

VERMILION COUNTY
CONSERVATION DISTRICT
VERMILION COUNTY, ILLINOIS

ANNUAL FINANCIAL REPORT

For the fiscal year ended
March 31, 2020

Vermilion County Conservation District
 Annual Financial Report
 For the fiscal year ended March 31, 2020

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Vermilion County Conservation District
Vermilion County, Illinois

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and aggregate remaining fund information of the Vermilion County Conservation District, as of and for the year ended March 31, 2020, 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 determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Vermilion County Conservation District as of March 31, 2020, and the respective changes in modified cash basis financial position, thereof, for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis of Accounting

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

Other Matters

Report on Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole that collectively comprise the Vermilion County Conservation District's basic financial statements. The budgetary comparison information, individual major funds and non-major fund financial statements, and other information, such as management's discussion and analysis and statistical schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Supplementary Information

The budgetary comparison information presented on page 39 and 40, individual major funds and non-major fund financial statements presented on pages 41 through 48 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Other Information

Management's discussion and analysis presented on pages 3 through 9 and statistical schedules on pages 50 through 53, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on such information.

Comparative Information

The prior year summarized comparative information was audited previously and is consistent, in all material respects, with the audited financial statements from which it was derived.

Crowder CPA's PC

Danville, Illinois
July 23, 2020

MANAGEMENT DISCUSSION AND ANALYSIS

As management of the Vermilion County Conservation District, we offer readers of the Vermilion County Conservation District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended March 31, 2020, within the limitations of the District's modified cash basis of accounting. Please read it in conjunction with the District's financial statements that begin on page 10.

FINANCIAL HIGHLIGHTS

- The assets of the Vermilion County Conservation District exceeded its liabilities at the close of the most recent fiscal year by \$7,298,606 (net position). Of this amount, \$415,863 (unrestricted net position) may be used to meet the District's ongoing obligations to citizens and creditors.
- The District's total revenues exceeded total expenditures, on the modified cash basis of accounting, by \$338,325.
- The Vermilion County Conservation District completed the following projects during fiscal year 2019-2020:
 - Surfaced the Beech Grove trail with asphalt.
 - Replaced the flooring in the Gannett Center.
 - Completed the new concession stand at Lake Vermilion.
 - Finished the flooring and remodeling at the Visitor Center.

USING THIS ANNUAL REPORT

This annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board, as applicable to the District's modified cash basis of accounting.

Report Components

This annual report consists of the following four parts:

1. *Government-wide financial statements.* The Statement of Net Position and the Statement of Activities (on pages 10 and 11) provide information about the activities of the District government-wide (or as a whole) and present a longer-term view of the District's finances.
2. *Fund financial statements.* Fund financial statements (starting on page 12) focus on the individual parts of the District's government. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant major fund. For governmental activities, these statements tell how these services were financed in the short term, as well as what remains for future spending.
3. *Notes to financial statements.* The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements. The notes to the financial statements can be found on pages 18 through 38 of this report.
4. *Supplementary information.* The annual report includes optional financial information, such as management's discussion and analysis, budgetary comparison schedules, budgetary statements for nonmajor funds, and budgetary statements for major funds. The other supplemental financial information is provided to address certain specific needs of various users of the District's annual report. This supplementary information can be found on pages 3 through 9 and pages 39 through 49 of this report.

USING THIS ANNUAL REPORT (cont.)

Report Components (cont.)

5. This report also presents certain other information concerning the Vermilion County Conservation District's progress in funding its obligation to provide pension benefits to its employees. The plan is a defined benefit plan administered and held in trust by the State of Illinois for State Municipalities (Illinois Municipal Retirement Fund, or 'IMRF'). This information can be found on pages 50 through 52 of this report.

Basis of Accounting

The District has elected to present its financial statements on a modified cash basis of accounting. This modified cash basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America. Basis of accounting is a reference to when financial events are recorded, such as the timing for recognizing revenues, expenses, and their related assets and liabilities. Under the District's modified cash basis of accounting, revenues, expenses, and certain related assets, liabilities, and deferred inflows and outflows are recorded when they result from cash transactions or events, except for certain modifications, such as the recording of depreciation expense on capital assets in the government-wide financial statements for all activities.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid and accrued expenses and liabilities) are not recorded in these financial statements. Therefore, when reviewing the financial information and discussion within this annual report, the reader should keep in mind the limitations resulting from the use of the modified cash basis of accounting.

Reporting the District as a Whole

This annual report includes all activities for which Vermilion County Conservation District is fiscally responsible. These activities, defined as the District's reporting entity, are operated within a legal entity that makes up the primary government.

The Government-Wide Statement of Net Position and the Statement of Activities

The Statement of Net Position and Statement of Activities report information about the District as a whole. These statements include all the District's assets, liabilities, and deferred inflows and outflows resulting from the use of the modified cash basis of accounting, as further defined in the notes to the financial statements.

These two statements report the District's net position and changes therein. Keeping in mind the limitations of the modified cash basis of accounting, you can think of the District's net position - the difference among assets, deferred outflows, liabilities, and deferred inflows - as one way to measure the District's financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating.

In the Statement of Net Position and Statement of Activities, we report the District's activities:

1. *Governmental activities.* Most of the District's basic services are reported here, including the Insurance, IMRF, Audit, FICA (Social Security), Debt Service and Capital Projects. Property taxes and state grants finance most of these activities.

The government-wide financial statements can be found on pages 10 and 11 of this report.

USING THIS ANNUAL REPORT (cont.)

Reporting the District's Most Significant Funds

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 Vermilion County Conservation District, like other local government entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Vermilion County Conservation District can be divided into governmental funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the governmental-wide financial statements. However, unlike the governmental-wide financial statements, the Vermilion County Conservation District's governmental fund financial statements focus on *modified-cash basis inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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 government's modified-cash basis financing decisions. Both the governmental fund Statement of Assets, Liabilities, and Fund Balances and Statement of Revenues, Expenditures, and Changes in Fund Balances provides a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities* on pages 13 and 15.

The Vermilion County Conservation District maintains the general fund as the general operating fund of the District. It is used to account for all financial resources, except those required to be accounted for in another fund.

The Vermilion County Conservation District adopts an annual appropriated budget for its general fund. Generally accepted accounting principles require a budgetary comparison statement be provided for the general fund to demonstrate compliance with this budget. Schedules for budget versus actual amounts are also provided for the special revenue funds, as well as a breakdown of administrative and operating expenditures in greater detail for the general fund.

The basic governmental fund financial statements can be found on pages 12 through 15.

Special Revenue Funds. The Vermilion County Conservation District maintains six different types of special revenue funds. Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. These funds include: Insurance and Compensation Fund, Municipal Retirement Fund, Audit Fund, FICA Fund, Debt Service Fund, and Capital Projects Fund. The Insurance and Compensation Fund, Municipal Retirement Fund, FICA, Debt Service Fund, and Capital Projects Fund are considered major governmental funds. The Audit Fund is considered a non-major fund.

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 Vermilion County Conservation District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Vermilion County Conservation District has one fiduciary fund type, a Defined Compensation Trust adopted under section 457 of the Internal Revenue Code. The Vermilion County Conservation District is not required to make any contributions into the pension plan, but holds the assets in trust for plan participants. The plan is administered by Nationwide Retirement Solutions.

USING THIS ANNUAL REPORT (cont.)

Reporting the District's Most Significant Funds (cont.)

The Statement of Fiduciary Net Position and Changes in Fiduciary Net Position can be found on pages 16 and 17 of this report.

A FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position - Modified Cash Basis

The following schedule reflects the condensed net position for the years ended March 31, 2020 and March 31, 2019.

	Governmental Activities	
	2020	2019
Current and other assets	1,335,879	1,194,249
Capital assets, net	6,770,670	6,594,061
Total assets	8,106,549	7,788,310
Current liabilities	162,943	93,029
Noncurrent liabilities	645,000	735,000
Total liabilities	807,943	828,029
Net investment in capital assets	6,035,670	5,769,061
Restricted	847,073	592,904
Unrestricted	415,863	598,316
Total net position	7,298,606	6,960,281

The Vermilion County Conservation District's total net position resulting from modified cash basis transactions or events increased from \$6,960,281 to \$7,298,606 between fiscal years 2019 and 2020, respectively.

The District's total assets for governmental activities were \$8,106,549. The District's largest portion of assets in the governmental activities were capital assets in the amount of \$6,770,670 which are used to provide services but cannot be used for future spending.

Total liabilities of the District's governmental activities were \$807,943. This includes \$735,000 in a General Obligation Bond.

The \$847,073 of restricted net position is legally restricted by outside parties for specific purposes. The unrestricted net positions in the amount of \$415,863 is available for on-going obligations and future spending.

A FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONT.)

Change in Net Position - Modified Cash Basis

The Vermilion County Conservation District's Change in Net Position

	Governmental Activities	
Revenues:	2020	2019
Program revenues:		
Charges for services	214,254	212,199
Operating grant and contributions	267,999	193,629
General Revenues:		
Property taxes	1,146,548	1,142,328
Other taxes	252,643	188,227
Farm income	40,141	23,649
Interest income	14,234	12,924
Miscellaneous income	2,451	4,661
Insurance proceeds	133,989	-
Sale of assets	40,750	3,051
Total revenues	2,113,009	1,780,668
Expenses:		
General administration	493,685	417,593
Recreation	1,161,409	1,130,917
Other expenses	17,496	16,503
Debt service	400	400
Capital projects	64,569	3,952
Interest on debt	37,125	38,315
Total expenses	1,774,684	1,607,680
Change in net position	338,325	172,988
Net Position – Beginning of period	6,960,281	6,787,293
Net Position – End of period	7,298,606	6,960,281

Revenues for the District's governmental activities totaled \$2,113,009, an increase of \$332,341 from the previous year's activity. This is largely due to receiving insurance proceeds for hail damage that occurred on May 16, 2019 and the ITEP income received for the Kickapoo Rail Trail in the amount of \$133,989 and \$128,718, respectively. Total governmental activities expenses equaled \$1,774,684. This is an increase of \$167,004 over the prior year. General administration expenses increased \$76,092 and recreation expenses increased by \$30,492.

