

*CITY OF FARMER CITY, ILLINOIS*

*ANNUAL FINANCIAL REPORT*

*For the fiscal year ended April 30, 2024*



**CITY OF FARMER CITY, ILLINOIS**

**CONTENTS**  
**APRIL 30, 2024**

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**INDEPENDENT AUDITORS' REPORT** **1 - 3**

---

**BASIC FINANCIAL STATEMENTS**

<b>Statement of Net Position</b>	<b>4 and 5</b>
<b>Statement of Activities</b>	<b>6</b>
<b>Balance Sheet - Governmental Funds</b>	<b>7</b>
<b>Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position</b>	<b>8</b>
<b>Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds</b>	<b>9</b>
<b>Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities</b>	<b>10</b>
<b>Statement of Net Position - Proprietary Funds</b>	<b>11 and 12</b>
<b>Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds</b>	<b>13</b>
<b>Statement of Cash Flows - Proprietary Funds</b>	<b>14</b>
<b>Notes to Financial Statements</b>	<b>15 - 40</b>

**REQUIRED SUPPLEMENTARY INFORMATION**

<b>Illinois Municipal Retirement Fund – Schedule of Changes in the City’s Net Pension Liability and Related Ratios</b>	<b>41 and 42</b>
<b>Notes to Schedule of Changes in the City’s Net Pension Liability and Related Ratios</b>	<b>43</b>
<b>Illinois Municipal Retirement Fund – Schedule of Employer Contributions</b>	<b>44</b>

**CITY OF FARMER CITY, ILLINOIS**

**CONTENTS (Continued)**

**April 30, 2024**

---

**REQUIRED SUPPLEMENTARY INFORMATION, Continued**

**Illinois Municipal Retirement Fund – Summary of Actuarial  
Methods and Assumptions 45**

**Budgetary Comparison Schedule - General Fund 46**

**Reconciliation of Budgetary Basis Cash Receipts and Cash  
Disbursements to GAAP Revenues and Expenses – General Fund 47**

**Budgetary Comparison Schedule - TIF II Fund 48**

**Reconciliation of Budgetary Basis Cash Receipts and Cash  
Disbursements to GAAP Revenues and Expenses – TIF II Fund 49**

**Reconciliation of Budgetary Basis Fund Balance  
to GAAP Basis Fund Balance 50**

**Notes to Required Supplementary Information 51**

**SUPPLEMENTARY INFORMATION**

**Combining Balance Sheet - Non-Major Governmental Funds 52 and 53**

**Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances - Non-Major Governmental Funds 54 and 55**

**OTHER INFORMATION**

**Schedules of Assessed Valuation, Property Tax Rates,  
and Tax Extensions 56**

**Schedules of Property Tax Collections 57**



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## INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and City Council  
City of Farmer City, Illinois

### 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 Farmer City, Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Farmer City, Illinois, as of April 30, 2024, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in 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 the City of Farmer City, 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, 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 the City of Farmer City, Illinois' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 generally accepted 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 generally accepted 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 Farmer City, Illinois' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Farmer City, Illinois' ability to continue as a going concern for a reasonable period of time.

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

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Illinois Municipal Retirement Fund pension information and budgetary comparison schedules 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 basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

#### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Farmer City, Illinois’ basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are 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 combining and individual nonmajor fund financial statements are 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 comprises the statistical section but 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.

*MCK CPAs & Advisors*

Bloomington, Illinois  
October 23, 2024

**CITY OF FARMER CITY, ILLINOIS**

**STATEMENT OF NET POSITION**

**April 30, 2024**

	Governmental Activities	Business-Type Activities	Total
<b><u>Assets</u></b>			
Current assets			
Cash and cash equivalents	\$ 2,468,396	1,129,757	3,598,153
Investments	749,709	288,828	1,038,537
Receivables, net:			
Property taxes	1,084,359	24,364	1,108,723
Intergovernmental	169,463		169,463
Accounts	322	250,529	250,851
Lease	4,732		4,732
Internal balances	(724,188)	724,188	-
Prepaid expenses	53,150	45,169	98,319
	<u>3,805,943</u>	<u>2,462,835</u>	<u>6,268,778</u>
Total current assets			
Noncurrent assets			
Lease receivable, less current portion	14,209		14,209
Capital assets, net of accumulated depreciation	5,885,195	4,483,534	10,368,729
	<u>9,705,347</u>	<u>6,946,369</u>	<u>16,651,716</u>
Total Assets			
<b><u>Deferred Outflows of Resources</u></b>			
Deferred outflows related to pension obligations			
	150,512	118,027	268,539
	<u>9,855,859</u>	<u>7,064,396</u>	<u>16,920,255</u>
Total Assets and Deferred Outflows of Resources			

(continued)

CITY OF FARMER CITY, ILLINOIS

STATEMENT OF NET POSITION (Continued)  
April 30, 2024

	Governmental Activities	Business-Type Activities	Total
<b><u>Liabilities</u></b>			
Current liabilities			
Accounts payable	41,558	25,091	66,649
Meter deposits		30,453	30,453
Accrued expenses	27,280	14,937	42,217
Compensated absences	28,272	22,456	50,728
Accrued interest	26,946	32,965	59,911
Bonds payable, due within one year	60,000	140,000	200,000
Total current liabilities	184,056	265,902	449,958
Noncurrent liabilities			
Unamortized bond premiums	113,246	100,401	213,647
Bonds payable, due in more than one year	1,640,000	2,085,000	3,725,000
IMRF pension liability	410,622	321,998	732,620
Total noncurrent liabilities	2,163,868	2,507,399	4,671,267
Total Liabilities	2,347,924	2,773,301	5,121,225
<b><u>Deferred Inflows of Resources</u></b>			
Deferred property tax	1,084,359	24,364	1,108,723
Deferred lease	18,941		18,941
Deferred inflows related to pension obligations	12,882	10,101	22,983
Total deferred inflows of resources	1,116,182	34,465	1,150,647
<b><u>Net Position</u></b>			
Net investment in capital assets	4,185,195	2,274,643	6,459,838
Restricted for:			
Tax increment financing district II	158,162		158,162
Tax increment financing district III	86,454		86,454
Insurance	385,968		385,968
Motor fuel tax	300,408		300,408
Business district tax	172,765		172,765
Audit	69,655		69,655
Social security	100,838		100,838
Illinois municipal retirement fund	233,446		233,446
Library	59,539		59,539
Unrestricted	639,323	1,981,987	2,621,310
Total Net Position	6,391,753	4,256,630	10,648,383
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 9,855,859	7,064,396	16,920,255

See Notes to Financial Statements.



CITY OF FARMER CITY, ILLINOIS

STATEMENT OF ACTIVITIES

Year ended April 30, 2024

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net (Expense)/Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:						
General government	\$ 848,390	31,346	2,957	(814,087)		(814,087)
Public safety	599,215	38,414		(560,801)		(560,801)
Public works	352,210			(352,210)		(352,210)
Streets and alleys	395,684			(395,684)		(395,684)
Culture and recreation	469,223	48,565	27,358	(393,300)		(393,300)
Interest on long-term debt	65,440			(65,440)		(65,440)
Total governmental activities	2,730,162	118,325	30,315	(2,581,522)	-	(2,581,522)
Business-type activities:						
Electric	2,154,853	2,492,293			337,440	337,440
Water	349,675	505,231			155,556	155,556
Sewer	472,505	493,838			21,333	21,333
Garbage	149,288	147,968			(1,320)	(1,320)
Total business-type activities	3,126,321	3,639,330	-	-	513,009	513,009
<b>TOTAL</b>	<b>\$ 5,856,483</b>	<b>3,757,655</b>	<b>30,315</b>	<b>(2,581,522)</b>	<b>513,009</b>	<b>(2,068,513)</b>
General Revenues:						
Taxes						
Property taxes				967,491	23,529	991,020
Income tax				304,563		304,563
Motor fuel tax				80,285		80,285
Replacement tax				43,214		43,214
Sales tax				254,325	143,944	398,269
Excise tax				9,232		9,232
Use tax				69,031		69,031
Video gaming tax				90,273		90,273
Cannabis tax				2,893		2,893
Business district tax				115,129		115,129
Hotel-motel taxes				17,614		17,614
Miscellaneous income				34,814		34,814
Insurance proceeds				350,480		350,480
Unrestricted investment earnings				154,115	28,707	182,822
Inter-office charges				265,000	(265,000)	-
Interfund transfers				(35,371)	35,371	-
Total general revenues				2,723,088	(33,449)	2,689,639
Change in net position				141,566	479,560	621,126
Net position - beginning				6,250,187	3,777,070	10,027,257
Net position - ending				\$ 6,391,753	4,256,630	10,648,383

See Notes to Financial Statements.

**CITY OF FARMER CITY, ILLINOIS**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
April 30, 2024**

	General Fund	Tax Increment Financing Fund II	Non-Major Governmental Funds	Total
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 1,264,926	144,679	1,058,791	2,468,396
Investments	749,709			749,709
Receivables, net:				
Property taxes	109,638	470,891	503,830	1,084,359
Intergovernmental	145,862		23,601	169,463
Lease	18,941			18,941
Other		322		322
Prepaid expenses	167		52,983	53,150
Due from other funds		15,062	355,537	370,599
<b>Total Assets</b>	<b>2,289,243</b>	<b>630,954</b>	<b>1,994,742</b>	<b>4,914,939</b>
<b><u>Liabilities</u></b>				
Accounts payable	33,156	1,901	6,501	41,558
Accrued expenses	18,870		3,004	21,874
Due to other funds	1,031,283		63,504	1,094,787
<b>Total Liabilities</b>	<b>1,083,309</b>	<b>1,901</b>	<b>73,009</b>	<b>1,158,219</b>
<b><u>Deferred Inflows of Resources</u></b>				
Deferred lease	18,941			18,941
Deferred property tax	109,638	470,891	503,830	1,084,359
<b>Total Deferred Inflows of Resources</b>	<b>128,579</b>	<b>470,891</b>	<b>503,830</b>	<b>1,103,300</b>
<b><u>Fund Balances</u></b>				
Nonspendable	167		52,983	53,150
Restricted for:				
Tax increment financing districts		158,162	86,454	244,616
Insurance			385,968	385,968
Motor fuel tax			300,408	300,408
Business district tax			172,765	172,765
Audit			69,655	69,655
Social security			100,838	100,838
Illinois municipal retirement fund			233,446	233,446
Library			59,539	59,539
Committed:				
Public safety			12,695	12,695
Unassigned	1,077,188		(56,848)	1,020,340
<b>Total Fund Balances</b>	<b>1,077,355</b>	<b>158,162</b>	<b>1,417,903</b>	<b>2,653,420</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 2,289,243</b>	<b>630,954</b>	<b>1,994,742</b>	<b>4,914,939</b>

See Notes to Financial Statements.

