

CITY OF NEOGA, ILLINOIS  
FINANCIAL STATEMENTS  
For the Year Ended April 30, 2024

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**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and City Commissioners  
City of Neoga  
Neoga, 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 Neoga, Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Neoga, Illinois' 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 Neoga, Illinois, as of April 30, 2024, and the respective changes in financial position, and, where applicable, cash flows, and the respective budgetary comparison for the General, Employee Benefits, Tax Increment Financing, and Motor Fuel Tax Funds 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 Neoga, 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 Neoga, 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 Neoga, 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 Neoga, 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 the schedule of changes in net pension liability and related ratios and the schedule of employer contributions on pages 41 through 43 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 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 opinion on the basic financial statements is 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 Neoga, 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 section. The other information section 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.

*Gilbert, Metzger & Madigan, LLP*

September 30, 2024

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF NEOGA, ILLINOIS  
STATEMENT OF NET POSITION  
April 30, 2024

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash deposits	\$ 2,671,659.83	\$ 2,189,933.55	\$ 4,861,593.38
Receivables:			
Property taxes	581,097.01	-	581,097.01
Utility taxes	6,162.71	-	6,162.71
Accounts receivable - users	-	89,562.67	89,562.67
Due from other governmental agencies	178,534.77	-	178,534.77
Other receivable	5,169.86	-	5,169.86
Lease receivable	9,925.97	-	9,925.97
Internal balances	(4,391.79)	4,391.79	-
Prepaid expenses	42,469.95	5,904.17	48,374.12
Inventory	27,777.29	43,541.21	71,318.50
Restricted assets:			
Cash deposits	-	68,292.95	68,292.95
Capital assets, net of accumulated depreciation	1,829,553.74	5,230,532.40	7,060,086.14
Total assets	5,347,959.34	7,632,158.74	12,980,118.08

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred pensions	283,321.69	-	283,321.69
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**LIABILITIES**

Accounts payable	20,786.44	25,825.54	46,611.98
Accrued payroll taxes and withholdings	8,964.72	-	8,964.72
Accrued interest	-	6,687.93	6,687.93
Accrued salaries	3,771.00	1,572.40	5,343.40
Unearned revenue	234,849.02	-	234,849.02
Accumulated vacation and sick pay	42,212.89	27,889.58	70,102.47
Meter deposits	-	13,400.00	13,400.00
Net pension liability	272,903.00	-	272,903.00
Bonds payable, due within one year	-	25,000.00	25,000.00
Bonds payable, due in more than one year	-	950,000.00	950,000.00
Other long-term liabilities, due within one year	30,726.26	-	30,726.26
Other long-term liabilities, due in more than one year	89,522.32	-	89,522.32
Total liabilities	703,735.65	1,050,375.45	1,754,111.10



CITY OF NEOGA, ILLINOIS  
STATEMENT OF NET POSITION (Continued)  
April 30, 2024

	Governmental Activities	Business-Type Activities	Total
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred leases	9,925.97	-	9,925.97
Unavailable property taxes	581,097.01	-	581,097.01
Total deferred inflows of resources	591,022.98	-	591,022.98
<b>NET POSITION</b>			
Net investment in capital assets	1,824,795.34	4,255,532.40	6,080,327.74
Restricted for:			
Debt service	-	48,205.00	48,205.00
Public safety	8,947.86	-	8,947.86
Unemployment insurance	34,285.93	-	34,285.93
IMRF	224,840.43	-	224,840.43
Economic development and assistance	1,074,810.84	-	1,074,810.84
Street maintenance	99,629.09	-	99,629.09
Workers compensation insurance	15,437.24	-	15,437.24
Sanitation	21,954.98	-	21,954.98
Cemetery maintenance (nonexpendable)	13,550.00	-	13,550.00
Veteran's Memorial	11,476.11	-	11,476.11
Unrestricted	1,006,794.58	2,278,045.89	3,284,840.47
 Total Net Position	 \$ 4,336,522.40	 \$ 6,581,783.29	 \$ 10,918,305.69

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

CITY OF NEOGA, ILLINOIS  
STATEMENT OF ACTIVITIES  
For the Year Ended April 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Governmental activities:							
General government	\$ 366,866.71	\$ 12,366.75	\$ -	\$ -	\$ (354,499.96)	\$ -	\$ (354,499.96)
Cemetery	48,468.00	700.00	476.26	-	(47,291.74)	-	(47,291.74)
Public safety	308,176.86	22,022.72	1,381.64	7,791.00	(276,981.50)	-	(276,981.50)
Highways and streets	457,808.21	8,537.12	82,395.61	54,537.05	(312,338.43)	-	(312,338.43)
Sanitation	6,388.30	150.00	-	-	(6,238.30)	-	(6,238.30)
Health and welfare	844.09	4,934.00	-	-	4,089.91	-	4,089.91
Economic development and assistance	427,433.01	29,789.65	-	-	(397,643.36)	-	(397,643.36)
Total governmental activities	<u>1,615,985.18</u>	<u>78,500.24</u>	<u>84,253.51</u>	<u>62,328.05</u>	<u>(1,390,903.38)</u>	<u>-</u>	<u>(1,390,903.38)</u>
Business-type activities:							
Water	405,154.61	405,048.49	1,960.71	-	-	1,854.59	1,854.59
Sewer	<u>377,319.77</u>	<u>430,212.86</u>	<u>2,431.08</u>	<u>20,000.00</u>	<u>-</u>	<u>75,324.17</u>	<u>75,324.17</u>
Total business-type activities	<u>782,474.38</u>	<u>835,261.35</u>	<u>4,391.79</u>	<u>20,000.00</u>	<u>-</u>	<u>77,178.76</u>	<u>77,178.76</u>
Total government	<u>\$ 2,398,459.56</u>	<u>\$ 913,761.59</u>	<u>\$ 88,645.30</u>	<u>\$ 82,328.05</u>	<u>(1,390,903.38)</u>	<u>77,178.76</u>	<u>(1,313,724.62)</u>
General revenues:							
Taxes:							
Property taxes					556,742.49	-	556,742.49
Personal property replacement tax					22,257.11	-	22,257.11
Municipal retailers' occupation tax					179,808.38	-	179,808.38
Local use tax					52,793.36	-	52,793.36
Illinois income tax					232,655.49	-	232,655.49
Cannabis tax					2,201.74	-	2,201.74
Franchise taxes					22,385.15	-	22,385.15
Utility taxes					70,507.09	-	70,507.09
Telecommunications tax					16,158.88	-	16,158.88
Video gaming tax					19,071.25	-	19,071.25
Interest income					45,461.91	49,273.63	94,735.54
Gain (loss) on sale of capital assets					8,000.00	-	8,000.00
Miscellaneous					<u>16,402.92</u>	<u>10,342.51</u>	<u>26,745.43</u>
Total general revenues					<u>1,244,445.77</u>	<u>59,616.14</u>	<u>1,304,061.91</u>

CITY OF NEOGA, ILLINOIS  
 STATEMENT OF ACTIVITIES (Continued)  
 For the Year Ended April 30, 2024

	Net (Expenses) Revenue and Changes in Net Position		
	Governmental Activities	Business- Type Activities	Total
Change in net position	(146,457.61)	136,794.90	(9,662.71)
Net position, beginning of year	<u>4,482,980.01</u>	<u>6,444,988.39</u>	<u>10,927,968.40</u>
Net Position, End of Year	<u>\$ 4,336,522.40</u>	<u>\$ 6,581,783.29</u>	<u>\$ 10,918,305.69</u>

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

FUND FINANCIAL STATEMENTS

CITY OF NEOGA, ILLINOIS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
April 30, 2024

	<u>General</u>	<u>Employee Benefits</u>	<u>Tax Increment Financing</u>	<u>Motor Fuel Tax</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash deposits	\$ 1,147,180.24	\$ 260,847.14	\$ 1,149,326.25	\$ 83,047.10	\$ 31,259.10	\$ 2,671,659.83
Receivables:						
Property taxes	181,846.19	73,147.36	319,031.14	-	7,072.32	581,097.01
Utility taxes	6,162.71	-	-	-	-	6,162.71
Due from other governmental agencies	171,489.70	-	-	5,027.99	2,017.08	178,534.77
Other receivables	5,169.86	-	-	-	-	5,169.86
Lease receivable	9,925.97	-	-	-	-	9,925.97
Due from other funds	-	-	63,142.00	-	-	63,142.00
Prepaid expenditures	10,449.36	-	-	-	-	10,449.36
Inventory	<u>16,223.29</u>	<u>-</u>	<u>-</u>	<u>11,554.00</u>	<u>-</u>	<u>27,777.29</u>
 Total Assets	 <u>\$ 1,548,447.32</u>	 <u>\$ 333,994.50</u>	 <u>\$ 1,531,499.39</u>	 <u>\$ 99,629.09</u>	 <u>\$ 40,348.50</u>	 <u>\$ 3,553,918.80</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 20,703.44	\$ -	\$ 83.00	\$ -	\$ -	\$ 20,786.44
Accrued payroll taxes and withholdings	-	8,964.72	-	-	-	8,964.72
Accrued salaries	3,771.00	-	-	-	-	3,771.00
Due to other funds	4,391.79	-	-	-	63,142.00	67,533.79
Unearned revenue	<u>234,849.02</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>234,849.02</u>
Total liabilities	<u>263,715.25</u>	<u>8,964.72</u>	<u>83.00</u>	<u>-</u>	<u>63,142.00</u>	<u>335,904.97</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred leases	9,925.97	-	-	-	-	9,925.97
Unavailable grant revenue	28,677.79	-	-	-	-	28,677.79
Unavailable property taxes	<u>181,846.19</u>	<u>73,147.36</u>	<u>319,031.14</u>	<u>-</u>	<u>7,072.32</u>	<u>581,097.01</u>
Total deferred inflows of resources	<u>220,449.95</u>	<u>73,147.36</u>	<u>319,031.14</u>	<u>-</u>	<u>7,072.32</u>	<u>619,700.77</u>