Property taxes increased \$4,220 (less than 1%) over the previous year. This comprises approximately 54.3% of all revenues in the current year. The assessed property valuation decreased by 2.7% between 2019 and 2018, compared to the 4.1% increase between 2018 and 2017. The rates charged have decreased in the last two fiscal years by 3.2%.

Farm income increased \$16,492 over the previous year mainly due to the collection of revenue from a previous tenant farmer that was very delinquent in rent payments. The District's attorney has worked out a settlement agreement where the delinquent amount will be paid over 80 months.

Financial Analysis of the Government's Funds

Governmental funds. The focus of the Vermilion County Conservation District's *governmental funds* is to provide information on modified cash basis inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Vermilion County Conservation District's ability to meet financial 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.

A FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONT.)

Financial Analysis of the Government's Funds (cont.)

As of the end of the current fiscal year, the Vermilion County Conservation District's governmental funds reported combined ending fund balances of \$1,262,936, an increase of \$71,716 from the previous year. Approximately 32.4% of this amount (\$409,343) represents *unassigned fund balance*, which is available for spending at the District's discretion. The remainder of the fund balance is *restricted* to indicate that it is not available for new spending because it has already been committed for expenditures which are legally restricted for specific purposes.

Budgetary Highlights – General Fund – Major Fund

Over the course of the fiscal year 2020, the Board did not modify the General Fund budget. Total revenues were budgeted at \$1,402,590 and total expenditures were budgeted at \$1,660,970. Total revenues were over budget by \$199,591 and total expenditures were under budget by \$81,668 for the year. Overall, the actual General Fund expenses increased \$493,808 over the prior year's actual expenses.

These calculations can be found from examining the *Budgetary Comparison Schedule* on page 39 and the *Schedule of Expenditures* on page 40.

Revenues. Corporate Personal Property Replacement Tax (CPPRT) were over budget by \$63,437 (1.27 times) as compared to the previous year under budget of \$15,058 (21 %).

Donations were under budget by \$127,642 as compared to the previous years' under budget of \$32,046.

Charges for Services were under budget by \$629 (.6%).

Overall the revenue in the general fund, for fiscal year ended March 31, 2020, was over budget by \$199,591. This is primarily due to receiving insurance proceeds of \$133,989 for hail damage and \$128,718 in ITEP funds for the Kickapoo Rail Trail.

Property Taxes were under budget by \$8,641. Licenses and permits were under budget by \$1,203 and interest income was over budget by \$3,670.

Payroll Expenditures. The Salaries and Wages were over budget by \$5,172 (approximately .76%). Actual salaries and wages increased by \$27,335 from the prior year.

General Government - Other Administrative Expenses. The largest fluctuation from budget in Administrative Expenditures was Other Administrative Expenses which was under budget by \$498,996 (88.9%) as compared to the previous years' under budget of \$150,002 (78.9%). This represents donor restricted expenditures that were budgeted but not yet expended.

Recreation. Motor fuel and supplies expenses came in under budget by \$9,719 overall. The largest fluctuation from budget was Forest Glen Maintenance expenses which were over budget by \$36,498.

Lake Vermilion Maintenance expenses came in over budget at \$14,226 overall.

Farming expenses were over budget by \$15,682.

A FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONT.)

Budgetary Highlights – Other Governmental Funds

The following reflects budget variances over \$5,000 in other Governmental Funds as of March 31, 2020:

FUND	EXPENDITURES	BUDGET	ACTUAL	VARIANCE
Municipal Retirement Fund	Participating Employees Contributions	25,000	15,957	+9,043
FICA Fund	Participating Employees Contributions	55,000	44,233	+10,767
Capital Projects Fund	Capital Outlay	187,560	99,751	+87,809
	Operating expenses	-	64,569	-64,569
Insurance Fund	Health Insurance Claims	142,000	125,471	+16,529
	HRA Reimbursement	36,000	7,128	+28,872

Capital Asset and Debt Administration

Capital assets. The Vermilion County Conservation District’s net investment in capital assets for its governmental activities as of March 31, 2020 was \$6,035,670 (net of related debt and accumulated depreciation). The investment in capital assets includes land and land improvements, buildings and improvements, and furniture, fixtures, and equipment. The district’s net investment in capital assets increased for the current fiscal year by \$266,609. Capital outlay exceeded depreciation expense for current year additions by \$209,317.

The major capital outlay for the current fiscal year was for equipment purchases of mowers, pickup trucks and tractors. In addition, land improvements to Beech Grove Trail and the Kickapoo Rail Trail.

Additional information on the district’s capital assets can be found in Note 11 on pages 31 and 32 of this report.

Debt Administration. At the end of the current fiscal year, the Vermilion County Conservation District had \$735,000 in long-term debt obligations. This is a decrease of \$90,000 from prior year. Detailed information about the District’s long-term debt obligations is presented in Note 7 on page 29 of the financial statements.

Economic Factors and Next Year’s Budget and Rates

- Inflationary trends in the locale are slightly less favorable when compared to national indices.
- The estimated assessed valuation of Vermilion County is higher than last year, due to the valuation of real estate property in the area.
- Nationally, the State of Illinois’ sales tax collection is in the bottom half of all states. This is attributable to the recessionary climate and poor farming conditions over the past few years.
- Unemployment in Vermilion County is above average when compared to most counties in Illinois, running as low as 3.8% and as high as 6.6% each month.

All of these factors were considered during the development of the Vermilion County Conservation District’s 2020-2021 budget.

Request for information

This financial report is designed to provide a general overview of the Vermilion County Conservation District’s finances for all those with an interest in the District’s finances. Questions regarding any of the information provided in this report or requests for additional financial information should be addressed to:

Vermilion County Conservation District
22296-A Henning Road
Danville, IL 61834

VERMILION COUNTY CONSERVATION DISTRICT
 STATEMENT OF NET POSITION – MODIFIED CASH BASIS
 March 31, 2020

	<u>Primary Government</u>
	<u>Governmental Activities</u>
ASSETS	
Current Assets:	
Cash and cash equivalents	934,664
Restricted cash	394,695
Inventory	<u>6,520</u>
Total current assets	<u>1,335,879</u>
Noncurrent Assets:	
Capital assets, non-depreciable	3,582,057
Capital assets, depreciable, net	<u>3,188,613</u>
Total noncurrent assets	<u>6,770,670</u>
TOTAL ASSETS	<u>8,106,549</u>
LIABILITIES	
Current Liabilities:	
Payroll withholdings	5,659
Insurance withholdings	2,845
IMRF withholdings	3,447
Lease obligations	60,992
GO bonds payable – current	<u>90,000</u>
Total current liabilities	<u>162,943</u>
Noncurrent Liabilities:	
GO bonds payable – long-term	<u>645,000</u>
Total noncurrent liabilities	<u>645,000</u>
TOTAL LIABILITIES	<u>807,943</u>
NET POSITIONS	
Net investment in capital assets	6,035,670
Restricted for:	
Retirement	137,418
Dedicated funds	391,017
Liability	257,008
Social security	58,694
Audit	2,679
Debt service	257
Unrestricted for:	
General fund	<u>415,863</u>
TOTAL NET POSITION	<u>7,298,606</u>

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
 STATEMENT OF ACTIVITIES – MODIFIED CASH BASIS
 For the fiscal year ended March 31, 2020

	Program Revenues			Primary
	Expenses	Charges for Services	Operating Grants & Contributions	Government Total
Primary Government				
Governmental activities:				
General government:				
General/Administration	493,685	86,559	-	(407,126)
Recreation	1,161,409	127,695	267,999	(765,715)
Other	17,496	-	-	(17,496)
Debt service	400	-	-	(400)
Capital projects	64,569	-	-	(64,569)
Interest on long-term debt	37,125	-	-	(37,125)
Total governmental activities	<u>1,774,684</u>	<u>214,254</u>	<u>267,999</u>	<u>(1,292,431)</u>

General revenues:	
Tax levy revenues	1,146,548
Corporate replacement tax	249,062
Hotel/motel tax	1,500
TIF taxes received	2,081
Farm income	40,141
Interest income	14,234
Miscellaneous	2,451
Insurance proceeds	133,989
Gain on sale of assets	40,750
Total general revenues	<u>1,630,756</u>
Change in net position	338,325
Net position – beginning	<u>6,960,281</u>
Net position – ending	<u>7,298,606</u>

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
 STATEMENT OF ASSETS, LIABILITIES, & FUND BALANCES – MODIFIED CASH BASIS – GOVERNMENTAL FUNDS
 March 31, 2020

	General Fund	Insurance & Compensation Fund	Municipal Retirement Fund	FICA Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS								
Cash - unrestricted	476,118	256,051	140,865	58,694	257	-	2,679	934,664
- restricted	391,017	3,678	-	-	-	-	-	394,695
Inventory	6,520	-	-	-	-	-	-	6,520
TOTAL ASSETS	873,655	259,729	140,865	58,694	257	-	2,679	1,335,879
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Payroll withholdings	5,659	-	-	-	-	-	-	5,659
Insurance withholdings	124	2,721	-	-	-	-	-	2,845
IMRF withholdings	-	-	3,447	-	-	-	-	3,447
Lease obligations	60,992	-	-	-	-	-	-	60,992
TOTAL LIABILITIES	66,775	2,721	3,447	-	-	-	-	72,943
FUND BALANCES								
Fund Balance – nonspendable	6,520	-	-	-	-	-	-	6,520
Fund Balance – restricted	391,017	3,678	-	-	-	-	-	394,695
Fund Balance - assigned	-	253,330	137,418	58,694	257	-	2,679	452,378
Fund Balance - unassigned	409,343	-	-	-	-	-	-	409,343
TOTAL FUND BALANCES	806,880	257,008	137,418	58,694	257	-	2,679	1,262,936
TOTAL LIABILITIES AND FUND BALANCES	873,655	259,729	140,865	58,694	257	-	2,679	1,335,879

