

# City of Oregon

Financial Report

Year Ended April 30, 2023



WIPFLI

**City of Oregon, Illinois**  
**Financial Statements and Supplementary Information**  
Year Ended April 30, 2023

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**City of Oregon, Illinois**  
**Financial Statements and Supplementary Information**  
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## **Independent Auditor's Report**

Honorable Mayor and Members of the City Council  
City of Oregon, Illinois  
Oregon, IL

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

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Oregon, Illinois (the "City"), 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Oregon, Illinois as of April 30, 2023, and respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Oregon, Illinois and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 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 GAAS 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 Oregon, Illinois's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Oregon, Illinois's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that a management's discussion and analysis and required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

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

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information, as listed in the table of contents, does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 11, 2023 on our consideration of the City's 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 solely 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 City of Oregon, Illinois's 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's internal control over financial reporting and compliance.



Wipfli LLP

Sterling, Illinois  
August 11, 2023

## **Management Discussion and Analysis**

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# City of Oregon, Illinois

## Management's Discussion and Analysis

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As management of City of Oregon, Illinois, we offer the readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Oregon, Illinois for the year ended April 30, 2023.

The MD&A (other information) is provided at the beginning of the report to provide an overview of the City's financial position at April 30, 2023 and the results of operations for the year. This summary should not be taken as a replacement for the annual financial report, which consists of the financial statements, notes to the financial statements, and required, supplementary and other information.

### **Using This Financial Report**

The financial section of this annual report consists of five parts - Independent Auditor's Report, required supplementary information, the basic financial statements, supplementary information, and other information. The basic financial statements include two kinds of statements that present different views of the City:

### **Government -Wide Financial Statements**

The first two statements are government-wide financial statements that provide both short term and long-term information about the City's overall financial status, similar to a private sector business. In the government-wide financial statements the City's activities are shown in two categories - governmental activities and business-type activities. The City's governmental activities are general government, public safety, public works, and culture and recreation. These activities are largely financed with sales taxes, income taxes, property taxes, and user fees. The City's business-type activities include water and sewer. These activities are largely financed with user fees.

The statement of net position presents information on all of the City's assets, deferred outflows, liabilities, and deferred inflows with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. To assess the overall health of the City you need to consider additional non-financial factors such as the condition of the City's buildings and facilities.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. The government-wide financial statements are prepared under the accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the City's funds - not the City as a whole. Funds are accounting devices the City uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by state law, while others are established to control and manage money for particular purposes or to show that the City is properly using certain revenues.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for each. By doing so, readers may better understand the long-term impact of the City'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 the comparison between governmental funds and governmental activities.



# City of Oregon, Illinois

## Management's Discussion and Analysis

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Information is presented separately in the governmental fund balance sheet and in the fund statement of revenues, expenditures, and the changes in fund balances for all these funds. The City has major fund which are identified with non-major funds presented in supplementary information. More detail of the individual revenues and expenditures for these funds is presented in the other information section of this report.

The City maintains one individual business-type fund. Information is presented separately in the proprietary statement of net position and in the proprietary statement of revenues, expenses, and the changes in net position for this fund. This fund is considered a major fund of the City. More detail of the individual revenues and expenditures for these funds is presented in the other information section of this report.

The City adopts annual budgets for all funds. The term budget, used throughout the financial statements, represents the estimated revenues and appropriations set forth in the City's annual appropriation ordinance. A budgetary comparison statement has been provided for the major funds only.

### **GOVERNMENTAL FINANCIAL HIGHLIGHTS**

- The City's governmental assets exceeded its liabilities at the close of the fiscal year by \$8,178,282 (net position). Of this amount, \$1,462,088 (unrestricted net position) may be used to meet the City's ongoing obligations.
- The City's governmental total net position increased by \$764,976 during fiscal year 2023 as reported in the statement of activities.
- The City's major revenue consisted of \$2,282,535 in other taxes and \$1,026,519 in property tax distributions.
- At the close of fiscal year 2023, the City's governmental funds reported combined ending fund balances of \$4,639,709, an decrease by \$309,574 in comparison to the prior year.
- At the end of fiscal year 2023, the unassigned fund balance in the General Fund was \$1,553,483.

### **BUSINESS-TYPE FINANCIAL HIGHLIGHTS**

- The City's business-type assets exceeded its liabilities at the close of the fiscal year by \$9,110,399 (net position). Unrestricted net position is \$1,991,462. The restricted net position of \$809,264 is restricted for bond payments.
- The City's business-type net position increased by \$380,009 during fiscal year 2023 as reported in the statement of activities.
- The City's major business-type revenue consisted of \$1,655,615 in charges for services.

# City of Oregon, Illinois

## Management's Discussion and Analysis

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### Government-Wide Financial Analysis

As previously addressed, net position may serve the purpose over time as a useful indicator of a government's financial position. To that end, City of Oregon, Illinois's assets exceeded its liabilities by \$8,178,282 for FY2023.

The following table represents a condensed Statement of Net Position of the County for governmental and business-type activities as of April 2023:

### Condensed Statement of Net Position

April 30, 2023

	Governmental Activities	Business-Type Activities	Total Primary Government
Current assets	\$ 6,322,919	\$ 2,869,090	9,192,009
Noncurrent assets	5,786,671	12,893,497	18,680,168
<b>Total assets</b>	<b>12,109,590</b>	<b>15,762,587</b>	<b>27,872,177</b>
Deferred outflows of resources	622,421	152,352	774,773
<b>Total assets and deferred outflows of resources</b>	<b>12,732,011</b>	<b>15,914,939</b>	<b>28,646,950</b>
Current liabilities	630,968	682,652	1,313,620
Noncurrent liabilities	2,394,601	6,113,842	8,508,443
<b>Total liabilities</b>	<b>3,025,569</b>	<b>6,796,494</b>	<b>9,822,063</b>
Deferred inflows of resources	1,528,160	8,046	1,536,206
<b>Total liabilities and deferred inflows of resources</b>	<b>4,553,729</b>	<b>6,804,540</b>	<b>11,358,269</b>
<b>Net position</b>			
Net investment in capital assets	3,929,907	6,309,673	10,239,580
Restricted	2,786,287	809,264	3,595,551
Unrestricted	1,462,088	1,991,462	3,453,550
<b>Total net position</b>	<b>\$ 8,178,282</b>	<b>\$ 9,110,399</b>	<b>\$ 17,288,681</b>

# City of Oregon, Illinois

## Management's Discussion and Analysis

### Government-Wide Financial Analysis (Continued)

### Condensed Statement of Net Position

April 30, 2022

	Governmental Activities	Business-Type Activities	Total Primary Government
Current assets	\$ 6,340,944	\$ 2,811,379	9,152,323
Noncurrent assets	5,582,955	13,452,065	19,035,020
<b>Total assets</b>	<b>11,923,899</b>	<b>16,263,444</b>	<b>28,187,343</b>
Deferred outflows of resources	203,925	53,008	256,933
<b>Total assets and deferred outflows of resources</b>	<b>12,127,824</b>	<b>16,316,452</b>	<b>28,444,276</b>
Current liabilities	660,762	781,049	1,441,811
Noncurrent liabilities	1,966,759	6,583,510	8,550,269
<b>Total liabilities</b>	<b>2,627,521</b>	<b>7,364,559</b>	<b>9,992,080</b>
Deferred inflows of resources	2,086,997	221,503	2,308,500
<b>Total liabilities and deferred inflows of resources</b>	<b>4,714,518</b>	<b>7,586,062</b>	<b>12,300,580</b>
<b>Net position</b>			
Net investment in capital assets	2,864,544	6,206,518	9,071,062
Restricted	3,237,472	790,590	4,028,062
Unrestricted	1,311,290	1,733,282	3,044,572
<b>Total net position</b>	<b>\$ 7,413,306</b>	<b>\$ 8,730,390</b>	<b>\$ 16,143,696</b>

Current assets consist of cash and investments.

One of the City's largest asset groups is its capital assets. This includes buildings and improvements, infrastructure, equipment, and vehicles.

Current liabilities consist mainly of refundable deposits and current portion of long-term debt.

Bonds payable, notes payable, and the IEPA loans constitute the City's long-term debt.

The City's net position consists of capital assets net of related debt, restricted and unrestricted net position.

# City of Oregon, Illinois

## Management's Discussion and Analysis

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### Government-Wide Financial Analysis (Continued)

The following condensed financial information was derived from the Government-Wide Statement of Activities and reflects how the City's net position changed during the fiscal years.

### Changes in Net Position

For the Year Ended April 30, 2023

	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues:			
Program revenues:			
Charges for services	\$ 674,076	\$ 1,655,615	2,329,691
Operating grants and contributions	250,690	-	250,690
General revenues:			
Property taxes	1,026,519	-	1,026,519
Other taxes	2,282,535	-	2,282,535
Interest	30,774	6,590	37,364
Miscellaneous	181,164	-	181,164
Total revenues	4,445,758	1,662,205	\$ 6,107,963
Expenses:			
General government	1,161,126	-	1,161,126
Public safety	1,403,558	-	1,403,558
Public works	1,029,585	-	1,029,585
Culture & recreation	48,737	-	48,737
Water & sewer	-	1,282,196	1,282,196
Interest and other fiscal charges	37,776	-	37,776
Total expenses	3,680,782	1,282,196	4,962,978
Change in net position	\$ 764,976	\$ 380,009	\$ 1,144,985

# City of Oregon, Illinois

## Management's Discussion and Analysis

### Government-Wide Financial Analysis (Continued)

### Changes in Net Position

For the Year Ended April 30, 2022

	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues:			
Program revenues:			
Charges for services	\$ 658,336	\$ 1,664,110	2,322,446
Operating grants and contributions	335,656	-	335,656
Capital grants and contributions	-	433,137	433,137
General revenues:			
Property taxes	932,349	-	932,349
Other taxes	2,279,407	-	2,279,407
Gain (loss) on sale of capital assets	9,849	1,438	11,287
Miscellaneous	133,267	-	133,267
Gain (loss) on sale if capital asset	5,300	-	5,300
Total revenues	4,354,164	2,098,685	\$ 6,452,849
Expenses:			
General government	639,778	-	639,778
Public safety	1,292,598	-	1,292,598
Public works	840,336	-	840,336
Culture & recreation	41,990	-	41,990
Water & sewer	-	1,095,046	1,095,046
Interest and other fiscal charges	30,417	-	30,417
Total expenses	2,845,119	1,095,046	3,940,165
Change in net position	\$ 1,509,045	\$ 1,003,639	\$ 2,512,684

Major sources of operating revenues for the City include: Property and state taxes, charges for services, and fines & fees.

# City of Oregon, Illinois

## Management's Discussion and Analysis

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### Government-Wide Financial Analysis (Continued)

#### **Management's Analysis of the City's Overall Financial Position and Results of Operations**

Governmental reporting requirements affect the City's reporting model, but not the day-to-day operations or the budgeting process of the City. The City's total net position increased \$1,144,985 (including Water and Sewer Fund) from the prior year. The General Fund had an increase in fund balance of \$136,909. The Water and Sewer Fund had an increase in net position of \$380,009. Fund balances in the other fund types are limited in use according to the source of revenue.

#### **General Fund Budgetary Comparison**

The City adopted the budget (annual appropriation ordinance) in July of 2022. The budget for all funds is prepared on the cash basis of accounting.

The General Fund revenues were \$226,198 more than budgeted due mainly to more licenses revenue, state income tax, and replacement tax than budgeted. General Fund expenditures were \$1,208,017 under budget. Including Inter-Fund Transfers, the General Fund had an increase of \$136,909.

#### **Capital Assets/Long term Debt**

The City has elected to prospectively report infrastructure assets. Therefore, infrastructure assets constructed in years prior to 2004 are not included in capital assets. During fiscal year 2023, the City purchased a bucket truck for \$23,510, a 2017 Chevy Silverado for \$30,842, continued the 3rd street reconstruction project for \$686,742, completed the riverfront path for \$36,639, completed Jefferson and Madison street project for \$340,254, and other miscellaneous purchases and projects.

As of April 30, 2023, \$8,550,270 of principal and premiums is outstanding on long-term debt. See notes to financial statements for additional information on Capital Assets and on Long-Term Debt.

#### **Factors or Conditions Impacting Future Periods**

Financial and budget planning is directly related to and supportive of the City's strategic plan and operational needs. The City's financial outlook is influenced by factors such as: the economy, employment, and commercial and residential growth.

#### **Contacting the City's Financial Management**

This financial report is designed to provide citizens, taxpayers and customers with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the City of Oregon, City Clerk, 115 N. Third St., Oregon, IL 61061.

