	<u>\$ 7,455,185</u>	<u>\$ 6,933,498</u>	<u>\$ 6,344,690</u>	<u>\$ 6,394,476</u>	<u>\$ 6,046,235</u>
Plan Fiduciary Net Position									
Contributions - employer	148,257	165,205	163,913	137,326	127,900	162,583	146,464	165,275	152,341
Contributions - employee	69,136	60,532	57,943	53,227	53,341	53,458	52,939	56,344	65,155
Net investment income	788,289	(1,107,010)	1,230,075	930,902	1,041,857	(299,808)	888,481	331,445	24,818
Benefit payments, including refunds	<u>(508,869)</u>	<u>(505,608)</u>	<u>(438,333)</u>	<u>(399,866)</u>	<u>(341,925)</u>	<u>(297,430)</u>	<u>(267,043)</u>	<u>(224,063)</u>	<u>(204,147)</u>
Other	<u>196,106</u>	<u>(83,709)</u>	<u>47,013</u>	<u>45,667</u>	<u>56,006</u>	<u>157,918</u>	<u>(80,146)</u>	<u>22,531</u>	<u>(167,186)</u>
Net change in plan fiduciary net position	692,919	(1,470,590)	1,060,611	767,256	937,179	(223,279)	740,695	351,532	(129,019)
Plan fiduciary net position - beginning	<u>6,991,242</u>	<u>8,461,832</u>	<u>7,401,221</u>	<u>6,633,965</u>	<u>5,696,786</u>	<u>5,920,065</u>	<u>5,179,370</u>	<u>4,827,838</u>	<u>4,956,857</u>
Plan fiduciary net position - ending	<u>\$ 7,684,161</u>	<u>\$ 6,991,242</u>	<u>\$ 8,461,832</u>	<u>\$ 7,401,221</u>	<u>\$ 6,633,965</u>	<u>\$ 5,696,786</u>	<u>\$ 5,920,065</u>	<u>\$ 5,179,370</u>	<u>\$ 4,827,838</u>
Net Pension Liability	<u>\$ 996,069</u>	<u>\$ 1,425,566</u>	<u>\$ (258,770)</u>	<u>\$ 393,833</u>	<u>\$ 821,220</u>	<u>\$ 1,236,712</u>	<u>\$ 424,625</u>	<u>\$ 1,215,106</u>	<u>\$ 1,218,397</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>88.52%</u>	<u>83.06%</u>	<u>103.15%</u>	<u>94.95%</u>	<u>88.98%</u>	<u>82.16%</u>	<u>93.31%</u>	<u>81.00%</u>	<u>79.85%</u>
Covered valuation payroll	<u>\$ 1,536,352</u>	<u>\$ 1,345,165</u>	<u>\$ 1,287,614</u>	<u>\$ 1,182,825</u>	<u>\$ 1,185,362</u>	<u>\$ 1,187,954</u>	<u>\$ 1,176,414</u>	<u>\$ 1,252,080</u>	<u>\$ 1,180,937</u>
Net position liability as a percentage of covered valuation payroll	<u>64.83%</u>	<u>105.98%</u>	<u>-20.10%</u>	<u>33.30%</u>	<u>69.28%</u>	<u>104.10%</u>	<u>36.09%</u>	<u>97.05%</u>	<u>103.17%</u>