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
RECONCILIATION OF THE STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES
– MODIFIED CASH BASIS OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
March 31, 2020

TOTAL FUND BALANCE – GOVERNMENTAL FUNDS (page 12)	1,262,936
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities of \$11,462,198, net of accumulated depreciation of \$4,691,528, are not financial resources; therefore, are not reported in the funds.	6,770,670
General Obligation Bonds are not due and payable in the current period; therefore, are not reported in the funds	<u>(735,000)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>7,298,606</u>

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
 STATEMENTS OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND CHANGES IN
 FUND BALANCES – MODIFIED CASH BASIS – GOVERNMENTAL FUNDS
 Year Ended March 31, 2020 with Comparative Totals for 2019

	GOVERNMENTAL FUND TYPES							TOTALS	
	General Fund	Insurance & Compensation Fund	Municipal Retirement Fund	FICA Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Year Ended 03/31/20	Year Ended 03/31/19
REVENUES RECEIVED									
Tax levy revenues received	817,659	232,537	24,802	64,358	-	-	7,192	1,146,548	1,142,328
Corporate replacement tax	113,437	-	3,500	-	127,125	-	5,000	249,062	184,415
Hotel/Motel tax	1,500	-	-	-	-	-	-	1,500	2,093
TIF taxes received	2,081	-	-	-	-	-	-	2,081	1,719
Charges for services	104,971	-	-	-	-	-	-	104,971	98,970
Farm income	40,141	-	-	-	-	-	-	40,141	23,649
Interest	8,670	2,435	1,376	548	687	496	22	14,234	12,924
Licenses and permits	72,397	-	-	-	-	-	-	72,397	76,537
Concessions	22,724	-	-	-	-	-	-	22,724	22,291
Special events and projects	14,162	-	-	-	-	-	-	14,162	14,401
Grant income	1,353	-	-	-	-	-	-	1,353	1,905
Donations	137,928	-	-	-	-	-	-	137,928	191,724
ITEP income	128,718	-	-	-	-	-	-	128,718	-
Insurance proceeds	133,989	-	-	-	-	-	-	133,989	-
Miscellaneous	2,451	-	-	-	-	-	-	2,451	4,661
TOTAL REVENUES RECEIVED	1,602,181	234,972	29,678	64,906	127,812	496	12,214	2,072,259	1,777,617
EXPENDITURES DISBURSED									
Current:									
General government	267,943	174,788	15,957	50,438	400	64,569	7,806	581,901	531,419
Recreation	810,765	-	-	-	-	-	-	810,765	740,018
Other	17,496	-	-	-	-	-	-	17,496	16,503
Capital outlay:									
General government	483,098	-	-	-	-	20,908	-	504,006	199,370
Debt service:									
Principal	-	-	-	-	90,000	-	-	90,000	85,000
Interest	-	-	-	-	37,125	-	-	37,125	38,315
TOTAL EXPENDITURES DISBURSED	1,579,302	174,788	15,957	50,438	127,525	85,477	7,806	2,041,293	1,610,625
EXCESS OF REVENUES RECEIVED OVER (UNDER) EXPENDITURES DISBURSED	22,879	60,184	13,721	14,468	287	(84,981)	4,408	30,966	166,992
OTHER FINANCING SOURCES (USES)									
Sale of assets	40,750	-	-	-	-	-	-	40,750	3,051
TOTAL OTHER FINANCING SOURCES (USES)	40,750	-	-	-	-	-	-	40,750	3,051
NET CHANGE IN FUND BALANCES	63,629	60,184	13,721	14,468	287	(84,981)	4,408	71,716	170,043
FUND BALANCES (DEFICIT) – BEGINNING OF PERIOD	743,251	196,824	123,697	44,226	(30)	84,981	(1,729)	1,191,220	1,021,177
FUND BALANCES (DEFICIT) – END OF PERIOD	806,880	257,008	137,418	58,694	257	-	2,679	1,262,936	1,191,220

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
 RECONCILIATION OF THE STATEMENT OF REVENUES RECEIVED, EXPENDITURES
 DISBURSED, AND CHANGES IN FUND BALANCES – MODIFIED CASH BASIS OF
 GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 For the Year Ended March 31, 2020

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS (page 14) 71,716

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

Repayment of bond proceeds 90,000

Governmental funds report capital outlay as expenditures but governmental
 activities report depreciation expense to allocate those expenditures over the life of
 the assets.

Capital asset purchases capitalized	504,006
Depreciation expense	(294,689)
Loss on disposal of capital assets	<u>(32,708)</u>

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES 338,325

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
March 31, 2020

	<u>Pension Trust Fund</u>
ASSETS	
Investments in deferred compensation	<u>168,216</u>
TOTAL ASSETS	<u>168,216</u>
NET POSITIONS	
Held in trust for pension benefits	<u>168,216</u>
TOTAL NET POSITION	<u>168,216</u>

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 March 31, 2020

	Pension Trust Fund
ADDITIONS	
Contributions from plan members	317
Net increase in fair value of investments	<u>5,080</u>
Total additions	<u>5,397</u>
DEDUCTIONS	
Administrative expenses	<u>130</u>
Total deductions	<u>130</u>
Net change in net position	5,267
Net position – beginning	<u>162,949</u>
Net position – ending	<u><u>168,216</u></u>

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
March 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DATE OF MANAGEMENT’S REVIEW – Management has evaluated subsequent events through July 23, 2020, the date on which the financial statements were available to be issued.

The Conservation District was created in response to the Illinois Conservation District Act of 1963. The principal purpose of the District is to preserve and maintain wildlife, open land, scenic roadways and pathways, for the education, pleasure and recreation of the public and to promote the conservation of nature, flora and fauna, the natural environment and the natural resources of the District.

The District’s policy is to prepare its financial statements, on a modified cash-basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) established by the Governmental Accounting Standards Board (GASB). These modified cash-basis financial statements generally meet the presentation and disclosure requirements applicable to GAAP, in substance, but are limited to the elements presented in the financial statements and the constraints of the measurement and recognition criteria of the modified cash basis of accounting.

REPORTING ENTITY

The Vermilion County Conservation District is the basic level of government which has financial accountability and control over all activities related to the District. The Conservation District receives funding from local, state and federal government sources and must comply with the related requirements of these funding source entities. However, the District is not included in any other governmental “reporting entity” as defined by the GASB pronouncement, since Board members are appointed by elected county officials and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

The Vermilion County Conservation Foundation has a separate appointed board. The District’s general purpose financial statements do not include the operations of Vermilion County Conservation Foundation because sufficient criteria for inclusion as set forth by GASB No. 61 have not been met.

BASIS OF PRESENTATION

GOVERNMENT – WIDE FINANCIAL STATEMENTS

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole within the limitations of the modified cash basis of accounting. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed, in whole or part, by fees charged to external parties for goods or services. The District does not report on any business-type activities.

VERMILION COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
March 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

FUND FINANCIAL STATEMENTS

Fund financial statements of the District are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, deferred outflows, liabilities, deferred inflows, net position or fund balances, revenues, and expenditures or expenses. The Conservation District's funds are organized into two major categories: governmental and fiduciary. The District presently has no proprietary funds. The emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the Conservation District or meets the following criteria:

- a. Total assets, deferred outflows, liabilities, deferred inflows, revenues, or expenditures or expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.
- b. Total assets, deferred outflows, liabilities, deferred inflows, revenues, or expenditures or expenses of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

The funds of the financial reporting entity are described subsequently:

Governmental Funds

General Fund – The General Fund is the primary operating fund of the Conservation District and is always classified as a major fund. It is used to account for all financial resources of the District that are not required to be accounted for in the special revenue funds.

Special Revenue Funds – Special Revenue Funds are used to account for and report the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted or committed to expenditures for specified purposes. These funds include the Insurance and Compensation Fund, Municipal Retirement Fund, Audit Fund, and FICA Fund. The Insurance and Compensation Fund, Municipal Retirement Fund, and FICA Fund are reported as major Governmental Funds in the Governmental Fund Statements since their total assets, liabilities, revenues, or expenditures exceeds 10 percent of the total governmental funds threshold for major fund reporting. The Audit Fund does not meet these criteria; therefore, it is considered a non-major fund.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of financial resources for the payment of principal, interest, and related costs on general long-term debt paid primarily from the general obligation bond or from taxes levied by the District.

Capital Projects Fund – The Capital Projects Fund is used to account for all resources for the acquisition of new equipment purchased by the District.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

BASIS OF PRESENTATION (cont.)

Fiduciary Fund – The Fiduciary Fund is used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Expendable Trust Funds are accounted for in essentially the same manner as Governmental Funds using the cash basis of accounting. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's fiduciary activities are reported in a separate statement of fiduciary net position. The District excludes these activities from the government-wide financial statements because the District cannot use these assets to finance its operations.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

MEASUREMENT FOCUS

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are reported using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined above.

In the fund financial statements, the current financial resources measurement focus or the economic resources measurement focus, as applied to the modified cash basis of accounting, is used as appropriate. The governmental funds utilize a current financial resources measurement focus within the limitations of the modified cash basis of accounting. Only current financial assets and liabilities are generally included on the Statement of Assets, Liabilities, and Fund Balances.

The operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period. Revenues are recognized as soon as they are both measurable and available.

For this purpose, the District considers all revenue items to be measurable and available only when cash is received by the District. Expenditures generally are recorded when checks are written.

The District has implemented the financial reporting model, required by GASB No. 34 as of March 31, 2003.

BASIS OF ACCOUNTING

The financial statements are presented on a modified cash basis of accounting, which is a basis of accounting other than GAAP, as established by GASB. This basis of accounting involves modifications to the cash basis of accounting to report in the statements of net position or balance sheets cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. Such reported balances include investments, interfund receivables and payables, capital assets and related depreciation, and short-term and long-term liabilities arising from cash transactions or events.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

BASIS OF ACCOUNTING (cont.)

This modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenditures (such as accounts payable and expenses for goods or services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

If the Conservation District utilized the basis of accounting recognized as generally accepted in the United States, the fund financial statements for governmental funds would use the modified accrual basis of accounting and all government-wide financial statements would be presented on the accrual basis of accounting.

FINANCIAL POSITION

CASH AND CASH EQUIVALENTS

For the purpose of these statements, cash and cash equivalents include the checking, savings, money market accounts and certificate of deposit accounts purchased with an original maturity of three months or less.

INVESTMENTS

The District invests in certificate of deposit accounts. The investments are carried at fair market value and have maturity dates of more than 3 months.

INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which the transactions occur. The interfund receivables and payables are recorded in the financial statements as a modification to the cash basis of accounting. Interfund receivables and payables are reported in the fund financial statements and eliminated in the government-wide financial statements.

CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets such as roads and campground improvements, are reported in the government-wide financial statements. The district defines capital assets as assets with an initial, individual cost of more than \$1,000 and an estimated useful life of more than one year. Major outlays such as roads or campground improvements are capitalized as projects are constructed. Property, plant, and equipment are depreciated using the straight-line method over their estimated useful lives.

VERMILION COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
March 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

FINANCIAL POSITION (cont.)

CAPITAL ASSETS (cont.)

Property, plant and equipment used in governmental fund type operations are reported in government-wide financial statements. The District has elected to report all public domain and infrastructure fixed assets and has included them in the General Fixed Asset Account Group. Depreciation is calculated on a straight-line basis on depreciable items as follows:

Building and improvements	20 - 25 years
Furniture, fixtures, and equipment	5 - 10 years

In accordance with GASB Code Sec. 1400.118, accumulated depreciation has been recorded as a reduction of Investment in General Fixed Assets.

The District owns the following land:

- In excess of 1,700 acres at the Forest Glen Preserve
- Approximately 2,600 acres at Kennekuk
- Approximately 50 acres at Heron County Park
- Approximately 7 acres at Lake Vermilion
- Approximately 107 acres near Forest Glen Preserve
- Approximately 124.8 acres of CSX Railroad corridor

Capital assets are not reported in the governmental fund's individual financial statements.

INVENTORIES

Inventories are stated at lower of cost, on the first-in, first-out basis, or market.

BUDGETS AND BUDGETARY ACCOUNTING

The District adopts an annual budget and appropriations ordinance in accordance with Chapter 35 of the Illinois Compiled Statutes. The District employs the use of a budget as a management control device during the year for the General Fund and Special Revenue Funds. The initial and final budget was approved by the Board of Trustees of the Vermilion County Conservation District on May 15, 2019. Expenditures are controlled at the fund level. The budget is prepared on the modified cash basis of accounting. All budget appropriations lapse at year end. Whenever necessary, the budget can be amended by approval of the District's Board when actual expenditures exceed the original amounts budgeted.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

FINANCIAL POSITION (cont.)

TOTAL COLUMNS ON COMBINED STATEMENTS – OVERVIEW

Total columns on the Combined Statements Overview are presented only to facilitate financial analysis. Data in these columns do not present financial position, consolidated financial information, results of operations, or changes in financial position in conformity with generally accepted accounting principles; neither is such data comparable to a consolidation. Interfund eliminations have not been made in the summarization of this data; therefore, it is not comparable to consolidation.

REVENUE RECOGNITION - PROPERTY TAXES

The District's 2018 property taxes, levied in July of 2019 on assessed valuations as of January 1, 2018 are due and payable in 2019. Assessed values are established by the County Assessor's office. The taxes are due in two installments, one due in June and the other in September. The Vermilion County Collector collects and distributes all property taxes for Vermilion County.

Property tax revenues are recognized when they are received. Delinquent taxes are considered fully collectible; therefore, no allowance for uncollectible taxes is provided.

ESTIMATES

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

SHORT-TERM DEBT

All short-term notes and other debts arising from cash transactions or events to be repaid from governmental resources are reported as liabilities in the government-wide statements.

Short-term debt arising from cash transactions or events of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources, and payment of principal and interest is reported as expenditures.

NEW ACCOUNTING PRONOUNCEMENTS

Accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

NEW ACCOUNTING PRONOUNCEMENTS (cont.)

GASB Statement No. 87, *Leases*. The primary objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after June 15, 2019. GASB Statement No. 95 has postponed this Statement for eighteen months, so the new effective date is June 15, 2021. Early application encouraged. The District has not currently determined what impact, if any, this Statement may have on its financial statements.

GASB Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The District does not fall within the scope of Statement No. 91; therefore, no material impact is expected on the financial statements.

GASB Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of GASB Statements No. 73, 84, and 87. The requirements of this Statement are effective for reporting periods beginning after June 15, 2020. Earlier application is encouraged. The District does not fall within the scope of Statement No. 92; therefore, no material impact is expected on the financial statements.

NET POSITION/FUND BALANCE CLASSIFICATIONS

Government-Wide Statements

Net Position is classified and displayed in three components:

1. *Net investment in capital assets*. Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.
2. *Restricted*. Consists of restricted assets reduced by liabilities and deferred inflows or resources related to those assets, with restriction constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.
3. *Unrestricted*. Net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

It is the Conservation District's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

VERMILION COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
March 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

NET POSITION/FUND BALANCE CLASSIFICATIONS

Governmental Funds

The difference among assets, deferred outflows, liabilities, and deferred inflows of governmental funds is reported as fund balance and classified as nonspendable, restricted, committed, assigned, and unassigned based on the respective level of constraint.

These constraints are defined as follows:

Nonspendable. Amounts that cannot be spent because they either are not in spendable form or are legally or contractually required to be maintained intact.

Restricted. Amounts constrained from use via restrictions externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or by restrictions imposed by law through constitutional provisions or enabling legislation.

Committed. Amounts constrained from use for specific purposes pursuant to requirements imposed by formal action of the Conservation District's highest level of decision-making authority. In this case, commitments are evidenced by adoption of an ordinance by the District's Board of Trustees.

Assigned. Amounts constrained by the Conservation District's intent to be used for specific purposes but that are neither restricted nor committed. In this case, assignments are evidenced either by resolution of the District's Board or by the Executive Director in written form as approved by vote of the District's Board.

Unassigned. The residual classification of the General Fund for spendable amounts that have not been restricted, committed, or assigned to specific purposes.

It is the Conservation District's policy to first use restricted fund balances prior to the use of unrestricted fund balances when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. It is also their policy to use committed fund balances before assigned fund balances and assigned fund balances before unassigned amounts when an expenditure is incurred for purposes for which amounts in those classifications are available to be used.

The Conservation District has no formal minimum fund balance policies or any formal stabilization arrangements in place.

NOTE 2 – CASH AND CASH EQUIVALENTS

All deposits held at financial institutions are carried at cost. Amounts deposited that exceed the FDIC insurance limits may be collateralized by securities issued by the United States of America or an agency thereof. The time deposits mature at 91 days and are being classified as cash and cash equivalents.

VERMILION COUNTY CONSERVATION DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 March 31, 2020

NOTE 2 – CASH AND CASH EQUIVALENTS (cont.)

Total deposits held at various local financial institutions at March 31, 2020, consisted of the following:

	Cash On Hand	Cash In Bank	Restricted Cash	Time Deposits	Carrying Amount	Bank Balances
General Fund	412	408,123	391,017	67,583	867,135	836,172
Insurance Fund	-	236,107	3,678	19,944	259,729	259,282
IMRF Fund	-	129,920	-	10,945	140,865	138,746
Fica Fund	-	54,155	-	4,539	58,694	55,856
Other Governmental Funds	-	2,471	-	208	2,679	2,257
Debt Service Fund	-	237	-	20	257	205
Capital Projects Fund	-	-	-	-	-	-
Totals	<u>412</u>	<u>831,013</u>	<u>394,695</u>	<u>103,239</u>	<u>1,329,359</u>	<u>1,292,518</u>

The following table categorizes deposits, not including cash on hand, according to levels of risk.

Category #1	Category #2	Category #3	Bank Balance	Carrying Amount
<u>1,136,091</u>	<u>156,427</u>	<u>-</u>	<u>1,292,518</u>	<u>1,329,359</u>

Category #1 includes deposits and cash equivalents that are insured by the FDIC, or registered, or securities that are held by the District or its agent in the District's name.

Category #2 includes deposits and cash equivalents for which securities are held by the pledging financial institution or its trust department, but not in the District's name, which are backed with repurchase agreements and U.S. government securities. This category includes amounts on deposit with the Illinois Funds.

Category #3 includes uninsured and uncollateralized deposits and cash equivalents.

Amounts reported as restricted cash are comprised of donations received from outside parties for specific projects in the amount of \$391,017. Additional information on the district's restricted cash can be found in Note 12 on page 33.

NOTE 3 – INVESTMENTS

The District is allowed to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Illinois or its agencies; (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Illinois or the United States; (4) obligations of states, agencies, counties, cities and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating not less than "A" or its equivalent; (5) certificates of deposits issued by state and national banks domiciled in Illinois that are guaranteed or insured by the Federal Insurance Corporation or its successor; or secured by obligations that are described by subdivisions (1) through (4) of this subsection, and that have a market value of not less than the principal amount of the certificates; and (6) fully collateralized direct repurchase agreements having a defined termination date, secured by obligations described by subdivision (1) of this subsection, pledged with third parties selected or approved by the District and placed through a primary government securities dealer, as defined by the Federal Reserve, or a bank domiciled in the State of Illinois.

The district had no investments as of March 31, 2020.

VERMILION COUNTY CONSERVATION DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 March 31, 2020

NOTE 3 – INVESTMENTS (cont.)

The District’s investments at March 31, 2020 are as follows:

	<u>General</u>	<u>Other Governmental</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Carrying Amount</u>	<u>Bank Balances</u>
Time deposits	-	-	-	-	-	-

The following table categorizes investments according to levels of risk.

