

# City of Berwyn, Illinois



**A Century of Progress with Pride**

Comprehensive Annual Financial Report

For the Year Ended December 31, 2020

**CITY OF BERWYN, ILLINOIS  
COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**  
For the Fiscal Year Ended December 31, 2020



Prepared by: Finance Department

CITY OF BERWYN, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
December 31, 2020

CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal .....	1 - 5
GFOA Certificate of Achievement.....	6
Organizational Chart .....	7
List of Elected and Appointed Officials .....	8

FINANCIAL SECTION

Independent Auditors' Report.....	9 - 10
Management's Discussion and Analysis .....	11 - 29

Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position .....	30
Statement of Activities.....	31

Fund Financial Statements

Governmental Funds

Balance Sheet.....	32
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position .....	33
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	34
Reconciliation of the Governmental Funds Statements of Revenues Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities.....	35

Proprietary Funds

Statement of Net Position .....	36
Statement of Revenues, Expenses, and Changes in Net Position .....	37
Statement of Cash Flows .....	38

Fiduciary Funds

Statement of Fiduciary Net Position - Pension Trust Funds .....	39
Statement of Changes in Fiduciary Net Position - Pension Trust Funds.....	40

Notes to Financial Statements.....	41 - 105
------------------------------------	----------

CITY OF BERWYN, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
December 31, 2020

CONTENTS

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
General Fund .....	106
Public Safety Pension Funding Fund.....	107
Schedule of Changes in the Net Pension Liability and Related Ratios	
Illinois Municipal Retirement Fund.....	108
IMRF - Sheriffs' Law Enforcement Personnel .....	109
Police Pension Fund .....	110
Firefighters' Pension Fund .....	111
Schedule of Changes in the City's Total Other Postemployment Benefits Liability.....	112
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund.....	113
IMRF - Sheriffs' Law Enforcement Personnel .....	114
Police Pension Fund .....	115
Firefighters' Pension Fund .....	116
Other Postemployment Benefits .....	117
Notes to Required Supplementary Information.....	118 – 119

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Major Governmental Funds

Berwyn Municipal Securities Fund	
Schedule of Revenues, Expenditures, and Changes In Fund Balance – Budget and Actual.....	120
Debt Service Fund	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual .....	121
General Fund	
Schedule of Revenues - Budget and Actual .....	122 - 124
Schedule of Expenditures - Budget and Actual.....	125 - 130

CITY OF BERWYN, ILLINOIS

(Continued)

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
December 31, 2020

CONTENTS

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES (Continued)

Nonmajor Governmental Funds

Combining Balance Sheet .....	131 - 132
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	133 - 134

Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget and Actual

Library Fund .....	135
Motor Fuel Tax Fund .....	136
South Berwyn Corridor TIF Fund.....	137
Roosevelt Road TIF Fund.....	138
Harlem Avenue TIF Fund .....	139
Foreign Fire Insurance Fund .....	140
CDBG Fund .....	141

Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget and Actual

Capital Bond Fund.....	142
------------------------	-----

Fiduciary Funds

Pension Trust Funds

Combining Statement of Net Position .....	143
Combining Statement of Changes in Net Position .....	144

STATISTICAL SECTION

Net Position by Components .....	145
Changes in Net Position .....	146 - 147
Fund Balances of Government Funds.....	148
Changes in Fund Balances of Governmental Funds.....	149
General Governmental Tax Revenues by Source .....	150
Assessed Value and Estimated Actual Value of Taxable Property .....	151
Property Tax Rates - Direct and Overlapping Governments .....	152

CITY OF BERWYN, ILLINOIS

(Continued)

COMPREHENSIVE ANNUAL FINANCIAL REPORT

December 31, 2020

CONTENTS

STATISTICAL SECTION (continued)

Principal Property Taxpayers .....	153
Property Tax Levies and Collections .....	154
Ratios of Outstanding Debt by Type .....	155
Ratios of General Bonded Debt Outstanding .....	156
Direct and Overlapping Governmental Activities Debt .....	157
Schedule of Legal Debt Margin .....	158
Demographic and Economic Information .....	159
Principal Employers.....	160
Full-Time Equivalent City Government Employees by Function .....	161
Operating Indicators by Function .....	162
Capital Asset Statistics by Function .....	163

## INTRODUCTORY SECTION





## A Century of Progress with Pride

July 23, 2021

To the City Council and Citizens of the City of Berwyn, Illinois:

The Comprehensive Annual Financial Report for the City of Berwyn has been submitted to provide a broad view of the City's financial activities for the 2020 fiscal year and its financial position as of December 31, 2020. Although this document is addressed to the elected officials and citizens of Berwyn, this report has a number of other users, including bondholders, financial institutions, and credit rating agencies. Illinois statutes require that Illinois municipalities publish financial statements on an annual basis that are prepared in accordance with generally accepted accounting principles (GAAP) and are audited by independent accountants. The purpose of The Comprehensive Annual Financial Report is to provide all of the City's stakeholder's relevant information of the community, the continued investment by our businesses, the financial and physical security for our residents, and maximum transparency to allow the City to move forward.

The City of Berwyn's basic financial statements have been audited by GW & Associates, P.C with the goal of providing reasonable assurance that the basic financial statements are free of material misstatement. Based upon the audit, GW & Associates has issued an unmodified ("clean") opinion on the City of Berwyn's financial statements for the year ended December 31, 2020. The independent auditor's report is located at the front of the financial section of this report.

The Management Discussion and Analysis immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The Management Discussion and Analysis complements this letter of transmittal and should be read in conjunction with it.

### Profile of the City

Incorporated as a city on June 6, 1908 with approximately 5,000 people, Berwyn is now home to about 55,000 residents. The City is bordered by Roosevelt Road on the North, Harlem Avenue on the West, Lombard Avenue on the East and Pershing Road on the South. These boundaries encompass only 3.9 square miles.

Berwyn is a home rule community which operates under a strong Mayor form of government according to Illinois Municipal Code 65 ILCS 5/. This form of government has an elected Mayor, Clerk, Treasurer, and eight Aldermen. The terms of elected officials are four years. Policymaking and legislative authority are vested in the City Council. With the advice and consent of the City Council, the Mayor appoints the following staff: administrative assistants, Finance Director, Department Heads, members of commissions, and boards, except those covered by civil service. Primary and secondary education is provided by separate school districts which are governed by elected school boards.



# CITY OF BERWYN, ILLINOIS

## Letter of Transmittal

The City provides a broad range of services including police and fire protection, street maintenance, parking, building code compliance inspections, water and sewer service, garbage removal, recreational and cultural activities as well as economic development through the Berwyn Development Corporation (BDC), for which the City is financially responsible for. Additional information on this entity can be found in the notes to the financial statements.

### **Budget Process**

Berwyn's City Council is required to adopt a final fiscal year budget by March 31<sup>st</sup> of the budget year. This annual budget provides the spending authority for the operations of the City. The budget is categorized by fund and department. Transfers between line items within a department may be requested by department heads. However, transfers between departments or funds require approval from the City Council. The City's budget team begins the process in the late summer of the current year for the following budget fiscal year followed by meetings with all departments for their individual budgets. The City budget team includes the Budget and Finance Committee, Finance Director, and the City Administrator.

### **Local Economy**

Berwyn is predominately a residential community, and therefore, does not have a particularly large industrial presence. The City's largest employer is Loyola University Medical Center (formerly MacNeal Hospital). The City's retail and grocery sector has grown increasing the City's tax and employment base over the past five years. Also, more restaurants and entertainment venues have been able to emerge as great options for places for residents and City visitors to dine.

### **2020 Accomplishments**

#### **COVID-19 Pandemic Management**

The City was able to withstand the impact of global pandemic without sacrificing the high standard of essential City services for Berwyn residents. A Unified Command Center was established in March to effectively plan, communicate, and implement measures to respond to various emergency issues that occurred throughout all phases of the pandemic. The Command Center team consisted of key Public Safety personnel including the Police and Fire Chiefs along with the Mayor, City Administrator, and Public Works Director. Through the hard work of our Unified Command, Public Safety, Public Works, and supporting City staff, our City withstood the surge of the pandemic and provided appropriate messaging for residents to rely upon in getting through each day safely.

From a financial perspective, the City managed its operations to reduce expenses to offset the revenue downturn related to the pandemic. As a result, the City incurred a modest loss of about \$800,000 which is far better than initially projected last fall.

# CITY OF BERWYN, ILLINOIS

## Letter of Transmittal

### **2020 U.S. Census**

In 2020, the City launched a Complete Count Committee and dedicated personnel to collaborate with local groups and not-for-profits for the purpose of ensuring every resident is counted in the U.S. Census. An accurate count in the Census is imperative in our municipality because it determines our fair share of the more than \$675 billion per year in federal funds. These funds are spent on schools, hospitals, roads, public works, affordable housing and other vital programs such as the Community Development Block Grant (CDBG). Due to COVID-19, the Census team needed to be creative in reaching residents through Census themed caravans, municipal events, food distribution events, and social media. The effort was funded through two grants from the Illinois Department of Human Services (IDHS) and Cook County.

### **Relevant Financial Policies**

The City has continued to adhere to the fund balance policy requiring that both the General and Library funds must maintain an unassigned fund balance of 16% of the following year's budgeted expenditures. Also, the Motor Fuel Tax (MFT) fund must maintain unassigned equity of 15% of the following year's capital project budget while the Utility fund must maintain an unassigned equity of 10% of the following year's budget.

As of December 31<sup>st</sup> 2020, the City's General Fund balance remained in a strong position at \$11.6 million or 21.6% of 2021 budgeted expenditures.

### **Long-Term Financial Planning**

The City of Berwyn is committed to long-term financial planning. The City closely monitors factors that contribute to long-term financial stability, including economic activity, bond ratings, debt ratios, and equalized assessed valuations. There is a continued focus on maintaining a balanced budget while moderating reliance on property taxes by pursuing strategies to expand the City's revenue base and diversify revenue sources.

### **Capital Project Planning**

Currently, the City's steering committee is updating the extensive capital plan set forth eight years ago. The funding source of the plan includes grants, lease and bond debt, and recurring fund revenues. The American Rescue Plan Act (ARPA) has allocated \$32 million to the City to help pay for eligible infrastructure capital projects. In addition, about \$3 million has been assigned to the City from the state's Rebuild Illinois roads' program. As part of the budget process, the City continues to focus on identifying and prioritizing the timing of these needs over the next 10 years in order to position those expenses in line with the appropriate funding sources. Looking forward, the City will continue to explore opportunities to fund major capital projects (including proactively maintaining the City's infrastructure) with a minimal impact on Berwyn's residents.

# CITY OF BERWYN, ILLINOIS

## Letter of Transmittal

### **Police and Fire Pension Funding**

The City continues to further the pension funding initiative for the Police and Fire Pension funds. This represents a major challenge that the City faces. As of December 31, 2020, the Police pension fund was 78.5% funded while the Firefighters pension fund was 61.4%. The total unfunded liability portion of the Police and Fire pension funds is approximately \$45 million.

The City made dramatic improvements in pension funding since 2012 as illustrated in the required supplemental information section of this report where the funding percentages for both Police and Fire pensions were below 50%.

### **Economic Development**

Along with its commitment to continuously improving the City's finances, the City's administration continues to make economic development a top priority. In partnership with the Berwyn Development Corporation (BDC), the City currently manages three mature tax increment finance (TIF) districts and one new TIF districts along with a local small business loan fund.

In 2019, the City extended the South Berwyn Corridor (Depot) TIF for an additional 12 years. In 2020, the City passed an ordinance for the physical boundary extension of the Harlem TIF to include all commercial properties on the north and south sides of Cermak Road from Harlem to Lombard. The City also passed ordinances for the creation of the Ridgeland Avenue TIF.

The extension of the Depot TIF, in combination with substantial infrastructure and streetscape projects over the next 3 years, will create new opportunity for development in the area. Additionally, the extension of the Roosevelt TIF and continued operation of the Finish Line Grant allowed for about \$200,000 in grant funding and helped generate about \$1 million in private commercial investment. These initiatives also created new opportunities for development and continued to further sales, home rule, and income tax funding opportunities.

Additionally, the City and BDC have been working together diligently in response to the Covid-19 pandemic. The Paycheck Protection Program, Small Business Administration's Economic Injury Disaster Loans, Illinois Business Interruption Grant program, and Cook County's Covid-19 Business Recovery Initiative assisted businesses in accessing more than \$7 million in pandemic response funds. Despite the pandemic pause, we welcomed five new businesses to the community, including the final redevelopment of the southeast corner of Harlem and Ogden that became a 7-Eleven and Starbucks.

CITY OF BERWYN, ILLINOIS

Letter of Transmittal

**Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Berwyn for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019. This is the 12<sup>th</sup> consecutive year that the City has received this certificate. In order to receive this prestigious award, the City had to publish an easily readable and efficiently organized annual report that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our 2020 Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another award.

The preparation of this report would not have been possible without the dedicated service of the entire Finance Department. We also want to express appreciation to the Mayor, City Council, and all Department Heads for their support and encouragement in maintaining the highest standards of professionalism in the financial operations of the City.

Respectfully submitted,



Benjamin J. Daish  
Finance Director



Robert J. Lovero  
Mayor



The Government Finance Officers Association of  
the United States and Canada

*presents this*

# AWARD OF FINANCIAL REPORTING ACHIEVEMENT

*to*

**Finance Department**  
City of Berwyn, Illinois



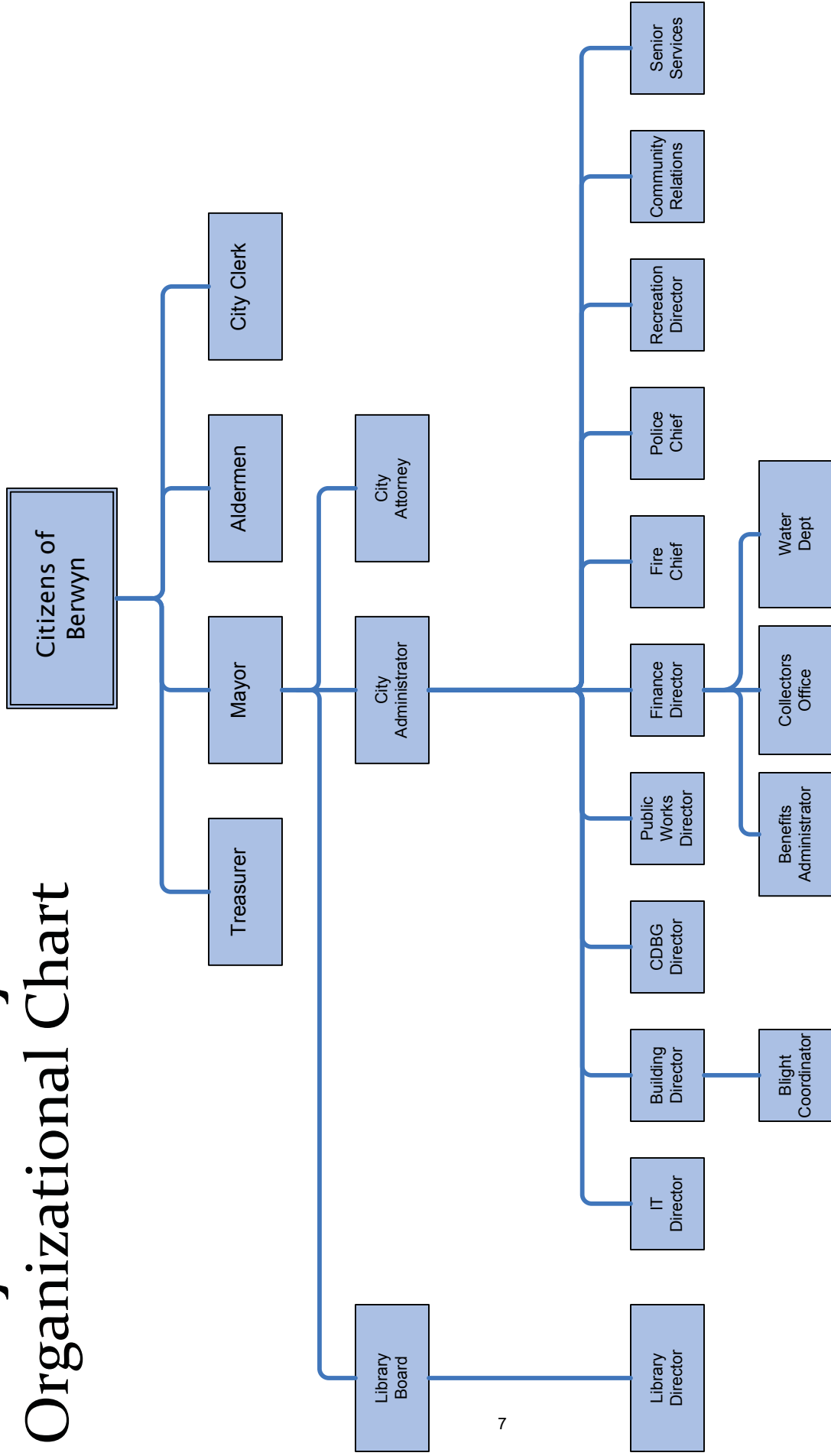
*The Award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the department or individual designated as instrumental in the government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.*

Executive Director

*Christopher P. Morill*

Date: 4/8/2021

# City of Berwyn Organizational Chart



**City of Berwyn**  
**List of Elected and Appointed Officials**  
**December 31, 2020**

**Elected Officials**

Robert J. Lovero	Mayor
Cynthia Miranda	Treasurer
Margaret Paul	Clerk
Scott Lennon	Alderman, 1 <sup>st</sup> Ward
Jose Ramirez	Alderman, 2 <sup>nd</sup> Ward
Jeanine L. Reardon	Alderman, 3 <sup>rd</sup> Ward
Robert W. Fejt	Alderman, 4 <sup>th</sup> Ward
Cesar A. Santoy	Alderman, 5 <sup>th</sup> Ward
Alicia Ruiz	Alderman, 6 <sup>th</sup> Ward
Rafael "Ralph" Avila	Alderman, 7 <sup>th</sup> Ward
Anthony Nowak	Alderman, 8 <sup>th</sup> Ward

**Appointed Officials**

Anthony Bertuca	City Attorney
Tammy Sheedy	Director, Library Services
Regina Mendicino	Director, Community Development
James Frank	Director, Information Technology
Charles Lazzara	Director, Building Department
Anthony Martinucci	Director, Recreation Department
Thomas Hayes	Fire Chief
Ruth Siaba Green	City Administrator
Michael Cimaglia	Police Chief
Robert Schiller	Director, Public Works
Benjamin Daish	Director, Finance

**FINANCIAL SECTION**







## INDEPENDENT AUDITOR'S REPORT

To the City Council  
City of Berwyn, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Berwyn, Illinois, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City'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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Berwyn Development Corporation, a discretely presented component unit, were not audited in accordance with *Government Auditing Standards*. 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 financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Berwyn, Illinois, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 3N to the financial statements, the City of Berwyn, Illinois restated beginning net position of governmental activities to include non-general obligation bonds payable of \$1.4 million previously not reported. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of changes in the net pension liability and related ratios, schedules of city contributions and schedule of changes in total other postemployment benefits liability on pages 11–28 and 106–118 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

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

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

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

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated July 23, 2021, on our consideration of the City of Berwyn, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Berwyn, Illinois' internal control over financial reporting and compliance.

*JW & Associates, P.C.*

Hillside, Illinois  
July 23, 2021



## **Management's Discussion and Analysis**

As management of the City of Berwyn, we offer readers of the financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended December 31, 2020.

### **Financial Highlights**

The financial impact related to the COVID 19 global pandemic was not as severe as the City originally projected. The General Fund operating revenues and transfers were approximately \$2.2 million less than corresponding budget. After the shelter-in-place phase restrictions were lifted in the summer months of 2020, the City's major tax revenues recovered and posted strong results comparable to budget levels which cushioned the revenue reductions in other categories. This revenue shortfall was offset by \$800,000 in Federal CARES grants. Further, net General Fund expenditures came in \$800,000 below budget. The resulting overall reduction in fund balance was limited to \$762,521.

The City's Utilities Fund continues an upward trend where operating earnings and the change in net position (net income) are in surplus. The operating income before depreciation was \$1.8 million and the change net position increased by \$200,000 after depreciation.

Additionally, the City's Total Liabilities were \$12 million lower than year-end 2019. Specifically, the net pension liabilities were \$14.4 million lower than 2019.

At year-end, the City's deficit in the statement net position of \$190 million, similar to the prior year.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City of Berwyn's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### **Government-wide Financial Statements**

The government-wide financial statements found on pages 30 and 31 are designed to provide readers with a broad overview of the City of Berwyn's finances, in a manner similar to a private sector business.

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

The Statement of Net Position presents information on all the City's assets, liabilities, and deferred inflows/outflows of resources with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator regarding the financial position of the City.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, economic development, culture and recreation, and health and sanitation. The business-type activities of the City include utilities and a municipal parking garage.

The government-wide financial statements include not only the City of Berwyn itself (known as the primary government), but also the legally separate Berwyn Development Corporation for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

**Fund Financial Statements**

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

**Governmental funds** - are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term 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 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 near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

The City of Berwyn maintains 19 individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances. The General, Public Safety Pension Funding, Debt Service, and Berwyn Municipal Securitization Corporation Funds are considered to be the City's major funds. Data from the other 15 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements toward the end of this report.

The City adopts an annual budget ordinance for its governmental funds. Budgetary comparison statements have been provided for the governmental funds to demonstrate compliance with this ordinance. The basic governmental fund financial statements can be found on pages 32-35 of this report.

**Proprietary funds** – The City of Berwyn maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses two enterprise funds - one to account for its water, sewer, and garbage operations and the other to account for the municipal parking garage. The Internal Service fund accumulates and allocates costs internally among the City's various functions for its workers compensation and general liability self-insurance. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the business type activities in the government-wide financial statements, but in more detail. The proprietary fund financial statements provide information for the Utilities Fund and the Parking Garage Fund, which are considered to be major funds of the City, and the Internal Service Fund. The basic proprietary fund financial statements can be found on pages 36-38 of this report.

**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 City's own programs. The accounting used for fiduciary funds is similar to the accrual accounting used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 39-40 of this report.

**Notes to financial statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 41-105 of this report.

**Other information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budget and actual information for the General Fund and the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found on pages 106 – 119 of this report.

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 120-144 of this report.

**Government-wide Financial Analysis**

**Statement of Net Position**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The largest portion of the City of Berwyn's net position represents resources that are subject to external restrictions on how they may be used. Assets restricted for use in the City's four redevelopment areas make up the bulk of these assets, followed by assets restricted by the State of Illinois for the purpose of improving streets, and assets restricted for law enforcement purposes.

Net position of the City of Berwyn also includes its investment in capital assets (land, buildings, infrastructure and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The table below shows the comparison between 2020 Statement of Net Position versus Restated 2019 for both governmental and business-type activities:

**City of Berwyn Net Position**

	Governmental activities		Business-Type activities		Total	
	<u>2020</u>	<u>2019 (Restated)</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019 (Restated)</u>
Capital Assets	\$ 49,606,871	\$ 50,201,928	\$ 25,115,331	\$ 26,306,425	\$ 74,722,202	\$ 76,508,353
Other Assets	<u>81,458,756</u>	<u>69,440,590</u>	<u>7,258,667</u>	<u>6,332,647</u>	<u>88,717,423</u>	<u>75,773,237</u>
Total assets	131,065,627	119,642,518	32,373,998	32,639,072	163,439,625	152,281,590
Total deferred outflows						
of resources	<u>14,062,608</u>	<u>17,900,561</u>	<u>413,854</u>	<u>804,549</u>	<u>14,476,462</u>	<u>18,705,110</u>
Current liabilities	10,047,940	8,695,345	2,267,987	2,269,123	12,315,927	10,964,468
Long-term liabilities	<u>285,743,871</u>	<u>298,353,953</u>	<u>8,710,272</u>	<u>9,733,210</u>	<u>294,454,143</u>	<u>308,087,163</u>
Total liabilities	295,791,811	307,049,298	10,978,259	12,002,333	306,770,070	319,051,631
Total deferred inflows						
of resources	<u>60,098,149</u>	<u>41,863,195</u>	<u>622,085</u>	<u>260,736</u>	<u>60,720,234</u>	<u>42,123,931</u>
Net investment in capital assets	(24,963,362)	(27,867,456)	18,331,734	19,451,290	(6,631,628)	(8,416,166)
Restricted	95,573,963	9,744,443			95,573,963	9,744,443
Unrestricted	<u>(281,372,326)</u>	<u>(193,246,401)</u>	<u>2,855,774</u>	<u>1,729,262</u>	<u>(278,516,552)</u>	<u>(191,517,139)</u>
Total net position	<u>\$ (210,761,725)</u>	<u>\$ (211,369,414)</u>	<u>\$ 21,187,508</u>	<u>\$ 21,180,552</u>	<u>\$ (189,574,217)</u>	<u>\$ (190,188,862)</u>

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

**Significant Changes in the City's Statement of Net Position**

**Governmental activities**

Total Assets were about \$11.4 million higher than the 2019 total primarily as a result of a comparable increase in cash. The increase in cash came mainly as a result of the \$7.1 million South Berwyn TIF bond issue along with additional inflows from the Rebuild Illinois Program (\$1.2 million) and higher Harlem TIF property tax receipts (\$1.3 million).

Total liabilities were \$11 million lower than 2019 due to a reduction in unfunded pension liabilities. Favorable investment gains contributed to the reduction.

Deferred outflows in 2020 were \$4 million lower than 2019 and deferred inflows in 2020 were \$19 million higher than 2019. The net deferred inflow increase of \$23 million came as a result of changes in actuarial projections for the pension funds and other post employee benefits (OPEB).

**Business-Type activities**

The Utilities Fund receivables increased by \$500,000 due to higher customer balances which came as a result of the annual water rate increase. Capital assets decreased by \$1.2 million due to depreciation exceeding asset additions in 2020.

Long-term liabilities were \$900,000 lower than 2019 due primarily to a \$600,000 improvement in net pension obligation. Like with Governmental Activities, favorable investment gains helped reduce the pension liability.

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

**Statement of Activities**

As noted earlier, the City's Statement of Activities provides a numerical analysis of the City's financial performance during the year. Revenues are broken down between program revenues and general revenues. The following table shows a comparison between the current and previous year operation results:

	Governmental activities		Business-Type activities		Total	
	<u>2020</u>	<u>2019 (Restated)</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019 (Restated)</u>
Revenues:						
Program revenues:						
Charges for services	\$ 10,042,402	\$ 12,451,811	\$ 18,236,117	\$ 17,136,170	\$ 28,278,519	\$ 29,587,981
Operating grants & contributions	4,037,465	3,609,094	-	-	4,037,465	3,609,094
Capital grants & contributions	1,499,806	726,582	-	-	1,499,806	726,582
General revenues	-	-				
Property taxes	36,948,986	34,742,608	-	-	36,948,986	34,742,608
Other taxes	24,816,389	23,722,634	-	-	24,816,389	23,722,634
Other revenues	<u>736,090</u>	<u>1,029,559</u>	<u>-</u>	<u>1,151</u>	<u>736,090</u>	<u>1,030,710</u>
Total revenues	78,081,138	76,282,288	18,236,117	17,137,321	96,317,255	93,419,609
Expenses:						
General government	3,431,673	4,444,154	-	-	3,431,673	4,444,154
Public safety	48,456,281	52,132,315	-	-	48,456,281	52,132,315
Public works	8,279,018	7,558,885	-	-	8,279,018	7,558,885
Economic development	2,607,616	5,112,151	-	-	2,607,616	5,112,151
Culture and recreation	4,921,945	5,074,881	-	-	4,921,945	5,074,881
Interest on long-term debt	9,776,916	9,960,909	-	-	9,776,916	9,960,909
Loss on debt refunding	-	-	-	-	-	-
Utilities	-	-	17,979,956	17,459,824	17,979,956	17,459,824
Parking garage	-	-	249,205	269,462	249,205	269,462
Total expenses	<u>77,473,449</u>	<u>84,283,295</u>	<u>18,229,161</u>	<u>17,729,286</u>	<u>95,702,610</u>	<u>102,012,581</u>
Change in Net Position Before Transfers	<u>607,689</u>	<u>(8,001,007)</u>	<u>6,956</u>	<u>(591,965)</u>	<u>614,645</u>	<u>(8,592,972)</u>
Transfers	<u>-</u>	<u>(449,886)</u>	<u>-</u>	<u>449,886</u>	<u>-</u>	<u>-</u>
Change in Net Position	<u>607,689</u>	<u>(8,450,893)</u>	<u>6,956</u>	<u>(142,079)</u>	<u>614,645</u>	<u>(8,592,972)</u>
Net position Jan 1 (Restated)	<u>(211,369,414)</u>	<u>(202,918,521)</u>	<u>21,180,552</u>	<u>21,322,631</u>	<u>(190,188,862)</u>	<u>(181,595,890)</u>
Net position Dec 31	<u>\$ (210,761,725)</u>	<u>\$ (211,369,414)</u>	<u>\$ 21,187,508</u>	<u>\$ 21,180,552</u>	<u>\$ (189,574,217)</u>	<u>\$ (190,188,862)</u>

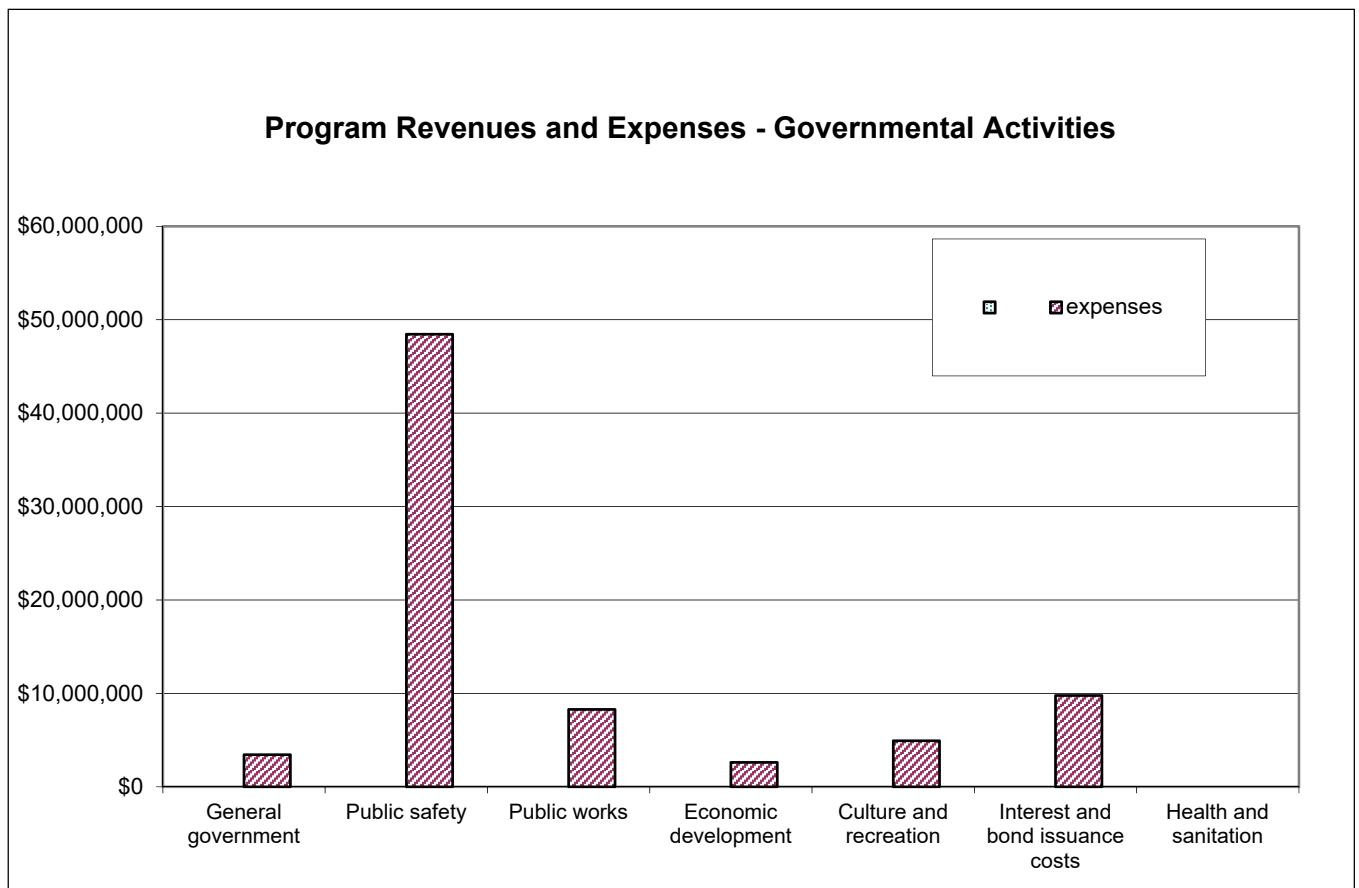


CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

**Significant Changes in Net Position**

**Government activities**

The graph below shows the governmental activities revenues and expenses by function. Any deficit of revenues less expenses is then funded through general revenues, primarily taxes.



CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

**Revenues**

The table below shows the change in revenues from 2020 to 2019:

	Governmental activities		Change	% Chg
	2020	2019		
Revenues:				
Program revenues:				
Charges for services	\$ 10,042,402	\$ 12,451,811	\$ (2,409,409)	-19%
Operating grants & contributions	4,037,465	3,609,094	428,371	12%
Capital grants & contributions	1,499,806	726,582	773,224	106%
General revenues	-	-		
Property taxes	36,948,986	34,742,608	2,206,378	6%
Other taxes	24,816,389	23,722,634	1,093,755	5%
Other revenues	736,091	1,029,559	(293,468)	-29%
Total revenues	<u>\$ 78,081,139</u>	<u>\$ 76,282,288</u>	<u>\$ 1,798,851</u>	<u>2%</u>

**Significant changes:**

Charges for services were lower than 2019 by about \$2.4 million. The reduction in this category was driven by the City's program closures related to the pandemic. Fine and fee revenue from parking and red light camera tickets were lower than 2019 as a result of fewer people driving and a reduction in City parking enforcement. Ambulance billing revenue of \$1.6 million was almost \$400,000 higher than 2019 which helped offset the reductions in the other revenue categories.

Operating Grants were higher in 2020 due primarily from the \$800,000 CARES act funds received in 2020 to help offset the revenue losses.

Capital grants and contributions were higher by \$773,000 versus 2019 due to the City's Motor Fuel Tax (MFT) fund obtaining \$1.2 million from the State of Illinois Rebuild Illinois program.

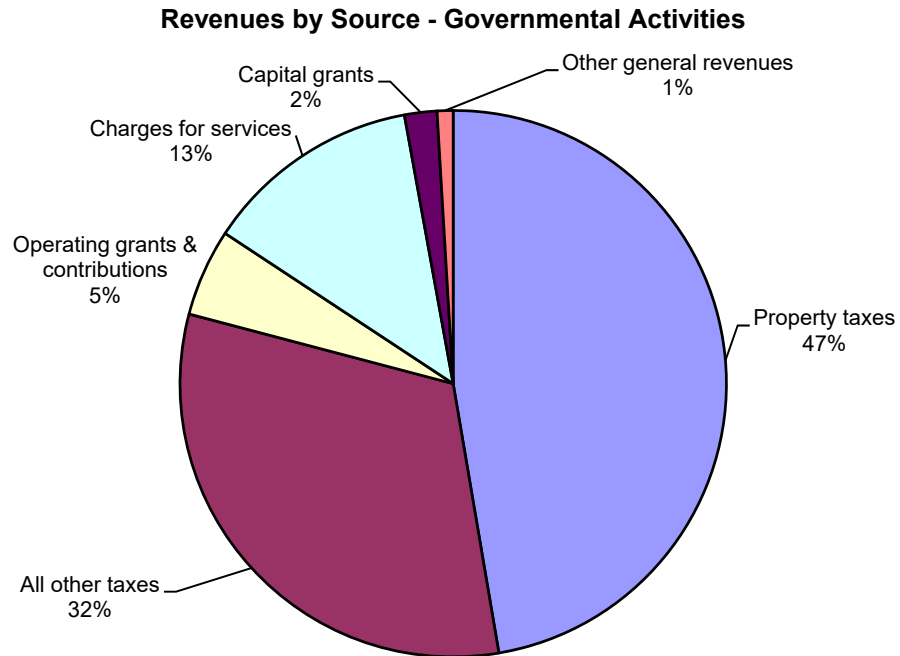
Property Tax Revenues were \$2.2 million higher than 2019 primarily as a result of the following funds.