VILLAGE OF SWANSEA, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
POLICE PENSION FUND  
APRIL 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total Pension Liability:</b>										
Service Cost	\$ 759,268	\$ 888,962	\$ 808,294	\$ 769,804	\$ 727,947	\$ 685,366	\$ 630,223	\$ 595,956	\$ 616,724	\$ 584,245
Interest	1,577,825	1,500,183	1,432,598	1,348,423	1,340,232	1,209,970	1,147,167	1,079,592	1,017,610	950,507
Changes in assumptions	-	-	-	-	(1,113,810)	1,403,310	-	1,106,659	-	-
Actuarial Losses/(Gains)	-	21,412	-	425,385	-	(382,367)	-	(934,650)	-	100,406
Benefit payments, including refunds	(1,186,725)	(931,555)	(1,201,690)	(977,594)	(657,377)	(613,300)	(757,054)	(587,595)	(525,188)	(411,101)
Net change in total pension liability	1,150,368	1,479,002	1,039,202	1,566,018	296,992	2,302,979	1,020,336	1,259,962	1,109,146	1,224,057
Total pension liability - beginning	28,033,798	26,554,796	25,515,594	23,949,576	23,652,584	21,349,605	20,329,269	19,069,307	17,960,161	16,736,104
Total pension liability - ending	<u>\$ 29,184,166</u>	<u>\$ 28,033,798</u>	<u>\$ 26,554,796</u>	<u>\$ 25,515,594</u>	<u>\$ 23,949,576</u>	<u>\$ 23,652,584</u>	<u>\$ 21,349,605</u>	<u>\$ 20,329,269</u>	<u>\$ 19,069,307</u>	<u>\$ 17,960,161</u>
<b>Plan Fiduciary Net Position</b>										
Contributions - employer	1,502,110	1,448,348	1,352,477	1,353,686	1,294,833	1,171,143	1,108,824	1,070,890	816,678	794,979
Contributions - employee	210,967	195,436	186,221	179,795	183,280	177,293	180,718	163,098	158,915	142,668
Net investment income	1,538,319	214,841	(553,777)	2,220,924	239,065	708,770	225,602	369,054	76,620	390,673
Benefit payments, including refunds	(1,186,725)	(931,555)	(859,877)	(899,799)	(657,377)	(613,300)	(757,056)	(581,181)	(508,188)	(500,782)
Administrative	(30,448)	(31,975)	(28,689)	(29,501)	(21,153)	(20,767)	(6,138)	(5,608)	(10,126)	(4,416)
Net change in plan fiduciary net position	2,034,223	895,095	96,355	2,825,105	1,038,648	1,423,139	751,950	1,016,253	533,899	823,122
Plan fiduciary net position - beginning	18,224,604	17,329,509	17,233,154	14,408,049	13,369,401	11,946,262	11,194,312	10,178,059	9,644,160	8,821,038
Plan fiduciary net position - ending	<u>\$ 20,258,827</u>	<u>\$ 18,224,604</u>	<u>\$ 17,329,509</u>	<u>\$ 17,233,154</u>	<u>\$ 14,408,049</u>	<u>\$ 13,369,401</u>	<u>\$ 11,946,262</u>	<u>\$ 11,194,312</u>	<u>\$ 10,178,059</u>	<u>\$ 9,644,160</u>
Net Pension Liability	<u>\$ 8,925,339</u>	<u>\$ 9,809,194</u>	<u>\$ 9,225,287</u>	<u>\$ 8,282,440</u>	<u>\$ 9,541,527</u>	<u>\$ 10,283,183</u>	<u>\$ 9,403,343</u>	<u>\$ 9,134,957</u>	<u>\$ 8,891,248</u>	<u>\$ 8,316,001</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>69.42%</u>	<u>65.01%</u>	<u>65.26%</u>	<u>67.54%</u>	<u>60.16%</u>	<u>56.52%</u>	<u>55.96%</u>	<u>55.07%</u>	<u>53.37%</u>	<u>53.70%</u>
Covered Payroll	<u>\$ 2,047,974</u>	<u>\$ 1,969,206</u>	<u>\$ 2,104,261</u>	<u>\$ 2,023,328</u>	<u>\$ 1,946,264</u>	<u>\$ 1,791,023</u>	<u>\$ 1,809,887</u>	<u>\$ 1,657,344</u>	<u>\$ 1,645,607</u>	<u>\$ 1,645,607</u>
Net position liability as a percentage of covered payroll	<u>435.81%</u>	<u>498.13%</u>	<u>438.41%</u>	<u>409.35%</u>	<u>490.25%</u>	<u>574.15%</u>	<u>519.55%</u>	<u>551.18%</u>	<u>540.30%</u>	<u>505.35%</u>