<u>CATEGORY #1</u>	<u>CATEGORY #2</u>	<u>BANK BALANCE</u>	<u>CARRYING AMOUNT</u>
-	-	-	-

Category #1 includes deposits and cash equivalents that are insured by the FDIC, or registered, or securities that are held by the District or its agent in the District’s name.

Category #2 includes deposits and cash equivalents for which securities are held by the pledging financial institution or its trust department, but not in the District’s name, which are backed with repurchase agreements and U.S. government securities.

Category #3 includes uninsured and uncollateralized deposits and cash equivalents

NOTE 4 – LEASES

The District entered into a lease agreement with Aqua Illinois Inc. on May 21, 2008 for the surface use of Lake Vermilion for \$1.00 per year. The terms of this agreement are effective from January 1, 2008 through December 31, 2033.

The District has operating leases for land which are on a cash rent basis. The following describes these leases:

<u>Term</u>	<u>Description</u>
01/01/19–12/31/21	- 157.66 acres used for farming at \$150 per acre, due 05/01/2019 - 157.66 acres used for farming at \$160 per acre, due 05/01/2020 - 157.66 acres used for farming at \$170 per acre, due 05/01/2021

Lease payments for the next five years without regard for adjustment are as follows:

2020	25,226
2021	26,802
2022	-
2023	-
2024	-
Thereafter	-
	<u>52,028</u>

The District has a Settlement Agreement with the previous tenant farmer that owed \$110,550. There was a down payment of \$5,000 with the balance being paid in monthly payments of \$1,641. The balance receivable as of March 31, 2020 was \$97,603.

VERMILION COUNTY CONSERVATION DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 March 31, 2020

NOTE 4 – LEASES (cont.)

On April 20, 2014, the District entered into a lease agreement with Stephen Ludwig for the right to use “Kickapoo Trail Rail” land for his business. The terms of this agreement is effective from April 1, 2014 through March 31, 2039. The District is to receive \$2,994 annually, payable April 1st of each year. The amount received as of March 31, 2020 was \$0.

On June 17, 2015, the District entered into a lease agreement with the Village of Muncie, Illinois for the maintenance of the Kickapoo Rail Trail which passes through Muncie, east to west. The Village of Muncie agrees to provide the mowing and litter pickup annually.

On January 1, 2016, the District entered into a lease agreement with Robert and Angie Pierce for the right to use “Kickapoo Rail Trail” land for their business. The terms of this agreement is effective from January 1, 2016 to December 31, 2016, renewable annually. This agreement was extended for an additional year. The District will receive \$1,500 annually, payable at the rate of \$125 per month. The amount received as of March 31, 2020 was \$1,194.

On November 11, 2015, the District entered into a lease agreement with US Bank for a copy machine. The payments are \$60 per month. The term of the lease is from 12/1/15 to 11/30/20. Minimum future lease payments under the capital lease are as follows:

2020 – 2021	420
2021 – 2022	-
2022 – 2023	-
2023 - 2024	-
2024 - 2025	-
Thereafter	-
	420

On July 26, 2019, the District entered into a lease agreement with Kubota Leasing for a 2019 Kubota Tractor. The payments are \$16,883, due annually, with an interest rate of 4.569%. The term of the lease is from 07/23/2019 to 07/24/2023. Minimum future lease payments under the capital lease are as follows:

2020 – 2021	14,121
2021 – 2022	14,766
2022 – 2023	15,440
2023 - 2024	16,245
2024 - 2025	-
Thereafter	-
	60,572

NOTE 5 – KICKAPOO TRAIL LEASES

During the 2014-2015 fiscal year, the District purchased the Kickapoo Trail property from CSX and several on-going licenses/leases were assigned to the District. The District was still trying to locate several licensees/leases about the change in assignment. The District is aware there are outstanding lease revenues not recorded because revenue has not been received. As of March 31, 2020, there has been a lack of follow-up on the locating the leases’ along the trail for the potential income to be received and recorded.

VERMILION COUNTY CONSERVATION DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 March 31, 2020

NOTE 6 – INTERGOVERNMENTAL AGREEMENT

On April 16, 2008, the District entered into an agreement with the Champaign County Forest Preserve District in which both parties agreed to work together to acquire, develop, and manage a pedestrian and bicycle trail between Urbana, Illinois and Danville, Illinois to be known as the Kickapoo Rail Trail Project. The purpose of this agreement is limited solely to the provision of preliminary engineering services.

NOTE 7 – DEBT OBLIGATIONS

On June 7, 2017, the Vermilion County Conservation District issued \$1,000,000 in a General Obligation Bond, Series 2017. The proceeds from the sale of the bond are to be used for the acquisition of new maintenance and office equipment. The amount required for principal and interest payments of the general obligation bond is to be provided by corporate personal property replacement taxes. The general obligation bond interest rate is 1.4% to 4.5% and matures on March 1, 2027.

The Vermilion County Conservation District had the following notes payable as of March 31, 2020:

Description	2020		2019	
	Long-term Debt		Long-term Debt	
	Current	Noncurrent	Current	Noncurrent
General Obligation Bond, annual payments of \$85,000, due March 2027, unsecured, variable interest rate 1.4%	90,000	645,000	90,000	735,000
Total	90,000	645,000	90,000	735,000

The following is a summary of the remaining debt service requirements to maturity by year:

Maturities	Principal	Interest	Total
03/31/2021	90,000	33,075	123,075
03/31/2022	95,000	29,025	124,025
03/31/2023	100,000	24,750	124,750
03/31/2024	105,000	20,250	125,250
03/31/2025	110,000	15,525	125,525
03/31/2026 – 03/31/2030	235,000	15,975	250,975
	735,000	138,600	873,600

Interest expense was \$37,125 for the year ending March 31, 2020 and \$38,315 for the year ending March 31, 2019.

Type of Debt	Balance 03/31/19	Additions	Reductions	Balance 03/31/20	Amount Due Within One Year
Governmental Activities:					
Bond payable	825,000	-	(90,000)	735,000	90,000

VERMILION COUNTY CONSERVATION DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 March 31, 2020

NOTE 8 – RISK MANAGEMENT

The District is exposed to various risks, including but not limited to, losses from worker’s compensation and general liability/property. The District is insured for worker’s compensation, public liability, general liability, law enforcement liability, automobile liability, general property, and wrongful acts. These risks are covered by insurance with the Illinois Parks Association Risk Services. Management is not aware of any claims filed in the last 3 years.

NOTE 9 – DEFERRED COMPENSATION PLAN

During fiscal 1996, the District adopted a deferred compensation plan under Section 457 of the Internal Revenue Code. This Plan allows employees to defer part of their compensation. The District is not required to make any contributions into the Plan. Contributions by participants are administered by a third-party agent and held in trust. They are not available to the general creditors of the District. At March 31, 2020, District employees had \$168,216 invested in this plan.

NOTE 10 – STATUTORY DEBT LIMITATION

The Statutory Debt Limitation is 1.725% of the assessed valuation for 2019 of \$931,813,244 and 2018 of \$895,489,443.

	<u>2019</u>	<u>2018</u>
Statutory debt limitation	16,073,778	15,447,193
LESS outstanding debt	<u>735,000</u>	<u>825,000</u>
Net margin	<u>15,338,778</u>	<u>14,622,193</u>

The District is not liable for any special assessment debt as of March 31, 2020 and 2019.

NOTE 11 – SUBSEQUENT EVENT – COVID-19

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The District has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended March 31, 2020, have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the District for future periods.

VERMILION COUNTY CONSERVATION DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 March 31, 2020

NOTE 12 – CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended March 31, 2020:

	<u>03/31/19</u>	<u>Reclassification</u>	<u>Additions</u>	<u>Deletions</u>	<u>03/31/20</u>
Governmental activities:					
Capital Assets, not being depreciated:					
Forest Glen Park -					
Land and acquisitions	1,161,226	-	-	-	1,161,226
Kennekuk -					
Land and acquisitions	2,125,206	-	-	-	2,125,206
Construction in progress	70,835	-	211,837	-	282,672
Lake Vermilion -					
Construction in progress	20,712	(7,759)	-	-	12,953
Total capital assets, not being depreciated	<u>3,377,979</u>	<u>(7,759)</u>	<u>211,837</u>	<u>-</u>	<u>3,582,057</u>
Capital Assets, being depreciated:					
Forest Glen Park -					
Building and land improvement	1,562,965	-	32,581	(415,760)	1,179,786
Kennekuk-					
Building and land improvement	5,513,338	-	24,078	(671,958)	4,865,458
Lake Vermilion -					
Building and land improvement	327,582	7,759	-	-	335,341
Heron -					
Building and land improvement	254,569	-	-	(4,392)	250,177
Furniture & equipment	1,116,061	-	235,510	(102,192)	1,249,379
Total capital assets, being depreciated	<u>8,774,515</u>	<u>7,759</u>	<u>292,169</u>	<u>(1,194,302)</u>	<u>7,880,141</u>

VERMILION COUNTY CONSERVATION DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 March 31, 2020

NOTE 12 – CAPITAL ASSETS (cont.)

	<u>03/31/19</u>	<u>Reclassification</u>	<u>Additions</u>	<u>Deletions</u>	<u>03/31/20</u>
Governmental activities:					
Less accumulated depreciation for:					
Forest Glen Park -					
Building and land improvement	(1,278,652)	-	(35,299)	414,263	(899,688)
Kennekuk-					
Building and land improvement	(3,207,247)	-	(120,734)	665,601	(2,662,380)
Lake Vermilion -					
Building and land improvement	(263,917)	-	(8,593)	-	(272,510)
Heron -					
Building and land improvement	(179,624)	-	(12,294)	2,765	(189,153)
Furniture & equipment	(628,993)	-	(117,769)	78,965	(667,797)
Total accumulated depreciation	<u>(5,558,433)</u>	<u>-</u>	<u>(294,689)</u>	<u>(1,161,594)</u>	<u>(4,691,528)</u>
Total capital assets, being depreciated net	<u>3,216,082</u>	<u>7,759</u>	<u>(2,520)</u>	<u>(32,708)</u>	<u>3,188,613</u>
Governmental activities capital assets, net	<u>6,594,061</u>	<u>-</u>	<u>209,317</u>	<u>(32,708)</u>	<u>6,770,670</u>

Construction in progress at March 31, 2020 consisted of the following:

Kickapoo rail trail	277,362
Boat ramp	12,953
Visitor center – siding	1,668
Laury barn - roof	3,642
	<u>295,625</u>

The depreciation expense for the year ended March 31, 2020, was \$176,920 for operations and \$117,769 for the administration functions.