**CITY OF FARMER CITY, ILLINOIS**

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET POSITION**

**April 30, 2024**

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Total fund balances - governmental funds	\$ 2,653,420
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets of \$10,962,505 net of accumulated depreciation of \$5,077,310 are not current financial resources and, therefore, are not reported in the governmental fund.	5,885,195
Net pension obligations are not reported in the fund financial statement because they are not due and payable, but they are presented in the statement of net position.	(272,992)
Long-term liabilities are not payable with current financial resources and are not reported in the governmental funds.	
Bonds payable	(1,700,000)
Bond premium	(113,246)
Accrued expenses	(5,406)
Compensated absences	(28,272)
Accrued interest	(26,946)
Net position of governmental activities	<u>\$ 6,391,753</u>

See Notes to Financial Statements.

CITY OF FARMER CITY, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year ended April 30, 2024

	General Fund	Tax Increment Financing Fund II	Non-Major Governmental Funds	Total
Revenues:				
Property taxes	\$ 122,473	411,652	433,366	967,491
Income tax	304,563			304,563
Motor fuel tax			80,285	80,285
Replacement tax	43,214			43,214
Sales tax	254,325			254,325
Excise tax	9,232			9,232
Use tax	69,031			69,031
Video gaming tax	90,273			90,273
Cannabis tax	2,893			2,893
Other taxes			132,743	132,743
Donations			27,358	27,358
Fines, fees, permits & licenses	57,092		1,600	58,692
Grants				
Operating		2,957		2,957
Interest income	114,219	3,635	36,261	154,115
Pool income	47,840			47,840
Rental income	11,793			11,793
Miscellaneous	34,446		368	34,814
<b>Total revenues</b>	<b>1,161,394</b>	<b>418,244</b>	<b>711,981</b>	<b>2,291,619</b>
Expenditures:				
Current:				
General government	479,466		289,323	768,789
Public safety	564,712		13,681	578,393
Public works		48,373	109,327	157,700
Streets and alleys	291,285		61,376	352,661
Culture and recreation	325,421		56,528	381,949
Debt service:				
Principal		60,000		60,000
Interest		65,990		65,990
Capital outlay	762,836	325,356	131,951	1,220,143
<b>Total expenditures</b>	<b>2,423,720</b>	<b>499,719</b>	<b>662,186</b>	<b>3,585,625</b>
Excess (deficiency) of revenues over (under) expenditures	(1,262,326)	(81,475)	49,795	(1,294,006)
Other financing sources (uses):				
Inter-office charges	265,000			265,000
Insurance proceeds	350,480			350,480
Transfers in	109,000			109,000
Transfers out		(5,000)	(139,371)	(144,371)
<b>Total other financing sources (uses)</b>	<b>724,480</b>	<b>(5,000)</b>	<b>(139,371)</b>	<b>580,109</b>
Net change in fund balances	(537,846)	(86,475)	(89,576)	(713,897)
Fund balances - beginning	1,615,201	244,637	1,507,479	3,367,317
Fund balances - ending	\$ 1,077,355	158,162	1,417,903	2,653,420

See Notes to Financial Statements.

**CITY OF FARMER CITY, ILLINOIS**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
Year ended April 30, 2024**

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Net change in fund balances - governmental funds \$ (713,897)

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

Capital outlays are reported as expenditures in the fund financial statements because they use current financial resources, but they are presented as assets in the Statement of Activities and depreciated over their estimated economic lives; depreciation (\$498,443) for the year is less than capital outlays (\$1,220,143) reported in the governmental funds. 721,700

Repayment of loan principal is an expenditure in the fund financial statements; however, the repayment reduces long-term liabilities in the Statement of Net Position. 60,000

Net change in pension obligations is not recognized in the fund financial statements since it does not use current financial resources. 68,529

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 the fund financial statements:

Accrued expenses	(38)
Compensated absences	(940)
Accrued interest	550
Amortization of bond premium	5,662

Change in net position of governmental activities \$ 141,566

See Notes to Financial Statements.

**CITY OF FARMER CITY, ILLINOIS**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS**

**April 30, 2024**

	Business-Type Activities Proprietary Funds				Total
	(Major)	(Major)	(Major)	(Nonmajor)	
	Electric Light Plant and System Fund	Water Fund	Sewer Fund	Garbage Fund	
<b><u>Assets</u></b>					
Current assets:					
Cash and cash equivalents	\$ 667,633	372,095	90,029		1,129,757
Investments	138,846	109,982	40,000		288,828
Due from other funds	372,591	364,040	9,628		746,259
Property taxes receivable			24,364		24,364
Accounts receivable, net	163,871	29,296	44,243	13,119	250,529
Prepaid expenses	32,802	4,089	8,278		45,169
Total current assets	1,375,743	879,502	216,542	13,119	2,484,906
Capital assets:					
Land	2,000	38,000			40,000
Buildings	130,708	422,619	3,245,000		3,798,327
Systems and infrastructure	9,214,526	2,111,192	3,062,591		14,388,309
Equipment	334,669	788,994	202,708		1,326,371
Accumulated depreciation	(7,110,859)	(2,651,914)	(5,306,700)		(15,069,473)
Total capital assets	2,571,044	708,891	1,203,599	-	4,483,534
Total Assets	3,946,787	1,588,393	1,420,141	13,119	6,968,440
<b><u>Deferred Outflows of Resources</u></b>					
Deferred outflows related to pension obligations	81,741	28,210	8,076		118,027
Total Assets and Deferred Outflows of Resources	4,028,528	1,616,603	1,428,217	13,119	7,086,467

(Continued)

CITY OF FARMER CITY, ILLINOIS

STATEMENT OF NET POSITION (Continued)

PROPRIETARY FUNDS

April 30, 2024

	Business-Type Activities Proprietary Funds				Total
	(Major)	(Major)	(Major)	(Nonmajor)	
	Electric Light Plant and System Fund	Water Fund	Sewer Fund	Garbage Fund	
<b><u>Liabilities</u></b>					
Current liabilities:					
Meter deposits		30,453			30,453
Accounts payable	21,597	521	2,973		25,091
Due to other funds				22,071	22,071
Bonds payable, current	90,000	25,000	25,000		140,000
Accrued expenses	9,701	1,780	3,456		14,937
Compensated absences	15,269	2,555	4,632		22,456
Accrued interest	10,367	11,299	11,299		32,965
Total current liabilities	146,934	71,608	47,360	22,071	287,973
Noncurrent liabilities					
Unamortized bond premiums	16,065	42,168	42,168		100,401
IMRF pension liability	223,003	76,962	22,033		321,998
Bonds payable less current maturities	685,000	700,000	700,000		2,085,000
Total noncurrent liabilities	924,068	819,130	764,201	-	2,507,399
Total Liabilities	1,071,002	890,738	811,561	22,071	2,795,372
<b><u>Deferred Inflows of Resources</u></b>					
Deferred inflows related to:					
Property tax			24,364		24,364
Pension obligations	6,996	2,414	691		10,101
Total deferred inflows of resources	6,996	2,414	25,055	-	34,465
<b><u>Net Position</u></b>					
Invested in capital assets, net of related debt	1,796,044		478,599		2,274,643
Unrestricted	1,154,486	723,451	113,002	(8,952)	1,981,987
Total Net Position	2,950,530	723,451	591,601	(8,952)	4,256,630
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 4,028,528	1,616,603	1,428,217	13,119	7,086,467

See Notes to Financial Statements.

**CITY OF FARMER CITY, ILLINOIS**

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
Year ended April 30, 2024**

	Business-Type Activities				Total
	Proprietary Funds				
	(Major) Electric Light Plant and System Fund	(Major) Water Fund	(Major) Sewer Fund	(Nonmajor) Garbage Fund	
Operating revenues:					
Charges for services	\$ 2,432,554	498,034	486,885	147,968	3,565,441
Other	59,739	7,197	6,953		73,889
<b>Total operating revenues</b>	<b>2,492,293</b>	<b>505,231</b>	<b>493,838</b>	<b>147,968</b>	<b>3,639,330</b>
Operating expenses:					
Personnel services	422,699	114,387	146,500		683,586
Operations and contractual services	1,419,113	82,798	122,393	149,288	1,773,592
Materials and supplies	61,541	46,859	47,176		155,576
Depreciation	227,476	80,343	131,148		438,967
<b>Total operating expenses</b>	<b>2,130,829</b>	<b>324,387</b>	<b>447,217</b>	<b>149,288</b>	<b>3,051,721</b>
<b>Operating income (loss)</b>	<b>361,464</b>	<b>180,844</b>	<b>46,621</b>	<b>(1,320)</b>	<b>587,609</b>
Non-operating revenues (expenses):					
Sewer chlorination levy			23,529		23,529
State and municipal sales tax	117,524	26,420			143,944
Interest revenue		5,529	1,305		6,834
Interest expense	(24,024)	(25,288)	(25,288)		(74,600)
Inter-office charges	(155,000)	(60,000)	(50,000)		(265,000)
Investments earnings and (losses)	21,873				21,873
<b>Total non-operating revenues (expenses)</b>	<b>(39,627)</b>	<b>(53,339)</b>	<b>(50,454)</b>	<b>-</b>	<b>(143,420)</b>
<b>Net income (loss) before other financing sources (uses)</b>	<b>321,837</b>	<b>127,505</b>	<b>(3,833)</b>	<b>(1,320)</b>	<b>444,189</b>
Other financing sources (uses):					
Transfers in			35,371		35,371
<b>Change in net position</b>	<b>321,837</b>	<b>127,505</b>	<b>31,538</b>	<b>(1,320)</b>	<b>479,560</b>
<b>Net position - beginning</b>	<b>2,628,693</b>	<b>595,946</b>	<b>560,063</b>	<b>(7,632)</b>	<b>3,777,070</b>
<b>Net position - ending</b>	<b>\$ 2,950,530</b>	<b>723,451</b>	<b>591,601</b>	<b>(8,952)</b>	<b>4,256,630</b>

See Notes to Financial Statements.



