

**GLEN CARBON FIRE PROTECTION DISTRICT**

FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED  
MAY 31, 2019

**GLEN CARBON FIRE PROTECTION DISTRICT**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Glen Carbon Fire Protection District

We have audited the accompanying financial statements of the governmental activities of the Glen Carbon Fire Protection District, as of and for the year ended May 31, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position-modified cash basis of the governmental activities and the major fund of the Glen Carbon Fire Protection District as of May 31, 2019, and the respective changes in financial position-modified cash basis, thereof for the year then ended in accordance with the basis of accounting as described in Note 1.

**Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

**Other Matters***Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Glen Carbon Fire Protection District's basic financial statements. The management's discussion and analysis (pages 3 to 6), and budgetary comparison information (pages 22 to 24), which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Certified Public Accountants  
Alton, Illinois

October 9, 2019

**GLEN CARBON FIRE PROTECTION DISTRICT**

STATEMENT OF NET POSITION AND STATEMENT OF  
ASSETS, LIABILITIES AND FUND BALANCES ARISING  
FROM MODIFIED CASH BASIS TRANSACTIONS - GOVERNMENTAL FUNDS  
MAY 31, 2019

	<u>General Fund</u>	<u>Adjustments (See Page 8)</u>	<u>Statement of Net Position</u>
<b><u>Assets</u></b>			
Cash and Cash Equivalents	\$ 4,466,372	\$ -	\$ 4,466,372
Capital Assets:			
Land	-	383,676	383,676
Buildings and Improvements	-	5,053,106	5,053,106
Equipment	-	1,472,996	1,472,996
Vehicles	-	2,841,400	2,841,400
Accumulated Depreciation	-	<u>(3,325,539)</u>	<u>(3,325,539)</u>
Total Assets	<u>4,466,372</u>	<u>6,425,639</u>	<u>10,892,011</u>
<b><u>Liabilities</u></b>			
Noncurrent Liabilities:			
Due Within One Year	-	350,000	350,000
Due in More Than One Year	-	<u>5,700,000</u>	<u>5,700,000</u>
Total Liabilities	-	<u>6,050,000</u>	<u>6,050,000</u>
<b><u>Fund Balance/Net Position</u></b>			
Fund Balance/Net Position:			
Unrestricted	<u>4,466,372</u>	(3,120,019)	1,346,353
Total Liabilities and Fund Balance	<u>\$ 4,466,372</u>		
Net Investment in Capital Assets		<u>3,495,658</u>	<u>3,495,658</u>
Total Net Position		<u>375,639</u>	<u>\$ 4,842,011</u>

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

**GLEN CARBON FIRE PROTECTION DISTRICT**

RECONCILIATION OF THE STATEMENT OF ASSETS, LIABILITIES,  
AND FUND BALANCES ARISING FROM MODIFIED CASH BASIS  
TRANSACTIONS TO THE STATEMENT OF NET POSITION  
MAY 31, 2019

Amounts reported for governmental fund balances are different because:

Fund balances - total governmental funds	\$ 4,466,372
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the statement of assets, liabilities, and fund balances of the governmental funds.	6,425,639
Long-term debt used in governmental activities are not reported on the statement of assets, liabilities, and fund balances of the governmental funds.	<u>(6,050,000)</u>
Net position of governmental activities	<u>\$ 4,842,011</u>

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

**GLEN CARBON FIRE PROTECTION DISTRICT**

STATEMENT OF ACTIVITIES AND STATEMENT OF  
REVENUES AND EXPENDITURES ARISING FROM MODIFIED  
CASH BASIS TRANSACTIONS - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED MAY 31, 2019

	<u>General Fund</u>	<u>Adjustments (See Page 10)</u>	<u>Statement of Activities</u>
Cash Receipts			
Property Taxes	\$ 2,306,723	\$ -	\$ 2,306,723
Replacement Tax	10,153	-	10,153
2% Foreign Fire Tax	20,064	-	20,064
Charges for Services	441,764	-	441,764
Interest Income	112,963	-	112,963
Miscellaneous	<u>41,643</u>	-	<u>41,643</u>
Total Revenues	<u>2,933,310</u>	-	<u>2,933,310</u>
Expenditures/Expenses:			
Fire Protection:			
Current:			
Personal Services	1,526,080	-	1,526,080
Contractual Services	326,838	-	326,838
Materials and Supplies	128,544	-	128,544
Depreciation	-	311,227	311,227
Debt Service:			
Principal	50,000	(50,000)	-
Interest and Costs	23,110	-	23,110
Capital Outlay	<u>3,775,505</u>	<u>(3,775,505)</u>	-
Total Expenditures/Expenses	<u>5,830,077</u>	<u>(3,514,278)</u>	<u>2,315,799</u>
Excess of Revenues Over Expenditures	(2,896,767)	3,514,278	617,511
Other Financing Sources:			
Proceeds From Debt	<u>6,000,000</u>	<u>(6,000,000)</u>	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	3,103,233	(2,485,722)	617,511
Fund Balances/Net Position:			
Beginning of the Year	<u>1,363,139</u>	<u>2,861,361</u>	<u>4,224,500</u>
End of the Year	<u>\$ 4,466,372</u>	<u>\$ 375,639</u>	<u>\$ 4,842,011</u>