VERMILION COUNTY CONSERVATION DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 March 31, 2020

NOTE 13 – FUND BALANCES

The District has restricted cash for the following purposes from donations received:

Arboretum	7,254
Bunker Hill Historical Area	3,972
Marsh Blind	19
Whittaker/Wagner/Busby-Meyer	220,655
Education	21,417
Prairie	1,602
Forest Glen	855
WWII Event	6
Conservationist	60
Outdoor School	14
Lake Vermilion Gas Pump	2,271
Revolutionary War	892
Kickapoo Rail Trail	11,244
50 th Anniversary	90
Cabin Fund	25
Beech Grove Trail	450
Lake Vermilion	2,334
Hail Damage	117,857
	<u>117,857</u>
	<u>391,017</u>

Fund balances of the Conservation District's governmental funds at March 31, 2020, are classified as follows regarding level of constraint:

	General Fund	Insurance Fund	IMRF Fund	FICA Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds
Fund Balances:							
Restricted for:							
Dedicated funds	391,017	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-
Debt service	-	-	-	-	257	-	-
Nonspendable	6,520	-	-	-	-	-	-
Assigned for:							
Retirement	-	-	137,418	-	-	-	-
Insurance	-	257,008	-	-	-	-	-
FICA	-	-	-	58,694	-	-	-
Audit	-	-	-	-	-	-	2,679
Unassigned							
General	<u>409,343</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>806,880</u>	<u>257,008</u>	<u>137,418</u>	<u>58,694</u>	<u>257</u>	<u>-</u>	<u>2,679</u>

VERMILION COUNTY CONSERVATION DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 March 31, 2020

NOTE 14 – ILLINOIS MUNICIPAL RETIREMENT FUND – DEFINED BENEFIT PENSION PLAN

IMRF 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 District’s plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF’s pension benefits is provided in the “Benefits Provided” section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan’s fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

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

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

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

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

Employees Covered by Benefit Terms

As of March 31, 2020, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	20
Inactive Plan Members entitled to but not yet receiving benefits	1
Active Plan Members	15
Total	36

VERMILION COUNTY CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
March 31, 2020

NOTE 14 – ILLINOIS MUNICIPAL RETIREMENT FUND – DEFINED BENEFIT PENSION PLAN
(cont.)

Contributions

As set by statute, the DISTRICT's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The DISTRICT's annual contribution rate for calendar year 2019 was 1.81%. For the fiscal year ended December 31, 2019, the DISTRICT contributed \$10,472 to the plan. The DISTRICT also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The DISTRICT's net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2019:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.50%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014-2016.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation.

VERMILION COUNTY CONSERVATION DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 March 31, 2020

NOTE 14 – ILLINOIS MUNICIPAL RETIREMENT FUND – DEFINED BENEFIT PENSION PLAN (cont.)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2019:

Asset Class	Target Allocation	Return 12/31/19	Projected Returns/Risk	
			One Year Arithmetic	Ten Year Geometric
Equities	37%	29.23%	7.05%	5.75%
International Equities	18%	23.76%	8.10%	6.50%
Fixed Income	28%	9.50%	3.70%	3.25%
Real Estate	9%	9.78%	6.35%	5.20%
Alternative Investments	7%	-	-	-
Private Equity	-	N/A	11.30%	7.60%
Hedge Funds	-	N/A	N/A	N/A
Commodities	-	N/A	4.65%	3.60%
Cash Equivalents	1%	3.59%	1.85%	1.85%
Total	100%			

Single Discount Rate

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

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with 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 2.75% (based on the daily rate closest to but not later than the measurement date of the "20-Year Municipal GO AA Index"), and the resulting single discount rate is 7.25%.

VERMILION COUNTY CONSERVATION DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 March 31, 2020

NOTE 14 – ILLINOIS MUNICIPAL RETIREMENT FUND – DEFINED BENEFIT PENSION
 PLAN (cont.)

Changes in the Net Pension Liability (Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) – (B)
Balances at December 31, 2018	6,017,368	5,835,194	182,174
Changes for the year:			
Service Cost	53,050	-	53,050
Interest on the Total Pension Liability	425,703	-	425,703
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	63,367	-	63,367
Changes of Assumptions	-	-	-
Contributions – Employer	-	10,472	(10,472)
Contributions – Employees	-	26,033	(26,033)
Net Investment Income	-	1,116,880	(1,116,880)
Benefit Payments, including Refunds of Employee Contributions	(344,266)	(344,266)	-
Other (Net Transfer)	-	(22,363)	22,363
Net Changes	197,854	786,756	(588,902)
Balances at December 31, 2019	6,215,222	6,621,950	(406,728)

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

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

	1% Lower (6.25%)	Current Discount (7.25%)	1% Higher (8.25%)
Total Pension Liability	6,933,111	6,215,222	5,615,714
Plan Fiduciary Net Position	6,621,950	6,621,950	6,621,950
Net Position Liability (Asset)	311,161	(406,728)	(1,006,236)

VERMILION COUNTY CONSERVATION DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 March 31, 2020

NOTE 14 – ILLINOIS MUNICIPAL RETIREMENT FUND – DEFINED BENEFIT PENSION PLAN (cont.)

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

For the year ended December 31, 2019, the EMPLOYER recognized pension expenses of \$43,731. At December 31, 2019 the EMPLOYER reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods			
Differences between expected and actual experience	105,406	49,021	56,385
Changes of assumptions	78,145	46,980	31,165
Net difference between projected and actual earnings on pension plan investments	<u>501,561</u>	<u>773,656</u>	<u>(272,095)</u>
Total Deferred Amounts to be recognized in pension expense in future periods	<u>685,112</u>	<u>869,657</u>	<u>(184,545)</u>

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

Year Ending December 31	Net Deferred Outflows of Resources
2020	(77,042)
2021	(19,804)
2022	53,460
2023	(141,159)
2024	-
Thereafter	-
Total	<u>(184,545)</u>

VERMILION COUNTY CONSERVATION DISTRICT
 BUDGETARY COMPARISON SCHEDULE – MODIFIED CASH BASIS – GENERAL FUND
 Year Ended March 31, 2020 with Comparative Totals for 2019

	GENERAL			Variance with Final Budget (Over) Under	TOTALS
	Original Budget	Final Budget	Year Ended 03/31/20 Actual		Year Ended 03/31/19 Actual
OPERATING REVENUES RECEIVED					
Tax levy revenues received	826,300	826,300	817,659	8,641	778,597
Corporate replacement tax	50,000	50,000	113,437	(63,437)	57,600
Hotel/Motel tax	1,500	1,500	1,500	-	2,093
TIF taxes received	1,500	1,500	2,081	(581)	1,719
Charges for services	105,600	105,600	104,971	629	98,970
Farm income	24,000	24,000	40,141	(16,141)	23,649
Interest	5,000	5,000	8,670	(3,670)	7,786
Licenses and permits	73,600	73,600	72,397	1,203	76,537
Concessions	20,450	20,450	22,724	(2,274)	22,291
Special events and projects	11,070	11,070	14,162	(3,092)	14,401
Grant income	10,000	10,000	1,353	8,647	1,905
Donations	265,570	265,570	137,928	127,642	191,724
ITEP income	-	-	128,718	(128,718)	-
Insurance proceeds	-	-	133,989	(133,989)	-
Miscellaneous	7,500	7,500	2,451	5,049	4,661
Lease income	500	500	-	500	-
TOTAL OPERATING REVENUES RECEIVED	1,402,590	1,402,590	1,602,181	(199,591)	1,281,933
EXPENDITURES DISBURSED					
Current:					
General government	798,648	798,648	267,943	530,705	229,354
Recreation	756,097	756,097	810,765	(54,668)	740,018
Other	17,725	17,725	17,496	229	16,503
Capital Outlay					
General government	88,500	88,500	483,098	(394,598)	99,619
TOTAL EXPENDITURES DISBURSED	1,660,970	1,660,970	1,579,302	81,668	1,085,494
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(258,380)	(258,380)	22,879	(281,259)	196,439
OTHER FINANCING SOURCES (USES)					
Sale of assets	-	-	40,750	(40,750)	3,051
TOTAL OTHER FINANCING SOURCES (USES)	-	-	40,750	(40,750)	3,051
NET CHANGE IN FUND BALANCES	(258,380)	(258,380)	63,629	(322,009)	199,490
FUND BALANCES – BEGINNING OF PERIOD			743,251		543,761
FUND BALANCES – END OF PERIOD			806,880		743,251

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
SCHEDULE OF EXPENDITURES – MODIFIED CASH BASIS – GENERAL FUND
Year Ended March 31, 2020 with Comparative Totals for 2019