CITY OF FARMER CITY, ILLINOIS

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 Year ended April 30, 2024

	Business-Type Activities Proprietary Funds				Total
	(Major)	(Major)	(Major)	(Nonmajor)	
	Electric Light Plant and System Fund	Water Fund	Sewer Fund	Garbage Fund	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received from customers	\$ 2,486,087	502,739	490,168	148,009	3,627,003
Cash paid to suppliers for goods and services	(1,455,661)	(223,587)	(221,138)	(161,500)	(2,061,886)
Cash paid to employees for services	(470,533)	(134,425)	(145,342)		(750,300)
<b>Net cash flows from operating activities</b>	<b>559,893</b>	<b>144,727</b>	<b>123,688</b>	<b>(13,491)</b>	<b>814,817</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Transfers (to) from other funds			35,371		35,371
Advances to (from) other funds	(303,298)	335,212		13,491	45,405
Inter-office charges	(155,000)	(60,000)	(50,000)		(265,000)
State and municipal sales tax	117,524	26,420			143,944
Proceeds from sewer chlorination levy			23,529		23,529
<b>Net cash flows from noncapital financing activities</b>	<b>(340,774)</b>	<b>301,632</b>	<b>8,900</b>	<b>13,491</b>	<b>(16,751)</b>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>					
Purchase of capital assets	(74,999)	(54,822)	(80,246)		(210,067)
Principal paid on revenue bonds	(85,000)	(25,000)	(25,000)		(135,000)
Interest paid on revenue bonds	(26,119)	(27,397)	(27,397)		(80,913)
<b>Net cash flows from capital financing activities</b>	<b>(186,118)</b>	<b>(107,219)</b>	<b>(132,643)</b>	<b>-</b>	<b>(425,980)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from investments	542,706				542,706
Interest from investments	21,873	5,529	1,305		28,707
<b>Net cash flows from investing activities</b>	<b>564,579</b>	<b>5,529</b>	<b>1,305</b>	<b>-</b>	<b>571,413</b>
Net increase in cash and cash equivalents	597,580	344,669	1,250	-	943,499
Cash and cash equivalents, beginning of year	70,053	27,426	88,779		186,258
Cash and cash equivalents, end of year	667,633	372,095	90,029	-	1,129,757
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Operating income (loss)	361,464	180,844	46,621	(1,320)	587,609
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:					
Depreciation	227,476	80,343	131,148		438,967
Expenses related to pension obligations	(45,122)	(15,448)	(1,994)		(62,564)
Change in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	(6,206)	(2,738)	(3,670)	41	(12,573)
Prepaid expenses	2,426	3,852	(2,721)		3,557
(Decrease) increase in:					
Accounts payable	21,597	(96,199)	(51,309)	(12,212)	(138,123)
Accrued expenses	970	(1,583)	2,461		1,848
Compensated absences	(2,712)	(4,590)	3,152		(4,150)
Meter deposits		246			246
<b>Net cash flows from operating activities</b>	<b>\$ 559,893</b>	<b>144,727</b>	<b>123,688</b>	<b>(13,491)</b>	<b>814,817</b>

See Notes to Financial Statements.

## CITY OF FARMER CITY, ILLINOIS

### NOTES TO FINANCIAL STATEMENTS

April 30, 2024

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#### Note 1 - Summary of Significant Accounting Policies

**Reporting Entity:** The City of Farmer City (the “City”) is a municipal corporation governed by an elected Mayor and City Council. The accompanying financial statements present the operations of the primary government.

In evaluating how to define the government for financial reporting purposes, the City has considered all potential component units. Generally accepted accounting principles require that the financial statements present component units for which the City is considered to be financially accountable. The City has determined that it is not financially accountable for any component units and, therefore, no component units have been made a part of these statements.

**New Accounting Pronouncement:** The City implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, during the fiscal year ended April 30, 2024. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAS) for government users.

**Government-Wide and Fund Financial Statements:** The government-wide financial statements (i.e., the Statement of Net Position and Statement of Activities) report information on all non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are generally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) charges for fees, licenses and permits, (2) fines, (3) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function, and (4) operating and capital grants and contributions. Taxes and other revenue sources not properly included among program revenues are reported instead as general revenues.

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

Fund financial statements are used to report additional and more detailed information about the City. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

## CITY OF FARMER CITY, ILLINOIS

### NOTES TO FINANCIAL STATEMENTS (Continued) April 30, 2024

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#### Note 1 - Summary of Significant Accounting Policies, continued

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation:** The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter to pay current liabilities. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The funds are grouped into two fund types and five generic funds as described below.

Governmental Fund Types: Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related current liabilities are accounted for through Governmental Funds. The funds included in this category are as follows:

*General Fund* – This fund is established to account for resources devoted to financing the general services that the City performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the City are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

*Special Revenue Funds* – These funds are established to account for the proceeds of specific revenue sources other than special assessments, expendable trusts, or major capital projects that are legally restricted to expenditures for specified purposes.

*Debt Service Funds* – These funds are established for the purpose of accumulating resources for the payment of interest and principal on long-term general obligation debt other than that payable from enterprise funds.

*Capital Projects Fund* – This fund is established to account for major capital expenditures not financed by enterprise funds.

## CITY OF FARMER CITY, ILLINOIS

### NOTES TO FINANCIAL STATEMENTS (Continued) April 30, 2024

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#### Note 1 - Summary of Significant Accounting Policies, continued

##### Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

The City reports the following major governmental funds:

General Fund: The General Fund is the principal operating fund of the City. It is used to account for all activities not included in other specified funds.

Tax Increment Financing Fund II: This is a special revenue fund used to account for and report all financial resources that are restricted, committed, or assigned to expenditures related to the Tax Increment Financing District II redevelopment project. Revenues are generated from local property taxes.

Proprietary Fund Types: Proprietary Funds are those that account for operations that are organized to be self-supported through user charges. The funds included in this category are the Enterprise funds.

*Enterprise Funds* – These funds are established to account for operations that are financed and conducted in a manner similar to private business enterprises, where the intent 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.

The City reports the following major proprietary funds:

Electric Light Plant and System Fund: An enterprise fund that accounts for the provision of electric services to residents. All activities necessary to providing such services are accounted for in this fund, including, but not limited to, administration and billing operations, capital outlay and maintenance, financing, and related debt service. Revenues are generated from charges for services.

Water Fund: An enterprise fund that accounts for the provision of water services to residents. All activities necessary to providing such services are accounted for in this fund, including, but not limited to, administration and billing operations, capital outlay and maintenance, financing, and related debt service. Revenues are generated from charges for services.

Sewer Fund: An enterprise fund that accounts for the provision of sewer services to residents. All activities necessary to providing such services are accounted for in this fund, including, but not limited to, administration and billing operations, capital outlay and maintenance, financing, and related debt service. Revenues are generated from charges for services.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the Electric Light Plant and Systems, Water, Sewer, and non-major Funds are charges to customers for sales and services. 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 non-operating revenues and expenses.

## CITY OF FARMER CITY, ILLINOIS

### NOTES TO FINANCIAL STATEMENTS (Continued) April 30, 2024

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#### Note 1 - Summary of Significant Accounting Policies, continued

**Deposits and Investments:** The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The Public Funds Investment Act of the State of Illinois allows municipalities to invest in the following:

- Insured commercial banks, savings, and loan institutions
- Obligations of the U.S. Treasury and U.S. Agencies
- Insured credit union shares
- Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations
- Repurchase agreements
- Short-term commercial paper rated within the three highest classifications by at least two standard rating services
- The Illinois Metropolitan Investment Fund
- The Illinois Fund Investment Pool

**Amounts Due To and From Other Funds:** Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are advances due to/from other funds. Other outstanding balances between funds are reported as due to/from other funds. Residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". Interfund balances between governmental funds and interfund balances between proprietary funds have been eliminated and are not included in the government-wide statement of net position.

**Receivables:** Taxes receivable consist of property taxes, as well as other taxes received in the first 60 days following the fiscal year end, which are accrued as revenue in the statements. Property taxes are levied annually in December and become a lien as of January 1st. Property taxes are recorded on the balance sheet as taxes receivable and deferred inflows of resources at the beginning of the year in the fund statements. Taxes are due in two equal installments in June and September. All uncollected property taxes at year end are reported as taxes receivable. No allowance for doubtful taxes receivable is recorded because delinquent taxes are considered fully collectible.

Accounts receivable consist of amounts due from individuals or organizations for goods and services. Receivable amounts exclude any amounts estimated to be uncollectible at year end.

**Prepaid Expenses:** Payments to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid expenses and are accounted for using the consumption method.