# **Basic Financial Statements**

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# City of Oregon, Illinois

## Statement of Net Position

<i>April 30, 2023</i>	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash in bank	\$ 4,516,782	\$ 1,949,694	\$ 6,466,476
Restricted cash	43,750	809,264	853,014
Receivables:			
Taxes	1,210,198	110,132	1,320,330
Due from other governments	493,428	-	493,428
Prepaid items	58,761	-	58,761
<b>Total current assets</b>	<b>6,322,919</b>	<b>2,869,090</b>	<b>9,192,009</b>
Capital assets:			
Land and construction in progress	1,409,751	8,684	1,418,435
Depreciable assets, net of accumulated depreciation	4,376,920	12,884,813	17,261,733
<b>Total capital assets</b>	<b>5,786,671</b>	<b>12,893,497</b>	<b>18,680,168</b>
<b>Total assets</b>	<b>12,109,590</b>	<b>15,762,587</b>	<b>27,872,177</b>
<b>Deferred outflow of resources</b>			
Deferred outflows of pension resources	622,421	152,352	774,773
<b>Total deferred outflow of resources</b>	<b>622,421</b>	<b>152,352</b>	<b>774,773</b>
<b>Liabilities and Deferred Inflows of Resources</b>			
Liabilities			
Current liabilities			
Refundable deposits	-	11,982	11,982
Accrued payroll	21,885	5,831	27,716
Compensated absences	300,934	23,860	324,794
Accounts payable	166,014	23,093	189,107
Accrued interest	169	8,750	8,919
Current portion of long-term debt, including premium	141,942	609,136	751,078
Other payables	24	-	24
<b>Total current liabilities</b>	<b>630,968</b>	<b>682,652</b>	<b>1,313,620</b>



# City of Oregon, Illinois

## Statement of Net Position (Continued)

<i>April 30, 2023</i>	Primary Government		Total
	Governmental Activities	Business-type Activities	
Noncurrent liabilities			
Bonds payable, including premium	1,757,445	1,085,000	2,842,445
Notes payable	67,372	4,889,375	4,956,747
Net pension liability	569,784	139,467	709,251
Total noncurrent liabilities	2,394,601	6,113,842	8,508,443
Total liabilities	3,025,569	6,796,494	9,822,063
<b>Deferred inflow of resources</b>			
Deferred revenue-grants	348,035	-	348,035
Deferred revenue - Property taxes	1,147,252	-	1,147,252
Pension related deferred inflows	32,873	8,046	40,919
Total deferred inflow of resources	1,528,160	8,046	1,536,206
<b>Net position</b>			
Invested in capital assets, net of related debt	3,929,907	6,309,673	10,239,580
Restricted for:			
General government	1,000,905	-	1,000,905
Public safety	273,943	-	273,943
Public works	1,346,748	-	1,346,748
Employee benefits	164,691	-	164,691
Debt service	-	809,264	809,264
Unrestricted	1,462,088	1,991,462	3,453,550
Total net position	\$ 8,178,282	\$ 9,110,399	\$ 17,288,681

# City of Oregon, Illinois

## Statement of Activities

Year Ended April 30, 2023	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities		Business-type Activities
<b>Functions/Programs</b>							
Governmental activities:							
General government	\$ 1,161,126	\$ 286,613	\$ -	\$ -	\$ (874,513)	\$ -	(874,513)
Public safety	1,403,558	387,463	61,124	-	(954,971)	-	(954,971)
Public works	1,029,585	-	189,566	-	(840,019)	-	(840,019)
Culture and recreation	48,737	-	-	-	(48,737)	-	(48,737)
Interest and other fiscal charges	37,776	-	-	-	(37,776)	-	(37,776)
Total governmental activities	3,680,782	674,076	250,690	-	(2,756,016)	-	(2,756,016)
Business-type activities:							
Water & sewer	1,282,196	1,655,615	-	-	-	373,419	373,419
Total business-type activities	1,282,196	1,655,615	-	-	-	373,419	373,419
Total government	4,962,978	2,329,691	250,690	-	(2,756,016)	373,419	(2,382,597)
General revenues:							
Taxes:							
Property taxes					1,026,519	-	1,026,519
Sales taxes					1,205,623	-	1,205,623
Other					1,076,912	-	1,076,912
Interest					30,774	6,590	37,364
Miscellaneous					181,164	-	181,164
Total general revenues					3,520,992	6,590	3,527,582
Change in net position					764,976	380,009	1,144,985
Net position, beginning of year					7,413,306	8,730,390	16,143,696
Net position, end of year					\$ 8,178,282	\$ 9,110,399	\$ 17,288,681

# City of Oregon, Illinois

## Balance Sheet - Governmental Funds

April 30, 2023	General Fund	Police	Civil Defense	IMRF	Economic Development	Street & Alley
<b>Assets</b>						
Cash in bank	\$ 1,534,933	\$ 23,419	\$ 251,991	\$ 394,667	\$ 78,343	\$ -
Restricted cash	-	-	-	-	-	-
Receivables	9,879	182,242	-	99,600	14,951	85,676
Due from other governments	377,026	-	-	-	-	-
Due from other funds	16,567	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 1,938,405</b>	<b>\$ 205,661</b>	<b>\$ 251,991</b>	<b>\$ 494,267</b>	<b>\$ 93,294</b>	<b>\$ 85,676</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ 33,500	\$ 12,765	\$ -	\$ -	\$ 5,262	\$ 13,411
Payroll and related	3,387	12,784	-	-	-	5,363
Due to other funds	-	-	-	-	-	16,567
Other	-	24	-	-	-	-
<b>Total liabilities</b>	<b>36,887</b>	<b>25,573</b>	<b>-</b>	<b>-</b>	<b>5,262</b>	<b>35,341</b>
<b>Deferred inflow of resources</b>						
Deferred revenue-grants	348,035	-	-	-	-	-
Deferred revenue - Property taxes	-	172,720	-	99,600	-	82,836
<b>Total deferred inflow of resources</b>	<b>348,035</b>	<b>172,720</b>	<b>-</b>	<b>99,600</b>	<b>-</b>	<b>82,836</b>
<b>Fund balances</b>						
Non-spendable	-	-	-	-	-	-
Restricted for:						
General government	-	-	-	394,667	-	-
Public safety	-	7,368	251,991	-	-	-
Streets and public improvements	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-
Committed	-	-	-	-	88,032	-
Assigned	-	-	-	-	-	-
Unassigned	1,553,483	-	-	-	-	(32,501)
<b>Total fund balances</b>	<b>1,553,483</b>	<b>7,368</b>	<b>251,991</b>	<b>394,667</b>	<b>88,032</b>	<b>(32,501)</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 1,938,405</b>	<b>\$ 205,661</b>	<b>\$ 251,991</b>	<b>\$ 494,267</b>	<b>\$ 93,294</b>	<b>\$ 85,676</b>

# City of Oregon, Illinois

## Balance Sheet - Governmental Funds (Continued)

<i>April 30, 2023</i>	<b>Motor Fuel</b>	<b>Group Insurance</b>	<b>Road &amp; Bridge</b>	<b>Nonmajor Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>					
Cash in bank	465,621	129,167	739,292	899,349	\$ 4,516,782
Restricted cash	-	-	31,250	12,500	43,750
Receivables	-	84,987	41,494	691,369	1,210,198
Due from other governments	12,804	-	103,598	-	493,428
Due from other funds	-	-	-	-	16,567
Prepaid items	-	-	-	58,761	58,761
<b>Total assets</b>	<b>\$ 478,425</b>	<b>\$ 214,154</b>	<b>\$ 915,634</b>	<b>\$ 1,661,979</b>	<b>\$ 6,339,486</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 3,391	\$ 20,451	\$ 2,426	\$ 74,808	\$ 166,014
Payroll and related	-	-	-	351	21,885
Due to other funds	-	-	-	-	16,567
Other	-	-	-	-	24
<b>Total liabilities</b>	<b>3,391</b>	<b>20,451</b>	<b>2,426</b>	<b>75,159</b>	<b>204,490</b>
<b>Deferred inflow of resources</b>					
Deferred revenue-grants	-	-	-	-	348,035
Deferred revenue - Property taxes	-	82,835	41,494	667,767	1,147,252
<b>Total deferred inflow of resources</b>	<b>-</b>	<b>82,835</b>	<b>41,494</b>	<b>667,767</b>	<b>1,495,287</b>
<b>Fund balances</b>					
Non-spendable	-	-	-	58,761	58,761
Restricted for:					
General government	-	110,868	-	436,609	942,144
Public safety	-	-	-	14,584	273,943
Streets and public improvements	475,034	-	871,714	-	1,346,748
Employee benefits	-	-	-	164,691	164,691
Committed	-	-	-	34,641	122,673
Assigned	-	-	-	211,285	211,285
Unassigned	-	-	-	(1,518)	1,519,464
<b>Total fund balances</b>	<b>475,034</b>	<b>110,868</b>	<b>871,714</b>	<b>919,053</b>	<b>4,639,709</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 478,425</b>	<b>\$ 214,154</b>	<b>\$ 915,634</b>	<b>\$ 1,661,979</b>	<b>\$ 6,339,486</b>

**City of Oregon, Illinois**  
**Reconciliation of the Balance Sheet of**  
**Governmental Funds to the Statement of Net Position**  
**For the Year Ended April 30, 2023**

Total fund balances - governmental funds	\$	4,639,709
<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 as assets in governmental funds.		5,786,671
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Net pension asset (liabilities)		(569,784)
Pension related deferred outflows		622,421
Pension related deferred inflows		(32,873)
Compensated absences		(300,934)
Current portion of long-term debt		(141,942)
Bonds payable		(1,757,445)
Notes payable		(67,372)
Accrued interest payable		(169)
Net position of governmental activities	\$	8,178,282

# City of Oregon, Illinois

## Statements of Revenues, Expenditures and Changes In Fund Balance - Governmental Funds

<i>Year Ended April 30, 2023</i>	<b>General Fund</b>	<b>Police</b>	<b>Civil Defense</b>	<b>IMRF</b>	<b>Economic Development</b>	<b>Street &amp; Alley</b>
<b>Revenues:</b>						
Taxes	\$ 1,814,341	\$ 146,204	\$ -	\$ 175,216	\$ -	\$ 55,222
Intergovernmental revenues	-	61,124	-	-	-	-
Licenses and permits	235,571	-	-	-	51,042	-
Fines and forfeitures	-	73,376	-	-	-	-
Charges for services	-	-	-	-	-	-
Use of money and property	28,159	-	-	-	-	-
Interest	-	-	-	-	-	-
Miscellaneous	124,566	5,274	1,307	-	19,771	15,279
<b>Total revenues</b>	<b>2,202,637</b>	<b>285,978</b>	<b>1,307</b>	<b>175,216</b>	<b>70,813</b>	<b>70,501</b>
<b>Expenditures:</b>						
Current:						
General government	465,508	-	-	16,364	124,919	-
Public safety	-	874,571	6,493	51,286	-	-
Public works	-	-	-	40,137	-	516,523
Culture & recreation	-	-	-	266	-	-
Debt service						
Principal	-	15,550	-	-	-	16,047
Interest	-	432	-	-	-	995
Capital outlay	83,975	-	-	-	-	64,348
<b>Total expenditures</b>	<b>549,483</b>	<b>890,553</b>	<b>6,493</b>	<b>108,053</b>	<b>124,919</b>	<b>597,913</b>
Excess (deficiency) of revenues over (under) expenditures	1,653,154	(604,575)	(5,186)	67,163	(54,106)	(527,412)
<b>Other financing sources (uses):</b>						
Transfers in	-	607,100	-	-	40,000	511,900
Transfers out	(1,516,245)	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(1,516,245)</b>	<b>607,100</b>	<b>-</b>	<b>-</b>	<b>40,000</b>	<b>511,900</b>
Net change in fund balances	136,909	2,525	(5,186)	67,163	(14,106)	(15,512)
Fund balances, beginning of year	1,416,574	4,843	257,177	327,504	102,138	(16,989)
Fund balances, end of year	\$ 1,553,483	\$ 7,368	\$ 251,991	\$ 394,667	\$ 88,032	\$ (32,501)

# City of Oregon, Illinois

## Statements of Revenues, Expenditures and Changes In Fund Balance - Governmental Funds (Continued)

<i>Year Ended April 30, 2023</i>	Motor Fuel	Group Insurance	Road & Bridge	Nonmajor Funds	Total Governmental Funds
<b>Revenues:</b>					
Taxes	\$ -	\$ 55,222	\$ 482,899	\$ 579,950	\$ 3,309,054
Intergovernmental revenues	189,566	-	-	-	250,690
Licenses and permits	-	-	-	-	286,613
Fines and forfeitures	-	-	-	12,620	85,996
Charges for services	-	-	-	301,467	301,467
Use of money and property	2,097	-	-	-	30,256
Interest	-	-	-	518	518
Miscellaneous	-	-	8,347	6,620	181,164
<b>Total revenues</b>	<b>191,663</b>	<b>55,222</b>	<b>491,246</b>	<b>901,175</b>	<b>4,445,758</b>
<b>Expenditures:</b>					
Current:					
General government	-	29,540	-	480,701	1,117,032
Public safety	-	92,571	-	343,408	1,368,329
Public works	157,271	72,450	10,875	45,930	843,186
Culture & recreation	-	480	-	46,109	46,855
Debt service					
Principal	-	-	76,760	30,000	138,357
Interest	-	-	55,615	4,320	61,362
Capital outlay	3,391	-	1,028,497	-	1,180,211
<b>Total expenditures</b>	<b>160,662</b>	<b>195,041</b>	<b>1,171,747</b>	<b>950,468</b>	<b>4,755,332</b>
Excess (deficiency) of revenues over (under) expenditures	31,001	(139,819)	(680,501)	(49,293)	(309,574)
<b>Other financing sources (uses):</b>					
Transfers in	-	203,700	-	153,545	1,516,245
Transfers out	-	-	-	-	(1,516,245)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>203,700</b>	<b>-</b>	<b>153,545</b>	<b>-</b>
Net change in fund balances	31,001	63,881	(680,501)	104,252	(309,574)
Fund balances, beginning of year	444,033	46,987	1,552,215	814,801	4,949,283
Fund balances, end of year	\$ 475,034	\$ 110,868	\$ 871,714	\$ 919,053	\$ 4,639,709

# City of Oregon, Illinois

## Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended April 30, 2023

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Net change in fund balance - governmental funds \$ (309,574)

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which capitalized capital assets exceeds depreciation expense in the period. 933,766

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	40,914
Accrued interest	16,403
Pension related expenses	(62,073)
Amortization of bond premiums	7,183

Debt payments are reported in governmental funds as expenditures. However, only the interest on the debt is recorded in the statement of activities.