	GENERAL FUND				
	Original Budget	Final Budget	Year Ended 03/31/20 Actual	Variance With Final Budget (Over) Under	Year Ended 03/31/19 Actual
GENERAL GOVERNMENT					
Salaries and wages	210,250	210,250	191,168	19,082	166,231
Employee benefits	2,098	2,098	1,596	502	1,161
Professional services	10,000	10,000	2,752	7,248	14,107
Travel and meeting expense	4,000	4,000	1,206	2,794	1,071
Other administrative expenses	561,300	561,300	62,304	498,996	39,998
Promotion and publications	11,000	11,000	8,917	2,083	6,786
TOTAL GENERAL GOVERNMENT	798,648	798,648	267,943	530,705	229,354
RECREATION					
Salaries and wages	467,995	467,995	492,249	(24,254)	489,851
Employee benefits	5,402	5,402	4,109	1,293	3,419
Education/program expense	22,100	22,100	19,006	3,094	14,328
Electricity	54,000	54,000	47,644	6,356	49,270
Telephone	17,200	17,200	9,223	7,977	26,455
Heating fuel	15,500	15,500	14,231	1,269	16,646
Motor fuel and supplies	40,000	40,000	30,281	9,719	37,014
Alarm systems	100	100	14	86	-
Maintenance and operation:					
General	9,300	9,300	8,894	406	11,245
Forest Glen	36,500	36,500	72,998	(36,498)	33,652
Kennekuk	50,800	50,800	54,286	(3,486)	29,688
Lake Vermilion	11,800	11,800	26,026	(14,226)	4,755
Concession equipment repairs	1,500	1,500	1,023	477	1,112
Water craft licenses	100	100	-	100	23
Wildlife management	2,500	2,500	-	2,500	4,774
Solid/waste material	10,600	10,600	8,660	1,940	9,294
Termite contracts	5,700	5,700	5,712	(12)	5,842
Farming expenses	-	-	15,682	(15,682)	-
Dams/spillways	5,000	5,000	727	4,273	2,650
TOTAL RECREATION	756,097	756,097	810,765	(54,668)	740,018
OTHER					
Concession and vending	17,725	17,725	17,487	238	16,503
Interest expense	-	-	9	(9)	-
TOTAL OTHER	17,725	17,725	17,496	229	16,503
CAPITAL OUTLAY					
Capital improvements	88,500	88,500	483,098	(394,598)	99,619
TOTAL CAPITAL OUTLAY	88,500	88,500	483,098	(394,598)	99,619

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
 STATEMENT OF ASSETS, LIABILITIES, & FUND BALANCES – MODIFIED CASH BASIS
 – NON-MAJOR GOVERNMENTAL FUNDS
 March 31, 2020 with Comparative Totals for 2019

	<u>AUDIT FUND</u>	
	<u>Year Ended 03/31/20</u>	<u>Year Ended 03/31/19</u>
ASSETS		
Cash and cash equivalents	<u>2,679</u>	<u>7</u>
TOTAL ASSETS	<u>2,679</u>	<u>7</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Due to other funds	<u>-</u>	<u>1,736</u>
TOTAL LIABILITIES	-	1,736
FUND BALANCES		
Assigned	2,679	-
Unassigned	<u>-</u>	<u>(1,729)</u>
TOTAL FUND BALANCES	<u>2,679</u>	<u>(1,729)</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>2,679</u>	<u>7</u>

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
 STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND CHANGES
 IN FUND BALANCES – MODIFIED CASH BASIS – BUDGET AND ACTUAL –
 NON-MAJOR GOVERNMENTAL FUNDS
 Year Ended March 31, 2020 with Comparative Totals for 2019

	AUDIT FUND				
	Original Budget	Final Budget	Year Ended 03/31/20 Actual	Variance with Final Budget (Over) Under	Year Ended 03/31/19 Actual
REVENUES RECEIVED					
Tax levy revenues received	7,200	7,200	7,192	8	6,047
Corporate replacement tax	5,000	5,000	5,000	-	-
Interest income	-	-	22	(22)	-
TOTAL REVENUES RECIEVED	<u>12,200</u>	<u>12,200</u>	<u>12,214</u>	<u>(14)</u>	<u>6,047</u>
EXPENDITURES DISBURSED					
Accounting services	10,500	10,500	7,806	2,694	10,142
Interest expense	-	-	-	-	5
TOTAL EXPENDITURES DISBURSED	<u>10,500</u>	<u>10,500</u>	<u>7,806</u>	<u>2,694</u>	<u>10,147</u>
NET CHANGE IN FUND BALANCE	<u>1,700</u>	<u>1,700</u>	4,408	<u>(2,708)</u>	(4,100)
FUND BALANCE – Beginning of Period			<u>(1,729)</u>		<u>2,371</u>
FUND BALANCE – End of Period			<u>2,679</u>		<u>(1,729)</u>

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
 SCHEDULE OF EXPENDITURES – MODIFIED CASH BASIS –
 NON-MAJOR GOVERNMENTAL FUNDS
 Year Ended March 31, 2020 with Comparative Totals for 2019

	AUDIT FUND				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Year Ended 03/31/20 Actual</u>	<u>Variance with Final Budget (Over) Under</u>	<u>Year Ended 03/31/19 Actual</u>
ACCOUNTING EXPENDITURES					
Accounting services	10,500	10,500	7,806	2,694	10,142
Interest expense	-	-	-	-	5
TOTAL ACCOUNTING EXPENDITURES	<u>10,500</u>	<u>10,500</u>	<u>7,806</u>	<u>2,694</u>	<u>10,147</u>

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
 STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND CHANGES
 IN FUND BALANCES – MODIFIED CASH BASIS – BUDGET AND ACTUAL –
 INSURANCE & COMPENSATION FUND
 Year Ended March 31, 2020 with Comparative Totals for 2019

	INSURANCE & COMPENSATION FUND				
	Original Budget	Final Budget	Year Ended 03/31/20 Actual	Variance with Final Budget (Over) Under	Year Ended 03/31/19 Actual
REVENUES RECEIVED					
Tax levy revenues received	235,000	235,000	232,537	2,463	268,219
Interest income	1,000	1,000	2,435	(1,435)	2,044
TOTAL REVENUES RECEIVED	<u>236,000</u>	<u>236,000</u>	<u>234,972</u>	<u>1,028</u>	<u>270,263</u>
EXPENDITURES DISBURSED					
Liability insurance	27,000	27,000	27,432	(432)	25,898
Unemployment compensation	15,000	15,000	2,810	12,190	3,524
Workmen's compensation	15,000	15,000	11,947	3,053	11,249
Health insurance	142,000	142,000	125,471	16,529	158,542
HRA reimbursement	36,000	36,000	7,128	28,872	8,004
TOTAL EXPENDITURES DISBURSED	<u>235,000</u>	<u>235,000</u>	<u>174,788</u>	<u>60,212</u>	<u>207,217</u>
NET CHANGE IN FUND BALANCE	<u>1,000</u>	<u>1,000</u>	60,184	<u>(59,184)</u>	63,046
FUND BALANCE					
- BEGINNING OF YEAR			<u>196,824</u>		<u>133,778</u>
FUND BALANCE					
- END OF YEAR			<u>257,008</u>		<u>196,824</u>

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
 STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND CHANGES
 IN FUND BALANCES – MODIFIED CASH BASIS – BUDGET AND ACTUAL –
 MUNICIPAL RETIREMENT FUND
 Year Ended March 31, 2020 with Comparative Totals for 2019

	MUNICIPAL RETIREMENT FUND				
	Original Budget	Final Budget	Year Ended 03/31/20 Actual	Variance with Final Budget (Over) Under	Year Ended 03/31/19 Actual
REVENUES RECEIVED					
Tax levy revenues received	25,000	25,000	24,802	198	24,901
Corporate replacement tax	3,500	3,500	3,500	-	3,500
Interest income	750	750	1,376	(626)	1,259
TOTAL REVENUES RECEIVED	<u>29,250</u>	<u>29,250</u>	<u>29,678</u>	<u>(428)</u>	<u>29,660</u>
EXPENDITURES DISBURSED					
Participating employees contributions: IMRF	25,000	25,000	15,957	9,043	31,019
TOTAL EXPENDITURES DISBURSED	<u>25,000</u>	<u>25,000</u>	<u>15,957</u>	<u>9,043</u>	<u>31,019</u>
NET CHANGE IN FUND BALANCE	<u>4,250</u>	<u>4,250</u>	13,721	<u>(9,471)</u>	(1,359)
FUND BALANCE					
- BEGINNING OF YEAR			<u>123,697</u>		<u>125,056</u>
FUND BALANCE					
- END OF YEAR			<u>137,418</u>		<u>123,697</u>

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
 STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND CHANGES
 IN FUND BALANCES – MODIFIED CASH BASIS – BUDGET AND ACTUAL – FICA FUND
 Year Ended March 31, 2020 with Comparative Totals for 2019

	FICA FUND				
	Original Budget	Final Budget	Year Ended 03/31/20 Actual	Variance with Final Budget (Over) Under	Year Ended 03/31/19 Actual
REVENUES RECEIVED					
Tax levy revenues received	65,000	65,000	64,358	642	64,564
Interest income	300	300	548	(248)	441
TOTAL REVENUES RECEIVED	65,300	65,300	64,906	394	65,005
EXPENDITURES DISBURSED					
Participating employees contributions:					
FICA	55,000	55,000	44,233	10,767	41,238
Non-participating employees contributions:					
FICA	10,000	10,000	6,205	3,795	8,092
TOTAL EXPENDITURES DISBURSED	65,000	65,000	50,438	14,562	49,330
NET CHANGE IN FUND BALANCE	300	300	14,468	(14,168)	15,675
FUND BALANCE					
- BEGINNING OF YEAR			44,226		28,551
FUND BALANCE					
- END OF YEAR			58,694		44,226

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
 STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND CHANGES
 IN FUND BALANCES – MODIFIED CASH BASIS – BUDGET AND ACTUAL –
 DEBT SERVICE FUND
 Year Ended March 31, 2020 with Comparative Totals for 2019

	DEBT SERVICE FUND				
	Original Budget	Final Budget	Year Ended 03/31/20 Actual	Variance with Final Budget (Over) Under	Year Ended 03/31/19 Actual
REVENUES RECEIVED					
Corporate replacement tax	127,125	127,125	127,125	-	123,315
Interest income	-	-	687	(687)	270
TOTAL REVENUES RECEIVED	127,125	127,125	127,812	(687)	123,585
EXPENDITURES DISBURSED					
Principal retirement	90,000	90,000	90,000	-	85,000
Interest expense	37,125	37,125	37,125	-	38,315
Miscellaneous expenses	-	-	400	(400)	400
TOTAL EXPENDITURES DISBURSED	127,125	127,125	127,525	(400)	123,715
NET CHANGE IN FUND BALANCE	-	-	287	(287)	(130)
FUND BALANCE					
- BEGINNING OF YEAR			(30)		100
FUND BALANCE					
- END OF YEAR			257		(30)