# CITY OF FARMER CITY, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS (Continued) April 30, 2024

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### Note 1 - Summary of Significant Accounting Policies, continued

**Capital Assets:** Capital assets are not capitalized in the governmental funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds. Capital assets consisting of property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost exceeding \$ 5,000 and an estimated useful life in excess of twenty-four consecutive months. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable. Donated capital assets are stated at their fair value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is expensed as incurred. No interest expense was incurred by the City for construction projects during the current fiscal year.

Depreciation of all exhaustible capital assets and intangible assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation and amortization are reported on the proprietary fund statement of net position. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Electric light plant and system	20-30 years
Waterworks and sewerage system	20-30 years
Infrastructure	20 years
Machinery and equipment	5-10 years
Furniture and office equipment	5-10 years

Infrastructure assets include roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems. The City has elected to report only those infrastructure fixed assets that were acquired or constructed after April 30, 2005.

**Compensated Absences:** It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. Accumulated sick leave is not earned until taken by the employee, and therefore the expense is recorded in governmental funds at the time it is used. All vacation pay is accrued when incurred in the government-wide and proprietary funds. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The General Fund and special revenue funds typically liquidate the governmental activities liability for compensated absences. At April 30, 2024, the City was obligated for \$ 50,728 of accumulated vacation pay.

## CITY OF FARMER CITY, ILLINOIS

### NOTES TO FINANCIAL STATEMENTS (Continued) April 30, 2024

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#### Note 1 - Summary of Significant Accounting Policies, continued

**Long-Term Debt:** In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year of issuance.

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

**Deferred Outflows/Inflows of Resources:** In addition to assets, the statement of net position will sometimes report a separate section for 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 governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an 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.

**Equity Classification in Government -Wide Statements:** Equity is classified as net position and displayed in three components:

Net investment in capital assets: Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted net position: Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation. None of the restricted net position result from enabling legislation adopted by the City.

Unrestricted net position: All other net positions that do not meet the definition of "restricted" or "net investment in capital assets."

## CITY OF FARMER CITY, ILLINOIS

### NOTES TO FINANCIAL STATEMENTS (Continued) April 30, 2024

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#### Note 1 - Summary of Significant Accounting Policies, continued

**Equity Classification in Governmental Fund Statements:** The City has implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

Nonspendable fund balance – Amounts that are not in a spendable form (such as inventory, prepaid expenses, long-term receivables) or are required to be maintained intact.

Restricted fund balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level of action to remove or change the constraint.

Assigned fund balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned fund balance – Amounts that are available for any purpose; positive amounts are reported only in the general fund.

The City establishes (modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment. Assigned fund balances are established by the City through the same process as intended for specific purposes (such as the purchase or construction of capital assets, debt service, or for other purposes).

**Net Position Flow Assumption:** Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted and unrestricted in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted to have been depleted before unrestricted is applied.



## CITY OF FARMER CITY, ILLINOIS

### NOTES TO FINANCIAL STATEMENTS (Continued) April 30, 2024

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#### Note 1 - Summary of Significant Accounting Policies, continued

**Fund Balance Flow Assumptions:** Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Budgets and Budgetary Accounting:** The City is under the appropriations method as described in the Illinois Compiled Statutes. The Annual Appropriations Ordinance passed by the City is the legally binding document which restricts the City's maximum expenditure of funds.

**Use of Estimates:** Management of the City has made certain estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures/expenses during the period. Actual results could differ from those estimates.

**Internal and Interfund Balances and Activities:** In the process of aggregating the financial information for the government-wide statement of net position and statement of activities, some amounts reported as interfund activities and balances in the fund financial statements have been eliminated or reclassified. Interfund services are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

#### Note 2 - Deposits and Investments

##### Deposits

The City maintains a cash pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and cash equivalents". The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. In addition, investments are separately held by several of the City's funds. The investments are governed by an investment policy.

**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**April 30, 2024**

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**Note 2 - Deposits and Investments, continued**

Deposits, continued

The carrying amount of the City's deposits with financial institutions was \$ 3,597,793 and the bank balance was \$ 3,697,377, at April 30, 2024. The institutions' balances are categorized as follows:

Demand Deposits

Amount insured by FDIC	\$ 254,036
Uninsured and collateralized with securities held by the pledging financial institution but not in the name of the City	<u>1,620,587</u>
Total demand deposits	<u>\$ 1,874,623</u>

Time Deposits

Amount insured by FDIC	\$ 62,046
Uninsured and collateralized with securities held by the pledging financial institution but not in the name of the City	<u>1,760,708</u>
Total time deposits	<u>\$ 1,822,754</u>
Total balance uninsured and uncollateralized	<u>\$ -</u>

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. As of April 30, 2024, \$ 3,381,295 of the City's bank balance of \$ 3,697,377 was exposed to custodial credit risk. The City mitigates this risk by entering into collateral agreements for uninsured cash amounts on deposit.

**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**April 30, 2024**

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**Note 2 - Deposits and Investments, continued**

Investments

The City invests excess unrestricted cash reserves with the Illinois Metropolitan Investment Fund (IMET). IMET is an actively managed investment fund for Illinois units of local government, which offers two investment options, the IMET 1-3 Year Series and the IMET Convenience Series. Both investment options are comprised of collateralized bank deposits, FDIC insured certificates of deposit, and U.S. Government securities. At April 30, 2024, the City's funds invested with IMET were as follows:

<u>Fund</u>	<u>Shares Held</u>	<u>Price per Share</u>	<u>Fair Value</u>
Convenience Fund	1,038,537.140	\$ 1.000	\$ 1,038,537

Custodial credit risk for investments is the risk that, in the event of failure of the counterparty to the investment, the City will not be able to recover the value of their investments that are in the possession of an outside party. The City limits the exposure to credit risk by limiting investments to securities in accordance with their respective policies, prequalifying institutions, and diversifying the portfolio so the impact of potential losses from any one type of security or from one individual issuer will be minimized.

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in the market interest rates. The City limits the exposure to interest rate risk by structuring the portfolio so that securities mature to meet cash requirements for ongoing operations and investing funds in secured investment pools.

**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**April 30, 2024**

**Note 3 - Capital Assets**

Capital asset activity for the fiscal year ended April 30, 2024 was as follows:

	Balance April 30, 2023	Additions	Deletions	Balance April 30, 2024
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 121,840	33,573		155,413
Construction in progress	35,160	694,703		729,863
	<hr/>			
Total assets not being depreciated	157,000	728,276	-	885,276
	<hr/>			
Capital assets being depreciated:				
Buildings	2,916,761			2,916,761
Equipment	1,040,896	163,409		1,204,305
Infrastructure	5,117,707	118,175		5,235,882
Land improvements	509,998	210,283		720,281
	<hr/>			
Total assets being depreciated	9,585,362	491,867	-	10,077,229
	<hr/>			
Less accumulated depreciation for:				
Buildings	(1,298,060)	(46,511)		(1,344,571)
Equipment	(362,107)	(126,208)		(488,315)
Infrastructure	(2,857,818)	(290,543)		(3,148,361)
Land improvement	(60,882)	(35,181)		(96,063)
	<hr/>			
Total accumulated depreciation	(4,578,867)	(498,443)	-	(5,077,310)
	<hr/>			
Total assets being depreciated, net	5,006,495	(6,576)	-	4,999,919
	<hr/>			
Governmental activities, net	\$ 5,163,495	721,700	-	5,885,195
	<hr/>			

Depreciation expense for the year ended April 30, 2024 was charged to functions of the City as follows:

General government	\$ 147,152
Public safety	20,822
Public works	200,172
Streets and alleys	43,023
Culture and recreation	87,274
	<hr/>
Total depreciation expense - governmental activities	<u>\$ 498,443</u>

**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**April 30, 2024**

**Note 3 - Capital Assets, continued**

	Balance April 30, 2023	Additions	Deletions	Balance April 30, 2024
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 40,000			40,000
Capital assets being depreciated:				
Buildings	3,798,327			3,798,327
Systems and infrastructure	14,257,242	131,067		14,388,309
Equipment	1,263,997	79,000	16,626	1,326,371
Total assets being depreciated	19,319,566	210,067	16,626	19,513,007
Less accumulated depreciation for:				
Buildings	(3,689,979)	(268,018)		(3,957,997)
Systems and infrastructure	(9,906,773)	(114,921)		(10,021,694)
Equipment	(1,050,380)	(56,028)	(16,626)	(1,089,782)
Total accumulated depreciation	(14,647,132)	(438,967)	(16,626)	(15,069,473)
Total assets being depreciated, net	4,672,434	(228,900)	-	4,443,534
Business-type activities, net	\$ 4,712,434	(228,900)	-	4,483,534

Depreciation expense for the year ended April 30, 2024 was charged to functions of the City as follows:

Electric light plant and system	\$ 227,476
Water	80,343
Sewer	131,148
Total depreciation expense - business-type activities	<u>\$ 438,967</u>

**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**April 30, 2024**

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**Note 4 - Long-term Debt**

Governmental Activities:

**Alternate Revenue Bonds – Series 2019B:** During the fiscal year ended April 30, 2020, the City issued \$ 1,930,000 of General Obligation Bonds (Alternative Revenue Source), Series 2019B. Proceeds of this issue were used for street and other infrastructure improvements. Repayment commenced December 1, 2019 with regular payments due December 1<sup>st</sup> and June 1<sup>st</sup> annually and a final payment due December 1, 2043.