- Harlem TIF, \$1.3 million higher than 2019 property taxes.
  - The TIF was able to recapture property taxes due for 2019 but not received until later in 2020.
- Debt Service, \$500,000 higher than 2019 property taxes
  - Annual increase approved in accordance with bondholder covenants.
- General Fund, \$200,000 higher than 2019 property taxes
  - City Council approved a property tax levy increase of \$384,000 or 1.5% vs 2019. However, property tax collections were slightly impacted due to pandemic related conditions
- Roosevelt TIF, \$150,000 higher than 2019 property taxes

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

**Composition of Revenues:**

The graph below shows the full composition of governmental activities revenues.



The City's governmental activities are supported mainly by property taxes, followed by all other taxes. These percentages shifted slightly from 2019 when property taxes accounted for 46%, all other taxes were 31%, charges for services were 16%, operating grants were 5%, and capital grants were 1%, and other general revenues were 1%.

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

**Expenses**

The table below shows the change in expenses from 2020 versus 2019:

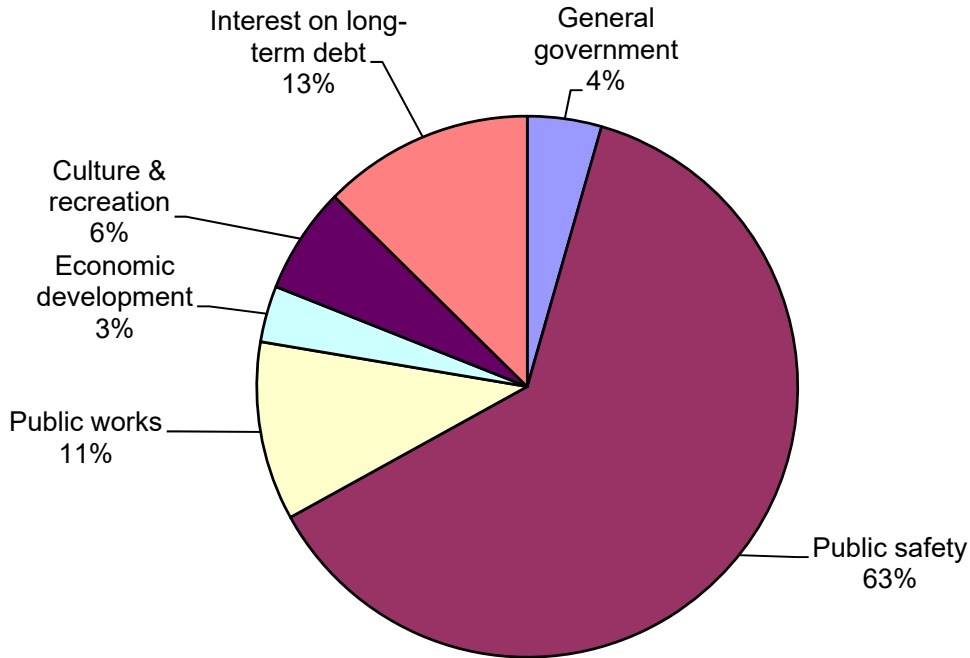
**Changes in Governmental Activities Expenses**

	Governmental activities		Change	% Chg
	2020	2019 (Restated)		
Expenses:				
General government	\$ 3,431,673	\$ 4,444,154	\$ (1,012,481)	-23%
Public safety	48,456,281	52,132,315	(3,676,034)	-7%
Public works	8,279,018	7,558,885	720,133	10%
Economic development	2,607,616	5,112,151	(2,504,535)	-49%
Culture and recreation	4,921,945	5,074,881	(152,936)	-3%
Interest on long-term debt	9,776,916	9,960,909	(183,993)	-2%
Total expenses	<u>\$ 77,473,449</u>	<u>\$ 84,283,295</u>	<u>\$ (6,809,846)</u>	<u>-8%</u>

Overall, expenses decreased by 8% or \$6.8 million. General Government and Public Safety were the major contributors to the expense reduction compared to 2019. Changes in the Pension and OPEB related expenditures for the Police, Fire, and IMRF pension liabilities helped drive the expenses lower by \$4.6 million in 2020. Economic Development expenses were \$2.5 million lower than 2019 due to pandemic related reduction in activities from the TIF districts.

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

**Governmental Activities - Expense Composition**



**Composition of expenses:**

The City's largest area of expense continues to be Public Safety, accounting for 63% of governmental expenses which was the same percentage in 2019. The remaining 37% of 2019 governmental activities expenses consisted of 9% for Public Works, 4% for Economic Development, 6% for Culture and Recreation, 12% for interest on long term debt, and 6% for general government.

**Business-Type activities**

	Business-Type activities		Change	% Chg
	<u>2020</u>	<u>2019</u>		
<b>Revenues:</b>				
Charges for services	\$ 18,236,117	\$ 17,136,170	\$ 1,099,947	6%
Other Income	-	451,037	(451,037)	-100%
<b>Total Revenues</b>	<u>\$ 18,236,117</u>	<u>\$ 17,587,207</u>	<u>\$ 648,910</u>	<u>4%</u>
<b>Expenses:</b>				
Utilities	\$ 17,979,956	\$ 17,459,824	\$ 520,132	3%
Parking garage	249,205	269,462	(20,257)	-8%
<b>Total Expenses</b>	<u>\$ 18,229,161</u>	<u>\$ 17,729,286</u>	<u>\$ 499,875</u>	<u>3%</u>

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

Business-Type activities represent the City's water, sewer, and garbage utilities and the parking garage. The Utilities fund's primary source of revenue is user fees for water and sewer usage and garbage fees. City Council approved a water rate ordinance adjusting the rates at 5% annually over five years (2018-2022) to absorb rising operating costs and to fund future capital infrastructure improvements.

**Revenues**

In 2020, the water rate increases led to higher revenues for charges for services (\$1.1 million higher than 2019). Other Income was reduced to zero for 2020, a \$451,000 reduction compared to 2019. Late payment penalties represented the Other Income in 2019. From April 2020 through June, 2021, the City put a hold on assessing penalties and shutting off residential water service due to the economic consequences of the pandemic. As such, other income was dramatically reduced compared to 2019.

The Parking Garage was dramatically affected by the pandemic where revenues fell by almost 70% (\$208,000 vs \$66,000). Customers who normally would park at the garage and ride the train downtown switched to working from home instead.

**Expenses**

Expenses within the Utilities fund were \$519,000 higher than 2019. The cost of water purchased from the City of Chicago increased by almost \$300,000 compared to 2019. Also, the internal service fund along with repair and maintenance costs were about \$200,000 higher than 2019.

As the table below illustrates, operating performance for the City's Utilities Fund continues to post very strong results since 2017.

	Business-Type activities: Utilities Fund			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Operating Income (Loss)	\$ 500,441	\$ (224,023)	\$ (792,713)	\$ (2,366,525)
Depreciation	<u>1,265,729</u>	<u>1,242,300</u>	<u>1,203,245</u>	<u>2,504,233</u>
<b>Operating Income(Loss) Before Depreciation</b>	<b><u>\$ 1,766,170</u></b>	<b><u>\$ 1,018,277</u></b>	<b><u>\$ 410,532</u></b>	<b><u>\$ 137,708</u></b>

See Statement of Revenues, Expenses, and Changes in Net Position

**Financial Analysis of the Governmental Funds**

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

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

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

**Significant changes – Fund balances**

	Fund					
	Public Safety		Debt Service	Berwyn Municipal	Nonmajor	Total
	General	Pension Funding		Securitization (BMSC)	Governmental Funds	Governmental Funds
Revenues	\$ 37,477,343	\$ 2,723,092	\$ 7,639,442	\$ 17,742,659	\$ 12,491,028	\$ 78,073,564
Expenditures	51,362,010	2,721,454	12,067,901	4,552,192	9,779,798	\$ 80,483,355
Other Financing Sources (Uses) Net	<u>13,122,146</u>	<u>718,744</u>	<u>5,958,931</u>	<u>(14,976,741)</u>	<u>6,516,043</u>	<u>11,339,123</u>
Net change in fund balance	(762,521)	720,382	1,530,472	(1,786,274)	9,227,273	8,929,332
Fund balance, beginning	<u>12,369,977</u>	<u>(29,629,162)</u>	<u>(47,156,847)</u>	<u>83,928,401</u>	<u>6,126,272</u>	<u>25,638,641</u>
Fund balance, ending	<u>\$ 11,607,456</u>	<u>\$ (28,908,780)</u>	<u>\$ (45,626,375)</u>	<u>\$ 82,142,127</u>	<u>\$ 15,353,545</u>	<u>\$ 34,567,973</u>

General Fund operating revenues were lower than 2019 by about \$2.4 million primarily due to pandemic related reductions of fines and fee revenue.

General Fund expenditures were \$3.5 million higher than experienced in 2019. The increase occurred primarily as a result of contractual increases in salary and related expenses for the City's Police and Fire union employees (\$2 million higher vs 2019). Also, the internal service fund general liability/workers compensation expenses were \$1.6 million higher than 2019.

Revenues in the Debt Service Fund increased from 2019 by over \$500,000 as the City dedicated more tax revenue toward the repayment of pension debt as a covenant with prior bond issues. Debt Service expenditures were \$12 million lower than 2019. 2019's expenditures were higher as a result of the \$15 million line of credit repayment. The City did incur a \$3.85 million principal payment 2020 for the required redemption of the 2010 bonds.

With regard to the Non-major Governmental Funds, revenues from 2020 were nearly \$2 million higher due to higher incremental property tax revenues from the Harlem TIF (\$1.3 million higher vs 2019) and MFT revenues posting \$1.4 million more than 2019 due the Rebuild Illinois funds. These stronger revenue areas offset a \$1.7 million reduction of Community Development (CDBG) revenues vs 2019. CDBG Projects were delayed due to the conditions related to the Covid-19 pandemic. The delayed projects are expected to be completed in fiscal year 2021 where anticipated funds will also be expended.

Non-major Governmental Fund expenditures were \$156,000 lower than 2019 primarily due to cost reductions related to the Library closure for several pandemic related months.

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

The Non-Major Governmental ending fund balance of \$15.4 million is \$9.2 million higher than 2019. The South Berwyn TIF bond proceeds of \$7.1 million and the MFT Rebuild Illinois revenues of \$1.2 million were the primary contributors to the higher Non-Major Governmental fund balance. The proceeds from the South Berwyn TIF bonds will be directed toward infrastructure improvements in the City's Depot District.

**Financial Analysis of the Proprietary Funds**

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

Total net position of the Business-Type activities at the end of 2020 amounted to \$21.2 million which is similar to 2019's net position. The \$190,000 increase in the Utilities' fund net position was offset by the Garage Fund loss of \$183,000.

The breakdown of business activities net position at year-end was \$9.7 million for the parking garage and \$11.5 million for the Utilities fund. Revenues of the Parking Garage Fund, which include collections from meters located in the garage and an allocation of fees for parking permits, amounted to approximately \$66,000. Expenses (excluding depreciation) amounted to about \$23,000. After depreciation of about \$226,000, the fund posted an operating loss of \$183,000.

The City's Internal Service Fund (ISF) represents accruals pertaining to the City's worker's compensation and general liability insurances. Revenues within this fund result from charges to other funds of the City. Expenses for the ISF consist of claim payments, third party claim processing fees, insurance costs, and liability reserve funding. During 2020, the fund's expenses increased dramatically by \$1.7 million to a total of \$2.8 million. These expenses are then allocated to the City's departments. The increase was attributed primarily to higher claims incurred in 2020 compared to 2019. The net position in the ISF remained practically the same at \$108,000 compared to 2019's net position.

**General Fund Budgetary Highlights**

The City's ordinances require a periodic budget review and if necessary an amendment on an annual basis. As part of this review and during preparation for the subsequent year's budget, each department's budget-to-actual reports are analyzed and variances identified.

In 2020, there were General Fund budget amendments approved by City Council reassigning \$2.8 million in pension property tax revenues and payments for the Police and Fire pension funds. These revenues and expenditures are captured in the Public Safety Pension Funding Fund.

The following table summarizes the City's final budget compared to actual results for the current year.



CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

	General Fund			
	Final Budget	Actual	Variance	% Var.
<b>Revenues</b>				
Property taxes	19,579,680	19,421,749	\$ (157,931)	-1%
Other taxes	6,774,950	6,248,485	(526,465)	-8%
Licenses and permits	3,752,000	3,184,960	(567,040)	-15%
Charges for services	2,251,500	2,331,321	79,821	4%
Fines and forfeitures	5,120,000	3,917,308	(1,202,692)	-23%
Intergovernmental	439,037	1,232,160	793,123	181%
Investment income	175,400	65,591	(109,809)	-63%
Miscellaneous	1,517,500	1,075,769	(441,731)	-29%
<b>Total Revenues</b>	<u>\$ 39,610,067</u>	<u>\$ 37,477,343</u>	<u>\$ (2,132,724)</u>	<u>-5%</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	4,210,315	\$ 3,667,042	\$ 543,273	13%
Public safety	\$ 38,845,283	39,763,532	(918,249)	-2%
Public works	6,561,526	5,887,231	674,295	10%
Economic development	228,347	519,369	(291,022)	-127%
Culture and recreation	2,332,395	1,524,836	807,559	35%
<b>Total expenditures</b>	<u>\$ 52,177,866</u>	<u>\$ 51,362,010</u>	<u>\$ 815,856</u>	<u>2%</u>

Please refer to page 34 of Statement of Revenues, Expenditures, and Changes in Fund Balances Government Funds.

### Significant changes from budget

#### Revenues

The General Fund operating revenues were \$2.1 million lower than the 2021 budget primarily due to pandemic related reductions in Other Taxes (\$527,000), Fines (\$1.2 million), and Permits (\$567,000) categories.

#### Expenditures

The primary contributors for lower than budgeted expenditures include:

- Public Works: \$674,000 lower than the budget
  - Building/Public Works cut budgeted seasonal staffing to help offset the revenue reduction.
- Culture and Recreation/ Economic Development: \$808,000 lower than the budget
  - The closure of the Recreation Center and related programs due to the pandemic drove the cost reductions in the area. The Recreation department lowered its costs by \$693,000 versus the 2020 Budget.

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

- Public Safety Expenditures were \$918 million higher than the budget due in large part to higher Internal Service Fund expenditures related to higher than expected general liability and workers compensation claims.

**Capital assets**

The table below summarizes the City's capital asset balances at year end for 2020 with comparative figures for 2019.

**City of Berwyn Capital Assets**  
(net of accumulated depreciation)

	Governmental activities		Business-Type activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 10,310,603	\$ 10,310,603	\$ 24,600	\$ 24,600	\$ 10,335,203	\$ 10,335,203
CIP	324,500	662,954	602,646	520,196	927,146	1,183,150
Buildings	9,451,067	9,672,942	8,242,441	8,475,427	17,693,508	18,148,369
Equipment	979,788	891,983	639,053	705,656	1,618,841	1,597,639
Land improvements	7,213,062	7,369,033	-	-	7,213,062	7,369,033
Vehicles	3,275,043	3,145,035	476,511	540,783	3,751,554	3,685,818
Infrastructure	18,052,808	18,149,378	15,132,080	16,039,763	33,184,888	34,189,141
<b>Total</b>	<u>\$ 49,606,871</u>	<u>\$ 50,201,928</u>	<u>\$ 25,117,331</u>	<u>\$ 26,306,425</u>	<u>\$ 74,724,202</u>	<u>\$ 76,508,353</u>

At the end of 2020, capital assets in governmental activities were \$600,000 lower than 2019. The 2020 business activities capital assets were \$1.2 million lower compared to 2019. For both governmental and business activities, depreciation expense and asset retirements exceeded 2020 asset additions. Additional information on the City's capital assets can be found in the notes to financial statements of this report on pages 65-66.

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

**Debt Administration**

The changes to the City's long-term obligations are summarized below.

	Governmental activities		Business-Type activities		Total	
	2020	2019 (Restated)	2020	2019	2020	2019 (Restated)
General obligation bonds	\$ 87,800,000	\$ 95,040,000	\$ 7,290,000	\$ 7,465,000	\$ 95,090,000	\$ 102,505,000
Conveyed Tax Securitization bonds	79,970,000	79,970,000	-	-	79,970,000	79,970,000
TIF Revenue Bonds	7,140,000	-	-	-	7,140,000	-
Private Placement TIF Bonds	1,314,575	1,427,103	-	-	1,314,575	1,427,103
Mortgage notes payable	300,000	457,648	-	-	300,000	457,648
Line of Credit	3,850,000	-	-	-	3,850,000	-
Unamortized premiums	2,809,600	3,071,893	265,456	289,923	3,075,056	3,361,816
Unamortized discounts	(460,774)	(499,222)	(26,229)	(28,408)	(487,003)	(527,630)
Capital leases	438,897	362,711	-	-	438,897	362,711
Claims payable	3,572,869	2,918,016	-	-	3,572,869	2,918,016
Net pension liability	76,526,177	90,970,948	152,135	799,670	76,678,312	91,770,618
Net OPEB obligation	16,458,100	19,396,363	934,821	1,080,984	17,392,921	20,477,347
Compensated absences	6,024,427	5,238,493	94,089	126,041	6,118,516	5,364,534
<b>Total</b>	<b>\$ 285,743,871</b>	<b>\$ 298,353,953</b>	<b>\$ 8,710,272</b>	<b>\$ 9,733,210</b>	<b>\$ 294,454,143</b>	<b>\$ 308,087,163</b>

In 2020, the City's S&P credit rating was BBB with a "negative" outlook for the General Obligation Bonds. The negative outlook was attributable to the uncertainty of the City's financial outlook due to the pandemic.

The total long-term liabilities decreased by \$12.6 million compared to 2019 as a result of a \$14.4 million reduction in Net Pension Liability versus 2019 due primarily to more favorable pension fund investment gains. Additionally, the Net OPEB obligation was almost \$3 million lower than 2019. In November, 2020 the City drew \$3.85 million on the line of credit renewed with BMO Harris. This amount was used to pay off a redemption principal due for the 2010 bonds. This City intends to repay this amount drawn with proceeds from a future bond refunding issue.

In 2013, the City embarked a plan to fully fund the City's Public Safety Pension Plans through the issuance of bonds by 2025. The underlying bonds were structured to be repaid by 2050. A major portion of the plan has been funded resulting in increased pension funding. Higher pension funding should ensure sound financial condition of the pension plans and reduced financial burdens on the City in the future.

In the course of implementing GASB Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements, the City determined that the Private Placement Bond issued in 2015 should be presented in the Government Wide Statement of Net Position. Previously, the City believed that, since the bonds are not general obligation bonds, only the principal and interest payments were required to be reported at the fund level. As a result, beginning net position has been restated to include the \$1.4 million balance as of December 31, 2019.

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

The City's financial statements and supplementary data provide the continuing disclosure information the City committed to provide bondholders for outstanding bonds.

Further details on the City's long-term debt can be found in the notes to financial statements on pages 69 to 75.

**Economic Factors and Next Year's Budgets and Rates**

As mentioned previously, the revenue loss experienced from the COVID-19 pandemic contributed to the General fund shortfall of about \$800,000 versus the 2020 budgeted net surplus.

In 2021, the City has a more positive outlook after reviewing the internal transactional data posted over the last few months. Also, the Illinois Department of Revenue continues to report strong tax revenue results in the state income and sales/local use tax categories. Nonetheless, the City conservatively projected revenues to be slightly lower than 2019 levels due in most part to the COVID related phase 3-4 restrictions remaining in place during the first 3-5 months of 2021. As a result, a slight budget shortfall of \$365,000 has been passed by City Council.

Recently, the City has enhanced the budget process to project an additional three years beyond the 2021 Budget. For 2022-2024, the City expects General Fund to break even where revenues are in line with expenditures.

**American Recovery Act Program (ARPA)**

In March, 2021, the Federal Government passed into law, a stimulus bill providing assistance to state and local governments for COVID pandemic related economic hardship along with infrastructure improvements. About \$32 million has been allocated to the City of Berwyn of which close to \$16 million has been received.

The City is currently researching the guidance for allowable expenditures provided by the US Treasury Department. In short, the ARPA funding is expected to assist the City with completing essential future infrastructure projects without borrowing and incurring interest costs. In addition, the ARPA funds would provide reimbursement for emergency COVID related expenditures along with funding for pandemic related revenue loss.

CITY OF BERWYN, ILLINOIS  
Management's Discussion and Analysis

**Requests for Information**

This financial report is designed to provide a general overview of the City of Berwyn's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Berwyn Finance Director, 6700 W. 26<sup>th</sup> Street, Berwyn, Illinois 60402.

**CITY OF BERWYN, ILLINOIS**  
**STATEMENT OF NET POSITION**  
**December 31, 2020**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Berwyn Development Corporation
<b>ASSETS</b>				
Cash and investments	\$ 36,287,500	\$ -	\$ 36,287,500	\$ 788,097
Restricted cash	1,048,894	743,630	1,792,524	864,854
Receivables, net of allowance where applicable				
Property tax	34,189,009	-	34,189,009	-
Sales tax	1,152,314	-	1,152,314	-
Home rule sales tax	1,230,168	-	1,230,168	-
Income tax	1,400,768	-	1,400,768	-
Personal property replacement tax	40,360	-	40,360	-
Utility tax	344,221	-	344,221	-
Accounts	2,180,531	6,328,932	8,509,463	17,839
Interest	-	-	-	-
Miscellaneous	35,067	-	35,067	26,410
Prepaid expenses	866,882	-	866,882	8,258
Internal balances	(184,105)	184,105	-	-
Due from other governments	194,193	-	194,193	5,266
Notes receivable	2,216,704	-	2,216,704	1,515,279
Land held for resale	305,000	-	305,000	312,358
Net pension asset	151,250	-	151,250	-
Capital assets, not being depreciated	10,635,103	627,246	11,262,349	-
Capital assets, being depreciated (net of accumulated depreciation)	<u>38,971,768</u>	<u>24,490,085</u>	<u>63,461,853</u>	<u>53,951</u>
Total Assets	<u>131,065,627</u>	<u>32,373,998</u>	<u>163,439,625</u>	<u>3,592,312</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to pensions	8,595,981	95,858	8,691,839	-
Pension contributions subsequent to measurement date	890,383	125,920	1,016,303	-
Deferred outflows related to OPEB	3,381,613	192,076	3,573,689	-
Deferred loss on refunding	<u>1,194,631</u>	<u>-</u>	<u>1,194,631</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>14,062,608</u>	<u>413,854</u>	<u>14,476,462</u>	<u>-</u>
<b>LIABILITIES</b>				
Accounts payable	989,952	1,747,999	2,737,951	75,885
Accrued payroll	2,288,484	59,881	2,348,365	-
Accrued interest payable	2,630,111	27,253	2,657,364	-
Due to fiduciary funds	10,498	-	10,498	-
Unearned revenues	2,237,332	423,652	2,660,984	18,720
Security deposits	-	9,202	9,202	-
Other liabilities	1,891,563	-	1,891,563	864,854
Noncurrent liabilities				
Due within one year	5,911,007	279,243	6,190,250	-
Due in more than one year	<u>279,832,864</u>	<u>8,431,029</u>	<u>288,263,893</u>	<u>1,221,804</u>
Total Liabilities	<u>295,791,811</u>	<u>10,978,259</u>	<u>306,770,070</u>	<u>2,181,263</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to pensions	21,933,241	392,619	22,325,860	-
Deferred inflows related to OPEB	4,039,896	229,466	4,269,362	-
Deferred revenue - property taxes	<u>34,125,012</u>	<u>-</u>	<u>34,125,012</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>60,098,149</u>	<u>622,085</u>	<u>60,720,234</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	(24,963,362)	18,331,734	(6,631,628)	53,951
Restricted for				
Public safety	1,745,461	-	1,745,461	-
Public works	3,304,088	-	3,304,088	-
Economic development	8,382,287	-	8,382,287	-
Debt service	82,142,127	-	82,142,127	-
Unrestricted (deficit)	<u>(281,372,326)</u>	<u>2,855,774</u>	<u>(278,516,552)</u>	<u>1,357,098</u>
<b>TOTAL NET POSITION (DEFICIT)</b>	<u>\$ (210,761,725)</u>	<u>\$ 21,187,508</u>	<u>\$ (189,574,217)</u>	<u>\$ 1,411,049</u>

See accompanying notes to financial statements.

**CITY OF BERWYN, ILLINOIS**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2020**

FUNCTIONS/PROGRAMS	Net (Expense) Revenue and Change in Net Position							
	Program Revenues				Primary Government			Component Unit
	Expenses	Charges for Services	Operating Grants	Capital Grants	Governmental Activities	Business-Type Activities	Total	Berwyn Development Corporation
<b>PRIMARY GOVERNMENT</b>								
Governmental Activities								
General government	\$ 3,431,673	\$ 2,552,355	-	\$ -	\$ (879,318)	\$ -	\$ (879,318)	\$ -
Public safety	48,456,281	5,866,208	966,274	228,506	(41,395,293)	-	(41,395,293)	-
Public works	8,279,018	1,508,503	2,290,097	1,271,300	(3,209,118)	-	(3,209,118)	-
Economic development	2,607,616	-	575,773	-	(2,031,843)	-	(2,031,843)	-
Culture and recreation	4,921,945	105,336	205,321	-	(4,611,288)	-	(4,611,288)	-
Health and sanitation	-	10,000	-	-	10,000	-	10,000	-
Interest & debt issuance costs	9,776,916	-	-	-	(9,776,916)	-	(9,776,916)	-
Total Governmental Activities	<u>77,473,449</u>	<u>10,042,402</u>	<u>4,037,465</u>	<u>1,499,806</u>	<u>(61,893,776)</u>	<u>-</u>	<u>(61,893,776)</u>	<u>-</u>
Business-Type Activities								
Utilities	17,979,956	18,170,033	-	-	-	190,077	190,077	-
Parking Garage	249,205	66,084	-	-	-	(183,121)	(183,121)	-
Total Business-Type Activities	<u>18,229,161</u>	<u>18,236,117</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,956</u>	<u>6,956</u>	<u>-</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 95,702,610</u>	<u>\$ 28,278,519</u>	<u>\$ 4,037,465</u>	<u>\$ 1,499,806</u>	<u>(61,893,776)</u>	<u>6,956</u>	<u>(61,886,820)</u>	<u>-</u>
<b>COMPONENT UNIT</b>								
Berwyn Development Corporation	<u>\$ 1,193,702</u>	<u>\$ 1,456,979</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>263,277</u>
General Revenues								
Taxes								
Property					36,948,986	-	36,948,986	-
Sales					4,392,484	-	4,392,484	-
Home rule sales					4,570,878	-	4,570,878	-
Local use tax					2,529,919	-	2,529,919	-
Replacement					236,515	-	236,515	-
Municipal utility					2,739,274	-	2,739,274	-
Real estate transfer					2,138,624	-	2,138,624	-
Other					1,930,459	-	1,930,459	-
Income					6,278,236	-	6,278,236	-
Investment income					126,422	-	126,422	1,830
Miscellaneous					609,668	-	609,668	-
Transfers					-	-	-	-
Total General Revenues and Transfers					<u>62,501,465</u>	<u>-</u>	<u>62,501,465</u>	<u>1,830</u>
CHANGE IN NET POSITION					607,689	6,956	614,645	265,107
NET POSITION (DEFICIT), JANUARY 1 (Restated)					<u>(211,369,414)</u>	<u>21,180,552</u>	<u>(190,188,862)</u>	<u>1,145,942</u>
<b>NET POSITION (DEFICIT), DECEMBER 31</b>					<u>\$ (210,761,725)</u>	<u>\$ 21,187,508</u>	<u>\$ (189,574,217)</u>	<u>\$ 1,411,049</u>

CITY OF BERWYN, ILLINOIS

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2020**

	General	Public Safety Pension Funding	Debt Service	Berwyn Municipal Securitization	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and investments	\$ 15,143,975	\$ -	\$ 72,931	\$ 3,692,296	\$ 17,306,506	\$ 36,215,708
Restricted cash	-	-	152,800	-	896,094	1,048,894
Receivables (net, where applicable, of allowances for uncollectibles)						
Property taxes	19,633,888	3,020,635	8,124,211	-	3,410,275	34,189,009
Sales taxes	-	-	-	1,152,314	-	1,152,314
Home rule sales tax	-	-	-	1,230,168	-	1,230,168
Video gaming taxes	28,804	-	-	-	-	28,804
Cannabis taxes	6,263	-	-	-	-	6,263
Income taxes	-	-	-	1,400,768	-	1,400,768
Personal property replacement tax	40,360	-	-	-	-	40,360
Utility tax	344,221	-	-	-	-	344,221
Accounts	1,915,014	1	-	-	263,964	2,178,979
Interest	-	-	-	-	-	-
Prepaid items	188,900	-	-	-	255,791	444,691
Due from other funds	6,487,817	5,903	1,486,017	-	206,288	8,186,025
Due from other governments	-	-	-	-	194,193	194,193
Notes receivable	15,157	-	-	-	2,201,547	2,216,704
Advance to other funds	-	-	-	76,114,819	-	76,114,819
Land held for resale	-	-	-	-	305,000	305,000
<b>TOTAL ASSETS</b>	<b>\$ 43,804,399</b>	<b>\$ 3,026,539</b>	<b>\$ 9,835,959</b>	<b>\$ 83,590,365</b>	<b>\$ 25,039,658</b>	<b>\$ 165,296,920</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 719,244	\$ -	\$ -	\$ -	\$ 270,708	\$ 989,952
Accrued payroll	3,678,059	-	-	-	125,813	3,803,872
Unearned revenues	-	-	-	-	2,237,332	2,237,332
Due to other funds	6,529,616	-	-	1,448,238	3,578,045	11,555,899
Due to fiduciary funds	-	10,498	-	-	-	10,498
Other liabilities	1,654,742	-	155,414	-	81,407	1,891,563
Advance from other funds	-	28,911,060	47,203,759	-	-	76,114,819
<b>TOTAL LIABILITIES</b>	<b>12,581,661</b>	<b>28,921,558</b>	<b>47,359,173</b>	<b>1,448,238</b>	<b>6,293,305</b>	<b>96,603,935</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	19,615,282	3,013,761	8,103,161	-	3,392,808	34,125,012
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>19,615,282</b>	<b>3,013,761</b>	<b>8,103,161</b>	<b>-</b>	<b>3,392,808</b>	<b>34,125,012</b>
<b>FUND BALANCE</b>						
Nonspendable						
Notes receivable	15,157	-	-	-	-	15,157
Prepaid items	188,900	-	-	-	255,791	444,691
Restricted						
Public safety	-	-	-	-	1,745,461	1,745,461
Public works	-	-	-	-	3,304,088	3,304,088
Culture and recreation	-	-	-	-	1,678,476	1,678,476
Economic development	-	-	-	-	8,382,287	8,382,287
Debt service	-	-	-	82,142,127	-	82,142,127
Committed						
Capital projects funded by bonds	-	-	-	-	268,312	268,312
Assigned						
Fuel surcharge for gas pump repairs	40,482	-	-	-	-	40,482
Future community events	1,054	-	-	-	-	1,054
Unassigned (deficit)	11,361,863	(28,908,780)	(45,626,375)	-	(280,870)	(63,454,162)
<b>TOTAL FUND BALANCE</b>	<b>11,607,456</b>	<b>(28,908,780)</b>	<b>(45,626,375)</b>	<b>82,142,127</b>	<b>15,353,545</b>	<b>34,567,973</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 43,804,399</b>	<b>\$ 3,026,539</b>	<b>\$ 9,835,959</b>	<b>\$ 83,590,365</b>	<b>\$ 25,039,658</b>	<b>\$ 165,296,920</b>



**CITY OF BERWYN, ILLINOIS**

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION  
December 31, 2020**

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FUND BALANCES OF GOVERNMENTAL FUNDS	\$	34,567,973
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		49,606,871
Deferred inflows and outflows related to the net pension liability and total OPEB liability are not current financial resources and therefore, are not reported in the governmental funds		
Deferred outflows of resources		12,867,977
Deferred inflows of resources		(25,973,137)
Net pension asset is not receivable in the current year and therefore not reported in the governmental funds		151,250
Premiums or discounts on long-term liabilities and gains and losses on debt refundings are capitalized and amortized at the government-wide level		
Premium on bonds		(2,809,600)
Discount on bonds		460,773
Loss on refunding		1,194,631
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Bonded debt		(176,224,575)
Notes payable		(4,150,000)
Capital leases		(438,898)
Long-term compensated absences		(4,509,055)
Net pension liability		(76,526,158)
Total other postemployment benefit liability		(16,458,100)
Accrued interest on bonds		(2,630,111)
The unrestricted net position of the internal service funds are included in the governmental activities in the statement of net position		108,434
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$</b>	<b><u>(210,761,725)</u></b>

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See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 For the Year Ended December 31, 2020

	General	Public Safety Pension Funding	Debt Service	Berwyn Municipal Securitization	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Property taxes	\$ 19,421,749	\$ 2,721,454	\$ 7,632,646	\$ -	\$ 7,173,137	\$ 36,948,986
Other taxes	6,248,485	-	-	17,732,372	835,532	24,816,389
Licenses and permits	3,184,960	-	-	-	-	3,184,960
Charges for services	2,331,321	-	-	-	-	2,331,321
Fines and forfeitures	3,917,308	-	-	-	22,185	3,939,493
Intergovernmental	1,232,160	-	-	-	4,305,111	5,537,271
Investment income	65,591	1,638	6,796	10,287	41,017	125,329
Miscellaneous	1,075,769	-	-	-	114,046	1,189,815
Total Revenues	<u>37,477,343</u>	<u>2,723,092</u>	<u>7,639,442</u>	<u>17,742,659</u>	<u>12,491,028</u>	<u>78,073,564</u>
<b>EXPENDITURES</b>						
Current						
General government	3,667,042	-	-	89,850	-	3,756,892
Public safety	39,763,532	2,721,454	-	-	986,762	43,471,748
Public works	5,887,231	-	-	-	2,105,503	7,992,734
Economic development	519,369	-	-	-	1,869,368	2,388,737
Culture and recreation	1,524,836	-	-	-	3,354,869	4,879,705
Capital outlay	-	-	-	-	1,030,314	1,030,314
Debt service						
Principal	-	-	7,397,634	-	112,528	7,510,162
Interest and fiscal charges	-	-	4,670,267	4,462,342	75,634	9,208,243
Bond issuance costs	-	-	-	-	244,820	244,820
Total Expenditures	<u>51,362,010</u>	<u>2,721,454</u>	<u>12,067,901</u>	<u>4,552,192</u>	<u>9,779,798</u>	<u>80,483,355</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(13,884,667)</u>	<u>1,638</u>	<u>(4,428,459)</u>	<u>13,190,467</u>	<u>2,711,230</u>	<u>(2,409,791)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	12,972,058	718,744	2,173,230	-	199,035	16,063,067
Transfers (out)	(199,035)	-	(64,299)	(14,976,741)	(822,992)	(16,063,067)
Debt Proceeds	349,123	-	3,850,000	-	7,140,000	11,339,123
Total Other Financing Sources (Uses)	<u>13,122,146</u>	<u>718,744</u>	<u>5,958,931</u>	<u>(14,976,741)</u>	<u>6,516,043</u>	<u>11,339,123</u>
NET CHANGE IN FUND BALANCES	(762,521)	720,382	1,530,472	(1,786,274)	9,227,273	8,929,332
FUND BALANCES, JANUARY 1	<u>12,369,977</u>	<u>(29,629,162)</u>	<u>(47,156,847)</u>	<u>83,928,401</u>	<u>6,126,272</u>	<u>25,638,641</u>
<b>FUND BALANCES, DECEMBER 31</b>	<u>\$ 11,607,456</u>	<u>\$ (28,908,780)</u>	<u>\$ (45,626,375)</u>	<u>\$ 82,142,127</u>	<u>\$ 15,353,545</u>	<u>\$ 34,567,973</u>

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2020**

NET CHANGE IN FUND BALANCES -			
TOTAL GOVERNMENTAL FUNDS	\$		8,929,332
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities			
			1,582,863
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities			
General obligation bonds			7,240,000
Mortgage notes			157,648
Capital leases			272,936
TIF revenue bonds			112,528
The issuance of long term debt is reported as an other financing source in governmental funds but is recorded as a liability in the statement of net position			
			(11,339,123)
Changes in net pension liabilities are reported only in the statement of activities			
Police pension			9,698,386
Firefighters' pension			490,610
IMRF			4,255,794
IMRF SLEP			36,353
Changes in certain deferred outflows and inflows are not included in the governmental funds			
Deferred outflow of resources related to pensions			(3,898,257)
Deferred inflow of resources related to pensions			(14,222,511)
Deferred outflow of resources related to OPEB			598,095
Deferred inflow of resources related to OPEB			(3,257,347)
Other postemployment benefits are recognized when paid within the governmental funds; however, they are recognized as earned in the government-wide financial statements			
			2,938,263
Changes in long-term accrued compensated absences are reported only in the statement of activities			
			(493,666)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds			
Depreciation			(2,177,920)
Change in accrued interest payable			(9,919)
Amortization of accounting loss on refunding			(537,791)
Amortization of bond premium and discount			223,844
The change in net position of certain activities of internal service funds is reported with governmental activities			
			7,571
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$		607,689

CITY OF BERWYN, ILLINOIS

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 December 31, 2020

	Business-Type			Governmental Activities Internal Service
	Utilities	Parking Garage	Total	
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and investments	\$ -	\$ -	\$ -	\$ 71,792
Restricted cash	743,630	-	743,630	-
Receivables				
Accounts (net of allowance)	6,328,932	-	6,328,932	1,552
Prepaid expenses	-	-	-	422,191
Due from other funds	-	1,645,640	1,645,640	3,185,768
<b>Total Current Assets</b>	<b>7,072,562</b>	<b>1,645,640</b>	<b>8,718,202</b>	<b>3,681,303</b>
<b>NONCURRENT ASSETS</b>				
Capital assets				
Capital assets, not being depreciated	627,246	-	627,246	-
Capital assets, net of accumulated depreciation	16,394,976	8,095,109	24,490,085	-
Net Capital Assets	17,022,222	8,095,109	25,117,331	-
<b>Total Noncurrent Assets</b>	<b>17,022,222</b>	<b>8,095,109</b>	<b>25,117,331</b>	<b>-</b>
<b>Total Assets</b>	<b>24,094,784</b>	<b>9,740,749</b>	<b>33,835,533</b>	<b>3,681,303</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to OPEB	192,076	-	192,076	-
Deferred outflows related to pensions	95,858	-	95,858	-
Pension contributions subsequent to measurement date	125,920	-	125,920	-
<b>Total Deferred Outflows of Resources</b>	<b>413,854</b>	<b>-</b>	<b>413,854</b>	<b>-</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	1,746,091	1,908	1,747,999	-
Claims payable	-	-	-	838,890
Accrued payroll	59,881	-	59,881	-
Security deposits	-	9,202	9,202	-
Unearned revenue	423,652	-	423,652	-
Accrued interest payable	27,253	-	27,253	-
Bonds payable	250,000	-	250,000	-
Compensated absences	29,243	-	29,243	-
Due to other funds	1,461,535	-	1,461,535	-
<b>Total Current Liabilities</b>	<b>3,997,655</b>	<b>11,110</b>	<b>4,008,765</b>	<b>838,890</b>
<b>LONG-TERM LIABILITIES</b>				
Claims payable	-	-	-	2,733,979
Bonds payable	7,279,227	-	7,279,227	-
Net pension obligation	152,135	-	152,135	-
Total OPEB liability	934,821	-	934,821	-
Compensated absences payable	64,846	-	64,846	-
<b>Total Long-Term Liabilities</b>	<b>8,431,029</b>	<b>-</b>	<b>8,431,029</b>	<b>2,733,979</b>
<b>Total Liabilities</b>	<b>12,428,684</b>	<b>11,110</b>	<b>12,439,794</b>	<b>3,572,869</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to OPEB	229,466	-	229,466	-
Deferred inflows related to pensions	392,619	-	392,619	-
<b>Total Deferred Inflows of Resources</b>	<b>622,085</b>	<b>-</b>	<b>622,085</b>	<b>-</b>
<b>NET POSITION</b>				
Net investment in capital assets	10,236,625	8,095,109	18,331,734	-
Unrestricted	1,221,244	1,634,530	2,855,774	108,434
<b>Total Net Position</b>	<b>\$ 11,457,869</b>	<b>\$ 9,729,639</b>	<b>\$ 21,187,508</b>	<b>\$ 108,434</b>

See accompanying notes to financial statements.