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
 STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND CHANGES
 IN FUND BALANCES – MODIFIED CASH BASIS – BUDGET AND ACTUAL – CAPITAL
 PROJECTS FUND

Year Ended March 31, 2020 with Comparative Totals for 2019

	CAPITAL PROJECTS FUND				
	Original Budget	Final Budget	Year Ended 03/31/20 Actual	Variance with Final Budget (Over) Under	Year Ended 03/31/19 Actual
REVENUES RECEIVED					
Interest income	60	60	496	(436)	1,124
TOTAL REVENUES RECEIVED	60	60	496	(436)	1,124
EXPENDITURES DISBURSED					
Operating expenses	-	-	64,569	(64,569)	3,952
Capital outlay	84,600	84,600	20,908	63,692	99,751
TOTAL EXPENDITURES DISBURSED	84,600	84,600	85,477	(877)	103,703
NET CHANGE IN FUND BALANCE	(84,540)	(84,540)	(84,981)	441	(102,579)
FUND BALANCE					
- BEGINNING OF YEAR			84,981		187,560
FUND BALANCE					
- END OF YEAR			-		84,981

See accompanying notes and independent auditor's report.

VERMILION COUNTY CONSERVATION DISTRICT
NOTES TO BUDGETARY COMPARISON SCHEDULES
March 31, 2020

BUDGET LAW

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In February, the District Board is presented with a proposed operating budget for the fiscal year commencing the following April 1.
2. Prior to April 1, the budget is legally adopted.
3. Formal budgetary integration is employed as a management control device during the year for all funds of the District.

BASIS OF ACCOUNTING

Budgets for the General and Special Revenue Funds are adopted on a cash basis. The same basis is used in the financial statements.

LEGAL BUDGETS

A comparison of budget to actual expenditures has been presented for all major funds.

EXPENDITURES OVER REVENUES

During the year 2020, expenditures exceeded revenues by \$84,981 in the Capital Projects fund.

VERMILION COUNTY CONSERVATION DISTRICT
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
March 31, 2020

MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Illinois Municipal Retirement Plan
(Unaudited)
Last 10 Calendar Years
(schedule to be built prospectively from 2014)

Calendar year ending December 31,	2019	2018	2017	2016	2015
Total Pension Liability					
Service Cost	53,050	52,523	60,603	60,153	69,353
Interest on the Total Pension Liability	425,703	411,198	423,611	415,695	393,439
Benefit Changes	-	-	-	-	-
Difference between Expected and Actual Experience	63,367	110,196	(169,610)	(106,014)	69,552
Assumption Changes	-	148,755	(162,756)	-	-
Benefit Payments and Refunds	(344,266)	(323,359)	(303,286)	(225,736)	(236,242)
Net Change Total Pension Liability	197,854	399,313	(151,438)	144,098	296,102
Total Pension Liability - Beginning	6,017,368	5,618,055	5,769,493	5,625,395	5,329,293
Total Pension Liability - Ending (a)	<u>6,215,222</u>	<u>6,017,368</u>	<u>5,618,055</u>	<u>5,769,493</u>	<u>5,625,395</u>
Plan Fiduciary Net Position					
Employer Contributions	10,472	37,742	47,232	48,961	57,383
Employee Contributions	26,033	24,899	26,802	27,714	28,190
Pension Plan Net Investment Income	1,116,880	(360,127)	939,075	385,009	27,892
Benefit Payment and Refunds	(344,266)	(323,359)	(303,286)	(225,736)	(236,242)
Other	(22,363)	163,337	(170,749)	18,835	(32,184)
Net Change in Plan Fiduciary Net Position	786,756	(457,508)	539,074	254,783	(154,961)
Plan Fiduciary Net Position - Beginning	5,835,194	6,292,702	5,753,628	5,498,845	5,653,806
Plan Fiduciary Net Position - Ending (b)	<u>6,621,950</u>	<u>5,835,194</u>	<u>6,292,702</u>	<u>5,753,628</u>	<u>5,498,845</u>
Net Pension Liability (Asset) - Ending (a) - (b)	(406,728)	182,174	(674,647)	15,865	126,550
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	106.54%	96.97%	112.01%	99.73%	97.75%
Covered Valuation Payroll	578,512	552,844	595,603	615,876	626,457
Net Pension Liability as a Percentage of Covered Valuation Payroll	(70.31)%	32.95%	(113.27)%	2.58%	20.20%

VERMILION COUNTY CONSERVATION DISTRICT
 MULTIYEAR SCHEDULE OF CONTRIBUTIONS
 March 31, 2020

MULTIYEAR SCHEDULE OF CONTRIBUTIONS
Illinois Municipal Retirement Fund
 (Unaudited)
Last 10 Calendar Years

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$57,383	\$57,383	\$0	\$626,457	9.16%
2016	\$48,962	\$48,961	\$1	\$615,876	7.95%
2017	\$47,231	\$47,232	\$(1)	\$595,603	7.93%
2018	\$37,704	\$34,742	\$(38)	\$552,844	6.83%
2019	\$10,471 *	\$10,472	\$(1)	\$578,512	1.81%

* Estimated based on contribution rate of 1.81% and covered valuation payroll of \$578,512.

Additional years will be added to this schedule until 10 years of data is provided.

NOTES TO SCHEDULE OF CONTRIBUTIONS

**SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS
 USED IN THE CALCULATION OF THE 2019 CONTRIBUTION RATE ***

Valuation Date:

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

Methods and Assumptions Used to Determine 2019 Contribution Rates:

Actuarial Cost Method Amortization Method Remaining Amortization Period	Aggregate Entry Age Normal Level Percentage of Payroll, Closed Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 24-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 19 years for most employers (three employers were financed over 28 years and four employers were financed over 29 years).
Asset Valuation Method Wage growth Price Inflation Salary Increase Investment Rate of Return Retirement Age	5-Year smoothed market; 20% corridor 3.25% 2.50% 3.35% to 14.25% including inflation 7.50% Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2017 actuarial valuation

VERMILION COUNTY CONSERVATION DISTRICT
 SCHEDULE OF PROPERTY TAX INFORMATION
 March 31, 2020

	2019 Taxes Collectible in 2020		2018 Taxes Collectible in 2019		2017 Taxes Collectible in 2018		2016 Taxes Collectible in 2017		2015 Taxes Collectible in 2016		2014 Taxes Collectible in 2015	
			Year Ended March 31, 2020		Year Ended March 31, 2019		Year Ended March 31, 2018		Year Ended March 31, 2017		Year Ended March 31, 2016	
<u>ASSESSED VALUATION</u>	<u>956,815,749</u>		<u>931,813,244</u>		<u>895,489,443</u>		<u>873,655,081</u>		<u>849,944,288</u>		<u>829,574,310</u>	
<u>TAX RATES:</u>												
General Fund	.09264	886,394	.08868	826,332	.08755	784,001	.08660	756,586	.07777	661,001	.07378	612,060
Insurance Fund	.02091	200,070	.02522	235,003	.03016	270,080	.03091	270,047	.02848	242,064	.02918	242,070
Municipal Retirement Fund	.00262	25,069	.00269	25,066	.00280	25,074	.00596	52,070	.00942	80,065	.00965	80,054
Audit Fund	.00110	10,525	.00078	7,268	.00068	6,089	.00075	6,552	.00071	6,035	.00073	6,056
Social Security (FICA) Fund	.00680	65,063	.00698	65,041	.00726	65,012	.00745	65,087	.00706	60,006	.00724	60,061
Total tax rates	<u>.12407</u>		<u>.12435</u>		<u>.12845</u>		<u>.13167</u>		<u>.12344</u>		<u>.12058</u>	
<u>TAXES CHARGED</u>	<u>1,187,121</u>		<u>1,158,710</u>		<u>1,150,256</u>		<u>1,150,342</u>		<u>1,049,171</u>		<u>1,000,301</u>	
<u>DEDUCTIONS:</u>												
Forfeitures & protests			9,694		4,806		5,210		4,464		5,783	
Errors, abatements and delinquent taxes			886		2,789		2,938		3,088		3,138	
TIF and adjustments			5,171		3,826		5,344		4,198		2,559	
Total deductions			<u>15,751</u>		<u>11,431</u>		<u>13,492</u>		<u>11,750</u>		<u>11,480</u>	
<u>NET TAXES</u>			<u>1,142,959</u>		<u>1,138,825</u>		<u>1,136,850</u>		<u>1,037,421</u>		<u>988,821</u>	
<u>ADDITIONS:</u>												
Mobile home tax & TIF			1,055		2,821		1,021		849		1,289	
Back taxes collected			459		577		3,207		3,483		2,071	
Payment in lieu of taxes and adjustments			2,075		105		128		1,053		861	
Total additions			<u>3,589</u>		<u>3,503</u>		<u>4,356</u>		<u>5,385</u>		<u>4,221</u>	
<u>TOTAL TAXES RECEIVED</u>			<u>1,146,548</u>		<u>1,142,328</u>		<u>1,141,206</u>		<u>1,042,806</u>		<u>993,042</u>	
<u>DISTRIBUTION:</u>												
General Fund			817,659		778,597		750,576		656,969		607,659	
Insurance Fund			232,537		268,219		267,903		240,609		240,301	
IMRF Fund			24,802		24,901		51,657		79,583		79,448	
Audit Fund			7,192		6,047		6,500		5,999		6,012	
FICA Fund			64,358		64,564		64,570		59,646		59,622	
			<u>1,146,548</u>		<u>1,142,328</u>		<u>1,141,206</u>		<u>1,042,806</u>		<u>993,042</u>	

See accompanying notes.