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

**GLEN CARBON FIRE PROTECTION DISTRICT**

RECONCILIATION OF THE STATEMENT OF REVENUES AND  
EXPENDITURES ARISING FROM MODIFIED CASH BASIS TRANSACTIONS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MAY 31, 2019

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

Net change in fund balances - total governmental funds \$ 3,103,233

Governmental funds report capital outlays as expenditures. However, in the statement of revenues and expenditures arising from cash transactions, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$3,775,505) exceeds current year depreciation expense (\$311,227) and loss on disposition in the current year.

3,464,278

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 revenues and expenditures arising from cash transactions. This amount is the net effect of those differences in the treatment of long-term debt and related items.

(5,950,000)

Change in net position of governmental activities

\$ 617,511

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



## GLEN CARBON FIRE PROTECTION DISTRICT

### NOTES TO FINANCIAL STATEMENTS MAY 31, 2019

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

The financial statements of the Glen Carbon Fire Protection District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. These financial statements are presented in accordance with GASB 34. The more significant of the District's accounting policies are described below.

##### The financial reporting entity

The District's combined financial statements include the accounts of all District operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is fiscal dependency by the organization on the District

The District is unaware of any organization that should be included as a component unit of the District. In addition, the District does not consider itself to be a component unit of any other government.

##### Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the government. The District is comprised of only governmental activities, which are supported mainly by taxes and intergovernmental revenues.

The statement of activities demonstrates to the degree to which the expenses of a given function are offset by program revenues and taxes.

The government reports all its financial activity in one general operating fund.

**GLEN CARBON FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Measurement focus, basis of accounting, and financial statement presentation

The government-wide and governmental fund financial statements are reported using the economic resources measurement focus and the modified cash basis of accounting. Accordingly, receipts are recorded when cash is received and disbursements are recorded when checks are written. Only assets representing a right to receive cash arising from a previous payment of cash are recorded as assets of a fund. In the same manner, only liabilities resulting from previous cash transactions are recorded as liabilities of a particular fund.

Assets, liabilities, and net position:

Deposits and investments

The District's cash and cash equivalents are comprised of checking accounts. Cash and cash equivalents are deposits or short-term investments with original maturities of three months or less. Deposits and investments are reported at fair value.

The District 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.

Capital assets

Capital assets, which include property, and equipment, are reported in the governmental activities columns in the government-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	30 - 40
Vehicles and equipment	5 - 20

**GLEN CARBON FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Equity classification

Government-wide statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – Remaining balance of net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Fund financial statements

Governmental fund equity is classified upon the following criteria:

Nonspendable - balances that are not in "spendable" form and are not expected to be converted to cash. This category also includes funds required to be retained in perpetuity.

Restricted - balances with restrictions 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 action of the District's Board, the government's highest level of decision-making authority.

Assigned - balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned - the residual classification of the District's fund balance.

When expenditures are incurred for which the District has both restricted and unrestricted funds available, the District spends any restricted funds before using unrestricted sources. Likewise, the District uses committed, assigned and then unassigned balances, in that order, when spending amounts for which all three categories are available.

**GLEN CARBON FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Risk Management

The District 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 District 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.

Subsequent Events

The District has evaluated events occurring after the financial statement date through October 9, 2019 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.

**NOTE 2: BUDGETARY AND LEGAL COMPLIANCE**

Appropriation budgets are adopted on a basis consistent with the modified cash basis of accounting. Annual appropriated budgets are adopted for the General Fund. All annual appropriations lapse at fiscal year.

On July 31, 2018, the District approved an ordinance adopting the appropriation which is the budgetary data reflected in these financial statements. Formal budgetary integration is employed as a management control device during the year for the General Fund.