**CITY OF BERWYN, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2020**

	Business-Type			Governmental Activities Internal Service
	Utilities	Parking Garage	Total	
<b>OPERATING REVENUES</b>				
Charges for services				
Billings	\$ 17,645,248	\$ -	\$ 17,645,248	\$ -
Penalties	426,489	-	426,489	-
Meter sales	82,540	-	82,540	-
Internal service charges	-	-	-	2,777,626
Other revenue	15,756	66,084	81,840	6,480
	<u>18,170,033</u>	<u>66,084</u>	<u>18,236,117</u>	<u>2,784,106</u>
Total Operating Revenues				
<b>OPERATING EXPENSES</b>				
Salaries and benefits	2,028,610	-	2,028,610	-
Internal service fund charge	242,189	2,795	244,984	-
Cost of water	7,258,214	-	7,258,214	-
Contractual services	4,991,702	-	4,991,702	664,776
Utilities and cost of fuel	90,715	13,878	104,593	-
Repairs and maintenance	139,270	6,167	145,437	-
Postage, printing and publications	53,181	-	53,181	-
Commodities and supplies	194,296	-	194,296	-
Interdepartmental charges	1,276,234	-	1,276,234	-
Supplies	135	-	135	-
Other general	5,049	-	5,049	-
Equipment lease	35,253	-	35,253	-
Claims expense	-	-	-	2,112,852
Capital outlay	89,015	-	89,015	-
Depreciation	1,265,729	226,365	1,492,094	-
	<u>17,669,592</u>	<u>249,205</u>	<u>17,918,797</u>	<u>2,777,628</u>
Total Operating Expenses				
Operating Income (Loss)	<u>500,441</u>	<u>(183,121)</u>	<u>317,320</u>	<u>6,478</u>
<b>NON-OPERATING INCOME (EXPENSE)</b>				
Investment income	-	-	-	1,093
Interest expense	(310,364)	-	(310,364)	-
Total Non-operating Income (Expense)	<u>(310,364)</u>	<u>-</u>	<u>(310,364)</u>	<u>1,093</u>
CHANGE IN NET POSITION	190,077	(183,121)	6,956	7,571
NET POSITION, JANUARY 1	<u>11,267,792</u>	<u>9,912,760</u>	<u>21,180,552</u>	<u>100,863</u>
<b>NET POSITION, DECEMBER 31</b>	<u>\$ 11,457,869</u>	<u>\$ 9,729,639</u>	<u>\$ 21,187,508</u>	<u>\$ 108,434</u>

See accompanying notes to financial statements.

**CITY OF BERWYN, ILLINOIS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2020**

	Business-Type			Governmental Activities Internal Service
	Utilities	Parking Garage	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 17,695,256	\$ 67,901	\$ 17,763,157	\$ 2,784,807
Payments to employees	(2,093,371)	-	(2,093,371)	-
Payments to suppliers	(12,867,825)	(18,137)	(12,885,962)	(2,221,972)
Payments for interfund services used	(1,518,423)	(2,795)	(1,521,218)	-
Net cash from operating activities	<u>1,215,637</u>	<u>46,969</u>	<u>1,262,606</u>	<u>562,835</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
(Increase) in interfund receivable	-	(46,969)	(46,969)	(583,577)
(Decrease) in interfund payable	(532,224)	-	(532,224)	-
Net cash from noncapital financing activities	<u>(532,224)</u>	<u>(46,969)</u>	<u>(579,193)</u>	<u>(583,577)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Interest paid on capital debt	(310,875)	-	(310,875)	-
Principal paid on debt	(197,288)	-	(197,288)	-
Purchase of capital assets	(303,000)	-	(303,000)	-
Net cash from capital and related financing activities	<u>(811,163)</u>	<u>-</u>	<u>(811,163)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment income received	-	-	-	1,093
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(127,750)</u>	<u>-</u>	<u>(127,750)</u>	<u>(19,649)</u>
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>	<u>871,380</u>	<u>-</u>	<u>871,380</u>	<u>91,441</u>
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<u>\$ 743,630</u>	<u>\$ -</u>	<u>\$ 743,630</u>	<u>\$ 71,792</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 500,441	\$ (183,121)	\$ 317,320	\$ 6,478
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	1,265,729	226,365	1,492,094	-
Changes in assets and liabilities				
Accounts receivable	(474,394)	1,817	(472,577)	701
Prepaid expense	-	-	-	(99,197)
Accounts payable	(10,995)	1,908	(9,087)	-
Accrued payroll and compensated absences	(23,107)	-	(23,107)	153,756
Unearned revenue	(383)	-	(383)	-
Net pension obligation	(647,535)	-	(647,535)	-
Net OPEB liability	(146,163)	-	(146,163)	-
Deferred outflow and inflow of resources	752,044	-	752,044	-
Claims payable	-	-	-	501,097
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>\$ 1,215,637</u>	<u>\$ 46,969</u>	<u>\$ 1,262,606</u>	<u>\$ 562,835</u>
<b>CASH AND INVESTMENTS</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 71,792
Restricted cash	<u>743,630</u>	<u>-</u>	<u>743,630</u>	<u>-</u>
<b>TOTAL CASH AND INVESTMENTS</b>	<u>\$ 743,630</u>	<u>\$ -</u>	<u>\$ 743,630</u>	<u>\$ 71,792</u>
<b>NON-CASH TRANSACTIONS</b>				
Contribution of capital assets	\$ -	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

CITY OF BERWYN, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION  
PENSION TRUST FUNDS  
December 31, 2020

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**ASSETS**

Cash and investments	
Cash and cash equivalents	\$ 2,790,635
Investments	
U.S. Government and agency securities	28,698,527
Corporate bonds	27,548,512
Equities	15,873,421
Equity mutual funds	105,632,847
State and local obligations	1,171,150
Insurance contracts	<u>200,180</u>

    Total Cash and Investments 181,915,272

Receivables	
Accrued interest	271,352
Due from governmental funds	<u>11,342</u>

    Total Receivables 282,694

Prepays	<u>1,850</u>
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    Total Assets 182,199,816

**LIABILITIES**

Accounts payable	74,503
Due to governmental funds	<u>844</u>

    Total Liabilities 75,347

**NET POSITION RESTRICTED FOR PENSIONS** \$ 182,124,469

CITY OF BERWYN, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PENSION TRUST FUNDS

For the Year Ended December 31, 2020

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**ADDITIONS**

Contributions	
Employer	\$ 2,721,454
Participants	<u>1,786,040</u>
Total Contributions	<u>4,507,494</u>
Investment income	
Net appreciation in fair value of investments	18,466,448
Interest earned	3,577,325
Less investment expenses	<u>(357,538)</u>
Total Investment Income	<u>21,686,235</u>
Total Additions	<u>26,193,729</u>

**DEDUCTIONS**

Administrative	195,299
Pension benefits and refunds	<u>11,480,291</u>
Total Deductions	<u>11,675,590</u>

NET INCREASE 14,518,139

NET POSITION RESTRICTED FOR PENSIONS - January 1 167,606,330

**NET POSITION RESTRICTED FOR PENSIONS - December 31** \$ 182,124,469



## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Berwyn, Illinois (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (hereinafter referred to as generally accepted accounting principles (GAAP)), as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's and Berwyn Development Corporation's (the BDC) accounting policies are described below.

Reporting Entity: As required by GAAP, these financial statements present the City (the primary government) and its component unit.

The City's financial statements include two pension trust funds.

*Police Pension Fund* – The City's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one elected pension beneficiary, and two elected police employees constitute the pension board. The City and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, the PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's police employees, and because of the fiduciary nature of such activities. The PPERS is reported as a pension trust fund.

*Firefighters' Pension Fund* – The City's firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two are appointed by the City's Mayor, two are elected from active participants, and one is elected from retired participants of the Fund. The City and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, the FPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's firefighters and because of the fiduciary nature of such activities. The FPERS is reported as a pension trust fund.

## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City's financial statements also include two component units.

*Discretely Presented Component Unit – Berwyn Development Corporation (the BDC)* – The BDC provides low-interest lending assistance to local businesses. The City guarantees the lines of credits used to fund these loans and approves all loans to local businesses. Therefore, the BDC is fiscally dependent on the City. In addition, the BDC manages loans provided directly by the City to local businesses and also manages the City's tax increment financing projects. Separately issued audited financial statements can be obtained by mailing a request to the Berwyn Development Corporation, 3322 S. Oak Park Ave, Second Floor, Berwyn, IL 60402.

*Blended Component Unit – Berwyn Municipal Securitization Corporation (the BMSC)* - The BMSC was established on February 12, 2019 for the purpose of issuing bonds on behalf of the City in order to provide funding for any lawful purpose of the City including but not limited to the funding of capital and infrastructure projects, the refunding of certain outstanding tax-exempt and taxable general obligation bonds, the repayment of the bank line of credit, and the funding of the City's Police and Firefighter Pension Funds. To repay the debt service associated with the bonds issued by the BMSC, the City has sold and assigned its home rule sales tax, local share sales tax, state use tax and state income tax revenues to the BMSC in order to make such payments. Pursuant to State of Illinois Public Act 100-0023, the sale resulted in a "statutory lien" that would insulate the sales and assignment from unfavorable actions in the event of a bankruptcy or other reorganization of the City. The Board of the BMSC consists of three voting members: the City Treasurer and two Independent Directors who are independent of the City. Each Independent Director is appointed to a term of four years by the Mayor, with the approval of a majority vote of the City Council. In the event that the position of City Treasurer is vacant, a replacement director shall be appointed by the City's Mayor with the approval of the Council to serve until a new Treasurer is elected. Separately issued financial statements can be obtained on the City's website ([www.berwyn-il.gov](http://www.berwyn-il.gov)).

Fund Accounting: The City uses funds to report on its financial position, changes in financial position, and cash flows. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the acquisition or construction of capital assets (capital projects funds), and the servicing of governmental long-term debt (debt service funds).

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the City (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the City.

Government-Wide and Fund Financial Statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used between funds have not been eliminated in the process of consolidation. Governmental activities which normally are supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major governmental funds:

General Fund is the City's primary operating fund. It accounts for all financial resources of the City, not accounted for in another fund.

Debt Service Fund is used to account for the accumulation of resources restricted, committed, or assigned to the payment of governmental long-term debt, other than debt service payments made by the proprietary funds.

Berwyn Municipal Securitization Fund is used to account for the activities of the Berwyn Municipal Securitization Corporation including the issuance of debt for the benefit of the City as well as the receipt of sales and income tax revenues pledged by the City in order to pay debt service related to the bonds issued.

Public Safety Pension Funding Fund was created in 2019 to account for revenues restricted for making the City's contributions to the police and fire pension funds and the related expenditures. This includes a restricted property tax levy and proceeds from bonds issued for pension funding.

The City reports the following fiduciary funds:

The City reports Pension Trust Funds as fiduciary funds to account for the Firefighters' Pension Fund and the Police Pension Fund.

The City reports the following proprietary funds:

The Utilities Fund, an enterprise fund, is used to account for water, sewer, and garbage services provided to the residents of the City. The Utilities Fund is a major fund.

The Parking Garage Fund, an enterprise fund, is used to account for the operation of the municipal parking garage in the South Berwyn TIF District. The Parking Garage Fund is a major fund.

The Self Insurance Retention Fund, an internal service fund, is used to account for the liability and workers' compensation claims of the City.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Measurement Focus, Basis of Accounting and Financial Statement Presentation: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, usually 90 days. The City recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Sales taxes owed from the state at year end, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Income and motor fuel taxes and fines collected and held by the state or county at year end on behalf of the City also are recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible-to-accrual criteria are met.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The City reports unavailable/unearned revenue on its financial statements. Unavailable/unearned revenues arise when potential revenue does not meet both the “measurable” and “available” or “earned” criteria for recognition in the current period. Unavailable/unearned revenues also arise when resources are received by the government before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for unavailable/unearned revenue is removed from the financial statements and revenue is recognized.

All proprietary funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the City’s proprietary funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments: Investments with a maturity of less than one year when purchased and non-negotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value measurements are categorized within the fair value hierarchy established GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Interfund Transactions: During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the financial statements. Short-term interfund loans, if any, are classified as “interfund receivables/payables.” Long term receivables and payables are classified as “advance from other funds” or “advance to other funds”.

Advances between funds are offset by a nonspendable or restricted fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Internal service transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except internal services transactions and reimbursements, are reported as transfers.

Prepaid Items/Expenses: Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses under the consumption method.

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, storm sewers, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

The costs of normal maintenance and repairs, including street overlays, that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

Vehicles	5 - 20 years
Equipment	5 - 15 years
Land improvements	18 - 25 years
Buildings	15 - 50 years
Infrastructure	17 - 75 years

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Deferred outflows/inflows of resources: In addition to assets and liabilities, the statement of net position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources and deferred inflows of resources represent a consumption or acquisition of net assets, respectively, that apply to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) or an inflow of resources (revenue) until then.

The items that qualify for reporting in this category for the City relate to the City's pension plans, the OPEB plan, deferred loss on debt refunding and unearned property taxes. The amounts related to the pension and OPEB plans and the method by which they are recognized as revenue or expense are as follows:

<u>Description of Amount</u>	<u>Recognition</u>
1. The effect of differences between expected and actual experience	Over the average of the expected remaining service lives of all employees that are provided with pension/OPEB benefits
2. Changes of assumptions	Same as above
3. The net difference between projected and actual earnings on pension plan investments	Over a five year period
4. Contributions to the Illinois Municipal Retirement Fund by the City subsequent to the measurement date of the net pension liability (December 31, 2019) and before the end of the fiscal year.	Expensed in the subsequent fiscal year

The deferred loss on the refunding of debt is being recognized in interest expense over the shorter of the remaining life of the old or the new debt.

Finally, deferred revenue related to property taxes is reported in both the governmental funds and the government wide statements because they represent property taxes that are a current receivable but are intended to finance future periods.



## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences: Under terms of employment and various union contracts, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

Vacation time does not accumulate. For certain bargaining units, current employees may receive compensation for up to 10 days of unused vacation time. For all other employees, any vacation time not taken by current employees is forfeited. Upon termination or resignation during the year, employees are compensated for that year's earned vacation time. As such, no liability is reported for unused vacation time.

Employees earn sick leave at various rates. Any unused sick leave at year end accumulates in that employee's bank. Employees' banks are capped at 30 - 40 days, depending on the applicable contract. After year end, any days in excess of the cap are purchased back by the City. Upon retirement, certain employees are eligible to have their sick leave paid out. Upon termination or resignation, no compensation for unused sick leave is made. However, unused sick leave may be converted to years of service for IMRF purposes. The City has accrued all accumulated sick leave as a liability in the government-wide financial statements. Only the portion of sick leave purchased back in the following year is accrued within the fund statements. At December 31, 2020, the City reported \$1,515,366 within its General Fund and \$29,243 within its Utilities Fund related to sick leave purchased back for 2020. The balances are recorded as a portion of the noncurrent liabilities – due within one year balances on the Statement of Net Position for both governmental and business-type activities.

Long-Term Obligations: In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as losses on refundings, are deferred and amortized over the life of the bonds on the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Losses on refunding are reported as deferred outflows.

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

## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances/Net Position: In compliance with Governmental Accounting Standard Board's (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the fund balance section of the balance sheet of the governmental funds includes the following line items:

- a) Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
- b) Restricted fund balance is externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments as well as limitations imposed by law through constitutional provision or enabling legislation. In the TIF funds, land for resale will be classified as restricted instead of nonspendable as proceeds from the sale of those assets will be restricted for future economic development. Amounts restricted for public safety are for fire (\$57,328), the 911 dispatch center (\$1,087,121) and police (\$601,012). Amounts restricted for public works are for street and highway maintenance. Amounts restricted for culture and recreation are for the library. Amounts restricted for economic development are for TIF eligible costs.
- c) Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the City, the City Council is the highest level of decision-making, and has the ability to vote to establish, modify, or rescind a fund balance commitment by passage of a City ordinance. As of December 31, 2020, the City has committed fund balance for capital projects funded with bond proceeds.
- d) Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the official designated by the City Council for that purpose. Through the adopted Fund Balance Policy, the Finance Director has been designated by the City Council to determine the intent of funds and assign amounts to be used for specific purposes. The City Administrator has been entrusted with reviewing and approving the assignment made by the Finance Director. As of December 31, 2020, the City has assigned fund balance for the purpose of replacing gas pumps under control of the City's Public Works Department and for future community events.
- e) Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. Negative fund balances in governmental funds other than the general fund are also unassigned.

## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

If there is an expenditure incurred for purposes for which restricted, committed, assigned, or unassigned fund balance classifications could be used, then the City will consider restricted fund balance to be spent first, then committed fund balance, followed by assigned fund balance and finally unassigned fund balance.

The City's policy requires fund balance in the General and Library Funds to be 16% of the next year's budget to fund January and February's expenditures of the following year as property tax revenues funding the following year are not received until March. The Motor Fuel Tax Fund shall be maintained at a minimum of 15% of the following year's expected capital projects. The Utilities Fund shall be maintained at a minimum of 10% of the subsequent year's budget in preparation for unforeseen expenditures. The City will strive to ensure that all remaining funds have a positive fund balance.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets. In cases where either restricted or unrestricted funds can be used to pay expenditures, restricted funds will be used first until exhausted.

Restricted Cash: Property taxes levied for the purpose of making debt service payments on the 2008-2014 bond issues are required by bond covenants to be directly deposited in an escrow account. The balance of that escrow account at December 31, 2020 is classified as restricted cash on the balance sheet because its use is limited by applicable bond covenants. The restricted cash balance is \$152,800 and is to be used to make future interest payments on June 1, 2021.

In addition, \$894,208 of the 2020 TIF bond issue is being held in an escrow account for future interest payments (\$180,208) and as a debt service reserve fund (\$714,000).

Finally, unspent bond proceeds in the amount of \$743,630 to be used for a capital project in the Utilities Fund are classified as restricted cash on the Statement of Net Position.

Accounting 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Deficit Fund Balances: The City had deficit fund balances as follows at December 31, 2020:

<u>Fund</u>	<u>Deficit Balance</u>	<u>Explanation/Resolution</u>
CDBG	\$ 241,643	Expenditures for which grant revenue was not received The City will evaluate the need for a General Fund subsidy
Ogden Ave TIF	15,200	Property tax refunds from expired TIF The City will evaluate the need for a General Fund subsidy
Ridgeland Ave TIF	2,025	Expected to be repaid from future tax increment
Debt Service	45,626,375	Advances stemming from the bond issuance of the Berwyn Municipal Securitization Corporation to be amortized over the life of the related bonds
Public Safety Pension Funding	28,908,780	Advances stemming from the bond issuance of the Berwyn Municipal Securitization Corporation to be amortized over the life of the related bonds
State Asset Forfeiture	22,002	Expected to be repaid from future recognition of unearned revenues

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

City Deposits and Investments: The City's cash and investments (including pension funds) at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>Associated Risk</u>
Demand Deposits	\$ 28,253,529	\$ 29,191,214	Custodial credit deposits
Illinois Funds	11,983,420	11,969,923	Credit rate risk
Certificates of deposit	633,710	633,710	Custodial credit deposits
U.S. Treasury	11,539,911	11,539,911	Custodial credit investments and interest rate risks
U.S. agencies	17,158,616	17,158,616	Custodial credit investments, credit, concentration of credit and interest rate risk
Insurance Company Contracts	200,180	200,180	Credit and interest rate
Corporate bonds	27,548,512	27,548,512	Custodial credit, credit, and interest rate risk
Equities	15,873,421	15,873,421	Custodial credit risk
Equity mutual funds	105,632,847	105,632,847	Custodial credit risk
State and local obligations	<u>1,171,150</u>	<u>1,171,150</u>	Custodial credit, credit, and interest rate risk
	<u>\$ 219,995,296</u>	<u>\$ 220,919,484</u>	
Reconciliation to financial statements			
Per Statement of Net Position			
Cash and investments	\$ 36,287,500		
Restricted cash	1,792,524		
Per Statement of Fiduciary Net Position -			
Total Cash and Investments	<u>181,915,272</u>		
Total Cash and Investments	<u>\$ 219,995,296</u>		

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## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### **NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

The City's investment policy authorizes the City to invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and Illinois insurance company general and separate accounts, corporate bonds, mutual funds and equity securities.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the Securities and Exchange Commission (SEC) as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, the price for which the investment could be sold.

It is the policy of the City to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and rate of return.

*Custodial Credit Risk:* Deposits - Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it.

The City's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held at an independent third-party institution in the name of the City. As of December 31, 2020, all of the City's bank balances were either insured or collateralized.

*Investments:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

To limit its exposure, the City's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party custodian designated by the City, in the City's name.

*Credit Risk:* Credit Risk – is the risk that an issuer or other counterparty to an investment will not fulfill its obligation.

The City limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by investing in external investment pools. Illinois Funds is rated AAA.

*Interest Rate Risk:* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

*Concentration of Credit Risk:* Concentration of credit risk is the risk that the City has a high percentage of their investments invested in one type of investment. At December 31, 2020, none of the City's deposits were subject to such risk. The City's investment policy requires diversification of investment to avoid unreasonable risk but has no set percentage limits.

Police Pension Deposits and Investments: The Police Pension Fund's investment policy authorizes the Police Pension Fund to invest in all investments allowed by the Illinois Pension Code contained in Chapter 40 of Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, interest bearing obligations of the U.S. Treasury and U.S. agencies, interest bearing bonds of the State of Illinois or any county, township or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, corporate bonds, common and preferred stock and the Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value).

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

It is the policy of the Police Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the cash flow demands of the Police Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, rate of return, public trust and liquidity.

*Custodial Credit Risk:* In the case of deposits, this is the risk that in the event of a bank failure, the Police Pension Fund’s deposits may not be returned to it. At December 31, 2020, the entire amount of the bank balance of the Pension Fund’s deposits were covered by federal depository or equivalent insurance. The Pension Fund’s investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through Federal Deposit Insurance Corporation (FDIC) insurance is available for the Pension Fund’s deposits with financial institutions.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. Although not specifically required by the investment policy, the Police Pension Fund limits its exposure by requiring the investment custodian to acquire an excess Securities Investor Protection Corporation (SIPC) policy to provide the same coverage for the portfolio as would be provided by the SIPC.

*Interest Rate Risk:* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Police Pension Fund’s investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.



**CITY OF BERWYN, ILLINOIS**Notes to financial statements  
December 31, 2020**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

As of December 31, 2020, the Police Pension Fund's investments in debt securities were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity in Years</u>			
		<u>Less than</u> <u>1 Year</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>Over 10</u>
State & local obligations	\$ 442,950	\$ 75,000	\$ 155,623	\$ 101,832	\$ 110,495
U.S. Treasury	7,455,110	-	2,904,278	4,550,832	-
U.S. Agencies	11,933,200	7,700,366	702,965	806,473	2,723,396
Corporate bonds	<u>15,174,494</u>	<u>280,257</u>	<u>6,315,366</u>	<u>7,197,030</u>	<u>1,381,841</u>
Total	<u>\$35,005,754</u>	<u>\$ 8,055,623</u>	<u>\$10,078,232</u>	<u>\$12,656,167</u>	<u>\$ 4,215,732</u>

*Credit Risk:* The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in securities issued by the U.S. Government and/or its agencies that are implicitly guaranteed by the U.S. Government. The investments in State and Local Obligations were rated AA or higher and the securities of U.S. Government Agencies were all rated AAA by Standard & Poor's or by Moody's Investors Services or were small issues that were unrated. In August 2011, U.S Treasury and government agency security ratings were downgraded by Standard & Poor's rating agency to AA+. Unrated or underrated investments individually are under \$1,000,000 and total \$6,161,301. Corporate bonds were rated BBB or higher by Standard & Poor's or by Moody's Investors Services.

The Police Pension Fund's investment policy also prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

*Concentration of Credit Risk:* Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of their investments invested in one issuer. The Police Pension Fund does not have a formal written policy with regards to concentration credit risk for investments. At December 31, 2020, the Police Pension Fund does not have any investments over 5 percent of net position (other than investments issued or explicitly guaranteed by the U.S. Government, investments in mutual funds, external investment pools, and other pooled investments). Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and are backed by the issuing organization. Although unlike the US Treasury, agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by the US Treasury lines of credit and

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

increasingly stringent federal regulation.

The Police Pension Fund’s investment policy requires diversification of investments to avoid unreasonable risk. The Police Pension Fund’s investment policy has a stated target that 38% of its portfolio be in fixed income securities, a 33% target in domestic equities, a 24% target in international equities, a 3% target in REITs with the remaining 2% to be in cash and equivalents. The Police Pension Fund has diversified its insurance contract and equity mutual fund holdings as follows:

Vanguard 500 Index Admiral Fund	\$ 23,768,506
Vanguard Total International Stock Index Fund	9,786,793
Vanguard Emerging Markets Stock Index Fund	7,344,961
Thornburg International Growth Fund	5,621,707
Artisan Mid Cap Fund	4,348,676
Tweedy Browne Global Value Fund	4,286,265
Vanguard Small Cap Index Funds	4,079,734
Voya Real Estate Fund	2,481,550
Vanguard Mid Cap Index Funds	735,466
Putnam Insurance	29,592

The Police Pension Fund has the following recurring fair value measurements as of December 31, 2020:

	Total December 31, <u>2020</u>	<u>Fair Value Measurements Using</u>		
		Quoted Prices in Active Markets for Identical Assets <u>(Level 1)</u>	Significant Other Observable Inputs <u>(Level 2)</u>	Significant Unobservable Inputs <u>(Level 3)</u>
<b>Debt Securities:</b>				
U.S. Treasuries	\$ 7,455,110	\$ 7,455,110	\$ -	\$ -
U.S. Agencies	11,933,200	-	11,933,200	-
Corporate Bonds	15,174,494	-	15,174,494	-
State and Local Obligations	442,950	-	442,950	-
<b>Equity Securities:</b>				
Insurance Contracts	29,562	29,562	-	-
Equity Securities:	10,689,655	10,689,655	-	-
Mutual Funds	<u>62,453,658</u>	<u>62,453,658</u>	-	-
<b>Total Investments</b>	<u><u>\$ 108,178,629</u></u>	<u><u>\$ 80,627,985</u></u>	<u><u>\$ 27,550,644</u></u>	<u><u>\$ -</u></u>

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Firefighters' Pension Deposits and Investments: The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, corporate bonds, equities, short-term commercial paper rated within the three highest classifications by at least two standard rating services and the Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value). The Firefighters' Pension Fund's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

It is the policy of the Firefighters' Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Firefighters' Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and rate of return.

*Custodial Credit Risk:* In the case of deposits, this is the risk that in the event of a bank failure, the Firefighters' Pension Fund's deposits may not be returned to it. At December 31, 2020, the entire bank balance of the Pension Fund's deposits was insured and collateralized. The Firefighters' Pension Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Firefighters' Pension Fund's deposits with financial institutions.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. Although not specifically required by the investment policy, the Firefighters' Pension Fund limits its exposure by requiring the investment custodian to acquire an excess SIPC policy to provide the same coverage for the portfolio as would be provided by the SIPC.

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

*Interest Rate Risk:* In accordance with its investment policy, the Firefighters’ Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

As of December 31, 2020, the Firefighters’ Pension Fund’s investments matured as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity in Years</u>			
		<u>Less than 1 Year</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>Over 10</u>
U.S. Treasury	\$ 4,084,801	\$ -	\$ 1,147,302	\$ 2,937,499	\$ -
U.S. Agencies	5,225,416	4,946,567	79,868	-	198,981
Corporate bonds	12,374,018	758,314	6,751,625	4,255,936	608,143
State and local obligations	<u>728,200</u>	<u>110,857</u>	<u>185,532</u>	<u>256,396</u>	<u>175,415</u>
Total	<u>\$ 22,412,435</u>	<u>\$ 5,815,738</u>	<u>\$ 8,164,327</u>	<u>\$ 7,449,831</u>	<u>\$ 982,539</u>

*Credit Risk:* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Pension Fund’s investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The Investments in State and Local Obligations were rated AA or higher and the securities of U.S. Government Agencies were all rated AAA by Standard & Poor’s or by Moody’s Investors Services or were small issues that were unrated. In August 2011, U.S Treasury and government agency security ratings were downgraded by Standard & Poor’s rating agency to AA+. Unrated or underrated investments individually total \$1,445,976 as of December 31, 2020. Corporate bonds were rated BBB or higher by Standard & Poor’s or by Moody’s Investors Services.

The Firefighters’ Pension Fund’s investment policy also prescribes to the “prudent person” rule, which states, “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return.”

*Concentration of Credit Risk:* Concentration of credit risk is the risk that the Firefighters’ Pension Fund has a high percentage of their investments invested in one issuer. The Firefighter’s Pension Fund does not have a formal written policy with regards to concentration credit risk for investments. At December 31, 2020, the Firefighter’s Pension Fund does not have any investments over 5 percent of net position (other than investments issued or explicitly guaranteed by the U.S. Government,

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**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

investments in mutual funds, external investment pools, and other pooled investments). Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and are backed by the issuing organization. Although unlike the US Treasuries, agency securities do not have the “full faith and credit” backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by the US Treasury lines of credit and increasingly stringent federal regulation.

The Firefighters’ Pension Fund’s investment policy requires diversification of investments to avoid unreasonable risk. The Firefighters’ Pension Fund’s investment policy has a stated target that 38% of its portfolio be in fixed income securities, a 33% target in domestic equities, a 24% target in international equities, a 3% target in REITs with the remaining 2% to be in cash and equivalents. The Fire Pension Fund has diversified its insurance contract and equity mutual fund holdings as follows:

Vanguard 500 Index Admiral Fund	\$ 16,978,057
Harding Loevner Emerging Markets Advisor Fund	5,288,134
Thornburg International Growth Fund	5,111,998
Harding Loevner International Equity Portfolio	4,758,950
Vanguard Total International Stock Index Fund	4,239,399
Vanguard Small Cap Index Funds	2,706,929
Madison Mid Cap Growth Fund	2,175,060
Cohen & Steers Realty Shares Fund	1,920,662
Prudential Insurance	170,618

The Firefighters’ Pension Fund has the following recurring fair value measurements as of December 31, 2020:

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Investment by Fair Value Level	December 31, 2020	Fair Value Measurements Using		
		in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Debt Securities</b>				
U.S. Treasuries	\$ 4,084,801	\$ 4,084,801	\$ -	\$ -
U.S. Agencies	5,225,416	-	5,225,416	-
Corporate Bonds	12,374,018	-	12,374,018	-
State and Local Obligations	728,200	-	728,200	-
<b>Equity Securities</b>				
Insurance Contracts	170,618	170,618	-	-
Equity Securities	5,183,766	5,183,766	-	-
Mutual Funds	43,179,189	43,179,189	-	-
<b>Total Investments</b>	<b>\$ 70,946,008</b>	<b>\$ 52,618,374</b>	<b>\$ 18,327,634</b>	<b>\$ -</b>

**B. Receivables**

Property Taxes: Property taxes for 2020 attach as an enforceable lien on January 1, 2020 on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about March 1 and August 1 and are payable in two installments, on or about April 1 and September 1. The County collects such taxes and remits them periodically. The 2020 tax levy is intended to finance operations for 2021 and is therefore recorded as deferred inflows of resources.

CDBG Rehabilitation Notes Receivable: The City makes loans to city residents for the rehabilitation of single-family housing. Initial funding for these loans was from Community Development Block Grant (CDBG) funds. These loans are title transfer loans which are due in full only when the housing unit is sold. Repayments of principal on these receivables, which are recorded in the CDBG Fund, are used to make additional rehabilitation loans. Loan activity for the current year is summarized as follows:

<u>Original Loan</u>	<u>Interest Rates</u>	<u>Beginning Balance</u>	<u>Loans Made</u>	<u>Repayments</u>	<u>Loan Write-Offs</u>	<u>Ending Balance</u>
CDBG Rehab Loan	0%	\$ 2,254,514	\$ 35,223	\$ 88,190	\$ -	\$ 2,201,547

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

The entire balance of the CDBG Rehab loans are included in unearned revenue.

