

CITY OF ASSUMPTION, ILLINOIS

ANNUAL AUDITED BASIC FINANCIAL STATEMENTS  
WITH SUPPLEMENTARY INFORMATION

FISCAL YEAR ENDED APRIL 30, 2023

CITY OF ASSUMPTION, ILLINOIS  
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## INDEPENDENT AUDITOR'S REPORT

Members of the Board of Alderman  
City of Assumption, Illinois  
Assumption, Illinois

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Assumption, Illinois as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Assumption, Illinois, as of April 30, 2023, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

#### **Basis for Opinions**

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Assumption, Illinois, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Emphasis of Matter - Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting

other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Assumption, Illinois' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Assumption, Illinois' ability to continue as a going concern for a reasonable period of time.

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

## **Other Matters**

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Assumption, Illinois' basic financial statements. The information listed as supplementary information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

### *Compliance with Subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act*

In connection with our audit, nothing came to our attention that caused us to believe that the City of Assumption, Illinois failed to comply with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City of Assumption, Illinois' noncompliance with the above referenced provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act insofar as they relate to accounting matters.

### *Restricted Use Relating to Compliance with Subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act*

The communication related to compliance with the aforementioned provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act described in the Other Matters paragraph is intended solely for the information and use of the Board of Alderman of the City of Assumption, Illinois and the Illinois Office of the Comptroller and is not intended to be and should not be used by anyone other than these specified parties.

## Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 5, 2023, on our consideration of the City of Assumption, 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 the effectiveness of the City of Assumption, Illinois' 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 Assumption, Illinois' internal control over financial reporting and compliance.

**LMHN LTD.**

LMHN, Ltd.  
Certified Public Accountants  
Taylorville, Illinois

July 5, 2023

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

Members of the Board of Alderman  
City of Assumption, Illinois  
Assumption, Illinois

We have audited, 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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Assumption, Illinois, as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 5, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Assumption, Illinois' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Assumption, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Assumption, Illinois' internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may

exist that were not identified. We identified a deficiency in internal control, described below, that we consider to be a material weakness.

#### Finding

An adequate segregation of incompatible duties does not exist. Access to physical assets, to the related accounting records and to all phases of transactions must be segregated between different individuals. This condition is inherent in small local governments with a limited number of office personnel. This condition increases the possibility that errors, irregularities or fraud may occur and not be detected on a timely basis.

#### Views of Responsible Officials and Corrective Action Plan

Due to their limited financial resources, the City cannot hire enough employees to adequately segregate incompatible duties. However, the Board of Alderman closely monitors expenditures to help mitigate the risks associated with not segregating incompatible duties.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Assumption, Illinois' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### **The City of Assumption, Illinois' Response to the Finding**

Government Auditing Standards requires the auditor to perform limited procedures on the City of Assumption, Illinois' response to the finding identified in our audit and described above (views of responsible officials and corrective action plan). The City of Assumption, Illinois' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



LMHN, Ltd.  
Certified Public Accountants  
Taylorville, Illinois

July 5, 2023



**BASIC FINANCIAL STATEMENTS**

CITY OF ASSUMPTION, ILLINOIS  
STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
APRIL 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,593,844	\$ 1,891,238	\$ 3,485,082
Investments	485,183	-	485,183
Restricted cash and cash equivalents	-	10,049	10,049
Due from other funds	59,418	-	59,418
Capital assets, net of accumulated depreciation	939,145	10,529,269	11,468,414
Total assets	<u>\$ 3,077,590</u>	<u>\$ 12,430,556</u>	<u>\$ 15,508,146</u>
<b>LIABILITIES</b>			
Payroll tax liabilities	\$ 3,332	\$ -	\$ 3,332
Due to other funds	-	59,418	59,418
Refundable deposits	-	10,049	10,049
Long-term liabilities:			
Due within one year	-	113,717	113,717
Due in more than one year	-	3,653,834	3,653,834
Total liabilities	<u>\$ 3,332</u>	<u>\$ 3,837,018</u>	<u>\$ 3,840,350</u>
<b>NET POSITION</b>			
Net position invested in capital assets, net of related debt	\$ 939,145	\$ 6,761,718	\$ 7,700,863
Restricted net position for:			
Other purposes	851,608	-	851,608
Unrestricted net position	1,283,505	1,831,820	3,115,325
Total net position	<u>\$ 3,074,258</u>	<u>\$ 8,593,538</u>	<u>\$ 11,667,796</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ASSUMPTION, ILLINOIS  
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
FOR THE YEAR ENDED APRIL 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants	Capital Grants	Governmental Activities	Business-Type Activities	Total
<b>Primary Government</b>							
Governmental activities:							
General government	\$ 397,921	\$ 44,197	\$ 1,033	\$ -	\$ (352,691)	\$ -	\$ (352,691)
Public safety	156,456	7,457	-	-	(148,999)	-	(148,999)
Streets and public works	254,757	-	-	-	(254,757)	-	(254,757)
Culture and recreation	19,542	-	36,000	-	16,458	-	16,458
Total governmental activities	\$ 828,676	\$ 51,654	\$ 37,033	\$ -	\$ (739,989)	\$ -	\$ (739,989)
Business-type activities:							
Water	\$ 308,935	\$ 212,720	\$ -	\$ 407,969	\$ -	\$ 311,754	\$ 311,754
Sewer	223,550	203,777	-	-	-	(19,773)	(19,773)
Total business-type activities	\$ 532,485	\$ 416,497	\$ -	\$ 407,969	\$ -	\$ 291,981	\$ 291,981
<b>Total Primary Government</b>	\$ 1,361,161	\$ 468,151	\$ 37,033	\$ 407,969	\$ (739,989)	\$ 291,981	\$ (448,008)
General Revenues:							
Taxes:							
Property tax		\$ 244,949			\$ 2,143		\$ 247,092
Sales tax		382,674			-		382,674
Income tax		186,622			-		186,622
Use tax		47,032			-		47,032
Replacement tax		55,545			-		55,545
Video gaming tax		26,873			-		26,873
Cannabis use tax		1,818			-		1,818
Motor fuel tax		59,967			-		59,967
Investment income		5,591			2,424		8,015
Donations		5,276			-		5,276
Miscellaneous		387			-		387
Debt forgiveness		-			619,003		619,003
Sale of capital assets		(9,633)			-		(9,633)
Transfers - internal activity		(155,417)			155,417		-
Total general revenues and activities		\$ 851,684			\$ 778,987		\$ 1,630,671
Change in net position		\$ 111,695			\$ 1,070,968		\$ 1,182,663
Net position - beginning		2,962,563			7,522,570		10,485,133
Net position - ending		\$ 3,074,258			\$ 8,593,538		\$ 11,667,796

The accompanying notes are an integral part of these financial statements.