CITY OF NEOGA, ILLINOIS  
BALANCE SHEET (Continued)  
GOVERNMENTAL FUNDS  
April 30, 2024

FUND BALANCE	General	Employee Benefits	Tax Increment Financing	Motor Fuel Tax	Non-Major Governmental Funds	Total Governmental Funds
Nonspendable	26,672.65	-	-	-	13,550.00	40,222.65
Restricted for:						
Public safety	8,947.86	-	-	-	-	8,947.86
Unemployment insurance	-	34,285.93	-	-	-	34,285.93
IMRF	-	214,421.74	-	-	-	214,421.74
Economic development and assistance	-	-	1,142,093.75	-	12,375.88	1,154,469.63
Street maintenance	-	-	-	99,629.09	-	99,629.09
Workers compensation insurance	14,972.97	-	-	-	-	14,972.97
Sanitation	21,954.98	-	-	-	-	21,954.98
Veteran's Memorial	11,476.11	-	-	-	-	11,476.11
Committed for:						
Public safety	6,166.16	-	-	-	-	6,166.16
Equipment	194,596.11	-	-	-	-	194,596.11
Assigned for:						
Cemetery maintenance	10,911.85	-	-	-	-	10,911.85
Employee benefits	-	3,174.75	-	-	-	3,174.75
Economic development and assistance	-	-	70,291.50	-	68.48	70,359.98
Unassigned (deficit)	768,583.43	-	-	-	(55,860.18)	712,723.25
Total fund balance (deficit)	1,064,282.12	251,882.42	1,212,385.25	99,629.09	(29,865.82)	2,598,313.06
 Total Liabilities, Deferred Inflows of Resources, and Fund Balance	 \$ 1,548,447.32	 \$ 333,994.50	 \$ 1,531,499.39	 \$ 99,629.09	 \$ 40,348.50	 \$ 3,553,918.80

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

CITY OF NEOGA, ILLINOIS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
April 30, 2024

Total fund balance - total governmental funds		\$ 2,598,313.06
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. This is the amount by which capital assets of \$3,149,178.17 exceeds accumulated depreciation of \$1,319,624.43.		1,829,553.74
Certain prepaid expenses do not require current financial resources. Therefore, these prepaid expenses are not reported as an asset in the governmental funds balance sheet.		32,020.59
Certain receivables reported in the statement of net position are not available as current financial resources and, therefore, are reported as deferred inflows of resources in the governmental funds balance sheet.		28,677.79
Deferred inflows and outflows of resources related to certain changes in the net pension asset (liability) are not yet recognized in pension expense, are not current financial resources and, therefore, are not reported in the governmental funds balance sheet.		
Deferred outflows of resources		283,321.69
The net pension liability is the difference between the total pension liability and fiduciary net position of the plan and is not due and payable in the current period, and, therefore, is not reported in the governmental funds balance sheet.		(272,903.00)
Long-term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet.		
Accumulated vacation and sick pay	42,212.89	
Other long-term liabilities, due within one year	30,726.26	
Other long-term liabilities, due in more than one year	89,522.32	(162,461.47)
Net Position of Governmental Activities		\$ 4,336,522.40

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

CITY OF NEOGA, ILLINOIS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
For the Year Ended April 30, 2024

	<u>General</u>	<u>Employee Benefits</u>	<u>Tax Increment Financing</u>	<u>Motor Fuel Tax</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
Property taxes	\$ 175,012.27	\$ 70,331.42	\$ 306,735.39	\$ -	\$ 4,663.41	\$ 556,742.49
Personal property replacement tax	22,257.11	-	-	-	-	22,257.11
Municipal retailers' occupation tax	168,053.82	-	-	-	11,754.56	179,808.38
Local use tax	52,793.36	-	-	-	-	52,793.36
Illinois motor fuel tax	-	-	-	61,399.94	-	61,399.94
Illinois income tax	232,655.49	-	-	-	-	232,655.49
Cannabis tax	2,201.74	-	-	-	-	2,201.74
Utility tax	70,507.09	-	-	-	-	70,507.09
Telecommunications tax	16,158.88	-	-	-	-	16,158.88
Video gaming tax	19,071.25	-	-	-	-	19,071.25
Franchise tax	22,385.15	-	-	-	-	22,385.15
Other governmental agencies	8,069.42	-	-	-	-	8,069.42
Grant income	63,209.69	-	-	-	-	63,209.69
Licenses, permits and fees	11,425.46	-	-	-	-	11,425.46
Fines	17,339.76	-	-	-	-	17,339.76
Rental income	31,639.65	-	-	-	-	31,639.65
Interest income	25,299.62	26.85	19,970.98	146.26	494.46	45,938.17
Donations	500.00	-	-	-	-	500.00
Other income	47,424.54	-	-	-	-	47,424.54
Total revenues	<u>986,004.30</u>	<u>70,358.27</u>	<u>326,706.37</u>	<u>61,546.20</u>	<u>16,912.43</u>	<u>1,461,527.57</u>
Expenditures:						
General government	274,740.44	77,438.18	-	-	-	352,178.62
Cemetery	47,693.00	-	-	-	-	47,693.00
Public safety	284,878.40	-	-	-	-	284,878.40
Highways and streets	184,541.20	-	-	213,548.54	-	398,089.74
Sanitation	6,388.30	-	-	-	-	6,388.30
Health and welfare	844.09	-	-	-	-	844.09
Economic development and assistance	94,595.60	-	327,642.99	-	12,187.63	434,426.22
Capital outlay	86,365.48	-	-	-	-	86,365.48
Total expenditures	<u>980,046.51</u>	<u>77,438.18</u>	<u>327,642.99</u>	<u>213,548.54</u>	<u>12,187.63</u>	<u>1,610,863.85</u>
Excess (deficiency) of revenues over expenditures	<u>5,957.79</u>	<u>(7,079.91)</u>	<u>(936.62)</u>	<u>(152,002.34)</u>	<u>4,724.80</u>	<u>(149,336.28)</u>



CITY OF NEOGA, ILLINOIS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (Continued)  
GOVERNMENTAL FUNDS  
For the Year Ended April 30, 2024

	<u>General</u>	<u>Employee Benefits</u>	<u>Tax Increment Financing</u>	<u>Motor Fuel Tax</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Other Financing Sources (Uses):						
Sale of capital assets	8,000.00	-	-	-	-	8,000.00
Transfers in	476.26	-	-	-	-	476.26
Transfers out	-	-	-	-	(476.26)	(476.26)
Total other financing sources (uses)	<u>8,476.26</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(476.26)</u>	<u>8,000.00</u>
Net change in fund balance	14,434.05	(7,079.91)	(936.62)	(152,002.34)	4,248.54	(141,336.28)
Fund balance (deficit), beginning of year	<u>1,049,848.07</u>	<u>258,962.33</u>	<u>1,213,321.87</u>	<u>251,631.43</u>	<u>(34,114.36)</u>	<u>2,739,649.34</u>
Fund Balance (Deficit), End of Year	<u>\$ 1,064,282.12</u>	<u>\$ 251,882.42</u>	<u>\$ 1,212,385.25</u>	<u>\$ 99,629.09</u>	<u>\$ (29,865.82)</u>	<u>\$ 2,598,313.06</u>

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

CITY OF NEOGA, ILLINOIS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES  
For the Year Ended April 30, 2024

Net change in fund balance - total governmental funds	\$ (141,336.28)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.	86,365.48
Depreciation expense on capital assets is reported in the government-wide statement of activities, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in the governmental funds.	(110,449.75)
Certain prepaid expenses reported in the statement of activities do not require the use of current financial resources and are, therefore, not reported as expenditures in the governmental funds.	1,648.68
The change in the net pension asset (liability) does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.	86,886.00
Deferred outflows of resources related to certain changes in the net pension asset (liability) are not yet recognized in pension expense, are not current financial resources and, therefore, are not reported in the governmental funds.	(95,632.33)
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 governmental funds.	
Increase in accumulated vacation and sick pay	(5,203.46)
Decrease in other long-term liabilities	<u>31,264.05</u>
Change in Net Position of Governmental Activities	<u>\$ (146,457.61)</u>

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

CITY OF NEOGA, ILLINOIS  
CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET  
GENERAL FUND

(Includes General and Cemetery Maintenance Funds)  
For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Positive (Negative) Final Budget
General Fund:				
RECEIPTS				
Revenue:				
Property taxes	\$ 200,000.00	\$ 200,000.00	\$ 175,012.27	\$ (24,987.73)
Personal property replacement income tax	45,000.00	45,000.00	24,995.71	(20,004.29)
Municipal retailers' occupation tax	280,000.00	280,000.00	181,467.53	(98,532.47)
Local use tax	75,000.00	75,000.00	53,400.76	(21,599.24)
Illinois income tax	270,000.00	270,000.00	228,872.68	(41,127.32)
Cannabis tax	3,500.00	3,500.00	2,169.37	(1,330.63)
Utility tax	90,000.00	90,000.00	70,944.11	(19,055.89)
Telecommunications tax	16,000.00	16,000.00	15,873.22	(126.78)
Video gaming tax	45,000.00	45,000.00	20,422.04	(24,577.96)
Franchise tax	29,000.00	29,000.00	22,533.05	(6,466.95)
Miscellaneous licenses, permits and fees	20,900.00	20,900.00	13,012.96	(7,887.04)
Fines and violations	100,000.00	100,000.00	16,854.14	(83,145.86)
Rent income	74,000.00	74,000.00	32,543.54	(41,456.46)
Grant income	1,200,000.00	1,200,000.00	881.64	(1,199,118.36)
Interest received	657.00	657.00	25,290.71	24,633.71
Miscellaneous revenue	117,300.00	117,300.00	74,914.77	(42,385.23)
Streets and alleys	10,000.00	42,000.00	29,532.79	(12,467.21)
Sale of assets	-	-	11,855.00	11,855.00
Total revenue receipts	<u>2,576,357.00</u>	<u>2,608,357.00</u>	<u>1,001,076.29</u>	<u>(1,607,280.71)</u>
Non-Revenue Receipts:				
Loan from other fund	-	-	4,391.79	4,391.79
Total receipts	<u>2,576,357.00</u>	<u>2,608,357.00</u>	<u>1,005,468.08</u>	<u>(1,602,888.92)</u>
DISBURSEMENTS				
General government	475,000.00	477,500.00	279,827.09	197,672.91
Public safety	443,900.00	446,800.00	290,729.06	156,070.94
Highways and streets	1,751,000.00	1,751,000.00	202,816.25	1,548,183.75
Sanitation	13,000.00	10,100.00	6,528.30	3,571.70
Health and welfare	51,000.00	51,000.00	1,099.64	49,900.36
Economic development and assistance	294,600.00	294,600.00	94,253.84	200,346.16
Capital outlay	-	-	81,607.08	(81,607.08)
Total expense disbursements	<u>3,028,500.00</u>	<u>3,031,000.00</u>	<u>956,861.26</u>	<u>2,074,138.74</u>