Berwyn Development Corporation Notes Receivable: The City provides low interest lending assistance to local businesses through its partnership with the BDC. The loans are administered by the BDC. Notes outstanding at December 31, 2020 are as follows:

<u>Original Loan</u>	<u>Beginning Balance</u>	<u>Loans Issued</u>	<u>Principal Paid/Reduced</u>	<u>Ending Balance</u>
\$ 35,000	\$ 20,222	\$ -	\$ 5,066	\$ 15,157

- \$35,000 note receivable in 60 consecutive principal and interest payments of \$231 commencing February 14, 2011 and one final payment of all outstanding liabilities on January 14, 2015. Interest accrues on unpaid balances at a rate of 5% per annum. The note was renegotiated in January of 2013. The renegotiated note provides for payments of \$231 commencing January 14, 2013 through January 30, 2030 at a rate of 5% per annum.

Accounts Receivable: The accounts receivable as disclosed on the government-wide financial statements were comprised of the following:

<u>Description</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Ambulance	\$ 1,417,356	\$ -
Utility billings	-	6,879,993
Allowance for uncollectible	(439,477)	(632,944)
Franchise fees	94,322	-
E-911	251,892	-
Other	<u>856,438</u>	<u>81,883</u>
Total	<u>\$ 2,180,531</u>	<u>\$ 6,328,932</u>

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Unavailable/Unearned Revenue: Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are unavailable and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unavailable revenue and unearned revenue reported in the governmental funds were as follows:

<u>Description</u>	<u>Amount</u>
<u>Unavailable:</u>	
Subsequent year's tax levy	<u>\$ 34,125,012</u>
<u>Unearned:</u>	
CDBG loan program	2,201,547
State asset forfeiture	33,785
TIF repayment agreement	<u>2,000</u>
Total Unearned Revenue	<u>2,237,332</u>
Total	<u>\$ 36,362,344</u>



**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

**C. Capital Assets**

Capital asset activity for the year ended December 31, 2020 was as follows:

Primary Government	Balance January 1	Additions	Retirements	Balance December 31
Government activities				
Capital assets not being depreciated				
Land	\$ 10,310,603	\$ -	\$ -	\$ 10,310,603
CIP	<u>662,954</u>	<u>44,396</u>	<u>382,850</u>	<u>324,500</u>
Total Capital Assets				
Not Being Depreciated	<u>10,973,557</u>	<u>44,396</u>	<u>382,850</u>	<u>10,635,103</u>
Capital assets being depreciated				
Vehicles	9,594,133	706,106	73,477	10,226,762
Equipment	3,431,176	280,939	-	3,712,115
Land improvements	12,573,102	287,150	-	12,860,252
Buildings	16,447,055	147,736	-	16,594,791
Infrastructure	<u>59,610,816</u>	<u>499,386</u>	<u>656,106</u>	<u>59,454,096</u>
Total Capital Assets				
Being Depreciated	<u>101,656,282</u>	<u>1,921,317</u>	<u>729,583</u>	<u>102,848,016</u>
Less accumulated depreciation for				
Vehicles	6,449,098	576,098	73,477	6,951,719
Equipment	2,539,193	193,134	-	2,732,327
Land improvements	5,204,069	443,121	-	5,647,190
Buildings	6,774,113	369,611	-	7,143,724
Infrastructure	<u>41,461,438</u>	<u>595,956</u>	<u>656,106</u>	<u>41,401,288</u>
Total Accumulated Depreciation	<u>62,427,911</u>	<u>2,177,920</u>	<u>729,583</u>	<u>63,876,248</u>
Total Capital Assets				
Being Depreciated, Net	<u>39,228,371</u>	<u>(256,603)</u>	<u>-</u>	<u>38,971,768</u>
Total Government Activities	<u>\$ 50,201,928</u>	<u>\$ (212,207)</u>	<u>\$ 382,850</u>	<u>\$ 49,606,871</u>

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

Function	Amount
Government Activities	
General government	\$ 140,603
Public safety	756,349
Public works	1,051,989
Economic development	72,134
Culture and recreation	<u>156,845</u>
Total Governmental Activities	<u>\$ 2,177,920</u>

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**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Primary Government	Balance January 1	Additions	Retirements	Balance December 31
Business-Type Activities				
Capital assets not being depreciated				
Land	\$ 24,600	\$ -	\$ -	\$ 24,600
CIP	<u>520,196</u>	<u>82,450</u>	<u>-</u>	<u>602,646</u>
Total Capital Assets				
Not Being Depreciated	<u>544,796</u>	<u>82,450</u>	<u>-</u>	<u>627,246</u>
Capital assets being depreciated				
Vehicles	979,203	-	-	979,203
Land improvements	251,291	-	-	251,291
Buildings	11,203,924	-	-	11,203,924
Equipment	1,033,373	-	-	1,033,373
Infrastructure	<u>121,525,628</u>	<u>220,550</u>	<u>-</u>	<u>121,746,178</u>
Total Capital Assets				
Being Depreciated	<u>134,993,419</u>	<u>220,550</u>	<u>-</u>	<u>135,213,969</u>
Less accumulated depreciation for				
Vehicles	438,420	64,272	-	502,692
Land improvements	251,291	-	-	251,291
Buildings	2,728,497	232,986	-	2,961,483
Equipment	327,717	66,603	-	394,320
Infrastructure	<u>105,485,865</u>	<u>1,128,233</u>	<u>-</u>	<u>106,614,098</u>
Total Accumulated Depreciation	<u>109,231,790</u>	<u>1,492,094</u>	<u>-</u>	<u>110,723,884</u>
Total Capital Assets				
Being Depreciated, Net	<u>25,761,629</u>	<u>(1,271,544)</u>	<u>-</u>	<u>24,490,085</u>
Total Business-Type Activities	<u>\$26,306,425</u>	<u>\$ (1,189,094)</u>	<u>\$ -</u>	<u>\$25,117,331</u>

Depreciation expense was charged to functions/programs of the business-type activities as follows:

<u>Function</u>	<u>Amount</u>
Business-Type Activities	
Utilities	\$ 1,265,729
Parking garage	<u>226,365</u>
Total Business-Type Activities	<u>\$ 1,492,094</u>

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Interfund Disclosures**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Principal Purpose</u>
<u>Major Governmental Fund</u>			
General Fund	CDBG	\$ 232,887	Reimburse Op. Acct.
General Fund	NSP	10	Reimburse Op. Acct.
General Fund	MFT	2,539,018	Reimburse Op. Acct.
General Fund	South Berwyn TIF	550,683	Reimburse Op. Acct.
General Fund	Ridgeland TIF	2,025	Reimburse Op. Acct.
General Fund	Roosevelt Road TIF	14,769	Reimburse Op. Acct.
General Fund	State Asset Forfeiture	238,056	Reimburse Op. Acct.
General Fund	Emergency 911	566	Reimburse Op. Acct.
General Fund	Foreign Fire Insurance	1	Reimburse Op. Acct.
General Fund	Library	29	Reimburse Op. Acct.
General Fund	BMSC	1,448,238	Reimburse Op. Acct.
General Fund	Utilities Fund	<u>1,461,535</u>	Reimburse Op. Acct.
Total General Fund		<u>6,487,817</u>	
Public Safety Pension Funding	General Fund	5,903	Transfer of funds
Debt Service Fund	General Fund	1,486,017	
<u>Nonmajor Governmental Funds:</u>			
Capital Projects	General Fund	1,289	Miscellaneous
Library Fund	General Fund	14,474	Tax Collections
Ogden Ave TIF	General Fund	66,205	
Grants	General Fund	2,352	
Police Seizure	General Fund	3,199	
Harlem Ave TIF	General Fund	<u>118,769</u>	
Total Nonmajor Funds		<u>206,288</u>	
<u>Proprietary Funds:</u>			
Parking Garage	General Fund	1,645,640	Permit revenues
Internal Service	General Fund	<u>3,185,768</u>	Reimbursement of claims
		<u>4,831,408</u>	
Total		<u><u>6,529,616</u></u>	

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

These interfunds are expected to be repaid during 2021.

In addition, long term interfund balances are displayed as advances to/from other funds as follows:

<u>Advance from</u>	<u>Advance to</u>	<u>Amount</u>
Berwyn Municipal Securities	Public Safety Pension Funding	\$28,911,060
Berwyn Municipal Securities	Debt Service	<u>47,203,759</u>
Total		<u>\$76,114,819</u>

These advances represent the proceeds from the 2019 bond issue which are being amortized over the life of the bonds as discussed in Note 3K.

Transfers: Transfers between funds during the year were as follows:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
<u>Major Governmental Funds:</u>			
Debt Service Fund	Berwyn Municipal Securitization	\$ 1,285,939	Advance amortization
Debt Service Fund	General Fund	64,299	Debt service
Debt Service Fund	Roosevelt Road TIF	286,825	Debt service
Debt Service Fund	South Berwyn TIF	536,167	Debt service
Total Debt Service Fund		<u>2,173,230</u>	
Public Safety Pension Funding	Berwyn Municipal Securitization	<u>718,744</u>	Advance amortization
General Fund	Berwyn Municipal Securitization	<u>12,972,058</u>	Residual certificate
<u>Nonmajor Governmental Funds:</u>			
Ogden Ave TIF	General Fund	64,299	Miscellaneous
NSP	General Fund	134,736	Fund closure
Total Nonmajor Funds		<u>199,035</u>	
Total		<u>16,063,067</u>	

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**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

**E. Long-Term Obligations**

Long-term obligations activity for the year ended December 31, 2020 was as follows:

	Beginning Balance (Restated)	Increase	Decrease	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities:</b>					
<b>Bonds and Notes Payable:</b>					
General Obligation Debt	\$ 95,040,000	\$ -	\$ 7,240,000	\$ 87,800,000	\$ 3,255,000
Conveyed Tax Securitization Bonds	79,970,000	-	-	79,970,000	-
TIF Revenue Bonds	-	7,140,000	-	7,140,000	-
Private Placement TIF Bonds	1,427,103	-	112,528	1,314,575	117,788
Mortgage Notes Payable	457,648	-	157,648	300,000	-
Line of Credit	-	3,850,000	-	3,850,000	-
Unamortized premiums	3,071,893	-	262,293	2,809,600	-
Unamortized (discounts)	(499,222)	-	(38,448)	(460,774)	-
Total bonds and notes payable	179,467,422	10,990,000	7,734,021	182,723,401	3,372,788
<b>Other Liabilities:</b>					
Capital Leases	362,711	349,123	272,937	438,897	183,963
Claims Payable	2,918,016	2,767,705	2,112,852	3,572,869	838,890
Net pension liability	90,970,948	-	14,444,771	76,526,177	-
Total OPEB Liability	19,396,363	-	2,938,263	16,458,100	-
Compensated absences	5,238,493	1,513,500	727,566	6,024,427	1,515,366
Total Other Liabilities	118,886,531	4,630,328	20,496,389	103,020,470	2,538,219
Total long-term obligations	<u>\$ 298,353,953</u>	<u>\$ 15,620,328</u>	<u>\$ 28,230,410</u>	<u>\$ 285,743,871</u>	<u>\$ 5,911,007</u>
<b>Business-Type Activities</b>					
General Obligation Debt	\$ 7,465,000	\$ -	\$ 175,000	\$ 7,290,000	\$ 250,000
Unamortized premiums	289,923	-	24,467	265,456	-
Unamortized (discounts)	(28,408)	-	(2,179)	(26,229)	-
Total OPEB Liability	1,080,984	-	146,163	934,821	-
Net pension liability	799,670	-	647,535	152,135	-
Compensated absences	126,041	-	31,952	94,089	29,243
Total long-term obligations	<u>\$ 9,733,210</u>	<u>\$ -</u>	<u>\$ 1,022,938</u>	<u>\$ 8,710,272</u>	<u>\$ 279,243</u>

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Bonded debt currently outstanding is as follows:

	Date of <u>Issue</u>	Current Interest <u>Rate</u>	Final <u>Maturity</u>	Original <u>Amount</u>	Balance <u>12/31/2020</u>
<u>Governmental Activities</u>					
General obligation debt					
Corporate purpose	08/15/07	5.00%	12/01/27	\$ 28,165,000	\$ 900,000
	10/09/08	4.40%	12/01/28	7,830,000	2,100,000
	10/29/09	4.75%	12/01/29	5,165,000	345,000
	10/28/10	5.00%	12/01/30	9,150,000	3,080,000
	10/27/11	4.50%	12/01/31	5,230,000	5,230,000
	11/20/12	3.25-3.38%	12/01/32	8,500,000	8,500,000
	11/07/13	5.00%	12/01/27	5,705,000	5,705,000
	11/24/14	5.00%	12/01/34	4,270,000	4,270,000
	11/30/15	3.75-5.00%	12/01/35	4,845,000	4,845,000
	11/09/16	3.75-5.00%	12/01/30	19,005,000	18,020,000
Taxable bonds	08/15/07	5.71%	12/01/22	21,395,000	3,805,000
	06/16/15	4.25-6.00%	12/01/35	31,000,000	<u>31,000,000</u>
Total general obligation debt					87,800,000
Conveyed tax securitization bonds					
	3/13/19	5.00%	1/1/49	16,430,000	16,430,000
	3/13/19	5.73%	1/1/49	63,540,000	<u>63,540,000</u>
Total conveyed tax securitization bonds					<u>79,970,000</u>
TIF revenue bonds	11/24/20	4.00%-4.50%	12/01/33	7,140,000	<u>7,140,000</u>
Private placement TIF Bonds	3/27/15	4.392%	11/27/27	1,900,000	<u>1,314,575</u>
Total Governmental Activities Bonded Debt					<u>\$ 176,224,575</u>
<u>Business-type Activities</u>					
General obligation debt					
Corporate purpose	10/28/2010	4.00-5.00%	12/01/29	\$ 850,000	\$ 850,000
	10/27/2011	4.00-4.50%	12/01/31	2,095,000	1,395,000
	11/24/2014	3.75-5.00%	12/01/34	2,015,000	2,015,000
	11/30/2015	3.75-5.00%	12/01/32	1,880,000	1,880,000
	11/9/2016	3.75-5.00%	12/01/30	1,150,000	<u>1,150,000</u>
Total Business-Type Activities General Obligation Debt					<u>\$ 7,290,000</u>

## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

General Obligation Bonds: The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund general obligation bonds. All general obligation debt is backed by the full faith and credit of the City. Bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Bonds in the proprietary funds will be retired by utility revenues.

The City reviews federal arbitrage requirements annually and has determined that no liability for rebatable arbitrage exists at December 31, 2020.

Direct Borrowing - Line of Credit: During 2017, the City entered into an agreement with BMO Harris Bank for a \$15 million revolving line of credit. This line of credit had an initial maturity date of August 31, 2020. The agreement was amended in 2020 reducing the credit limit to \$10 million and final maturity date of December 31, 2024. The line of credit bears interest equal to the LIBOR interest rate with a floor of 1% plus an applicable interest rate that varies depending on the City's credit rating. During 2020, the City drew down \$3,850,000 on the line of credit to redeem Series 2010 Bonds due in 2030 pursuant to covenants associated with the original bonds. The outstanding balance at December 31, 2020 remains \$3,850,000 leaving an unused credit line of \$6,150,000. The interest rate at December 31, 2020 was 2.80%. The City plans to issue bonds in the future with maturities similar to the Series 2010 Bonds redeemed.

Conveyed Tax Securitization Bonds: On March 11, 2019, the Berwyn Municipal Securitization Corporation ("the BMSC") issued Conveyed Tax Securitization Bonds, Series 2019A, for the par amount of \$16,430,000 plus premium of \$924,187, and Conveyed Tax Securitization Bonds, Series 2019B, for the par amount of \$63,540,000. Repayment of the bonds will be made with future home rule sales tax, local share sales tax, state use tax and state income tax revenue streams, which were sold by the City to the BMSC. The BMSC will receive such revenues directly and will make all necessary debt service payments. The 2019A bonds mature on January 1, 2035 and have an interest rate of 5%. The 2019B bonds mature on January 1, 2049 and the interest rate is 5.73%.

Series 2020 Tax Increment Revenue Bonds: On November 24, 2020, the City issued \$7,140,000 of Tax Increment Revenue Bonds, series 2020. The bonds were issued for the purpose of a) constructing certain underground infrastructure improvements to the South Berwyn Corridor TIF District, b) funding a reserve fund, c) funding capitalized interest, and paying for the costs of issuance associated with the bonds. Interest rates on the bonds are 4.00% - 4.50% and final maturity is December 1, 2033. The bonds are not general obligations of the City but are payable from the incremental property taxes of the TIF district and other amounts on deposit in the TIF fund.

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## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### **NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Sale of Future Tax Revenues: As previously noted, the City entered into an agreement with the BMSC under which the City relinquishes to the BMSC 100% of its future home rule sales tax, local share sales tax, state use tax and state income tax revenues for the next 30 years. The City received from the BMSC a lump sum payment of \$79,146,111 of which \$49,146,111 was recorded in the Debt Service Fund and \$30,000,000 was recorded in the newly created Public Safety Pension Funding Fund as advances from other funds. The advances are amortized over the life of the bonds based on the tax revenues received net of residuals for the year by the BMSC divided by the total estimated tax revenues sold net of residuals. The City also received a residual certificate representing the City's ownership interest in excess tax revenues to be received by the BMSC during the term of the sale agreement. The total tax revenues sold is estimated to be \$ 458,131,230. Residuals are expected to be \$281,334,018. The estimated present value of the tax revenues sold, net of the expected residuals assuming a 5.75 percent interest rate at the time of the sale was \$222,190,752.

TIF Mortgage Notes Payable: The City entered into a \$4,000,000 loan on December 6, 2010 for the purchase of certain real property. The note matured on December 6, 2012 at which time the note was modified to extend the maturity date to December 6, 2020. Monthly principal and interest payments at a rate of 2% based on a 10 year amortization schedule are due on the 6<sup>th</sup> day of each month. The entire balance of the notes was paid off during 2020. Principal payments made in 2020 totaled \$157,648.

The City obtained a \$300,000 loan from the BDC in 2015 secured by land held for resale in the Roosevelt Road TIF. The loan bears interest at the rate of 5% and is due upon the sale of the property. As such, a schedule of future principal and interest payments could not be provided. Subsequent to year end, the City paid off the \$300,000 balance.

#### Harlem TIF Private Placement Bond:

In 2015, the City issued a private placement TIF bond in the principal amount of \$1,900,000 for the purpose of paying certain eligible redevelopment project costs incurred by the developer in the Harlem TIF. The bonds, which bear interest at the rate of 4.392%, are payable solely from the available incremental taxes generated by the Harlem TIF and are not an indebtedness against the general taxing powers or credit of the City. The outstanding principal balance at December 31, 2020 is \$1,314,575.



**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Debt Service Requirements: Debt service requirements (excluding direct borrowing note) to maturity for bonded debt are as follows:

	Governmental Activities Bonded Debt		Private Placement Bonds		Business-Type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest	Principal	Interest
	2021	\$ 3,255,000	\$ 8,999,315	\$ 117,788	\$ 55,375	\$ 250,000
2022	2,995,000	8,810,851	123,067	50,096	275,000	317,038
2023	3,655,000	8,672,806	128,582	44,581	200,000	306,038
2024	4,355,000	8,494,056	134,344	38,818	200,000	298,038
2025	5,740,000	8,280,806	140,365	32,798	450,000	290,038
2026-2030	41,370,000	36,756,304	670,429	45,039	4,205,000	1,129,538
2031-2035	54,090,000	24,604,841	-	-	1,710,000	176,963
2036-2040	17,960,000	15,088,809	-	-	-	-
2041-2045	23,735,000	9,318,126	-	-	-	-
2046-2050	17,755,000	2,072,541	-	-	-	-
Totals	<u>174,910,000</u>	<u>131,098,454</u>	<u>\$ 1,314,575</u>	<u>\$ 266,707</u>	<u>7,290,000</u>	<u>2,844,688</u>

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the General Fund.

Capital Leases - Lessee: The City entered into a \$314,273 lease financing agreement in December 2015 for the purchase of a street sweeper which is included in the capital assets of the governmental activities. The balance of the financed amount is due in annual installments, including interest at 3.25%. The balance was paid off as of December 31, 2020. Principal payments made in 2020 totaled \$53,391. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a \$478,528 lease financing agreement in July 2015 for the purchase of a 2017 Pierce Enforcer Pumper which is included in the capital assets of the governmental activities. The balance of the financed amount is due in annual installments, including interest at 3.11%. The total amount outstanding under the agreement at December 31, 2020 was \$147,342. Principal payments made in 2020 totaled \$70,355. Debt service on the agreement is an expenditure of the General Fund.

The City entered into a \$175,811 lease financing agreement in May 2018 for the purchase of an ambulance which is included in the capital assets of governmental activities. The balance of the financed amount is due in semi-annual installments, including interest at 5.72%. The total amount outstanding under the agreement at December 31, 2020 was \$31,406. Principal payments made in 2020 totaled \$60,216.

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

The City entered into a \$233,467 lease financing agreement in January 2020 for the purchase of a street sweeper which is included in the capital assets of governmental activities. The balance of the financed amount is due in annual installments, including interest at 5.00%. The total amount outstanding under the agreement at December 31, 2020 was \$182,118. Principal payments made in 2020 totaled \$51,349.

The City entered into a \$115,656 lease financing agreement in June 2020 for the purchase of Dell Server Equipment which is included in the capital assets of governmental activities. The balance of the financed amount is due in annual installments, including interest at 3.50%. The total amount outstanding under the agreement at December 31, 2020 was \$78,031. Principal payments made in 2020 totaled \$37,625.

The assets acquired through capital lease for use in governmental activities are as follows:

<u>Asset</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Vehicles	\$ 887,806	\$ 142,614	\$ 745,192
Equipment	115,656	3,855	111,801

The future minimum lease obligations and the net present value on these minimum lease payments as of December 31, 2020, are as follows:

	<u>Capital Leases Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2021	184,753	16,477
2022	158,654	10,272
2023	46,583	4,766
2024	48,908	2,441
Totals	438,897	33,956

Net Pension Liability and Total OPEB Liability:

The net pension liability and total Other Post-Employment Benefits (OPEB) liability are based on actuarial valuations as detailed in Note 3G & H. The net pension liability has typically been liquidated by property taxes levied in the general fund and by the public safety pension funding fund. The total OPEB liability has typically been liquidated with general fund revenues.

## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### **NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Legal Debt Margin: The City is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property . . . (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: . . . indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum . . . shall not be included in the foregoing percentage amounts.”

To date the General Assembly has set no limits for home rule municipalities.

Defeased Debt:

In prior years, the City advance refunded various debt issues by placing funds in escrow to make future debt service payments. Because these transactions met the requirements for in-substance defeasance, the refunded debt was no longer included as a liability of the City. The balance of all defeased refunded debt outstanding at December 31, 2020 is \$16,350,000.

Unamortized Loss on Refunding: Deferred amounts on refunding arise from advance refunding of debt. The difference between the cost of the securities placed in trust for future payment of refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. Amortization for 2020 was \$537,791, which is reported in the governmental activities. The balance of the unamortized loss at December 31, 2020 was \$1,194,631.

Noncommitment Debt – Conduit Debt: The City has issued Industrial Development Revenue Bonds (IDRBs) to provide financial assistance to private organizations for the construction and acquisition of industrial and commercial improvements deemed to be in the public interest. The bonds are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. As of December 31, 2020, there was one series of IDRBS outstanding. The aggregate principal amount payable for the IDRBS outstanding as of December 31, 2020 was \$274,909.

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## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

#### F. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters for which the City carries commercial insurance. The City has established a limited self-insurance program for workers' compensation and liability claims. The City is self-insured for the first \$350,000 for liability claims and \$900,000 for workers' compensation claims. Commercial insurance is carried for amounts in excess of the self-insured amounts. There has been no significant reduction in coverage in any program from coverage in the prior year. For all programs, settlement amounts have not exceeded insurance coverage for the current or three prior years. The City's self-insurance activities are reported in the Self-Insurance Retention Fund which is an internal service fund.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Reported liabilities are actuarially determined and include an amount for claims that have been incurred but not reported. The total claims liability as of December 31, 2020 was \$3,572,869 and is recorded as a portion of the noncurrent liabilities balance for governmental activities.

The City has purchased insurance from private insurance companies for employee health insurance. Risks covered include medical, dental, and other. Premiums have been displayed as expenditures/expenses in appropriate funds. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current or the three prior years.

A reconciliation of claims liability for the current year and that of the preceding year follows:

	Beginning Balance	Incurred Claims	Claims Paid/ Settled	Ending Balance	Current Portion
2019	\$ 3,904,567	\$ 430,635	\$ 1,417,186	\$ 2,918,016	\$ 685,134
2020	2,918,016	2,767,705	2,112,852	3,572,869	838,890

#### G. Contingent Liabilities

Litigation: The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City Attorney, the resolution of these matters will not have a material adverse effect on the financial statements of the City.

## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### **NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Grants: Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of additional expenditures that may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

Home Equity Assurance Program: In prior years the City allowed its residents to participate in a Home Equity Assurance Program wherein residents' home market values were guaranteed by the City not to depreciate. Each participating resident, after submitting an appraisal along with the application and appropriate fee, received a Certificate of Participation. There is no expiration date on the Certificates. Given the current real estate market in the City, the City has determined that it has no exposure to liability related to this program as of the date of this report.

#### Loan Guarantees - Berwyn Development Corporation (BDC):

During 2020, BDC maintained agreements with seven local financial institutions establishing a \$4,200,000 line of credit to fund community renovation and business investment projects. The balance drawn under this credit line as of December 31, 2020 is \$1,221,804. Of this balance, \$300,000 is reported as mortgage notes payable within the City's long-term obligations as this loan was made to the City. The City is the guarantor of amounts drawn under this line of credit.

#### **H. Other Postemployment Benefits (OPEB)**

Plan Description: The City provides other post-employment benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and any employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

All employees who are eligible to receive a monthly pension benefit from one of the City's pension plans are eligible to purchase postretirement health care benefits. Qualified dependents of eligible retirees may also continue to be covered by the City's plan. The retiree pays 100% of the cost each month for retiree health insurance premiums. Additionally, public safety officers who qualify for duty disability have their health insurance paid by the City until they reach age 65. Finally, the City will pay 50% of the single HMO premium for police officers who retire from January 1, 2009, through December 31, 2011, until they reach age 65.

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**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

All health benefits are provided through the City's health plan. The benefit levels are the same as those afforded to active employees. Benefits include medical, dental, vision, life, and prescription coverage. Eligibility in City sponsored health care plans is discontinued upon eligibility for federally sponsored health care benefits. All retirees contribute 100% of the plan premiums.

As of December 31, 2020 membership consisted of:

Active employees fully eligible	402
Retired participants	38
Inactive employees	0
Total	<u>440</u>

The City does not have a funding policy.

Actuarial Assumptions and Methods:

Actuarial Valuation Date	January 1, 2021
Actuarial Cost Method	Entry Age Normal
Assumptions	
Discount Rate	2.12%
Long-Term Expected Rate of Return on Plan Assets	N/A
Total Payroll Increases	3.00%
Healthcare Cost Trend Rates	7.00% in fiscal year 2021, trending to 6.00% in fiscal year 2022, and an ultimate trend rate of 6.00%
Asset Valuation Method	N/A

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**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Active IMRF Mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 study. These rates are improved generationally using MP-2016 Improvement Rates and weighted based on the IMRF November 8, 2017 Experience Study.

Active Firefighter and Police Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study Improved to 2017 and improved generally using MP-2019 Improvement Rates. Retiree Firefighter and Police Mortality follows the L&A Assumption Study for Firefighters and Police 2020, respectively. These rates are experience weighted with the Raw Rates as developed in the PubS-2010(A) Study Improved to 2017 and improved generally using MP-2019 Improvement Rates.

Disabled Firefighter Mortality follows the Lauterbach & Amen Assumption Study for Disabled Firefighters 2020, and Police Mortality follows the Lauterbach & Amen Assumption Study for Police 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study Improved to 2017 using MP-2019 Improvement Rates.

Discount rate: The discount rate used to measure the total OPEB liability as of December 31, 2020 was 2.12 percent, which was a change from the discount rate of 2.74 percent that was used as of December 31, 2019. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

Changes in the Total OPEB Liability:

	<b>Total OPEB Liability (a)</b>
Balances at January 1, 2020	\$ 20,477,347
Service cost	402,284
Interest on total OPEB liability	544,838
Differences between expected and actual experience of the total OPEB liability	(3,831,338)
Change of assumptions	985,274
Benefit payments, including refunds of employee contributions	<u>(1,185,484)</u>
Balances at December 31, 2020	<u>\$ 17,392,921</u>

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**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Sensitivity of the City’s total OPEB liability to changes in the discount rate: The following presents the City’s total OPEB liability, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.12 percent) or 1-percentage-point higher (3.12 percent) than the current discount rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
Total OPEB liability	\$ 18,885,783	\$ 17,392,921	\$ 16,052,179

Sensitivity of the City’s total OPEB liability to changes in the healthcare cost trend rates: The following presents the City’s total OPEB liability, as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
Total OPEB liability	\$ 15,530,834	\$ 17,392,921	\$ 19,578,912

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB: For the year ended December 31, 2020, the City recognized OPEB expense of \$909,217. At December 31, 2020, the City reported the following deferred outflows of resources and deferred inflows related to OPEB.

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ (3,527,504)
Changes of assumptions	3,573,689	(741,858)
Total Deferred Amounts Related to OPEB	<u>\$ 3,573,689</u>	<u>\$ (4,269,362)</u>



**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

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

<u>Fiscal Year</u>	<u>Amount</u>
2021	\$ (37,905)
2022	(37,905)
2023	(37,905)
2024	(37,905)
2025	(37,905)
Thereafter	(506,148)

**I. Defined Benefit Pension Plans**

**Defined Benefit Pension Plans**

Plan Descriptions: The City contributes to four defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF) and Sheriff's Law Enforcement Personnel (SLEP) which is affiliated with IMRF, an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for the Police and Firefighters' Pension Plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police and Firefighters' Pension Plans issue separate reports on the pension plans and are available for inspection at City Hall. IMRF and SLEP benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF and SLEP issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. The report can be obtained online at [www.imrf.org](http://www.imrf.org).

Below is aggregate information related to all of the pension plans in total reported by the City as of and for the year ended December 31, 2020:

Total Pension Liability	\$ 309,193,327
Plan Fiduciary Net Position	232,666,265
City's net pension liability	76,678,312
City's net pension asset	151,250
Deferred Inflows of Resources	22,325,860
Deferred Outflows of Resources	9,708,142
Pension Expense	7,333,588

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**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

**Illinois Municipal Retirement Fund (IMRF) & Sherriff's Law Enforcement Personnel (SLEP)**

**General Information about the Pension Plan**

All employees (other than those covered by the Police or Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service.

Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. 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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution for the year ended December 31, 2019 was 9.43% of covered payroll. The employer annual required contribution rate for calendar year 2019 was 9.43%.

Sherriff's law enforcement personnel having accumulated at least 20 years of SLEP service may elect to retire at or after age 50 and receive an annual retirement benefit, payable monthly for life. The plan also provides death and disability benefits. Participating members are required to contribute 7.5% of their annual salary to SLEP. The City is required to contribute at an actuarially determined rate. The employer annual required contribution rate for calendar year 2020 was 13.21%. For the year ended December 31, 2020, there was no covered payroll.

At December 31, 2019, the following employees were covered by the benefit terms:

	<u>IMRF</u>	<u>SLEP</u>
Retirees and Beneficiaries	168	0
Inactive, Non-retired Members	124	2
Active Members	<u>204</u>	<u>0</u>
Total	496	2

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Net Pension Liability

The City's net pension liability for the IMRF and SLEP plans was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Inflation:	3.50%
Price Inflation:	2.50%
Salary Increases:	3.35% to 14.25% including inflation
Investment Rate of Return:	7.25%

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.

Mortality: For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Morality Table with adjustments to match current IMRF experience.

There were no benefit changes during the year.

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**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Long Term Expected Rate of Return: 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. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Domestic Equity	37.0%	5.00%
International Equity	18.0%	6.00%
Fixed Income	28%	1.30%
Real Estate	9%	6.20%
Alternative Investments	7%	2.85-6.95%
Cash Equivalents	1%	0.70%
	<u>100%</u>	

Discount Rate: The Discount Rate used to measure the total pension liability for the Regular IMRF and SLEP Pension Plans was 7.25%, the same as in the prior year valuation. The projection of future plan cash flows that assumes member contributions made at the current employee contribution rate and City contributions made at annual amounts equal to the difference between the actuarially determined contribution and member contributions demonstrates that the Plan's future fiduciary net position will be sufficient to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was used as the discount rate applied to all future projected benefit payments to current plan members to determine the total pension liability.

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Changes in the Net Pension Liability

IMRF:

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
<b>Balances at December 31, 2018</b>	\$ 49,363,327	\$ 43,232,276	\$ 6,131,051
<b>Changes for the year:</b>			
Service Cost	1,030,780	-	1,030,780
Interest on the Total Pension Liability	3,528,600	-	3,528,600
Differences Between Expected and Actual Experience of the Total Pension Liability	(156,451)	-	(156,451)
Contributions - Employer	-	845,622	(845,622)
Contributions - Employees	-	471,148	(471,148)
Net Investment Income	-	8,061,715	(8,061,715)
Benefit Payments, including Refunds of Employee Contributions	(2,416,734)	(2,416,734)	-
Other (Net Transfer)	-	(72,227)	72,227
Net Changes	1,986,195	6,889,524	(4,903,329)
<b>Balances at December 31, 2019</b>	<u>\$ 51,349,522</u>	<u>\$ 50,121,800</u>	<u>\$ 1,227,722</u>

SLEP:

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset (A) - (B)
<b>Balances at December 31, 2018</b>	\$ 253,405	\$ 368,302	\$ (114,897)
<b>Changes for the year:</b>			
Interest on the Total Pension Liability	18,372	-	18,372
Differences Between Expected and Actual Experience of the Total Pension Liability	(381)	-	(381)
Net Investment Income	-	55,084	(55,084)
Other (Net Transfer)	-	(740)	740
Net Changes	17,991	54,344	(36,353)
<b>Balances at December 31, 2019</b>	<u>\$ 271,396</u>	<u>\$ 422,646</u>	<u>\$ (151,250)</u>

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

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

The following presents the plans' net pension liabilities, calculated using a Single Discount Rate of 7.25% for both IMRF and SLEP, as well as what the plans' net pension liabilities would be if they were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
IMRF Net Pension Liability (Asset)	\$ 7,829,623	\$ 1,227,722	\$ (4,191,185)
SLEP Net Pension (Asset)	(144,627)	(151,250)	(157,641)

**CITY OF BERWYN, ILLINOIS**Notes to financial statements  
December 31, 2020**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)****Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2020, the City recognized pension expense of \$809,304 related to IMRF and \$(72,227) related to SLEP. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

## IMRF:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 26,337	\$ 621,197
Changes of assumptions	747,090	504,909
Net difference between projected and actual earnings on pension plan investments	-	2,042,303
Total Deferred Amounts to be recognized in pension expense in future periods	773,427	3,168,409
Pension Contributions made subsequent to the Measurement Date	1,016,303	-
Total Deferred Amounts Related to Pensions	<u>\$ 1,789,730</u>	<u>\$ 3,168,409</u>

## SLEP:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 16,704
Changes of assumptions	11	-
Net difference between projected and actual earnings on pension plan investments	-	10,941
Total Deferred Amounts Related to Pensions	<u>\$ 11</u>	<u>\$ 27,645</u>

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Pension contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year.

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

Year Ended		
<u>December 31</u>	<u>IMRF</u>	<u>SLEP</u>
2020	\$ (901,571)	\$ (19,608)
2021	(700,374)	(324)
2022	207,181	979
2023	(1,000,218)	(5,681)

**Police Pension Plan**

**General Information about the Pension Plan**

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (Chapter 40 - Article 5/3) and may be amended only by the Illinois legislature. Administrative costs are financed through investment earnings. The City accounts for the plan as a pension trust fund. The Police Pension Plan provides retirement benefits as well as death and disability benefits. Employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of final salary for each year of service up to 30 years, to a maximum of 75% of such salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum salary cap increases every year thereafter.