CITY OF ASSUMPTION, ILLINOIS  
 STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCES - MODIFIED CASH BASIS  
 GOVERNMENTAL FUNDS  
 APRIL 30, 2023

	General Fund	Motor Fuel Tax Fund	IMRF Fund	Playground and Recreation Fund	TIF Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and cash equivalents	\$ 644,296	\$ 593,255	\$ 6,684	\$ 41,426	\$ 197,022	\$ 111,161	\$ 1,593,844
Investments	470,183	-	-	-	-	15,000	485,183
Loans receivable	-	-	-	-	-	-	-
Due from other funds	105,309	-	-	-	-	-	105,309
Total assets	<u>\$ 1,219,788</u>	<u>\$ 593,255</u>	<u>\$ 6,684</u>	<u>\$ 41,426</u>	<u>\$ 197,022</u>	<u>\$ 126,161</u>	<u>\$ 2,184,336</u>

**LIABILITIES AND FUND BALANCES**

<b>Liabilities:</b>							
Payroll tax liabilities	\$ -	\$ -	\$ 3,332	\$ -	\$ -	\$ -	\$ 3,332
Due to other funds	-	-	-	-	45,891	-	45,891
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,332</u>	<u>\$ -</u>	<u>\$ 45,891</u>	<u>\$ -</u>	<u>\$ 49,223</u>

<b>Fund balances:</b>							
Restricted for:							
Motor fuel tax	\$ -	\$ 569,701	\$ -	\$ -	\$ -	\$ -	\$ 569,701
Playground and recreation	-	-	-	22,895	-	-	22,895
Health, recycling and garbage	-	-	-	-	-	108,730	108,730
TIF	-	-	-	-	150,282	-	150,282
Assigned:							
Motor fuel tax	-	23,554	-	-	-	-	23,554
IMRF	-	-	3,352	-	-	-	3,352
Playground and recreation	-	-	-	18,531	-	-	18,531
Social security and medicare	-	-	-	-	-	16,057	16,057
Other purposes	-	-	-	-	849	1,374	2,223
Unassigned	1,219,788	-	-	-	-	-	1,219,788
Total fund balances	<u>\$ 1,219,788</u>	<u>\$ 593,255</u>	<u>\$ 3,352</u>	<u>\$ 41,426</u>	<u>\$ 151,131</u>	<u>\$ 126,161</u>	<u>\$ 2,135,113</u>
Total liabilities and fund balances	<u>\$ 1,219,788</u>	<u>\$ 593,255</u>	<u>\$ 6,684</u>	<u>\$ 41,426</u>	<u>\$ 197,022</u>	<u>\$ 126,161</u>	<u>\$ 2,184,336</u>

**Reconciliation to the Statement of Net Position:**

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

Capital assets used in governmental activities of \$1,627,336, net of accumulated depreciation of \$688,191, are not financial resources and, therefore, are not reported in the funds.

Net position of governmental activities

\$ 939,145  
\$ 3,074,258

CITY OF ASSUMPTION, ILLINOIS  
 STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED APRIL 30, 2023

	General Fund	Motor Fuel Tax Fund	IMRF Fund	Playground and Recreation Fund	TIF Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues Received:</b>							
Property tax	\$ 80,140	\$ -	\$ 43,950	\$ 7,860	\$ 78,622	\$ 34,377	\$ 244,949
Sales tax	382,674	-	-	-	-	-	382,674
Income tax	186,622	-	-	-	-	-	186,622
Use tax	47,032	-	-	-	-	-	47,032
Replacement tax	55,545	-	-	-	-	-	55,545
Video gaming tax	26,873	-	-	-	-	-	26,873
Cannabis use tax	1,818	-	-	-	-	-	1,818
Motor fuel tax	-	59,967	-	-	-	-	59,967
Fines and forfeitures	7,457	-	-	-	-	-	7,457
Licenses and permits	7,794	-	-	-	-	-	7,794
Franchise fees	19,147	-	-	-	-	-	19,147
Tower lease	17,256	-	-	-	-	-	17,256
Investment income	3,201	1,440	-	213	490	247	5,591
Donations	4,501	-	-	775	-	-	5,276
Grant revenue	1,033	-	-	36,000	-	-	37,033
Miscellaneous	387	-	-	-	-	-	387
<b>Total revenues received</b>	<b>\$ 841,480</b>	<b>\$ 61,407</b>	<b>\$ 43,950</b>	<b>\$ 44,848</b>	<b>\$ 79,112</b>	<b>\$ 34,624</b>	<b>\$ 1,105,421</b>

<b>Expenditures Disbursed:</b>							
Current:							
General government	\$ 252,879	\$ -	\$ 63,815	\$ -	\$ 33,554	\$ 31,022	\$ 381,270
Public safety:							
Police	144,792	-	-	-	-	-	144,792
Streets and public works:							
Streets	155,477	28,039	-	-	-	-	183,516
Culture and recreation:							
Parks	-	-	-	12,949	-	-	12,949
Capital outlay	16,530	-	-	62,182	-	-	78,712
Total expenditures disbursed	\$ 569,678	\$ 28,039	\$ 63,815	\$ 75,131	\$ 33,554	\$ 31,022	\$ 801,239
Excess (deficiency) of revenues received over expenditures disbursed	\$ 271,802	\$ 33,368	\$ (19,865)	\$ (30,283)	\$ 45,558	\$ 3,602	\$ 304,182

<b>Other Financing Sources (Uses):</b>							
Transfers in	\$ 36,000	\$ -	\$ 20,000	\$ -	\$ -	\$ 7,200	\$ 63,200
Transfers out	(200,617)	-	-	(18,000)	-	-	(218,617)
Sale of capital assets	5,600	-	-	-	-	-	5,600
Total other financing sources (uses)	\$ (159,017)	\$ 33,368	\$ 20,000	\$ (18,000)	\$ 45,558	\$ 7,200	\$ (149,817)
Net change in fund balances	\$ 112,785	\$ 135	\$ 135	\$ (48,283)	\$ 105,573	\$ 10,802	\$ 154,365
Fund balances - beginning	1,107,003	559,887	3,217	89,709	105,573	115,359	1,980,748
Fund balances - ending	\$ 1,219,788	\$ 593,255	\$ 3,352	\$ 41,426	\$ 151,131	\$ 126,161	\$ 2,135,113

<b>Reconciliation to the Statement of Activities:</b>							
Net change in fund balances - total governmental funds	\$ 154,365						\$ 154,365
Amounts reported for governmental activities in the Statement of Activities are different because:							
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:							
Capital asset purchases capitalized							78,712
Depreciation expense							(106,149)
Governmental funds report the proceeds from the sale of assets as revenues. However, in the statement of activities the sale of an asset results in either a gain or loss.							(15,233)
This is the amount of the net book value of the assets sold.							\$ 111,695
Change in net position of governmental activities							

The accompanying notes are an integral part of these financial statements.