This is the amount of debt principal payments in the period.	138,357
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Change in net position of governmental activities	\$ 764,976
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# City of Oregon, Illinois

## Combining Statement of Net Position - Proprietary Funds

<i>April 30, 2023</i>	<b>Water and Sewer Fund</b>
<b>Assets</b>	
Current assets:	
Cash in bank	\$ 1,949,694
Receivables (net of allowance)	110,132
Restricted assets - cash	809,264
<b>Total current assets</b>	<b>2,869,090</b>
Capital assets:	
Construction in progress	8,684
Depreciable assets (net of accumulated depreciation)	12,884,813
<b>Total capital assets</b>	<b>12,893,497</b>
<b>Total assets</b>	<b>15,762,587</b>
Deferred outflow of resources	
Deferred outflows of pension resources	152,352
<b>Total deferred outflow of resources</b>	<b>152,352</b>
<b>Liabilities</b>	
Current liabilities:	
Refundable deposits	11,982
Payroll and related	5,831
Compensated absences	23,860
Trade	23,093
Interest	8,750
Current portion of bonds payable	290,000
Current portion of IEPA loan payable	319,136
<b>Total noncurrent liabilities</b>	<b>682,652</b>
Noncurrent liabilities	
Bonds payable (net of unamortized premium)	1,085,000
Loans - IEPA Drinking Water	2,803,968
Loans - IEPA Wastewater	2,085,407
Net pension liability	139,467
<b>Total noncurrent liabilities</b>	<b>6,113,842</b>
<b>Total liabilities</b>	<b>6,796,494</b>
Deferred inflow of resources	
Deferred amount related to pensions	8,046
<b>Total deferred inflow of resources</b>	<b>8,046</b>
<b>Net position</b>	
Invested in capital assets, net of related debt	6,309,673
Restricted - debt	809,264
Unrestricted	1,991,462
<b>Total net position</b>	<b>\$ 9,110,399</b>

# City of Oregon, Illinois

## Statement of Revenues, Expenses and Changes In Net Position - Proprietary Funds

<i>Year Ended April 30, 2023</i>	<b>Water and Sewer Fund</b>
<b>Operating revenues:</b>	
Charges for services	\$ 1,655,615
<b>Total operating revenues</b>	<b>1,655,615</b>
<b>Operating expenses:</b>	
Personnel	325,154
Contractual	383,523
Office supplies and postage	60,971
Capital outlay equipment - water	36,573
Miscellaneous	7,135
Depreciation	411,725
<b>Total operating expenses</b>	<b>1,225,081</b>
<b>Operating income</b>	<b>430,534</b>
<b>Non-operating revenues (expenses)</b>	
Interest income	6,590
Interest expense	(57,115)
<b>Total non-operating revenues (expenses)</b>	<b>(50,525)</b>
<b>Change in net position</b>	<b>380,009</b>
<b>Net position, beginning of year</b>	<b>8,730,390</b>
<b>Net position, end of year</b>	<b>\$ 9,110,399</b>

# City of Oregon, Illinois

## Statement of Cash Flows - Proprietary Funds

<i>Year Ended April 30, 2023</i>	<b>Water and Sewer Fund</b>
<hr/>	
Cash flows from operating activities	
Receipts from customers	\$ 1,658,228
Payments to suppliers	(499,111)
Payments to employees	(322,418)
<hr/>	
Net cash provided by operating activities	836,699
<hr/>	
Cash flows from capital and related financing activities	
Purchase of capital assets	(42,924)
Interest expense	(57,115)
Principal payments on borrowings	(652,309)
Decrease in accrued interest	(30,617)
<hr/>	
Net cash provided by capital and related financing activities	(782,965)
<hr/>	
Interest income	6,590
<hr/>	
Net cash provided by investing activities	6,590
<hr/>	
Net increase in cash and cash equivalents	60,324
Cash and cash equivalents, beginning of year	2,698,634
<hr/>	
Cash and cash equivalents, end of year	\$ 2,758,958
<hr/>	
Reconciliation of operating income (loss) to net cash provided by operating activities	
Operating income	\$ 430,534
Adjustment to reconcile operating income to net cash flows for operating activities:	
Depreciation	411,725
Effects of changes in assets and liabilities:	
Decrease in accounts receivable	2,613
Increase in pension related deferred outflows	(99,344)
Increase (Decrease) in accounts payable	(10,909)
Increase (Decrease) in accrued liabilities	(13,697)
Increase in net pension liability	329,234
Decrease in pension related deferred inflows	(213,457)
<hr/>	
Net cash provided by operating activities	\$ 836,699
<hr/>	

# City of Oregon, Illinois

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies**

The City of Oregon, Illinois was incorporated in 1870, under the provisions of the State of Illinois.

#### **The Financial Reporting Entity**

This report includes all of the funds of the City of Oregon, Illinois, IL. The reporting entity for the City consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organizations are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

#### **Basis of Presentation**

##### **Government-Wide, Fund Financial Statements and Basis of Accounting**

The government wide and proprietary financial statements are reported using the accrual basis of accounting. Governmental funds are reported using the modified accrual basis of accounting.

The government wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of the interfund activity has been removed from these statements.

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

Earnings on investments, not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds and proprietary funds.

# City of Oregon, Illinois

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Basis of Presentation (Continued)**

The government wide and proprietary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. For this purpose, the City generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The City has elected to take exception to this assumption for revenue remitted by the State. Due to the State being late with payments, the City considers those amounts applicable to the current fiscal year to be available as it is vouchered by the State and will be paid after the 60-day period. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

#### **Fund Accounting**

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The various funds are grouped in the financial statements into five generic fund types as follows:

#### **Governmental Funds**

##### **General Fund**

The General Fund is the general operating fund of the City. It accounts for all financial resources except those required to be accounted for in other funds.

# City of Oregon, Illinois

## Notes to Financial Statements

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### Note 1: Summary of Significant Accounting Policies (Continued)

#### Basis of Presentation (Continued)

##### Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts) that are legally restricted to expenditures for specified purposes. The non-major funds are all special revenue fund types in the combining statements.

##### Debt Service Fund

The Bond and Interest Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

##### Capital Projects Funds

The Capital Projects Funds account for all resources used for the acquisition or construction of a specific capital facility by the City, except those financed by the Enterprise Fund.

##### Proprietary Fund - Enterprise

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City's enterprise fund is the Water & Sewer Fund.

The City reports the following major funds:

##### Governmental Funds

##### General Fund

The general fund is the general operating fund of the City. It is used to account for all the financial resources except those required to be accounted for in another fund.

# City of Oregon, Illinois

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Basis of Presentation** (Continued)

##### **Police Protection Fund**

The fund records the revenues of the City's levied property taxes for police protection and fines. These funds are then expended for cost of the police protection.

##### **Civil Defense**

This fund records the revenues and expenditures for the City's preparation and the carrying out of all emergency functions.

##### **IMRF**

This fund records the revenues and expenditures for the City's defined benefit pension plan.

##### **Economic Development Fund**

This fund encourages the rehabilitation of the business district. This fund records the revenues of the City's franchise licenses.

##### **Streets and Alleys Fund**

This fund records the revenues of property taxes for road and bridge. These funds are then expended for the maintenance of roads and bridges.

##### **Motor Fuel Tax Fund**

This fund records the revenues of the City's share of state gasoline taxes. These funds are then expended for the maintenance of roads and bridges. State of Illinois law requires separate accounting for such revenues and expenditures.

##### **City Group Insurance Fund**

This fund records the revenues and expenditures for the City's group health insurance.

##### **Road and Bridge Fund**

This fund records the revenues of the City's levied sales tax and funds are expended for road and bridge capital projects.

# City of Oregon, Illinois

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Basis of Presentation (Continued)**

Under the Governmental Accounting Standards Board (GASB) issued Statement 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, the City may report any governmental or enterprise fund (but not internal service funds or fiduciary funds) as a major fund if the government's officials believe the fund is "particularly important to financial statement users". The City has chosen to include the Civil Defense, IMRF, Economic Development, Street and Alley, Motor Fuel Tax, and City Group Insurance funds as major funds even though the fund calculations do not classify them as major funds. The City views these funds particularly important to the financial users.

#### **Enterprise Funds**

The Water and Sewer Fund accounts for the costs related to the operation of the City's water and sewer system. Funding is provided by user fees.

#### **Measurement Focus and Basis of Accounting**

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available (susceptible to accrual). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers all imposed nonexchange revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the current fiscal year.

Expenditures are recognized when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under lease obligations are reported as other financing sources.



# City of Oregon, Illinois

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Basis of Accounting** (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenue rather than as program revenues. Likewise, general revenues include all taxes.

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

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

#### **Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States 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 during the reporting period. Actual results could differ from those estimates.

#### **Budgetary Basis of Accounting**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

The appropriated budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. Appropriations in all budgeted funds lapse at the end of the fiscal year.

#### **Cash and Cash Equivalents**

Cash consists of demand deposits and savings accounts, both easily accessible and with short-term duration. Investments as of April 30, 2023 consist of certificates of deposit and money market accounts. Investments are stated at cost or amortized cost which approximates market and are shown as cash and cash equivalents on the financial statements.

# City of Oregon, Illinois

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Cash and Cash Equivalents** (Continued)

In accordance with the City's investment policy, the City's monetary assets may be placed in all instruments permitted by the Illinois Public Funds Investment Act. This act permits deposits and investments in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds.

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 daily cash flow demands 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 safety (preservation of capital and protection of investment principal), liquidity and yield.

For purposes of the statement of cash flows, cash equivalents include money market accounts and any highly liquid debt instruments purchased with a maturity of less than three months.

#### **Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for governmental activities include property taxes, sales and use taxes, income taxes, excise taxes, and utility charges. Business-type activities report utility charges as their major receivables. As of April 30, 2023, the allowance for uncollectible accounts in the Water and Sewer Fund, the Public Health Fund, and the TIF Fund amounted to \$16,609, \$3,315, and 20,000, respectively.

#### **Prepaid Items**

Prepaid items represent payments made by the County for which benefits extend beyond April 30, 2023. The costs of governmental fund type prepaid items are recorded as expenditures when consumed rather than when purchased.

#### **Capital Assets and Long-Term Liabilities**

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

# City of Oregon, Illinois

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Capital Assets and Long-Term Liabilities** (Continued)

All Proprietary Funds (Water and Sewer Enterprise Funds) are accounted for on the accrual basis. Therefore, all assets and liabilities (whether current or noncurrent) associated with the fund activities are included on the combined statements. Infrastructure assets in the Proprietary Funds are capitalized on a prospective basis beginning May 1, 2005.

#### **Long-Term Obligations**

In the government-wide financial statements and proprietary fund types in the fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of applicable bond premium or discount.

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

#### **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period[s] and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents the acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

#### **Fund Balances**

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories or (b) legally or contractually required to be maintained intact.

# City of Oregon, Illinois

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies** (Continued)

#### **Fund Balance** (Continued)

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

*Restricted fund balance:* This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed fund balance:* These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the City Board – the City’s highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the City Board removes the specified use by taking the same type of action that imposed the original commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned fund balance:* This classification reflects the amounts constrained by the City’s “intent” to be used for specific purposes, but the amounts are neither restricted nor committed. The City Board has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

*Unassigned fund balance:* This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

#### **Property Taxes/Accounts Receivable**

The City's property tax is levied each year on all taxable real property located in the City. Since the 2022 property tax levy is levied to finance the operations of fiscal year 2024, the 2022 property tax is recorded as a receivable and the 2022 property tax revenue is unavailable. The 2021 property tax levy is recorded as revenue by the City in accordance with the applicable measurement focus and basis of accounting for fiscal year 2023. Taxes are levied by the last Tuesday of December each year. The 2021 levy was approved on January 11, 2022. The 2022 levy was approved on November 22, 2022.

Tax bills are prepared by the City and are payable in two installments, on or about June 1, 2022, and September 1, 2022. The City collects such taxes and remits them periodically.

# City of Oregon, Illinois

## Notes to Financial Statements

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### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from the IMRF's fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### **Note 2: Excess of Actual Expenditures/Expenses Over Budget in Individual Funds**

As of April 30, 2023, no funds have exceeded their expenditures over budget for the fiscal year.

### **Note 3: Cash and Investments**

#### **Deposits**

As of April 30, 2023, the carrying amount of the City's deposits into checking, savings, money market accounts and certificates of deposit was \$7,319,490 and the bank balance was \$7,372,780. The City's total collateral, including Federal Deposit Insurance and collateral held by a pledging bank's trust department, was \$7,372,780.

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits might not be recovered. The City does not have a deposit policy for custodial credit risk. As of April 30, 2023, the City had \$0 that was exposed to custodial credit risk and was uninsured and uncollateralized. For financial statement purposes, certificates of deposit with maturity dates greater than 90 days are shown as investments.

#### **Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

#### **Concentration of Credit Risk**

The City has no investments in any one issuer that represents 5% or more of the total City's investments.

# City of Oregon, Illinois

## Notes to Financial Statements

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### Note 4: Common Bank Account

Separate bank accounts are not maintained for all City funds; instead, certain funds maintain their cash balances in a common checking account and a common state investment pool account, with the accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

Occasionally certain funds participating in the common bank account will incur overdrafts (deficit cash balances) in the account. A deficit in one fund restricts the cash available for use by other funds in the same common bank account. Deficit cash balances are classified as due to other funds in the financial statements. There were no deficit cash fund balances at fiscal year end.