**VILLAGE OF SWANSEA, ILLINOIS**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
FIREFIGHTER'S PENSION FUND  
APRIL 30, 2024**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total Pension Liability:</b>										
Service Cost	\$ 35,999	\$ 34,285	\$ 28,908	\$ 27,531	\$ 26,872	\$ 25,592	\$ 104,099	\$ 101,659	\$ 45,662	\$ 43,488
Interest	86,952	83,264	81,086	78,021	73,479	70,646	43,935	40,523	44,558	36,510
Actuarial Losses/(Gains)	73,936	-	(1,584)	-	67,236	-	(154,501)	-	(2,902)	80,939
Changes in assumptions	-	-	(20,116)	-	(34,090)	-	(393,305)	-	709,996	-
Benefit payments, including refunds	(46,246)	(44,575)	(43,178)	(43,810)	(40,602)	(35,863)	-	-	-	-
Net change in total pension liability	150,641	72,974	45,116	61,742	92,895	60,375	(399,772)	142,182	797,314	160,937
Total pension liability - beginning	<u>1,763,971</u>	<u>1,690,997</u>	<u>1,645,881</u>	<u>1,584,139</u>	<u>1,491,244</u>	<u>1,430,869</u>	<u>1,830,641</u>	<u>1,688,459</u>	<u>891,145</u>	<u>730,208</u>
Total pension liability - ending	<u>\$ 1,914,612</u>	<u>\$ 1,763,971</u>	<u>\$ 1,690,997</u>	<u>\$ 1,645,881</u>	<u>\$ 1,584,139</u>	<u>\$ 1,491,244</u>	<u>\$ 1,430,869</u>	<u>\$ 1,830,641</u>	<u>\$ 1,688,459</u>	<u>\$ 891,145</u>
<b>Plan Fiduciary Net Position</b>										
Contributions - employer	127,250	85,626	83,201	83,142	81,393	81,538	212,653	216,612	73,886	46,844
Contributions - employee	11,823	7,832	7,369	7,008	6,830	8,128	13,777	12,620	11,461	12,113
Net investment income	141,698	14,392	(99,946)	64,329	61,841	43,623	(4,448)	9,187	1,444	1,191
Benefit payments, including refunds	(46,246)	(44,575)	(43,178)	(41,921)	(40,602)	(35,863)	-	-	-	-
Administrative	(4,814)	(5,875)	(2,307)	(1,888)	(2,715)	(3,521)	(200)	(154)	(99)	(88)
Net change in plan fiduciary net position	229,711	57,400	(54,861)	110,670	106,747	93,905	221,782	238,265	86,692	60,060
Plan fiduciary net position - beginning	<u>1,415,757</u>	<u>1,358,357</u>	<u>1,413,218</u>	<u>1,302,548</u>	<u>1,195,801</u>	<u>1,101,896</u>	<u>880,114</u>	<u>641,849</u>	<u>555,157</u>	<u>495,097</u>
Plan fiduciary net position - ending	<u>\$ 1,645,468</u>	<u>\$ 1,415,757</u>	<u>\$ 1,358,357</u>	<u>\$ 1,413,218</u>	<u>\$ 1,302,548</u>	<u>\$ 1,195,801</u>	<u>\$ 1,101,896</u>	<u>\$ 880,114</u>	<u>\$ 641,849</u>	<u>\$ 555,157</u>
Net Pension Liability	<u>\$ 269,144</u>	<u>\$ 348,214</u>	<u>\$ 332,640</u>	<u>\$ 232,663</u>	<u>\$ 281,591</u>	<u>\$ 295,443</u>	<u>\$ 328,973</u>	<u>\$ 950,527</u>	<u>\$ 1,046,610</u>	<u>\$ 335,988</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>85.94%</u>	<u>80.26%</u>	<u>80.33%</u>	<u>85.86%</u>	<u>82.22%</u>	<u>80.19%</u>	<u>77.01%</u>	<u>48.08%</u>	<u>38.01%</u>	<u>62.30%</u>
Covered payroll	<u>\$ 126,819</u>	<u>\$ 80,280</u>	<u>\$ 77,942</u>	<u>\$ 74,122</u>	<u>\$ 72,241</u>	<u>\$ 62,376</u>	<u>\$ 56,601</u>	<u>\$ 128,310</u>	<u>\$ 118,549</u>	<u>\$ 122,174</u>
Net position liability as a percentage of covered payroll	<u>212.23%</u>	<u>433.75%</u>	<u>426.78%</u>	<u>313.89%</u>	<u>389.79%</u>	<u>473.65%</u>	<u>581.21%</u>	<u>740.81%</u>	<u>882.85%</u>	<u>275.01%</u>

