

# CITY OF GEORGETOWN, ILLINOIS

---

## ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
APRIL 30, 2023

208 S. Walnut Street  
Georgetown, IL 61846  
Phone: 217.662.2525  
[www.georgetownil.net](http://www.georgetownil.net)

**CITY OF GEORGETOWN, ILLINOIS**

**TABLE OF CONTENTS**

---

---

**PAGE**

**FINANCIAL SECTION**

<b>INDEPENDENT AUDITORS' REPORT</b>	<a href="#"><u>1</u></a>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<a href="#"><u>5</u></a>
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-Wide Financial Statements	
Statement of Net Position	<a href="#"><u>15</u></a>
Statement of Activities	<a href="#"><u>17</u></a>
Fund Financial Statements	
Balance Sheet - Governmental Funds	<a href="#"><u>19</u></a>
Reconciliation of Total Governmental Fund Balance to the Net Position of Governmental Activities	<a href="#"><u>20</u></a>
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	<a href="#"><u>21</u></a>
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities	<a href="#"><u>22</u></a>
Statement of Net Position - Proprietary Funds	<a href="#"><u>23</u></a>
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	<a href="#"><u>25</u></a>
Statement of Cash Flows - Proprietary Funds	<a href="#"><u>26</u></a>
Notes to Financial Statements	<a href="#"><u>27</u></a>
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	<a href="#"><u>54</u></a>
Schedule of Changes in the Employer's Net Pension Liability/(Asset)	
Illinois Municipal Retirement Fund	<a href="#"><u>55</u></a>
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	<a href="#"><u>57</u></a>
Business District - Special Revenue Fund	<a href="#"><u>58</u></a>

# CITY OF GEORGETOWN, ILLINOIS

## TABLE OF CONTENTS

---

---

PAGE

### FINANCIAL SECTION - Continued

#### OTHER SUPPLEMENTARY INFORMATION

Schedule of Revenues - Budget and Actual - General Fund	<a href="#">62</a>
Schedule of Expenditures - Budget and Actual - General Fund	<a href="#">63</a>
Combining Balance Sheet - Nonmajor Governmental Funds	<a href="#">65</a>
Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds	<a href="#">66</a>
Combining Balance Sheet - Nonmajor Governmental - Special Revenue Funds	<a href="#">67</a>
Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental - Special Revenue Funds	<a href="#">69</a>
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Illinois Municipal Retirement - Special Revenue Fund	<a href="#">71</a>
FICA Tax - Special Revenue Fund	<a href="#">72</a>
Unemployment - Special Revenue Fund	<a href="#">73</a>
Tort - Special Revenue Fund	<a href="#">74</a>
TIF District - Special Revenue Fund	<a href="#">75</a>
Municipal Building - Debt Service Fund	<a href="#">76</a>
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual Water Utilities - Enterprise Fund	<a href="#">77</a>
Schedule of Operating Expenses - Budget and Actual Water Utilities - Enterprise Fund	<a href="#">78</a>
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual Sewer Utilities - Enterprise Fund	<a href="#">79</a>
Schedule of Operating Expenses - Budget and Actual Sewer Utilities - Enterprise Fund	<a href="#">80</a>

#### SUPPLEMENTAL SCHEDULES

Long-Term Debt Requirements	
General Obligation Refunding (Alternate Revenue Source) Bonds of 2013B	<a href="#">82</a>
Illinois Environmental Protection Agency Loan Payable (L17-1818) of 2013	<a href="#">83</a>
Illinois Environmental Protection Agency Loan Payable (L17-3160) of 2017	<a href="#">84</a>
Illinois Environmental Protection Agency Loan Payable (L17-5678) of 2021	<a href="#">85</a>
Installment Contract Payable of 2018	<a href="#">86</a>
Installment Contract Payable of 2020	<a href="#">87</a>
Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections	
Last Five Tax Levy Years	<a href="#">88</a>

## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information
- Supplemental Schedules

## **INDEPENDENT AUDITORS' REPORT**

This section includes the opinion of the City's independent auditing firm.



October 20, 2023

The Honorable City Mayor  
Members of the City Council  
City of Georgetown, Illinois

## **Opinions**

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Georgetown, Illinois, as of April 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, 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's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor’s 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’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City’s ability to continue as a going concern for a reasonable period of time.

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, the budgetary comparison schedules, and GASB-required pension, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Georgetown, Illinois' basic financial statements. The other supplementary information and supplemental schedules 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, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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

As management of the City of Georgetown, Illinois (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended April 30, 2023. Management's Discussion and Analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the City's financial statements, which can be found in the financial section of this report.

### **Financial Highlights**

The assets/deferred outflows of the City exceeded its liabilities/deferred inflows as of April 30, 2023 resulting in a net position of \$11,869,553. Of this amount, \$4,457,431 is unrestricted net position which may be used to meet the City's ongoing obligations to citizens and creditors. The City's total net position increased by \$666,518 over the prior year.

As of April 30, 2023, the City's governmental activities reported a combined net position of \$4,708,406, an increase of \$629,677 over the prior year. In addition, the City's business-type activities reported combined net position of \$7,161,147 an increase of \$36,841 over the prior year.

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

The focus of the financial statement is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives allow the user to address relevant questions, broaden the basis for comparison (year to year or government to government) and enhance the City's accountability.

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (Governmental Activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (Business-Type Activities). The Governmental Activities reflect the City's basic services, including general government, public safety, public works, culture and recreation, and community development. The Business-Type Activities include the water utilities and sewer utilities.

## Management's Discussion and Analysis

### Fund Financial Statements

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

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Business District Fund and Motor Fuel Tax Fund, all considered to be a major funds. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual budget for each of its governmental funds except the Motor Fuel Tax Fund and the TIF District Fund. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with these budgets.

**Proprietary Funds.** The City maintains two proprietary funds, both of which are enterprise funds. Enterprise funds are used to report the same functions and provide the same type of information, only in more detail, as presented in the business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water utilities and sewer utilities, which are both considered to be major funds.

The City adopts an annual budget for each of its proprietary funds. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with these budgets.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budget to actual comparisons for the General Fund, Business District Fund, and the City's progress in funding its obligation to provide pension benefits to its employees.

Individual fund statements and schedules are presented immediately following the required supplementary information discussed above.

## Management's Discussion and Analysis

### Financial Analysis of the City as a Whole

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets/deferred outflows exceeded liabilities/deferred inflows by \$11,869,553 as of April 30, 2023.