### Note 5: Restricted Assets

The ordinance authorizing the bond issue of 2021B for \$1,435,000 imposed certain covenants and financial requirements on the City. The bond ordinance requires that all monies held in the proprietary fund be segregated and restricted in separate special reserve accounts, in the priority indicated by the order of the following:

<b>Account</b>	<b>Amount</b>	<b>Purpose</b>
Bond proceeds account of 2021B	The balance of all issued bond proceeds	Moneys in the account shall be used for the finance and refinance of certain sewer repairs, rehabilitation and sewer system replacements and related improvements.
Operation and Maintenance	Sufficient amount to pay all reasonable and necessary costs for the current month	Paying the cost of operation and maintenance of the system.
Bond and Interest	A fraction of the amount sufficient to pay principal and interest maturing during the next twelve months.	Paying principal and interest.
Sinking Fund	1/12 of the amount payable on the next installment date.	Paying of sinking fund installments.
Depreciation	Amount to be adequate and reasonable.	Paying cost of any unusual and extraordinary maintenance, repairs, and/or replacements.
Surplus	All remaining funds after crediting above accounts.	All lawful purposes.

# City of Oregon, Illinois

## Notes to Financial Statements

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### Note 5: Restricted Assets (Continued)

The City has established the following accounts to meet the ordinance requirements and to account for the bond proceeds restricted for Waterworks and Sewerage Improvements.

<b>Restricted Cash</b>	<b>Balances 4/30/2023</b>
Restricted assets:	
Operations and Maintenance Account	\$ 72,539
Bond and Interest Account	120,833
Capital Improvement Account	204,167
Depreciation Account	411,725
Total restricted assets	
	\$ 809,264

The ordinance authorizing the bond issue of 2021A and 2021C for \$1,725,000 and \$280,000 imposed certain covenants and financial requirements on the City. The bond ordinance requires that monies held be segregated and restricted in separate special reserve accounts, in the priority indicated by the order of the following:

<b>Account</b>	<b>Amount</b>	<b>Purpose</b>
Bond and Interest	A fraction of the amount sufficient to pay principal and interest maturing during the next twelve months.	Paying principal and interest.

The City has established the following accounts to meet the ordinance requirements and to account for the bond proceeds restricted.

<b>Restricted Cash</b>	<b>Balances 4/30/2023</b>
Restricted assets:	
Bond and Interest Account	\$ 43,750
Total restricted assets	
	\$ 43,750

# City of Oregon, Illinois

## Notes to Financial Statements

### Note 6: Capital Assets

Capital assets, which include buildings and improvements, infrastructure, equipment and vehicles, are reported in the government-wide financial statements. The City defines capital assets as assets with an initial individual cost of more than \$5,000 for equipment and vehicles, \$10,000 for building and improvements, and \$50,000 for infrastructure assets, and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. For those assets for which historical cost is not available, the City has estimated historical cost by using current costs and adjusting for inflation. The cost of normal maintenance and repair that do not add to the value of the asset or materially extend the useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital assets, except construction in progress, are being depreciated using the straight line method over the following useful lives:

Buildings and improvements	20-40 years
Infrastructure	40 years
Equipment and vehicles	5-7 years

The City has elected to record infrastructure assets on a prospective basis.

Capital asset in the governmental fund financial statements are reported as expenditures when incurred.

The governmental activities capital asset activity for the year ended April 30, 2023, is as follows:

<b><i>Governmental activities</i></b>	<b>Balance 5/1/2022</b>	<b>Additions</b>	<b>Transfers and Deletions</b>	<b>Balance 4/30/2023</b>
<b>Capital assets, not being depreciated:</b>				
Land	\$ 129,900	\$ -	\$ -	\$ 129,900
Construction in progress	605,256	686,742	(12,147)	1,279,851
<b>Total capital assets, not being depreciated</b>	<b>735,156</b>	<b>686,742</b>	<b>(12,147)</b>	<b>1,409,751</b>
<b>Capital assets, being depreciated:</b>				
Buildings and improvements	2,397,039	-	-	2,397,039
Equipment	876,229	54,599	-	930,828
Infrastructure	3,635,072	374,769	12,147	4,021,988
Vehicles	1,047,504	64,101	-	1,111,605
<b>Total capital assets, being depreciated</b>	<b>7,955,844</b>	<b>493,469</b>	<b>12,147</b>	<b>8,461,460</b>
<b>Accumulated depreciation:</b>				
Buildings and improvements	1,542,718	23,787	-	1,566,505
Equipment	649,309	54,536	-	703,845
Infrastructure	835,226	97,643	-	932,869
Vehicles	810,842	70,479	-	881,321
<b>Total accumulated depreciation</b>	<b>3,838,095</b>	<b>246,445</b>	<b>-</b>	<b>4,084,540</b>
<b>Total capital assets, being depreciated, net</b>	<b>4,117,749</b>	<b>247,024</b>	<b>12,147</b>	<b>4,376,920</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 4,852,905</b>	<b>\$ 933,766</b>	<b>\$ -</b>	<b>\$ 5,786,671</b>



# City of Oregon, Illinois

## Notes to Financial Statements

### Note 6: Capital Assets (Continued)

Business-type activities capital asset balances and activity for the year ended April 30, 2023, were as follows:

<i><b>Business-type activities</b></i>	<b>Balance 5/1/2022</b>	<b>Increases</b>	<b>Transfers/ Deletions</b>	<b>Balance 4/30/2023</b>
Capital assets, not being depreciated:				
Construction in progress	8,684	-	\$ -	8,684
<b>Total capital assets, not being depreciated</b>	<b>8,684</b>	<b>-</b>	<b>-</b>	<b>8,684</b>
Capital assets, being depreciated:				
Buildings and improvements	420,641	-	-	420,641
Equipment	969,135	16,800	-	985,935
Infrastructure	15,427,957	26,124	-	15,454,081
Vehicles	190,828	-	-	190,828
<b>Total capital assets, being depreciated</b>	<b>17,008,561</b>	<b>42,924</b>	<b>-</b>	<b>17,051,485</b>
Accumulated depreciation:				
Buildings and improvements	420,641	-	-	420,641
Equipment	936,741	13,023	-	949,764
Infrastructure	2,213,256	392,183	-	2,605,439
Vehicles	184,309	6,519	-	190,828
<b>Total accumulated depreciation</b>	<b>3,754,947</b>	<b>411,725</b>	<b>-</b>	<b>4,166,672</b>
<b>Total capital assets, being depreciated, net</b>	<b>13,253,614</b>	<b>(368,801)</b>	<b>-</b>	<b>12,884,813</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 13,262,298</b>	<b>\$ (368,801)</b>	<b>\$ -</b>	<b>\$ 12,893,497</b>

Depreciation expense was charged to function/programs of the primary government as follows:

<i><b>Governmental activities</b></i>	
General government	\$ 29,499
Public safety	35,451
Streets and public improvements	179,720
Recreation and parks	1,775
	<b>\$ 246,445</b>
<hr/>	
<i><b>Business-type activities</b></i>	
Water and Sewer	\$ 411,725

# City of Oregon, Illinois

## Notes to Financial Statements

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### Note 7: Pension Plan

**Plan description** – The City’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 City’s plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF’s pension benefits is provided in the “Benefits Provided” section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan’s fiduciary net position, and required supplementary information. The report is available for download at [www.imrf.org](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 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

# City of Oregon, Illinois

## Notes to Financial Statements

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### Note 7: Pension Plan (Continued)

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

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

#### *Regular Personnel (Non-SLEP)*

**Employees Covered by the Benefit Terms** - At the December 31, 2022 valuation date, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	26
Inactive plan member entitled to but not yet receiving benefits	10
Active plan members	20
<hr/>	
Total	56
<hr/>	

**Contributions** - As set by statute, the City's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate for calendar year 2022 was 7.75%. For the fiscal year ended April 30, 2023, the City contributed \$108,053 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Net Pension Liability** - The City's Net Pension Liability was measured as of December 31, 2022, and the total pension liability used to calculate the Net Pension Liability was determined by an annual actuarial valuation as of that date.

# City of Oregon, Illinois

## Notes to Financial Statements

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### Note 7: Pension Plan (Continued)

#### Regular Personnel (Non-SLEP) (Continued)

**Actuarial assumptions** – The following are the methods and assumptions used to determine total pension liability at December 31, 2022:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
Inflation	2.25%
Salary increases	2.85% to 13.75%, 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 2020 valuation according to an experience study from years 2017 to 2019.
Mortality	For non disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements using scale MP-2020. For Disabled Retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male and Female (both unadjusted) tables, and future mortality improvements using scale MP-2020. For Active Members, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male and Female (both unadjusted) tables, and future mortality improvements using scale MP-2020.

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 as of December 31, 2022:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	35.50 %	6.50 %
International equity	18.00 %	7.60 %
Fixed income	25.50 %	4.90 %
Real estate	10.50 %	6.20 %
Alternative investments	9.50 %	6.25-9.90 %
Cash equivalents	1.00 %	4.00 %
Total	100 %	

# City of Oregon, Illinois

## Notes to Financial Statements

### Note 7: Pension Plan (Continued)

*Regular Personnel (Non-SLEP) (Continued)*

#### Single Discount Rate

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

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.05%, and the resulting single discount rate is 7.25%.

#### Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at January 1, 2022	\$ 7,659,657	\$ 8,579,474	\$ (919,817)
Changes for the year:			
Service cost	127,815	-	127,815
Interest on the total pension liability	543,220	-	543,220
Differences between expected and actual experience of the total pension liability	85,355	-	85,355
Contributions - employer	-	117,439	(117,439)
Contributions - employees	-	68,190	(68,190)
Net investment income	-	(1,088,800)	1,088,800
Benefit payments, including refunds of employee contributions	(461,761)	(461,761)	-
Other (net transfer)	-	30,493	(30,493)
Net changes	294,629	(1,334,439)	1,629,068
Balances at December 31, 2022	\$ 7,954,286	\$ 7,245,035	\$ 709,251

# City of Oregon, Illinois

## Notes to Financial Statements

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### Note 7: Pension Plan (Continued)

#### Regular Personnel (Non-SLEP) (Continued)

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** - The following presents the plan's net pension liability, calculated using the single discount rate of 7.25 percent, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1% lower or 1% higher:

	1% Lower (6.25%)	Current Discount (7.25%)	1% Higher (8.25%)
Net pension liability (asset)	\$ 1,615,500	\$ 709,251	\$ 11,128

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions** - For year ended April 30, 2023, the City recognized pension expense (income) of \$177,175. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflow of Resources
<i>Deferred amounts to be recognized in pension expense in future periods:</i>		
Difference between expected and actual experience	\$ 164,151	\$ -
Changes in assumptions	-	40,919
Net difference between projected and actual earnings on pension plan investments	581,970	-
Total deferred amounts to be recognized in pension expense in future periods	746,121	40,919
Pension contributions subsequent to the measurement date	28,652	-
Total deferred amounts related to pensions	\$ 774,773	\$ 40,919

The City reported \$28,652 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the measurement period ending April 30, 2024.

# City of Oregon, Illinois

## Notes to Financial Statements

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### Note 7: Pension Plan (Continued)

#### Regular Personnel (Non-SLEP) (Continued)

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

Year Ending April 30, 2023	<b>Net Deferred Outflows (Inflows) of Resources</b>
2023	\$ (4,327)
2024	123,741
2025	225,198
2026	356,670
2027	3,920
Total	\$ 705,202

### Note 8: Long-Term Debt

#### Notes Payable

##### *Governmental Activities*

On February 12, 2016, the City obtained a line of credit of \$140,000 at 3.10% interest from The National Bank & Trust Company to fund the utility installation on vacant lots. The balance of the loan on April 30, 2016 was \$102,202. The note is payable in monthly interest only payments of \$264 through August 12, 2016. After August 12, 2016, the note will convert to a fully amortizing loan on the outstanding principal balance with quarterly principal and interest payments beginning November 12, 2016 of \$4,071. This note was refunded in August 2021 by the First Midwest Bank note.

On November 9, 2018, the City borrowed \$37,748 at 2.49% interest from Stillman Bank for a squad car. The note is payable in monthly installments of \$828 and was paid off in fiscal year 2023.

On December 12, 2018, the City borrowed \$15,968 at 3.00% interest from Stillman Bank for a squad car. The note is payable in monthly installments of \$354 and was paid off in fiscal year 2023.

On June 2, 2020, the City borrowed \$35,112 at 2.00% interest from Stillman Bank for a squad car. The note is payable in monthly installments of \$616 and matures on June 2, 2025.

# City of Oregon, Illinois

## Notes to Financial Statements

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### **Note 8: Long-Term Debt** (Continued)

On August 12, 2021, the City borrowed \$35,507 at 3.10% interest from First Midwest Bank to refund the remaining balance on the loan with The National Bank & Trust Company. The funds were originally used for the utility installation on vacant lots. The note is payable in monthly installments of \$1,926 and matures on August 12, 2026.

On September 29, 2021, the City borrowed \$82,000 at 1.50% interest from Stillman Bank to purchase a plow truck. The note is payable in monthly installments of \$1,420 and matures on September 30, 2026.

### **IEPA Loan and General Obligation Bonds**

#### *Governmental Activities*

In fiscal year 2021, the City issued the Series 2021A Bond with a principal balance of \$1,725,000 and a bond premium of \$96,328. The bond matures on December 1, 2040, and the bonds due on or after December 1, 2031 are subject to redemption prior to maturity on any date on December 1, 2030 and thereafter. The proceeds were used to refund notes payable for 2<sup>nd</sup> street property and street reconstruction.