**VILLAGE OF SWANSEA, ILLINOIS**

SCHEDULE OF CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
APRIL 30, 2024

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 148,258	\$ 157,115	\$ 163,913	\$ 137,326	\$ 127,901	\$ 155,028	\$ 146,464	\$ 165,275	\$ 152,341
Contributions in relation to actuarial determined contribution	<u>148,257</u>	<u>165,205</u>	<u>163,913</u>	<u>137,326</u>	<u>127,900</u>	<u>162,583</u>	<u>146,464</u>	<u>165,275</u>	<u>152,341</u>
Contribution deficiency (excess)	<u>\$ 1</u>	<u>\$ (8,090)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ (7,555)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered Valuation Payroll	 <u>1,536,352</u>	 <u>1,345,165</u>	 <u>1,287,614</u>	 <u>1,182,825</u>	 <u>1,185,362</u>	 <u>1,187,954</u>	 <u>1,176,414</u>	 <u>1,252,080</u>	 <u>1,180,937</u>
 Contributions as a percentage of covered valuation payroll	 <u>9.65%</u>	 <u>12.28%</u>	 <u>12.73%</u>	 <u>11.61%</u>	 <u>10.79%</u>	 <u>13.69%</u>	 <u>12.45%</u>	 <u>13.20%</u>	 <u>12.90%</u>

Actuarial valuation date for above is December 31, 2023.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method: Aggregate Entry Age Normal

Amortization Method: Level Percentage of Payroll, Closed

Remaining Amortization Period: 20 years

Asset Valuation Method: 5-Year smoothed market: 20% corridor

Actuarial Assumptions:

Investment Rate of Return	7.25%
Wage Growth	2.75%
Price Inflation	2.25%

**VILLAGE OF SWANSEA, ILLINOIS**

SCHEDULE OF CONTRIBUTIONS  
POLICE PENSION FUND  
APRIL 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 1,229,310	\$ 1,422,426	\$ 1,148,361	\$ 1,329,220	\$ 1,231,104	\$ 1,087,514	\$ 1,028,382	\$ 1,194,476	\$ 1,129,528	\$ 1,129,528
Contributions in relation to actuarial determined contribution	<u>1,502,206</u>	<u>1,448,220</u>	<u>1,352,443</u>	<u>1,353,686</u>	<u>1,294,833</u>	<u>1,170,910</u>	<u>1,108,825</u>	<u>1,102,468</u>	<u>815,900</u>	<u>793,711</u>
Contribution deficiency (excess)	<u>\$ (272,896)</u>	<u>\$ (25,794)</u>	<u>\$ (204,082)</u>	<u>\$ (24,466)</u>	<u>\$ (63,729)</u>	<u>\$ (83,396)</u>	<u>\$ (80,443)</u>	<u>\$ 92,008</u>	<u>\$ 313,628</u>	<u>\$ 335,817</u>
 Covered Payroll	 <u>2,047,974</u>	 <u>1,969,206</u>	 <u>2,104,261</u>	 <u>1,946,264</u>	 <u>1,791,023</u>	 <u>1,791,023</u>	 <u>1,809,887</u>	 <u>1,657,344</u>	 <u>1,645,607</u>	 <u>1,585,893</u>
 Contributions as a percentage of covered payroll	 <u>73.35%</u>	 <u>73.54%</u>	 <u>64.27%</u>	 <u>69.55%</u>	 <u>72.30%</u>	 <u>65.38%</u>	 <u>61.26%</u>	 <u>66.52%</u>	 <u>49.58%</u>	 <u>50.05%</u>