The largest portion of the City's net position reflects its investment in capital assets (e.g. land, construction in progress, property and equipment, infrastructure, and engineering fee) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Net Position					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 3,716,284	3,516,704	1,906,446	3,016,891	5,622,730	6,533,595
Capital Assets	1,740,229	1,750,161	13,410,890	13,317,241	15,151,119	15,067,402
Total Assets	5,456,513	5,266,865	15,317,336	16,334,132	20,773,849	21,600,997
Deferred Outflows of Resources	254,378	102,288	781,580	679,931	1,035,958	782,219
Total Assets and Deferred Outflows	5,710,891	5,369,153	16,098,916	17,014,063	21,809,807	22,383,216
Noncurrent Liabilities	309,972	391,262	8,444,979	8,327,350	8,754,951	8,718,612
Current Liabilities	160,827	149,200	474,100	1,348,590	634,927	1,497,790
Total Liabilities	470,799	540,462	8,919,079	9,675,940	9,389,878	10,216,402
Deferred Inflows of Resources	531,686	749,962	18,690	213,817	550,376	963,779
Total Liabilities and Deferred Inflows	1,002,485	1,290,424	8,937,769	9,889,757	9,940,254	11,180,181
<b>Net Position</b>						
Net Investment in Capital Assets	1,348,967	1,248,420	5,258,526	5,360,641	6,607,493	6,609,061
Restricted	804,629	622,678	—	—	804,629	622,678
Unrestricted	2,554,810	2,207,631	1,902,621	1,763,665	4,457,431	3,971,296
Total Net Position	4,708,406	4,078,729	7,161,147	7,124,306	11,869,553	11,203,035

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

As of April 30, 2023, the City was able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

The City's total net position increased by \$666,518 over the prior year. The City's total unrestricted net position increased by \$486,135 during the current fiscal year.

The City's total net investment in capital assets decreased by \$1,568 during the April 30, 2023 fiscal year.

## Management's Discussion and Analysis

### Financial Analysis of the City as a Whole - Continued

	Change in Net Position					
	Governmental		Business-Type		Totals	
	Activities	Activities	Activities	Activities	2023	2022
	2023	2022	2023	2022	2023	2022
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for Services	\$ 28,974	22,510	1,556,379	1,581,359	1,585,353	1,603,869
Operating Grants and Contributions	306,258	214,594	—	—	306,258	214,594
<b>General Revenues</b>						
Property Taxes	241,627	221,300	—	—	241,627	221,300
Other Taxes	1,081,737	1,045,233	—	—	1,081,737	1,045,233
Other	124,868	43,815	10,468	647,042	135,336	690,857
<b>Total Revenues</b>	<b>1,783,464</b>	<b>1,547,452</b>	<b>1,566,847</b>	<b>2,228,401</b>	<b>3,350,311</b>	<b>3,775,853</b>
<b>Expenses</b>						
General Government	401,999	152,068	—	—	401,999	152,068
Public Safety	434,432	478,997	—	—	434,432	478,997
Public Works	267,212	266,824	—	—	267,212	266,824
Culture and Recreation	39,465	59,146	—	—	39,465	59,146
Community Development	570	1,093	—	—	570	1,093
Interest on Long-Term Debt	18,109	22,187	—	—	18,109	22,187
Water Utilities	—	—	770,790	590,472	770,790	590,472
Sewer Utilities	—	—	751,216	685,670	751,216	685,670
<b>Total Expenses</b>	<b>1,161,787</b>	<b>980,315</b>	<b>1,522,006</b>	<b>1,276,142</b>	<b>2,683,793</b>	<b>2,256,457</b>
Change in Net Position before Transfers	621,677	567,137	44,841	952,259	666,518	1,519,396
Transfers	8,000	8,000	(8,000)	(8,000)	—	—
Change in Net Position	629,677	575,137	36,841	944,259	666,518	1,519,396
Net Position - Beginning	4,078,729	3,503,592	7,124,306	6,180,047	11,203,035	9,683,639
Net Position - Ending	4,708,406	4,078,729	7,161,147	7,124,306	11,869,553	11,203,035

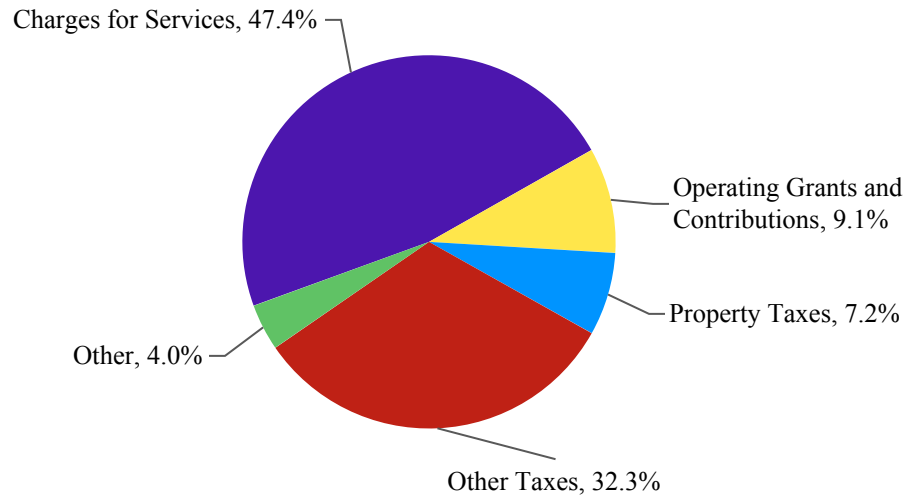
**Revenues.** For the fiscal year ended April 30, 2023, revenues from governmental activities totaled \$1,783,464, which increased \$236,012 from the prior year. This increase is attributable mostly to an increase in operating grants and contributions related to COVID-19 relief funding of \$91,664. For the fiscal year ended April 30, 2022, revenues from business-type activities totaled \$1,566,847, which decreased \$661,554 from the prior year. This decrease is attributable to an decrease in other revenues of \$636,574 and a decrease in charges for services of \$24,980.

## Management's Discussion and Analysis

### Financial Analysis of the City as a Whole - Continued

**Revenues - Continued.** The majority of the governmental activity revenues were received from tax revenues other than property taxes, including sales taxes, gaming taxes, utility taxes, income taxes, replacement taxes, etc. which accounted for \$1,081,737. The largest single source of tax revenue were state income taxes, which totaled \$517,491, followed by sales taxes of \$417,053.