In fiscal year 2021, the City issued the Series 2021C Bond with a principal balance of \$280,000. The bond matures on December 1, 2029 and are not subject to redemption prior to maturity. The proceeds were used to refund notes payable for City Hall roof replacement.

#### *Business-type Activities*

On October 19, 2009, the City entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Infrastructure Financial Assistance Section for the wastewater treatment plant upgrade. The note is non-interest bearing. The term of the loan is for 20 years with semi-annual repayments. The total amount drawn on the IEPA loan amount was \$2,814,141.

The City passed an ordinance for the issuance of \$3,605,000 Bond Series of 2013. The purpose of the bonds is to fund various capital projects and to refund the 2003 IEPA loan. Serial retirement of principal occurs on December 1, with interest payable on December 1 and June 1 of each year at rates of 2.00% - 4.00%, commencing December 1, 2013. These bonds mature on December 1, 2027. \$1,325,000 of this bond was refunded in April 2021 by the Series 2021B Bond. The remainder of this bond was refunded on December 1, 2022.

In fiscal year 2018, construction began on the drinking water project and the City entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Infrastructure Financial Assistance Section. The project was to be financed with up to a \$2,600,035 Illinois Environmental Protection Agency loan with a term of 20 years and an interest rate of 1.64%. The loan funded the construction of three new well houses. The note has an interest rate of 1.64% with payments semi-annually. The total amount drawn on the IEPA loan amount was \$2,691,393 (which included interest capitalized of \$20,644) as of April 30, 2023. The IEPA forgave \$750,000 of this debt in fiscal year 2019 upon finalization of the loan amount.



# City of Oregon, Illinois

## Notes to Financial Statements

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### **Note 8: Long-Term Debt** (Continued)

In fiscal year 2020, construction began on the clean water project and the City entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Infrastructure Financial Assistance Section. The project was to be financed with up to a \$1,949,990 Illinois Environmental Protection Agency loan with a term of 20 years and an interest rate of 1.00% to be paid semi-annually. The total amount drawn on the IEPA loan amount was \$1,852,670 (which included interest capitalized of \$8,256) as of April 30, 2023. The IEPA forgave \$584,997 of this debt in fiscal year 2020 upon finalization of the loan amount.

In fiscal year 2020, construction began on the drinking water project and the City entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Infrastructure Financial Assistance Section. The project was to be financed with up to a \$2,023,601 Illinois Environmental Protection Agency loan with a term of 20 years and an interest rate of 1.00% to be paid semi-annually. The total amount drawn on the IEPA loan amount was \$1,967,262 (which included interest capitalized of \$1,410) as of April 30, 2023. The IEPA forgave \$1,500,000 of this debt in fiscal year 2020 upon finalization of the loan amount.

In fiscal year 2021, the City issued the Series 2021B Bond with a principal balance of \$1,435,000. The bond matures on December 1, 2027 and are not subject to redemption prior to maturity. The proceeds were used to refund the 2013 G.O. Bond.

In fiscal year 2022, construction began on the drinking water project and the City entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Infrastructure Financial Assistance Section. The project was to be financed with up to a \$812,150 Illinois Environmental Protection Agency loan with a term of 20 years and an interest rate of 1.01% to be paid semi-annually. The total amount drawn on the IEPA loan amount was \$812,150 (which included interest capitalized of \$284) as of April 30, 2023. The IEPA forgave \$400,000 of this debt in fiscal year 2022 upon finalization of the loan amount.

In fiscal year 2022, construction began on the drinking water project and the City entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Infrastructure Financial Assistance Section. The project was to be financed with up to a \$1,362,595 Illinois Environmental Protection Agency loan with a term of 20 years and an interest rate of 1.50% to be paid semi-annually. The total amount drawn on the IEPA loan amount was \$1,362,595 (which included interest capitalized of \$2,357) as of April 30, 2023. The IEPA forgave \$773,124 of this debt in fiscal year 2022 upon finalization of the loan amount.

# City of Oregon, Illinois

## Notes to Financial Statements

### Note 8: Long-Term Debt (Continued)

Annual debt service requirements to maturity are as follows:

<i>Governmental Activities:</i>	Notes Payable		2021 Alternate Revenue Source Notes Payable	
	Principal	Interest	Principal	Interest
	2024	\$ 29,827	\$ 1,720	\$ 105,000
2025	31,034	1,102	105,000	38,020
2026	25,461	515	110,000	36,970
2027	10,877	71	110,000	35,870
2028	-	-	110,000	34,770
2029 - 2033	-	-	475,000	149,880
2034 - 2038	-	-	460,000	88,350
2039 - 2042	-	-	310,000	18,750
Total	\$ 97,199	\$ 3,408	\$ 1,785,000	\$ 421,958

<i>Business-Type Activities:</i>	IEPA Loans Proprietary		2013 and 2021 Alternate Revenue Source Bonds Payable	
	Principal	Interest	Principal	Interest
	2024	\$ 319,136	\$ 40,149	\$ 290,000
2025	367,376	50,284	295,000	14,067
2026	370,337	47,320	300,000	11,117
2027	373,341	44,319	300,000	7,427
2028	376,385	41,273	190,000	3,287
2029 - 2033	1,638,071	159,160	-	-
2034 - 2038	1,284,293	76,320	-	-
2039 - 2042	479,572	8,426	-	-
Total	\$ 5,208,511	\$ 467,251	\$ 1,375,000	\$ 44,382

# City of Oregon, Illinois

## Notes to Financial Statements

### Note 8: Long-Term Debt (Continued)

The changes in long-term liabilities for the year ended April 30, 2023 are as follows:

<i>Governmental Activities</i>	Balance 5/1/2022	Additions	Deletions	Balance 4/30/2023	Amounts due Within One Year
2018 note payable	\$ 2,798	\$ -	\$ 2,798	\$ -	-
2018 note payable	5,745	-	5,745	-	-
2021 note payable	22,070	-	7,007	15,063	6,549
2021A Bond	1,635,000	-	70,000	1,565,000	75,000
2021A Bond Premium	91,743	-	7,183	84,560	7,115
2021C Bond	250,000	-	30,000	220,000	30,000
2022 note payable	72,748	-	16,047	56,701	16,291
2022 note payable	32,195	-	6,760	25,435	6,987
<b>Total</b>	<b>\$ 2,112,299</b>	<b>\$ -</b>	<b>\$ 145,540</b>	<b>\$ 1,966,759</b>	<b>\$ 141,942</b>

<i>Business-Type Activities</i>	Balance 5/1/2022	Additions	Deletions	Balance 4/30/2023	Amounts due Within One Year
2010 IEPA loan	\$ 1,309,830	\$ -	\$ 145,536	\$ 1,164,294	\$ 145,536
2013 G.O. Bonds	260,000	-	260,000	-	-
2018 IEPA loan	1,637,145	-	90,268	1,546,877	45,690
2019 IEPA loan	1,184,413	-	58,588	1,125,825	59,176
2019 IEPA loan	439,250	-	21,728	417,522	21,946
2021B Bond	1,405,000	-	30,000	1,375,000	290,000
2022 IEPA loan	587,748	-	26,951	560,797	27,356
2022 IEPA loan	412,434	-	19,238	393,196	19,432
<b>Total</b>	<b>\$ 7,235,820</b>	<b>\$ -</b>	<b>\$ 652,309</b>	<b>\$ 6,583,511</b>	<b>\$ 609,136</b>

The Road and Bridge Fund, City Hall Capital Improvements Fund, and Police Fund are typically used to pay the debt relating to the governmental activities.

The City is subject to a debt limitation of 8.625% of its assessed valuation of \$53,279,128. As of April 30, 2023, the City had \$4,595,325 remaining legal debt margin.

# City of Oregon, Illinois

## Notes to Financial Statements

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### Note 9: Accumulated Unpaid Vacation and Sick Pay

The City follows the policy of allowing unused sick days to accumulate up to a maximum of 240 days. Unused sick days are not payable to an employee upon termination, except for employees employed over 20 years. However, for those not employed over 20 years, the unused days are added to an employee's retirement benefits upon retirement. Unused vacation days may be carried over to the next year only upon approval by the City Council. The liability related to accrued compensated absences is recorded in the basic financial statements.

### Note 10: Commitments

In May 2022, the City entered into an agreement with Rush Power Systems LLC for the emergency generators project. The estimated total cost of the agreement is \$105,438. As of April 30, 2023, the City has spent \$- related to the agreement.

In October 2022, the City entered into an agreement with Freeport Industrial Roofing Inc. for the Coliseum roofing project. The estimated total cost of the agreement is \$128,750. As of April 30, 2023, the City has spent \$- related to the agreement.

### Note 11: Deficit Net Position/Fund Balances

As of April 30, 2023, the following funds had a deficit net position/fund balance:

Fund	Amount
Street and alley Fund	\$ 32,501
City Hall Fund	933
Street Lighting Fund	\$ 585

### Note 12: Interfund Receivables and Payables

Individual fund Interfund receivable and payable balances. Balances at April 30, 2023, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Street and Alley Fund	\$ 16,567

Interfund receivable and payable balances were recorded to eliminate negative cash.

# City of Oregon, Illinois

## Notes to Financial Statements

### Note 13: Transfers

Below are the interfund transfers as of April 30, 2023:

	Operating Transfers In	Operating Tranfers Out
<b>General Fund:</b>		
Police Fund	\$ -	\$ 607,100
Economic Development	-	40,000
Street and Valley Fund	-	511,900
City Group Insurance Fund	-	203,700
Nonmajor Governmental Funds	-	153,545
<b>Total General Fund</b>	<b>-</b>	<b>1,516,245</b>
<hr/>		
Police Fund - General Fund	607,100	-
<hr/>		
Economic Development Fund - General Fund	40,000	-
<hr/>		
Street and Alley Fund - General Fund	511,900	-
<hr/>		
City Group Insurance Fund - General Fund	203,700	-
<hr/>		
Nonmajor Governmental Funds - General Fund	153,545	-
<hr/>		
<b>Total all funds</b>	<b>\$ 1,516,245</b>	<b>\$ 1,516,245</b>

The purpose of these transfers was to subsidize the costs provided by the various funds shown above to the General Fund. The Police Fund, Economic Development Fund, Street and Alley Fund, City Group Insurance Fund, and some Non Major Funds do not have a large enough tax levy to support the expenditures within the funds.

### Note 14: 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; and natural disasters. In order to handle such risks of loss, the City purchases insurance coverage through the Illinois Municipal League Risk Management Association and self insures for unemployment insurance purposes (See Note 15). The deductibles in effect through these policies as of April 30, 2023 vary with the type of coverage and risk involved. The amounts of settlements have not exceeded insurance coverage for any of the past three years. Potentially, the City could be assessed additional premiums for its share of any losses of the insurance pool. Historically, the City has not been assessed any additional premiums.

# City of Oregon, Illinois

## Notes to Financial Statements

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### **Note 15: Self Insurance Plan**

The City is self-insured for unemployment insurance. The City is therefore liable to the State for any payments made to any of its former employees claiming unemployment benefits. For the year ended April 30, 2023, there were no payments made for unemployment benefit claims.

### **Note 16: Impact of Pending Accounting Principles**

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, provides for more guidance for accounting and financial reporting for availability payment arrangements. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. The City has not determined the effect of this Statement.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, defines a SBITA, establishes a right-to-use subscription asset and liability, provides the capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. The City has not determined the effect of this Statement.

GASB Statement No. 99, *Omnibus 2022*, improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022 and 2023. The City has not determined the effect of this Statement.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, enhances accounting and financial reporting for accounting changes in error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023. The City has not determined the effect of this Statement.

GASB Statement No. 101, *Compensated Absences*, better meets the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. The City has not determined the effect of this Statement.