**NOTE 3: CASH AND CASH EQUIVALENTS**

As of May 31, 2019, the carrying amount of the District's cash and cash equivalents was \$4,466,372 and the respective bank balances totaled \$5,107,665. A portion of the balance, \$2,870,019, was not insured through the Federal Depository Insurance Corporation (FDIC) or collateralized. This balance relates to proceeds from a bond issuance for the new building construction that was not yet spent as of May 31, 2019.

**GLEN CARBON FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 4: CAPITAL ASSETS**

Capital asset activity for the period ended May 31, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<u>Governmental activities:</u>				
Capital assets, not being depreciated				
Land	\$ 383,676	\$ -	\$ -	\$ 383,676
Capital assets, being depreciated:				
Buildings and improvements	1,335,233	3,717,873	-	5,053,106
Vehicles	2,841,400	-	-	2,841,400
Equipment	1,640,943	57,632	225,579	1,472,996
Total capital assets being depreciated	<u>5,817,576</u>	<u>3,775,505</u>	<u>225,579</u>	<u>9,367,502</u>
Less accumulated depreciation for:				
Buildings and improvements	502,445	40,284	-	542,729
Vehicles	1,582,126	139,014	-	1,721,140
Equipment	1,155,320	131,929	225,579	1,061,670
Total accumulated depreciation	<u>3,239,891</u>	<u>311,227</u>	<u>225,579</u>	<u>3,325,539</u>
Total capital assets being depreciated, net	<u>2,577,685</u>	<u>3,464,278</u>	<u>-</u>	<u>6,041,963</u>
Governmental activities capital assets, net	<u>\$ 2,961,361</u>	<u>\$ 3,464,278</u>	<u>\$ -</u>	<u>\$ 6,425,639</u>

Buildings, vehicles and equipment are depreciated using the straight line method over the estimated useful lives. Depreciation expense for the year ended May 31, 2019 was \$311,227.

**NOTE 5: LONG-TERM DEBT**

The following is a summary of long-term debt transactions of the District for the year ended May 31, 2019:

Payable June 1, 2018	\$ 100,000
Additions	6,000,000
Retirements	<u>50,000</u>
Payable May 31, 2019	<u>\$ 6,050,000</u>

**GLEN CARBON FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

The long-term debt at May 31, 2019 is comprised of the following note payable:

The District entered into a lease purchase agreement with the Bank of Edwardsville dated June 20, 2017. The agreement provided \$237,216 for the purchase of a new ambulance. The lease purchase agreement is to be retired by 1 payment of \$137,216 on August 31, 2017 and two payments of \$50,000 on August 31 of the two subsequent years, including interest at 2.11%. The balance at the end of the year was \$50,000.

The District issued General Obligation Bonds (Alternate Revenue Source), Series 2018 in the amount of \$6,000,000 on August 21, 2018. The bonds are being used to construct, furnish, and equip a new fire station and demolish the existing station. The bonds will be retired by annual principal installments through December 1, 2038, including interest at 2.85% to 4.00%. The balance at the end of the year was \$6,000,000.

The annual requirements to amortize the debt outstanding as of May 31, 2019, including interest of \$2,033,805, are as follows:

Fiscal Year Ended May 31,	Governmental Activities	
	Principal	Interest
2020	\$ 350,000	\$ 219,555
2021	300,000	162,450
2022	300,000	153,900
2023	300,000	145,350
2024	300,000	136,800
2025-2029	1,500,000	555,750
2030-2034	1,500,000	480,000
2035-2039	1,500,000	180,000
	<u>\$ 6,050,000</u>	<u>\$ 2,033,805</u>

**NOTE 6: RETIREMENT FUND COMMITMENTS**

**Illinois Municipal Retirement Fund**

*Plan Description.* The District'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

**GLEN CARBON FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

coverage of its own employees. The employer annual required contribution rate for calendar year 2018 was 7.20 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.

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

Retirees and Beneficiaries	0
Inactive, non-Retired Members	6
Active Members	<u>17</u>
Total	<u>23</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 3.71%; and the resulting single discount rate is 7.25%.

**GLEN CARBON FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Actuarial Valuation Date	12/31/18
Measurement Date of the Net Pension Liability	12/31/18
Fiscal Year End	05/31/19

Development of the Single Discount Rate as of December 31, 2018	
Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate	3.71%
Last year ending December 31 in the 2019 to 2118 projection period for which projected benefit payments are fully funded	2118
Resulting Single Discount Rate based on the above development	7.25%

Single Discount Rate calculated using December 31, 2017 Measurement Date 7.50%

The Long-Term Municipal Bond Rate is based on the Fidelity Index's "20-Year Municipal GO AA Index" as of December 31, 2018.