#### Revenues by Source

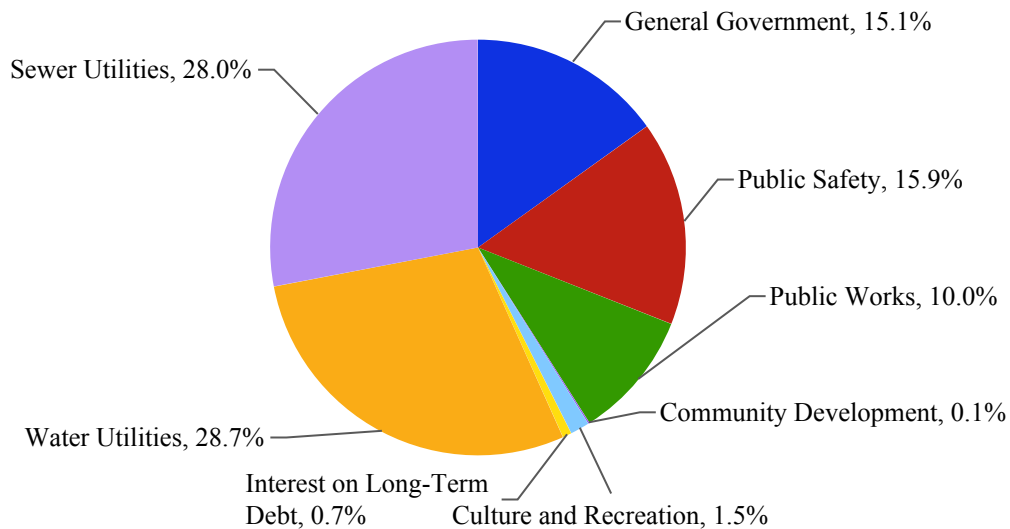


**Expenses.** For the fiscal year ended April 30, 2023, expenses from governmental activities totaled \$1,161,787, which increased \$181,472 from the prior year. This increase is attributable mostly to a decrease in GASB 68 pension expense recognition in fiscal year 2023.

Expenses for business-type activities totaled \$1,522,006, which increased \$245,864 from the prior year. The increase is attributable mostly to update the communication system of the water system.

Public safety operations (15.9%), water utilities to (28.7%) and sewer utilities (28.0%) accounted for the largest share of expenses. The chart below illustrates expense percentages by function.

#### Expenses by Function



## Management's Discussion and Analysis

### Financial Analysis of the City's Funds

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

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$3,167,155, an increase of \$569,640 in comparison with the prior year balance. Approximately 56.4% of this total amount, \$1,786,824, is available for spending at the City's discretion for general purposes.

The General Fund is the primary operating fund of the City. As of April 30, 2023, unassigned fund balance of the General Fund was \$1,786,824. Unassigned fund balance may serve as a useful measure of the General Fund's liquidity. It may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 189.3% of the total General Fund expenditures, while total fund balance represents 226.5% of total General Fund expenditures.

The fund balance of the General Fund increased by \$370,758 to a total of \$2,137,991 at the end of the current fiscal year. The key factors in this increase is intergovernmental revenues, specifically from income taxes with an increase of \$37,739, and an increase of grants of \$134,834. The City was a recipient of COVID-19 relief grant funding in the current fiscal year.

The fund balance of the Business District Fund increased by \$17,164 to a total of \$198,108. The increase is primarily due to an increase in sales taxes and in interest income, as well as no change in expenditures in Capital Outlay.

The fund balance of the Motor Fuel Tax Fund increased by \$105,770 to a total of \$494,035 at the end of the current fiscal year. This increase was primarily due to motor fuel tax allotments of \$171,424 being greater than transportation expenditures of \$75,305, as well as receiving the final motor fuel tax rebuild payment.

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

The Water Utilities Fund had a decrease in net position of \$21,418 to a total of \$3,638,289 at the end of the current fiscal year. Approximately 24.2% of that total is unrestricted net position. The Sewer Fund had an increase in net position of \$58,259 to a total of \$3,522,858 at the end of the current fiscal year. Approximately 29.0% of that total is unrestricted net position. Other factors concerning the finances of the Water Utilities Fund and the Sewer Utilities Fund have been addressed in the discussion of the City's business-type activities.

### General Fund Budgetary Highlights

The City did not amend the budget during the current fiscal year for the General Fund. The General Fund revenues exceeded the budgeted revenues by \$243,639, primarily due to state income taxes of \$517,491 exceeding the budget of \$470,000 and a budget of zero and an actual of revenue in grants of \$134,834. General Fund expenditures were less than the budget by \$179,517, primarily due to general government insurance expenditures of \$34,858 and general government miscellaneous expenditures of \$40,347 being under budgeted expenditures of \$42,500 and \$58,500, respectively.

## Management's Discussion and Analysis

### Capital Asset and Debt Administration

**Capital Assets.** The City's investment in capital assets for its governmental and business-type activities as of April 30, 2023 is \$15,151,119 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, property and equipment, infrastructure, and engineering fees. The following schedule reflects the City's capital asset balances as of April 30, 2023.

	Capital Assets - Net of Depreciation					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Land	\$ 228,132	228,132	114,031	114,031	342,163	342,163
Construction in Progress	—	—	—	2,373,242	—	2,373,242
Property and Equipment	2,862,548	2,800,475	5,896,972	5,874,313	8,759,520	8,674,788
Infrastructure	511,210	487,195	12,119,466	9,208,364	12,630,676	9,695,559
Engineering Fees	—	—	1,245,854	1,245,854	1,245,854	1,245,854
Less:						
Accumulated depreciation	(1,861,661)	(1,765,641)	(5,965,433)	(5,498,563)	(7,827,094)	(7,264,204)
<b>Totals</b>	<b>1,740,229</b>	<b>1,750,161</b>	<b>13,410,890</b>	<b>13,317,241</b>	<b>15,151,119</b>	<b>15,067,402</b>

Major capital asset events during fiscal year ended April 30, 2023, included the following:

1. Water infrastructure project, reported as construction in progress in the current year.
2. Improvement to sidewalks, reported as infrastructure in the current year.

Additional information regarding the capital assets can be found in Note 3 of this report.

**Long-Term Debt.** At the end of the current fiscal year, the City had total debt outstanding of \$8,543,626. This amount is comprised of general obligation bonds, IEPA loans payable, and installment contract payable. In the fiscal year ended April 30, 2023, the City retired \$423,306 in outstanding debt and issued \$508,591 of IEPA Loans Payable.

The following schedule summarizes the City's indebtedness.