## **Required Supplementary Information**

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**City of Oregon, Illinois**  
**Schedule of Changes in the Employer's Net Pension**  
**Liability and Related Ratios**  
**Illinois Municipal Retirement Fund**  
Last Ten Calendar Years  
(schedule to be built prospectively from 2014)

<b>IMRF Regular Plan</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Calendar year ending December 31										
Total pension liability:										
Service cost	\$ 127,815	\$ 115,923	\$ 122,894	\$ 114,155	\$ 112,530	\$ 125,356	\$ 110,996	\$ 117,175		
Interest on total pension liability	543,220	520,862	508,888	485,833	441,631	444,799	394,726	380,957		
Differences between expected and actual experience of the total pension liability	85,355	105,689	53,013	88,653	367,244	(121,860)	459,731	(41,767)		
Assumption changes	-	-	(110,510)	-	199,840	(211,471)	(8,563)	7,653		
Benefit payments, including refunds of employee contributions	(461,761)	(418,326)	(392,961)	(357,055)	(261,579)	(283,739)	(323,155)	(217,498)		
Net change in total pension liability	294,629	324,148	181,324	331,586	859,666	(46,915)	633,735	246,520		
Total pension liability, beginning	7,659,657	7,335,509	7,154,185	6,822,599	5,962,933	6,009,848	5,376,113	5,129,593		
Total pension liability, ending (a)	\$ 7,954,286	\$ 7,659,657	\$ 7,335,509	\$ 7,154,185	\$ 6,822,599	\$ 5,962,933	\$ 6,009,848	\$ 5,376,113		
Plan fiduciary net position:										
Contributions - employer	\$ 117,439	\$ 141,897	\$ 106,179	\$ 162,027	\$ 139,509	\$ 122,491	\$ 132,126	\$ 154,052		
Contributions - employees	68,190	63,159	58,412	57,434	57,126	52,849	53,904	47,449		
Net investment income	(1,088,800)	1,283,828	961,002	1,105,925	(319,485)	906,177	334,640	23,985		
Benefit payments, including refunds of employee contributions	(461,761)	(418,326)	(392,961)	(357,055)	(261,579)	(283,739)	(323,155)	(217,498)		
Other (net transfers)	30,493	11,933	44,922	1,465	129,216	(90,308)	326,411	(39,520)		
Net change in plan fiduciary net position	(1,334,439)	1,082,491	777,554	969,796	(255,213)	707,470	523,926	(31,532)		
Plan net position, beginning	8,579,474	7,496,983	6,719,429	5,749,633	6,004,846	5,297,376	4,773,450	4,804,982		
Plan net position, ending (b)	\$ 7,245,035	\$ 8,579,474	\$ 7,496,983	\$ 6,719,429	\$ 5,749,633	\$ 6,004,846	\$ 5,297,376	\$ 4,773,450		
Net pension liability (asset) - Ending (a) - (b)	709,251	(919,817)	(161,474)	434,756	1,072,966	(41,913)	712,472	602,663		
Plan fiduciary net position as a percentage of the total pension liability	91.08 %	112.01 %	102.20 %	93.92 %	84.27 %	100.70 %	88.14 %	88.79 %		
Covered valuation payroll	\$ 1,515,344	\$ 1,403,534	\$ 1,298,032	\$ 1,276,301	\$ 1,269,465	\$ 1,174,412	\$ 1,197,874	\$ 1,054,432		
Net pension liability as a percentage of covered valuation payroll	46.80 %	(65.54)%	(12.44)%	34.06 %	84.52 %	(3.57)%	59.48 %	57.16 %		



**City of Oregon, Illinois**  
**Schedule of Employer Contributions**  
**Illinois Municipal Retirement Fund**  
 Last Ten Fiscal Years

Fiscal Year Ending April 30	Actuarially Determined Contribution*	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contributions as a Percentage of Covered Valuation Payroll
2023	\$ 108,053	\$ 108,053	\$ -	\$ 1,515,989	7.13 %
2022	132,468	132,468	-	1,424,834	9.30 %
2021	119,011	119,011	-	1,344,126	8.85 %
2020	100,990	100,990	-	1,315,280	7.68 %
2019	123,448	123,448	-	1,296,414	9.52 %
2018	122,844	122,844	-	1,178,302	10.43 %
2017	126,240	126,240	-	1,163,748	10.85 %
2016	142,756	142,756	-	1,072,120	13.32 %

\* Estimated based on 7.75% 2022 contribution rate, 5.83% 2023 calendar year contribution rate and covered payroll of \$1,515,989.

The City implemented GASB Statement No. 68 effective April 30, 2016.

**City of Oregon, Illinois**  
**Schedule of Revenues and Expenditures**  
**Compared with Budget**

Year Ended April 30, 2023	General Fund		
	Original and Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>			
<b>Taxes:</b>			
State Income Tax	\$ 476,809	\$ 554,625	\$ 77,816
State Replacement Tax	170,000	223,869	53,869
Local Sales Tax	135,195	147,872	12,677
Utilities Tax	69,000	79,981	10,981
Communications Utilities	36,000	40,815	4,815
Other Taxes	7,028	5,610	(1,418)
State Sales Tax	754,000	761,569	7,569
	<b>1,648,032</b>	<b>1,814,341</b>	<b>166,309</b>
<b>Intergovernmental:</b>			
<b>Uses of money and property:</b>			
Interest on investments	6,500	28,159	21,659
<b>Miscellaneous revenues:</b>			
Miscellaneous	240,107	124,566	(115,541)
<b>Licenses and permits:</b>			
Liquor license	25,000	24,350	(650)
Licenses and permits	56,800	211,221	154,421
	<b>81,800</b>	<b>235,571</b>	<b>153,771</b>
<b>Total revenues</b>	<b>\$ 1,976,439</b>	<b>\$ 2,202,637</b>	<b>\$ 226,198</b>
<b>Expenditures:</b>			
<b>General government:</b>			
<b>Personnel services:</b>			
Salaries-city officials	\$ 240,000	\$ 196,344	\$ 43,656
Salary-clerk/treasurer	40,000	22,112	17,888
	<b>280,000</b>	<b>218,456</b>	<b>61,544</b>
<b>Contractual services:</b>			
Dues	3,000	2,211	789
Legal service	60,000	19,181	40,819
Printing and publishing	5,000	840	4,160
Travel and training-council	12,000	2,244	9,756
Travel and training-clerk's office	6,000	1,106	4,894
Engineering services	85,000	27,960	57,040
Telephone	20,000	8,519	11,481
City Hall clock maintenance	3,500	-	3,500
Gas	10,000	450	9,550
	<b>204,500</b>	<b>62,511</b>	<b>141,989</b>

**City of Oregon, Illinois**  
**Schedule of Revenues and Expenditures**  
**Compared with Budget (Continued)**

Year Ended April 30, 2023	<b>General Fund</b>		
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
Commodities:			
Office supplies and postage	8,000	1,617	6,383
	<u>8,000</u>	<u>1,617</u>	<u>6,383</u>
Miscellaneous	1,055,000	175,557	879,443
Equipment and maintenance:			
Purchase equipment	210,000	91,342	118,658
<b>Total expenditures</b>	<b>\$ 1,757,500</b>	<b>\$ 549,483</b>	<b>\$ 1,208,017</b>
Other financing sources (uses):			
Transfers out	-	(1,516,245)	(1,516,245)
<b>Total other financing sources (uses)</b>	<b>\$ -</b>	<b>\$ (1,516,245)</b>	<b>\$ (1,516,245)</b>
Net change in fund balance	<u>\$ 218,939</u>	136,909	<u>\$ (82,030)</u>
Fund balance at beginning of year		<u>1,416,574</u>	
Fund balance at end of year		<u>\$ 1,553,483</u>	

**City of Oregon, Illinois**  
**Schedule of Revenues and Expenditures**  
**Compared with Budget**

Year Ended April 30, 2023	Police		
	Original and Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>			
Taxes:			
Property taxes - corporate	\$ 146,000	\$ 146,204	\$ 204
Intergovernmental revenues:			
Other Intergovernmental	62,000	57,450	(4,550)
Public Welfare	2,500	3,674	1,174
	64,500	61,124	(3,376)
Police fines	30,200	41,959	11,759
Police reports	100	412	312
Towing fee	25,000	24,105	(895)
Parking fines	8,000	6,900	(1,100)
	63,300	73,376	10,076
Miscellaneous	8,050	5,274	(2,776)
Total revenues	\$ 281,850	\$ 285,978	\$ 4,128
<b>Expenditures:</b>			
Public safety and health:			
Personnel services:			
Salaries-police	\$ 980,000	\$ 746,117	\$ 233,883
Contractual services:			
Maintenance-equipment	9,000	1,121	7,879
Maintenance-vehicles	40,000	16,804	23,196
Contractual services	50,000	29,457	20,543
Dues	2,000	(2,622)	4,622
Police	45,000	6,334	38,666
Printing and publishing	2,500	1,073	1,427
Utilities-telephone	25,000	12,005	12,995
	173,500	64,172	109,328
Commodities:			
Office supplies and postage	3,000	1,772	1,228
Clothing and uniforms	8,000	2,920	5,080
Admin towing disbursements	60,000	269	59,731
Gas an oil	30,000	29,859	141
	101,000	34,820	66,180
Other miscellaneous expenditures	45,500	11,910	33,590

**City of Oregon, Illinois**  
**Schedule of Revenues and Expenditures**  
**Compared with Budget (Continued)**

Year Ended April 30, 2023	Police		
	Original and Final Budget	Actual	Variance with Final Budget
Equipment and maintenance:			
Capital outlay equipment	90,000	16,602	73,398
Capital outlay vehicles	75,000	(829)	75,829
Office equipment	25,000	1,779	23,221
	190,000	17,552	172,448
Debt Service:			
Principal	-	15,550	(15,550)
Interest	-	432	(432)
	-	15,982	(15,982)
<b>Total expenditures</b>	<b>\$ 1,490,000</b>	<b>\$ 890,553</b>	<b>\$ 599,447</b>
<b>Other financing sources (uses):</b>			
Transfers in	-	607,100	607,100
<b>Total other financing sources (uses)</b>	<b>\$ -</b>	<b>\$ 607,100</b>	<b>\$ 607,100</b>
Net change in fund balance	<u>\$ (1,208,150)</u>	2,525	<u>\$ 1,210,675</u>
Fund balance at beginning of year		<u>4,843</u>	
Fund balance at end of year		<u>\$ 7,368</u>	

# City of Oregon, Illinois

## Schedule of Revenues and Expenditures Compared with Budget

Year Ended April 30, 2023	Civil Defense		
	Original and Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>			
Miscellaneous revenues:			
Other income	1,000	1,307	307
Total revenues	\$ 1,000	\$ 1,307	\$ 307
<b>Expenditures:</b>			
Public safety and health:			
Contractual services:			
Travel & training	400	-	400
Telephone	2,500	68	2,432
	2,900	68	2,832
Commodities:			
Supplies and materials	152,000	6,425	145,575
Total expenditures	\$ 154,900	\$ 6,493	\$ 148,407
<b>Other financing sources (uses)</b>			
Other fin uses-transfer to governmental funds	0	0	0
Total other financing sources (uses)	\$ 0	\$ 0	\$ 0
Net change in fund balance	<u>\$ (153,900)</u>	(5,186)	<u>\$ 148,714</u>
Fund balance at beginning of year		<u>257,177</u>	
Fund balance at end of year		<u>\$ 251,991</u>	

# City of Oregon, Illinois

## Schedule of Revenues and Expenditures Compared with Budget

Year Ended April 30, 2023	IMRF		
	Original and Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>			
Miscellaneous revenues:			
Property taxes	\$ 151,000	\$ 151,076	\$ 76
Replacement tax	24,140	24,140	-
Total revenues	\$ 175,140	\$ 175,216	\$ 76
<b>Expenditures:</b>			
Public safety and health:			
General government	\$ 200,000	\$ 16,364	\$ 183,636
Contractual services:			
Public safety	-	51,286	(51,286)
Public works	-	40,137	(40,137)
	-	91,423	(91,423)
Commodities:			
Culture & recreation	-	266	(266)
Total expenditures	\$ 200,000	\$ 108,053	\$ 91,947
<b>Other financing sources (uses)</b>			
Other fin uses-transfer to governmental funds	0	0	0
Total other financing sources (uses)	\$ 0	\$ 0	\$ 0
Net change in fund balance	<u>\$ (24,860)</u>	67,163	<u>\$ 92,023</u>
Fund balance at beginning of year		327,504	
Fund balance at end of year		\$ 394,667	

# City of Oregon, Illinois

## Schedule of Revenues and Expenditures Compared with Budget

Year Ended April 30, 2023	Economic Development		
	Original and Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>			
Licenses and permits	67,000	51,042	(15,958)
Miscellaneous	50,000	19,771	(30,229)
Total revenues	\$ 117,000	\$ 70,813	\$ (46,187)
<b>Expenditures:</b>			
General government:			
Economic development	\$ 330,000	\$ 124,919	\$ 205,081
Total expenditures	330,000	124,919	205,081
<b>Other financing sources (uses):</b>			
Transfers in	-	40,000	40,000
Total other financing sources (uses)	\$ -	\$ 40,000	\$ 40,000
Net change in fund balance	<u>\$ (213,000)</u>	(14,106)	<u>\$ 198,894</u>
Fund balance at beginning of year		<u>102,138</u>	
Fund balance at end of year		<u>\$ 88,032</u>	



# City of Oregon, Illinois

## Schedule of Revenues and Expenditures Compared with Budget

Year Ended April 30, 2023	Street & Alley		
	Original and Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>			
Taxes:			
Property taxes - corporate	\$ 55,223	\$ 55,222	\$ (1)
Intergovernmental revenues:			
Other state sources	15,000	-	(15,000)
	-	-	-
Miscellaneous	4,450	15,279	10,829
Total revenues	\$ 74,673	\$ 70,501	\$ (4,172)
<b>Expenditures:</b>			
Streets and public improvements:			
Personnel services-salaries	\$ 397,500	\$ 308,816	\$ 88,684
Contractual services:			
Maintenance-buildings	40,000	5,400	34,600
Maintenance-equipment	20,000	6,756	13,244
Maintenance-vehicles	10,000	7,681	2,319
Travel and training	5,000	2,241	2,759
Contract labor	120,000	88,443	31,557
Telephone	7,500	6,730	770
	202,500	117,251	85,249
Commodities:			
Supplies and materials	77,000	36,208	40,792
Equipment maintenance materials	20,000	20,103	(103)
Equipment	250,000	6,793	243,207
Gas	43,000	23,012	19,988
	390,000	86,116	303,884
Capital outlay:			
Improvements	-	64,348	(64,348)
Miscellaneous disbursements	75,000	4,340	70,660
Debt Service:			
Principal	-	16,047	(16,047)
Interest	-	995	(995)
	-	17,042	(17,042)
Total expenditures	\$ 1,065,000	\$ 597,913	\$ 467,087

**City of Oregon, Illinois**  
**Schedule of Revenues and Expenditures**  
**Compared with Budget (Continued)**

Year Ended April 30, 2023	Street & Alley		
	Original and Final Budget	Actual	Variance with Final Budget
<b>Other financing sources (uses):</b>			
Proceeds from issuance of debt	-	511,900	511,900
<b>Total other financing sources (uses)</b>	<b>\$ -</b>	<b>\$ 511,900</b>	<b>\$ 511,900</b>
Net change in fund balance	<u>\$ (990,327)</u>	(15,512)	<u>\$ 974,815</u>
Fund balance at beginning of year		<u>(16,989)</u>	
Fund balance at end of year		<u>\$ (32,501)</u>	