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

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10 year rolling period Taxing bodies: 25 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	5-Year smoothed market; 20% corridor
Wage growth	3.50%
Price Inflation	2.75% - approximate; No explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50% including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.



**GLEN CARBON FIRE PROTECTION DISTRICT**  
**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	\$ 74,784
Interest on the Total Pension Liability	62,564
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	(146,050)
Changes of assumptions	33,938
Benefit payments, including refunds of employee contributions	<u>(27,662)</u>
Net change in total pension liability	\$ (2,426)
Total pension liability - beginning	<u>810,624</u>
Total pension liability - ending	<u><u>\$ 808,198</u></u>
<b>Plan fiduciary net position</b>	
Contributions - employer	\$ 58,920
Contributions - employee	36,794
Net investment income	(24,386)
Benefit payments, including refunds of employee contributions	(27,662)
Other	<u>(14,357)</u>
Net change in plan fiduciary net position	\$ 29,309
Plan fiduciary net position - beginning	<u>767,294</u>
Plan fiduciary net position - ending	<u><u>\$ 796,603</u></u>
<b>Net pension liability/(asset)</b>	<u><u>\$ 11,595</u></u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	98.57%
<b>Covered valuation payroll</b>	\$ 808,418
<b>Net pension liability as a percentage of covered valuation payroll</b>	1.43%

**GLEN CARBON FIRE PROTECTION DISTRICT**  
**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.

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>
Total Pension Liability	\$ 967,219	\$ 808,198	\$ 684,089
Plan Fiduciary Net Position	796,603	796,603	796,603
Net Pension Liability/(Asset)	<u>\$ 170,616</u>	<u>\$ 11,595</u>	<u>\$ (112,514)</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 <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 42,041	\$ 132,503
Changes in assumptions	30,790	19,935
Subsequent employer contributions	20,944	-
Net difference between projected and actual earnings on pension plan investments	<u>75,521</u>	<u>26,932</u>
Total	<u>\$ 169,296</u>	<u>\$ 179,370</u>

Year Ending <u>December 31,</u>	Net Deferred Outflows of <u>Resources</u>
2019	\$ 28,409
2020	1,128
2021	117
2022	9,095
2023	(7,696)
Thereafter	<u>(41,127)</u>
	<u>\$ (10,074)</u>

**GLEN CARBON FIRE PROTECTION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 7: PROPERTY TAXES**

The District's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. The Board of Trustees passed the 2018 levy on December 3, 2018. Property taxes attach as an enforceable lien on property as of January 1 and are payable in four installments. The County had not mailed tax bills as of May 31, 2019. Past mailing practices of the County have generally been subsequent to May 31 of each year. The District begins to receive significant distributions of tax receipts in June of each year.

The following are the tax rates applicable to the various levies per \$100 of assessed valuation:

	Maximum Rate	Levy Year		
		<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>Tax Rate:</u>				
General	\$ .3000	\$ .2799	\$ .3000	\$ .2985
Insurance		.0373	.0351	.0340
Ambulance	.3000	<u>.2799</u>	<u>.3000</u>	<u>.2985</u>
		<u>\$.5971</u>	<u>\$.6351</u>	<u>\$.6310</u>
Assessed Valuations		<u>\$ 389,504,283</u>	<u>\$ 365,238,387</u>	<u>\$ 353,384,969</u>
Tax Extension		<u>\$ 2,325,730</u>	<u>\$ 2,319,629</u>	<u>\$ 2,229,859</u>
Tax Collections		<u>\$ --</u>	<u>\$ 2,306,579</u>	<u>\$ 2,223,643</u>
Percent Collected		<u>-- %</u>	<u>99.44%</u>	<u>99.72%</u>