	Long-Term Debt Outstanding					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
General Obligation Bonds	\$ 150,000	220,000	—	—	150,000	220,000
IEPA Loans Payable	—	—	8,148,838	7,949,632	8,148,838	7,949,632
Installment Contract Payable	241,262	281,741	3,526	6,968	244,788	288,709
<b>Totals</b>	<b>391,262</b>	<b>501,741</b>	<b>8,152,364</b>	<b>7,956,600</b>	<b>8,543,626</b>	<b>8,458,341</b>

Additional information regarding the City's long-term debt can be found in Note 3 of this report.

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



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

Property taxes imposed on property within the City's corporate limits provide a stable revenue source. Growth in property tax revenue in the past has been challenged by a declining equalized assessed value (EAV) within the City. However, the City's EAV has continued to increase in the last few years reflecting improvements in the local economy and increases in new construction. Previous new construction activities indicate a potential for positive increase in the EAV in subsequent fiscal year. The City should also continue to see some increased money due to the relatively new TIF district.

Due to inflation and projects within the Water Fund, the City increased its overall water charges by \$2 this year. With the potential of new projects and the current economic state due to the COVID-19 pandemic, water and sewer rates may have to be revisited in the upcoming year.

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

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mrs. Amy Cavanaugh, Finance Director, City of Georgetown, 208 S. Walnut Street, Georgetown, IL 61846.

## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**CITY OF GEORGETOWN, ILLINOIS**

**Statement of Net Position**

**April 30, 2023**

---

---

**See Following Page**

**CITY OF GEORGETOWN, ILLINOIS**

**Statement of Net Position**

**April 30, 2023**

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Totals	Unit Library
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ 3,305,401	1,809,427	5,114,828	84,805
Receivables - Net	252,879	184,196	437,075	31,501
Prepays	50,182	20,645	70,827	—
Internal Balances	107,822	(107,822)	—	—
Total Current Assets	3,716,284	1,906,446	5,622,730	116,306
Noncurrent Assets				
Capital Assets				
Nondepreciable	228,132	114,031	342,163	—
Depreciable	3,373,758	19,262,292	22,636,050	17,185
Accumulated Depreciation	(1,861,661)	(5,965,433)	(7,827,094)	(16,609)
Total Capital Assets	1,740,229	13,410,890	15,151,119	576
Total Assets	5,456,513	15,317,336	20,773,849	116,882
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Items - IMRF	254,378	184,080	438,458	—
Deferred Items - ARO	—	597,500	597,500	—
Total Deferred Outflows of Resources	254,378	781,580	1,035,958	—
Total Assets and Deferred Outflows of Resources	5,710,891	16,098,916	21,809,807	116,882

The notes to the financial statements are an integral part of this statement.

	Primary Government			Component
	Governmental	Business-Type	Totals	Unit
	Activities	Activities		Library
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable	\$ 31,447	15,996	47,443	—
Accrued Payroll	11,823	7,338	19,161	890
Accrued Interest Payable	500	25,819	26,319	—
Deposits Payable	—	41,680	41,680	—
Current Portion of Long-Term Debt	117,057	383,267	500,324	—
Total Current Liabilities	160,827	474,100	634,927	890
Noncurrent Liabilities				
Net Pension Liability	35,767	25,882	61,649	—
General Obligation Bonds Payable	75,000	—	75,000	—
IEPA Loan Payable	—	7,769,013	7,769,013	—
Installment Contract Payable	199,205	84	199,289	—
Asset Retirement Obligation	—	650,000	650,000	—
Total Noncurrent Liabilities	309,972	8,444,979	8,754,951	—
Total Liabilities	470,799	8,919,079	9,389,878	890
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Items - IMRF	25,827	18,690	44,517	—
Property Taxes	207,263	—	207,263	31,501
Grants	298,596	—	298,596	—
Total Deferred Inflows of Resources	531,686	18,690	550,376	31,501
Total Liabilities and Deferred Inflows of Resources	1,002,485	8,937,769	9,940,254	32,391
<b>NET POSITION</b>				
Net Investment in Capital Assets	1,348,967	5,258,526	6,607,493	576
Restricted - IMRF	45,307	—	45,307	—
Restricted - FICA Tax	13,377	—	13,377	—
Restricted - Motor Fuel Tax	494,035	—	494,035	—
Restricted - Unemployment	41,550	—	41,550	—
Restricted - Tort	59,536	—	59,536	—
Restricted - Debt Service	102,628	—	102,628	—
Restricted - TIF District	48,196	—	48,196	—
Unrestricted	2,554,810	1,902,621	4,457,431	83,915
Total Net Position	4,708,406	7,161,147	11,869,553	84,491

The notes to the financial statements are an integral part of this statement.

**CITY OF GEORGETOWN, ILLINOIS**

**Statement of Activities**

**For the Fiscal Year Ended April 30, 2023**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 401,999	14,974	134,834	—
Public Safety	434,432	14,000	—	—
Public Works	267,212	—	171,424	—
Culture and Recreation	39,465	—	—	—
Community Development	570	—	—	—
Interest on Long-Term Debt	18,109	—	—	—
Total Governmental Activities	1,161,787	28,974	306,258	—
Business-Type Activities				
Water Utilities	770,790	748,049	—	—
Sewer Utilities	751,216	808,330	—	—
Total Business-Type Activities	1,522,006	1,556,379	—	—
Total Primary Government	2,683,793	1,585,353	306,258	—
Component Unit - Public Library	53,935	6,308	4,636	—

General Revenues  
 Taxes  
   Property Taxes  
   Road and Bridge Taxes  
   Gaming Taxes  
   Utility Taxes  
 Intergovernmental - Unrestricted  
   State Income Taxes  
   State Sales Taxes  
   Replacement Taxes  
   Other Taxes  
 Interest Income  
 Miscellaneous  
 Transfers - Internal Activity

Change in Net Position

Net Position - Beginning

Net Position - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expenses)/Revenues				Component Unit Library
Primary Government				
Governmental Activities	Business-Type Activities	Totals		
(252,191)	—	(252,191)	—	
(420,432)	—	(420,432)	—	
(95,788)	—	(95,788)	—	
(39,465)	—	(39,465)	—	
(570)	—	(570)	—	
(18,109)	—	(18,109)	—	
(826,555)	—	(826,555)	—	
—	(22,741)	(22,741)	—	
—	57,114	57,114	—	
—	34,373	34,373	—	
(826,555)	34,373	(792,182)	—	
—	—	—	(42,991)	
241,627	—	241,627	28,330	
10,063	—	10,063	—	
64,164	—	64,164	—	
30,016	—	30,016	—	
517,491	—	517,491	—	
417,053	—	417,053	—	
33,547	—	33,547	—	
9,403	—	9,403	—	
52,076	10,468	62,544	1,240	
72,792	—	72,792	23,874	
8,000	(8,000)	—	—	
1,456,232	2,468	1,458,700	53,444	
629,677	36,841	666,518	10,453	
4,078,729	7,124,306	11,203,035	74,038	
4,708,406	7,161,147	11,869,553	84,491	

The notes to the financial statements are an integral part of this statement.