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Actuarial valuations are performed as of April 30 of each year with the related contributions to be made in the following year. Actuarial valuation date for above is April 30, 2023.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Entry Age Normal Cost
Amortization Method:	Level Percentage of Payroll
Remaining Amortization Period:	19 years
Asset Valuation Method:	Gains and losses recognized over a five year period
Actuarial Assumptions:	
Interest Rate	5.75%
Salary Appreciation	4.00%
Inflation	2.75%

**VILLAGE OF SWANSEA, ILLINOIS**

SCHEDULE OF CONTRIBUTIONS  
FIREFIGHTER'S PENSION FUND  
APRIL 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 89,400	\$ 74,485	\$ 57,755	\$ 59,317	\$ 52,814	\$ 80,115	\$ 213,325	\$ 208,325	\$ 71,002	\$ 71,002
Contributions in relation to actuarial determined contribution	<u>130,905</u>	<u>83,490</u>	<u>83,077</u>	<u>83,142</u>	<u>81,393</u>	<u>81,380</u>	<u>212,653</u>	<u>219,543</u>	<u>72,844</u>	<u>44,932</u>
Contribution deficiency (excess)	<u>\$ (41,505)</u>	<u>\$ (9,005)</u>	<u>\$ (25,322)</u>	<u>\$ (23,825)</u>	<u>\$ (28,579)</u>	<u>\$ (1,265)</u>	<u>\$ 672</u>	<u>\$ (11,218)</u>	<u>\$ (1,842)</u>	<u>\$ 26,070</u>
Covered Payroll	<u>\$ 126,819</u>	<u>\$ 80,280</u>	<u>\$ 77,942</u>	<u>\$ 74,122</u>	<u>\$ 72,241</u>	<u>\$ 62,376</u>	<u>\$ 56,601</u>	<u>\$ 128,310</u>	<u>\$ 118,549</u>	<u>\$ 122,174</u>
Contributions as a percentage of covered payroll	<u>103.22%</u>	<u>104.00%</u>	<u>106.59%</u>	<u>112.17%</u>	<u>112.67%</u>	<u>130.47%</u>	<u>375.71%</u>	<u>171.10%</u>	<u>61.45%</u>	<u>36.78%</u>

9 Actuarial valuations are performed as of April 30 of each year with the related contributions to be made in the following year. Actuarial valuation date for above is April 30, 2023.

The actuarial valuations presented are prepared using the following parameters:

- Actuarial Cost Method: Entry Age Normal Cost
- Amortization Method: Level Percentage of Payroll
- Remaining Amortization Period: 19 years
- Asset Valuation Method: Gains and losses recognized over a five year period
- Actuarial Assumptions:
  - Interest Rate 5.00%
  - Salary Appreciation 3.00%
  - Inflation 3.00%

**VILLAGE OF SWANSEA, ILLINOIS**

**SCHEDULE OF INVESTMENT RETURNS**

**POLICE PENSION FUND**

**APRIL 30, 2024**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	11.17%	1.24%	-3.21%	15.41%	15.09%	1.99%	10.22%	-0.99%	-0.50%	-0.76%

VILLAGE OF SWANSEA, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS

FIREFIGHTER'S PENSION FUND

APRIL 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	11.40%	1.06%	-7.07%	4.94%	5.62%	5.80%	4.96%	-7.44%	1.37%	0.25%