Surviving spouses receive 100% of final salary for fatalities resulting from an act of duty, or otherwise the greater of 50% of final salary or the employee's retirement benefit. Employees disabled in the line of duty receive 65% of final salary.



**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

The monthly pension of a police officer hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension. Beginning with increases granted on or after July 1, 1993, the second and subsequent automatic annual increases shall be calculated as 3.00% of the amount of the pension payable at the time of the increase. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3.00% or ½ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, by the year 2040, the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded. For the year ended December 31, 2020, the City's contribution was 282.12% of covered payroll.

At December 31, 2020, the Police Pension Plan membership consisted of:

<u>Membership</u>	<u>Participants</u>
Retirees and beneficiaries currently receiving benefits	79
Terminated employees entitled to benefits but not yet receiving them	4
Current employees	<u>113</u>
Total	<u><u>196</u></u>

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Net Pension Liability

The City's net pension liability for the Police Pension Plan was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The actuarial cost method was entry age normal with a level percent of pay.

Actuarial Assumptions: The following actuarial assumptions were used to determine the total pension liability in the December 31, 2020 actuarial valuation and the prior valuation:

	<u>Current Valuation</u>	<u>Prior Valuation</u>
Interest Rate	6.75%	6.75%
Discount Rate	6.75%	6.75%
Salary Increases	3.50%-16.41%	3.25%-16.89%
Projected Increase in Payroll	3.25%	3.25%
Inflation	2.25%	2.25%

Active mortality rates follow the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis. Retired mortality follows the Lauterbach & Amen Assumption Study for Police 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates. Disabled Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Long Term Expected Rate of Return: The long term expected rate of return on the Plan's 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 by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
US Large Cap Equity	27%	7.70%
US Mid Cap Equity	3%	8.10%
US Small Cap Equity	3%	7.30%
Non US Developed Equity	16%	6.70%
Emerging Markets	8%	8.30%
Fixed Income	38%	3.30%
REITs	3%	6.70%
Cash Equivalents	2%	2.70%
	<u>100%</u>	

Single Discount Rate: A Single Discount Rate of 6.75% 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 in accordance with the funding policy of the plan. A formal funding policy exists through the Memorandum of Understanding (MOU) between the City and the Police Pension Plan. The MOU states that the City will issue a levy on an annual basis to pay for the Normal Cost portion of contribution to the pension fund. In addition, the City will contribute \$15,000,000 in the following future years: 2023 and 2025.

The Single Discount Rate reflects:

1. The longer 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 (for the future benefit payments that are not covered by the plan's projected net position).

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

For the purpose of the most recent valuation, the expected rate of return on plan investments is 6.75%, the municipal bond rate is 2.12% and the resulting single discount rate is 6.75%. The assumed rate on High Quality 20 Year Tax Exempt G.O. Bonds was changed from 2.74% to 2.12% for the current year. The rate has been updated to the current fiscal year based on changes in market conditions as reflected in the Index. The discount rate remained unchanged at 6.75%. The discount rate was not impacted by the change in the underlying High Quality 20 Year Tax Exempt G.O. Bond Rate as the fiduciary net position was projected to be sufficient to pay benefits. In addition, changes made that impact the projection of the Net Position of the fund such as changes in the formal or informal funding policy and actual changes in the net position from one year to the next can impact the discount rate.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
<b>Balances at December 31, 2019</b>	\$ 140,114,163	\$ 100,261,070	\$ 39,853,093
<b>Changes for the year:</b>			
Service Cost	2,847,552	-	2,847,552
Interest on the Total Pension Liability	8,903,252	-	8,903,252
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual			
Experience of the Total Pension Liability	(2,816,951)	-	(2,816,951)
Changes of Assumptions	(2,972,238)	-	(2,972,238)
Contributions - Employer	-	1,485,309	(1,485,309)
Contributions - Employees	-	1,058,128	(1,058,128)
Contributions - Other	-	6,712	(6,712)
Net Investment Income	-	13,206,907	(13,206,907)
Benefit Payments, including Refunds			
of Employee Contributions	(5,962,596)	(5,962,596)	-
Administrative Expenses	-	(97,055)	97,055
Net Changes	(981)	9,697,405	(9,698,386)
<b>Balances at December 31, 2020</b>	<u>\$ 140,113,182</u>	<u>\$ 109,958,475</u>	<u>\$ 30,154,707</u>

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

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

The following presents the net pension liability related to the police pension plan of the City calculated using the discount rate of 6.75% as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	<u>1% Decrease (5.75%)</u>	<u>Current Discount Rate (6.75%)</u>	<u>1% Increase (7.75%)</u>
Net Pension Liability	\$ 51,534,832	\$ 30,154,707	\$ 12,867,971

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued Police Pension Fund report.

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

For the year ended December 31, 2020, the City recognized pension expense of \$2,122,157 related to the police pension plan. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,338,890	\$ 2,560,487
Changes of assumptions	353,714	3,354,056
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>6,581,926</u>
Total Deferred Amounts Related to Pensions	<u>\$ 1,692,604</u>	<u>\$ 12,496,469</u>

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

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

Year Ended <u>December 31</u>	
2021	\$(2,112,310)
2022	(1,325,785)
2023	(3,649,641)
2024	(1,941,372)
2025	(620,679)
Thereafter	(1,154,078)

**Firefighters' Pension Plan**

**General Information about the Pension Plan**

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois Compiled Statutes (Chapter 40 - Article 5/4) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank held on the last day of service. The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum cap increases each year thereafter.

Surviving spouses receive 100% of the final salary for fatalities resulting from an act of duty, or otherwise the greater of 54% of final salary or the monthly retirement pension that the deceased firefighter was receiving at the time of death. Surviving children received 12% of final salary. The maximum family survivor benefit is 75% of final salary. Employees disabled in the line of duty receive 65% of final salary.

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**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

The monthly pension of a firefighter hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a firefighter hired on or after January 1, 2011, who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% annually thereafter. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit.

Covered employees are required to contribute 9.455% of their salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest.

The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040. For the year ended December 31, 2020 the City's contribution was 16.31% of covered payroll.

At December 31, 2020, the Firefighters' Pension Plan membership consisted of:

<u>Membership</u>	<u>Participants</u>
Retirees and beneficiaries currently receiving benefits	79
Terminated employees entitled to benefits but not yet receiving them	2
Current employees	<u>80</u>
Total	<u><u>161</u></u>

Net Pension Liability

The City's net pension liability for the Firefighters' Pension Plan was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The actuarial cost method was entry age normal with a level percent of pay.

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Actuarial Assumptions: The following actuarial assumptions were used to determine the total pension liability in the December 31, 2020 actuarial valuation and the prior valuation:

	<u>Current Valuation</u>	<u>Prior Valuation</u>
Interest Rate	6.50%	6.50%
Discount Rate	6.50%	6.50%
Salary Increases	2.25%-10.19%	2.25%-10.19%
Projected Increase in Payroll	3.25%	3.25%
Inflation	2.25%	2.25%

Active mortality rates follow the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis. Retiree mortality follows the Lauterbach & Amen Assumption Study for Firefighters 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates. Disabled Mortality follows the Lauterbach & Amen Assumption Study for Firefighters 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010 Study for Disabled Participants improved to 2017 using MP-2019 Improvement Rates.

Long Term Expected Rate of Return: The long term expected rate of return on the Plan's 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 by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:



**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
US Large Cap Equity	27%	7.70%
US Mid Cap Equity	3%	8.10%
US Small Cap Equity	3%	7.30%
Non US Developed Equity	16%	6.70%
Emerging Markets	8%	8.30%
Fixed Income	38%	3.30%
REITs	3%	6.70%
Cash Equivalent	2%	2.70%
	<u>100%</u>	

Single Discount Rate: A Single Discount Rate of 6.50% 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 in accordance with the funding policy of the plan. A formal funding policy exists through the Memorandum of Understanding (MOU) between the City and the Firefighter's Pension Plan. The MOU states that the City will issue a levy on an annual basis to pay for the Normal Cost portion of contribution to the pension fund. In addition, the City will contribute \$15,000,000 on odd numbered years from 2013 to 2025. The final issuance may not be \$15,000,000, if not needed.

The Single Discount Rate reflects:

1. The longer 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 (for the future benefit payments that are not covered by the plan's projected net position).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 6.50%, the municipal bond rate is 2.12% and the resulting single discount rate is 6.50%. Since the fiduciary net position was projected to be sufficient to pay benefits, the municipal bond rate did not impact the discount rate and the expected rate of return on plan investments was used.

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
<b>Balances at December 31, 2019</b>	\$ 113,131,753	\$ 67,345,260	\$ 45,786,493
<b>Changes for the year:</b>			
Service Cost	2,206,429	-	2,206,429
Interest on the Total Pension Liability	7,202,391	-	7,202,391
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	1,097,271	-	1,097,271
Changes of Assumptions	(660,922)	-	(660,922)
Contributions - Employer	-	1,233,496	(1,233,496)
Contributions - Employees	-	719,900	(719,900)
Contributions - Other	-	1,300	(1,300)
Net Investment Income	-	8,479,327	(8,479,327)
Benefit Payments, including Refunds of Employee Contributions	(5,517,695)	(5,517,695)	-
Administrative Expenses	-	(98,244)	98,244
Net Changes	<u>4,327,474</u>	<u>4,818,084</u>	<u>(490,610)</u>
<b>Balances at December 31, 2020</b>	<u>\$ 117,459,227</u>	<u>\$ 72,163,344</u>	<u>\$ 45,295,883</u>

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

The following presents the net pension liability related to the firefighters' pension plan of the City calculated using the discount rate of 6.50% as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current rate:

	<b>1% Decrease (5.50%)</b>	<b>Current Discount Rate (6.50%)</b>	<b>1% Increase (7.50%)</b>
Net Pension Liability	\$ 62,507,227	\$ 45,295,883	\$ 31,318,056

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued Firefighters' Pension Fund report.

**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

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

For the year ended December 31, 2020, the City recognized pension expense of \$4,474,354 related to the firefighters' pension plan. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,181,051	\$ 1,276,599
Changes of assumptions	3,044,746	659,554
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>4,697,184</u>
Total Deferred Amounts Related to Pensions	<u>\$ 6,225,797</u>	<u>\$ 6,633,337</u>

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

<u>Year Ended December 31</u>	
2021	\$ (12,192)
2022	696,992
2023	(1,257,454)
2024	(431,065)
2025	377,407
Thereafter	218,772

**J. Short-Term Debt**

The City has one short-term line of credit: a \$2 million revolving line of credit with an interest rate of 1% less than the prime rate of the Wall Street Journal. The line of credit was established to meet the City's working cash needs in the event of unforeseen emergencies or delays in the receipt of tax payments. As of December 31, 2020, there was no outstanding amount related to this line of credit.

## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

#### K. Component Unit – Berwyn Development Corporation (BDC)

Summary of Significant Accounting Policies: The purpose of the BDC is to serve the residents of the City as a charitable and educational organization by facilitating community development via forums to engage both residents and businesses for long-term economic planning.

The BDC's primary functions are:

- (1) to encourage communication between the local business community, various business organizations, government officials, educational and recreational bodies, civic and ethnic groups, local service providers, and the community residents as a resource planning group for the purpose of identifying community problems and facilitating constructive solutions.
- (2) to produce and publish material designed to educate residents about community resource and development issues and to promote community spirit and cooperation among the various ethnic and cultural parts of the City.
- (3) to encourage local businesses and area residents to renovate and improve private property within the community so as to counteract the natural deterioration of the homes and commercial properties due to age and use.
- (4) to develop plans and resources intended to improve the overall economic conditions of the City and to encourage local business and employment opportunities.

The BDC is exempt from Federal income taxes under the provisions of IRC code section 501(c)(3); however, it remains subject to the payment of income taxes on net earnings from unrelated business income.

Method of Accounting: The financial statements of the BDC have been prepared on the accrual basis of accounting where revenues and expenses are recognized when earned or incurred.

Cash Equivalents: Cash equivalents consist of all highly liquid investments with a maturity of three months or less when purchased.

Capital Assets, Leasehold Improvements, Furniture and Equipment: Leasehold improvements, furniture, equipment and computer software are stated at their historic costs. Depreciation is computed using a straight-line method over the estimated economic useful asset life of five years for leasehold improvements, three years for computer software and seven years for furniture and for equipment. Depreciation expense for the year ended December 31, 2020 amounted to \$8,744.

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## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### **NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

During the year, the BDC did not dispose of any property resulting in a gain or loss. The BDC expended \$47,699 for asset purchases in 2020.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amount of asset and liability accounts and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses for the reporting period. Actual results could vary from the estimates that were used.

Cash and Investments: The BDC follows the recommendations of the Financial Accounting Standards Board ("FASB") in its Accounting Standards Codification ("ASC") 820-10, Fair Value Measurements. Under FASB ASC 820-10, the BDC is required to report investments at fair market value. FASB ASC 820-10 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs that may be used to measure fair value:

Level 1- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.

Level 2 – Level 2 inputs generally are available indirect information, such as quoted prices for similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3- Level 3 inputs are valuations derived from valuation techniques in which one or more significant value drivers are unobservable. All Level 3 assets are carried at fair value based on estimates using appropriate valuation techniques such as the marker approach, the income approach and finally the cost approach.

The BDC does not have an investment policy.

Custodial Credit Risk: Deposits - Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. At times, cash balances may exceed the \$250,000 federally insured limit.

Notes Receivable: There are currently nine notes funded through the line of credit including one from the City payable from the Roosevelt TIF with a balance at December 31, 2020 of \$300,000. Notes receivable have a gross value of \$1,515,279 at December 31, 2020.

No provision for loan losses has been established because the fair value of the various collateral is deemed to be equivalent to the related mortgage note balances with the exception of the amounts due from the City. Payments are applied to interest due and late fees before principal.

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**CITY OF BERWYN, ILLINOIS**

Notes to financial statements  
December 31, 2020

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Payments are past due ten days after the due date and will result in a late fee of 5% of total monthly payment. Note receivable detail is as follows:

	Original Loan	Beginning Balance	Loans Issued	Principal Payments	Defaulted Loans	Ending Balance	Current Portion
Berwyn/Roosevelt TIF	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -	\$ 300,000	\$ -
Windsor Partnership	462,864	83,674	-	-	-	83,674	2,941
Autre Monde	225,000	200,798	-	5,680	-	195,118	43,008
The Outta Space, Inc.	150,000	125,027	-	3,759	-	121,268	16,227
Berwyn Bottega	150,000	144,332	-	1,298	-	143,034	26,306
Heritage Funeral Home	47,000	43,034	375,000	5,562	-	412,472	4,255
Capri Due, Inc.	10,000	10,000	-	1,070	-	8,930	-
Berwyn Eagles Aerie 2125	30,000	29,665	-	2,934	-	26,731	7,233
La Parra	225,000	-	225,000	948	-	224,052	3,370
	<u>\$ 1,599,864</u>	<u>\$ 936,530</u>	<u>\$ 600,000</u>	<u>\$ 21,251</u>	<u>\$ -</u>	<u>\$ 1,515,279</u>	<u>\$ 103,340</u>

Notes outstanding have payment schedules and variable interest rates based on the original note agreements. Note terms are as follows:

- \$300,000 note receivable from the City of Berwyn related to the Berwyn/Roosevelt TIF. Payment of principal is due upon the closing of the sale of a property. Interest accrues on unpaid balances at a rate of 5% per annum and is paid monthly.
- \$83,674 note receivable with monthly principal and interest payments of \$245 for the loan commencing in October, 2018 and final payment of all outstanding liabilities in September, 2023. Interest accrues on unpaid balances at a rate of 7% per annum.
- \$195,118 note receivable with monthly principal and interest payments of \$3,584, for the loan commencing in June, 2010 with final payment of all outstanding liabilities in March, 2021. Interest accrues on unpaid balances at a rate of 7% per annum. On April 29, 2020, this note receivable was amended. For the period of March 1, 2020 through August 31, 2020, the 7% rate was replaced with a 5% per annum rate. The monthly payments during this period were suspended and are due on the maturity date. Beginning on September 1, 2020, the interest rate returned to 7% per annum. On February 11, 2021, this note receivable was once again amended. The final payment of all outstanding liabilities is now March 2023.
- \$121,268 note receivable with monthly principal and interest payments of \$1,360 for the loan commencing in February, 2016 with an original final payment of all outstanding liabilities in January, 2021. Interest accrues on unpaid balances at a rate of 7% per annum.

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

- On April 28, 2020, this note receivable was amended. For the period of April 1, 2020 through September 30, 2020, the 7% rate was replaced with a 5% per annum rate. The monthly payments during this period were suspended and are due on the maturity date. Beginning on October 1, 2020, the interest rate returned to 7% per annum. The final payment of all outstanding liabilities is now January 2023.
- \$143,034 note receivable with monthly principal and interest payments of \$2,192 for the loan commencing in June, 2018 with final payment of all outstanding liabilities in April, 2023. Interest accrues on unpaid balances at a rate of 7% per annum. On April 29, 2020, this note receivable was amended. For the period of May 1, 2020 through October 31, 2020, the 7% rate was replaced with a 5% per annum rate. The monthly payments during this period were suspended and are due on the maturity date. Beginning on November 1, 2020, the interest rate returned to 7% per annum.
- \$412,472 note receivable with monthly principal and interest payments of \$2,930 for the loan commencing in November, 2020 with final payment of all outstanding liabilities on June 1, 2024. Interest accrues on unpaid balances at a rate of 7.5% per annum.
- \$8,930 note receivable commencing in November 2019 and accruing interest at a rate of 7% per annum. The principal and accrued interest are to be paid in one lump sum on December 1, 2024.
- \$26,731 note receivable with monthly principal and interest payments of \$603 for the loan commencing on January 1, 2020, with final payment of all outstanding liabilities on December 1, 2024. Interest accrues on unpaid balances at a rate of 7.5% per annum. On April 29, 2020, this note receivable was amended. For the period of May 1, 2020 through October 31, 2020, the 7.5% rate was replaced with a 5% per annum rate. The monthly payments during this period were suspended and are due on the maturity date. Beginning on November 1, 2020, the interest rate returned to 7.5% per annum.
- \$224,052 note receivable with monthly principal and interest payments of \$1,642 for the loan commencing on August 1, 2020, with final payment of all outstanding liabilities on July 1, 2025. Interest accrues on unpaid balances at a rate of 7.25% per annum.

## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Debt - Notes Payable: During 2020, the BDC maintained agreements with seven local financial institutions establishing a \$4,200,000 line of credit to fund community renovation and business investment projects. The balance of this credit line at December 31, 2019 is \$1,221,804. The City is the guarantor of this line of credit and has final approval of all loans funded under this program.

Maturities of long-term debt are as follows:

	<u>Principal</u>
2021	\$ -
2022	349,677
2023	135,284
2024	736,843
2025 and Thereafter	<u>-</u>
Totals	<u>\$ 1,221,804</u>

Lease Commitments: The BDC rents office space under a lease, which had an original expiration date of December 31, 2019. During fiscal year 2019, this agreement was extended through December 31, 2024. Total rent paid during 2020 was \$12,765. Terms of the lease are effective

January 1, 2015. In addition, the BDC leases a copier under a non-cancelable operating lease, which will expire in 2021. The lease calls for monthly payments of \$615. Total lease expense in 2020 was \$7,380. Future minimum annual rental and lease payments are:

For the 12 Months Ended, December 31, 2021	17,421
2022	13,512
2023	13,908
2024	<u>14,328</u>
Total	<u>\$ 59,169</u>

Restricted Cash: The BDC controls cash escrow accounts for various entities with the purpose of being a control factor for necessary payments to third parties. In these cases, the BDC collects money from a community organization or business, holds the funds until a payment is due, then remits the payment to the third party on behalf of the community member. Although the BDC has signor privileges on the cash accounts, they do not take ownership of the money and, therefore, carry a liability equal to the escrow accounts to offset the carrying value.



## CITY OF BERWYN, ILLINOIS

Notes to financial statements  
December 31, 2020

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### NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Retirement Plan: During the year ended December 31, 2020, the BDC implemented a Roth 401(k) Profit Sharing Plan with eligibility after 6 months of service. The plan provides that each participant may elect to defer up to the legal limits established by the Internal Revenue Service. The BDC matches 100% of each employee's contributions up to 4% of the employee's total compensation. Matching contributions were \$22,781 for the year ending December 31, 2020.

Activities with the City of Berwyn Funding Authorizations: BDC continues its cooperation with the City to bring low-interest lending assistance to local businesses. The BDC provides the required documentation and administers the loan program, as noted above. The BDC manages the City loan program and such loans are reported as part of the City's annual audit. The BDC also manages the tax increment financing projects (TIF) within the City's four TIF Redevelopment Districts on behalf and for the benefit of the City.

#### L. Tax Rebates

The City has from time to time entered into sales tax rebate agreements in order to attract new retailers. The agreements are pursuant to Section 8-11-20 of the Illinois Municipal Code (65 ILCS 5/8-11-20 and have been approved by the City Council. To be eligible for the program the retailers must open stores in the City and submit sales tax information to the City.

The City is currently entered into two sales tax rebate agreements. The first agreement is between the City and Harold Zeigler Auto Group, Inc., and calls for a rebate of 40% of the sales tax collected during the years 2018 through 2022. Total payments under this agreement in 2020 were \$82,733. The second agreement, between the City and Tony's Finer Foods Enterprises, Inc., requires the City to rebate 50% of the sales tax collected for 25 years up to a maximum amount of \$5,199,122. Total payments under this agreement in 2020 were \$357,714.

#### M. Prior Period Adjustment

The City adjusted beginning net position of governmental activities to reflect the 12/31/19 balance of the 2015 Harlem TIF Private Placement Bonds that were previously unrecorded. The City previously believed that note disclosure alone was sufficient since the bonds are not general obligation.

12/31/19 Net Position as previously reported	\$(209,942,311)
2015 Harlem TIF Bonds at 12/31/19	<u>( 1,427,103)</u>
12/31/19 Net Position as restated	<u><u>\$(211,369,414)</u></u>

**REQUIRED SUPPLEMENTARY INFORMATION**



CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Property taxes	\$ 22,344,726	\$ 19,579,680	\$ 19,421,749	\$ (157,931)
Other taxes	6,414,950	6,414,950	6,248,485	(166,465)
Licenses and permits	3,752,000	3,752,000	3,184,960	(567,040)
Charges for services	2,251,500	2,251,500	2,331,321	79,821
Fines and forfeitures	5,120,000	5,120,000	3,917,308	(1,202,692)
Intergovernmental	439,037	439,037	1,232,160	793,123
Investment income	175,400	175,400	65,591	(109,809)
Miscellaneous	1,517,500	1,517,500	1,075,769	(441,731)
Total Revenues	<u>42,015,113</u>	<u>39,250,067</u>	<u>37,477,343</u>	<u>(1,772,724)</u>
<b>EXPENDITURES</b>				
Current				
General government	4,210,315	4,210,315	3,667,042	543,273
Public safety	41,610,329	38,845,283	39,763,532	(918,249)
Public works	6,561,526	6,561,526	5,887,231	674,295
Economic development	228,347	228,347	519,369	(291,022)
Culture and recreation	2,332,395	2,332,395	1,524,836	807,559
Debt Service				
Bond issuance costs	-	-	-	-
Total Expenditures	<u>54,942,912</u>	<u>52,177,866</u>	<u>51,362,010</u>	<u>815,856</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(12,927,799)</u>	<u>(12,927,799)</u>	<u>(13,884,667)</u>	<u>(956,868)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Debt proceeds	-	-	349,123	349,123
Transfers in	12,933,389	12,933,389	12,972,058	38,669
Transfers (out)	-	-	(199,035)	(199,035)
Total Other Financing Sources (Uses)	<u>12,933,389</u>	<u>12,933,389</u>	<u>13,122,146</u>	<u>188,757</u>
NET CHANGE IN FUND BALANCE	<u>\$ 5,590</u>	<u>\$ 5,590</u>	<u>(762,521)</u>	<u>\$ (768,111)</u>
FUND BALANCE, JANUARY 1			<u>12,369,977</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 11,607,456</u>	

See independent auditor's report.

**CITY OF BERWYN, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
PUBLIC SAFETY PENSION FUNDING FUND  
For the Year Ended December 31, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Property taxes	\$ -	\$ 2,765,046	\$ 2,721,454	\$ (43,592)
Investment income	-	-	1,638	1,638
<b>Total Revenues</b>	<u>-</u>	<u>2,765,046</u>	<u>2,723,092</u>	<u>(41,954)</u>
<b>EXPENDITURES</b>				
Administrative expenditures		-	-	-
Police pension expenditure		1,509,826	1,486,832	22,994
Fire pension expenditure	-	1,255,220	1,234,622	20,598
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>2,721,454</u>	<u>43,592</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>2,765,046</u>	<u>1,638</u>	<u>(2,763,408)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in - Municipal Securitization	-	-	718,744	718,744
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>718,744</u>	<u>718,744</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ 2,765,046</u>	<u>720,382</u>	<u>\$ (2,044,664)</u>
<b>FUND BALANCE, JANUARY 1</b>			<u>(29,629,162)</u>	
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ (28,908,780)</u>	

**CITY OF BERWYN, ILLINOIS**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN CITY NET PENSION LIABILITY AND RELATED RATIOS**  
**DECEMBER 31, 2020**

Last 10 Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>						
Service cost	\$ 1,030,780	\$ 1,000,488	\$ 1,045,930	\$ 1,053,865	\$ 954,026	\$ 1,033,322
Interest	3,528,600	3,439,779	3,454,319	3,241,622	3,071,951	2,866,257
Changes of Benefit Terms	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(156,451)	(492,847)	(738,854)	629,669	99,367	(899,200)
Changes of Assumptions	-	1,397,922	(1,546,791)	(113,651)	108,003	1,484,918
Benefit Payments, Including Refunds of Member Contributions	(2,416,734)	(2,690,980)	(2,080,519)	(2,093,766)	(1,717,067)	(1,689,075)
<b>Net Change in Total Pension Liability</b>	<u>1,986,195</u>	<u>2,654,362</u>	<u>134,085</u>	<u>2,717,739</u>	<u>2,516,280</u>	<u>2,796,222</u>
<b>Total Pension Liability - Beginning</b>	<u>49,363,327</u>	<u>46,708,965</u>	<u>46,574,880</u>	<u>43,857,141</u>	<u>41,340,861</u>	<u>38,544,639</u>
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 51,349,522</u>	<u>\$ 49,363,327</u>	<u>\$ 46,708,965</u>	<u>\$ 46,574,880</u>	<u>\$ 43,857,141</u>	<u>\$ 41,340,861</u>
<b>Plan Fiduciary Net Position</b>						
Contributions - employer	\$ 845,622	\$ 1,078,343	\$ 1,039,496	\$ 1,299,087	\$ 1,234,949	\$ 1,125,047
Contributions - member	471,148	464,670	451,947	451,564	429,839	399,259
Net Investment Income	8,061,715	(2,431,919)	7,166,588	2,524,066	194,300	2,242,328
Benefit Payments, Including Refunds of Member Contributions	(2,416,734)	(2,690,980)	(2,080,519)	(2,093,766)	(1,717,067)	(1,689,075)
Other	(72,227)	476,454	(1,196,968)	668,349	(922,213)	(33,365)
<b>Net Change in Fiduciary Net Position</b>	<u>\$ 6,889,524</u>	<u>\$ (3,103,432)</u>	<u>\$ 5,380,544</u>	<u>\$ 2,849,300</u>	<u>\$ (780,192)</u>	<u>\$ 2,044,194</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>43,232,276</u>	<u>46,335,708</u>	<u>40,955,164</u>	<u>38,105,864</u>	<u>38,886,056</u>	<u>36,841,862</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 50,121,800</u>	<u>\$ 43,232,276</u>	<u>\$ 46,335,708</u>	<u>\$ 40,955,164</u>	<u>\$ 38,105,864</u>	<u>\$ 38,886,056</u>
<b>Net Pension Liability - Ending (a)-(b)</b>	<u>\$ 1,227,722</u>	<u>\$ 6,131,051</u>	<u>\$ 373,257</u>	<u>\$ 5,619,716</u>	<u>\$ 5,751,277</u>	<u>\$ 2,454,805</u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	97.61%	87.58%	99.20%	87.93%	86.89%	94.06%
<b>Covered Payroll</b>	\$ 10,440,467	\$ 10,299,359	\$ 10,034,441	\$ 9,939,525	\$ 9,259,217	\$ 8,592,033
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	11.76%	59.53%	3.72%	56.54%	62.11%	28.57%

**Notes to Schedule:**

Information is presented for those years for which it was available

See independent auditor's report.

**CITY OF BERWYN, ILLINOIS**  
**IMRF - SHERIFF'S LAW ENFORCEMENT PERSONNEL**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN CITY NET PENSION LIABILITY AND RELATED RATIOS**  
**DECEMBER 31, 2020**

Last 10 Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>						
Service cost	\$ -	\$ -	\$ 27,014	\$ 25,187	\$ 24,702	\$ 24,781
Interest	18,372	14,398	25,793	24,713	20,729	17,582
Changes of Benefit Terms	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(381)	45,399	(191,367)	(36,896)	7,689	(7,879)
Changes of Assumptions	-	1,637	137	(1,296)	1,537	7,511
Benefit Payments, Including Refunds of Member Contributions	-	-	-	-	-	-
<b>Net Change in Total Pension Liability</b>	<u>17,991</u>	<u>61,434</u>	<u>(138,423)</u>	<u>11,708</u>	<u>54,657</u>	<u>41,995</u>
<b>Total Pension Liability - Beginning</b>	<u>253,405</u>	<u>191,971</u>	<u>330,394</u>	<u>318,686</u>	<u>264,029</u>	<u>222,034</u>
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 271,396</u>	<u>\$ 253,405</u>	<u>\$ 191,971</u>	<u>\$ 330,394</u>	<u>\$ 318,686</u>	<u>\$ 264,029</u>
<b>Plan Fiduciary Net Position</b>						
Contributions - employer	\$ -	\$ -	\$ 7,300	\$ 21,313	\$ 19,127	\$ 17,146
Contributions - member	-	-	3,519	10,786	9,955	9,764
Net Investment Income	55,084	(5,315)	45,677	19,224	1,329	13,768
Benefit Payments, Including Refunds of Member Contributions	-	-	-	-	-	-
Other	(740)	1,049	(1,622)	(2,109)	(13,263)	(1,590)
<b>Net Change in Fiduciary Net Position</b>	<u>\$ 54,344</u>	<u>\$ (4,266)</u>	<u>\$ 54,874</u>	<u>\$ 49,214</u>	<u>\$ 17,148</u>	<u>\$ 39,088</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>368,302</u>	<u>372,568</u>	<u>317,694</u>	<u>268,480</u>	<u>251,332</u>	<u>212,244</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 422,646</u>	<u>\$ 368,302</u>	<u>\$ 372,568</u>	<u>\$ 317,694</u>	<u>\$ 268,480</u>	<u>\$ 251,332</u>
<b>Net Pension Liability - Ending (a)-(b)</b>	<u>\$ (151,250)</u>	<u>\$ (114,897)</u>	<u>\$ (180,597)</u>	<u>\$ 12,700</u>	<u>\$ 50,206</u>	<u>\$ 12,697</u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	155.73%	145.34%	194.08%	96.16%	84.25%	95.19%
<b>Covered Payroll</b>	\$ -	\$ -	\$ 46,915	\$ 143,817	\$ 132,733	\$ 130,189
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	0.00%	0.00%	-384.95%	8.83%	37.82%	9.75%

**Notes to Schedule:**

Information is presented for those years for which it was available

See independent auditor's report.

**CITY OF BERWYN, ILLINOIS**  
**POLICE PENSION FUND**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN CITY NET PENSION LIABILITY AND RELATED RATIOS**  
**DECEMBER 31, 2020**

Last 10 Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>							
Service cost	\$ 2,847,552	\$ 2,642,769	\$ 2,647,867	\$ 2,553,287	\$ 2,391,838	\$ 2,066,074	\$ 2,393,246
Interest	8,903,252	8,755,072	8,368,311	8,013,778	7,760,581	7,211,847	6,784,103
Changes of Benefit Terms	-	725,111	-	-	-	-	-
Differences Between Expected and Actual Experience	(2,816,951)	1,276,302	37,926	(222,006)	147,889	1,491,310	-
Changes of Assumptions	(2,972,238)	(277,538)	-	-	(1,702,436)	1,925,792	-
Benefit Payments, Including Refunds of Member Contributions	(5,962,596)	(5,424,634)	(5,223,991)	(4,961,472)	(4,732,113)	(4,399,148)	(4,304,379)
<b>Net Change in Total Pension Liability</b>	(981)	7,697,082	5,830,113	5,383,587	3,865,759	8,295,875	4,872,970
<b>Total Pension Liability - Beginning</b>	140,114,163	132,417,081	126,586,968	121,203,381	117,337,622	109,041,747	104,168,777
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 140,113,182</u>	<u>\$ 140,114,163</u>	<u>\$ 132,417,081</u>	<u>\$ 126,586,968</u>	<u>\$ 121,203,381</u>	<u>\$ 117,337,622</u>	<u>\$ 109,041,747</u>
<b>Plan Fiduciary Net Position</b>							
Contributions - employer	\$ 1,485,309	\$ 16,498,158	\$ 1,424,327	\$ 1,248,592	\$ 1,552,361	\$ 16,745,210	\$ 1,936,262
Contributions - member	1,058,128	1,058,824	1,041,410	1,031,688	1,023,659	956,689	1,227,194
Contributions - Other	6,712	5,063	7,263	30,829	62,939	-	-
Net Investment Income	13,206,907	13,529,061	(5,965,146)	10,465,494	4,388,789	(1,761,769)	1,788,907
Benefit Payments, Including Refunds of Member Contributions	(5,962,596)	(5,424,634)	(5,223,991)	(4,961,472)	(4,732,113)	(4,399,148)	(4,304,379)
Administrative Expense	(97,055)	(84,116)	(94,288)	(97,823)	(86,813)	(74,978)	(74,328)
Other	-	-	-	-	-	-	-
<b>Net Change in Fiduciary Net Position</b>	\$ 9,697,405	\$ 25,582,356	\$ (8,810,425)	\$ 7,717,308	\$ 2,208,822	\$ 11,466,004	\$ 573,656
<b>Plan Fiduciary Net Position - Beginning</b>	100,261,070	74,678,714	83,489,139	75,771,831	73,563,009	62,097,005	61,523,349
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 109,958,475</u>	<u>\$ 100,261,070</u>	<u>\$ 74,678,714</u>	<u>\$ 83,489,139</u>	<u>\$ 75,771,831</u>	<u>\$ 73,563,009</u>	<u>\$ 62,097,005</u>
<b>Net Pension Liability - Ending (a)-(b)</b>	<u>\$ 30,154,707</u>	<u>\$ 39,853,093</u>	<u>\$ 57,738,367</u>	<u>\$ 43,097,829</u>	<u>\$ 45,431,550</u>	<u>\$ 43,774,613</u>	<u>\$ 46,944,742</u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	78.48%	71.56%	56.40%	65.95%	62.52%	62.69%	56.95%
<b>Covered Payroll</b>	\$ 10,689,170	\$ 10,690,483	\$ 10,525,569	\$ 13,014,854	\$ 12,574,738	\$ 9,302,154	\$ 9,358,883
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	282.11%	372.79%	548.55%	331.14%	361.29%	470.59%	501.61%

**Notes to Schedule:**

In 2015, the changes of assumptions resulted from a study of police officers and police pension funds in Illinois that impacted mortality rates, mortality improvement rates, retirement rates, disability rates and termination rates. Information is presented for those years for which it was available.

See independent auditor's report.