**CITY OF GEORGETOWN, ILLINOIS**

**Balance Sheet - Governmental Funds**

**April 30, 2023**

	General	Special Revenue		Nonmajor	Totals
		Business District	Motor Fuel Tax		
<b>ASSETS</b>					
Cash and Investments	\$ 2,313,608	198,108	482,591	311,094	3,305,401
Receivables - Net of Allowances					
Taxes	71,508	—	—	135,755	207,263
Other Taxes	21,784	—	11,444	—	33,228
Accounts	12,388	—	—	—	12,388
Prepays	24,255	—	—	25,927	50,182
Advance to Other Funds	107,822	—	—	—	107,822
Total Assets	<u>2,551,365</u>	<u>198,108</u>	<u>494,035</u>	<u>472,776</u>	<u>3,716,284</u>
<b>LIABILITIES</b>					
Accounts Payable	31,447	—	—	—	31,447
Accrued Payroll	11,823	—	—	—	11,823
Total Liabilities	<u>43,270</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>43,270</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes	71,508	—	—	135,755	207,263
Grants	298,596	—	—	—	298,596
Total Deferred Inflows of Resources	<u>370,104</u>	<u>—</u>	<u>—</u>	<u>135,755</u>	<u>505,859</u>
Total Liabilities and Deferred Inflows of Resources	<u>413,374</u>	<u>—</u>	<u>—</u>	<u>135,755</u>	<u>549,129</u>
<b>FUND BALANCES</b>					
Nonspendable	132,077	—	—	25,927	158,004
Restricted	—	—	494,035	311,094	805,129
Committed	219,090	198,108	—	—	417,198
Unassigned	1,786,824	—	—	—	1,786,824
Total Fund Balances	<u>2,137,991</u>	<u>198,108</u>	<u>494,035</u>	<u>337,021</u>	<u>3,167,155</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>2,551,365</u>	<u>198,108</u>	<u>494,035</u>	<u>472,776</u>	<u>3,716,284</u>

The notes to the financial statements are an integral part of this statement.



**CITY OF GEORGETOWN, ILLINOIS**

**Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities**

**April 30, 2023**

---

---

<b>Total Governmental Fund Balances</b>	<b>\$ 3,167,155</b>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	1,740,229
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	228,551
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Net Pension Liability - IMRF	(35,767)
General Obligation Bonds Payable	(150,000)
Installment Contract Payable	(241,262)
Accrued Interest Payable	<u>(500)</u>
<b>Net Position of Governmental Activities</b>	<b><u>4,708,406</u></b>

The notes to the financial statements are an integral part of this statement.

**CITY OF GEORGETOWN, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds  
For the Fiscal Year Ended April 30, 2023**

	General	Special Revenue		Nonmajor	Totals
		Business District	Motor Fuel Tax		
Revenues					
Taxes	\$ 172,628	—	—	173,242	345,870
Intergovernmental	993,583	118,745	171,424	—	1,283,752
Licenses and Permits	14,974	—	—	—	14,974
Fines and Forfeitures	14,000	—	—	—	14,000
Interest Income	39,192	1,151	9,651	2,082	52,076
Miscellaneous	72,792	—	—	—	72,792
Total Revenues	1,307,169	119,896	181,075	175,324	1,783,464
Expenditures					
General Government	227,147	8,402	—	86,035	321,584
Public Safety	427,004	—	—	—	427,004
Public Works	239,343	—	75,305	—	314,648
Culture and Recreation	21,202	—	—	—	21,202
Community Development	—	—	—	570	570
Capital Outlay	27,495	—	—	—	27,495
Debt Service					
Principal Retirement	1,720	38,759	—	70,000	110,479
Interest and Fiscal Charges	—	10,571	—	7,771	18,342
Total Expenditures	943,911	57,732	75,305	164,376	1,241,324
Excess (Deficiency) of Revenues Over (Under) Expenditures	363,258	62,164	105,770	10,948	542,140
Other Financing Sources (Uses)					
Disposal of Capital Assets	19,500	—	—	—	19,500
Transfers In	8,000	—	—	65,000	73,000
Transfers Out	(20,000)	(45,000)	—	—	(65,000)
	7,500	(45,000)	—	65,000	27,500
Net Change in Fund Balances	370,758	17,164	105,770	75,948	569,640
Fund Balances - Beginning	1,767,233	180,944	388,265	261,073	2,597,515
Fund Balances - Ending	2,137,991	198,108	494,035	337,021	3,167,155

The notes to the financial statements are an integral part of this statement.

**CITY OF GEORGETOWN, ILLINOIS**

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

---

---

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 569,640</b>
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlays	86,088
Depreciation Expense	(96,020)
An increase in a net pension asset is not considered to be an increase in financial assets in the governmental funds.	
Change in Net Pension Asset - IMRF	(503,837)
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in Deferred Items - IMRF	463,094
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.	
Retirement of Debt	110,479
Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
	<u>233</u>
<b>Changes in Net Position of Governmental Activities</b>	<u><u>629,677</u></u>

The notes to the financial statements are an integral part of this statement.

**CITY OF GEORGETOWN, ILLINOIS**

**Statement of Net Position - Proprietary Funds**

**April 30, 2023**

	Business-Type Activities		
	Water Utilities	Sewer Utilities	Totals
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 874,620	934,807	1,809,427
Receivables - Net of Allowances			
Accounts	88,164	96,032	184,196
Prepays	10,034	10,611	20,645
Total Current Assets	<u>972,818</u>	<u>1,041,450</u>	<u>2,014,268</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	107,308	6,723	114,031
Depreciable	8,127,769	11,134,523	19,262,292
Accumulated Depreciation	(2,973,631)	(2,991,802)	(5,965,433)
Total Capital Assets	<u>5,261,446</u>	<u>8,149,444</u>	<u>13,410,890</u>
Total Assets	<u>6,234,264</u>	<u>9,190,894</u>	<u>15,425,158</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	111,287	72,793	184,080
Deferred Items - ARO	—	597,500	597,500
Total Deferred Outflows of Resources	<u>111,287</u>	<u>670,293</u>	<u>781,580</u>
Total Assets and Deferred Outflows of Resources	<u>6,345,551</u>	<u>9,861,187</u>	<u>16,206,738</u>

The notes to the financial statements are an integral part of this statement.