VILLAGE OF SWANSEA, ILLINOIS

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS  
RETIREE MEDICAL PROGRAM  
APRIL 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability:								
Service Cost	\$ 101,442	\$ 115,247	\$ 145,737	\$ 79,815	\$ 75,570	\$ 73,655	\$ 48,679	\$ 44,253
Interest	86,038	75,654	47,197	54,458	48,740	48,082	65,924	67,936
Differences between expected and actual	-	(152,048)	-	412,295	-	228,963	55,809	-
Changes in assumptions	(41,687)	(76,338)	(636,441)	397,577	(83,047)	-	-	-
Benefit payments, including refunds	<u>(83,181)</u>	<u>(78,473)</u>	<u>(86,372)</u>	<u>(81,579)</u>	<u>(45,567)</u>	<u>(41,867)</u>	<u>(34,816)</u>	<u>(35,893)</u>
Net change in total OPEB liability	62,612	(115,958)	(529,879)	862,566	(4,304)	308,833	135,596	76,296
Total OPEB liability - beginning	<u>2,109,816</u>	<u>2,225,774</u>	<u>2,755,653</u>	<u>1,893,087</u>	<u>1,897,391</u>	<u>1,588,558</u>	<u>1,452,962</u>	<u>1,376,666</u>
Total OPEB liability - ending	<u>\$ 2,172,428</u>	<u>\$ 2,109,816</u>	<u>\$ 2,225,774</u>	<u>\$ 2,755,653</u>	<u>\$ 1,893,087</u>	<u>\$ 1,897,391</u>	<u>\$ 1,588,558</u>	<u>\$ 1,452,962</u>
Plan Fiduciary Net Position								
Contributions - employer	83,181	78,473	86,372	81,579	45,567	41,867	34,816	35,893
Contributions - employee	-	-	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-	-	-
Benefit payments, including refunds	(83,181)	(78,473)	(86,372)	(81,579)	(45,567)	(41,867)	(34,816)	(35,893)
Administrative	<u>-</u>							
Net change in plan fiduciary net position	-	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	<u>-</u>							
Plan fiduciary net position - ending	<u>\$ -</u>							
Net OPEB Liability	<u>\$ 2,172,428</u>	<u>\$ 2,109,816</u>	<u>\$ 2,225,774</u>	<u>\$ 2,755,653</u>	<u>\$ 1,893,087</u>	<u>\$ 1,897,391</u>	<u>\$ 1,588,558</u>	<u>\$ 1,452,962</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>0.00%</u>							
Covered payroll	<u>\$ 3,986,537</u>	<u>\$ 3,833,209</u>	<u>\$ 3,685,778</u>	<u>\$ 3,544,017</u>	<u>\$ 3,494,775</u>	<u>\$ 2,840,583</u>	<u>\$ 2,840,583</u>	<u>\$ 3,156,174</u>
Net position liability as a percentage of covered payroll	<u>54.49%</u>	<u>55.04%</u>	<u>60.39%</u>	<u>77.76%</u>	<u>54.17%</u>	<u>66.80%</u>	<u>55.92%</u>	<u>46.04%</u>