**CITY OF BERWYN, ILLINOIS  
FIREFIGHTERS' PENSION FUND  
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN CITY NET PENSION LIABILITY AND RELATED RATIOS  
DECEMBER 31, 2020**

Last 10 Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total pension liability</b>							
Service cost	\$ 2,206,429	\$ 1,990,340	\$ 2,003,112	\$ 2,004,380	\$ 1,882,047	\$ 1,752,238	\$ 2,103,135
Interest	7,202,391	6,858,925	6,492,282	6,267,854	6,029,592	5,413,467	5,212,528
Changes of Benefit Terms	-	1,227,084	-	-	-	-	-
Differences Between Expected and Actual Experience	1,097,271	(1,693,789)	2,395,580	235,467	693,572	1,050,247	-
Changes of Assumptions	(660,922)	1,886,904	8,536	-	(229,445)	5,676,793	-
Benefit Payments, Including Refunds of Member Contributions	(5,517,695)	(5,319,274)	(5,198,406)	(4,911,540)	(4,508,834)	(4,318,960)	(4,129,646)
<b>Net Change in Total Pension Liability</b>	<u>4,327,474</u>	<u>4,950,190</u>	<u>5,701,104</u>	<u>3,596,161</u>	<u>3,866,932</u>	<u>9,573,785</u>	<u>3,186,017</u>
<b>Total Pension Liability - Beginning</b>	<u>113,131,753</u>	<u>108,181,563</u>	<u>102,480,459</u>	<u>98,884,298</u>	<u>95,017,366</u>	<u>85,443,581</u>	<u>82,257,564</u>
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 117,459,227</u>	<u>\$ 113,131,753</u>	<u>\$ 108,181,563</u>	<u>\$ 102,480,459</u>	<u>\$ 98,884,298</u>	<u>\$ 95,017,366</u>	<u>\$ 85,443,581</u>
<b>Plan Fiduciary Net Position</b>							
Contributions - employer	\$ 1,233,496	\$ 16,241,734	\$ 1,217,979	\$ 1,184,601	\$ 1,573,440	\$ 16,498,436	\$ 2,036,569
Contributions - member	719,900	692,418	700,615	692,937	685,432	664,862	639,271
Contributions - other	1,300	1,472	1,912	38,848	7,051	-	-
Net Investment Income	8,479,327	9,301,114	(3,939,327)	6,705,504	3,322,184	(1,457,332)	1,798,667
Benefit Payments, Including Refunds of Member Contributions	(5,517,695)	(5,319,274)	(5,198,406)	(4,911,540)	(4,508,834)	(4,318,960)	(4,129,645)
Administrative Expense	(98,244)	(75,694)	(64,321)	(62,921)	(60,407)	(61,180)	(64,139)
Other	-	-	-	-	-	-	-
<b>Net Change in Fiduciary Net Position</b>	<u>\$ 4,818,084</u>	<u>\$ 20,841,770</u>	<u>\$ (7,281,548)</u>	<u>\$ 3,647,429</u>	<u>\$ 1,018,866</u>	<u>\$ 11,325,826</u>	<u>\$ 280,723</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>67,345,260</u>	<u>46,503,490</u>	<u>53,785,038</u>	<u>50,137,609</u>	<u>49,118,743</u>	<u>37,792,917</u>	<u>37,512,194</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 72,163,344</u>	<u>\$ 67,345,260</u>	<u>\$ 46,503,490</u>	<u>\$ 53,785,038</u>	<u>\$ 50,137,609</u>	<u>\$ 49,118,743</u>	<u>\$ 37,792,917</u>
<b>Net Pension Liability - Ending (a)-(b)</b>	<u>\$ 45,295,883</u>	<u>\$ 45,786,493</u>	<u>\$ 61,678,073</u>	<u>\$ 48,695,421</u>	<u>\$ 48,746,689</u>	<u>\$ 45,898,623</u>	<u>\$ 47,650,664</u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	61.44%	59.53%	42.99%	52.48%	50.70%	51.69%	44.23%
<b>Covered Payroll</b>	\$ 7,560,667	\$ 7,279,060	\$ 8,360,233	\$ 8,180,510	\$ 7,903,875	\$ 7,104,897	\$ 6,934,001
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	599.10%	629.02%	737.76%	595.26%	616.74%	646.01%	687.20%

**Notes to Schedule:**

In 2015, the changes of assumptions resulted from a study of firefighters and fire pension funds in Illinois that impacted mortality rates, mortality improvement rates, retirement rates, disability rates and termination rates. Information is presented for those years for which it was available.

See independent auditor's report.



**CITY OF BERWYN, ILLINOIS**  
**OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN CITY TOTAL OTHER POST-EMPLOYMENT BENEFITS LIABILITY**  
**DECEMBER 31, 2020**

Last 10 Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>			
Service cost	\$ 402,284	\$ 335,810	\$ 364,755
Interest	544,838	688,147	613,088
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(3,831,338)	-	-
Changes of Assumptions	985,274	3,210,744	(994,767)
Benefit Payments, Including Refunds of Member Contributions	(1,185,484)	(1,076,769)	(971,935)
<b>Net Change in Total OPEB Liability</b>	<u>(3,084,426)</u>	<u>3,157,932</u>	<u>(988,859)</u>
<b>Total OPEB Liability - Beginning</b>	20,477,347	17,319,415	18,308,274
<b>Total OPEB Liability - Ending (a)</b>	<u>\$ 17,392,921</u>	<u>\$ 20,477,347</u>	<u>\$ 17,319,415</u>
<b>Plan Fiduciary Net Position</b>			
Contributions - employer	\$ 1,185,484	\$ 1,076,769	\$ 971,935
Contributions - member	-	-	-
Net Investment Income	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(1,185,484)	(1,076,769)	(971,935)
Administrative Expense	-	-	-
<b>Net Change in Fiduciary Net Position</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Plan Fiduciary Net Position - Beginning</b>	-	-	-
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Total OPEB Liability - Ending (a)-(b)</b>	<u>\$ 17,392,921</u>	<u>\$ 20,477,347</u>	<u>\$ 17,319,415</u>
<b>OPEB Plan Net Position as a Percentage of the Total OPEB Liability</b>	0.00%	0.00%	0.00%
<b>Covered Payroll</b>	\$ 29,028,355	\$ 28,382,011	\$ 28,176,343
<b>Employer Total OPEB Liability as a Percentage of Covered Payroll</b>	59.92%	72.15%	61.47%

Information is presented for those years for which it is available

See independent auditor's report.

**CITY OF BERWYN, ILLINOIS**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CITY CONTRIBUTIONS**  
**DECEMBER 31, 2020**

Last 10 Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially Determined Contribution	\$ 1,016,303	\$ 844,634	\$ 1,078,343	\$ 1,039,568	\$ 1,273,253	\$ 1,196,291	\$ 1,102,358
Contributions in Relation to the Actuarially Determined Contribution	<u>1,016,304</u>	<u>845,622</u>	<u>1,078,343</u>	<u>1,035,361</u>	<u>1,299,087</u>	<u>1,234,949</u>	<u>1,125,047</u>
Contribution Deficiency (Excess)	(1)	(988)	-	4,207	(25,834)	(38,658)	(22,689)
Covered Payroll	10,777,339	10,440,467	10,299,359	10,034,441	9,939,525	9,259,217	8,592,033
Contributions as a Percentage of Covered Payroll	9.43%	8.10%	10.47%	10.32%	13.07%	13.34%	13.09%

**Notes to Schedule:**

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 each year

Actuarial Cost Method: Aggregate entry age normal

Amortization Method: Level percentage of payroll, closed

Remaining Amortization Period: 24-year closed period

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

Inflation: 2.50%

Salary Increases: 3.35% to 14.25%, including inflation

Investment Rate of Return: 7.5%

Retirement Age: Experience based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2017

Mortality: RP-2014 Blue Collar Healthy Annuitant Mortality Table, adjusted to match current IMRF experience. For men, 120% of the table rates were used. For disabled retirees, an

IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

Other Information: There were no benefit changes during the year

Information is presented for those years for which it was available

See independent auditor's report.

**CITY OF BERWYN, ILLINOIS**  
**IMRF - SHERIFF'S LAW ENFORCEMENT PERSONNEL**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CITY CONTRIBUTIONS**  
**DECEMBER 31, 2020**

Last 10 Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially Determined Contribution	\$ -	\$ -	\$ -	\$ 7,300	\$ 21,314	\$ 19,127	\$ 17,146
Contributions in Relation to the Actuarially Determined Contribution	-	-	-	7,300	21,313	19,127	17,146
Contribution Deficiency (Excess)	-	-	-	-	-	-	-
Covered Payroll	-	-	-	46,915	143,817	132,733	130,189
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	15.56%	14.82%	14.41%	13.17%

**Notes to Schedule:**

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 each year

Actuarial Cost Method: Aggregate entry age normal

Amortization Method: Level percentage of payroll, closed

Remaining Amortization Period: 28-year closed period

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

Inflation: 2.50%

Salary Increases: 3.35% to 14.25%, including inflation

Investment Rate of Return: 7.5%

Retirement Age: Experience based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016

Mortality: RP-2014 Blue Collar Healthy Annuitant Mortality Table, adjusted to match current IMRF experience. For men, 120% of the table rates were used. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

Other Information: There were no benefit changes during the year

Information is presented for those years for which it was available

See independent auditor's report.

**CITY OF BERWYN, ILLINOIS  
POLICE PENSION FUND  
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY CONTRIBUTIONS  
DECEMBER 31, 2020**

Last 10 Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially Determined Contribution	\$ 4,899,997	\$ 4,324,217	\$ 3,968,068	\$ 3,535,612	\$ 4,030,141	\$ 3,812,119	\$ 4,423,550
Contributions in Relation to the Actuarially Determined Contribution	<u>1,485,309</u>	<u>16,498,451</u>	<u>1,424,327</u>	<u>1,248,592</u>	<u>1,552,361</u>	<u>16,745,210</u>	<u>1,936,262</u>
Contribution Deficiency (Excess)	3,414,688	(12,174,234)	2,543,741	2,287,020	2,477,780	(12,933,091)	2,487,288
Covered Payroll	10,689,170	10,690,483	10,525,569	13,014,854	12,574,738	9,302,154	9,358,883
Contributions as a Percentage of Covered Payroll	13.90%	154.33%	13.53%	9.59%	12.35%	180.01%	20.69%

**Notes to Schedule:**

The actuarially determined contribution is from the December 31, 2019 actuary's report

Actuarial Cost Method: Entry age normal with a level percentage of pay

Remaining Amortization Period: 20 years to 100% funding, closed. This results in amortization in excess of the statutory requirement.

Asset Valuation Method: Market value

Inflation: 2.5%

Projected Increase in Total Payroll: 3.5%

Investment Rate of Return: 6.75%

Retirement Rates: Based on the Lauterbach & Amen, LLP 2016 Illinois Police Retirement Rates 85% Capped at age 62

Mortality: RP-2014 Adjusted for Plan Status, Collar, and Illinois Public Pension Data, as Appropriate

Other Significant Factors Impacting Contributions:

City implemented a formal funding plan in 2013 to eliminate the unfunded liability by 2023.

Pursuant to the formal plan, the City issues general obligation pension bonds to fund the component of the Actuarial Required Contribution related to amortization of the plan's unfunded liability. From 2015 to 2020 this has resulted in excess funding.

The City continues to fund the "normal cost" component of the ARC. When the plan is fully funded, ARC will consist primarily of the normal cost. Information is presented for those years for which it was available

See independent auditor's report.

**CITY OF BERWYN, ILLINOIS  
FIREFIGHTERS' PENSION FUND  
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY CONTRIBUTIONS  
DECEMBER 31, 2020**

Last 10 Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially Determined Contribution	\$ 4,791,222	\$ 4,485,479	\$ 4,038,813	\$ 3,662,334	\$ 3,868,344	\$ 3,521,960	\$ 4,065,776
Contributions in Relation to the Actuarially Determined Contribution	1,233,496	16,241,734	1,217,979	1,184,601	1,573,440	16,498,436	2,036,569
Contribution Deficiency (Excess)	3,557,726	(11,756,255)	2,820,834	2,477,733	2,294,904	(12,976,476)	2,029,207
Covered Payroll	7,560,667	7,279,060	8,360,233	8,180,510	7,903,875	7,104,897	6,934,001
Contributions as a Percentage of Covered Payroll	16.31%	223.13%	14.57%	14.48%	19.91%	232.21%	29.37%

**Notes to Schedule:**

The actuarially determined contribution is from the December 31, 2019 actuary's report

Actuarial Cost Method: Entry age normal with a level percentage of pay

Remaining Amortization Period: 20 years to 100% funding, closed. This results in amortization in excess of the statutory requirement.

Asset Valuation Method: Market value

Inflation: 2.5%

Projected Increase in Total Payroll: 3.5%

Investment Rate of Return: 6.5%

Retirement Rates: Based on the Lauterbach & Amen, LLP 2016 Illinois Firefighters Retirement Rates Capped at age 65

Mortality: RP-2014 Adjusted for Plan Status, Collar, and Illinois Public Pension Data, as Appropriate

Other Significant Factors Impacting Contributions:

City implemented a formal funding plan in 2013 to eliminate the unfunded liability by 2023.

Pursuant to the formal plan, the City issues general obligation pension bonds to fund the component of the Actuarial Required Contribution related to amortization of the plan's unfunded liability. From 2015 to 2020 this has resulted in excess funding.

The City continues to fund the "normal cost" component of the ARC. When the plan is fully funded, ARC will consist primarily of the normal cost.

Information is presented for those years for which it was available

See independent auditor's report.

**CITY OF BERWYN, ILLINOIS  
OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS  
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY CONTRIBUTIONS  
DECEMBER 31, 2020**

Last 10 Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially Determined Contribution	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in Relation to the Actuarially Determined Contribution	-	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Covered Payroll	\$ 29,028,355	\$ 28,382,011	\$ 28,176,343	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

There is no Actuarially Determined Contribution or employer contribution in relation to the Actuarially Determined Contribution, as there is no Trust that exists for funding the OPEB liabilities. The City did make contributions from other City resources in the current year in the amount of \$1,185,484.

Information is presented for those years for which it is available.

**NOTE 1 - BUDGETS**

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting. Annual appropriated budgets are adopted for the General, Special Revenue Funds (except the Public Safety Pension Funding, Grants, Police Seizure, State Asset Forfeiture, NSP, Ogden Avenue TIF, Ridgeland Avenue TIF and Emergency 911 Telephone System Funds), Debt Service Fund, Enterprise, Capital Projects and Pension Trust Funds. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. The Mayor submits to the City Council Members a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted by the City to obtain taxpayer comments.
- c. Subsequently, the budget is legally enacted through passage of an ordinance.
- d. Formal budgetary integration is employed as a management control device during the year.
- e. Budgets, as described above, are adopted on a basis consistent with generally accepted accounting principles.
- f. Legal level of budgetary control is at the department level in the general fund or fund level for all other funds.
- g. Budgetary authority lapses at year end.
- h. State law requires that "expenditures be made in conformity with the budget." Transfers between line items in cost centers may be made by administrative action. Any amount to be transferred between cost centers and/or funds would require City Council approval.
- i. The budget was amended in December of 2020.

**CITY OF BERWYN, ILLINOIS**

Notes to required supplementary information  
December 31, 2020

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**NOTE 2 - EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS**

The following departments had an excess of actual expenditures over budget for the fiscal year:

<u>Fund</u>	<u>Amount</u>
General Fund Department	
Information Technology	\$ 54,916
Fire Department	279,744
Police Department	630,886
Fire and Police Commission	7,619
Committees & Planning	299,840
Debt Service Fund	128,351
Motor Fuel Tax	<u>112,603</u>
Total	<u>\$ 1,513,959</u>



**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**



## **MAJOR GOVERNMENTAL FUNDS**

**CITY OF BERWYN, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
BERWYN MUNICIPAL SECURITIES FUND  
For the Year Ended December 31, 2020**

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
State income tax	\$ 5,727,572	\$ 6,239,091	\$ 511,519
State/local use tax	2,012,390	4,392,484	2,380,094
1% State sales tax	4,788,166	4,570,878	(217,288)
Home rule sales tax	5,018,729	2,529,919	(2,488,810)
Investment income	-	10,287	10,287
	<u>17,546,857</u>	<u>17,742,659</u>	<u>195,802</u>
<b>EXPENDITURES</b>			
Professional services	151,126	89,850	61,276
Debt Service			
Principal	-	-	-
Interest and fiscal charges	<u>4,462,342</u>	<u>4,462,342</u>	<u>-</u>
Total Expenditures	<u>4,613,468</u>	<u>4,552,192</u>	<u>61,276</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>12,933,389</u>	<u>13,190,467</u>	<u>257,078</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer out- Debt Service Fund	-	(1,285,939)	(1,285,939)
Transfer out- Public Safety Pension Funding Fund	-	(718,744)	(718,744)
Transfer out- General Fund	<u>(12,933,389)</u>	<u>(12,972,058)</u>	<u>(38,669)</u>
Total Other Financing Sources (Uses)	<u>(12,933,389)</u>	<u>(14,976,741)</u>	<u>(2,043,352)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>(1,786,274)</u>	<u>\$ (1,786,274)</u>
<b>FUND BALANCE, JANUARY 1</b>		<u>83,928,401</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 82,142,127</u>	

CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 DEBT SERVICE FUND  
 For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Property taxes - debt service	\$ 7,603,161	\$ 7,632,646	\$ 29,485
Investment income	1,000	6,796	5,796
Total Revenues	<u>7,604,161</u>	<u>7,639,442</u>	<u>35,281</u>
<b>EXPENDITURES</b>			
Debt Service			
Principal	6,912,649	7,397,634	(484,985)
Interest and fiscal charges	5,026,901	4,670,267	356,634
Total Expenditures	<u>11,939,550</u>	<u>12,067,901</u>	<u>(128,351)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,335,389)</u>	<u>(4,428,459)</u>	<u>(93,070)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in - General Fund	(95)	64,299	64,394
Transfers in - Roosevelt Road TIF	286,825	286,825	-
Transfers in (out) - Ogden Avenue TIF	-	(64,299)	(64,299)
Transfers in - South Berwyn TIF	536,167	536,167	-
Transfer in - Berwyn Municipal Securitization Fund	-	1,285,939	1,285,939
Debt Proceeds	3,850,000	3,850,000	-
Total Other Financing Sources (Uses)	<u>4,672,897</u>	<u>5,958,931</u>	<u>1,286,034</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 337,508</u>	<u>1,530,472</u>	<u>\$ 1,192,964</u>
<b>FUND BALANCE, JANUARY 1</b>		<u>(47,156,847)</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ (45,626,375)</u>	

**CITY OF BERWYN, ILLINOIS**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended December 31, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>PROPERTY TAXES</b>				
Property taxes - general	\$ 22,344,726	\$ 19,579,680	\$ 19,421,749	\$ (157,931)
<b>OTHER TAXES</b>				
Personal property replacement	213,000	213,000	236,515	23,515
Canabis	-	-	39,145	39,145
State sales	(360,000)	(360,000)	-	360,000
Municipal utility	3,000,000	3,000,000	2,739,274	(260,726)
Liquor	200,000	200,000	215,219	15,219
Real estate transfer	2,250,000	2,250,000	2,138,624	(111,376)
Gas	366,000	366,000	264,914	(101,086)
Parking lot	1,200	1,200	1,200	-
Video	2,100	2,100	1,375	(725)
Video gaming	740,000	740,000	490,349	(249,651)
Miscellaneous	2,650	2,650	121,870	119,220
Total Other Taxes	<u>6,414,950</u>	<u>6,414,950</u>	<u>6,248,485</u>	<u>(166,465)</u>
<b>LICENSES AND PERMITS</b>				
Vehicle				
Passenger vehicles	1,500,000	1,500,000	1,310,835	(189,165)
Recreation vehicle	4,500	4,500	284	(4,216)
Motorcycle	16,000	16,000	13,289	(2,711)
Trucks	225,000	225,000	215,302	(9,698)
Licenses				
Business	720,000	720,000	512,656	(207,344)
Liquor	250,000	250,000	204,822	(45,178)
Pet	13,000	13,000	8,855	(4,145)
Permits				
Commuter parking	126,500	126,500	63,133	(63,367)
Municipal parking	147,000	147,000	150,580	3,580
Building	140,000	140,000	124,169	(15,831)
Certificate of compliance	60,000	60,000	49,500	(10,500)
Local improvement	490,000	490,000	366,463	(123,537)
Service charge and escrow default	50,000	50,000	143,424	93,424
Electrical sign inspection	10,000	10,000	21,648	11,648
Total Licenses and Permits	<u>3,752,000</u>	<u>3,752,000</u>	<u>3,184,960</u>	<u>(567,040)</u>

**CITY OF BERWYN, ILLINOIS**

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND**

**For the Year Ended December 31, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>CHARGES FOR SERVICES</b>				
Public safety				
Police reports	\$ 10,000	\$ 10,000	\$ 4,285	\$ (5,715)
Paramedic service collections	1,000,000	1,000,000	1,645,196	645,196
False alarms	-	-	150	150
Miscellaneous charges for services	18,500	18,500	29,942	11,442
CPR training revenue	500	500	-	(500)
Public works				
Plumbing inspection	500,000	500,000	444,705	(55,295)
Sanitation				
Recycling rebate	-	-	10,000	10,000
Recreation				
Athletics	80,000	80,000	27,912	(52,088)
Adult programs	20,000	20,000	5,220	(14,780)
Children's programs	370,000	370,000	45,352	(324,648)
Pool	37,000	37,000	-	(37,000)
Concession stand	1,000	1,000	(1,420)	(2,420)
Rental	500	500	300	(200)
Other fees for service	-	-	(10,000)	(10,000)
Senior services				
Senior breakfast	1,000	1,000	-	(1,000)
Other fees for service	31,500	31,500	26,243	(5,257)
Other				
Commuter parking meters	33,500	33,500	20,347	(13,153)
Sale of gas	73,000	73,000	42,411	(30,589)
Sidewalk construction	75,000	75,000	40,678	(34,322)
 Total Charges For Services	 <u>2,251,500</u>	 <u>2,251,500</u>	 <u>2,331,321</u>	 <u>79,821</u>
<b>FINES AND FORFEITURES</b>				
Towing fees	10,000	10,000	-	(10,000)
Impound vehicles	100,000	100,000	102,750	2,750
Booting	160,000	160,000	56,893	(103,107)
Cannabis tickets	5,000	5,000	225	(4,775)
Court fines	30,000	30,000	43,040	13,040
Violation fines	1,900,000	1,900,000	936,677	(963,323)
Compliance tickets	75,000	75,000	71,090	(3,910)
Local ordinance fines	240,000	240,000	179,619	(60,381)
Red Light photo enforcement	2,600,000	2,600,000	2,527,014	(72,986)
 Total Fines and Forfeitures	 <u>5,120,000</u>	 <u>5,120,000</u>	 <u>3,917,308</u>	 <u>(1,202,692)</u>

(Continued)

**CITY OF BERWYN, ILLINOIS**

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND**

**For the Year Ended December 31, 2020**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>INTERGOVERNMENTAL</b>				
Highway maintenance	120,000	\$ 120,000	\$ 129,726	\$ 9,726
Grants	<u>319,037</u>	<u>319,037</u>	<u>1,102,434</u>	<u>783,397</u>
Total Intergovernmental	<u>439,037</u>	<u>439,037</u>	<u>1,232,160</u>	<u>793,123</u>
<b>INVESTMENT INCOME</b>	<u>175,400</u>	<u>175,400</u>	<u>65,591</u>	<u>(109,809)</u>
<b>OTHER REVENUES</b>				
Franchises	425,000	425,000	379,101	(45,899)
Cell tower rental	340,000	340,000	283,538	(56,462)
Reimbursements	642,500	642,500	303,090	(339,410)
Contributions & sponsorships	4,000	4,000	14,275	10,275
Other	<u>106,000</u>	<u>106,000</u>	<u>95,765</u>	<u>(10,235)</u>
Total Other Revenues	<u>1,517,500</u>	<u>1,517,500</u>	<u>1,075,769</u>	<u>(441,731)</u>
<b>TOTAL REVENUES</b>	<u>\$ 42,015,113</u>	<u>\$ 39,250,067</u>	<u>\$ 37,477,343</u>	<u>\$ (1,772,724)</u>

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CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>GENERAL GOVERNMENT</b>				
Mayor's Office				
Salaries and benefits	\$ 153,297	\$ 153,297	\$ 149,357	\$ 3,940
Internal service fund charges	1,688	1,688	1,668	20
Administrative expenditures	7,500	7,500	3,595	3,905
Supplies	1,000	1,000	985	15
Postage and printing	845	845	41	804
Training, dues and publications	-	-	1,646	(1,646)
Other general	1,000	1,000	3,242	(2,242)
Copier maintenance	700	700	160	540
Total Mayor's Office	166,030	166,030	160,694	5,336
City Administrator's Office				
Salaries and benefits	412,754	412,754	401,248	11,506
Internal service fund charges	5,031	5,031	5,068	(37)
Training, dues and publications	10,000	10,000	7,276	2,724
Supplies	1,600	1,600	4,102	(2,502)
Postage and printing	805	805	2,251	(1,446)
Repairs and maintenance	500	500	-	500
Professional services	60,000	60,000	55,000	5,000
Other general	9,500	9,500	5,726	3,774
Copier maintenance	700	700	160	540
Total City Administrator's Office	500,890	500,890	480,831	20,059
City Clerk's Office				
Salaries and benefits	175,393	175,393	116,349	59,044
Internal service fund charges	2,885	2,885	1,497	1,388
Administrative expenditures	4,500	4,500	90	4,410
Training, dues and publications	2,500	2,500	3,530	(1,030)
Supplies	1,500	1,500	839	661
Postage and printing	750	750	830	(80)
Codification	4,000	4,000	5,716	(1,716)
Record retention	2,500	2,500	245	2,255
Other general	47,000	47,000	32,573	14,427
Copier maintenance	3,500	3,500	4,728	(1,228)
Total City Clerk's Office	244,528	244,528	166,397	78,131
Treasurer's Office				
Salaries and benefits	48,224	48,224	45,357	2,867
Internal service fund charges	508	508	512	(4)
Supplies	250	250	-	250
Postage, printing and publications	5,000	5,000	3,080	1,920
Other general	250	250	-	250
Total Treasurer's Office	54,232	54,232	48,949	5,283
City Council				
Salaries and benefits	261,697	261,697	248,774	12,923
Internal service fund charges	2,562	2,562	2,867	(305)
Ward expenditures	36,000	36,000	24,794	11,206
Other general	250	250	77	173
Total City Council	300,509	300,509	276,512	23,997

(Continued)



CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>GENERAL GOVERNMENT (CONTINUED)</b>				
Legal Department				
Salaries and benefits	\$ 314,183	\$ 314,183	\$ 300,886	\$ 13,297
Internal service fund charges	11,207	11,207	7,574	3,633
Supplies	1,000	1,000	800	200
Postage and printing	500	500	-	500
Adjudication program	35,000	35,000	16,625	18,375
Other general	500	500	146	354
Professional services	650,000	650,000	517,745	132,255
Copier maintenance	500	500	-	500
Total Legal Department	<u>1,012,890</u>	<u>1,012,890</u>	<u>843,776</u>	<u>169,114</u>
Finance Department				
Salaries and benefits	1,179,054	1,179,054	1,082,188	96,866
Internal service fund charges	17,922	17,922	16,825	1,097
Other general	144,000	144,000	158,709	(14,709)
Postage, printing and publications	26,000	26,000	35,595	(9,595)
Telephone	-	-	-	-
Supplies	12,000	12,000	9,850	2,150
Training, dues and publications	14,000	14,000	3,038	10,962
Professional services	326,000	326,000	169,906	156,094
Copier maintenance	2,250	2,250	914	1,336
Total Finance Department	<u>1,721,226</u>	<u>1,721,226</u>	<u>1,477,025</u>	<u>244,201</u>
Information Technology Department				
Salaries and benefits	788,774	788,774	705,255	83,519
Internal service fund charges	13,742	13,742	13,620	122
Network infrastructure	265,000	265,000	239,366	25,634
Hardware purchases	80,000	80,000	81,012	(1,012)
Hardware maintenance	41,000	41,000	61,404	(20,404)
Software purchases	30,000	30,000	22,008	7,992
Software maintenance	25,000	25,000	54,442	(29,442)
Equipment lease	-	-	-	-
Vehicle, gas and oil	1,000	1,000	-	1,000
Training, dues and publications	1,000	1,000	-	1,000
Supplies	3,000	3,000	22,931	(19,931)
Repairs & maintenance	1,000	1,000	-	1,000
Other general	72,000	72,000	71,150	850
Postage, printing and publications	-	-	1	(1)
Professional services	<u>25,000</u>	<u>25,000</u>	<u>14,587</u>	<u>10,413</u>
Capital outlay	-	-	<u>115,656</u>	<u>(115,656)</u>
Total Information Technology Department	<u>1,346,516</u>	<u>1,346,516</u>	<u>1,401,432</u>	<u>(54,916)</u>
Statutory				
Auditing/accounting expenditures	52,144	52,144	45,031	7,113
Bad debt expenditure	3,500	3,500	-	3,500
Unallocated employee benefits	7,000	7,000	(24,043)	31,043
Interdepartmental charges-water	(1,250,000)	(1,250,000)	(1,276,234)	26,234
Other	5,000	5,000	12,630	(7,630)
City wide software applications	<u>45,850</u>	<u>45,850</u>	<u>54,042</u>	<u>(8,192)</u>
Total Statutory	<u>(1,136,506)</u>	<u>(1,136,506)</u>	<u>(1,188,574)</u>	<u>52,068</u>
Total General Government	<u>4,210,315</u>	<u>4,210,315</u>	<u>3,667,042</u>	<u>543,273</u>

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>PUBLIC SAFETY</b>				
Fire Department				
Salaries and benefits	\$ 11,527,598	\$ 11,527,598	\$ 11,359,593	\$ 168,005
Pension expenditures	1,232,826	(22,394)	-	(22,394)
Internal service fund charges	485,099	485,099	563,016	(77,917)
Collection service fees	150,000	150,000	521,242	(371,242)
Other general	48,000	48,000	50,645	(2,645)
Supplies	16,500	16,500	38,695	(22,195)
Telephone	10,500	10,500	8,543	1,957
Utilities	12,000	12,000	11,966	34
Training, dues, and education	47,500	47,500	14,672	32,828
Repairs and maintenance	155,000	155,000	154,277	723
Vehicle gas & oil	55,000	55,000	43,814	11,186
Copier maintenance	2,500	2,500	303	2,197
Equipment purchases/capital outlay	76,500	76,500	79,377	(2,877)
Equipment lease	142,000	142,000	141,733	267
Turnout gear	50,000	50,000	47,671	2,329
Total Fire Department	<u>14,011,023</u>	<u>12,755,803</u>	<u>13,035,547</u>	<u>(279,744)</u>
Police Department				
Salaries and benefits	22,696,526	22,696,526	22,797,130	(100,604)
Pension expenditures	1,496,373	(13,453)	-	(13,453)
Internal service fund charges	1,362,132	1,362,132	1,690,089	(327,957)
Other general	163,500	163,500	190,465	(26,965)
Postage, printing, and publications	30,200	30,200	34,193	(3,993)
Telephone	55,920	55,920	63,632	(7,712)
Utilities	27,500	27,500	33,375	(5,875)
Training, dues, and education	95,000	95,000	134,079	(39,079)
Vehicle gas & oil	180,000	180,000	186,885	(6,885)
Supplies	63,100	63,100	248,002	(184,902)
Repairs and maintenance	371,500	371,500	349,056	22,444
Red light camera enforcement	925,000	925,000	869,277	55,723
Capital outlay	45,000	45,000	42,533	2,467
Software maintenance	-	-	3,500	(3,500)
Copier maintenance	17,000	17,000	7,595	9,405
Total Police Department	<u>27,528,751</u>	<u>26,018,925</u>	<u>26,649,811</u>	<u>(630,886)</u>
Fire and Police Commission				
Salaries and benefits	21,530	21,530	32,689	(11,159)
Training, dues, and education	2,500	2,500	1,761	739
Other general	<u>46,525</u>	<u>46,525</u>	<u>43,724</u>	<u>2,801</u>
Total Fire and Police Commission	<u>70,555</u>	<u>70,555</u>	<u>78,174</u>	<u>(7,619)</u>
Total Public Safety	<u>41,610,329</u>	<u>38,845,283</u>	<u>39,763,532</u>	<u>(918,249)</u>

(Continued)

**CITY OF BERWYN, ILLINOIS**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND**

**For the Year Ended December 31, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>PUBLIC WORKS</b>				
Building Department				
Salaries and benefits	\$ 1,146,329	\$ 1,146,329	\$ 1,059,338	\$ 86,991
Internal service fund charges	20,654	20,654	18,597	2,057
Other general	41,500	41,500	22,518	18,982
Postage, printing, and publications	17,000	17,000	15,955	1,045
Utilities	12,000	12,000	11,259	741
Telephone	15,000	15,000	12,704	2,296
Training, dues, and publications	2,500	2,500	1,011	1,489
Supplies	14,500	14,500	36,120	(21,620)
Vehicle gas & oil	10,000	10,000	8,816	1,184
Professional services	430,000	430,000	358,943	71,057
Repairs and maintenance	150,000	150,000	183,135	(33,135)
Copier maintenance	2,000	2,000	716	1,284
Total Building Department	<u>1,861,483</u>	<u>1,861,483</u>	<u>1,729,112</u>	<u>132,371</u>
Street Department				
Salaries and benefits	2,784,018	2,784,018	2,395,772	388,246
Internal service fund charges	94,682	94,682	102,130	(7,448)
Other general	5,000	5,000	1,621	3,379
Telephone	3,500	3,500	7,218	(3,718)
Training, dues & publications	20,500	20,500	21,440	(940)
Utilities	18,500	18,500	15,603	2,897
Vehicle gas and oil	95,000	95,000	60,950	34,050
Supplies	144,450	144,450	97,303	47,147
Postage & printing	10,000	10,000	4,628	5,372
Equipment lease	135,000	135,000	106,475	28,525
Equipment	2,500	2,500	40,300	(37,800)
Repairs and maintenance	302,000	302,000	449,479	(147,479)
Copier maintenance	1,400	1,400	196	1,204
Capital outlay	99,000	99,000	269,378	(170,378)
Professional services	590,000	590,000	230,366	359,634
Total Street Department	<u>4,305,550</u>	<u>4,305,550</u>	<u>3,802,859</u>	<u>502,691</u>
Fleet Department				
Salaries and benefits	116,617	116,617	111,379	5,238
Internal service fund charges	3,376	3,376	3,355	21
Other general	2,500	2,500	312	2,188
Supplies	142,000	142,000	121,500	20,500
Professional services	45,000	45,000	75,722	(30,722)
Postage & printing	-	-	1,410	(1,410)
Equipment	2,500	2,500	-	2,500
Vehicle gas and oil	9,000	9,000	4,490	4,510
Repairs and maintenance	70,000	70,000	37,092	32,908
Repairs and maintenance parts	3,500	3,500	-	3,500
Total Fleet Department	<u>394,493</u>	<u>394,493</u>	<u>355,260</u>	<u>39,233</u>
Total Public Works	<u>6,561,526</u>	<u>6,561,526</u>	<u>5,887,231</u>	<u>674,295</u>

(Continued)

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>ECONOMIC DEVELOPMENT</b>				
Zoning Boards of Appeals				
Salaries and benefits	\$ 6,847	\$ 6,847	\$ 7,029	\$ (182)
Postage & printing	3,000	3,000	-	3,000
Other general	6,000	6,000	-	6,000
Total Zoning Boards of Appeals	<u>15,847</u>	<u>15,847</u>	<u>7,029</u>	<u>8,818</u>
Committees and Planning Department				
Berwyn Historical Society	5,000	5,000	-	5,000
West Central Municipal Conference	26,000	26,000	25,554	446
Historical Preservation Commission	2,500	2,500	-	2,500
Utility tax rebate	85,000	85,000	46,338	38,662
Sales tax rebate	-	-	440,448	(440,448)
Community programs	3,500	3,500	-	3,500
Berwyn Development Corporation Administrative Fee	86,000	86,000	-	86,000
Other general	4,500	4,500	-	4,500
Total Committees and Planning Department	<u>212,500</u>	<u>212,500</u>	<u>512,340</u>	<u>(299,840)</u>
Total Economic Development	<u>228,347</u>	<u>228,347</u>	<u>519,369</u>	<u>(291,022)</u>
<b>CULTURE AND RECREATION</b>				
Recreation Department				
Salaries and benefits	1,120,754	1,120,754	669,586	451,168
Internal service fund charges	35,844	35,844	38,333	(2,489)
Special events	80,000	80,000	16,249	63,751
Other general	90,000	90,000	55,927	34,073
Postage, printing, and publications	4,500	4,500	4,853	(353)
Telephone	10,000	10,000	8,851	1,149
Utilities	35,000	35,000	21,117	13,883
Vehicle gas & oil	13,000	13,000	11,097	1,903
Supplies	115,000	115,000	65,336	49,664
Repairs and maintenance	160,000	160,000	95,698	64,302
Equipment purchases/capital outlay	15,000	15,000	-	15,000
Copier maintenance	800	800	145	655
Total Recreation Department	<u>1,679,898</u>	<u>1,679,898</u>	<u>987,192</u>	<u>692,706</u>

(Continued)

CITY OF BERWYN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>CULTURE AND RECREATION (CONTINUED)</b>				
Community Relations Department				
Salaries and benefits	\$ 5,383	\$ 5,383	\$ 5,383	\$ -
Other general	<u>1,400</u>	<u>1,400</u>	<u>-</u>	<u>1,400</u>
Total Community Relations Department	<u>6,783</u>	<u>6,783</u>	<u>5,383</u>	<u>1,400</u>
Senior Services Department				
Salaries and benefits	352,237	352,237	340,885	11,352
Special events - senior breakfast	7,400	7,400	100	7,300
Vehicle, gas, and oil	20,000	20,000	16,065	3,935
Telephone	3,500	3,500	4,405	(905)
Supplies	500	500	918	(418)
Postage and printing	7,000	7,000	2,835	4,165
Professional services	2,000	2,000	2,202	(202)
Repairs and maintenance	165,000	165,000	143,225	21,775
Equipment lease	72,000	72,000	5,400	66,600
Copier maintenance	1,000	1,000	269	731
Internal service fund charges	12,577	12,577	15,523	(2,946)
Other general	<u>2,500</u>	<u>2,500</u>	<u>434</u>	<u>2,066</u>
Total Senior Services Department	<u>645,714</u>	<u>645,714</u>	<u>532,261</u>	<u>113,453</u>
Total Culture and Recreation	<u>2,332,395</u>	<u>2,332,395</u>	<u>1,524,836</u>	<u>807,559</u>
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<u>\$ 54,942,912</u>	<u>\$ 52,177,866</u>	<u>\$ 51,362,010</u>	<u>\$ 815,856</u>

## **NONMAJOR GOVERNMENTAL FUNDS**

The NSP Fund is used to account for revenues and expenditures of the Neighborhood Stabilization Grant program with funding provided by the Federal Department of Housing and Urban Development.