CITY OF NEOGA, ILLINOIS  
CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET (Continued)  
GENERAL FUND  
(Includes General and Cemetery Maintenance Funds)  
For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Positive (Negative) Final Budget
Non-Expense Disbursements:				
Transfers to other funds	80,000.00	77,500.00	-	77,500.00
Total disbursements	3,108,500.00	3,108,500.00	956,861.26	2,151,638.74
Excess of receipts (disbursements)	(532,143.00)	(500,143.00)	48,606.82	548,749.82
Cemetery Maintenance Fund:				
RECEIPTS				
Revenue:				
Sale of lots	7,000.00	7,000.00	700.00	(6,300.00)
Interest received	90.00	90.00	8.91	(81.09)
Miscellaneous	140.00	140.00	7,200.00	7,060.00
Total revenue receipts	7,230.00	7,230.00	7,908.91	678.91
Non-Revenue Receipts:				
Transfers from other funds	90,000.00	90,000.00	476.26	(89,523.74)
Total receipts	97,230.00	97,230.00	8,385.17	(88,844.83)
DISBURSEMENTS				
Cemetery	115,000.00	115,000.00	48,418.00	66,582.00
Excess of receipts (disbursements)	(17,770.00)	(17,770.00)	(40,032.83)	(22,262.83)
Total excess of receipts (disbursements)	\$ (549,913.00)	\$ (517,913.00)	8,573.99	\$ 526,486.99
Cash deposits, beginning of year			1,138,606.25	
Cash Deposits, End of Year			\$ 1,147,180.24	

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

CITY OF NEOGA, ILLINOIS  
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET  
 EMPLOYEE BENEFITS FUND  
 For the Year Ended April 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
RECEIPTS				
Revenue:				
Property taxes	\$ 86,000.00	\$ 86,000.00	\$ 70,331.42	\$ (15,668.58)
Miscellaneous	800.00	800.00	-	(800.00)
Interest received	<u>200.00</u>	<u>200.00</u>	<u>26.85</u>	<u>(173.15)</u>
Total revenue receipts	<u>87,000.00</u>	<u>87,000.00</u>	<u>70,358.27</u>	<u>(16,641.73)</u>
Non-Revenue Receipts:				
Payroll withholding	270,000.00	270,000.00	3,485.33	(266,514.67)
Transfer from other funds	<u>600,000.00</u>	<u>600,000.00</u>	<u>-</u>	<u>(600,000.00)</u>
Total non-revenue receipts	<u>870,000.00</u>	<u>870,000.00</u>	<u>3,485.33</u>	<u>(866,514.67)</u>
Total receipts	<u>957,000.00</u>	<u>957,000.00</u>	<u>73,843.60</u>	<u>(883,156.40)</u>
DISBURSEMENTS				
General Government	<u>1,216,000.00</u>	<u>1,216,000.00</u>	<u>77,438.18</u>	<u>1,138,561.82</u>
Excess of receipts (disbursements)	<u>\$ (259,000.00)</u>	<u>\$ (259,000.00)</u>	<u>(3,594.58)</u>	<u>\$ 255,405.42</u>
Cash deposits, beginning of year			<u>264,441.72</u>	
Cash Deposits, End of Year			<u>\$ 260,847.14</u>	

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

CITY OF NEOGA, ILLINOIS  
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET  
 TAX INCREMENT FINANCING FUND  
 For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Positive (Negative) Final Budget
<b>RECEIPTS</b>				
Revenue:				
Property taxes	\$ 330,000.00	\$ 330,000.00	\$ 306,735.39	\$ (23,264.61)
Interest received	1,280.00	1,280.00	19,970.98	18,690.98
Total receipts	331,280.00	331,280.00	326,706.37	(4,573.63)
<b>DISBURSEMENTS</b>				
Economic Development and Assistance	1,000,000.00	1,000,000.00	327,856.49	672,143.51
Excess of receipts (disbursements)	\$ (668,720.00)	\$(668,720.00)	(1,150.12)	\$ 667,569.88
Cash deposits, beginning of year			1,150,476.37	
Cash Deposits, End of Year			\$ 1,149,326.25	

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

CITY OF NEOGA, ILLINOIS  
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET  
 MOTOR FUEL TAX FUND  
 For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Positive (Negative) Final Budget
<b>RECEIPTS</b>				
Revenue:				
Illinois motor fuel tax	\$ 100,000.00	\$ 100,000.00	\$ 61,338.77	\$ (38,661.23)
Interest received	335.00	335.00	146.26	(188.74)
Total receipts	100,335.00	100,335.00	61,485.03	(38,849.97)
<b>DISBURSEMENTS</b>				
Highways and Streets	347,000.00	347,000.00	225,102.54	121,897.46
Excess of receipts (disbursements)	\$ (246,665.00)	\$ (246,665.00)	(163,617.51)	\$ 83,047.49
Cash deposits, beginning of year			246,664.61	
Cash Deposits, End of Year			\$ 83,047.10	

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

CITY OF NEOGA, ILLINOIS  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
April 30, 2024

	Water	Sewer	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 1,382,369.83	\$ 807,563.72	\$ 2,189,933.55
Receivables:			
Accounts receivable - users	47,946.40	41,616.27	89,562.67
Prepaid expenses	2,733.37	3,170.80	5,904.17
Inventory	33,786.22	9,754.99	43,541.21
Due from other funds	1,960.71	2,431.08	4,391.79
Total current assets	1,468,796.53	864,536.86	2,333,333.39
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	13,400.00	54,892.95	68,292.95
Capital assets, net of accumulated depreciation	1,945,456.38	3,285,076.02	5,230,532.40
Total noncurrent assets	1,958,856.38	3,339,968.97	5,298,825.35
Total assets	3,427,652.91	4,204,505.83	7,632,158.74
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	19,565.65	6,259.89	25,825.54
Accrued interest	-	6,687.93	6,687.93
Accrued salaries	800.20	772.20	1,572.40
Bonds payable - due within one year	-	25,000.00	25,000.00
Total current liabilities	20,365.85	38,720.02	59,085.87
Noncurrent liabilities:			
Accumulated vacation and sick pay	12,985.55	14,904.03	27,889.58
Payable from restricted assets:			
Meter deposits	13,400.00	-	13,400.00
Bonds payable - due in more than one year	-	950,000.00	950,000.00
Total noncurrent liabilities	26,385.55	964,904.03	991,289.58
Total liabilities	46,751.40	1,003,624.05	1,050,375.45
<b>NET POSITION</b>			
Net investment in capital assets	1,945,456.38	2,310,076.02	4,255,532.40
Restricted for:			
Debt service	-	48,205.00	48,205.00
Unrestricted	1,435,445.13	842,600.76	2,278,045.89
Total Net Position	\$ 3,380,901.51	\$ 3,200,881.78	\$ 6,581,783.29

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



CITY OF NEOGA, ILLINOIS  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
For the Year Ended April 30, 2024

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Operating Revenues:			
Charges for services	\$ 405,674.20	\$ 432,643.94	\$ 838,318.14
Fees	1,335.00	-	1,335.00
Miscellaneous	5,950.72	-	5,950.72
Total operating revenues	<u>412,959.92</u>	<u>432,643.94</u>	<u>845,603.86</u>
Operating Expenses:			
Salaries and benefits	111,183.89	113,673.43	224,857.32
Contractual services	23,297.18	26,805.99	50,103.17
Utilities	11,761.71	30,182.86	41,944.57
Repairs and maintenance	34,694.63	9,360.09	44,054.72
Other supplies and expenses	132,602.42	11,595.33	144,197.75
Depreciation	91,614.78	172,295.39	263,910.17
Total operating expenses	<u>405,154.61</u>	<u>363,913.09</u>	<u>769,067.70</u>
Operating income (loss)	<u>7,805.31</u>	<u>68,730.85</u>	<u>76,536.16</u>
Non-Operating Revenues (Expenses):			
Grant income	1,960.71	22,431.08	24,391.79
Interest income	34,886.36	14,387.27	49,273.63
Interest expense	-	(13,406.68)	(13,406.68)
Total non-operating revenues (expenses)	<u>36,847.07</u>	<u>23,411.67</u>	<u>60,258.74</u>
Change in net position	44,652.38	92,142.52	136,794.90
Net position, beginning of year	<u>3,336,249.13</u>	<u>3,108,739.26</u>	<u>6,444,988.39</u>
Net Position, End of Year	<u>\$ 3,380,901.51</u>	<u>\$ 3,200,881.78</u>	<u>\$ 6,581,783.29</u>

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

CITY OF NEOGA, ILLINOIS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended April 30, 2024

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Cash received from customers	\$ 404,354.26	\$ 458,579.07	\$ 862,933.33
Cash payments to suppliers for goods and services	(214,570.42)	(111,690.03)	(326,260.45)
Cash payments to employees for services	(95,459.59)	(93,022.59)	(188,482.18)
Other receipts (payments)	<u>5,950.72</u>	<u>-</u>	<u>5,950.72</u>
Net cash provided by operating activities	<u>100,274.97</u>	<u>253,866.45</u>	<u>354,141.42</u>
Cash Flows from Capital and Related Financing Activities:			
Capital grant proceeds	-	20,000.00	20,000.00
Purchase of capital assets	(5,500.00)	(13,341.00)	(18,841.00)
Principal paid on capital debt	-	(125,000.00)	(125,000.00)
Interest and fees paid on capital debt	<u>-</u>	<u>(13,496.45)</u>	<u>(13,496.45)</u>
Net cash used by capital and related financing activities	<u>(5,500.00)</u>	<u>(131,837.45)</u>	<u>(137,337.45)</u>
Cash Flows from Investing Activities:			
Interest income	<u>34,886.36</u>	<u>14,387.27</u>	<u>49,273.63</u>
Net increase (decrease) in cash and cash equivalents	129,661.33	136,416.27	266,077.60
Cash and cash equivalents, beginning of year	<u>1,266,108.50</u>	<u>726,040.40</u>	<u>1,992,148.90</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,395,769.83</u>	<u>\$ 862,456.67</u>	<u>\$ 2,258,226.50</u>

CITY OF NEOGA, ILLINOIS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (Continued)  
For the Year Ended April 30, 2024

	Water	Sewer	Total
Reconciliation of Operating Income (Loss) to Net Cash			
Provided by Operating Activities:			
Operating income (loss)	\$ 7,805.31	\$ 68,730.85	\$ 76,536.16
Noncash items included in operating income (loss):			
Depreciation	91,614.78	172,295.39	263,910.17
Net (increase) decrease in:			
Accounts receivable	(2,429.94)	25,935.13	23,505.19
Prepaid expenses	55.34	25.66	81.00
Inventory	1,516.51	9,137.10	10,653.61
Net increase (decrease) in:			
Accounts payable	3,513.32	(21,714.91)	(18,201.59)
Meter deposits	(225.00)	-	(225.00)
Accrued salaries	(970.56)	(1,060.83)	(2,031.39)
Accumulated vacation and sick pay	(604.79)	518.06	(86.73)
	<u>\$ 100,274.97</u>	<u>\$ 253,866.45</u>	<u>\$ 354,141.42</u>
Net Cash Provided by Operating Activities			

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

CITY OF NEOGA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Neoga, Illinois, conform to accounting principles generally accepted in the United States of America as applicable to governments.