	Business-Type Activities		
	Water	Sewer	Totals
	Utilities	Utilities	
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ 14,725	1,271	15,996
Accrued Payroll	4,394	2,944	7,338
Accrued Interest Payable	6,770	19,049	25,819
Deposits Payable	41,680	—	41,680
Advance from Other Funds	107,822	—	107,822
Current Portion of Long-Term Debt	155,602	227,665	383,267
Total Current Liabilities	330,993	250,929	581,922
Noncurrent Liabilities			
Net Pension Liability	15,647	10,235	25,882
IEPA Loan Payable	2,349,281	5,419,732	7,769,013
Installment Contract Payable	42	42	84
Asset Retirement Obligation	—	650,000	650,000
Total Noncurrent Liabilities	2,364,970	6,080,009	8,444,979
Total Liabilities	2,695,963	6,330,938	9,026,901
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	11,299	7,391	18,690
Total Liabilities and Deferred Inflows of Resources	2,707,262	6,338,329	9,045,591
<b>NET POSITION</b>			
Net Investment in Capital Assets	2,756,521	2,502,005	5,258,526
Unrestricted	881,768	1,020,853	1,902,621
Total Net Position	3,638,289	3,522,858	7,161,147

The notes to the financial statements are an integral part of this statement.

**CITY OF GEORGETOWN, ILLINOIS**

**Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds  
For the Fiscal Year Ended April 30, 2023**

	Business-Type Activities - Enterprise Funds		
	Water Utilities	Sewer Utilities	Totals
Operating Revenues			
Charges for Services	\$ 748,049	808,330	1,556,379
Operating Expenses			
Operations	520,834	445,540	966,374
Depreciation and Amortization	230,243	254,127	484,370
Total Operating Expenses	751,077	699,667	1,450,744
Operating Income (Loss)	(3,028)	108,663	105,635
Nonoperating Revenues (Expenses)			
Interest Income	5,323	5,145	10,468
Interest Expense	(19,713)	(51,549)	(71,262)
	(14,390)	(46,404)	(60,794)
Income (Loss) Before Transfers	(17,418)	62,259	44,841
Transfers Out	(4,000)	(4,000)	(8,000)
Change in Net Position	(21,418)	58,259	36,841
Net Position - Beginning	3,659,707	3,464,599	7,124,306
Net Position - Ending	3,638,289	3,522,858	7,161,147

The notes to the financial statements are an integral part of this statement.

**CITY OF GEORGETOWN, ILLINOIS**

**Statement of Cash Flows - Proprietary Funds  
For the Fiscal Year Ended April 30, 2023**

	Business-Type Activities - Enterprise Funds		
	Water Utilities	Sewer Utilities	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 1,446,370	1,208,036	2,654,406
Payments to Employees	(212,094)	(139,837)	(351,931)
Payments to Suppliers	(1,043,608)	(742,495)	(1,786,103)
	<u>190,668</u>	<u>325,704</u>	<u>516,372</u>
Cash Flows from Noncapital Financing Activities			
Transfers Out	(4,000)	(4,000)	(8,000)
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(185,899)	(374,620)	(560,519)
Debt Issuance	114,282	394,309	508,591
Retirement of Debt	(110,738)	(202,089)	(312,827)
Interest Expense	(19,713)	(51,549)	(71,262)
	<u>(202,068)</u>	<u>(233,949)</u>	<u>(436,017)</u>
Cash Flows from Investing Activities			
Interest Received	5,323	5,145	10,468
Net Change in Cash and Cash Equivalents	(10,077)	92,900	82,823
Cash and Cash Equivalents - Beginning	884,697	841,907	1,726,604
Cash and Cash Equivalents - Ending	<u>874,620</u>	<u>934,807</u>	<u>1,809,427</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	(3,028)	108,663	105,635
Adjustments to Reconcile Operating Income to Net Income to Net Cash			
Provided by (Used in) Operating Activities:			
Depreciation and Amortization	230,243	254,127	484,370
(Increase) Decrease in Current Assets	698,321	399,706	1,098,027
Increase (Decrease) in Current Liabilities	(734,868)	(436,792)	(1,171,660)
Net Cash Provided by Operating Activities	<u>190,668</u>	<u>325,704</u>	<u>516,372</u>

The notes to the financial statements are an integral part of this statement.

# CITY OF GEORGETOWN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

---

---

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Georgetown (City) is located in Vermilion County, Illinois. The City operates under an elected Mayor and City Council. The City's major operations include health and welfare, public safety, public works, culture and recreation, community development, water utilities services, sewer utilities services and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP in the United States). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP in the United States for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the City's accounting policies established in GAAP and used by the City are described below.

#### REPORTING ENTITY

The City's financial reporting entity comprises the following:

Primary Government:	City of Georgetown
Discretely Presented Component Unit:	Georgetown Public Library

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the City. Based upon the criteria set forth in the GASB Statement No. 61, all component units that have a significant operational or financial relationship with the City have been included.

#### Discretely Presented Component Unit

Discretely presented component units are separate legal entities that meet the component unit criteria described in GASB Statement No. 61 but do not meet the criteria for blending.

##### Georgetown Public Library

The Georgetown Public Library has a separate elected board and provides service to residents, generally within the geographic boundaries of the City. The Library Board of Trustees annually determines its budget and resulting tax levy. Upon approval of the City, the levy is submitted to the County. All debt of the Library is secured by the full faith and credit of the City. The Library is considered a component unit of the City for purposes of these financial statements. The Library's report is presented in the City's Annual Financial Report.

#### BASIS OF PRESENTATION

##### Government-Wide Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's health and welfare, public safety, public works, culture and recreation, community development and general administrative services are classified as governmental activities. The City's water utilities services and sewer utilities services are classified as business-type activities.



# CITY OF GEORGETOWN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

---

---

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

#### BASIS OF PRESENTATION - Continued

##### Government-Wide Financial Statements - Continued

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The City's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (general government, public safety, public works, culture and recreation, community development, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, sales taxes, income taxes, interest income, etc.).

The City does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

#### Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

# CITY OF GEORGETOWN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

---

---

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

#### BASIS OF PRESENTATION - Continued

##### Fund Financial Statements - Continued

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the City:

##### Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:

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

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City maintains seven special revenue funds. The Business District Fund, a major fund, is used to account for sales tax raised within the Business District to pay for actions and activities to eradicate the blighting conditions found in this portion of the city and assist in development of the Business District. The Motor Fuel Tax Fund, also a major fund, is used to account for funds received from the State of Illinois Motor Fuel Tax to be used for operating and maintaining local streets and roads.