The Library Fund is used to account for the revenues of and the spending of funds for the operations of the Berwyn Public Library. The Library is a department of the city and is a special revenue fund.

The Motor Fuel Tax Fund is used to account for the proceeds received from the State for the City's share of motor fuel taxes. Spending within this fund is restricted by state regulations to the maintenance and improvement of City streets.

The Ridgeland Avenue TIF is used to accumulate tax increment generated by the Ridgeland Avenue TIF district which was created on March 10, 2020. Funds can only be used for redevelopment costs within the geographical boundaries of the district.

South Berwyn Corridor TIF is used to accumulate tax increment generated by the South Berwyn TIF district which was created on January 28, 1997. Funds can only be used for redevelopment costs within the geographical boundaries of the district.

Roosevelt Road TIF is used to accumulate tax increment generated by the Roosevelt Road TIF district which was created on January 28, 1997. Funds can only be used for redevelopment costs within the geographical boundaries of the district.

Ogden Avenue TIF is used to accumulate tax increment generated by the Ogden Avenue TIF district which was created on May 25, 1993. Funds can only be used for redevelopment costs within the geographical boundaries of the district.

Harlem Avenue TIF is used to accumulate tax increment generated by the Harlem Avenue TIF district which was created on January 1, 2012. Funds can only be used for redevelopment costs within the geographical boundaries of the district.

The Grants Fund is used to account for various grant revenues and the related expenditure of those grant funds.

The Police Seizure Fund is used to account for revenues obtained from drug seizures and expenditures related to police activity in accordance with federal requirements.

The Emergency 911 Telephone System Fund is used to account for the operations and maintenance of an emergency telephone system with revenues provided by a specific tax surcharge.

State Asset Forfeiture Fund is used to account for revenues obtained from drug seizures and expenditures related to police activity in accordance with state requirements.

The Foreign Fire Insurance Fund is used to account for the proceeds and spending of the foreign fire insurance tax. The fund is administered by the City's Foreign Fire Insurance Board and must be used for the benefit of the fire department.

The Community Development Block Grant (CDBG) Fund is used to account for the revenues and expenditures of the Community Development Block Grant program with funding provided by the Federal Department of Housing and Urban Development.

The Capital Projects Fund is used to account for the capital portions of bond proceeds to be used for capital project purposes.

**CITY OF BERWYN, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**December 31, 2020**

	Special Revenue							
	NSP	Library	Motor Fuel Tax	Ridgeland Avenue TIF	South Berwyn Corridor TIF	Roosevelt Road TIF	Ogden Avenue TIF	Harlem Avenue TIF
<b>ASSETS</b>								
Cash and investments	\$ 10	\$ 1,768,804	\$ 5,822,114	\$ -	\$ 6,829,679	\$ 43,842	\$ -	\$ 794,946
Restricted cash	-	-	-	-	894,208	1,886	-	-
Receivables								
Property taxes	-	3,401,662	-	-	7,154	1,459	-	-
Notes	-	-	-	-	-	-	-	-
Accounts	-	2,000	-	-	2,709	2,000	-	-
Land held for resale	-	-	-	-	-	305,000	-	-
Prepaid items	-	-	-	-	73,063	46,931	-	135,797
Due from other funds	-	14,474	-	-	-	-	66,205	118,769
Due from other governments	-	-	188,080	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>10</b>	<b>5,186,940</b>	<b>6,010,194</b>	<b>-</b>	<b>7,806,813</b>	<b>401,118</b>	<b>66,205</b>	<b>1,049,512</b>
<b>LIABILITIES</b>								
Accounts payable	-	25,263	167,088	-	2,670	3,952	-	45,291
Accrued payroll	-	90,364	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	2,000	-	-
Due to other funds	10	29	2,539,018	2,025	550,683	14,769	-	-
Other liabilities	-	-	-	-	-	-	81,405	-
<b>TOTAL LIABILITIES</b>	<b>10</b>	<b>115,656</b>	<b>2,706,106</b>	<b>2,025</b>	<b>553,353</b>	<b>20,721</b>	<b>81,405</b>	<b>45,291</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	3,392,808	-	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>3,392,808</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT)</b>								
Nonspendable								
Prepaid items	-	-	-	-	73,063	46,931	-	135,797
Restricted								
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	3,304,088	-	-	-	-	-
Culture and recreation	-	1,678,476	-	-	-	-	-	-
Economic development	-	-	-	-	7,180,397	333,466	-	868,424
Committed								
Capital projects funded by bonds	-	-	-	-	-	-	-	-
Unassigned	-	-	-	(2,025)	-	-	(15,200)	-
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>-</b>	<b>1,678,476</b>	<b>3,304,088</b>	<b>(2,025)</b>	<b>7,253,460</b>	<b>380,397</b>	<b>(15,200)</b>	<b>1,004,221</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b>	<b>\$ 10</b>	<b>\$ 5,186,940</b>	<b>\$ 6,010,194</b>	<b>\$ -</b>	<b>\$ 7,806,813</b>	<b>\$ 401,118</b>	<b>\$ 66,205</b>	<b>\$ 1,049,512</b>



**CITY OF BERWYN, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**December 31, 2020**

	Special Revenue					Capital Projects		Totals
	Grants	Police Seizure	Emergency 911 Telephone System	State Asset Forfeiture	Foreign Fire Insurance	CDBG	Capital Projects	
<b>ASSETS</b>								
Cash and investments	\$ 105,626	\$ 507,836	\$ 835,795	250,742	\$ 57,330	\$ 100	\$ 289,682	\$ 17,306,506
Restricted cash	-	-	-	-	-	-	-	896,094
Receivables								
Property taxes	-	-	-	-	-	-	-	3,410,275
Notes	-	-	-	-	-	2,201,547	-	2,201,547
Accounts	4,420	1	251,892	1	-	-	941	263,964
Land held for resale	-	-	-	-	-	-	-	305,000
Prepaid items	-	-	-	-	-	-	-	255,791
Due from other funds	2,352	3,199	-	-	-	-	1,289	206,288
Due from other governments	-	-	-	-	-	6,113	-	194,193
TOTAL ASSETS	<u>112,398</u>	<u>511,036</u>	<u>1,087,687</u>	<u>250,743</u>	<u>57,330</u>	<u>2,207,760</u>	<u>291,912</u>	<u>25,039,658</u>
<b>LIABILITIES</b>								
Accounts payable	-	832	-	904	-	1,108	23,600	270,708
Accrued payroll	-	21,590	-	-	-	13,859	-	125,813
Unearned revenues	-	-	-	33,785	-	2,201,547	-	2,237,332
Due to other funds	-	-	566	238,056	2	232,887	-	3,578,045
Other liabilities	-	-	-	-	-	2	-	81,407
TOTAL LIABILITIES	<u>-</u>	<u>22,422</u>	<u>566</u>	<u>272,745</u>	<u>2</u>	<u>2,449,403</u>	<u>23,600</u>	<u>6,293,305</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	3,392,808
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,392,808</u>
<b>FUND BALANCES (DEFICIT)</b>								
Nonspendable								
Prepaid items	-	-	-	-	-	-	-	255,791
Restricted								
Public safety	112,398	488,614	1,087,121	-	57,328	-	-	1,745,461
Public works	-	-	-	-	-	-	-	3,304,088
Culture and recreation	-	-	-	-	-	-	-	1,678,476
Economic development	-	-	-	-	-	-	-	8,382,287
Committed								
Capital projects funded by bonds	-	-	-	-	-	-	268,312	268,312
Unassigned	-	-	-	(22,002)	-	(241,643)	-	(280,870)
TOTAL FUND BALANCES (DEFICIT)	<u>112,398</u>	<u>488,614</u>	<u>1,087,121</u>	<u>(22,002)</u>	<u>57,328</u>	<u>(241,643)</u>	<u>268,312</u>	<u>15,353,545</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICIT)	<u>\$ 112,398</u>	<u>\$ 511,036</u>	<u>\$ 1,087,687</u>	<u>\$ 250,743</u>	<u>\$ 57,330</u>	<u>\$ 2,207,760</u>	<u>\$ 291,912</u>	<u>\$ 25,039,658</u>

CITY OF BERWYN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2020

	Special Revenue							
	NSP	Library	Motor Fuel Tax	Ridgeland Avenue TIF	South Berwyn Corridor TIF	Roosevelt Road TIF	Ogden Avenue TIF	Harlem Avenue TIF
<b>REVENUES</b>								
Property taxes	\$ -	\$ 3,357,075	\$ -	\$ -	\$ 1,091,754	\$ 716,123	\$ -	\$ 2,008,185
Other taxes	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	11,729	-	-	-	-	-	-
Intergovernmental	-	95,821	3,405,011	-	-	-	-	-
Investment income	-	4,580	24,904	-	1,812	777	-	1,598
Miscellaneous	-	8,813	-	-	-	-	-	-
Total Revenues	-	3,478,018	3,429,915	-	1,093,566	716,900	-	2,009,783
<b>EXPENDITURES</b>								
Current								
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	2,105,503	-	-	-	-	-
Economic development	-	-	-	2,025	321,961	230,370	15,200	615,198
Culture and recreation	-	3,354,869	-	-	-	-	-	-
Capital outlay	-	148,645	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	112,528
Bond issuance costs	-	-	-	-	244,820	-	-	-
Interest and fiscal charges	-	-	-	-	-	15,000	-	60,634
Total Expenditures	-	3,503,514	2,105,503	2,025	566,781	245,370	15,200	788,360
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(25,496)	1,324,412	(2,025)	526,785	471,530	(15,200)	1,221,423
<b>OTHER FINANCING SOURCES (USES)</b>								
Debt proceeds	-	-	-	-	7,140,000	-	-	-
Transfers in	134,736	-	-	-	-	-	64,299	-
Transfers (out)	-	-	-	-	(536,167)	(286,825)	-	-
Total Other Financing Sources (Uses)	134,736	-	-	-	6,603,833	(286,825)	64,299	-
NET CHANGE IN FUND BALANCES	134,736	(25,496)	1,324,412	(2,025)	7,130,618	184,705	49,099	1,221,423
FUND BALANCES (DEFICIT), JANUARY 1	(134,736)	1,703,972	1,979,676	-	122,842	195,692	(64,299)	(217,202)
<b>FUND BALANCES (DEFICIT), DECEMBER 31</b>	\$ -	\$ 1,678,476	\$ 3,304,088	\$ (2,025)	\$ 7,253,460	\$ 380,397	\$ (15,200)	\$ 1,004,221

CITY OF BERWYN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2020

	Special Revenue					Capital Projects		Totals
	Grants	Police Seizure	Emergency 911 Telephone System	State Asset Forfeiture	Foreign Fire Insurance	CDBG	Capital Projects	
<b>REVENUES</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,173,137
Other taxes	-	-	787,004	-	48,528	-	-	835,532
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	10,456	-	-	-	-	-	-	22,185
Intergovernmental	-	210,712	-	10,353	-	575,773	7,441	4,305,111
Investment income	266	272	5,195	101	-	2	1,510	41,017
Miscellaneous	-	-	-	-	-	105,233	-	114,046
Total Revenues	<u>10,722</u>	<u>210,984</u>	<u>792,199</u>	<u>10,454</u>	<u>48,528</u>	<u>681,008</u>	<u>8,951</u>	<u>12,491,028</u>
<b>EXPENDITURES</b>								
Current								
Public safety	5,221	212,010	687,019	32,456	50,056	-	-	986,762
Public works	-	-	-	-	-	-	-	2,105,503
Economic development	-	-	-	-	-	684,614	-	1,869,368
Culture and recreation	-	-	-	-	-	-	-	3,354,869
Capital outlay	-	-	-	-	-	-	881,669	1,030,314
Debt service								
Principal	-	-	-	-	-	-	-	112,528
Bond issuance costs	-	-	-	-	-	-	-	244,820
Interest and fiscal charges	-	-	-	-	-	-	-	75,634
Total Expenditures	<u>5,221</u>	<u>212,010</u>	<u>687,019</u>	<u>32,456</u>	<u>50,056</u>	<u>684,614</u>	<u>881,669</u>	<u>9,779,798</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,501</u>	<u>(1,026)</u>	<u>105,180</u>	<u>(22,002)</u>	<u>(1,528)</u>	<u>(3,606)</u>	<u>(872,718)</u>	<u>2,711,230</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Debt proceeds	-	-	-	-	-	-	-	7,140,000
Transfers in	-	-	-	-	-	-	-	199,035
Transfers (out)	-	-	-	-	-	-	-	(822,992)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,516,043</u>
NET CHANGE IN FUND BALANCES	5,501	(1,026)	105,180	(22,002)	(1,528)	(3,606)	(872,718)	9,227,273
FUND BALANCES (DEFICIT), JANUARY 1	<u>106,897</u>	<u>489,640</u>	<u>981,941</u>	<u>-</u>	<u>58,856</u>	<u>(238,037)</u>	<u>1,141,030</u>	<u>6,126,272</u>
<b>FUND BALANCES (DEFICIT), DECEMBER 31</b>	<u>\$ 112,398</u>	<u>\$ 488,614</u>	<u>\$ 1,087,121</u>	<u>\$ (22,002)</u>	<u>\$ 57,328</u>	<u>\$ (241,643)</u>	<u>\$ 268,312</u>	<u>\$ 15,353,545</u>

**CITY OF BERWYN, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
LIBRARY FUND**

**For the Year Ended December 31, 2020**

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Property taxes - Library	\$ 3,392,808	\$ 3,357,075	\$ (35,733)
Fines and forfeitures			
Book fines	16,000	6,570	(9,430)
Copier fees - maintenance fund	13,000	5,159	(7,841)
Intergovernmental revenue - Grants	95,821	95,821	-
Investment income	750	4,580	3,830
Miscellaneous revenues			
Donations - building fund	7,000	6,813	(187)
Other revenues	-	2,000	2,000
Total Revenues	<u>3,525,379</u>	<u>3,478,018</u>	<u>(47,361)</u>
<b>EXPENDITURES</b>			
Library			
Salaries and benefits	2,819,625	2,678,040	141,585
Internal service fund charges	21,551	39,192	(17,641)
Books	273,500	213,431	60,069
Periodicals	18,000	14,135	3,865
Audio visual	39,000	21,076	17,924
Computer system	60,000	46,278	13,722
Dues and subscriptions	24,000	11,459	12,541
Computer support databases	67,000	29,245	37,755
Programs adult/children	30,000	31,118	(1,118)
Reciprocal borrowing	1,500	1,746	(246)
Promotions	18,800	11,344	7,456
Director expense	800	-	800
Board expense	10,000	709	9,291
Other general	25,000	6,462	18,538
Postage, printing, and publications	1,800	206	1,594
Vehicle gas & oil	500	180	320
Telephone	22,000	26,878	(4,878)
Utilities	14,000	11,837	2,163
Supplies	108,800	101,399	7,401
Repairs and maintenance	150,000	110,134	39,866
Capital improvement	230,000	148,645	81,355
Total Expenditures	<u>3,935,876</u>	<u>3,503,514</u>	<u>432,362</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(410,497)</u>	<u>(25,496)</u>	<u>385,001</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (410,497)</u>	<u>(25,496)</u>	<u>\$ 385,001</u>
<b>FUND BALANCE, JANUARY 1</b>		<u>1,703,972</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 1,678,476</u>	

**CITY OF BERWYN, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
MOTOR FUEL TAX FUND  
For the Year Ended December 31, 2020**

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	Original and Final Budget	Actual	Variance with Final Budget
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUES</b>			
Intergovernmental revenues - state allotment	\$ 1,992,900	\$ 2,160,371	\$ 167,471
Investment income	45,000	24,904	(20,096)
Grants	-	1,244,640	1,244,640
Total Revenues	<u>2,037,900</u>	<u>3,429,915</u>	<u>1,392,015</u>
 <b>EXPENDITURES</b>			
Public Works			
Rock salt	239,400	228,989	10,411
Utilities	366,000	408,625	(42,625)
Professional services	77,500	611,447	(533,947)
Repairs and maintenance			
Streets & Sidewalks	800,000	476,740	323,260
Traffic control	510,000	379,702	130,298
Total Expenditures	<u>1,992,900</u>	<u>2,105,503</u>	<u>(112,603)</u>
 Excess (Deficiency) of Revenues Over Expenditures	<u>45,000</u>	<u>1,324,412</u>	<u>1,279,412</u>
 <b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 45,000</u>	<u>1,324,412</u>	<u>\$ 1,279,412</u>
 <b>FUND BALANCE, JANUARY 1</b>		<u>1,979,676</u>	
 <b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 3,304,088</u>	

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**CITY OF BERWYN, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
SOUTH BERWYN CORRIDOR TIF FUND  
For the Year Ended December 31, 2020**

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Property taxes - increment	\$ 1,184,742	\$ 1,091,754	\$ (92,988)
Miscellaneous income	-	-	-
Investment income	-	1,812	1,812
<b>Total Revenues</b>	<u>1,184,742</u>	<u>1,093,566</u>	<u>(91,176)</u>
<b>EXPENDITURES</b>			
Economic Development			
TIF expenditures	396,122	102,771	293,351
TIF management services - BDC	292,253	219,190	73,063
Debt Service			
Principal	-	-	-
Interest - notes payable	-	-	-
Issuance cost	-	244,820	(244,820)
<b>Total Expenditures</b>	<u>688,375</u>	<u>566,781</u>	<u>121,594</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>496,367</u>	<u>526,785</u>	<u>30,418</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Debt proceeds	-	7,140,000	7,140,000
Transfers (out)	(536,167)	(536,167)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(536,167)</u>	<u>6,603,833</u>	<u>7,140,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (39,800)</u>	<u>7,130,618</u>	<u>\$ 7,170,418</u>
<b>FUND BALANCE, JANUARY 1</b>		<u>122,842</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 7,253,460</u>	

**CITY OF BERWYN, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ROOSEVELT ROAD TIF FUND  
For the Year Ended December 31, 2020**

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	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Property taxes - increment	\$ 761,006	\$ 716,123	\$ (44,883)
Investment income	-	777	777
Total Revenues	<u>761,006</u>	<u>716,900</u>	<u>(44,106)</u>
<b>EXPENDITURES</b>			
Economic Development			
TIF expenditures	143,861	102,679	41,182
TIF management services - BDC	<u>187,726</u>	<u>127,691</u>	<u>60,035</u>
Debt Service			
Principal	-	-	-
Interest - notes payable	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Total Expenditures	<u>346,587</u>	<u>245,370</u>	<u>101,217</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>414,419</u>	<u>471,530</u>	<u>57,111</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	<u>(286,825)</u>	<u>(286,825)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(286,825)</u>	<u>(286,825)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 127,594</u>	<u>184,705</u>	<u>\$ 57,111</u>
<b>FUND BALANCE, JANUARY 1</b>		<u>195,692</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 380,397</u>	

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CITY OF BERWYN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 HARLEM AVENUE TIF FUND  
 For the Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Property taxes - increment	\$ 1,500,000	\$ 2,008,185	\$ 508,185
Investment income	-	1,598	1,598
	<u>1,500,000</u>	<u>2,009,783</u>	<u>509,783</u>
<b>EXPENDITURES</b>			
Economic Development			
TIF expenditures	755,014	337,681	417,333
TIF management services - BDC	370,021	277,517	(92,504)
Debt Service			
Principal	112,736	112,528	208
Interest - notes payable	60,427	60,634	(207)
Total Expenditures	<u>1,298,198</u>	<u>788,360</u>	<u>324,830</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>201,802</u>	<u>1,221,423</u>	<u>1,019,621</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 201,802</u>	<u>1,221,423</u>	<u>\$ 1,019,621</u>
<b>FUND BALANCE, JANUARY 1</b>		(217,202)	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 1,004,221</u>	



**CITY OF BERWYN, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOREIGN FIRE INSURANCE FUND  
For the Year Ended December 31, 2020**

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	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Other taxes	\$ 52,000	\$ 48,528	\$ (3,472)
Investment income	-	-	-
Total Revenues	52,000	48,528	(3,472)
<b>EXPENDITURES</b>			
Public Safety			
Supplies	7,000	8,631	(1,631)
Tools and equipment	22,000	34,068	(12,068)
Repairs and maintenance	6,000	502	5,498
Other general	5,000	6,855	(1,855)
Training, dues, and publications	9,000	-	9,000
Capital Outlay	3,000	-	3,000
Total Expenditures	52,000	50,056	1,944
Excess (Deficiency) of Revenues Over Expenditures	-	(1,528)	(1,528)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>(1,528)</b>	<b>\$ (1,528)</b>
<b>FUND BALANCE, JANUARY 1</b>		<b>58,856</b>	
<b>FUND BALANCE, DECEMBER 31</b>		<b>\$ 57,328</b>	

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**CITY OF BERWYN, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CDBG FUND**

**For the Year Ended December 31, 2020**

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental revenues	\$ 1,176,799	\$ 575,773	\$ (601,026)
Investment income	-	2	2
Miscellaneous	64,782	105,233	40,451
<b>Total Revenues</b>	<b>1,241,581</b>	<b>681,008</b>	<b>(560,573)</b>
<b>EXPENDITURES</b>			
Economic Development			
Salaries and benefits	273,950	266,045	7,905
Internal service fund charges	10,190	12,776	(2,586)
Utilities	-	4,313	(4,313)
Copier maintenance	600	77	523
Telephone	1,200	1,054	146
Supplies	600	706	(106)
Postage and printing	1,300	5,304	(4,004)
Professional services	26,802	25,398	1,404
Training, dues and publications	3,650	-	3,650
Repairs and maintenance	842,601	241,170	601,431
Vehicle gas and oil	-	-	-
Other general	188	28	160
Bad debt	-	-	-
Program	80,500	127,743	(47,243)
Contingency	-	-	-
Public works			
Capital outlay	-	-	-
Professional services	-	-	-
Repairs and maintenance	-	-	-
<b>Total Expenditures</b>	<b>1,241,581</b>	<b>684,614</b>	<b>556,967</b>
Excess (Deficiency) of Revenues Over Expenditures	-	(3,606)	(3,606)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>(3,606)</b>	<b>\$ (3,606)</b>
<b>FUND BALANCE (DEFICIT), JANUARY 1</b>		<b>(238,037)</b>	
<b>FUND BALANCE (DEFICIT), DECEMBER 31</b>		<b>\$ (241,643)</b>	

**CITY OF BERWYN, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND  
For the Year Ended December 31, 2020**

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	Original and Final Budget	Actual	Variance with Final Budget
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUES</b>			
Intergovernmental revenue	\$ -	\$ 7,441	\$ 7,441
Investment income	-	1,510	1,510
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Revenues	-	8,951	8,951
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>EXPENDITURES</b>			
Capital outlay			
Public safety projects	555,808	628,566	(72,758)
Culture and recreational projects	100,000	-	100,000
Public works projects	410,500	253,103	157,397
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Expenditures	1,066,308	881,669	184,639
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Excess (Deficiency) of Revenues Over Expenditures	(1,066,308)	(872,718)	193,590
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Other Financing Sources (Uses)	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (1,066,308)</u>	<u>(872,718)</u>	<u>\$ 193,590</u>
<b>FUND BALANCE, JANUARY 1</b>		<u>1,141,030</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 268,312</u>	

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## **FIDUCIARY FUNDS**

CITY OF BERWYN, ILLINOIS

COMBINING STATEMENT OF NET POSITION  
PENSION TRUST FUNDS  
December 31, 2020

	Police Pension	Firefighters' Pension	Total
<b>ASSETS</b>			
Cash and investments			
Cash and cash equivalents	\$ 1,671,029	\$ 1,119,606	\$ 2,790,635
Investments			
U.S Government and agency securities	19,388,310	9,310,217	28,698,527
Corporate bonds	15,174,494	12,374,018	27,548,512
Equities	10,689,655	5,183,766	15,873,421
Equity mutual fund	62,453,658	43,179,189	105,632,847
State and local obligations	442,950	728,200	1,171,150
Insurance contracts	29,562	170,618	200,180
Total Cash and Investments	<u>109,849,658</u>	<u>72,065,614</u>	<u>181,915,272</u>
Receivables			
Accrued interest	156,860	114,492	271,352
Due from governmental funds	6,362	4,980	11,342
Total Receivables	<u>163,222</u>	<u>119,472</u>	<u>282,694</u>
Prepays	795	1,055	1,850
Total Assets	<u>110,013,675</u>	<u>72,186,141</u>	<u>182,199,816</u>
<b>LIABILITIES</b>			
Accounts payable	52,832	21,671	74,503
Due to governmental funds	844	-	844
Total Liabilities	<u>53,676</u>	<u>21,671</u>	<u>75,347</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<u>\$ 109,959,999</u>	<u>\$ 72,164,470</u>	<u>\$ 182,124,469</u>

**CITY OF BERWYN, ILLINOIS**

**COMBINING STATEMENT OF CHANGES IN NET POSITION  
PENSION TRUST FUNDS**

**For the Year Ended December 31, 2020**

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	Police Pension	Firefighters' Pension	Total
<b>ADDITIONS</b>			
Contributions			
Employer	\$ 1,486,832	\$ 1,234,622	\$ 2,721,454
Participants	<u>1,064,840</u>	<u>721,200</u>	<u>1,786,040</u>
Total Contributions	<u>2,551,672</u>	<u>1,955,822</u>	<u>4,507,494</u>
Investment Income			
Net appreciation (depreciation) in fair value of investments	11,063,784	7,402,664	18,466,448
Interest earned	2,363,049	1,214,276	3,577,325
Less investment expenses	<u>(219,925)</u>	<u>(137,613)</u>	<u>(357,538)</u>
Total Investment Income	<u>13,206,908</u>	<u>8,479,327</u>	<u>21,686,235</u>
Total Additions	<u>15,758,580</u>	<u>10,435,149</u>	<u>26,193,729</u>
<b>DEDUCTIONS</b>			
Administrative	97,055	98,244	195,299
Pension benefits and refunds	<u>5,962,596</u>	<u>5,517,695</u>	<u>11,480,291</u>
Total Deductions	<u>6,059,651</u>	<u>5,615,939</u>	<u>11,675,590</u>
<b>NET INCREASE</b>	9,698,929	4,819,210	14,518,139
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - JANUARY 1</b>	<u>100,261,070</u>	<u>67,345,260</u>	<u>167,606,330</u>
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - DECEMBER 31</b>	<u>\$ 109,959,999</u>	<u>\$ 72,164,470</u>	<u>\$ 182,124,469</u>

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**STATISTICAL SECTION**



## STATISTICAL SECTION

This part of the City of Berwyn's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	145 - 149
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	150 - 154
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	155 - 158
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	159 - 160
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	161 - 163

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.



CITY OF BERWYN, ILLINOIS  
NET POSITION BY COMPONENTS  
Last Ten Fiscal Years

	Note 1							Note 2	Note 3	Note 3
	2011	2012	2013	2014 (Restated)	2015	2016	2017 (Restated)	2018	2019	2020
<b>Governmental Activities</b>										
Net investment in capital assets	\$ (25,148,350)	\$ (29,717,373)	\$ (34,842,103)	\$ (35,980,196)	\$ (39,825,361)	\$ (33,352,778)	\$ (27,940,941)	\$ (24,632,819)	\$ (27,867,456)	\$ (24,963,362)
Restricted	14,690,665	13,216,304	10,139,735	7,852,106	4,834,710	4,374,268	3,964,998	3,784,265	89,567,917	95,573,963
Unrestricted	(19,438,748)	(19,370,661)	(20,837,639)	(129,800,459)	(130,286,516)	(145,555,971)	(170,442,605)	(182,069,967)	(273,069,875)	(281,372,326)
									Note 4	
Total Governmental Activities	\$ (29,896,433)	\$ (35,871,730)	\$ (45,540,007)	\$ (157,928,549)	\$ (165,277,167)	\$ (174,534,481)	\$ (194,418,548)	\$ (202,918,521)	\$ (211,369,414)	\$ (210,761,725)
<b>Business-Type Activities</b>										
Net investment in capital assets	\$ 38,876,966	\$ 35,878,284	\$ 32,073,557	\$ 27,665,507	\$ 23,946,259	\$ 21,163,985	\$ 19,645,695	\$ 19,410,585	\$ 19,451,290	\$ 18,331,734
Restricted	698,324	-	-	-	-	-	-	-	-	-
Unrestricted	3,098,670	3,188,554	4,727,886	4,988,893	5,241,306	4,273,785	2,477,439	1,912,046	1,729,262	2,855,774
Total Business-Type Activities	\$ 42,673,960	\$ 39,066,838	\$ 36,801,443	\$ 32,654,400	\$ 29,187,565	\$ 25,437,770	\$ 22,123,134	\$ 21,322,631	\$ 21,180,552	\$ 21,187,508
<b>Primary Government</b>										
Net investment in capital assets	\$ 13,728,616	\$ 6,160,911	\$ (2,768,546)	\$ (8,314,689)	\$ (15,879,102)	\$ (12,188,793)	\$ (8,295,246)	\$ (5,222,234)	\$ (8,416,166)	\$ (6,631,628)
Restricted	15,388,989	13,216,304	10,139,735	7,852,106	4,834,710	4,374,268	3,964,998	3,784,265	89,567,917	95,573,963
Unrestricted	(16,340,078)	(16,182,107)	(16,109,753)	(124,811,566)	(125,045,210)	(141,282,186)	(167,965,166)	(180,157,921)	(271,340,613)	(278,516,552)
Total Primary Government	\$ 12,777,527	\$ 3,195,108	\$ (8,738,564)	\$ (125,274,149)	\$ (136,089,602)	\$ (149,096,711)	\$ (172,295,414)	\$ (181,595,890)	\$ (190,188,862)	\$ (189,574,217)

Note1 : GASB Standard 68 required 2014 Financial Statements be restated to include the recognition of the additional net pension liability.

Note2 : GASB Standard 75 required 2017 Financial Statements be restated to Establish the Total Other Post Employee Benefit (OPEB) liability instead of Net OPEB Obligation

Note3 : GASB Standard 54 requires Advance to other funds be presented as Restricted Fund Balance for Debt Service

Note4 : Statement of Net Position Restated to include Harlem TIF private place liability of \$1.427 million

Data Source

Audited Financial Statements

CITY OF BERWYN, ILLINOIS  
 CHANGES IN NET POSITION  
 Last Ten Fiscal Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Expenses</b>										
<b>Governmental Activities</b>										
General government	\$ 4,474,679	\$ 3,143,434	\$ 3,636,642	\$ 3,330,828	\$ 3,875,080	\$ 4,069,138	\$ 4,151,187	\$ 4,322,035	\$ 4,444,154	\$ 3,431,673
Public safety	36,778,991	37,717,578	40,266,230	38,409,364	45,477,225	48,121,837	47,884,063	52,991,988	52,132,315	48,456,281
Public works	8,622,452	7,127,063	9,503,285	9,692,933	8,365,920	9,574,448	8,030,594	7,050,783	7,558,885	8,279,018
Economic development	11,210,313	5,295,179	8,341,981	4,826,143	8,816,846	3,680,408	3,321,527	2,948,818	3,685,048	2,607,616
Culture and recreation	5,065,032	4,786,867	4,853,831	4,979,472	4,969,399	5,384,622	5,098,182	5,288,508	5,074,881	4,921,945
Health and sanitation	4,086,307	-	-	-	-	-	-	-	-	-
Interest	4,891,883	4,989,927	5,555,103	6,347,001	8,136,685	8,224,634	7,415,620	7,410,680	9,960,909	9,776,916
Total Governmental Activities Expenses	<u>75,129,657</u>	<u>63,060,048</u>	<u>72,157,072</u>	<u>67,585,741</u>	<u>79,641,155</u>	<u>79,055,087</u>	<u>75,901,173</u>	<u>80,012,812</u>	<u>82,856,192</u>	<u>77,473,449</u>
<b>Business-Type Activities</b>										
Utilities	11,432,263	16,557,127	16,767,182	18,895,002	19,533,100	20,206,762	18,418,318	18,223,176	17,459,824	17,979,956
Parking garage	275,896	273,185	260,988	264,787	268,197	299,391	273,938	291,169	269,462	249,205
Total Business-Type Activities Expenses	<u>11,708,159</u>	<u>16,830,312</u>	<u>17,028,170</u>	<u>19,159,789</u>	<u>19,801,297</u>	<u>20,506,153</u>	<u>18,692,256</u>	<u>18,514,345</u>	<u>17,729,286</u>	<u>18,229,161</u>
Total Primary Government Expenses	<u>\$ 86,837,816</u>	<u>\$ 79,890,360</u>	<u>\$ 89,185,242</u>	<u>\$ 86,745,530</u>	<u>\$ 99,442,452</u>	<u>\$ 99,561,240</u>	<u>\$ 94,593,429</u>	<u>\$ 98,527,157</u>	<u>\$ 100,585,478</u>	<u>\$ 95,702,610</u>
<b>Program Revenues</b>										
<b>Governmental Activities</b>										
Charges for Services										
General government	\$ 2,691,846	\$ 2,052,284	\$ 2,182,551	\$ 2,526,944	\$ 2,543,015	\$ 2,503,370	\$ 2,412,000	\$ 2,603,194	\$ 2,832,766	\$ 2,552,355
Public safety	5,028,338	6,162,058	5,818,148	6,142,547	6,177,670	6,994,123	6,305,832	6,040,508	7,011,487	5,866,208
Public works	1,902,463	1,986,271	2,288,256	2,358,620	2,150,174	2,083,000	2,094,248	1,919,016	1,955,806	1,508,503
Culture and recreation	562,091	599,597	635,075	498,633	572,002	565,083	611,512	604,146	632,535	105,336
Health and sanitation	4,506,714	80,962	85,739	85,412	87,188	85,724	76,818	64,911	19,217	10,000
Economic development	-	-	-	44,000	32,000	-	-	-	-	-
Operating Grants and Contributions	4,684,682	3,636,003	3,035,643	3,808,251	4,634,204	4,376,808	3,839,854	3,224,755	3,609,094	4,037,465
Capital Grants and Contributions	1,641,462	660,589	1,746,077	2,104,052	2,067,975	634,086	3,428,047	960,511	726,582	1,499,806
Total Governmental Activities Program Revenues	<u>21,017,596</u>	<u>15,177,764</u>	<u>15,791,489</u>	<u>17,568,459</u>	<u>18,264,228</u>	<u>17,242,194</u>	<u>18,768,311</u>	<u>15,417,041</u>	<u>16,787,487</u>	<u>15,579,673</u>
<b>Business-Type Activities</b>										
Charges for Services										
Utilities	6,319,419	12,758,778	14,445,691	13,786,437	15,850,671	15,999,846	15,720,377	17,100,085	16,928,161	18,170,033
Parking garage	135,019	149,306	212,255	283,996	282,774	231,366	225,613	204,562	208,009	66,084
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	1,100,000	-	65,877	-	-	-	-
Total Business-Type Activities Program Revenues	<u>6,454,438</u>	<u>12,908,084</u>	<u>14,657,946</u>	<u>15,170,433</u>	<u>16,133,445</u>	<u>16,297,089</u>	<u>15,945,990</u>	<u>17,304,647</u>	<u>17,136,170</u>	<u>18,236,117</u>
Total Primary Government Program Revenues	<u>\$ 27,472,034</u>	<u>\$ 28,085,848</u>	<u>\$ 30,449,435</u>	<u>\$ 32,738,892</u>	<u>\$ 34,397,673</u>	<u>\$ 33,539,283</u>	<u>\$ 34,714,301</u>	<u>\$ 32,721,688</u>	<u>\$ 33,923,657</u>	<u>\$ 33,815,790</u>
<b>Net (Expense) Revenue</b>										
Governmental Activities	\$ (54,112,061)	\$ (47,882,284)	\$ (56,365,583)	\$ (50,017,282)	\$ (61,376,927)	\$ (61,812,893)	\$ (57,132,862)	\$ (64,595,771)	\$ (66,068,705)	\$ (61,893,776)
Business-Type Activities	(5,253,721)	(3,922,228)	(2,370,224)	(3,989,356)	(3,667,852)	(4,209,064)	(2,746,266)	(1,209,698)	(593,116)	6,956
Total Primary Government Net (Expense) Revenue	<u>\$ (59,365,782)</u>	<u>\$ (51,804,512)</u>	<u>\$ (58,735,807)</u>	<u>\$ (54,006,638)</u>	<u>\$ (65,044,779)</u>	<u>\$ (66,021,957)</u>	<u>\$ (59,879,128)</u>	<u>\$ (65,805,469)</u>	<u>\$ (66,661,821)</u>	<u>\$ (61,886,820)</u>

Note: The City moved its garbage collection (health and sanitation) activities from governmental activities to business-type activities for the year ended December 31, 2012.