CITY OF ASSUMPTION, ILLINOIS  
STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
PROPRIETARY FUNDS  
APRIL 30, 2023

	Water Fund	Sewer Fund	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 146,662	\$ 1,744,576	\$ 1,891,238
Restricted cash and cash equivalents	10,049	-	10,049
Total current assets	\$ 156,711	\$ 1,744,576	\$ 1,901,287
Noncurrent assets:			
Other capital assets, net of accumulated depreciation	\$ 2,312,120	\$ 8,217,149	\$ 10,529,269
Total noncurrent assets	\$ 2,312,120	\$ 8,217,149	\$ 10,529,269
Total assets	\$ 2,468,831	\$ 9,961,725	\$ 12,430,556
<b>LIABILITIES</b>			
Current liabilities:			
Refundable deposits	\$ 10,049	\$ -	\$ 10,049
Due to other funds	59,418	-	59,418
Current portion of long-term debt	-	113,717	113,717
Total current liabilities	\$ 69,467	\$ 113,717	\$ 183,184
Noncurrent liabilities:			
Long-term debt	\$ -	\$ 3,653,834	\$ 3,653,834
Total noncurrent liabilities	\$ -	\$ 3,653,834	\$ 3,653,834
Total liabilities	\$ 69,467	\$ 3,767,551	\$ 3,837,018
<b>NET POSITION</b>			
Net position invested in capital assets, net of related debt	\$ 2,312,120	\$ 4,449,598	\$ 6,761,718
Unrestricted net position	87,244	1,744,576	1,831,820
Total net position	\$ 2,399,364	\$ 6,194,174	\$ 8,593,538

The accompanying notes are an integral part of these financial statements.

CITY OF ASSUMPTION, ILLINOIS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - MODIFIED CASH BASIS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED APRIL 30, 2023

	Water Fund	Sewer Fund	Total
<b>Operating Revenues:</b>			
Charges for services:			
Collections	\$ 207,351	\$ 201,255	\$ 408,606
Bulk water sales	1,899	-	1,899
Penalties	2,334	2,372	4,706
Other operating revenues	1,136	150	1,286
	<u>\$ 212,720</u>	<u>\$ 203,777</u>	<u>\$ 416,497</u>
Total operating revenues received			
<b>Operating Expenses:</b>			
Salaries	\$ 82,145	\$ 49,828	\$ 131,973
Employee benefits	6,297	3,803	10,100
Engineering	-	-	-
Legal and accounting	1,798	-	1,798
Gas and oil	2,157	4,691	6,848
Utilities	20,642	17,724	38,366
Lab fees	6,331	953	7,284
Equipment rent and lease	2,200	588	2,788
Miscellaneous	3,996	2,407	6,403
Uniforms	341	588	929
Postage	2,876	-	2,876
Telephone	2,837	1,127	3,964
Printing and advertising	433	33	466
Repairs and maintenance	79,557	37,930	117,487
Training	370	-	370
Supplies	26,359	288	26,647
Depreciation	35,602	103,590	139,192
	<u>\$ 273,941</u>	<u>\$ 223,550</u>	<u>\$ 497,491</u>
Total operating expenses			
Operating income (loss)			
	<u>\$ (61,221)</u>	<u>\$ (19,773)</u>	<u>\$ (80,994)</u>
<b>Non-Operating Revenues (Expenses):</b>			
Debt forgiveness	\$ 212,422	\$ 406,581	\$ 619,003
Grant revenue	407,969	-	407,969
Investment income	370	2,054	2,424
Property tax	-	2,143	2,143
Interest expense	-	(34,994)	(34,994)
	<u>\$ 620,761</u>	<u>\$ 375,784</u>	<u>\$ 996,545</u>
Total non-operating revenues (expenses)			
Net income (loss) before transfers			
	<u>\$ 559,540</u>	<u>\$ 356,011</u>	<u>\$ 915,551</u>
Transfers in	94,162	177,905	272,067
Transfers out	(22,488)	(94,162)	(116,650)
Change in net position			
	<u>\$ 631,214</u>	<u>\$ 439,754</u>	<u>\$ 1,070,968</u>
Total net position - beginning	<u>1,768,150</u>	<u>5,754,420</u>	<u>7,522,570</u>
Total net position - ending	<u>\$ 2,399,364</u>	<u>\$ 6,194,174</u>	<u>\$ 8,593,538</u>

The accompanying notes are an integral part of these financial statements.

CITY OF ASSUMPTION, ILLINOIS  
STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED APRIL 30, 2023

	Water Fund	Sewer Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 212,320	\$ 203,777	\$ 416,097
Payments to suppliers	(149,897)	(66,329)	(216,226)
Payments to employees	(88,442)	(53,631)	(142,073)
Net cash provided (used) by operating activities	<u>\$ (26,019)</u>	<u>\$ 83,817</u>	<u>\$ 57,798</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Grant revenue	\$ 407,969	\$ -	\$ 407,969
Property tax	-	2,143	2,143
Net increase (decrease) in due to / from other funds	59,418	-	59,418
Transfers to other funds	(22,488)	(94,162)	(116,650)
Transfers from other funds	94,162	177,905	272,067
Net cash provided (used) by noncapital financing activities	<u>\$ 539,061</u>	<u>\$ 85,886</u>	<u>\$ 624,947</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Debt forgiveness	\$ 212,422	\$ 406,581	\$ 619,003
Loan proceeds	-	273,355	273,355
Principal payments on debt	-	(52,718)	(52,718)
Interest expense	-	(34,994)	(34,994)
Purchases of capital assets	(842,543)	(455,133)	(1,297,676)
Net cash provided (used) by capital and related financing activities	<u>\$ (630,121)</u>	<u>\$ 137,091</u>	<u>\$ (493,030)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and dividends	\$ 370	\$ 2,054	\$ 2,424
Net cash provided (used) by investing activities	<u>\$ 370</u>	<u>\$ 2,054</u>	<u>\$ 2,424</u>
Net increase (decrease) in cash and cash equivalents	\$ (116,709)	\$ 308,848	\$ 192,139
Balance - beginning of year	273,420	1,435,728	1,709,148
Balance - end of year	<u>\$ 156,711</u>	<u>\$ 1,744,576</u>	<u>\$ 1,901,287</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>			
Operating income (loss)	\$ (61,221)	\$ (19,773)	\$ (80,994)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	35,602	103,590	139,192
Change in assets and liabilities:			
Decrease in refundable deposits	(400)	-	(400)
Net cash provided (used) by operating activities	<u>\$ (26,019)</u>	<u>\$ 83,817</u>	<u>\$ 57,798</u>

The accompanying notes are an integral part of these financial statements.



CITY OF ASSUMPTION, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Assumption, Illinois was organized in 1902. The City operates under the management of an elected board and provides general administration, police protection, street maintenance, park maintenance, water, and sewer services.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to the modified cash basis of accounting. The more significant accounting policies of the City are described below.