Remaining liabilities under the Series 2019B Alternate Revenue Bond at April 30, 2024 were as follows:

<u>Year ending April 30,</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	3.90%	\$ 60,000	64,670	124,670
2026	4.00%	60,000	63,350	123,350
2027	4.00%	65,000	62,030	127,030
2028	4.00%	65,000	60,600	125,600
2029	4.00%	65,000	58,000	123,000
2030-2034	4.00%	375,000	248,200	623,200
2035-2039	4.00%	460,000	166,600	626,600
2040-2044	4.00%	550,000	68,000	618,000
Total		<u>\$ 1,700,000</u>	<u>791,450</u>	<u>2,491,450</u>

Business-Type Activities:

**Alternate Revenue Bonds – Series 2017:** During the fiscal year ended April 30, 2018, the City issued \$ 1,130,000 of General Obligation Bonds (Alternative Revenue Source), Series 2017. Proceeds of this issue were used to pay down the callable portion of the Series 2011 bond issue. These bonds are due in annual installments of \$ 10,000 to \$ 105,000 commencing December 1, 2018 through 2031, with interest rates ranging from 2% to 4%. Interest is payable semi-annually on June 1 and December 1 of each year, commencing June 1, 2018.

**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**April 30, 2024**

**Note 4 - Long-term Debt, continued**

Business-Type Activities, continued:

Remaining liabilities under the Series 2017 Alternate Revenue Bond at April 30, 2024 were as follows:

<u>Year ending April 30,</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	2.50%	\$ 90,000	24,880	114,880
2026	2.50%	90,000	22,630	112,630
2027	2.80%	95,000	20,380	115,380
2028	2.80%	95,000	17,720	112,720
2029	2.80%	95,000	15,060	110,060
2030-2032	4.00%	310,000	25,000	335,000
Total		\$ 775,000	125,670	900,670

**Alternate Revenue Bonds – Series 2019A:** During the fiscal year ended April 30, 2020, the City issued \$ 1,650,000 of General Obligation Bonds (Alternative Revenue Source), Series 2019A. Proceeds of this issue were used to support major infrastructure improvements in the Water and Sewer Funds. Repayment commenced December 1, 2019 with regular payments due December 1<sup>st</sup> and June 1<sup>st</sup> annually and a final payment due December 1, 2043.

Remaining liabilities under the Series 2019A Alternate Revenue Bond at April 30, 2024 were as follows:

<u>Year ending April 30,</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	1.90%	\$ 50,000	54,238	104,238
2026	2.25%	55,000	53,113	108,113
2027	2.25%	55,000	51,875	106,875
2028	2.25%	55,000	50,637	105,637
2029	2.25%	55,000	49,400	104,400
2030-2034	4.00%	320,000	211,400	531,400
2035-2039	4.00%	390,000	142,200	532,200
2040-2044	4.00%	470,000	58,000	528,000
Total		\$ 1,450,000	670,863	2,120,863

**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**April 30, 2024**

**Note 4 - Long-term Debt, continued**

**Changes in Long-Term Liabilities:** Changes in general long-term liability activity for the year ended April 30, 2024 was as follows:

	Balance May 1, 2023	Additions	Reductions	Balance April 30, 2024	Due Within One Year
<u>Governmental Activities:</u>					
Alternate Revenue:					
Series 2019B	\$ 1,760,000		60,000	1,700,000	60,000
Net Pension Liability	636,394		225,772	410,622	
Compensated Absences	27,332	940		28,272	
	<u>2,423,726</u>	<u>940</u>	<u>285,772</u>	<u>2,138,894</u>	<u>60,000</u>
<u>Business-Type Activities:</u>					
Alternate Revenue:					
Series 2017	860,000		85,000	775,000	90,000
Series 2019A	1,500,000		50,000	1,450,000	50,000
Net Pension Liability	515,483		193,485	321,998	
Compensated Absences	26,606		4,150	22,456	
	<u>2,902,089</u>	<u>-</u>	<u>332,635</u>	<u>2,569,454</u>	<u>140,000</u>
 Total	 <u>\$ 5,325,815</u>	 <u>940</u>	 <u>618,407</u>	 <u>4,708,348</u>	 <u>200,000</u>

**Note 5 - Property Taxes**

The City's tax levy ordinance related to the taxes collected in 2024 was adopted December 2023. Property taxes are assessed and attached as an enforceable lien on property as of January 1 of each year. Taxes normally are collected between May 1 and September 1 (the last day of payment without penalty or interest) of the following year. The DeWitt County Treasurer is responsible for collecting and disbursing the tax monies to the City.

In accordance with generally accepted accounting principles, property taxes are recognized as revenue in the budgetary year for which they are levied. Property taxes receivable are recorded as deferred revenue since they are budgeted to pay next year's expenses.



**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**April 30, 2024**

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**Note 5 - Property Taxes, continued**

Property taxes receivable as of April 30, 2024, consist of the following:

	2023 Tax Levy Year
General Fund	\$ 109,638
Tax Increment Financing Fund II	470,891
Non-Major Governmental Funds	503,830
Proprietary Funds	<u>24,364</u>
Total	<u>\$ 1,108,723</u>

**Note 6 - Interfund Transactions**

During the course of normal operations, the City has many transactions between funds including expenses and transfers of resources primarily to provide services. Individual fund interfund receivable and payable balances at April 30, 2024 arising from these transactions follow:

	Interfund Receivables	Interfund Payables
Governmental Funds:		
General Fund	\$	1,031,283
Tax Increment Financing Fund II	15,062	
Nonmajor Governmental Funds	355,537	63,504
Proprietary Funds:		
Electric Light Plant and System Fund	372,591	
Water Fund	364,040	
Sewer Fund	9,628	
Garbage Fund		<u>22,071</u>
	<u>\$ 1,116,858</u>	<u>1,116,858</u>

Included above is \$ 1,022,468 due between funds which is the result of temporary loans made through the shared bank account for operations. The operating checking and money market account balances are split among several funds, and when one fund overdraws its portion of the account, the other funds make up the difference.

All remaining interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**April 30, 2024**

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**Note 6 - Interfund Transactions, continued**

Transfers are used to provide resources from unrestricted funds revenues to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers consist of the following transactions:

	Transfer In	Transfer Out
	<hr/>	<hr/>
Governmental Funds:		
General Fund	\$ 109,000	
Tax Increment Financing Fund II		5,000
Nonmajor governmental funds		139,371
Proprietary Funds:		
Sewer Fund	35,371	
	<hr/>	<hr/>
	\$ 144,371	144,371
	<hr/>	<hr/>

\$ 9,000 of the above transfers was for administrative costs and various reclassifications, while \$ 135,371 was to close the Capital Projects Fund.

Inter-office charges are year-end transfers into the General Fund to support the administrative duties conducted on behalf of the other funds. For the year ended April 30, 2024, inter-office charges included:

	Transfer To	Transfer From
	<hr/>	<hr/>
General Fund	\$ 265,000	
Water		60,000
Sewer		50,000
Electric		155,000
	<hr/>	<hr/>
	\$ 265,000	265,000
	<hr/>	<hr/>

## CITY OF FARMER CITY, ILLINOIS

### NOTES TO FINANCIAL STATEMENTS (Continued) April 30, 2024

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#### Note 7 - Defined Benefit 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 their beneficiaries. The City's plan is managed by the Illinois Municipal Retirement Fund ("IMRF"), the administrator of an agent multiple-employer public pension plan. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section below. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information (RSI). The report is available for download at [www.imrf.org](http://www.imrf.org).

##### Benefits Provided

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

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

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

**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**April 30, 2024**

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**Note 7 - Defined Benefit Pension Plan, continued**

Employees Covered by Benefit Terms

At December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

Retirees and beneficiaries	32
Inactive, non-retired members	15
Active members	<u>21</u>
Total	<u>68</u>

Contributions

As set by statute, the City's regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires the City 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 2023 was 11.92%. 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/(Asset)

The City's net pension liability/(asset) was measured as of December 31, 2023. The total pension liability/(asset) used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date. The amount is included on the Statement of Net Position.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability as of December 31, 2023:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study from years 2020 to 2022.

Mortality Assumptions

For **non-disabled retirees**, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021 were used.

## CITY OF FARMER CITY, ILLINOIS

### NOTES TO FINANCIAL STATEMENTS (Continued)

April 30, 2024

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#### Note 7 - Defined Benefit Pension Plan, continued

##### Mortality Assumptions, continued

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-2021.

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-2021.

##### Long-Term Expected Real Rate of Return

The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) were developed for each major asset class. These ranges were combined to produce 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, 2023.

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	34.50%	5.00%
International equity	18.00%	6.35%
Fixed income	24.50%	4.75%
Real estate	10.50%	6.30%
Alternative investments	11.50%	6.05 - 8.65%
Cash equivalents	1.00%	3.80%

##### Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability as of December 31, 2023. 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 City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. 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 3.77%, and the resulting single discount rate is 7.25%.

**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**April 30, 2024**

**Note 7 - Defined Benefit Pension Plan, continued**

Changes in Net Pension Liability/(Asset)

	Increase/ (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a) - (b)
Balance at December 31, 2022	\$ 6,808,795	5,656,918	1,151,877
Service cost	130,950	-	130,950
Interest on total pension liability	483,855	-	483,855
Differences between expected and actual			
Experience of the total pension liability	19,210	-	19,210
Change of assumptions	(12,566)	-	(12,566)
Benefit payments, including refunds of			
Employee contributions	(422,013)	(422,013)	-
Contributions – employer		158,039	(158,039)
Contributions – employee		71,538	(71,538)
Net investment income		815,196	(815,196)
Other (Net Transfer)		(4,067)	4,067
Balance at December 31, 2023	<u>\$ 7,008,231</u>	<u>6,275,611</u>	<u>732,620</u>
Plan fiduciary net position as a percentage of the total pension liability			89.55%
Covered valuation payroll			1,325,853
Net pension liability as a percentage of covered valuation payroll			55.26%

Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate

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

	1% Lower (6.25%)	Current Discount Rate (7.25%)	1% Higher (8.25%)
	Net pension liability/(asset)	<u>\$ 1,480,292</u>	<u>732,620</u>

**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**April 30, 2024**

**Note 7 - Defined Benefit Pension Plan, continued**

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

For the year ended April 30, 2024, the City recognized pension income of \$ 168,640. At April 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 12,455	14,836
Changes in assumptions	-	8,147
Net difference between projected and actual earning on Pension plan investments	<u>204,430</u>	-
Total deferred amounts to be recognized in pension expense In future periods	<u>216,885</u>	<u>22,983</u>
Pension plan contributions made subsequent to the measurement date	<u>51,654</u>	-
Total deferred amounts related to pension	<u>\$ 268,539</u>	<u>22,983</u>

\$ 51,654 reported as deferred outflows of resources related to pension resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net position liability in the reporting year ending April 30, 2025.