The following is a summary of the City's more significant accounting policies:

- a) Reporting Entity – The City is governed by an elected Mayor and Commissioners. The City is considered to be a primary government and has no component units over which it exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City.
- b) Basis of Presentation – The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures, or expenses, as appropriate. 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. The City's basic financial statements include both government-wide and fund financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's general, special revenue, and permanent funds are classified as governmental activities, while the City's proprietary funds are classified as business-type activities.

Government-Wide Financial Statements:

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information on all of the nonfiduciary activities of the primary government. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Fund Financial Statements:

Separate statements are presented for governmental funds and proprietary funds. These statements present each major fund as a separate column on the fund financial statements. All non-major funds are aggregated and presented in a single column. The following fund types are used by the City:

Governmental Funds:

Governmental funds are those funds through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is on determination of "financial flow" (sources, use and balances of financial resources). The City presented the following major governmental funds:

CITY OF NEOGA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

General Fund – is the main operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund. The Cemetery Maintenance Fund is combined with the General Fund for financial statement purposes because this fund no longer has substantial restricted or committed inflows.

Special Revenue Funds – are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes.

Employee Benefits Fund – is a special revenue fund used to account for employee payroll withholdings and expenditures related to payroll taxes and retirement contributions. The major source of revenue includes the City’s dedicated property tax levy.

Tax Increment Financing Fund – is a special revenue fund used to account for revenues and expenditures related to redevelopment projects within the Neoga tax increment financing area.

Motor Fuel Tax Fund – is a special revenue fund used to account for revenues and expenditures related to projects financed by the state gasoline tax collected and distributed by the State of Illinois.

The other governmental funds of the City are considered non-major and are as follows:

Business District Fund – is a special revenue fund used to account for revenues and expenditures related to redevelopment projects within the Neoga business district area.

Tax Increment Financing Neoga East – is a special revenue fund used to account for revenues and expenditures related to redevelopment projects within the Neoga East tax increment financing area.

Tax Increment Financing Neoga West – is a special revenue fund used to account for revenues and expenditures related to redevelopment projects within the Neoga West tax increment financing area.

Permanent Funds – are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support programs of the City.

Cemetery Perpetual Fund – is a permanent fund used to account for interest earned on principal, which is restricted for use on expenditures for the maintenance of City cemeteries.

#### Proprietary Funds

Proprietary funds are those funds through which the accounting objectives are determinations of operating income, changes in net position, financial position, and changes in cash flows. These funds are accounted for using the economic resources measurement focus which is similar to businesses in the private sector. The City presented the following major proprietary funds:

Enterprise funds are used to account for operations (1) that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

CITY OF NEOGA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

Water Fund – is an enterprise fund used to account for the operations of providing a safe and adequate water supply for fire protection, domestic and industrial use.

Sewer Fund – is an enterprise fund used to account for the operations of providing an adequate sewerage system for the City.

- c) Measurement Focus and Basis of Accounting – Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Measurement focus is used to describe which transactions are recorded within the various financial statements.

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when the liability is incurred. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. All assets and liabilities, including capital assets and long-term liabilities, are included. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position and cash flows.

The governmental fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Only current financial assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period. Under 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 within sixty days after year-end. Also, income taxes have a 120-day availability period in the current year due to delays in distributions from the State of Illinois. Expenditures generally are recorded when a liability is incurred. An exception to this general rule is principal and interest on general long-term debt which is recognized when due and payable.

The proprietary fund financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. This is the same measurement focus and basis of accounting used on the government-wide financial statements.

- d) Budgets and Budgetary Accounting – The City follows these procedures in establishing the budgetary data reflected in the financial statements:
1. A proposed operating budget is submitted to the City council for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them.
  2. Public hearings are conducted to obtain taxpayer comments.
  3. Prior to August 1, the appropriations are legally enacted through passage of an appropriation ordinance.
  4. The tax levy ordinance is adopted and filed with the county clerk on or before the last Tuesday in December.
  5. All annual appropriations lapse at fiscal year-end.

CITY OF NEOGA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

6. All budgets are adopted on a cash basis which is inconsistent with U.S. generally accepted accounting principles (GAAP) which require accrual basis reporting. The budget was amended on April 22, 2024. All budget comparisons presented in this report are on a non-GAAP budgetary basis and are compared with actual cash receipts and disbursements. A reconciliation of the timing differences in excess of revenues over (under) expenditures for the year ended April 30, 2024, is presented below:

	General	Employee Benefits	Tax Increment Financing	Motor Fuel Tax
Excess of receipts, (disbursements) (budgetary basis)	\$ 8,573.99	\$ (3,594.58)	\$ (1,150.12)	\$ (163,617.51)
Increase (decrease) in receivables, prepaid expenditures, and inventory	(8,111.76)	3,475.34	13,554.44	11,615.17
(Increase) decrease in payables, other liabilities, and deferred inflows of resources	13,971.82	(6,960.67)	(13,340.94)	-
Net Change in Fund Balance	\$ 14,434.05	\$ (7,079.91)	\$ (936.62)	\$ (152,002.34)

- e) Cash and Cash Equivalents – For purposes of the statement of cash flows, all demand and savings accounts and certificates of deposit or short-term investments (including restricted assets) with a maturity of three months or less when purchased are considered to be cash equivalents.
- f) Inventory – Inventory held by the City is priced at cost (first-in, first-out) which approximates market.
- g) Interfund Activity – Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.” Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements are when a fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation to the government-wide financial statements. Transfers during the year ended April 30, 2024, were as follows:

	Transfers In	Transfers Out
Governmental Activities:		
General	\$ 476.26	\$ -
Cemetery Perpetual	-	476.26
Total Governmental Activities	\$ 476.26	\$ 476.26

A transfer of \$476.26 was made from the Cemetery Perpetual Fund to the General Fund for interest received on CD being spendable.

CITY OF NEOGA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

Loans between funds at April 30, 2024, were as follows:

	Due From	Due To
Governmental Activities:		
General	\$ -	\$ 4,391.79
Tax Increment Financing	63,142.00	-
Tax Increment Financing West	-	63,142.00
Total Governmental Activities	\$ 63,142.00	\$ 67,533.79
Business-Type Activities:		
Water	\$ 1,960.71	\$ -
Sewer	2,431.08	-
Total Business-Type Activities	\$ 4,391.79	\$ -

The Tax Increment Financing West Fund borrowed \$63,142.00 from the Tax Increment Financing Fund for expenses related to Walk Subdivision. The loan is not expected to be repaid within one year.

The General Fund owes \$1,960.71 to the Water Fund and \$2,431.08 to the Sewer Fund for FEMA storm reimbursements.

- h) Property Taxes – Property taxes are deferred in the fiscal year for which they are levied and are recorded as revenue in the fiscal year in which they are received. Taxes levied and uncollected are carried as an asset of the appropriate fund. The City's property tax calendar is as follows:
1. Property is assessed on January 1 each year.
  2. The tax levy ordinance was adopted and filed with the County Clerk on December 7, 2023.
  3. Property taxes are due to be collected by the County from July through September in two installments in the year following the levy year.
- i) Capital Assets and Depreciation – Capital assets, which includes property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the fund financial statements for proprietary funds. Land, buildings, storm sewers, sidewalks, traffic signals, water system and improvements, sewer system and improvements, vehicles, and all other infrastructure and improvements other than buildings with an original cost of \$10,000 or more are capitalized. Streets, curbs, bridges and fire apparatus with an original cost of \$50,000 or more are capitalized. Machinery, equipment and computer software with an original cost of \$2,500 or more and office equipment with an original cost of \$1,000 or more are capitalized. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are stated at their fair market 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. The City reports all major general infrastructure assets constructed or acquired in fiscal years ending after April 30, 2004, or that received major renovations, restorations, or improvements during that period. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.



CITY OF NEOGA, ILLINOIS  
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Depreciation has been calculated on each class of depreciable property using the straight-line method basis over the following estimated useful lives:

Buildings	50
Bridges	50
Storm sewers	50
Water/sewer system and improvements	30
Sidewalks/bike paths	20
Traffic signals	20
All other infrastructure and improvements other than buildings	20
Streets/curbs/gutters	20
Vehicles	7
Machinery and equipment	5
Computer software	5
Office equipment	3

- j) Prepaid Expenses – Certain payments reflect costs applicable to future accounting periods. For the government-wide and proprietary fund financial statements, the City uses the interperiod allocation method to allocate the expenditure among appropriate periods. For the governmental fund financial statements, the City uses the nonallocation method which permits expenditure recognition in the period of payment and is more consistent with expendable financial resources.
- k) Operating Revenues and Expenses – The City’s proprietary funds distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses of the City’s water and sewer funds consist of charges for services (including tap fees) and the cost of providing those services, including depreciation and excluding interest cost. All other revenues and expenses are reported as nonoperating.
- l) Deferred Outflows and Inflows of Resources – The City reports a decrease in net position/fund balance that applies to a future period as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position and the governmental funds balance sheet. The City reported deferred outflows of resources on the government-wide financial statements for unrecognized items not yet charged to pension expense and pension contributions from the City after the measurement date but before the end of the City’s reporting period. The City had no deferred outflows of resources that affect the proprietary fund financial statements in the current year.

The City reports an increase in net position/fund balance that applies to a future period as deferred inflows of resources in a separate section of its government-wide and proprietary funds statements of net position and the governmental funds balance sheet. The City will not recognize the related revenues until a future event occurs. Under the modified accrual basis of accounting, governmental fund revenues are not recognized until available. Accordingly, deferred leases and unavailable property taxes are reported in the government-wide statement of net position and the governmental funds balance sheet. Unavailable grant revenue is also reported on the governmental funds balance sheet. The City had no deferred inflows of resources that affect the proprietary fund financial statements in the current year.

- m) Net Position – Government-wide and proprietary fund net position is divided into three components:
  - 1. Net investment in capital assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
  - 2. Restricted – consists of net position that is restricted by the City’s creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by both federal and state grantors and by other contributors.