Reporting Entity

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity, as set forth in GASB Statement No. 14, and as amended by GASB Statement 61, include whether: 1) The organization is legally separate (can sue and be sued in their own name); 2) The City holds the corporate powers of the organization; 3) The City appoints a voting majority of the organization's board; 4) The City is able to impose its will on the organization; 5) The organization has the potential to impose a financial benefit/burden on the City and; 6) There is fiscal dependency by the organization on the City.

No other entities meet the GASB Statements No. 14 and 61 criteria to be included as component units for financial reporting purposes.

Government-Wide and Fund Financial Statements

The government-wide financial statements (the Statement of Net Position and Statement of Activities) display information about the reporting government as a whole. They include all the funds of the reporting entity except fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The City presently has no fiduciary funds. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

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

CITY OF ASSUMPTION, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

The funds of the financial reporting entity are described below:

*Governmental Funds:*

*General Fund* - The General Fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

*Special Revenue Funds* - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are either legally restricted or committed to expenditures for specified purposes other than debt service or capital projects.

The Motor Fuel Tax Fund, IMRF Fund, Playground and Recreation Fund and TIF Fund are classified as a major fund.

The Social Security Fund, Health, Recycling and Garbage Fund and Unemployment Compensation Fund are classified as a nonmajor fund.

All of the above Special Revenue Funds account for their respective revenues (motor fuel taxes and property taxes), which are legally restricted for related expenditures.

*Proprietary Funds:*

*Enterprise Funds* – Enterprise Funds are used to account for business-type activities provided to the general public. These activities are financed primarily by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector.

The Water Fund and Sewer Fund are classified as a major fund.

Both of the above Enterprise Funds account for their respective revenues (charges for services) and related expenditures.

CITY OF ASSUMPTION, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “how” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

*Measurement Focus:*

In the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting as defined in item b below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus, as applied to the modified cash basis of accounting, is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net positions (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent, financial, or nonfinancial) associated with their activities are reported. Proprietary fund equity is classified as net position.

*Basis of Accounting:*

In the government-wide Statement of Net Position and Statement of Activities and the fund financial statements, governmental and business-type activities are presented using a modified cash basis of accounting. This basis of accounting recognizes assets, liabilities, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for depreciation in the government-wide statements and the proprietary fund statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets, and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) *are not recorded* in these financial statements.

If the City utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

CITY OF ASSUMPTION, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Equity

*Cash and Cash Equivalents:*

The City defines cash and cash equivalents as demand deposits with banks and other instruments with original maturities of three months or less.

*Investments:*

Investments classified in the financial statements consist entirely of certificates of deposit whose original maturity terms exceed three months. Investments are carried at cost, which approximates fair value.

*Restricted Cash and Cash Equivalents:*

Restricted cash and cash equivalents as of April 30, 2023 was \$10,049, which consists of refundable deposits in the Water Fund.

*Capital Assets:*

The City's modified cash basis of accounting reports capital assets resulting from cash transactions and reports depreciation where appropriate. The accounting treatment of land, buildings and improvements, utilities infrastructure, and equipment and vehicles (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

*Government-Wide Statements:*

In the government-wide financial statements, capital assets arising from cash transactions are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable. Estimated historical cost was used to value the majority of the assets acquired prior to May 1, 2004. Prior to May 1, 2004, governmental funds' infrastructure assets were not capitalized. Infrastructure assets acquired since May 1, 2004 are recorded at cost.

CITY OF ASSUMPTION, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Equity (Continued)

Depreciation of all exhaustible capital assets arising from cash transactions is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$0 for land and buildings, \$5,000 for improvements, \$50,000 for infrastructure assets, and \$5,000 for equipment and vehicles is used to report capital assets. The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Improvements	20 years
Road infrastructure	10 years
Infrastructure (other than roads)	40 years
Equipment	7 years
Vehicles	5-7 years

*Fund Financial Statements:*

In the fund financial statements, capital assets arising from cash transactions acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets acquired for use in proprietary fund operations are accounted for the same as in the government-wide statements.

*Refundable Deposits:*

As of April 30, 2023, the City had deposits of \$10,049 from customers due upon termination of water services.

*Long-Term Debt:*

All long-term debt arising from cash basis transactions to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements.

Long-term debt arising from cash basis transactions of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as the treatment in the government-wide statements.

CITY OF ASSUMPTION, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Equity (Continued)

*Equity Classification:*

*Government-Wide Statements:*

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

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

It is the City’s policy to first use restricted net positions prior to the use of unrestricted net positions when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

*Fund Financial Statements:*

Governmental fund equity is classified as fund balance. Fund balance is further classified as non-spendable, restricted, committed, assigned, or unassigned. Non-spendable fund balance cannot be spent because it is not in spendable form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance has limitations imposed by the City board through approval of resolutions. Assigned fund balance has limitations imposed by a designee of the City board, or the board itself. In addition, assigned fund balance can represent the remaining fund balance after non-spendable, restricted, and committed amounts have been identified for reporting in special revenue funds. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balances, if any, in the other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes. Proprietary fund equity is classified the same as in the government-wide financial statements.

When restricted and other fund balance resources are available for use, it is the City’s policy to use restricted resources first, followed by committed, assigned, and unassigned amounts, respectively.

CITY OF ASSUMPTION, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Equity (Continued)

*Restricted and Unrestricted, Designated Net Position:*

The governmental activities restricted net position for other purposes of \$851,608 represent total net positions of all Special Revenue Funds, in which revenues are legally restricted for related expenditures.

Revenues, Expenditures, and Expenses

*Program Revenues and Expenses:*

In the Statement of Activities, modified cash basis revenues that are derived directly from each activity or from parties outside the City's taxpayers are reported as program revenues. The City has the following program revenues in each activity:

General Government	-	Licenses, permits, fees and tower lease revenue
Public Safety	-	Fines and forfeitures

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

*Operating Revenues and Expenses:*

Operating revenues and expenses for proprietary funds result from providing services and producing and delivering goods and/or services. They also include all revenues and expenses not related to capital and related financing, noncapital financing, or investing activities.

*Property Taxes:*

Property tax revenues are recognized when they are received on the modified cash basis of accounting. Taxes levied and uncollected are not carried as an asset of the related fund.

The City's property taxes are levied each year on all taxable real property located in the City on or before the last Tuesday in December. The board passed the 2021 levy on December 1, 2021. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments in July and September 2022, for the 2021 levy. The City received its payments of 2021 levied property taxes from the Christian County Treasurer between August and December 2022.