Other 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:

<u>Year Ending December 31,</u>	<u>Net Deferred Outflows of Resources</u>
2024	\$ (8,210)
2025	79,643
2026	204,876
2027	(82,407)
Thereafter	-
	<u>\$ 193,902</u>

**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**April 30, 2024**

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**Note 7 - Defined Benefit Pension Plan, continued**

Change in Net Pension Liability

	April 30, 2023	Additions	Deletions	April 30, 2024
Net pension liability - IMRF	\$ 1,151,877		419,257	732,620

**Note 8 - 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; injuries to employees; and natural disasters. The City has joined together with other municipalities in the State of Illinois to form the Illinois Municipal League Risk Management Association (IMLRMA), a public entity risk pool currently operating as a common risk management and insurance program for its member municipalities.

The City pays an annual premium to IMLRMA for its general insurance coverage which includes workers' compensation, comprehensive general liability, inland marine, automobile physical damage, and property loss. Each area of coverage is subject to limitations that would be comparable to commercial insurance coverage. The agreement for formation of the IMLRMA provides that IMLRMA will be self-sustaining through member contributions and will reinsure through commercial companies for claims in excess of \$ 15 million for each insured event. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three years.

**Note 9 - Legal Debt Margin**

The statutory debt limit of the City is 8.625% of assessed valuation, less any applicable debt. The legal debt margin at April 30, 2024 is as follows:

Total Assessed Valuation – 2023 Tax Year	<u>\$ 24,364,015</u>
Statutory Debt Limitation: 8.625% of Assessed Valuation	2,101,396
Less: Total Applicable Debt - None	<u>-</u>
Legal Debt Margin	<u>\$ 2,101,396</u>



**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**April 30, 2024**

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**Note 10 - Intergovernmental Receivables**

Intergovernmental taxes receivable as of April 30, 2024, consist of the following:

Income tax – General Fund	\$ 69,885
Replacement tax – General Fund	6,902
Sales tax – General Fund	40,123
Excise tax – General Fund	1,528
Use tax – General Fund	11,295
Video gaming tax – General Fund	15,627
Cannabis tax – General Fund	502
Motor fuel tax – Motor Fuel Tax Fund	6,574
Business district tax – Business District Tax Fund	<u>17,027</u>
Total	<u>\$ 169,463</u>

**Note 11 - Fair Value Measurements**

The City has determined the fair value of its investments through application of GASB Statement No. 72 *Fair Value Measurement and Application*. Fair value measurements are categorized into one of three levels based on the lowest level of significant input:

- Level 1 – Value is based on observable inputs that reflect quoted prices in active markets, for identical assets or liabilities, for which the government has access to.
- Level 2 – Value is based on inputs that reflect quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs other than quoted prices that are observable for the asset or liability.
- Level 3 – Value is based on unobservable inputs for the asset or liability.

The fair value measurement level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**April 30, 2024**

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**Note 11 - Fair Value Measurements, continued**

The fair value of the City’s investments, measured on a recurring basis, are as follows at April 30, 2024:

	Fair Value Measurements at Reported Date, using:			
	Fair Value	(Level 1)	(Level 2)	(Level 3)
IMET Convenience Fund	\$ 1,038,537	1,038,537		

**Note 12 - Leases**

**City as Lessor:** The City leases a portion of its property to Mediacom Illinois LLC for their use in constructing, operating, maintaining, repairing, replacing, relocating, and removing equipment related to its communications systems. The original lease term is for a period of five years beginning May 1, 2018 and ending April 30, 2023, and automatically renews for an additional five year term unless lessee gives written notice of its desire not to renew. The lease was automatically renewed at April 30, 2023 for the additional five years. After the renewal term, the agreement will continue for successive terms of one month each until terminated by either party. Monthly rental payments under the lease increase each year. For the first five years of the original term, monthly payments ranged from \$ 350 to \$ 394. Monthly payments during the five year renewal term range from \$ 406 to \$ 457.

Total rent received during the fiscal year ended April 30, 2024 was \$ 4,869.

Total annual amounts of rent expected to be received in future years are as follows:

	Principal	Implied Interest	Present Value of Lease Receivable
2025	\$ 5,015	(283)	4,732
2026	5,166	(432)	4,734
2027	5,320	(584)	4,736
2028	5,480	(741)	4,739
Total	\$ 20,981	(2,040)	18,941

**CITY OF FARMER CITY, ILLINOIS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**April 30, 2024**

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**Note 13 - Deficit Fund Balance**

The following funds had a deficit fund balance at April 30, 2024:

Fund	Amount
Governmental Funds	
Hotel-Motel Tax	\$ (31,496)
ESDA	(22,880)
School Crossing Guard	(2,472)
Proprietary Fund	
Garbage	(8,952)

The City anticipates funding the deficits with future revenues.

**Note 14 - Insurance Recoveries**

In February 2022, one of the City’s public works buildings, and the contents thereof, were destroyed in a no-fault fire. During the year ended April 30, 2024, the building and other assets were replaced. Insurance proceeds in the amount of \$ 314,930 were received for these replacements.

**Note 15 - Contingencies**

The City is a defendant in a legal claim. In the event that lost wages or punitive damages are awarded by the court, those would not be covered by the City’s insurance. These damages seem unlikely at this time, with legal counsel estimating less than a thirty percent chance of an unfavorable outcome.

**Note 16 - Availability Payment Arrangement**

In March 2024, the City Council approved a Redevelopment Agreement between the City of Farmer City and Tabeling Development Company, LLC (Developer) to create a total of approximately 17 acres of buildable lots, build, manage, and own a 16-unit apartment complex, construct a commercial retail center, and construct approximately 300 feet of east west road. Developer reimbursements or payments it is to receive under this Agreement shall be contingent on the number of units it has completed. Reimbursement amounts will be capped at \$ 60,000 each year for the first five years for the apartment complex and \$ 30,000 each year for the first five years for the commercial retail center. After that, reimbursement amounts shall be up to 75% of tax increment available, until all eligible redevelopment project costs are fully reimbursed. The total eligible redevelopment project costs combined shall be capped at \$ 1,500,000, or upon the end of tax year 2042, whichever occurs first.

**Note 17 - Subsequent Events**

No events have occurred subsequent to April 30, 2024 that are required to be disclosed in these financial statements. This evaluation was made as of October 23, 2024, the date these financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF FARMER CITY, ILLINOIS**

**ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS  
Last 10 Calendar Years**

	2023	2022	2021
<b>Total pension liability:</b>			
Service cost	130,950	124,028	109,917
Interest on the total pension liability	483,855	473,171	463,773
Changes in benefit terms			
Differences between expected and actual experience on the total pension liability	19,210	(43,057)	(47,521)
Changes in assumptions	(12,566)		
Benefit payments, including refunds of employee contributions	(422,013)	(411,534)	(403,783)
Net change in total pension liability	199,436	142,608	122,386
Total pension liability - beginning	6,808,795	6,666,187	6,543,801
Total pension liability - ending (a)	7,008,231	6,808,795	6,666,187
<b>Plan fiduciary net position:</b>			
Employer contributions	158,039	160,576	167,848
Employee contributions	71,538	64,606	54,632
Net investment income	815,196	(960,814)	1,057,888
Benefit payments, including refunds of member contributions	(422,013)	(411,534)	(403,783)
Other (net transfer)	(4,067)	139,319	(242,650)
Net change in plan fiduciary net position	618,693	(1,007,847)	633,935
Plan fiduciary net position - beginning	5,656,918	6,664,765	6,030,830
Plan fiduciary net position - ending (b)	6,275,611	5,656,918	6,664,765
Employer's net pension liability (a) - (b)	732,620	1,151,877	1,422
Plan fiduciary net position as a percentage of the total pension liability	89.55%	83.08%	99.98%
Covered-employee payroll	1,325,853	1,222,043	1,201,498
Employer's net pension liability as a percentage of covered-employee payroll	55.26%	94.26%	0.12%

2020	2019	2018	2017	2016	2015
119,439	104,933	99,756	101,415	102,665	100,734
443,728	430,563	407,218	393,962	363,424	342,811
138,498	(506)	121,648	70,887	133,614	(5,279)
(11,084)		154,434	(151,093)	(24,681)	
(414,891)	(306,436)	(246,388)	(228,791)	(157,624)	(168,232)
275,690	228,554	536,668	186,380	417,398	270,034
6,268,111	6,039,557	5,502,889	5,316,509	4,899,111	4,629,077
6,543,801	6,268,111	6,039,557	5,502,889	5,316,509	4,899,111
174,720	152,903	194,628	147,314	139,281	133,376
55,370	46,839	43,195	42,177	42,859	39,590
751,196	847,715	(230,954)	654,289	262,995	19,137
(414,891)	(306,436)	(246,388)	(228,791)	(157,624)	(168,232)
143,046	15,909	162,695	(12,682)	15,304	(112,719)
709,441	756,930	(76,824)	602,307	302,815	(88,848)
5,321,389	4,564,459	4,641,283	4,038,976	3,736,161	3,825,009
6,030,830	5,321,389	4,564,459	4,641,283	4,038,976	3,736,161
512,971	946,722	1,475,098	861,606	1,277,533	1,162,950
92.16%	84.90%	75.58%	84.34%	75.97%	76.26%
1,092,682	1,040,868	959,900	937,264	938,554	879,782
46.95%	90.96%	153.67%	91.93%	136.12%	132.19%