**VILLAGE OF SWANSEA, ILLINOIS**

SCHEDULE OF EMPLOYER PAID CONTRIBUTIONS  
RETIREE MEDICAL PROGRAM  
APRIL 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 258,894	\$ 271,289	\$ 310,065	\$ 206,355	\$ 198,435	\$ 134,269	\$ 133,808	\$ 123,988	\$ 123,813	\$ 128,179
Contributions in relation to actuarial determined contribution	<u>83,181</u>	<u>78,473</u>	<u>86,372</u>	<u>81,579</u>	<u>45,567</u>	<u>41,867</u>	<u>34,816</u>	<u>35,893</u>	<u>39,822</u>	<u>33,712</u>
Contribution deficiency (excess)	<u>\$ 175,713</u>	<u>\$ 192,816</u>	<u>\$ 223,693</u>	<u>\$ 124,776</u>	<u>\$ 152,868</u>	<u>\$ 92,402</u>	<u>\$ 98,992</u>	<u>\$ 88,095</u>	<u>\$ 83,991</u>	<u>\$ 94,467</u>
 Covered Payroll	 <u>3,986,537</u>	 <u>3,833,209</u>	 <u>3,685,778</u>	 <u>3,544,017</u>	 <u>3,494,774</u>	 <u>2,840,583</u>	 <u>2,840,583</u>	 <u>3,156,174</u>	 <u>3,058,690</u>	 <u>2,831,013</u>
 Contributions as a percentage of covered payroll	 <u>2.09%</u>	 <u>2.05%</u>	 <u>2.34%</u>	 <u>2.30%</u>	 <u>1.30%</u>	 <u>1.47%</u>	 <u>1.23%</u>	 <u>1.14%</u>	 <u>1.30%</u>	 <u>1.19%</u>

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Actuarial valuations are performed as of April 30 of each year with the related contributions to be made in the following year. Actuarial valuation date for above is April 30, 2023.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Entry Age Normal Cost
Amortization Method:	Level Percentage of Payroll
Assumed Retirement Age	Age 58 and completion of 20 years of service
Actuarial Assumptions:	
Discount Rate	4.35%
Healthcare Inflation	6.00% grading down .25% per year until 4.00%
Salary Appreciation	4.00%
Inflation	2.75%

**VILLAGE OF SWANSEA, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
APRIL 30, 2024

	Special Revenue Funds				
	Special Business District Fund	MFT Fund	Total	Debt Service Fund	Total Nonmajor Governmental Funds
<u>Assets</u>					
Cash and Cash Equivalents	\$ 997,570	\$ 1,471,464	\$ 2,469,034	\$ 8,535	\$ 2,477,569
Investments	767,349	-	767,349	-	767,349
Interfund Receivable	27,214	-	27,214	-	27,214
Receivables:					
Intergovernmental	68,406	51,740	120,146	-	120,146
Total Assets	<u>\$ 1,860,539</u>	<u>\$ 1,523,204</u>	<u>\$ 3,383,743</u>	<u>\$ 8,535</u>	<u>\$ 3,392,278</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>					
Liabilities:					
Accounts Payable	\$ -	\$ 18,927	\$ 18,927	\$ -	\$ 18,927
Total Liabilities	<u>-</u>	<u>18,927</u>	<u>18,927</u>	<u>-</u>	<u>18,927</u>
Deferred Inflows of Resources:					
Unavailable Intergovernmental Taxes	24,624	-	24,624	-	24,624
Total Deferred Inflows of Resources	<u>24,624</u>	<u>-</u>	<u>24,624</u>	<u>-</u>	<u>24,624</u>
Fund Balance:					
Restricted	1,835,915	1,504,277	3,340,192	8,535	3,348,727
Total Fund Balance	<u>1,835,915</u>	<u>1,504,277</u>	<u>3,340,192</u>	<u>8,535</u>	<u>3,348,727</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 1,860,539</u>	<u>\$ 1,523,204</u>	<u>\$ 3,383,743</u>	<u>\$ 8,535</u>	<u>\$ 3,392,278</u>