CITY OF ASSUMPTION, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues, Expenditures, and Expenses (Continued)

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

	<u>Maximum</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
	2022	2022	2021	2020
General Corporate	0.43750	0.42390	0.42335	0.41309
Police Protection	0.60000	0.05392	0.05385	0.05255
Audit	Unlimited	0.00000	0.00000	0.00000
Garbage (Landfill)	0.20000	0.14449	0.14430	0.14080
Social Security	Unlimited	0.11432	0.11417	0.11141
Playground	0.20000	0.05987	0.05979	0.05835
Chlorination Sewage	0.07500	0.01631	0.01630	0.01590
Liability Insurance	Unlimited	0.00000	0.00000	0.00000
IMRF	Unlimited	0.33476	0.33432	0.32622
Unemployment Insurance	Unlimited	0.00303	0.00303	0.00296
Road and Bridge	Unlimited	0.07019	0.07010	0.06841
Prior Year Adjustment	Unlimited	0.00876	0.00439	0.00000
 Total		<u>1.22955</u>	<u>1.22360</u>	<u>1.18969</u>

Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

*Government-Wide Financial Statements:*

Interfund activity and balances are eliminated or reclassified in the government-wide financial statements as internal activities. Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental and business-type activities, which are reported as “transfers-internal activity”. The effects of interfund services between funds are not eliminated in the Statement of Activities.



CITY OF ASSUMPTION, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Internal and Interfund Balances and Activities (Continued)

*Fund Financial Statements:*

Interfund activity within and among the governmental and proprietary fund categories is reported as “transfers in” and “transfers out” in the fund financial statements. Operating interfund transfers occur when assets flow from one fund to another and repayment is not expected.

Use of Estimates

The preparation of financial statements in conformity with the other comprehensive basis of accounting (OCBOA) used by the City requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a local government unit, the City is subject to various federal, state, and local laws and contractual regulations. The City had no instances of noncompliance that is considered material to the financial statements.

The City had no deficit fund balance at April 30, 2023.

NOTE 3 – TORT IMMUNITY

Cash receipts and the related cash disbursements of this restricted tax levy are accounted for in the General Fund. The City’s tort immunity expenditures were as follows:

Tort immunity receipts - taxes collected	\$ -
Tort immunity expenditures - property and liability insurance	47,852
Tort immunity expenditures over receipts	\$ 47,852
Restricted at May 1, 2022	-
Restricted at April 30, 2023	\$ -

CITY OF ASSUMPTION, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 4 – CASH AND INVESTMENTS

*Permitted Investments:*

Statutes authorize the City to deposit and invest in obligations of States and their political subdivisions, savings accounts, certificates of deposit, credit union shares, repurchase agreements, commercial paper rated with the three highest classifications by at least two standard rating services and the Illinois Public Treasurer's Investment Pool.

Each fund maintains its own cash deposit and time deposit accounts.

The City does not have policies regarding custodial credit risk, interest rate risk, concentration of credit risk or foreign currency risk.

*Deposits:*

**Custodial Credit Risk** – Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned, or the City will not be able to recover collateral securities in the possession of an outside party. As of April 30, 2023, all of the City's \$3,980,314 (\$3,495,131 in demand, NOW and savings accounts and \$485,183 in certificates of deposit) is insured or collateralized with securities held by the pledging financial institution in the name of the City.

**Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City of Assumption limits their exposure to interest rate risk by structuring the portfolio to include only short-term certificates of deposit and demand deposits.

**Concentration of Credit Risk** – Concentration of credit risk is the risk of loss attributed to the magnitude of the City of Assumption's investment in a single issuer. The demand, NOW, savings accounts and certificates of deposit are carried at the First National Bank of Assumption.

**Foreign Currency Risk** – Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. The City has no known foreign currency risks in either investments or deposits as of April 30, 2023.

*Investments:*

GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, requires certain disclosures for certain investments. As of April 30, 2023, the City of Assumption held no investments other than time deposits (disclosed above).

CITY OF ASSUMPTION, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 5 – CAPITAL ASSETS

Capital asset activity, resulting from the modified cash basis transactions, for the fiscal year ended April 30, 2023 was as follows:

	Balance May 1, 2022	Additions	Retirements	Balance April 30, 2023
Governmental activities:				
Capital assets being depreciated:				
Buildings and improvements	\$ 244,023	\$ -	\$ -	\$ 244,023
Equipment and vehicles	437,596	78,712	-	516,308
Road infrastructure	811,989	-	-	811,989
Total capital assets being depreciated	<u>\$ 1,493,608</u>	<u>\$ 78,712</u>	<u>\$ -</u>	<u>\$ 1,572,320</u>
Land	70,249	-	(15,232)	55,017
Construction in progress	-	-	-	-
Total capital assets	<u>\$ 1,563,857</u>	<u>\$ 78,712</u>	<u>\$ (15,232)</u>	<u>\$ 1,627,337</u>
Less accumulated depreciation for:				
Buildings and improvements	\$ (107,135)	\$ (6,574)	\$ -	\$ (113,709)
Equipment and vehicles	(282,683)	(36,009)	-	(318,692)
Road infrastructure	(192,225)	(63,566)	-	(255,791)
Total accumulated depreciation	<u>\$ (582,043)</u>	<u>\$ (106,149)</u>	<u>\$ -</u>	<u>\$ (688,192)</u>
Governmental activities capital assets, net	<u>\$ 981,814</u>	<u>\$ (27,437)</u>	<u>\$ (15,232)</u>	<u>\$ 939,145</u>
Business-type activities:				
Capital assets being depreciated:				
Utilities infrastructure	\$ 2,645,180	\$ 7,690,733	\$ -	\$ 10,335,913
Equipment and vehicles	194,354	-	-	194,354
Total capital assets being depreciated	<u>\$ 2,839,534</u>	<u>\$ 7,690,733</u>	<u>\$ -</u>	<u>\$ 10,530,267</u>
Land	-	-	-	-
Construction in progress	8,009,510	631,065	(7,024,122)	1,616,453
Total capital assets	<u>\$ 10,849,044</u>	<u>\$ 8,321,798</u>	<u>\$ (7,024,122)</u>	<u>\$ 12,146,720</u>
Less accumulated depreciation for:				
Utilities infrastructure	\$ (1,328,661)	\$ (132,983)	\$ -	\$ (1,461,644)
Equipment and vehicles	(149,598)	(6,209)	-	(155,807)
Total accumulated depreciation	<u>\$ (1,478,259)</u>	<u>\$ (139,192)</u>	<u>\$ -</u>	<u>\$ (1,617,451)</u>
Business-type activities capital assets, net	<u>\$ 9,370,785</u>	<u>\$ 8,182,606</u>	<u>\$ (7,024,122)</u>	<u>\$ 10,529,269</u>

CITY OF ASSUMPTION, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 5 – CAPITAL ASSETS (Continued)

Depreciation expense for the fiscal year ended April 30, 2023 was charged to functions as follows in the Statement of Activities:

Primary Government:

Governmental activities:

General government	\$ 16,651
Public safety	11,664
Streets and public works	71,241
Culture and recreation	6,593
Total depreciation expense for governmental activities	<u>\$ 106,149</u>

Business-type activities:

Water	\$ 35,602
Sewer	103,590
Total depreciation expense for business-type activities	<u>\$ 139,192</u>

NOTE 6 – LONG-TERM DEBT

*Governmental Activities:*

As of April 30, 2023, the City had no outstanding long-term debt arising from governmental activities.