**City of Oregon, Illinois**  
**Schedule of Revenues and Expenditures**  
**Compared with Budget**

Year Ended April 30, 2023	Motor Fuel		
	Original and Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>			
Intergovernmental revenues:			
Motor fuel tax allotments and other	188,870	189,566	696
Use of money and property:			
Interest on investments	1,200	2,097	897
<b>Total revenues</b>	<b>\$ 190,070</b>	<b>\$ 191,663</b>	<b>\$ 1,593</b>
<b>Expenditures</b>			
Streets and public improvements:			
Contractual services			
Maintenance-grounds	\$ 400,000	\$ 145,570	\$ 254,430
Engineering	60,000	11,701	48,299
Capital outlay	-	3,391	(3,391)
	460,000	160,662	299,338
Commodities-maintenance materials	30,000	-	30,000
<b>Total expenditures</b>	<b>\$ 490,000</b>	<b>\$ 160,662</b>	<b>\$ 329,338</b>
Net change in fund balance	<u>\$ (299,930)</u>	31,001	<u>\$ 330,931</u>
Fund balance at beginning of year		<u>444,033</u>	
Fund balance at end of year		<u>\$ 475,034</u>	

# City of Oregon, Illinois

## Schedule of Revenues and Expenditures Compared with Budget

Year Ended April 30, 2023	Group Insurance		
	Original and Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>			
Taxes:			
Property taxes	\$ 55,223	\$ 55,222	\$ (1)
Other sources	27,000	-	(27,000)
Total revenues	\$ 82,223	\$ 55,222	\$ (27,001)
<b>Expenditures:</b>			
General government:			
Personnel services:			
Culture & recreation	\$ 500,000	\$ 190,324	\$ 309,676
Life insurance	7,000	4,717	2,283
Total expenditures	\$ 507,000	\$ 195,041	\$ 311,959
<b>Other financing sources (uses):</b>			
Transfers in	-	203,700	203,700
Total other financing sources (uses)	\$ -	\$ 203,700	\$ 203,700
Net change in fund balance	<u>\$ (424,777)</u>	63,881	<u>\$ 488,658</u>
Fund balance at beginning of year		<u>46,987</u>	
Fund balance at end of year		<u>\$ 110,868</u>	

**City of Oregon, Illinois**  
**Schedule of Revenues and Expenditures**  
**Compared with Budget**

Year Ended April 30, 2023	Road & Bridge		
	Original and Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>			
Taxes:			
Property taxes	\$ 38,800	\$ 38,845	\$ 45
Sales tax	350,000	444,054	94,054
Miscellaneous	1,000	8,347	7,347
Total revenues	\$ 389,800	\$ 491,246	\$ 101,446
<b>Expenditures:</b>			
Road and bridge improvements:			
Capital outlay:			
Improvements	\$ -	\$ 1,028,497	\$ (1,028,497)
Debt service:			
Principal	200,000	76,760	123,240
Interest	-	55,615	(55,615)
Other	2,390,000	10,875	2,379,125
Total expenditures	\$ 2,590,000	\$ 1,171,747	\$ 1,418,253
Net change in fund balance	<u>\$ (2,200,200)</u>	(680,501)	<u>\$ 1,519,699</u>
Fund balance at beginning of year		<u>1,552,215</u>	
Fund balance at end of year		<u>\$ 871,714</u>	

# City of Oregon, Illinois

## Notes to Required Supplementary Information

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### Note 1: Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2022 Contribution Rate for IMRF\*

**Valuation date:**

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

**Methods and assumptions used to determine 2022 contribution rates:**

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	Non Taxing bodies: 10 year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 21 year closed period until remaining period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94 712 were financed over 16 years for most employers (five employers were financed over 17 years; one employer was financed over 18 years; two employers were financed over 19 years; one employer was financed over 20 years; three employers were financed over 25 years; four employers were financed over 26 years and one employer was financed over 27 years).
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	2.75%
Inflation	2.25%
Salary increases	2.85% to 13.75%, 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 2020 valuation pursuant to an experience study of the period 2017 - 2019.
Mortality	For non disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

**Other Information:**

Notes: There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation.

## **Supplementary Information**

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# City of Oregon, Illinois

## Budgetary Comparison Schedule

Year Ended April 30, 2023	Water & Sewer		
	Original and Final Budget	Actual	Variance with Final Budget
<b>Operating revenues:</b>			
Charges for services:			
Water - sewer revenues	\$ 1,608,000	\$ 1,633,988	\$ 25,988
Sale of meters	2,000	2,350	350
Turn on fees	2,000	3,860	1,860
Main taps	500	-	(500)
Sewer hook up fees	2,000	-	(2,000)
Water hook up fees	2,000	-	(2,000)
Other	21,000	15,417	(5,583)
	1,637,500	1,655,615	18,115
Total operating revenues	\$ 1,637,500	\$ 1,655,615	\$ 18,115
<b>Expenditures:</b>			
Waterworks and sewage:			
Personnel services:			
Salaries	\$ 645,000	\$ 325,154	\$ (319,846)
Contractual services - sewer:			
Engineering services	2,000,000	127,972	(1,872,028)
Maintenance	75,000	59,739	(15,261)
Professional services	217,500	194,453	(23,047)
	2,292,500	382,164	(1,910,336)
Contractual services - water:			
Engineering services	50,000	1,359	(48,641)
Power - Water	125,000	-	(125,000)
	175,000	1,359	(173,641)
Commodities - water & sewer			
Office supplies and postage	91,000	60,971	(30,029)
Waterworks and sewerage:			
Miscellaneous:			
Sewer	7,000	8,007	1,007
Water	221,000	(872)	(221,872)
	228,000	7,135	(220,865)
Depreciation	-	411,725	411,725



**City of Oregon, Illinois**  
**Schedule of Revenues and Expenditures**  
**Compared with Budget (Continued)**

Year Ended April 30, 2023	<u>Water &amp; Sewer</u>		
	Original and Final Budget	Actual	Variance with Final Budget
Capital outlay - equipment (not capitalized):			
Water	1,000,000	32	(999,968)
Sewer	1,850,000	36,541	(1,813,459)
	<u>2,850,000</u>	<u>36,573</u>	<u>(2,813,427)</u>
Total expenditures	\$ 6,281,500	\$ 1,225,081	\$ (5,056,419)
Nonoperating revenue (expenses):			
Interest	\$ 1,000	\$ 6,590	\$ 5,590
Interest expense-Proprietary Funds	(850,000)	(57,115)	792,885
Total nonoperating revenue (expenses)	<u>\$ (849,000)</u>	<u>\$ (50,525)</u>	<u>\$ 798,475</u>
Net change in fund balance	<u>\$ (5,493,000)</u>	380,009	<u>\$ (5,056,419)</u>
Fund balance at beginning of year		<u>8,730,390</u>	
Fund balance at end of year		<u>\$ 9,110,399</u>	

# City of Oregon, Illinois

## Combining Balance Sheet - Nonmajor Governmental Funds

<i>April 30, 2023</i>	<b>Street Lighting</b>	<b>Recreation</b>	<b>School Crossing</b>	<b>Tort Liability</b>	<b>Band</b>
<b>Assets</b>					
Cash in bank	\$ 61	\$ -	\$ 14,584	\$ 27,557	\$ 6,657
Other Investments	-	-	-	-	-
Receivables, net of allowance	26,384	10,027	9,953	141,062	3,165
Prepaid items	-	-	-	58,761	-
<b>Total assets</b>	<b>\$ 26,445</b>	<b>\$ 10,027</b>	<b>\$ 24,537</b>	<b>\$ 227,380</b>	<b>\$ 9,822</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
Liabilities:					
Accounts payable	646	-	-	-	-
Payroll and related	-	-	-	-	-
<b>Total liabilities</b>	<b>646</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Deferred inflows of resources					
Deferred revenue - Property taxes	26,384	10,027	9,953	141,062	3,165
<b>Total deferred inflows of resources</b>	<b>26,384</b>	<b>10,027</b>	<b>9,953</b>	<b>141,062</b>	<b>3,165</b>
Fund balances:					
Non-spendable	-	-	-	58,761	-
Restricted for:					
General government	-	-	-	27,557	-
Public safety	-	-	14,584	-	-
Culture and recreation	-	-	-	-	6,657
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(585)	-	-	-	-
<b>Total fund balances</b>	<b>(585)</b>	<b>-</b>	<b>14,584</b>	<b>86,318</b>	<b>6,657</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 26,445</b>	<b>\$ 10,027</b>	<b>\$ 24,537</b>	<b>\$ 227,380</b>	<b>\$ 9,822</b>

# City of Oregon, Illinois

## Combining Balance Sheet - Nonmajor Governmental Funds (Continued)

<i>April 30, 2023</i>	City Audit	Social Security	Public Health	Coliseum	City Hall
<b>Assets</b>					
Cash in bank	\$ 103,794	\$ 9	\$ 210,420	\$ 159,744	\$ 60
Other Investments	-	-	-	-	-
Receivables, net of allowance	14,588	56,369	23,138	38,990	-
Prepaid items	-	-	-	-	-
<b>Total assets</b>	<b>\$ 118,382</b>	<b>\$ 56,378</b>	<b>\$ 233,558</b>	<b>\$ 198,734</b>	<b>\$ 60</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
Liabilities:					
Accounts payable	-	-	21,922	1,710	993
Payroll and related	-	-	351	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>22,273</b>	<b>1,710</b>	<b>993</b>
Deferred inflows of resources					
Deferred revenue - Property taxes	14,588	56,369	-	38,990	-
<b>Total deferred inflows of resources</b>	<b>14,588</b>	<b>56,369</b>	<b>-</b>	<b>38,990</b>	<b>-</b>
Fund balances:					
Non-spendable	-	-	-	-	-
Restricted for:					
General government	103,794	9	-	-	-
Public safety	-	-	-	-	-
Culture and recreation	-	-	-	158,034	-
Committed	-	-	-	-	-
Assigned	-	-	211,285	-	-
Unassigned	-	-	-	-	(933)
<b>Total fund balances</b>	<b>103,794</b>	<b>9</b>	<b>211,285</b>	<b>158,034</b>	<b>(933)</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 118,382</b>	<b>\$ 56,378</b>	<b>\$ 233,558</b>	<b>\$ 198,734</b>	<b>\$ 60</b>

# City of Oregon, Illinois

## Combining Balance Sheet - Nonmajor Governmental Funds (Continued)

<i>April 30, 2023</i>	City Hall Capital Improvements	TIF District	Farmer's Market	Total
<b>Assets</b>				
Cash in bank	\$ 22,641	\$ 350,409	\$ 3,413	\$ 899,349
Other Investments	12,500	-	-	12,500
Receivables, net of allowance	-	367,229	464	691,369
Prepaid items	-	-	-	58,761
<b>Total assets</b>	<b>\$ 35,141</b>	<b>\$ 717,638</b>	<b>\$ 3,877</b>	<b>\$ 1,661,979</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
Liabilities:				
Accounts payable	500	46,753	2,284	74,808
Payroll and related	-	-	-	351
<b>Total liabilities</b>	<b>500</b>	<b>46,753</b>	<b>2,284</b>	<b>75,159</b>
Deferred inflows of resources				
Deferred revenue - Property taxes	-	367,229	-	667,767
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>367,229</b>	<b>-</b>	<b>667,767</b>
Fund balances:				
Non-spendable	-	-	-	58,761
Restricted for:				
General government	-	303,656	1,593	436,609
Public safety	-	-	-	14,584
Culture and recreation	-	-	-	164,691
Committed	34,641	-	-	34,641
Assigned	-	-	-	211,285
Unassigned	-	-	-	(1,518)
<b>Total fund balances</b>	<b>34,641</b>	<b>303,656</b>	<b>1,593</b>	<b>\$ 919,053</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 35,141</b>	<b>\$ 717,638</b>	<b>\$ 3,877</b>	<b>\$ 1,661,979</b>

# City of Oregon, Illinois

## Combining Statement of Revenues, Expenditures and Changes In Fund Balance - Nonmajor Governmental Funds

<i>Year Ended April 30, 2023</i>	<b>Street Lighting</b>	<b>Recreation</b>	<b>School Crossing</b>	<b>Tort Liability</b>	<b>Band</b>
<b>Revenues:</b>					
Property taxes	\$ 26,402	\$ 10,057	\$ 9,982	\$ 140,999	\$ 3,201
Licenses and permits	-	-	-	-	-
Charges for services	-	-	-	-	-
Interest	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	26,402	10,057	9,982	140,999	3,201
<b>Expenditures:</b>					
Current:					
General government	-	-	-	116,317	-
Public safety	34,721	-	27,109	-	-
Public works	-	-	-	-	-
Culture & recreation	-	10,027	-	-	4,041
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	34,721	10,027	27,109	116,317	4,041
	(8,319)	30	(17,127)	24,682	(840)
<b>Other financing sources (uses)</b>					
Transfers in	7,700	-	-	-	-
Total other financing sources (uses)	7,700	-	-	-	-
Net change in fund balances	(619)	30	(17,127)	24,682	(840)
Fund balances, beginning of year	34	(30)	31,711	61,636	7,497
Fund balances, end of year	\$ (585)	\$ -	\$ 14,584	\$ 86,318	\$ 6,657