**GLEN CARBON FIRE PROTECTION DISTRICT**

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND (MODIFIED CASH BASIS)  
FOR THE YEAR ENDED MAY 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Cash Receipts:			
Property Taxes	\$ 2,341,350	\$ 2,341,350	\$ 2,306,723
Corporate Personal Property			
Replacement Taxes	10,000	10,000	10,153
2% Foreign Fire Tax	20,000	20,000	20,064
Charges for Services	550,000	550,000	441,764
Interest Income	14,000	14,000	112,963
Loan Proceeds	6,000,000	6,000,000	6,000,000
Miscellaneous	7,650	7,650	41,643
Total Cash Receipts	<u>8,943,000</u>	<u>8,943,000</u>	<u>8,933,310</u>
Cash Disbursements:			
Current:			
Administrative:			
Contractual Services:			
Education and Training	26,000	26,000	13,947
IAFPD Dues and Indemnity Fund	300	300	115
Janitorial Services	5,500	5,500	4,520
MCFA Dues and Death Assessments	3,800	3,800	839
Printing, Postage, Bank Fee, Box Rental	800	800	347
Publications	1,000	1,000	3,215
MCFA Meeting	-	-	1,525
Telephone & Online Services	35,000	35,000	20,344
Public Education	3,500	3,500	1,534
Software Licensing	14,300	14,300	10,950
Internet Service/Web Page	1,000	1,000	610
Payroll Service	6,000	6,000	-
Employee Awards/Recognition	4,500	4,500	3,094
Child Passenger Seat	1,400	1,400	-
Annual Dues/IFFFA/Haz Mat/Code Red/MABAS	1,800	1,800	2,030
Bank Fees	300	300	856
Billing Services	31,000	31,000	29,015
Dispatch Services	18,435	18,435	18,435
Audits	4,000	4,000	3,700
Materials and Services:			
Office Furniture, Equipment and Supplies	9,000	9,000	14,855

**GLEN CARBON FIRE PROTECTION DISTRICT**

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND (MODIFIED CASH BASIS)  
FOR THE YEAR ENDED MAY 31, 2019

	Budgeted Amounts		Actual (Budget Basis)
	Original	Final	
Cash Disbursements:			
Current:			
Ambulance/Fire Equipment Expense:			
Contractual Services:			
Annual Inspections & Maintenance/Licensing	18,500	18,500	15,570
Building Repairs	46,000	46,000	10,003
Fire Hydrant Rental	3,000	3,000	-
Grass Cutting, Landscaping and Site Development	10,000	10,000	6,035
Heating & Electricity	23,000	23,000	22,032
Medical Expenses for Firefighters	6,000	6,000	1,939
Radio Communications Service/Repairs	3,500	3,500	729
Equipment Repairs	40,000	40,000	27,226
Water and Sewer	3,000	3,000	2,615
Annual Maintenance & Pump Testing	15,000	15,000	9,914
Hose Testing	4,200	4,200	2,962
Starcom Airway Fee	25,000	25,000	17,511
Materials and Supplies:			
EMS Supplies	20,000	20,000	19,112
Uniforms and Apparel	40,000	40,000	19,838
Gasoline, Oil and Grease	30,000	30,000	23,456
Miscellaneous Equipment & Supplies	18,000	18,000	14,137
Fire Hose	4,000	4,000	-
Computer Equipment and Supplies	17,000	17,000	3,086
Small Tools & Equipment	5,000	5,000	2,117
Salary/Payroll and Benefits			
Personal Services:			
Payroll - FF & EMTP	1,092,000	1,092,000	1,122,783
Chief/EMS Director Salary	76,000	76,000	67,114
Trustees' Salaries	11,250	11,250	11,250
Payroll Taxes	91,000	91,000	94,589
Retirement Plan	68,000	68,000	55,285
Health and Life Insurance	160,000	160,000	175,059
Contractual Services:			
Legal Fees	20,000	20,000	13,163

**GLEN CARBON FIRE PROTECTION DISTRICT**

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND (MODIFIED CASH BASIS)  
FOR THE YEAR ENDED MAY 31, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>(Budget Basis)</u>
Cash Disbursements:			
Current:			
Insurance Expense:			
Contractual Services:			
Bonds	760	760	515
Liability and Property Insurance	42,240	42,240	35,191
Worker's Compensation Insurance	85,000	85,000	74,517
Contingency	288,054	288,054	162
Debt Payment	110,000	110,000	52,110
Debt Issuance Costs	-	-	21,000
Capital Outlay:			
Accessories & Equipment for Fire Truck/Ambulance	22,000	22,000	60,296
Communication Equipment & Siren Purchase	30,000	30,000	957
Fire Apparatus/Ambulance Acquisition	883,000	883,000	-
Property/Building Additions	<u>6,825,000</u>	<u>6,825,000</u>	<u>3,717,873</u>
Total Cash Disbursements	<u>10,303,139</u>	<u>10,303,139</u>	<u>5,830,077</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ (1,360,139)</u>	<u>\$ (1,360,139)</u>	3,103,233
No change for modified cash basis			<u>-</u>
Per the Statement of Activities and Statement of Revenues and Expenditures Arising From Modified Cash Basis Transactions			<u>\$ 3,103,233</u>