CITY OF NEOGA, ILLINOIS  
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3. Unrestricted – all other net position is reported in this category.
- n) Fund Balance – The following classifications describe the constraints placed on the purposes for which resources can be used:
1. Nonspendable fund balance – consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.
  2. Restricted fund balance – consists of amounts that are subject to outside restrictions, such as those imposed by creditors, grantors, contributors, or laws and regulations of other governments, or by law through constitutional provisions or enabling legislation.
  3. Committed fund balance – consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority (the City Council Members). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.
  4. Assigned fund balance – consists of amounts that are constrained by the government’s intent to be used for a specific purpose, but are neither restricted nor committed. The intent can be expressed by the City Council Members or by an official or body which the Council delegates authority.
  5. Unassigned fund balance – consists of amounts available for any purpose and positive amounts are reported only in the General Fund.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

- o) Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE B - RESTRICTED ASSETS

The amounts reported as restricted assets are cash deposits for amounts held for customer utility meter deposits and required bond payable accounts. The restricted assets as of April 30, 2024 are as follows:

<u>Type of Restricted Assets</u>	<u>Cash</u>
Meter deposits	\$ 13,400.00
Bond and interest reserve accounts	<u>54,892.95</u>
Total	<u>\$ 68,292.95</u>

CITY OF NEOGA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

NOTE C - CASH DEPOSITS AND INVESTMENTS

The City is allowed to invest in securities as authorized by 30 ILCS 235/2 and 235/6. At April 30, 2024, the City had the following cash and cash deposits:

Governmental Activities:	
Cash on hand	\$ 250.00
Cash deposits	2,657,859.83
Certificates of deposit	<u>13,550.00</u>
	<u>\$2,671,659.83</u>
Business-Type Activities:	
Cash Deposits	<u>\$2,258,226.50</u>

Disclosures Relating to Interest Rate Risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The City minimizes its exposure to interest rate risk by limiting its purchases of long-term investments and by structuring investments to mature to meet cash requirements. At April 30, 2024, the City had no investments but cash deposits consisted of a certificate of deposit with a local financial institution having a maturity of 6 months.

Disclosures Relating to Credit Risk:

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City has no investments which are subject to credit risk rating.

Concentration of Credit Risk:

The City's investment policy does not place limitations on the amount that can be invested in any one issuer. Cash deposits held with local financial institutions are exempt from the 5% investment in any one issuer disclosure.

Custodial Credit Risk:

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Deposits in federally insured banks and savings and loans are insured up to \$250,000.00 for demand deposits and \$250,000.00 for time deposits per custodian. The City's investment policy requires that all amounts deposited or invested with financial institutions in excess of any insurance limit be collateralized by securities held by the City in the City's name. As of April 30, 2024, of the City of Neoga's total bank balances, \$750,000.00 was secured by federal depository insurance, \$1,528,548.70 was collateralized with securities held by the pledging financial institution's trust department in the City of Neoga's name, and \$2,660,000.00 was secured by a Federal Home Loan Bank of Chicago irrevocable letter of credit.

Foreign Currency Risk:

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair values of deposits or investments. None of the City's deposits are directly subject to foreign currency risk.

CITY OF NEOGA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

NOTE D - CAPITAL ASSETS

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

	Balance May 1, 2023	Additions/ Completions	Retirements/ Adjustments	Balance April 30, 2024
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 625,432.95	\$ -	\$ -	\$ 625,432.95
Construction in progress	59,433.89	56,613.69	-	116,047.58
Capital assets being depreciated:				
Building and improvements	452,693.34	-	-	452,693.34
Accumulated depreciation	(219,528.28)	(9,053.87)	-	(228,582.15)
Building and improvements, net	233,165.06	(9,053.87)	-	224,111.19
Infrastructure	1,477,034.46	-	-	1,477,034.46
Accumulated depreciation	(648,931.31)	(73,851.72)	-	(722,783.03)
Infrastructure, net	828,103.15	(73,851.72)	-	754,251.43
Equipment	448,218.05	29,751.79	-	477,969.84
Accumulated depreciation	(340,715.09)	(27,544.16)	-	(368,259.25)
Equipment, net	107,502.96	2,207.63	-	109,710.59
Total Governmental Activities Net Capital Assets	<u>\$ 1,853,638.01</u>	<u>\$ (24,084.27)</u>	<u>\$ -</u>	<u>\$ 1,829,553.74</u>
<b>Business-Type Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 31,757.73	\$ -	\$ -	\$ 31,757.73
Construction in progress	22,000.00	5,500.00	-	27,500.00
Capital assets being depreciated:				
Infrastructure	8,337,954.88	-	-	8,337,954.88
Accumulated depreciation	(3,005,834.77)	(243,953.25)	-	(3,249,788.02)
Infrastructure, net	5,332,120.11	(243,953.25)	-	5,088,166.86
Equipment	234,343.48	13,341.00	-	247,684.48
Accumulated depreciation	(144,619.75)	(19,956.92)	-	(164,576.67)
Equipment, net	89,723.73	(6,615.92)	-	83,107.81
Total Business-Type Activities Net Capital Assets	<u>\$ 5,475,601.57</u>	<u>\$ (245,069.17)</u>	<u>\$ -</u>	<u>\$ 5,230,532.40</u>

CITY OF NEOGA, ILLINOIS  
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Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General government	\$ 6,938.21
Cemetery maintenance	775.00
Public safety	18,544.91
Economic development	24,619.88
Highways and streets	<u>59,571.75</u>
Total Governmental Activities Depreciation Expense	<u>\$ 110,449.75</u>
Business-Type Activities:	
Water	\$ 91,614.78
Sewer	<u>172,295.39</u>
Total Business-Type Activities Depreciation Expense	<u>\$ 263,910.17</u>

The City has the following active construction in progress projects:

The City has undertaken a pedestrian facilities improvement project to construct new and replace old deteriorated sidewalks with ADA compliant sidewalks. The City was awarded \$101,600.00 in grants for design and preliminary engineering. In addition, the City was awarded an Illinois Transportation Enhancement Program (ITEP) construction grant of \$1,112,130.00. The estimated total cost of the project is \$1,239,130.00. As of April 30, 2024, \$116,047.58 had been expended on engineering.

The City has undertaken a watermain improvement project located East of Route 45. The City was awarded an Illinois Department of Commerce and Economic Opportunity (DCEO) construction grant for \$550,000.00. The estimated total cost of the project is \$1,082,727.06. As of April 30, 2024, \$27,500.00 had been expended on engineering.

#### NOTE E - DEFERRED COMPENSATION PLAN

The City maintains a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation plan is available to all City employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Amendments to the laws governing Section 457, deferred compensation plans, substantially became effective January 1, 1997. The City approved plan amendments such that plan assets are held in trust, with the City serving as trustee, for the exclusive benefit of the plan participants and their beneficiaries. The assets will not be diverted to any other purpose. The City's beneficial ownership of plan assets will be held for the further exclusive benefit of the plan for the exclusive benefit of participants and beneficiaries.

It is the opinion of the City's legal counsel that the City, as trustee, has no liability for plan losses but does have the duty of due care that would be required of an ordinary prudent investor.

Total plan assets as of March 31, 2024 (latest information available) held by Nationwide Retirement Solutions was \$151,521.08.

CITY OF NEOGA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

NOTE F - VACATION, SICK PAY AND OTHER EMPLOYEE BENEFITS

Accumulated unpaid vacation and sick pay amounts for governmental fund types are not accrued in the fund financial statements because they would not normally be liquidated with expendable available financial resources. The accumulated amount is recorded on the accrual basis in those funds on the government-wide financial statements.

Accumulated unpaid vacation and sick pay amounts for proprietary funds are recorded on the accrual basis in those funds on both the fund financial statements and government-wide financial statements.

Accumulated vacation and sick pay liability at April 30, 2024 is as follows:

	Balance May 1, 2023	Increases	Decreases	Balance April 30, 2024
Governmental Activities:				
General Fund	\$ 37,009.43	\$ 5,203.46	\$ -	\$ 42,212.89
Business-Type Activities:				
Water Fund	13,590.34	-	604.79	12,985.55
Sewer Fund	<u>14,385.97</u>	<u>518.06</u>	<u>-</u>	<u>14,904.03</u>
	<u>27,976.31</u>	<u>518.06</u>	<u>604.79</u>	<u>27,889.58</u>
 Total	 <u>\$ 64,985.74</u>	 <u>\$ 5,721.52</u>	 <u>\$ 604.79</u>	 <u>\$ 70,102.47</u>

NOTE G - DEFINED BENEFIT PENSION PLAN

Plan Description – The City’s defined benefit pension plan provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The City’s plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF’s pension benefits is provided in the “Benefits Provided” section. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan’s fiduciary net position, and required supplementary information. That report is available for download at [www.imrf.org](http://www.imrf.org).

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

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

CITY OF NEOGA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

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.

Employees Covered by Benefit Terms – As of December 31, 2023, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	15
Inactive plan members entitled to but not yet receiving benefits	11
Active plan members	<u>8</u>
 Total	 <u><u>34</u></u>

Contributions – As set by statute, the City’s Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City’s annual contribution rate for calendar year 2023 and 2024 was 5.36% and 8.20%, respectively. For the fiscal year ended April 30, 2024, the City contributed \$33,275.50 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF’s Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability – The City’s net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions – The following are the methods and assumptions used to determine total pension liability at December 31, 2023:

Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Market Value of Assets
Price Inflation:	2.25%
Salary Increases:	2.85% to 13.75%
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 2023 valuation pursuant to an experience study of the period 2020-2022.

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Mortality: 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. 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.

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

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Equities	34.5%	5.00%
International Equities	18.0%	6.35%
Fixed Income	24.5%	4.75%
Real Estate	10.5%	6.30%
Alternative Investments	11.5%	6.05-8.65%
Cash Equivalents	<u>1.0%</u>	3.80%
Total	100.0%	

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

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



CITY OF NEOGA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

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%.