# City of Oregon, Illinois

## Combining Statement of Revenues, Expenditures and Changes In Fund Balance - Nonmajor Governmental Funds (Continued)

<i>Year Ended April 30, 2023</i>	<b>City Audit</b>	<b>Social Security</b>	<b>Public Health</b>	<b>Coliseum</b>	<b>City Hall</b>
<b>Revenues:</b>					
Property taxes	\$ 14,615	\$ 56,366	\$ -	\$ 37,325	\$ -
Licenses and permits	-	-	12,620	-	-
Charges for services	-	-	301,467	-	-
Interest	-	-	518	-	-
Miscellaneous	-	-	2,220	41	-
<b>Total revenues</b>	<b>14,615</b>	<b>56,366</b>	<b>316,825</b>	<b>37,366</b>	<b>-</b>
<b>Expenditures:</b>					
Current:					
General government	21,000	18,725	-	-	17,706
Public safety	-	-	281,578	-	-
Public works	-	45,930	-	-	-
Culture & recreation	-	305	-	31,736	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total expenditures</b>	<b>21,000</b>	<b>64,960</b>	<b>281,578</b>	<b>31,736</b>	<b>17,706</b>
	(6,385)	(8,594)	35,247	5,630	(17,706)
<b>Other financing sources (uses)</b>					
Transfers in	-	8,100	-	70,000	17,700
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>8,100</b>	<b>-</b>	<b>70,000</b>	<b>17,700</b>
Net change in fund balances	(6,385)	(494)	35,247	75,630	(6)
Fund balances, beginning of year	110,179	503	176,038	82,404	(927)
Fund balances, end of year	\$ 103,794	\$ 9	\$ 211,285	\$ 158,034	\$ (933)

# City of Oregon, Illinois

## Combining Statement of Revenues, Expenditures and Changes In Fund Balance - Nonmajor Governmental Funds (Continued)

<i>Year Ended April 30, 2023</i>	<b>City Hall Capital Improvements</b>	<b>TIF District</b>	<b>Farmer's Market</b>	<b>Total</b>
<b>Revenues:</b>				
Property taxes	\$ -	\$ 281,003	\$ -	\$ 579,950
Licenses and permits	-	-	-	12,620
Charges for services	-	-	-	301,467
Interest	-	-	-	518
Miscellaneous	-	-	4,359	6,620
<b>Total revenues</b>	<b>-</b>	<b>281,003</b>	<b>4,359</b>	<b>901,175</b>
<b>Expenditures:</b>				
Current:				
General government	16,046	285,664	5,243	480,701
Public safety	-	-	-	343,408
Public works	-	-	-	45,930
Culture & recreation	-	-	-	46,109
Debt service				
Principal	30,000	-	-	30,000
Interest	4,320	-	-	4,320
<b>Total expenditures</b>	<b>50,366</b>	<b>285,664</b>	<b>5,243</b>	<b>950,468</b>
	(50,366)	(4,661)	(884)	(49,293)
<b>Other financing sources (uses)</b>				
Transfers in	50,000	-	45	153,545
<b>Total other financing sources (uses)</b>	<b>50,000</b>	<b>-</b>	<b>45</b>	<b>153,545</b>
Net change in fund balances	(366)	(4,661)	(839)	104,252
Fund balances, beginning of year	35,007	308,317	2,432	814,801
Fund balances, end of year	\$ 34,641	\$ 303,656	\$ 1,593	\$ 919,053

# City of Oregon, Illinois

## Schedule of Tort Expenditures

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*Year Ended April 30, 2023*

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Insurance	\$	84,833
Salaries		30,000
Miscellaneous		1,484
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Total	\$	116,317
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## **Other Information**

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# City of Oregon, Illinois

## Schedule of Long-Term Debt - Business-type Activities

	2010		2013		2018		2019 - L174369	
	IEPA Loan Payable		G.O. Bonds Payable		IEPA Loan Payable		IEPA Loan Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 145,536	\$ -	\$ -	\$ -	\$ 45,690	\$ 12,684	\$ 59,176	\$ 11,111
2025	145,536	-	-	-	92,508	24,242	59,769	10,517
2026	145,536	-	-	-	94,030	22,718	60,368	9,918
2027	145,536	-	-	-	95,579	21,170	60,974	9,314
2028	145,536	-	-	-	97,153	19,596	61,584	8,702
2029	145,536	-	-	-	98,753	17,996	62,202	8,085
2030	145,536	-	-	-	100,380	16,370	62,825	7,461
2031	145,542	-	-	-	102,032	14,717	63,456	6,831
2032	-	-	-	-	103,712	13,037	64,092	6,195
2033	-	-	-	-	105,420	11,329	64,734	5,552
2034	-	-	-	-	107,156	9,593	65,383	4,903
2035	-	-	-	-	108,921	7,829	66,039	4,248
2036	-	-	-	-	110,714	6,035	66,700	3,586
2037	-	-	-	-	112,538	4,211	67,370	2,918
2038	-	-	-	-	114,391	2,359	68,044	2,242
2039	-	-	-	-	57,900	475	68,727	1,559
2040	-	-	-	-	-	-	69,415	870
2041	-	-	-	-	-	-	34,967	175
2042	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 1,164,294</b>	<b>\$ 0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,546,877</b>	<b>\$ 204,361</b>	<b>\$ 1,125,825</b>	<b>\$ 104,187</b>

# City of Oregon, Illinois

## Schedule of Long-Term Debt - Business-type Activities (Continued)

	2019 - L175543 IEPA Loan Payable		Series 2021B Bonds Payable		2022 - L175671 IEPA Loan Payable		2022 - L175809 IEPA Loan Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 21,946	\$ 4,121	\$ 290,000	\$ 8,484	\$ 27,356	\$ 8,310	\$ 19,432	\$ 3,923
2025	22,166	3,901	295,000	14,067	27,768	7,898	19,629	3,726
2026	22,388	3,678	300,000	11,117	28,187	7,480	19,828	3,526
2027	22,612	3,454	300,000	7,427	28,611	7,055	20,029	3,326
2028	22,839	3,227	190,000	3,287	29,042	6,625	20,231	3,123
2029	23,068	2,998	-	-	29,479	6,188	20,436	2,918
2030	23,300	2,767	-	-	29,923	5,744	20,644	2,712
2031	23,533	2,533	-	-	30,373	5,293	20,852	2,502
2032	23,769	2,297	-	-	30,831	4,835	21,063	2,291
2033	24,008	2,060	-	-	31,295	4,371	21,277	2,078
2034	24,248	1,818	-	-	31,766	3,900	21,492	1,862
2035	24,491	1,575	-	-	32,244	3,422	21,710	1,645
2036	24,736	1,330	-	-	32,730	2,936	21,929	1,425
2037	24,984	1,082	-	-	33,222	2,444	22,152	1,203
2038	25,235	831	-	-	33,722	1,944	22,376	979
2039	25,488	578	-	-	34,230	1,436	22,603	753
2040	25,744	323	-	-	34,746	920	22,831	523
2041	12,967	65	-	-	35,272	398	23,062	292
2042	-	-	-	-	-	-	11,620	59
<b>Totals</b>	<b>\$ 417,522</b>	<b>\$ 38,638</b>	<b>\$ 1,375,000</b>	<b>\$ 44,382</b>	<b>\$ 560,797</b>	<b>\$ 81,199</b>	<b>\$ 393,196</b>	<b>\$ 38,866</b>

# City of Oregon, Illinois

## Assessed Valuations, Rates, Extensions, and Collections

Fund	2022 Levy		2021 Levy		2020 Levy	
	Rate	Extended	Rate	Extended	Rate	Extended
General	0.31095 %	\$ 165,671	0.33300 %	\$ 165,671	0.33300 %	\$ 157,258
Police protection	0.32418	172,720	0.18301	91,049	0.17619	83,205
Recreation	0.01882	10,027	0.02015	10,025	0.01989	9,393
Coliseum	0.07318	38,990	0.07500	37,313	0.07500	35,418
Illinois Municipal Retirement	0.18694	99,600	0.30381	151,148	0.33450	157,966
Audit	0.02738	14,588	0.02932	14,587	0.04118	19,447
Liability insurance	0.26476	141,062	0.28354	141,064	0.27984	132,153
Social security	0.10580	56,369	0.11330	56,368	0.11182	52,806
Band	0.00594	3,165	0.00636	3,164	0.00628	2,966
Street Lightning	0.04952	26,384	0.05303	26,383	0.05234	24,717
School Crossing Guard	0.01868	9,953	0.02000	9,950	0.02000	9,445
Totals	1.38615	\$ 738,529	1.42052	\$ 706,722	1.45004	\$ 684,774
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Valuations		\$ 53,279,128		\$ 49,750,960		\$ 47,224,485
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Collections		\$ 0		\$ 1,026,519		\$ 932,349
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Included in the collections is the City's share of Road & Bridge property taxes.

# City of Oregon, Illinois

## Schedule of Information Required by Alternate Revenue Source Bonds

Insurer	Coverage Period From/To	Coverage/ Amount
Illinois Municipal League Insurance Company	1/1/23-1/1/24	Crime - Forgery/ Theft/ Computer Fraud/Employee Dishonesty \$100,000 - each occurrence
Illinois Municipal Insurance Company	1/1/23-12/31/23	General Liability \$1,000,000 - each occurrence
Illinois Municipal League Insurance Company	1/1/23-12/31/23	Umbrella \$8,000,000 - each occurrence
Illinois Municipal League Insurance Company	1/1/23-12/31/23	Automobile Liability & Uninsured Motorist \$1,000,000
Illinois Municipal League Risk Fund	1/1/23-12/31/23	Worker's Compensation/Statutory
Illinois Municipal League Insurance Company	1/1/23-12/31/23	Property & Inland Marine \$250,000,000 - each occurrence

# **Compliance**

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## Independent Auditor's Report on Bond Compliance

Honorable Mayor and Members of the City Council  
City of Oregon, Illinois  
Oregon, IL

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Oregon, Illinois ("the City") as of and for the year ended April 30, 2023, and the related notes to the the financial statements, and have issued our report thereon dated August 11, 2023.

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the terms, covenants, provisions or conditions of General Obligation Bond (Alternate Revenue Source) Bond Ordinance Nos. 2013-103 and 2021-108 and General Obligation Refunding Bond (Alternate Revenue Source) Bond Ordinance Nos. 2021-109 and 2021-110 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's noncompliance with the above-referenced terms, covenants, provisions, or conditions of the Ordinance, insofar as they relate to accounting matters.

This report is intended for the information of City Council, management, and bond holders. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

Sterling, Illinois  
August 11, 2023

## **Independent Accountant's Report on Compliance with State of Illinois Public Act 85-1142**

Honorable Mayor and Members of the City Council  
City of Oregon, Illinois  
Oregon, IL

We have examined management's assertion that the City of Oregon, Illinois, IL (the "City") complied with the provisions of subsection (q) of the Illinois Compiled Statutes 65 (ILCS) 5/11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended April 30, 2023 for the Tax Increment Financing District Fund. The City's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about where management's assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depends on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

Our examination disclosed no material noncompliance 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) applicable to the City during the year ended April 30, 2023 for the Tax increment Financing District Fund.

In our opinion, the City of Oregon, Illinois complied, in all material respects, with the provisions of subsection (q) of the Illinois Compiled Statutes (ILCS) 5/11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended April 30, 2023 for the Tax Increment Financing District Fund.



This report is intended solely for the information and use of the Mayor and Members of the City Council, management of the City, the Illinois State Comptroller's Office and the joint review boards and is not intended to be and should not be used by anyone other than these specified parties.

*Wipfli LLP*

Wipfli LLP

Sterling, Illinois  
August 11, 2023

## **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***

Honorable Mayor and Members of the City Council  
City of Oregon, Illinois  
Oregon, IL

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 City of Oregon, Illinois, as of and for the year ended April 30, 2023 and the related notes to the financial statements, which collectively comprise the City of Oregon, Illinois's basic financial statements, and have issued our report thereon dated August 11, 2023.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Oregon, Illinois's 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Oregon, Illinois's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Oregon, Illinois's 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 a combination of deficiencies in internal control, such that there is reasonable possibility that a material misstatement of the City of Oregon, Illinois's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or 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 did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we identified a deficiency in internal control, described in the accompanying schedule of findings as item 2023-001 that we consider to be a significant deficiency.

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

As part of obtaining reasonable assurance about whether the City of Oregon, Illinois's 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*.

We noted certain matters that we reported to management of the City in a separate letter dated August 11, 2023.

## **City of Oregon, Illinois's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Oregon, Illinois's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The City's response was not subjected to the other 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 of Oregon, Illinois'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 of Oregon, Illinois's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Wipfli LLP

Sterling, Illinois  
August 11, 2023

# City of Oregon, Illinois

## Schedule of Findings and Responses

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### Section I - Audit Findings in Relation to Financial Statements

2023-001

**Improper Segregation of Duties**

**Criteria or Specific Requirement:** Internal controls should be in place that provide reasonable assurance that not one individual handles a transaction from its inception to its completion.

**Condition:** There is inadequate control over the functions of processing and recording the financial transactions due to the inadequate segregation of duties.

**Context:** The City should have adequate staffing to properly segregate duties.

**Effect:** As a result of this condition, there is a higher risk that errors or irregularities could occur and not be detected and corrected within a timely period.

**Cause:** The City has a limited number of staff to allow for adequate segregation of duties.

**Auditor's Recommendation:** Management and the City Council's close supervision and review of accounting information appears to be the most economical and appropriate manner to help prevent and detect errors and irregularities in the City's accounting and financial reporting.

**View of responsible officials:** We agree with this finding.