*Business-Type Activities:*

As of April 30, 2023, the long-term debt arising from cash transactions, payable from the Sewer Fund consists of:

On May 20, 2019, the City entered into a water pollution control loan agreement with the Illinois Environmental Protection Agency. The executed loan amount was for \$7,071,719. In accordance with the procedures for issuing loans from the water pollution control loan program, \$3,272,177 of the executed loan amount was forgiven, which left the City with a loan balance of \$3,799,542 after the final loan proceeds were disbursed on June 21, 2022. Semi-annual loan repayments will be made over a 30-year period, with an interest rate of .80 percent per annum, beginning on November 6, 2022, and commencing on May 6, 2052. The interest paid on this loan during the fiscal year ended April 30, 2023, was \$34,994. The balance on this loan as of April 30, 2023, is \$3,767,551.

CITY OF ASSUMPTION, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 6 – LONG-TERM DEBT (Continued)

The following is a summary of the change in long-term debt for the fiscal year ended April 30, 2023:

	Balance April 30, 2022	Increases	Decreases	Balance April 30, 2023
Business-Type Activities:				
Water Pollution Control Loan	\$ 3,546,914	\$ 273,355	\$ 52,718	\$ 3,767,551
	<u>\$ 3,546,914</u>	<u>\$ 273,355</u>	<u>\$ 52,718</u>	<u>\$ 3,767,551</u>

At April 30, 2023, future annual cash flow requirements of principal and interest are as follows:

	Fiscal Year Ending	Principal	Interest	Total
Business-Type Activities:				
Water Pollution Control Loan	2024	\$ 113,717	\$ 29,913	\$ 143,630
	2025	114,628	29,002	143,630
	2026	115,547	28,083	143,630
	2027	116,473	27,157	143,630
	2028	117,407	26,223	143,630
	2029-2033	601,303	116,847	718,150
	2034-2038	625,793	92,357	718,150
	2039-2043	651,280	66,870	718,150
	2044-2048	677,805	40,345	718,150
	2049-2053	633,598	12,739	646,337
Subtotal		<u>\$ 3,767,551</u>	<u>\$ 469,536</u>	<u>\$ 4,237,087</u>

CITY OF ASSUMPTION, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 7 – LEASES

The City has a lease with landowners totaling \$2,200 per year allowing the City to pump water from the existing wells. The lease expires in the year 2077. Total lease payments of \$2,200 were paid during the fiscal year ended April 30, 2023. Total minimum lease payments for the next five years total \$11,000 and each five-year period thereafter until expiration in the year 2077.

NOTE 8 – INTERFUND TRANSFERS, RECEIVABLES AND PAYABLES

Transfers between funds of the primary government for the fiscal year ended April 30, 2023, were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ 36,000	\$ 200,617
Water Fund	94,162	22,488
Sewer Fund	177,905	94,162
IMRF Fund	20,000	-
Playground and Recreation Fund	-	18,000
Subtotal Major Funds	<u>\$ 328,067</u>	<u>\$ 335,267</u>
Non-Major Funds:		
Social Security Fund	\$ 7,000	\$ -
Unemployment Fund	200	-
Subtotal Non-Major Funds	<u>\$ 7,200</u>	<u>\$ -</u>
Total Transfers	<u><u>\$ 335,267</u></u>	<u><u>\$ 335,267</u></u>

The transfers reflected in the above schedule represent transfers of monies among funds for retirement contributions, vehicle replacement, and general operations.

Individual fund receivable or payable balances at April 30, 2023 were:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 105,309	\$ -
Water Fund	-	59,418
TIF Fund	-	45,891
Total Interfund Balances	<u><u>\$ 105,309</u></u>	<u><u>\$ 105,309</u></u>

The interfund balances in the above schedule represent temporary loans among funds for general operating purposes. These balances are expected to be repaid within one year. Only interfund balances between governmental activities and business type activities are shown on the government-wide statements.

CITY OF ASSUMPTION, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 9 – RETIREMENT PLANS

Illinois Municipal Retirement Fund

*Plan Description*

The employer's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The employer's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multiple-employer public pension fund. A summary of IMRF's pension benefits is provided in the "benefits provided" section below. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available comprehensive annual financial report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information (RSI). The report is available for download at [www.imrf.org](http://www.imrf.org).

*Benefits Provided*

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

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1.67 percent of the final rate of earnings for the first 15 years of service credit, plus 2.00 percent for each year of service credit after 15 years to a maximum of 75.00 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3.00 percent of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1.67 percent of the final rate of earnings for the first 15 years of service credit, plus 2.00 percent for each year of service credit after 15 years to a maximum of 75.00 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of: 1) 3.00 percent of the original pension amount, or 2) half of the increase in the Consumer Price Index of the original pension amount.

CITY OF ASSUMPTION, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 9 – RETIREMENT PLANS (Continued)

*Employees Covered by Benefit Terms*

As of December 31, 2022, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	6
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	<u>6</u>
Total	<u>16</u>

*Contributions*

As set by statute, the employer Regular Plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer's annual required contribution rate for calendar year 2022 was 20.07 percent. For the fiscal year ended April 30, 2023, the employer contributed \$63,816 to the plan. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Social Security

All employees, including those covered by IMRF, are covered under social security. The City paid \$24,857, the total required contribution for the current fiscal year.

NOTE 10 – RISK MANAGEMENT

The City is exposed to various risks of loss including, but not limited to, general liability and City Treasurer's liability. The City is a member of a public entity risk pool which is described below that provides insurance coverage for risks.

*Public Entity Risk Pool*

The City is a member of the Illinois Municipal League Risk Management Association (IMLRMA). IMLRMA provides risk management services and ensures that all of the City's property and liability claims up to specified limits.

IMLRMA is a separate entity which sets rates and purchases commercial excess and stop loss coverage. The City pays annual premiums to IMLRMA for coverage. Supplementary payments may also be required by IMLRMA's Board of Directors should the premiums paid be insufficient to fund operations. No such supplemental payments have been required. No material decreases in insurance coverage have occurred nor have any insurance claims in excess of insurance coverages been paid or reported. Settled claims have not exceeded insurance coverage for the past three fiscal years.



CITY OF ASSUMPTION, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Illinois Environmental Protection Agency (IEPA) Violations

Prior to May 1, 2011, the City had received notification from the Illinois Environmental Protection Agency (IEPA) that the City's sewer system may be in violation of IEPA guidelines and will need correction. The City is cooperating and working with the IEPA to correct the problem.

Long-Term Debt Commitments and Debt Forgiveness

The City is involved in construction of a nitrate removal project that will be completed in fiscal year 2024. The IEPA has committed to funding \$877,249 of project costs, of which \$877,249 is eligible for forgiveness. The City has received \$839,852 as of April 30, 2023, which has been forgiven.