	Pension Liability <u>(A)</u>	Plan Net Position <u>(B)</u>	Net Pension Liability (Asset) <u>(A) – (B)</u>
Changes in the Net Pension Liability (Asset):			
Balances at December 31, 2022	\$ 3,264,427.00	\$ 2,904,638.00	\$ 359,789.00
Changes for the year:			
Service cost	43,337.00	-	43,337.00
Interest on the total pension liability	232,504.00	-	232,504.00
Changes of benefit terms	-	-	-
Differences between expected and actual experience of the total pension liability	90,828.00	-	90,828.00
Changes of assumptions	906.00	-	906.00
Contributions – employer	-	26,923.00	(26,923.00)
Contributions – employees	-	22,604.00	(22,604.00)
Net investment income	-	320,235.00	(320,235.00)
Benefit payments, including refunds of employee contributions	(158,286.00)	(158,286.00)	-
Other (net transfer)	<u>-</u>	<u>84,699.00</u>	<u>(84,699.00)</u>
Net changes	<u>209,289.00</u>	<u>296,175.00</u>	<u>(86,886.00)</u>
Balances at December 31, 2023	<u>\$ 3,473,716.00</u>	<u>\$ 3,200,813.00</u>	<u>\$ 272,903.00</u>

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

	<u>1% Lower 6.25%</u>	<u>Current 7.25%</u>	<u>1% Higher 8.25%</u>
Net Pension Liability/(Asset)	\$ 700,107.00	\$ 272,903.00	\$ (72,236.00)

CITY OF NEOGA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

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 expense of \$42,021.00. At April 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts Related to Pensions:		
Deferred Amounts to be Recognized in Pension Expense in Future Periods:		
Differences between expected and actual experience	\$ 113,266.00	\$ -
Changes of assumptions	478.00	-
Net difference between projected and actual earnings on pension plan investments	154,316.00	-
Total deferred amounts to be recognized in pension expense in future periods	268,060.00	-
Pension contributions made subsequent to the measurement date	15,261.69	-
 Total Deferred Amounts Related to Pensions	 \$ 283,321.69	 \$ -

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

Year Ending April 30	Net Deferred Outflows (Inflows) of Resources
2025	\$ 122,128.00
2026	57,489.00
2027	110,548.00
2028	(22,105.00)
Total	\$ 268,060.00

NOTE H - LONG-TERM DEBT

The following is a summary of long-term debt transactions for the year ended April 30, 2024:

	Balance May 1, 2023	Additions	Retired	Balance April 30, 2024	Amount Due Within One Year
Business-Type Activities:					
Bonds Payable	\$1,100,000.00	\$ -	\$ 125,000.00	\$ 975,000.00	\$ 25,000.00

The City approved an ordinance authorizing the issuance up to \$1,100,000.00 of waterworks and sewerage system revenue bonds for the purpose of sewer treatment facility improvements. Bonds are dated March 8, 2021, with final payment due May 1, 2060. Principal payments are due annually on May 1 and interest payments of 1.25% are due semi-annually on May 1 and November 1. At April 30, 2024, the outstanding liability was \$975,000.00.

CITY OF NEOGA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

Annual future maturities are summarized as follows:

Year Ended <u>April 30</u>	<u>Business-Type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 25,000.00	\$ 12,625.45	\$ 37,625.45
2026	25,000.00	11,718.75	36,718.75
2027	25,000.00	11,406.25	36,406.25
2028	25,000.00	11,093.75	36,093.75
2029	25,000.00	10,781.25	35,781.25
2030-2034	125,000.00	49,218.75	174,218.75
2035-2039	125,000.00	41,406.25	166,406.25
2040-2044	150,000.00	32,812.50	182,812.50
2045-2049	150,000.00	23,437.50	173,437.50
2050-2054	155,000.00	14,031.25	169,031.25
2055-2059	<u>145,000.00</u>	<u>3,750.00</u>	<u>148,750.00</u>
Total	<u>\$ 975,000.00</u>	<u>\$ 222,281.70</u>	<u>\$ 1,197,281.70</u>

NOTE I - OTHER LONG-TERM LIABILITIES

The following is a summary of other long-term liability transactions for the year ended April 30, 2024:

	Balance May 1, 2023	Additions	Payments	Balance April 30, 2024	Amount Due Within One Year
Governmental Activities:					
TIF District redevelopment project	\$ 92,975.04	\$ -	\$ 19,076.42	\$ 73,898.62	\$ 19,281.53
Business District redevelopment project	<u>58,537.59</u>	<u>-</u>	<u>12,187.63</u>	<u>46,349.96</u>	<u>11,444.73</u>
Total Governmental Activities	<u>\$ 151,512.63</u>	<u>\$ -</u>	<u>\$ 31,264.05</u>	<u>\$ 120,248.58</u>	<u>\$ 30,726.26</u>

The City signed a redevelopment agreement with Westmore Equities, LLC in January 2011 to reimburse costs for the construction of a new building for a retail business in the City's TIF District. The City is to reimburse Westmore Equities, LLC 75% of TIF property tax revenues on the property annually until the Neoga Tax Increment Financing District #1 expires in 21 years. The maximum amount to be paid over that period is \$250,000.00. It can be reasonably estimated that the City will pay the maximum amount in the agreement.

The City signed a redevelopment agreement with Westmore Equities, LLC in September 2010 to reimburse costs for the construction of a new building for a retail business in the City's Business District. The City is to reimburse Westmore Equities, LLC 100% of the Business District sales tax revenues collected on the property annually until the Neoga Business District expires in 21 years. The maximum amount to be paid over that period is \$158,000.00. It can be reasonably estimated that the City will pay the maximum amount in the agreement.

CITY OF NEOGA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

NOTE J - MAJOR CUSTOMER

On August 10, 2020, the City signed an agreement with Shelby County Energy Center, LLC to accept its wastewater up to a daily maximum of 192,000 gallons per day and an annual maximum of 15,000,000 gallons. As consideration of discharge, the user fee will equal \$0.85 per 100 gallons of water discharged by Shelby County Energy Center, LLC to the Neoga Wastewater Treatment System. The fee will be adjusted to keep the fee equal to the wastewater fee charged to residential wastewater customers at the time of the billing. In the event the fee is less than \$70,000.00, a true up payment will be made at the end of the calendar year to adjust the billing to \$70,000.00. The agreement is for 10 years. On a monthly basis, the Center shall reimburse the City for the cost of electricity associated with operating the Lake Facilities.

Shelby County Energy Center, LLC paid \$113,895.35 or 13.66% of water and sewer revenue to the City during the fiscal year ended April 30, 2024.

NOTE K - OTHER LEASE

At March 31, 2023, the City entered into a cash rent farm lease with Damon Potter for a term of 3 years with an ending date of February 28, 2026. The lease requires the tenant to pay the City \$255.00 per acre for the 40.93 tillable acres for a total of \$10,437.15 annually by April 30<sup>th</sup> of each year. The City used the incremental borrowing rate of 5.15% for discounting future payments.

For the year ending April 30, 2024, the City recognized lease revenue of \$9,439.81 and interest revenue of \$997.34 on the lease above.

NOTE L - RISK MANAGEMENT

The City is exposed to various risks of loss including, but not limited to, workers compensation, general, automobile, and public officials' liability, property, flood and earthquake, cyber liability, crime and bonds, liquor liability, and equipment breakdown coverage. To limit exposure to these risks, the City is a member of the Illinois Municipal League Risk Management Association, a self-insured municipal pool of over 600 municipalities.

NOTE M - MAJOR SUPPLIER

On November 27, 2017, the City approved a water supply agreement with EJ Water Cooperative, Inc. The City will pay an initial rate of \$2.90 per 1,000 gallons to purchase water. An annual adjustment will be made to the rate beginning January 1, 2021 in accordance with the consumer price index. The term of the agreement is 40 years beginning on the first day of delivery of water. For the year ended April 30, 2024, the City of Neoga purchased \$124,642.68 in treated water from EJ Water Cooperative, Inc.

NOTE N - COMMITMENTS

On January 24, 2022, the City Council approved a TIF grant to Neoga Community Unit School District No. 3 to rehabilitate, reconstruct, repair, and/or remodel the existing facilities located in the redevelopment project area. The City will reimburse up to \$600,000.00 for costs incurred as follows: \$300,000.00 for the City's fiscal year ending April 30, 2023, \$100,000.00 for the year ending April 30, 2024, \$100,000.00 for the year ending April 30, 2025, and \$100,000.00 for the year ending April 30, 2026. As of April 30, 2024, \$400,000.00 had been expended for the project from the Tax Increment Financing Fund and \$200,000.00 remains on the commitment.

CITY OF NEOGA, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS

On January 23, 2024, the City Council approved a TIF grant to Neoga Fire Protection District to redevelop, rehabilitate, and repair the existing commercial building located in the redevelopment project area. The City will reimburse an amount equal to the actual costs of the redevelopment not to exceed \$10,678.00. As of April 30, 2024, \$0 had been expended for the project from the Tax Increment Financing Fund and \$10,678.00 remains on the commitment.

On February 12, 2024, the City Council approved a TIF grant to Workman Real Estate Holding, LLC to redevelop, rehabilitate, and repair the existing commercial building located in the redevelopment project area. The City will reimburse an amount equal to the actual costs of the redevelopment not to exceed \$275,741.00 for costs incurred on or before December 31, 2024. As of April 30, 2024, \$0 had been expended for the project from the Tax Increment Financing Fund and \$275,741.00 remains on the commitment.

NOTE O - DEFICIT FUND BALANCE

At April 30, 2024, the Tax Increment Financing West Fund had a deficit balance of \$51,981.15.