**CITY OF FARMER CITY, ILLINOIS**

**ILLINOIS MUNICIPAL RETIREMENT FUND  
NOTES TO SCHEDULE OF CHANGES IN THE CITY'S  
NET PENSION LIABILITY AND RELATED RATIOS  
Year ended April 30, 2024**

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Most Recent Calendar Year

This schedule is presented to illustrate the requirement to show information for 10 consecutive years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Changes in Assumptions:

- 2015 Changes are primarily from a change in the calculated single discount rate from 7.49% in 2014 to 7.47% in 2015.
- 2016 Changes are primarily from a change in the calculated single discount rate from 7.47% in 2015 to 7.50% in 2016.
- 2017 Changes are primarily from adopting an IMRF specific mortality table with fully generational projection scale MP-2017 (base year 2015) developed from the RP-2014 mortality tables.
- 2018 Assumed investment rate of return was lowered from 7.50% to 7.25%.
- 2019 No changes.
- 2020 Changes are primarily from adopting the Pub-2010, amount weighted, general mortality tables for retirees and active members.
- 2021 No changes.
- 2022 No changes.
- 2023 Changes are primarily from adopting an IMRF specific mortality table with fully generational projection scale MP-2021.

**CITY OF FARMER CITY, ILLINOIS**

**ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
Last 10 Calendar Years**

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2015	\$ 133,375	133,376	(1)	879,782	15.16%
2016	139,281	139,281	-	938,554	14.84%
2017	140,402	147,314	(6,912)	937,261	15.72%
2018	156,464	194,628	(38,164)	959,900	20.28%
2019	152,904	152,903	1	1,040,868	14.69%
2020	174,720	174,720	-	1,092,682	15.99%
2021	167,849	167,848	1	1,201,498	13.97%
2022	160,576	160,577	(1)	1,222,043	13.14%
2023	158,970 *	158,038	932	1,325,853	11.92%

\* Estimated based on contribution rate of 11.99% and covered valuation payroll of \$1,325,853.



**CITY OF FARMER CITY, ILLINOIS**

**ILLINOIS MUNICIPAL RETIREMENT FUND  
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS  
Year ended April 30, 2024**

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Valuation Date

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 2023 contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Non-Taxing bodies: 10-year rolling period.  Taxing bodies (Regular, SLEP and ECO groups): 20-year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.  SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 15 years for most employers (five employers were financed over 16 years; one employer was financed over 17 years; two employers were financed over 18 years; one employer was financed over 21 years; three employers were financed over 24 years; four employers were financed over 25 years; and one employer was financed over 26 years).
Asset valuation method	5-Year smoothed market, 20% corridor
Wage growth	2.75%
Price inflation	2.25%
Salary increases	2.75% 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	There were no benefit changes during the year.

**CITY OF FARMER CITY, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULE -  
GENERAL FUND (Unaudited)**

**Year ended April 30, 2024**

	Original and Final Budget	Actual Amounts (Budgetary Basis)	Over (Under) Budget
<b>Cash receipts:</b>			
Property tax	\$ 118,647	122,473	3,826
Income tax	280,000	299,270	19,270
Replacement tax	50,000	48,115	(1,885)
Sales tax	250,000	254,710	4,710
Excise tax	30,000	9,187	(20,813)
Use tax	70,000	69,824	(176)
Video gaming tax	65,000	89,606	24,606
Cannabis tax	3,000	2,837	(163)
Fines, fees, permits and licenses	54,500	57,142	2,642
Grants	81,000		(81,000)
Interest	10,000	114,219	104,219
Miscellaneous	564,019	94,079	(469,940)
	<u>1,576,166</u>	<u>1,161,462</u>	<u>(414,704)</u>
<b>Cash disbursements:</b>			
General government	688,500	475,267	(213,233)
Public safety	680,000	564,712	(115,288)
Streets and alleys	340,000	291,285	(48,715)
Recreation	360,000	325,421	(34,579)
Capital outlay	1,225,000	762,836	(462,164)
	<u>3,293,500</u>	<u>2,419,521</u>	<u>(873,979)</u>
Excess (deficiency) of cash receipts over (under) cash disbursements	<u>(1,717,334)</u>	<u>(1,258,059)</u>	<u>459,275</u>
<b>Other financing sources (uses):</b>			
Inter-office charges	265,000	265,000	-
Insurance proceeds		350,480	350,480
Transfer in	9,000	109,000	100,000
	<u>274,000</u>	<u>724,480</u>	<u>450,480</u>
Net change in fund balance	<u>\$(1,443,334)</u>	<u>(533,579)</u>	<u>909,755</u>
Fund balance (budgetary basis), beginning of year		<u>1,516,931</u>	
Fund balance (budgetary basis), end of year		<u>983,352</u>	

**CITY OF FARMER CITY, ILLINOIS**

**RECONCILIATION OF BUDGETARY BASIS CASH RECEIPTS AND CASH  
DISBURSEMENTS TO GAAP REVENUES AND EXPENSES - GENERAL FUND  
Year ended April 30, 2024**

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Total cash receipt sources for general fund activities	\$ 1,161,462
Differences - Budget to GAAP:	
Receivables are not recorded as budgetary cash receipts or other sources, but are revenue for financial reporting purposes:	
Intergovernmental tax receivable	(18)
Other receivables	<u>(50)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance	<u><u>1,161,394</u></u>
Total cash disbursements for general fund activities	2,419,521
Differences - Budget to GAAP:	
Accruals are not recorded as budgetary cash disbursements or other financing uses, but are expenses for financial reporting purposes:	
Accounts payable	(7,398)
Accrued expenses	10,142
Prepaid expenses	<u>1,455</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance	<u><u>\$ 2,423,720</u></u>

**CITY OF FARMER CITY, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULE -  
TIF II FUND (Unaudited)  
Year ended April 30, 2024**

	Original and Final Budget	Actual Amounts (Budgetary Basis)	Over (Under) Budget
<b>Cash receipts:</b>			
Property tax	\$ 380,000	411,652	31,652
Grants		2,957	2,957
Interest	500	3,313	2,813
	<hr/>		
Total cash receipts	380,500	417,922	37,422
	<hr/>		
<b>Cash disbursements:</b>			
Public works	125,000	49,957	(75,043)
Capital outlay	600,000	325,356	(274,644)
Debt service - principal	60,475	60,000	(475)
Debt service - interest	89,525	65,990	(23,535)
	<hr/>		
Total cash disbursements	875,000	501,303	(373,697)
	<hr/>		
Excess (deficiency) of cash receipts over (under) cash disbursements	(494,500)	(83,381)	411,119
	<hr/>		
<b>Other financing sources (uses):</b>			
Transfers out		(5,000)	(5,000)
	<hr/>		
Total other financing sources (uses)	-	(5,000)	(5,000)
	<hr/>		
Net change in fund balance	<u>\$ (494,500)</u>	<u>(88,381)</u>	<u>406,119</u>
Fund balance (budgetary basis), beginning of year		<u>248,122</u>	
Fund balance (budgetary basis), end of year		<u><u>159,741</u></u>	

**CITY OF FARMER CITY, ILLINOIS**

**RECONCILIATION OF BUDGETARY BASIS CASH RECEIPTS AND CASH DISBURSEMENTS  
TO GAAP REVENUES AND EXPENSES - TIF II FUND**

**Year ended April 30, 2024**

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Total cash receipt sources for TIF II activities	\$ 417,922
Differences - Budget to GAAP:	
Receivables are not recorded as budgetary cash receipts or other sources, but are revenue for financial reporting purposes:	
Other receivables	<u>322</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance	<u><u>418,244</u></u>
Total cash disbursements for TIF II activities	\$ 501,303
Differences - Budget to GAAP:	
Accruals are not recorded as budgetary cash disbursements or other financing uses, but are expenses for financial reporting purposes:	
Accounts payable	<u>(1,584)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance	<u><u>\$ 499,719</u></u>

**CITY OF FARMER CITY, ILLINOIS**

**RECONCILIATION OF BUDGETARY BASIS FUND BALANCE  
TO GAAP BASIS FUND BALANCE**

**Year ended April 30, 2024**

	General Fund	Tax Increment Financing Fund II	Non-Major Governmental Funds	Total
Fund balance - Budgetary basis	\$ 983,352	159,741	1,350,824	2,493,917
Add back:				
Intergovernmental receivables	145,862		23,601	169,463
Other receivables		322		322
Prepaid expenses	167		52,983	53,150
Less:				
Accounts payable	(33,156)	(1,901)	(6,501)	(41,558)
Accrued expenses	(18,870)		(3,004)	(21,874)
Fund balance - GAAP basis	\$ 1,077,355	158,162	1,417,903	2,653,420

## **CITY OF FARMER CITY, ILLINOIS**

### **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**Year ended April 30, 2024**

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#### **Note A - Budget Policy and Practice**

The City operates under an Annual Appropriation Ordinance that sets a limit on what may be spent during the fiscal year. The City staff also develops an annual budget in greater detail than the appropriation ordinance. This budget is based on the City's goals of what programs are to be funded, capital projects and purchases desired, levels of taxation, types and amounts of user fees, estimates of state revenues, historical operating expenses and desired cash reserves and fund balance. The appropriation is based on the budget. The appropriation ordinance must be adopted by majority vote of the City Council before the end of the first quarter of the fiscal year. The City staff uses this budget to guide operations during the fiscal year. The Annual Appropriation Ordinance was passed and approved by the City Council on June 5, 2023. No amendments were made.