*Debt Service Funds* are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Municipal Building Fund is treated as a nonmajor fund.

##### Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the City:

*Enterprise Funds* are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The City maintains two major enterprise funds: Water Utilities and Sewer Utilities Funds. The Water Utilities Fund accounts for the operations of water services for the citizens of the City. The Sewer Utilities Fund accounts for the operations of sewer services for the citizens of the City.

Notes to the Financial Statements

April 30, 2023

---

---

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

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

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

**Measurement Focus**

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows 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.

All proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

**Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The City recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, income taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

# CITY OF GEORGETOWN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

---

---

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

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

##### Basis of Accounting - Continued

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services.

The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

##### Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the City's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

##### Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one 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 or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

---

---

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

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued**

**Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, income taxes, and grants. Business-type activities report utility charges as their major receivables.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$1,000 to \$250,000, depending on asset class, or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Property and Equipment	5 - 50 Years
Infrastructure	50 Years
Engineering Fees	50 Years

**Prepays**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

**Compensated Absences**

The City accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

# CITY OF GEORGETOWN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

---

---

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

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

##### Compensated Absences - Continued

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

##### Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

##### Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

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

##### Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

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

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

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

# CITY OF GEORGETOWN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

---

---

### NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### BUDGETARY INFORMATION

The City adopts an annual budget and appropriations ordinance in accordance with Chapter 35 of the Illinois Compiled Statutes. The City does not budget for the Motor Fuel Tax Fund.

The City employs the use of a budget as a management control device during the year for the General Fund. The initial budget was approved by the City Council of the City of Georgetown on April 18, 2022 on the modified accrual basis of accounting for governmental funds and accrual basis for enterprise funds. One budget amendments were made in the current fiscal year.

All budget appropriations lapse at year-end.

Whenever necessary, the budget is amended by approval of the City council when actual expenses exceed the original amounts budgeted.

### NOTE 3 - DETAIL NOTES ON ALL FUNDS

#### DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the City's funds.

Permitted Deposits and Investments - Statutes authorize the City to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. The Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

# CITY OF GEORGETOWN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

---

---

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### DEPOSITS AND INVESTMENTS - Continued

##### City Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration of Credit Risk

*Deposits.* At year-end, the carrying amount of the City's deposits for governmental and business-type activities totaled \$3,530,675 and the bank balances totaled \$3,539,589. In addition, the City has \$1,584,153 invested in the Illinois Funds at year-end, which has an average maturity of less than one year.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy states that the investment portfolio shall remain sufficiently liquid to enable the City to meet all operating requirements which may be reasonably anticipated in any City Fund. The average maturity for the Illinois Funds is less than one year.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, the City's investment policy further states that investments shall be limited to the safest types of securities. At year-end, the City's investment in the Illinois Funds was rated was rated AAA by Fitch.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. At year-end, the entire amount of the bank balance of deposits is covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year-end, the City's investment in the Illinois Fund are not subject to custodial credit risk.

*Concentration of Credit Risk.* Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's investment policy does not address concentration of credit risk. At year-end, the City does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

##### Component Unit - Public Library

*Deposits.* At year-end, the carrying amount of the Library's deposits totaled \$84,805 and the bank balances totaled \$84,805.

#### PROPERTY TAXES

Property taxes for 2022 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about July 1 and September 1. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.



**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 228,132	—	—	228,132
Depreciable Capital Assets				
Property and Equipment	2,800,475	62,073	—	2,862,548
Infrastructure	487,195	24,015	—	511,210
	<u>3,287,670</u>	<u>86,088</u>	<u>—</u>	<u>3,373,758</u>
Less Accumulated Depreciation				
Property and Equipment	1,533,558	76,896	—	1,610,454
Infrastructure	232,083	19,124	—	251,207
	<u>1,765,641</u>	<u>96,020</u>	<u>—</u>	<u>1,861,661</u>
Total Net Depreciable Capital Assets	<u>1,522,029</u>	<u>(9,932)</u>	<u>—</u>	<u>1,512,097</u>
Total Net Capital Assets	<u>1,750,161</u>	<u>(9,932)</u>	<u>—</u>	<u>1,740,229</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 39,672
Public Safety	26,928
Public Works	11,157
Culture and Recreation	<u>18,263</u>
	<u>96,020</u>

**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**CAPITAL ASSETS - Continued**

**Business-Type Activities**

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 114,031	—	—	114,031
Construction in Progress	2,373,242	421,737	2,794,979	—
	<u>2,487,273</u>	<u>421,737</u>	<u>2,794,979</u>	<u>114,031</u>
<b>Depreciable Capital Assets</b>				
Property and Equipment	5,874,313	22,659	—	5,896,972
Infrastructure	9,208,364	2,911,102	—	12,119,466
Engineering Fees	1,245,854	—	—	1,245,854
	<u>16,328,531</u>	<u>2,933,761</u>	<u>—</u>	<u>19,262,292</u>
<b>Less Accumulated Depreciation</b>				
Property and Equipment	1,924,309	157,174	—	2,081,483
Infrastructure	3,404,550	280,277	—	3,684,827
Engineering Fees	169,704	29,419	—	199,123
	<u>5,498,563</u>	<u>466,870</u>	<u>—</u>	<u>5,965,433</u>
<b>Total Net Depreciable Capital Assets</b>	<u>10,829,968</u>	<u>2,466,891</u>	<u>—</u>	<u>13,296,859</u>
<b>Total Capital Assets</b>	<u>13,317,241</u>	<u>2,888,628</u>	<u>2,794,979</u>	<u>13,410,890</u>

Depreciation expense was charged to business-type activities as follows:

Water Utilities	\$ 230,243
Sewer Utilities	<u>236,627</u>
	<u><u>466,870</u></u>

**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**CAPITAL ASSETS - Continued**

**Component Unit - Public Library**

Component Unit - Public Library capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Depreciable Capital Assets				
Equipment	\$ 17,185	—	—	17,185
Less Accumulated Depreciation				
Equipment	16,417	192	—	16,609
Total Net Depreciable Capital Assets	768	(192)	—	576

Depreciation expense of \$192 was charged to the Culture and Recreation function.

**INTERFUND ADVANCES**

Interfund advances as of the date of this report are as follows:

Receivable Fund	Payable Fund	Amount
General	Water Utilities	\$ <u>107,822</u>

Interfund advances represent payments of tax increment financing expenditures on behalf of these funds. These amounts will be paid over several years.