NOTE P - CONTINGENCIES

At April 30, 2024, the City is a defendant in a pending lawsuit. The City's legal counsel is unable to express an opinion as to the likelihood of an unfavorable outcome. No loss contingency has been recorded because the amount of potential loss cannot be reasonably estimated.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NEOGA, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
REGULAR PLAN  
December 31, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability:</b>									
Service cost	\$ 43,337	\$ 40,617	\$ 38,514	\$ 40,281	\$ 35,471	\$ 37,523	\$ 39,182	\$ 38,928	\$ 37,953
Interest	232,504	210,831	201,573	195,614	189,650	183,664	180,683	173,267	191,436
Differences between expected and actual experience	90,828	203,900	41,904	27,247	7,751	24,207	36,622	3,410	(357,862)
Changes of assumptions	906	-	-	(28,289)	-	75,256	(83,024)	(6,352)	6,209
Benefit payments, including refunds of employee contributions	(158,286)	(157,251)	(153,438)	(150,115)	(155,916)	(149,305)	(116,480)	(116,877)	(111,731)
Net change in total pension liability	209,289	298,097	128,553	84,738	76,956	171,345	56,983	92,376	(233,995)
Total pension liability, beginning of year	3,264,427	2,966,330	2,837,777	2,753,039	2,676,083	2,504,738	2,447,755	2,355,379	2,589,374
<b>Total Pension Liability, End of Year</b>	<b>\$ 3,473,716</b>	<b>\$ 3,264,427</b>	<b>\$ 2,966,330</b>	<b>\$ 2,837,777</b>	<b>\$ 2,753,039</b>	<b>\$ 2,676,083</b>	<b>\$ 2,504,738</b>	<b>\$ 2,447,755</b>	<b>\$ 2,355,379</b>
<b>Plan Fiduciary Net Position:</b>									
Contributions - employer	\$ 26,923	\$ 38,459	\$ 43,361	\$ 44,393	\$ 32,210	\$ 38,046	\$ 38,894	\$ 40,172	\$ 44,824
Contributions - employees	22,604	21,715	18,655	17,805	17,174	16,060	16,131	15,516	15,773
Net investment income	320,235	(419,268)	503,451	384,119	443,398	(140,986)	385,842	145,967	12,172
Benefit payments, including refunds of employee contributions	(158,286)	(157,251)	(153,438)	(150,115)	(155,916)	(149,305)	(116,480)	(116,877)	(111,731)
Other (net transfer)	84,699	14,296	30,529	19,163	(19,646)	51,689	(14,427)	28,610	(328,273)
Net change in fiduciary net position	296,175	(502,049)	442,558	315,365	317,220	(184,496)	309,960	113,388	(367,235)
Plan net position, beginning of year	2,904,638	3,406,687	2,964,129	2,648,764	2,331,544	2,516,040	2,206,080	2,092,692	2,459,927
<b>Plan Net Position, End of Year</b>	<b>\$ 3,200,813</b>	<b>\$ 2,904,638</b>	<b>\$ 3,406,687</b>	<b>\$ 2,964,129</b>	<b>\$ 2,648,764</b>	<b>\$ 2,331,544</b>	<b>\$ 2,516,040</b>	<b>\$ 2,206,080</b>	<b>\$ 2,092,692</b>
<b>Employer's Net Pension Liability/(Asset)</b>	<b>\$ 272,903</b>	<b>\$ 359,789</b>	<b>\$ (440,357)</b>	<b>\$ (126,352)</b>	<b>\$ 104,275</b>	<b>\$ 344,539</b>	<b>\$ (11,302)</b>	<b>\$ 241,675</b>	<b>\$ 262,687</b>
<b>Plan fiduciary net position</b>									
as a percentage of the total pension liability	92.14%	88.98%	114.85%	104.45%	96.21%	87.13%	100.45%	90.13%	88.85%
<b>Covered employee payroll</b>	<b>\$ 502,310</b>	<b>\$ 482,545</b>	<b>\$ 414,542</b>	<b>\$ 395,663</b>	<b>\$ 381,645</b>	<b>\$ 356,899</b>	<b>\$ 358,475</b>	<b>\$ 344,820</b>	<b>\$ 349,099</b>
<b>Employer's net pension liability</b>									
as a percentage of covered employee payroll	54.33%	74.56%	-106.23%	-31.93%	27.32%	96.54%	-3.15%	70.09%	75.25%

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

CITY OF NEOGA, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 December 31, 2023

Calendar Year Ending December 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Actual Contribution as a % of Covered Employee Payroll
Illinois Municipal Retirement Fund - Regular Plan:					
2015	\$ 65,491	\$ 44,824	\$ 20,667	\$ 349,099	12.84%
2016	40,172	40,172	-	344,820	11.65%
2017	38,895	38,894	1	358,475	10.85%
2018	38,045	38,046	(1)	356,899	10.66%
2019	32,211	32,210	1	381,645	8.44%
2020	44,393	44,393	-	395,663	11.22%
2021	43,361	43,361	-	414,542	10.46%
2022	38,459	38,459	-	482,545	7.97%
2023	26,924	26,923	1	502,310	5.36%



CITY OF NEOGA, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS (Continued)  
December 31, 2023

Notes to Schedule:

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2023 Contribution Rate \*

Valuation Date:

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

Methods and Assumptions Used to Determine 2023 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	20-year closed period
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.

\*Based on Valuation Assumptions used in the December 31, 2021, actuarial valuation.

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

SUPPLEMENTARY INFORMATION

CITY OF NEOGA, ILLINOIS  
 COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 April 30, 2024

	Cemetery Perpetual	Business District	Tax Increment Financing East	Tax Increment Financing West	Total Non-Major Governmental Funds
<b>ASSETS</b>					
Cash deposits	\$ 13,550.00	\$ 3,799.98	\$ 2,748.27	\$ 11,160.85	\$ 31,259.10
Receivables:					
Property taxes	-	-	1,600.20	5,472.12	7,072.32
Due from other governmental agencies	-	2,017.08	-	-	2,017.08
 Total Assets	\$ 13,550.00	\$ 5,817.06	\$ 4,348.47	\$ 16,632.97	\$ 40,348.50
<b>LIABILITIES</b>					
Due to other funds	\$ -	\$ -	\$ -	\$ 63,142.00	\$ 63,142.00
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable property taxes	-	-	1,600.20	5,472.12	7,072.32
<b>FUND BALANCE</b>					
Nonspendable	13,550.00	-	-	-	13,550.00
Restricted for:					
Economic development and assistance	-	5,760.17	2,745.43	3,870.28	12,375.88
Street maintenance	-	-	-	-	-
Assigned for:					
Economic development and assistance	-	56.89	2.84	8.75	68.48
Unassigned (deficit)	-	-	-	(55,860.18)	(55,860.18)
Total fund balance (deficit)	13,550.00	5,817.06	2,748.27	(51,981.15)	(29,865.82)
 Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 13,550.00	\$ 5,817.06	\$ 4,348.47	\$ 16,632.97	\$ 40,348.50

CITY OF NEOGA, ILLINOIS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 NON-MAJOR GOVERNMENTAL FUNDS  
 For the Year Ended April 30, 2024

	<u>Cemetery Perpetual</u>	<u>Business District</u>	<u>Tax Increment Financing East</u>	<u>Tax Increment Financing West</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:					
Property taxes	\$ -	\$ -	\$ 793.13	\$ 3,870.28	\$ 4,663.41
Municipal retailers' occupation tax	-	11,754.56	-	-	11,754.56
Interest income	<u>476.26</u>	<u>7.67</u>	<u>1.78</u>	<u>8.75</u>	<u>494.46</u>
Total revenues	<u>476.26</u>	<u>11,762.23</u>	<u>794.91</u>	<u>3,879.03</u>	<u>16,912.43</u>
Expenditures:					
Economic development and assistance	<u>-</u>	<u>12,187.63</u>	<u>-</u>	<u>-</u>	<u>12,187.63</u>
Excess (deficiency) of revenues over expenditures	<u>476.26</u>	<u>(425.40)</u>	<u>794.91</u>	<u>3,879.03</u>	<u>4,724.80</u>
Other Financing Sources (Uses):					
Transfers out	<u>(476.26)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(476.26)</u>
Net change in fund balance	-	(425.40)	794.91	3,879.03	4,248.54
Fund balance (Deficit), beginning of year	<u>13,550.00</u>	<u>6,242.46</u>	<u>1,953.36</u>	<u>(55,860.18)</u>	<u>(34,114.36)</u>
Fund Balance (Deficit), End of Year	<u>\$ 13,550.00</u>	<u>\$ 5,817.06</u>	<u>\$ 2,748.27</u>	<u>\$ (51,981.15)</u>	<u>\$ (29,865.82)</u>

CITY OF NEOGA, ILLINOIS  
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET  
 CEMETERY PERPETUAL FUND  
 For the Year Ended April 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
<b>RECEIPTS</b>				
Revenue:				
Interest received	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 476.26</u>	<u>\$ 476.26</u>
<b>DISBURSEMENTS</b>				
Cemetery:				
Non-Expense Disbursements:				
Transfers to other funds	<u>-</u>	<u>-</u>	<u>476.26</u>	<u>(476.26)</u>
Excess of receipts (disbursements)	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Cash deposits, beginning of year			<u>13,550.00</u>	
Cash Deposits, End of Year			<u>\$ 13,550.00</u>	

CITY OF NEOGA, ILLINOIS  
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET  
 BUSINESS DISTRICT FUND  
 For the Year Ended April 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
<b>RECEIPTS</b>				
Revenue:				
Municipal retailers' occupation tax	\$ 14,000.00	\$ 14,000.00	\$ 11,717.69	\$ (2,282.31)
Interest received	<u>35.00</u>	<u>35.00</u>	<u>7.67</u>	<u>(27.33)</u>
Total receipts	<u>14,035.00</u>	<u>14,035.00</u>	<u>11,725.36</u>	<u>(2,309.64)</u>
<b>DISBURSEMENTS</b>				
Economic Development and Assistance	<u>18,300.00</u>	<u>18,300.00</u>	<u>12,187.63</u>	<u>6,112.37</u>
Excess of receipts (disbursements)	<u>\$ (4,265.00)</u>	<u>\$ (4,265.00)</u>	(462.27)	<u>\$ 3,802.73</u>
Cash deposits, beginning of year			<u>4,262.25</u>	
Cash Deposits, End of Year			<u>\$ 3,799.98</u>	

CITY OF NEOGA, ILLINOIS  
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET  
 TAX INCREMENT FINANCING EAST FUND  
 For the Year Ended April 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
<b>RECEIPTS</b>				
Revenue:				
Property taxes	\$ 20,000.00	\$ 20,000.00	\$ 793.13	\$ (19,206.87)
Interest received	<u>46.00</u>	<u>46.00</u>	<u>1.78</u>	<u>(44.22)</u>
 Total receipts	 <u>20,046.00</u>	 <u>20,046.00</u>	 <u>794.91</u>	 <u>(19,251.09)</u>
<b>DISBURSEMENTS</b>				
Economic Development and Assistance	<u>22,000.00</u>	<u>22,000.00</u>	<u>-</u>	<u>22,000.00</u>
Excess of receipts (disbursements)	<u>\$ (1,954.00)</u>	<u>\$ (1,954.00)</u>	794.91	<u>\$ 2,748.91</u>
Cash deposits, beginning of year			<u>1,953.36</u>	
Cash Deposits, End of Year			<u>\$ 2,748.27</u>	