The City is involved in construction of a lead service line replacement project that will be completed in fiscal year 2024. The IEPA has committed to funding \$439,089 of project costs, of which \$439,089 is eligible for forgiveness. The City has received \$414,872 as of April 30, 2023, which has been forgiven.

The City is involved in construction of a separate sanitary sewer system that will be completed in fiscal year 2025. The IEPA has committed to funding \$7,763,069 of project costs, of which \$2,466,614 is eligible for forgiveness. The City has received \$406,581 as of April 30, 2023, which has been forgiven.

Contracts

The City has entered into an hourly contract for engineering services related to phase two of the construction of a separate sanitary sewer system, which is budgeted at \$665,000. As of April 30, 2023, the City has expended \$272,249, leaving \$392,751 committed. The City plans on fulfilling this commitment with IEPA loan proceeds.

The City has entered into a contract for construction services related to phase two of the construction of a separate sanitary sewer system, which is budgeted at \$6,891,329. As of April 30, 2023, the City has expended \$181,943, leaving \$6,709,386 committed. The City plans on fulfilling this commitment with IEPA loan proceeds.

The City has entered into a contract for engineering services related to phase one of the water system improvements division a: nitrate removal, division b: watermain replacement and lead service removal and replacement, and division c: water meter replacement project, which is budgeted at \$132,200. As of April 30, 2023, the City has expended \$127,056, leaving \$5,144 committed. The City plans on fulfilling this commitment with local funds.

The City has entered into an hourly contract for engineering services related to phase two of the water system improvements for water treatment plant addition, watermain replacement and lead service replacement, which is budgeted at \$908,440. As of April 30, 2023, the City has expended \$343,740, leaving \$564,700 committed. The City plans on fulfilling this commitment with grant and IEPA loan proceeds.

CITY OF ASSUMPTION, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2023

NOTE 11 – COMMITMENTS AND CONTINGENCIES (Continued)

Grants

The City received \$72,533 of ARPA federal grant monies from the State of Illinois during the fiscal year ended April 30, 2023. This grant funding was provided to assist the City with their pandemic related response and plan.

The City received \$371,969 of Community Development Block federal grant monies from the State of Illinois during the fiscal year ended April 30, 2023. This grant funding was provided to assist the City with their water main replacement project.

Compensated Absences

Employees of the City are entitled to paid vacation/leave depending on job classification, length of service, and other factors. Due to the City reporting on the modified cash basis of accounting, no accrual has been made for employee vacation/leave earned but not taken.

Retirement Commitment

As disclosed in Note 9, the City participates in the Illinois Municipal Retirement Fund (IMRF). The City is committed for the net pension liability of the IMRF plan. Details of the net pension liability, pension expense, and other information associated with this plan are not included in the City's modified cash basis financial statements but are provided to the City by IMRF.

NOTE 12 – LEGAL DEBT LIMIT

As of April 30, 2023, the City was subject to a legal debt limit of \$1,178,816. Debt that is to be repaid by revenue from users, such as water and sewer, is excludable. As of April 30, 2023, the City had no debt subject to this limitation.

NOTE 13 - EVALUATION OF SUBSEQUENT EVENTS

The City has evaluated subsequent events through July 5, 2023, the date which the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

**SUPPLEMENTARY INFORMATION**

CITY OF ASSUMPTION, ILLINOIS  
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
 GENERAL FUND  
FOR THE FISCAL YEAR ENDED APRIL 30, 2023

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Budget Positive (Negative)
Beginning budgetary fund balance	\$ 1,107,003	\$ 1,107,003	\$ -
Resources (inflows):			
Taxes:			
Property tax	\$ 82,200	\$ 80,140	\$ (2,060)
Sales tax	360,100	382,674	22,574
Income tax	155,000	186,622	31,622
Use tax	41,200	47,032	5,832
Replacement tax	36,000	55,545	19,545
Fire insurance tax	-	-	-
Cannabis use tax	1,700	1,818	118
Video gaming tax	26,500	26,873	373
Total taxes	<u>\$ 702,700</u>	<u>\$ 780,704</u>	<u>\$ 78,004</u>
Fines and forfeitures:			
Ordinance fines	\$ 8,500	\$ 7,457	\$ (1,043)
Animal control	100	-	(100)
Total fines and forfeitures	<u>\$ 8,600</u>	<u>\$ 7,457</u>	<u>\$ (1,143)</u>
Licenses and permits	<u>\$ 5,800</u>	<u>\$ 7,794</u>	<u>\$ 1,994</u>
Investment income	<u>\$ 1,650</u>	<u>\$ 3,201</u>	<u>\$ 1,551</u>
Franchise fees	<u>\$ 20,000</u>	<u>\$ 19,147</u>	<u>\$ (853)</u>
Grant revenue	<u>\$ 72,458</u>	<u>\$ 1,033</u>	<u>\$ (71,425)</u>
Miscellaneous:			
Tower lease	\$ 21,500	\$ 17,256	\$ (4,244)
Contributions	5,650	4,501	(1,149)
Miscellaneous	50	387	337
Total miscellaneous	<u>\$ 27,200</u>	<u>\$ 22,144</u>	<u>\$ (5,056)</u>
Other financing sources:			
Sale of capital assets	\$ -	\$ 5,600	\$ 5,600
Transfers from other funds	-	36,000	36,000
Total other financing sources	<u>\$ -</u>	<u>\$ 41,600</u>	<u>\$ 41,600</u>
Amounts available for appropriation	<u>\$ 1,945,411</u>	<u>\$ 1,990,083</u>	<u>\$ 44,672</u>

Reference should be made to auditor's report regarding this information.

CITY OF ASSUMPTION, ILLINOIS  
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
 GENERAL FUND (CONTINUED)  
 FOR THE FISCAL YEAR ENDED APRIL 30, 2023

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Budget Positive (Negative)</u>
Charges to appropriation (outflows):			
General government:			
Salaries and benefits	\$ 60,000	\$ 73,113	\$ (13,113)
Materials and supplies	41,900	35,122	6,778
Insurance	48,000	47,852	148
Other services and charges	<u>97,158</u>	<u>96,792</u>	<u>366</u>
Total general government	<u>\$ 247,058</u>	<u>\$ 252,879</u>	<u>\$ (5,821)</u>
Public safety:			
Salaries and benefits	\$ 138,000	\$ 118,281	\$ 19,719
Materials and supplies	17,150	11,139	6,011
Other services and charges	<u>28,200</u>	<u>15,372</u>	<u>12,828</u>
Total public safety	<u>\$ 183,350</u>	<u>\$ 144,792</u>	<u>\$ 38,558</u>
Streets and public works:			
Salaries and benefits	\$ 84,000	\$ 73,796	\$ 10,204
Materials and supplies	13,200	9,304	3,896
Other services and charges	<u>103,700</u>	<u>72,377</u>	<u>31,323</u>
Total streets and public works	<u>\$ 200,900</u>	<u>\$ 155,477</u>	<u>\$ 45,423</u>
Capital outlay	<u>\$ 108,600</u>	<u>\$ 16,530</u>	<u>\$ 92,070</u>
Contingencies	<u>\$ 22,800</u>	<u>\$ -</u>	<u>\$ 22,800</u>
Other financing uses:			
Transfers to other funds	<u>\$ 180,000</u>	<u>\$ 200,617</u>	<u>\$ (20,617)</u>
Total charges to appropriation	<u>\$ 942,708</u>	<u>\$ 770,295</u>	<u>\$ 172,413</u>
Ending budgetary fund balance	<u>\$ 1,002,703</u>	<u>\$ 1,219,788</u>	<u>\$ 217,085</u>

Reference should be made to auditor's report regarding this information.