CITY OF BERWYN, ILLINOIS  
 CHANGES IN NET POSITION  
 Last Ten Fiscal Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>General Revenues and Other Changes in Net Position</b>										
<u>Governmental Activities</u>										
Taxes										
Property	\$ 28,372,384	\$ 27,265,941	\$ 28,158,955	\$ 30,596,416	\$ 31,831,367	\$ 33,312,135	\$ 34,094,523	\$ 34,029,213	\$ 34,742,608	\$ 36,948,986
Sales	2,606,543	2,782,794	2,922,555	2,976,666	3,842,183	3,802,911	3,852,290	4,184,732	4,459,522	4,392,484
Home Rule Sales	1,923,750	2,073,705	2,156,948	2,180,628	2,733,826	2,761,930	2,683,029	2,810,011	3,927,872	4,570,878
Local Use										2,529,919
Municipal Utility	4,018,344	3,594,627	3,630,961	3,700,906	3,277,911	3,090,740	2,994,314	2,996,948	2,889,681	2,739,274
Real Estate Transfer	915,913	1,047,766	1,379,577	1,788,150	1,838,263	1,905,205	1,890,665	2,317,555	2,107,324	2,138,624
Other	835,216	1,032,829	1,275,332	1,345,423	1,589,496	1,685,018	1,828,770	2,240,806	2,347,604	2,166,974
Income taxes	5,214,365	5,914,847	6,439,536	6,472,416	7,386,431	6,819,192	6,612,784	7,129,677	7,990,631	6,278,236
Investment Earnings	88,309	64,149	61,432	70,120	73,779	72,127	111,264	171,082	346,821	126,422
Gain on sale of capital assets	222,500	69,195	4,953	1,261	184,694	63,195	-	-	-	-
Loss on debt refunding	-	-	-	-	-	(671,960)	-	-	-	-
Miscellaneous	75,321	182,917	579,565	675,936	252,871	170,277	265,359	621,885	682,738	609,668
Transfers	(227,166)	(400,866)	(97,572)	-	-	(455,191)	(501,557)	(406,111)	(449,886)	-
Total Governmental Activities	<u>44,045,479</u>	<u>43,627,904</u>	<u>46,512,242</u>	<u>49,807,922</u>	<u>53,010,821</u>	<u>52,555,579</u>	<u>53,831,441</u>	<u>56,095,798</u>	<u>59,044,915</u>	<u>62,501,465</u>
<u>Business-Type Activities</u>										
Investment Earnings	10,312	5,867	7,257	6,707	6,312	4,080	3,019	3,084	1,151	-
Miscellaneous	-	-	-	-	70,000	-	-	-	-	-
Transfers	227,166	400,866	97,572	-	-	455,191	501,557	406,111	449,886	-
Total Business-Type Activities	<u>237,478</u>	<u>406,733</u>	<u>104,829</u>	<u>6,707</u>	<u>76,312</u>	<u>459,271</u>	<u>504,576</u>	<u>409,195</u>	<u>451,037</u>	<u>-</u>
Total Primary Government	<u>\$ 44,282,957</u>	<u>\$ 44,034,637</u>	<u>\$ 46,617,071</u>	<u>\$ 49,814,629</u>	<u>\$ 53,087,133</u>	<u>\$ 53,014,850</u>	<u>\$ 54,336,017</u>	<u>\$ 56,504,993</u>	<u>\$ 59,495,952</u>	<u>\$ 62,501,465</u>
Change in Net Position										
Governmental Activities	\$ (10,066,582)	\$ (4,254,380)	\$ (9,853,341)	\$ (209,360)	\$ (8,366,106)	\$ (9,257,314)	\$ (3,301,421)	\$ (8,499,973)	\$ (7,023,790)	\$ 607,689
Business-Type Activities	(5,016,243)	(3,515,495)	(2,265,395)	(3,982,649)	(3,591,540)	(3,749,793)	(2,241,690)	(800,503)	(142,079)	6,956
Total Primary Government Change in Net Position	<u>\$ (15,082,825)</u>	<u>\$ (7,769,875)</u>	<u>\$ (12,118,736)</u>	<u>\$ (4,192,009)</u>	<u>\$ (11,957,646)</u>	<u>\$ (13,007,107)</u>	<u>\$ (5,543,111)</u>	<u>\$ (9,300,476)</u>	<u>\$ (7,165,869)</u>	<u>\$ 614,645</u>

Data Source

Audited Financial Statements

CITY OF BERWYN, ILLINOIS  
 FUND BALANCES OF GOVERNMENTAL FUNDS  
 Last Ten Fiscal Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	409,721	846,629	890,155	920,863	645,211	92,119	307,940	181,465	161,104	204,057
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	372	749	27,741	28,632	33,444	35,767	37,972	38,619	41,536	41,536
Unassigned	<u>4,086,449</u>	<u>5,951,993</u>	<u>9,143,348</u>	<u>13,366,935</u>	<u>18,838,228</u>	<u>12,786,535</u>	<u>12,675,459</u>	<u>12,055,377</u>	<u>12,167,337</u>	<u>11,361,863</u>
Total General Fund	<u>\$ 4,496,542</u>	<u>\$ 6,799,371</u>	<u>\$ 10,061,244</u>	<u>\$ 14,316,430</u>	<u>\$ 19,516,883</u>	<u>\$ 12,914,421</u>	<u>\$ 13,021,371</u>	<u>\$ 12,275,461</u>	<u>\$ 12,369,977</u>	<u>\$ 11,607,456</u>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in										
Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Debt Service Funds	-	-	-	-	-	-	-	-	-	-
Capital Project Funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	432,323	43,291	43,291	43,291	255,791
Restricted	17,546,853	14,301,432	10,250,023	7,966,584	5,567,670	5,340,814	5,463,764	5,697,050	89,567,917	97,252,439
Committed	1,732,894	2,184,339	2,138,978	1,557,221	1,471,876	1,643,877	1,085,968	1,027,117	1,141,030	268,312
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	<u>(420,533)</u>	<u>(365,851)</u>	<u>(666,134)</u>	<u>(287,608)</u>	<u>(143,074)</u>	<u>(1,052,201)</u>	<u>(1,125,978)</u>	<u>(561,567)</u>	<u>(77,483,574)</u>	<u>(74,816,025)</u>
Total All Other Governmental Funds	<u>\$ 18,859,214</u>	<u>\$ 16,119,920</u>	<u>\$ 11,722,867</u>	<u>\$ 9,236,197</u>	<u>\$ 6,896,472</u>	<u>\$ 6,364,813</u>	<u>\$ 5,467,045</u>	<u>\$ 6,205,891</u>	<u>\$ 13,268,664</u>	<u>\$ 22,960,517</u>

Data Source

Audited Financial Statements

CITY OF BERWYN, ILLINOIS  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
Last Ten Fiscal Years

	2011	2012	Note 1 2013	2014	Note 1 2015	2016	2017	Note 2 2018	Note 3 2019	Note 4 2020
<b>Revenues</b>										
Property taxes	\$ 28,372,384	\$ 27,265,941	\$ 28,158,955	\$ 30,596,416	\$ 31,831,367	\$ 33,312,135	\$ 34,094,523	\$ 34,029,213	\$ 34,742,608	\$ 36,948,986
Other taxes	15,214,946	16,622,978	17,933,118	18,548,751	20,739,219	20,053,166	19,911,224	21,679,729	23,722,634	24,816,389
Licenses and permits	3,005,807	2,885,225	3,143,853	3,755,478	3,692,357	3,625,012	3,672,370	3,552,298	3,665,588	3,184,960
Intergovernmental	5,980,498	3,707,916	4,191,527	3,893,088	3,903,745	4,219,375	3,770,003	4,185,264	4,335,676	5,537,271
Fines and forfeitures	4,932,053	5,668,874	5,398,149	5,238,180	5,563,051	6,365,397	5,215,889	4,966,251	5,556,734	3,939,493
Charges for services	5,668,389	1,783,072	1,743,419	2,077,548	1,616,795	1,690,521	1,819,564	1,966,890	2,627,777	2,331,321
Contributions	-	-	-	-	-	-	-	-	-	-
Investment income	88,284	64,149	61,432	70,122	73,779	72,002	110,891	170,672	346,821	125,329
Miscellaneous	1,805,376	1,139,184	1,611,112	2,045,778	1,942,151	1,403,193	4,506,474	1,368,221	1,284,450	1,189,815
<b>Total Revenues</b>	<b>65,067,737</b>	<b>59,137,339</b>	<b>62,241,565</b>	<b>66,225,361</b>	<b>69,362,464</b>	<b>70,740,801</b>	<b>73,100,938</b>	<b>71,918,538</b>	<b>76,282,288</b>	<b>78,073,564</b>
<b>Expenditures</b>										
General government	4,302,988	3,170,604	3,638,505	3,581,579	4,014,184	3,763,962	3,882,855	4,105,923	4,079,645	3,756,892
Public safety	34,166,965	36,316,079	66,411,752	36,389,011	67,047,018	39,487,804	38,157,125	39,448,318	69,468,798	43,471,748
Highways and streets	6,766,808	6,449,583	6,731,412	8,290,373	7,385,086	7,291,226	10,551,626	7,179,906	7,640,758	7,992,734
Health & welfare	4,086,307	-	-	-	-	-	-	-	-	-
Culture and recreation	5,020,555	4,788,958	4,769,354	4,922,054	5,007,073	5,057,693	4,924,183	2,762,155	5,302,802	4,879,705
Economic development	11,201,125	5,232,219	6,777,084	2,917,308	8,100,608	3,524,490	3,140,306	4,997,313	3,048,009	2,388,737
Capital outlay	1,380,811	1,921,092	2,140,402	2,497,137	727,843	680,942	568,136	1,198,017	551,171	1,030,314
Debt service										
Principal	3,520,161	4,949,818	4,490,658	4,118,231	4,700,652	10,557,831	5,008,444	19,941,271	18,609,491	7,510,162
Interest	4,660,159	4,718,742	4,842,213	6,390,279	7,027,263	8,016,080	7,659,081	7,468,510	7,631,782	9,208,243
Other charges	170,760	227,726	406,107	91,210	1,019,575	268,395	-	-	-	244,820
<b>Total Expenditures</b>	<b>75,276,639</b>	<b>67,774,821</b>	<b>100,207,487</b>	<b>69,197,182</b>	<b>105,029,302</b>	<b>78,648,423</b>	<b>73,891,756</b>	<b>87,101,413</b>	<b>116,332,456</b>	<b>80,483,355</b>
Excess (deficiency) of revenues over (under) expenditures	(10,208,902)	(8,637,482)	(37,965,922)	(2,971,821)	(35,666,838)	(7,907,622)	(790,818)	(15,182,875)	(40,050,168)	(2,409,791)
<b>Other Financing Sources (Uses)</b>										
Transfers in	5,468,574	5,812,370	2,537,321	2,278,235	1,595,966	5,852,329	4,108,815	5,246,047	13,822,550	16,063,067
Transfers (out)	(5,468,574)	(5,812,370)	(2,537,321)	(2,278,235)	(1,595,966)	(5,852,329)	(4,108,815)	(5,246,047)	(13,822,550)	(16,063,067)
Debt issued	5,469,719	8,500,000	36,315,532	4,390,000	38,811,860	19,483,528	-	15,175,811	79,970,000	11,339,123
Premium (discount) on bonds issued	(53,184)	(368,178)	170,408	349,073	(296,884)	2,278,565	-	-	924,187	-
Transfer to bond escrow agent	-	-	-	-	-	(21,016,667)	-	-	(33,686,730)	-
Sale of property	-	-	154,785	-	-	-	-	-	-	-
Sale of capital assets	230,288	69,195	4,953	1,261	12,514	28,075	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>5,646,823</b>	<b>8,201,017</b>	<b>36,645,678</b>	<b>4,740,334</b>	<b>38,527,490</b>	<b>773,501</b>	<b>-</b>	<b>15,175,811</b>	<b>47,207,457</b>	<b>11,339,123</b>
<b>Net Change in Fund Balances</b>	<b>\$ (4,562,079)</b>	<b>\$ (436,465)</b>	<b>\$ (1,320,244)</b>	<b>\$ 1,768,513</b>	<b>\$ 2,860,652</b>	<b>\$ (7,134,121)</b>	<b>\$ (790,818)</b>	<b>\$ (7,064)</b>	<b>\$ 7,157,289</b>	<b>\$ 8,929,332</b>
<b>Debt Service as a Percentage of</b>										
Noncapital Expenditures	11.36%	14.89%	9.45%	15.75%	11.45%	24.14%	18.45%	32.01%	22.81%	21.19%

Note 1: The City issued \$30 million in 2013 and \$31 million in 2015 to fund fire and police pensions, which caused large increases in public safety expenditures.

Note 2: The City paid \$15 million of the maturity amount due for the Police and Fire Pension Bond issued in 2013. The payment was funded by the BMO Long term Line of Credit. The City repaid the Line of Credit in 2019

Note 3: The City issued about \$80 million in Securitization Bonds to refund 2007,2008, 2013 GO bonds (\$50 million) along with funding the Police and Fire Pension Funds (\$30 million).

Note 4: The City issued about \$7.4 million in Revenue Bonds for the South Berwyn Corridor TIF. Also, the City drew \$3.85 million from the line of credit established with BMO Harris to retire principal from the 2010 Bonds

[Data Source](#)

Audited Financial Statements

CITY OF BERWYN, ILLINOIS  
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Income Tax</u>	<u>Local Use Tax</u>	<u>Sales Tax</u>	<u>Home Rule Sales Tax</u>	<u>Personal Prop. Replacement</u>	<u>Municipal Utility Tax</u>	<u>Liquor Tax</u>	<u>Real Estate Transfer Tax</u>	<u>Gas Tax</u>	<u>Motor Fuel Tax</u>	<u>Other Taxes</u>
2011	28,372,384	5,214,365		2,606,543	1,923,750	211,903	4,018,344	143,149	915,913	126,056	1,610,518	18,238
2012	27,265,941	5,914,847		2,782,794	2,073,705	204,750	3,594,627	161,272	1,047,766	287,116	1,559,747	556,101
2013	28,158,955	6,439,536		2,922,555	2,156,948	234,257	3,630,961	170,120	1,379,577	327,833	1,662,129	671,331
2014	30,596,416	6,472,416		2,976,666	2,180,628	227,550	3,700,906	173,090	1,788,150	286,111	1,679,392	743,234
2015	31,864,483	7,386,431		3,842,183	2,733,826	217,728	3,277,911	180,110	1,838,263	310,070	1,661,230	952,697
2016	33,312,135	6,819,192		3,802,911	2,761,930	224,044	3,090,740	189,612	1,905,205	333,273	1,620,255	927,259
2017	34,094,523	6,612,784		3,852,290	2,683,029	248,383	2,994,314	174,507	1,890,665	366,625	1,465,605	1,088,627
2018	34,029,213	7,129,677		4,184,732	2,810,011	212,872	2,996,948	160,586	2,317,555	378,477	1,511,320	1,488,901
2019	34,742,608	7,990,631		4,459,522	3,927,872	275,021	2,889,681	183,829	2,107,324	341,869	1,868,822	1,546,885
2020	36,948,986	6,278,236	2,529,919	4,392,484	4,570,878	236,515	2,739,274	215,219	2,138,624	264,914	2,160,371	1,330,443

Motor Fuel Tax is presented as Intergovernmental Revenue in the financial statements.

From 2011 through 2015, an additional \$234,574 was received each year for Motor Fuel Tax pursuant to the capital bill passed by the State of Illinois.

From 2020 going forward the City reports Local Use Tax as a separate revenue category

Data Source

Audited Financial Statements

CITY OF BERWYN, ILLINOIS  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 Last Ten Levy Years

Levy Year	Fiscal Year	Residential Property	Commercial Property	Industrial Property	Railroad Property	Total Equalized Assessed Valuation (1)	Less: Homeowners Exemptions	Less: Tax Increment	Equalized Assessed Valuation for Taxation (2)	Total Direct Tax Rate (3)	Estimated Actual Taxable Value (4)	Estimated Taxable Value As a Percentage
2009	2010	1,043,972,663	175,398,379	7,502,000	1,399,286	1,228,272,328	(253,470,350)	(59,310,089)	915,491,889	2.56	3,684,816,984	33.333%
2010	2011	1,016,214,495	164,126,542	7,408,599	1,415,585	1,189,165,221	(201,493,340)	(52,832,839)	934,839,042	2.63	3,567,495,663	33.333%
2011	2012	721,192,509	141,302,119	6,580,811	1,464,899	870,540,338	(96,572,761)	(21,574,024)	752,393,553	3.38	2,611,621,014	33.333%
2012	2013	675,998,101	134,070,282	5,109,554	1,497,762	816,675,699	(106,334,374)	(22,706,065)	687,635,260	3.82	2,450,027,097	33.333%
2013	2014	623,325,953	136,508,391	6,481,355	1,528,138	767,843,837	(100,294,762)	(20,128,705)	647,420,370	4.47	2,303,531,511	33.333%
2014	2015	571,286,154	133,567,513	4,376,595	1,556,090	710,786,352	(97,612,328)	(17,070,524)	596,103,500	5.09	2,132,359,056	33.333%
2015	2016	552,120,527	129,607,940	4,326,066	1,571,631	687,626,164	(96,824,659)	(15,576,539)	575,224,966	5.48	2,062,878,492	33.333%
2016	2017	573,727,381	133,610,746	3,840,149	1,679,354	712,857,630	(96,824,659)	(15,576,539)	600,456,432	5.30	2,138,572,890	33.333%
2017	2018	744,086,744	155,943,001	6,134,462	1,399,286	907,563,493	(150,679,516)	(20,024,994)	736,858,983	4.49	2,722,690,479	33.333%
2018	2019	715,782,528	151,752,602	4,225,750	1,708,064	873,468,944	(149,889,541)	(16,467,092)	707,112,311	4.74	2,620,406,832	33.333%
2019	2020	705,637,443	156,749,002	4,104,333	1,817,416	868,308,194	(151,930,462)	(26,386,965)	689,990,767	4.99	2,604,924,582	33.333%

Data Source: Office of the County Clerk

(1) Total Equalized Assessed Valuation of property based on the Assessed Valuation of property determined by the Cook County Assessor based on 10% of fair value for residential property and 25% of fair value for commercial and industrial property (except for certain exemptions) equalized by the Equalization Factor calculated by the Illinois Department of Revenue applicable to Cook County. Equalized Assessed Valuation should approximate 33% of the market value of taxable property in the City.

(2) Total Equalized Assessed Valuation of the City is reduced by Homeowners Exemptions and the Tax Increment (the Equalized Valuation of property in a Tax Increment District that exceeds the Frozen Level at the inception of the Tax Increment District) for purposes of billing and collecting taxes for the City.

(3) Tax rate is \$ per \$100 of Equalized Assessed Valuation for Taxation.

(4) The Total Estimated Market Value of the City is based on the Equalized Assessed Valuation before Homeowners Exemptions and Tax Increment multiplied by 3. This calculation assumes that the countrywide Equalization Factor adjusts Assessed Valuation in the City to one third of market.

CITY OF BERWYN, ILLINOIS  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
Last Ten Levy Years

<u>Tax Levy Year</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>City Direct Rates</b>											
General	1.29	1.34	2.18	2.33	2.65	2.99	3.25	3.24	2.69	2.80	2.92
Bond & Interest	0.54	0.53	0.26	0.30	0.71	0.98	1.10	1.07	0.94	1.05	1.16
City of Berwyn Library	0.28	0.32	0.40	0.45	0.48	0.56	0.58	0.58	0.48	0.49	0.50
Police Pension	0.22	0.21	0.26	0.36	0.31	0.30	0.27	0.21	0.20	0.22	0.22
Fire Pension	0.23	0.23	0.28	0.38	0.32	0.26	0.28	0.20	0.18	0.18	0.19
<b>Total Direct Rate</b>	<b>2.56</b>	<b>2.63</b>	<b>3.38</b>	<b>3.82</b>	<b>4.47</b>	<b>5.09</b>	<b>5.48</b>	<b>5.30</b>	<b>4.49</b>	<b>4.74</b>	<b>4.99</b>
<b>Overlapping Rates</b>											
Cook County	0.44	0.47	0.47	0.53	0.56	0.57	0.55	0.53	0.50	0.55	0.54
Metropolitan Water Rec.	0.26	0.27	0.32	0.37	0.42	0.43	0.43	0.41	0.41	0.40	0.39
School District #100	2.49	2.50	3.20	3.65	3.92	4.27	4.57	4.49	5.08	4.54	5.02
High School District #201	1.85	1.86	2.45	2.73	2.95	3.22	3.34	3.25	2.88	3.04	3.13
Berwyn Park District	0.31	0.31	0.32	0.37	0.40	0.44	0.46	0.44	0.38	0.41	0.43
Community College #527	0.39	0.39	0.50	0.56	0.61	0.67	0.70	0.68	0.58	0.62	0.65
Other	0.19	0.17	0.30	0.31	0.37	0.37	0.35	0.22	0.34	0.27	0.31

Data Source

Office of the County Clerk

Note 2020 Property Tax Rates Not Yet Available



CITY OF BERWYN, ILLINOIS  
 PRINCIPAL PROPERTY TAX PAYERS  
 CURRENT YEAR AND NINE YEARS AGO

<u>Taxpayer</u>	2020			2011		
	Taxable Assessed Value	2020 Rank	Percentage of Total City Taxable Assessed Valuation	Taxable Assessed Value	2011 Rank	Percentage of Total City Taxable Assessed Valuation
MacNeal Memorial Hospital	\$ 19,868,115	1	2.29%	\$ 30,424,644	1	2.56%
Cermak Plaza Associates (Formerly Andrew Bermant)	15,618,402	2	1.80%	10,816,153	2	0.91%
Berwyn Gateway Partners	6,222,220	3	0.72%	N/A	N/A	0.00%
McDonald's Corporation	3,348,797	4	0.39%	1,896,754	6	0.16%
Shurgard	3,294,943	5	0.38%	3,988,119	3	0.34%
Grove of Berwyn (formerlyFairfax)	3,772,244	6	0.31%	2,457,517	4	0.21%
Ryan LLC	2,688,179	7	0.43%	N/A	N/A	0.00%
Byline Bank, Illinois (Formerly Citizens Bank)	2,216,923	8	0.26%	1,812,565	8	0.15%
Extra Space Storage	2,105,678	9	0.24%	N/A	N/A	0.00%
BMO Harris Bank NA	1,472,771	10	0.17%	N/A	N/A	0.00%
SKS & Associates	N/A	N/A	0.00%	1,893,731	7	0.16%
Vranas & Assoc.	N/A	N/A	0.00%	2,132,945	5	0.18%
Harlem Life LLC	N/A	N/A	0.00%	1,510,209	9	0.13%
Reliable Management Inc.	N/A	N/A	0.00%	1,462,322	10	0.12%
<b>TOTAL</b>	<b>\$ 60,608,272</b>		<b>6.98%</b>	<b>\$ 58,394,959</b>		<b>4.91%</b>

Note 1: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

0.049111497

Note 2: Information for the 2021 taxpayers is not yet available.

0

N/A - not applicable

Data Source

Office of the County Clerk

CITY OF BERWYN, ILLINOIS  
PROPERTY TAX LEVIES AND COLLECTIONS  
Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	24,566,570	23,449,327	95.45%	544,928	23,994,255	97.67%
2011	25,433,824	24,642,152	96.89%	201,115	24,843,267	97.68%
2012	26,236,151	25,210,666	96.09%	237,806	25,448,472	97.00%
2013	28,903,844	27,866,441	96.41%	468,277	28,334,718	98.03%
2014	30,319,466	29,019,276	95.71%	839,585	29,858,861	98.48%
2015	31,810,683	30,835,036	96.93%	610,613	31,445,649	98.85%
2016	31,810,683	30,670,640	96.42%	425,434	31,096,073	97.75%
2017	32,960,811	31,225,268	94.73%	570,879	31,796,147	96.47%
2018	33,532,547	32,511,965	96.96%	35,068	32,547,033	97.06%
2019	34,492,979	33,166,184	96.15%	-	33,166,184	96.15%

Note: Property in the City is reassessed each year. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

CITY OF BERWYN, ILLINOIS  
RATIOS OF OUTSTANDING DEBT BY TYPE  
Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities					Business-Type Activities			Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds **	Municipal Securtization Bonds ****	Line of Credit**	Installment & Mortgage Notes Payable ***	Capital Leases	General Obligation Bonds	Installment Notes Payable	Capital Leases			
2011	95,281,582			5,047,332	576,510	2,946,423	-	-	103,851,847	8.90%	1,833
2012	100,493,032			3,527,514	367,195	2,946,288	-	-	107,334,029	9.20%	1,894
2013	132,476,956			3,096,854	439,123	2,946,153	-	-	138,959,086	11.62%	2,453
2014	133,162,889			2,698,621	355,082	4,991,102	-	-	141,207,694	11.81%	2,492
2015	164,754,374			2,207,969	759,924	7,054,194	-	194,450	174,970,911	13.92%	3,088
2016	155,937,891			1,792,579	899,500	8,218,379	-	131,409	166,979,758	13.29%	2,947
2017	151,693,118			922,979	591,265	8,071,091	-	66,609	161,345,062	12.49%	2,911
2018	131,970,061		15,000,000	614,104	559,614	7,898,803	-	-	156,042,582	12.12%	2,846
2019	97,612,671	79,970,000		457,648	362,711	7,726,515	-	-	186,129,545	13.84%	3,422
2020	98,603,402	79,970,000	3,850,000	300,000	438,898	7,529,227	-	-	190,691,527	13.72%	3,506

Note: Details of the City's outstanding debt can be found in the notes to the financial statements.

\* See the Schedule of Demographic and Economic Information for personal income and population data.

\*\*BMO Line of Credit Draw December 2018. Repaid March 2019. Draw November 2020. Maturity Date 12/31/2024

\*\*\* Included in Installment & Mortgage Notes Payable is a \$4 million note related to property acquired by the City in 2010

CITY OF BERYWN, ILLINOIS  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
Last Ten Fiscal Years

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Fiscal Year	Gen Oblig/ Securitization Bonds	Less: Amounts Available		Percentage of Estimated Actual Taxable Value of Property*	Per Capita
		In Debt Service Fund**	Total		
2011	103,851,847	500,884	103,350,963	4.58%	1,824.15
2012	107,334,029	521,329	106,812,700	5.18%	1,885.25
2013	138,959,086	641,874	138,317,212	7.12%	2,441.31
2014	141,207,694	669,905	140,537,789	7.86%	2,480.50
2015	174,970,911	1,138,754	173,832,157	9.98%	3,068.15
2016	166,979,758	1,138,254	165,841,504	9.23%	2,927.11
2017	161,345,062	64,873	161,280,189	7.31%	2,846.61
2018	156,042,582	64,873	155,977,709	9.33%	2,753.02
2019**	186,129,545	1,332,851	184,796,694	8.93%	3,397.56
2020**	190,691,527	1,577,384	189,114,143	N/A	3,476.94

Note: Details of the City's outstanding debt can be found in the notes to the financial statements.

\* See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

\*\*Advance to Debt Service should be added back to obtain indicative Debt Service Fund Balance Availability ( See Balance Sheet Government Funds, Advance from Other Funds)  
N/A - not available

CITY OF BERWYN, ILLINOIS  
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
 December 31, 2020

<u>Governmental unit</u>	<u>Gross Debt</u>	<u>Percentage Debt Applicable to the City (1)</u>	<u>City Share of Debt</u>
City of Berwyn	\$ 183,162,300	100.00%	\$ 183,162,300
Cook County	2,596,351,750	0.41%	10,645,042
Cook County Forest Preserve District	123,150,000	0.41%	504,915
Metropolitan Water Reclamation District	2,770,969,000	0.42%	11,638,070
Berwyn Park District	2,210,000	100.00%	2,210,000
North Berwyn Park District	4,485,000	100.00%	4,485,000
Schools			
Elementary District No. 100	26,255,000	100.00%	26,255,000
High School District No. 201	57,116,665	42.06%	24,023,269
Community College District No. 527	<u>8,211,304</u>	42.06%	<u>3,453,674</u>
	<u>5,588,748,719</u>		<u>83,214,970</u>
	<u>\$ 5,771,911,019</u>		<u>\$ 266,377,270</u>

(1) Determined by ratio of assessed valuation of property subject to taxation in the City to valuation of property subject to taxation in overlapping unit.

Data Source

Cook County Clerk

CITY OF BERWYN, ILLINOIS  
SCHEDULE OF LEGAL DEBT MARGIN  
December 31, 2020

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Under the 1970 Illinois Constitution, there is no legal limit for home rule municipalities except as set by the General Assembly.

CITY OF BERWYN, ILLINOIS  
 DEMOGRAPHIC AND ECONOMIC INFORMATION  
 Last Ten Fiscal Years

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<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2020	54,391	\$ 1,389,581,268	\$ 25,548	9.2%
2019	54,391	1,345,306,994	24,734	4.4%
2018	54,821	1,287,361,543	23,483	4.3%
2017	55,435	1,291,358,325	23,295	5.3%
2016	55,986	1,241,769,480	22,180	6.3%
2015	56,436	1,251,750,480	22,180	5.3%
2014	56,777	1,198,051,477	21,101	6.4%
2013	56,914	1,200,942,314	21,101	10.0%
2012	56,886	1,167,190,857	20,601	9.6%
2011	56,791	1,167,190,857	20,601	9.8%

Data Source

\*Restated 2010-2018

U.S. Department of Commerce, Bureau of the Census  
 and State of Illinois Department of Employment Security

CITY OF BERWYN, ILLINOIS  
 PRINCIPAL EMPLOYERS  
 Current Year and Nine Years Ago

2020			2011		
Employer	Number of Employees	% of Total City Employment	Employer	Number of Employees	% of Total City Employment
Loyola (MacNeal Memorial) Hospital	2,200	16.52%	MacNeal Memorial Hospital	2,200	16.52%
Morton West High School (District 201)	700	5.25%	Morton West High School (District 201)	1,000	7.51%
City of Berwyn	379	2.85%	Berwyn South School (District 100)	456	3.42%
Berwyn South School (District 100)	450	3.38%	Berwyn South School (District 98)	370	2.78%
Berwyn North School (District 98)	370	2.78%	City of Berwyn	550	4.13%
Campagna-Turano Baking Company, Inc.	300	2.25%	Campagna-Turano Baking Company, Inc.	300	2.25%
Fairfax Nursing Home (The Grove)	150	1.13%	Transloading Specialist, Inc.	50	0.38%
The Buona Companies	150	1.13%	BP Amoco	90	0.68%
Rosin Eyecare	85	0.64%	Rosin Eyecare	85	0.64%
			Physician's Record Company	35	0.26%

Data Source

Community Survey, 2020 Illinois Service Directory and 2020 Illinois Manufacturer's Directory, and City Records



CITY OF BERWYN, ILLINOIS  
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
 Last Ten Fiscal Years

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<u>Function/Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Government										
Administration	15	15	13	16	16	17	17	19	18	15
Finance	16	15	15	15	16	14	14	14	15	15
Community Development	17	16	17	18	17	17	18	17	17	17
Public Safety										
Police										
Officers	107	110	107	109	108	111	113	110	113	115
Civilians	38	34	39	41	49	49	49	49	40	55
Fire										
Firefighters and officers	78	80	80	80	80	80	80	80	79	80
Civilians	1	1	1	1	1	1	1	1	1	1
Public Works	36	34	39	38	43	41	41	42	40	40
Culture & Recreation	41	41	41	41	41	45	46	42	43	41

Data Source

City payroll office

CITY OF BERWYN, ILLINOIS  
OPERATING INDICATORS  
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Public Safety										
Police										
Physical arrests	2,237	2,189	1,995	1,493	1,050	991	979	913	946	685
Parking violations	44,569	61,046	64,778	62,980	59,143	52,044	52,389	52,451	56,565	37,575
Traffic tickets issued	19,057	16,084	14,129	12,343	9,878	7,257	5,776	5,294	3,972	3,248
Fire										
Emergency responses	6,624	6,642	7,076	7,179	6,897	7,587	7,519	7,795	8,125	7,788
Fires extinguished	146	174	151	131	119	112	139	131	147	124
Public Works										
Street resurfacing (miles)	-	-	1.1	0.5	0.7	0.3	0.7	0.2	1.1	1.6
Pothole repairs	3,500	4,100	4,500	4,200	4,300	4,500	4,950	6,450	6,050	5,600
Water										
New connections	13	9	17	21	30	50	67	97	58	54
Water main breaks	142	129	107	96	82	91	97	88	79	62
Average daily consumption	5.13 MGD	5.08 MGD	4.98 MGD	5.17 MGD	4.93 MGD	4.77 MGD	4.99 MGD	5.20 MGD	4.31 MGD	4.69 MGD
Peak daily consumption	6.67 MGD	6.91 MGD	5.79 MGD	6.31 MGD	6.90 MGD	5.48 MGD	6.59 MGD	5.86 MGD	5.16 MGD	5.22 MGD

MGD = million gallons per day

Data Source

Various city departments

CITY OF BERWYN, ILLINOIS  
 CAPITAL ASSET STATISTICS BY FUNCTION  
 Last Ten Fiscal Years

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Public Safety</b>										
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	78	74	81	81	90	87	89	83	81	83
<b>Fire</b>										
Fire stations	3	3	3	3	3	3	3	3	3	3
Fire engines and trucks	4	4	5	5	5	5	5	5	5	5
<b>Public Works</b>										
Arterial streets (miles)	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4
Residential streets (miles)	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0	63.0
Streetlights	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050	3,050
Traffic signals (intersections)	9	9	9	9	9	9	9	9	9	9
<b>Water</b>										
Water mains (miles)	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0
Fire hydrants	1,053	1,053	1,053	1,053	1,053	1,053	1,053	1,053	1,053	1,053
Storage capacity (gallons)	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000
<b>Wastewater</b>										
Sanitary sewers (miles)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Storm sewers (miles)	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0	19.0

N/A - not available

Data Source

Various city departments