CITY OF NEOGA, ILLINOIS  
 CASH RECEIPTS AND DISBURSEMENTS AND COMPARISON TO BUDGET  
 TAX INCREMENT FINANCING WEST FUND  
 For the Year Ended April 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative) Final Budget</u>
<b>RECEIPTS</b>				
Revenue:				
Property taxes	\$ 20,000.00	\$ 20,000.00	\$ 3,870.28	\$ (16,129.72)
Interest received	<u>18.00</u>	<u>18.00</u>	<u>8.75</u>	<u>(9.25)</u>
Total revenue receipts	<u>20,018.00</u>	<u>20,018.00</u>	<u>3,879.03</u>	<u>(16,138.97)</u>
<b>DISBURSEMENTS</b>				
Economic Development and Assistance	<u>27,300.00</u>	<u>27,300.00</u>	<u>-</u>	<u>27,300.00</u>
Excess of receipts (disbursements)	<u>\$ (7,282.00)</u>	<u>\$ (7,282.00)</u>	3,879.03	<u>\$ 11,161.03</u>
Cash deposits, beginning of year			<u>7,281.82</u>	
Cash Deposits, End of Year			<u>\$ 11,160.85</u>	



## OTHER INFORMATION

CITY OF NEOGA, ILLINOIS  
SCHEDULE OF COMBINING BALANCE SHEET - GENERAL FUND  
April 30, 2024

	General	Cemetery Maintenance	Total General Fund
<b>ASSETS</b>			
Cash deposits	\$ 1,140,993.39	\$ 6,186.85	\$ 1,147,180.24
Receivables:			
Property taxes	181,846.19	-	181,846.19
Utility taxes	6,162.71	-	6,162.71
Due from other governmental agencies	171,489.70	-	171,489.70
Other receivables	5,169.86	-	5,169.86
Lease receivable	9,925.97	-	9,925.97
Prepaid expenditures	10,449.36	-	10,449.36
Inventory	16,223.29	-	16,223.29
 Total Assets	\$ 1,542,260.47	\$ 6,186.85	\$ 1,548,447.32
<b>LIABILITIES</b>			
Accounts payable	\$ 18,228.44	\$ 2,475.00	\$ 20,703.44
Accrued salaries	3,771.00		3,771.00
Due to (from) other funds	11,591.79	(7,200.00)	4,391.79
Unearned revenue	234,849.02	-	234,849.02
Total liabilities	268,440.25	(4,725.00)	263,715.25
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred leases	9,925.97	-	9,925.97
Unavailable grant revenue	28,677.79	-	28,677.79
Unavailable property taxes	181,846.19	-	181,846.19
Total deferred inflows of resources	220,449.95	-	220,449.95

CITY OF NEOGA, ILLINOIS  
 SCHEDULE OF COMBINING BALANCE SHEET - GENERAL FUND (Continued)  
 April 30, 2024

	General	Cemetery Maintenance	Total General Fund
FUND BALANCE			
Nonspendable	26,672.65	-	26,672.65
Restricted for:			
Public safety	8,947.86	-	8,947.86
Workers compensation insurance	14,972.97	-	14,972.97
Sanitation	21,954.98	-	21,954.98
Veteran's Memorial	11,476.11	-	11,476.11
Committed for:			
Public safety	6,166.16	-	6,166.16
Equipment	194,596.11	-	194,596.11
Assigned for:			
Cemetery maintenance	-	10,911.85	10,911.85
Unassigned	768,583.43	-	768,583.43
Total fund balance	1,053,370.27	10,911.85	1,064,282.12
 Total Liabilities, Deferred Inflows of Resources and Fund Balance	 \$ 1,542,260.47	 \$ 6,186.85	 \$ 1,548,447.32

CITY OF NEOGA, ILLINOIS  
SCHEDULE OF COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
GENERAL FUND  
For the Year Ended April 30, 2024

	<u>General</u>	<u>Cemetery Maintenance</u>	<u>Total General Fund</u>
Revenues:			
Property taxes	\$ 175,012.27	\$ -	\$ 175,012.27
Personal property replacement tax	22,257.11	-	22,257.11
Municipal retailers' occupation tax	168,053.82	-	168,053.82
Local use tax	52,793.36	-	52,793.36
Illinois income tax	232,655.49	-	232,655.49
Cannabis tax	2,201.74	-	2,201.74
Utility tax	70,507.09	-	70,507.09
Telecommunications tax	16,158.88	-	16,158.88
Video gaming tax	19,071.25	-	19,071.25
Franchise tax	22,385.15	-	22,385.15
Other governmental agencies	8,069.42	-	8,069.42
Grant income	63,209.69	-	63,209.69
Licenses, permits and fees	11,425.46	-	11,425.46
Fines	17,339.76	-	17,339.76
Rental income	31,639.65	-	31,639.65
Interest income	25,290.71	8.91	25,299.62
Other income	39,524.54	7,900.00	47,424.54
	<u>978,095.39</u>	<u>7,908.91</u>	<u>986,004.30</u>
Expenditures:			
General government	274,740.44	-	274,740.44
Cemetery	-	47,693.00	47,693.00
Public safety	284,878.40	-	284,878.40
Highways and streets	184,541.20	-	184,541.20
Sanitation	6,388.30	-	6,388.30
Health and welfare	844.09	-	844.09
Economic development and assistance	94,595.60	-	94,595.60
Capital outlay	86,365.48	-	86,365.48
	<u>932,353.51</u>	<u>47,693.00</u>	<u>980,046.51</u>
Excess (deficiency) of revenues over expenditures	<u>45,741.88</u>	<u>(39,784.09)</u>	<u>5,957.79</u>

CITY OF NEOGA, ILLINOIS  
SCHEDULE OF COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE (Continued)  
GENERAL FUND  
For the Year Ended April 30, 2024

	General	Cemetery Maintenance	Total General Fund
Other Financing Sources (Uses):			
Sale of capital assets	8,000.00	-	8,000.00
Transfers in	-	476.26	476.26
Transfers in (out)	(50,000.00)	50,000.00	-
Total other financing sources (uses)	(42,000.00)	50,476.26	8,476.26
Net change in fund balance	3,741.88	10,692.17	14,434.05
Fund balance, beginning of year	1,049,628.39	219.68	1,049,848.07
Fund Balance, End of Year	\$ 1,053,370.27	\$ 10,911.85	\$1,064,282.12

CITY OF NEOGA, ILLINOIS  
 ASSESSED VALUATION, TAX RATES, TAXES EXTENDED AND COLLECTED

	Tax Levy Year		
	2023	2022	2021
Assessed Valuation (Excludes TIF District)	<u>\$ 15,799,248</u>	<u>\$ 14,993,549</u>	<u>\$ 15,437,936</u>
Tax Rates:			
General corporate	0.35270	0.36389	0.35684
Police protection	0.36464	0.35592	0.20394
Garbage	0.07430	0.07457	0.06769
Audit	0.07804	0.07829	0.07107
IMRF	0.11584	0.22194	0.32055
Liability insurance	0.10926	0.10964	0.09951
Social security	0.29253	0.18792	0.17058
Workers' compensation insurance	0.08582	0.08617	0.07821
ESDA	0.00174	0.00176	0.00160
Medicare	0.05461	0.05482	0.04976
Loss in collection	<u>0.00034</u>	<u>0.00003</u>	<u>-</u>
Total	<u>1.52982</u>	<u>1.53495</u>	<u>1.41975</u>
Taxes Extended:			
General corporate	\$ 55,723.95	\$ 54,560.03	\$ 55,088.73
Police protection	57,610.38	53,365.04	31,484.13
Garbage	11,738.84	11,180.69	10,449.94
Audit	12,329.73	11,738.45	10,971.74
IMRF	18,301.85	33,276.68	49,486.30
Liability insurance	17,262.26	16,438.93	15,362.29
Social security	46,217.54	28,175.88	26,334.03
Workers' compensation insurance	13,558.91	12,919.94	12,074.01
ESDA	274.91	263.89	247.01
Medicare	8,627.97	8,219.46	7,681.92
Loss in collection	<u>53.72</u>	<u>4.50</u>	<u>-</u>
Total	<u>\$ 241,700.06</u>	<u>\$ 230,143.49</u>	<u>\$ 219,180.10</u>
Taxes Collected		<u>\$ 232,321.60</u>	<u>\$ 220,632.18</u>
Percent Collected		<u>100.95%</u>	<u>100.66%</u>
City's Share of Township Road and Bridge:			
Taxes Extended	<u>\$ 13,293.49</u>	<u>\$ 13,014.40</u>	<u>\$ 12,844.36</u>
Taxes Collected		<u>\$ 13,022.09</u>	<u>\$ 12,841.57</u>
Percent Collected		<u>100.06%</u>	<u>99.98%</u>

CITY OF NEOGA, ILLINOIS  
LEGAL DEBT MARGIN

	April 30		
	2023	2022	2021
Assessed Valuation (Includes TIF District)	<u>\$ 20,309,452.00</u>	<u>\$ 19,125,651.00</u>	<u>\$ 19,742,130.00</u>
Statutory debt limitation (8.625% of assessed value)	<u>\$ 1,751,690.24</u>	<u>\$ 1,649,587.40</u>	<u>\$ 1,702,758.71</u>
Total Debt:			
Water and sewer general obligation bonds	<u>975,000.00</u>	<u>1,100,000.00</u>	<u>880,200.00</u>
Less debt to be paid from water and sewer utility revenue, exempt from legal debt computation	<u>975,000.00</u>	<u>1,100,000.00</u>	<u>880,200.00</u>
Legal Debt Margin	<u><u>\$ 1,751,690.24</u></u>	<u><u>\$ 1,649,587.40</u></u>	<u><u>\$ 1,702,758.71</u></u>

CITY OF NEOGA, ILLINOIS  
 OTHER ADDITIONAL INFORMATION  
 April 30, 2024

City Officials:		<u>Term Expires</u>
Mayor	Thomas Helm	4/30/2027
Commissioners	Ronald Edwards	4/30/2027
	Zachary Letizia	4/30/2025
	Dawn Schabbing	4/30/2027
	Delbert Williams	4/30/2025
Clerk	Brenda Evans	4/30/2024
Treasurer	Diana Foor	4/30/2024

Board Meetings - 2nd and 4th Monday of each month at 7:00 p.m.

Population - 1,398 (2020 Census)

Water and Sewer Rates:

	<u>Water</u>		
	<u>Inside</u>	<u>Outside</u>	<u>Sewer</u>
	<u>City Limits</u>	<u>City Limits</u>	
	<u>Effective</u>		<u>Effective</u>
	<u>5/1/2023</u>		<u>5/1/2023</u>
First 2,000 gallons (minimum)	\$ 27.35	\$ 44.48	\$ 28.88
Over 2,000 gallons - per thousand gallons	13.13	19.30	10.83
Per hundred gallons or any part thereof	1.31	1.93	1.08

Water and Sewer Customers:

<u>Date</u>	<u>Water</u>	<u>Sewer</u>
4/30/2020	642	632
4/30/2021	643	634
4/30/2022	642	633
4/30/2023	642	632
4/30/2024	643	633