**VILLAGE OF SWANSEA, ILLINOIS**

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED APRIL 30, 2024

	Special Revenue Funds				
	Special Business District Fund	MFT Fund	Total	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues:					
Property Tax	\$ -	\$ -	\$ -	\$ 231,667	\$ 231,667
Sales Tax	277,555	-	277,555	-	277,555
Motor Fuel Tax	-	667,200	667,200	-	667,200
Investment Earnings	31,810	11,961	43,771	498	44,269
Miscellaneous	-	1,595	1,595	-	1,595
Total Revenues	309,365	680,756	990,121	232,165	1,222,286
Expenditures:					
Public Works	-	451,587	451,587	-	451,587
Community/Economic Development	24,739	-	24,739	-	24,739
Debt Service:					
Principal	-	-	-	230,000	230,000
Interest and Fees	-	-	-	5,750	5,750
Total Expenditures	24,739	451,587	476,326	235,750	712,076
Excess (Deficiency) of Revenues Over Expenditures	284,626	229,169	513,795	(3,585)	510,210
Fund Balance, Beginning of Year	1,551,289	1,275,108	2,826,397	12,120	2,838,517
Fund Balance, End of Year	\$ 1,835,915	\$ 1,504,277	\$ 3,340,192	\$ 8,535	\$ 3,348,727

**VILLAGE OF SWANSEA, ILLINOIS**

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
APRIL 30, 2024

	Pension Trust Funds		Total
	Police Pension	Firefighters' Pension	
Assets:			
Cash and Cash Equivalents	\$ 286,954	\$ 29,497	\$ 316,451
Investments:			
Illinois Police Officer's Pension Investment Fund	18,445,382	-	18,445,382
Illinois Firefighters Investment Fund	-	1,487,096	1,487,096
Receivables:			
Property Taxes	1,509,666	127,621	1,637,287
Accrued Interest	707	-	707
Other	16,118	1,254	17,372
Total Assets	20,258,827	1,645,468	21,904,295
Liabilities:			
None	-	-	-
Total Liabilities	-	-	-
Net Position -			
Restricted for Pension Benefits	\$ 20,258,827	\$ 1,645,468	\$ 21,904,295

**VILLAGE OF SWANSEA, ILLINOIS**

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED APRIL 30, 2024

	Pension Trust Funds		Total
	Police Pension	Firefighters' Pension	
Additions:			
Employer Contributions	\$ 1,502,110	\$ 127,250	\$ 1,629,360
Employee Contributions	210,967	11,823	222,790
Investment Earnings:			
Investment Earnings	1,553,878	141,698	1,695,576
Less: Investment Expense	<u>(15,558)</u>	<u>-</u>	<u>(15,558)</u>
Net Investment Earnings	<u>1,538,320</u>	<u>141,698</u>	<u>1,680,018</u>
Total Additions	<u>3,251,397</u>	<u>280,771</u>	<u>3,532,168</u>
Deductions:			
Benefit Payments	1,001,229	46,246	1,047,475
Refund/Transfer of Contributions	188,281	-	188,281
Administrative Expenses	<u>27,664</u>	<u>4,814</u>	<u>32,478</u>
Total Deductions	<u>1,217,174</u>	<u>51,060</u>	<u>1,268,234</u>
Change in Net Position	2,034,223	229,711	2,263,934
Net Position, Beginning of Year	<u>18,224,604</u>	<u>1,415,757</u>	<u>19,640,361</u>
Net Position, End of Year	<u>\$ 20,258,827</u>	<u>\$ 1,645,468</u>	<u>\$ 21,904,295</u>

**INDEPENDENT AUDITOR'S REPORT ON**  
**COMPLIANCE WITH TAX INCREMENT FINANCING ACT**

Honorable President and Board of Trustees  
Village of Swansea  
Swansea, Illinois

We have audited, in accordance with accounting principles generally accepted in the United States of America, the accompanying financial statements of the Village of Swansea, Illinois ("Village"), which comprise the statement of net position as of April 30, 2024, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 2, 2024.

In connection with our audit, nothing came to our attention that caused us to believe that the Village of Swansea, Illinois failed to comply with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act". In addition, nothing came to our attention that caused us to believe that, for the items not tested, the Village of Swansea, Illinois was not in compliance with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act". However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Village's noncompliance with the above referenced statute, insofar as they related to accounting matters

This report is intended solely for the information and use of the Village and the Illinois Comptroller's Office and is not intended to be and should not be used by anyone other than those specified parties.

*C. J. Schlosser & Company, L.L.C.*

Certified Public Accountants  
Alton, Illinois  
October 2, 2024