All budgets are adopted on the cash basis of accounting, which is an accounting framework other than those generally accepted in the United States of America (U.S. GAAP). The budgetary cash basis reports revenues (receipts) upon receipt of cash and expenditures (disbursements) when cash is paid.

#### **Note B - Expenditures in Excess of Budget**

None of the major funds had disbursements in excess of budgeted amounts for the fiscal year ended April 30, 2024.

**SUPPLEMENTARY INFORMATION**



CITY OF FARMER CITY, ILLINOIS

COMBINING BALANCE SHEET -  
NON-MAJOR GOVERNMENTAL FUNDS  
April 30, 2024

	Special Revenue Funds					
	Library Fund	ESDA Fund	Insurance Fund	Social Security Fund	School Crossing Guard Fund	Illinois Municipal Retirement Fund
<b><u>Assets</u></b>						
Cash and cash equivalents	\$ 66,082		223,269	31,977		150,906
Property tax receivable	36,546	624	49,835	62,289	4,873	162,204
Intergovernmental tax receivable						
Prepaid expenses			52,983			
Due from other funds			162,699	69,821		83,988
Total Assets	102,628	624	488,786	164,087	4,873	397,098
<b><u>Liabilities</u></b>						
Accounts payable						
Accrued expenses	380			960	216	1,448
Due to other funds	6,163	22,880			2,256	
Total Liabilities	6,543	22,880	-	960	2,472	1,448
<b><u>Deferred Inflows of Resources</u></b>						
Unavailable revenue - property taxes	36,546	624	49,835	62,289	4,873	162,204
<b><u>Fund Balances</u></b>						
Nonspendable			52,983			
Restricted for:						
Tax increment financing district III						
Insurance			385,968			
Motor fuel tax						
Business district tax						
Audit						
Social security				100,838		
IMRF						233,446
Library	59,539					
Committed:						
Public safety						
Unassigned		(22,880)			(2,472)	
Total Fund Balances	59,539	(22,880)	438,951	100,838	(2,472)	233,446
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 102,628	624	488,786	164,087	4,873	397,098

Special Revenue Funds

Audit Fund	Hotel- Motel Tax Fund	Business District Tax Fund	Motor Fuel Tax Fund	Tax Increment Financing Fund III	Capital Projects Fund	DUI Fund	Total
65,626	709	156,588	296,948	53,991		12,695	1,058,791
39,867				147,592			503,830
		17,027	6,574				23,601
				35,000			52,983
4,029							355,537
109,522	709	173,615	303,522	236,583	-	12,695	1,994,742
		850	3,114	2,537			6,501
							3,004
	32,205						63,504
-	32,205	850	3,114	2,537	-	-	73,009
39,867				147,592			503,830
							52,983
				86,454			86,454
							385,968
			300,408				300,408
		172,765					172,765
69,655							69,655
							100,838
							233,446
							59,539
						12,695	12,695
	(31,496)						(56,848)
69,655	(31,496)	172,765	300,408	86,454	-	12,695	1,417,903
109,522	709	173,615	303,522	236,583	-	12,695	1,994,742

CITY OF FARMER CITY, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - NON-MAJOR  
GOVERNMENTAL FUNDS  
Year ended April 30, 2024**

	Special Revenue Funds					
	Library Fund	ESDA Fund	Insurance Fund	Social Security Fund	School Crossing Guard Fund	Illinois Municipal Retirement Fund
<b>Revenues:</b>						
Property taxes	\$ 35,294	593	49,764	59,477	4,706	154,257
Motor fuel taxes						
Other taxes						
Fines, fees, permits & licenses	725					
Donations	27,358					
Other income	368					
Interest	1,107		2,651	1,255	8	2,648
<b>Total revenues</b>	<b>64,852</b>	<b>593</b>	<b>52,415</b>	<b>60,732</b>	<b>4,714</b>	<b>156,905</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government			61,373	69,042		97,958
Public safety		995			9,279	
Public works						
Streets and alleys						
Culture and recreation	56,207					
Capital outlay						
<b>Total expenditures</b>	<b>56,207</b>	<b>995</b>	<b>61,373</b>	<b>69,042</b>	<b>9,279</b>	<b>97,958</b>
Excess (deficiency) of revenues over (under) expenditures	8,645	(402)	(8,958)	(8,310)	(4,565)	58,947
<b>Other financing sources (uses):</b>						
Transfers out						
<b>Total financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances	8,645	(402)	(8,958)	(8,310)	(4,565)	58,947
Fund balances, beginning	50,894	(22,478)	447,909	109,148	2,093	174,499
Fund balances, ending	\$ 59,539	(22,880)	438,951	100,838	(2,472)	233,446

Audit Fund	Hotel-Motel Tax Fund	Business District Tax Fund	Motor Fuel Tax Fund	Tax Increment Financing Fund III	Capital Projects Fund	DUI Fund	Total
37,914				91,361			433,366
			80,285				80,285
	17,614	115,129					132,743
						875	1,600
							27,358
							368
909	44	11,656	14,707	1,096	35	145	36,261
38,823	17,658	126,785	94,992	92,457	35	1,020	711,981
60,950							289,323
						3,407	13,681
	12,895	65,652		30,377	403		109,327
			61,376				61,376
					321		56,528
		99,122		32,829			131,951
60,950	12,895	164,774	61,376	63,206	724	3,407	662,186
(22,127)	4,763	(37,989)	33,616	29,251	(689)	(2,387)	49,795
		(2,000)		(2,000)	(135,371)		(139,371)
-	-	(2,000)	-	(2,000)	(135,371)	-	(139,371)
(22,127)	4,763	(39,989)	33,616	27,251	(136,060)	(2,387)	(89,576)
91,782	(36,259)	212,754	266,792	59,203	136,060	15,082	1,507,479
69,655	(31,496)	172,765	300,408	86,454	-	12,695	1,417,903

## **OTHER INFORMATION**

**CITY OF FARMER CITY, ILLINOIS**

**SCHEDULES OF ASSESSED VALUATIONS, RATES, AND EXTENSIONS - Unaudited  
TAX YEARS 2020 THROUGH 2023**

TAX YEAR	2023	2022	2021	2020
Rate Setting Assessed Valuation	\$ 24,364,015	\$ 23,562,710	22,589,338	22,740,483
Increment Valuation (for TIF)	\$ 6,476,390	\$ 5,209,730	4,546,139	4,499,301
<b>Tax Rates:</b>				
<b>General</b>				
Corporate	0.25000	0.25000	0.25000	0.25000
Police protection	0.07500	0.07500	0.07500	0.07500
Parks	0.07500	0.07500	0.07500	0.07500
Street lighting	0.05000	0.05000	0.05000	0.05000
Total General	0.45000	0.45000	0.45000	0.45000
Sewer	0.10000	0.10000	0.10000	0.10000
Social security and Illinois Municipal Retirement Fund	0.92141	0.90838	0.90877	0.83332
Library	0.15000	0.15000	0.15000	0.15000
Civil defense	0.00256	0.00252	0.00253	0.00252
Liability insurance	0.20454	0.21150	0.21205	0.23093
School crossing guard	0.02000	0.02000	0.02000	0.02000
Audit	0.16363	0.16114	0.15147	0.12049
Total	2.01214	2.00354	1.99482	1.90726
<b>Tax Extensions:</b>				
<b>General</b>				
Corporate	\$ 60,910	\$ 58,907	56,473	56,851
Police protection	18,273	17,673	16,942	17,055
Parks	18,273	17,673	16,942	17,055
Street lighting	12,182	11,781	11,295	11,370
Total General	109,638	106,034	101,652	102,331
Sewer	24,364	23,562	22,589	22,740
Social security and Illinois Municipal Retirement Fund	224,492	214,039	205,285	189,501
Library	36,546	35,344	33,884	34,111
Civil defense	624	594	572	573
Liability insurance	49,834	49,835	47,901	52,515
School crossing guard	4,873	4,712	4,518	4,548
Audit	39,867	37,969	34,216	27,400
Total	\$ 490,238	\$ 472,089	450,617	433,719

**CITY OF FARMER CITY, ILLINOIS**

**SCHEDULES OF PROPERTY TAX COLLECTIONS - Unaudited  
TAX YEARS 2019 THROUGH 2022**

TAX YEAR	2022	2021	2020	2019
Tax Collections (including Roads & Bridges and Mobile Home Privilege Tax):				
General:				
Corporate	\$ 58,824	\$ 56,544	57,037	57,628
Police protection	17,646	16,963	17,110	17,288
Parks	17,646	16,963	17,110	17,288
Roads & bridges	16,592	15,998	16,300	15,771
Street lighting	11,765	11,309	11,407	11,526
Total General	122,473	117,777	118,964	119,501
Sewer	23,529	22,618	22,814	23,051
Social security and Illinois Municipal Retirement Fund	213,734	205,542	190,115	189,016
Library	35,294	33,927	34,222	34,577
Civil defense	593	572	575	585
Liability insurance	49,764	47,961	52,685	53,790
School crossing guard	4,706	4,524	4,563	4,610
Audit	37,914	34,259	27,489	23,153
Tax increment financing fund II	411,652	381,212	374,293	375,023
Tax increment financing fund III	91,361	61,563	63,806	37,338
Total Tax Collected	991,020	909,955	889,526	860,644
Less: Non-levied taxes included above:				
Tax increment financing fund II	411,652	381,212	374,293	375,023
Tax increment financing fund III	91,361	61,563	63,806	37,338
Roads & bridges	16,592	15,998	16,300	15,771
Total non-levied taxes	519,605	458,773	454,399	428,132
Net Levied Tax Collected	\$ 471,415	\$ 451,182	435,127	432,512
Percentage of Extension Collected	100%	100%	100%	100%