CITY OF ASSUMPTION, ILLINOIS  
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
 MOTOR FUEL TAX FUND  
 FOR THE FISCAL YEAR ENDED APRIL 30, 2023

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Budget Positive (Negative)
Beginning budgetary fund balance	\$ 559,887	\$ 559,887	\$ -
Resources (inflows):			
Taxes:			
Motor fuel tax	\$ 69,200	\$ 59,967	\$ (9,233)
Total taxes	\$ 69,200	\$ 59,967	\$ (9,233)
Jurisdictional transfer	\$ 335,344	\$ -	\$ (335,344)
Investment income	\$ 1,600	\$ 1,440	\$ (160)
Amounts available for appropriation	\$ 966,031	\$ 621,294	\$ (344,737)
Charges to appropriation (outflows):			
Streets and public works:			
Materials and supplies	\$ 8,550	\$ -	\$ 8,550
Repairs and maintenance roads	30,000	26,833	3,167
Jurisdictional transfer	-	-	-
Rebuild IL	25,658	-	25,658
Engineering	2,046	1,206	840
Other services and charges	-	-	-
Total streets and public works	\$ 66,254	\$ 28,039	\$ 38,215
Capital outlay	\$ -	\$ -	\$ -
Total charges to appropriation	\$ 66,254	\$ 28,039	\$ 38,215
Ending budgetary fund balance	\$ 899,777	\$ 593,255	\$ (306,522)

Reference should be made to the auditor's report regarding this information.

CITY OF ASSUMPTION, ILLINOIS  
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
 IMRF FUND  
FOR THE FISCAL YEAR ENDED APRIL 30, 2023

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Budget Positive (Negative)
Beginning budgetary fund balance	\$ 3,217	\$ 3,217	\$ -
Resources (inflows):			
Taxes:			
Property tax	\$ 43,500	\$ 43,950	\$ 450
Total taxes	\$ 43,500	\$ 43,950	\$ 450
Other financing sources:			
Transfers from other funds	\$ 26,500	\$ 20,000	\$ (6,500)
Amounts available for appropriation	\$ 73,217	\$ 67,167	\$ (6,050)
Charges to appropriation (outflows):			
General government:			
Retirement benefits	\$ 70,000	\$ 63,815	\$ 6,185
Other services and charges	-	-	-
Total general government	\$ 70,000	\$ 63,815	\$ 6,185
Total charges to appropriation	\$ 70,000	\$ 63,815	\$ 6,185
Ending budgetary fund balance	\$ 3,217	\$ 3,352	\$ 135

Reference should be made to auditor's report regarding this information.

CITY OF ASSUMPTION, ILLINOIS  
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
 PLAYGROUND AND RECREATION FUND  
 FOR THE FISCAL YEAR ENDED APRIL 30, 2023

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Budget Positive (Negative)
Beginning budgetary fund balance	\$ 89,709	\$ 89,709	\$ -
Resources (inflows):			
Taxes:			
Property tax	\$ 7,800	\$ 7,860	\$ 60
Total taxes	\$ 7,800	\$ 7,860	\$ 60
Investment income	\$ 150	\$ 213	\$ 63
Grant revenues	\$ -	\$ 36,000	\$ 36,000
Contributions	\$ -	\$ 775	\$ 775
Amounts available for appropriation	\$ 97,659	\$ 134,557	\$ 36,898
Charges to appropriation (outflows):			
Culture and recreation:			
Salaries and benefits	\$ -	\$ -	\$ -
Mowing	3,200	3,271	(71)
Utilities	1,100	372	728
Miscellaneous	4,200	2,603	1,597
Materials and supplies	2,200	6,703	(4,503)
Other services and charges	18,000	-	18,000
Total culture and recreation	\$ 28,700	\$ 12,949	\$ 15,751
Capital outlay	\$ 69,833	\$ 62,182	\$ 7,651
Contingencies	\$ 2,200	\$ -	\$ 2,200
Other financing uses:			
Transfers to other funds	\$ -	\$ 18,000	\$ (18,000)
Total charges to appropriation	\$ 100,733	\$ 93,131	\$ 7,602
Ending budgetary fund balance	\$ (3,074)	\$ 41,426	\$ 44,500

Reference should be made to auditor's report regarding this information.



CITY OF ASSUMPTION, ILLINOIS  
 BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
 TIF FUND  
FOR THE FISCAL YEAR ENDED APRIL 30, 2023

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Budget Positive (Negative)
Beginning budgetary fund balance	\$ 105,573	\$ 105,573	\$ -
Resources (inflows):			
Taxes:			
Property tax	\$ 76,670	\$ 78,622	\$ 1,952
Total taxes	\$ 76,670	\$ 78,622	\$ 1,952
Investment income	\$ 330	\$ 490	\$ 160
Amounts available for appropriation	\$ 182,573	\$ 184,685	\$ 2,112
Charges to appropriation (outflows):			
General government:			
Other services and charges	\$ 77,000	\$ 33,554	\$ 43,446
Total general government	\$ 77,000	\$ 33,554	\$ 43,446
Total charges to appropriation	\$ 77,000	\$ 33,554	\$ 43,446
Ending budgetary fund balance	\$ 105,573	\$ 151,131	\$ 45,558

Reference should be made to auditor's report regarding this information.

CITY OF ASSUMPTION, ILLINOIS  
NOTES TO BUDGETARY COMPARISON SCHEDULES  
APRIL 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Budget Law

The City of Assumption complies with budgetary legal requirements, as set forth by the State of Illinois, by preparing an Annual Appropriations Ordinance. This document is used by the City management as a budget and is prepared on a modified cash basis of accounting for each fund that the City maintains. The City approved their fiscal year 2023 budget, which was not amended, on June 1, 2022.

Basis of Accounting

The budget is prepared on the same modified cash basis of accounting as applied to the governmental funds in the basic financial statements. This basis of accounting recognizes assets, liabilities, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions.

Excess of Expenditures Disbursed Over Appropriations in Budgeted Major Funds

The City had no instances of noncompliance that is considered material to the financial statements.