**INTERFUND TRANSFERS**

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Water Utilities	\$ 4,000 (1)
General	Sewer Utilities	4,000 (1)
Nonmajor	General	20,000 (2)
Nonmajor	Business District	45,000 (2)
		<u>73,000</u>

**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) move receipts restricted to debt service from the funds collecting the receipts to the Municipal Building Fund as debt service payments become due.

**LONG-TERM DEBT**

**General Obligation Bonds**

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$705,000 General Obligation Refunding (Alternate Revenue Source) Bonds of 2013B, due in annual installments of \$60,000 to \$75,000 plus interest at 2.00% to 4.00% through October 1, 2024.	Debt Service	\$ 220,000	—	70,000	150,000

**Installment Contract Payable**

The City issues installment contracts payable to provide funds for the purchase of capital assets. Installment contracts currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$404,718 Installment Contract Payable of 2018 due in annual installments of \$19,208 to \$47,451 plus interest at 4.00% through September 30, 2028.	Business District	\$ 278,257	—	38,759	239,498
\$15,184 Installment Contract Payable of 2020 due in annual installments of \$128 to \$5,162, interest free, through May 20, 2024.	General Water	3,484	—	1,720	1,764
	Utilities Sewer	3,484	—	1,721	1,763
	Utilities	3,484	—	1,721	1,763
		<u>288,709</u>	<u>—</u>	<u>43,921</u>	<u>244,788</u>

**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**IEPA Loans Payable**

The City has entered into loan agreements with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA Loan Payable (L17-5680) of 2021 final repayment schedule is not yet available as of the date of this report. IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$3,619,118 IEPA Loan Payable (L17-1818) of 2013 due in semi-annual installments of \$42,199 through June 15, 2033, including interest at 1.00%.	Water Utilities	\$ 914,697	—	75,440	839,257
\$6,937,253 IEPA Loan Payable (L17-3160) of 2017 due in semi-annual installments of \$126,334 through June 19, 2045, including interest at 1.00%.	Sewer Utilities	5,279,896	—	200,368	5,079,528
\$1,875,296 IEPA Loan Payable (L17-5678) of 2021 due in semi-annual installments through February 25, 2042, including interest at 1.00%	Water Utilities	1,583,199	114,282	33,577	1,663,904
\$810,268 IEPA Loan Payable (L17-5680) of 2021 due in semi-annual installments through March 26, 2042, including interest at 1.00%	Sewer Utilities	171,840	394,309	—	566,149
		<u>7,949,632</u>	<u>508,591</u>	<u>309,385</u>	<u>8,148,838</u>

**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Asset Retirement Obligation**

The City has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells and demolition of the City's water tower and standpipe at the end of their estimated useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells are 29 years and the remaining useful life of the water tower is 58 years.

**Long-Term Liability Activity**

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts within One Year
<b>Governmental Activities</b>					
Net Pension Liability/(Asset) - IMRF	\$ (468,070)	503,837	—	35,767	—
General Obligation Bonds	220,000	—	70,000	150,000	75,000
Installment Contracts Payable	281,741	—	40,479	241,262	42,057
	<u>501,741</u>	<u>—</u>	<u>110,479</u>	<u>391,262</u>	<u>117,057</u>
<b>Business-Type Activities</b>					
Net Pension Liability/(Asset) - IMRF	(297,127)	323,009	—	25,882	—
IEPA Loans Payable	7,949,632	508,591	309,385	8,148,838	379,825
Installment Contracts Payable	6,968	—	3,442	3,526	3,442
Asset Retirement Obligation	650,000	—	—	650,000	—
	<u>8,309,473</u>	<u>831,600</u>	<u>312,827</u>	<u>8,828,246</u>	<u>383,267</u>

For the governmental activities, the net pension liability/(asset) are generally liquidated by the General Fund. The Municipal Building Fund makes payments on the general obligation bonds. The Business District Fund and General Fund make payments on the installments contracts payable.

For business-type activities, the net pension liability/(asset) are generally liquidated by the Water Utilities and Sewer Utilities Funds and they make payments on the IEPA loans payable and the installment contracts payable. The Sewer Utilities Fund is liquidating the asset retirement obligation.

**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Debt Service Requirements to Maturity**

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities				Business-Type Activities			
	General		Installment		IEPA Loans		Installment	
	Obligation	Bonds	Contracts	Payable	Payable*	Contracts	Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 75,000	4,500	42,057	8,993	356,258	74,938	3,442	—
2025	75,000	1,500	42,071	7,303	359,830	71,367	84	—
2026	—	—	43,763	5,567	363,437	67,760	—	—
2027	—	—	45,572	3,758	367,080	64,116	—	—
2028	—	—	47,451	1,879	370,761	60,436	—	—
2029	—	—	20,348	207	374,477	56,719	—	—
2030	—	—	—	—	378,232	52,965	—	—
2031	—	—	—	—	382,023	49,174	—	—
2032	—	—	—	—	385,854	45,343	—	—
2033	—	—	—	—	389,721	41,475	—	—
2034	—	—	—	—	351,429	38,568	—	—
2035	—	—	—	—	312,542	34,257	—	—
2036	—	—	—	—	315,675	31,124	—	—
2037	—	—	—	—	318,840	27,959	—	—
2038	—	—	—	—	322,036	24,762	—	—
2039	—	—	—	—	325,265	21,534	—	—
2040	—	—	—	—	328,525	18,273	—	—
2041	—	—	—	—	331,818	14,979	—	—
2042	—	—	—	—	335,145	11,654	—	—
2043	—	—	—	—	291,437	8,294	—	—
2044	—	—	—	—	247,060	5,608	—	—
2045	—	—	—	—	249,538	3,130	—	—
2046	—	—	—	—	125,706	629	—	—
Totals	150,000	6,000	241,262	27,707	7,582,689	825,064	3,526	—

\*IEPA Loan Payable (L17-5680) of 2021 final repayment schedule is not yet available as of the date of this report.

**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

---

---

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Legal Debt Margin**

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2022	<u>\$ 22,995,436</u>
Legal Debt Limit - 8.625% of Assessed Value	1,983,356
Amount of Debt Applicable to Limit	<u>—</u>
Legal Debt Margin	<u>1,983,356</u>

**NET POSITION**

**Net Investment in Capital Assets**

Net investment in capital assets was comprised of the following as of April 30, 2023:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 1,740,229
Less Capital Related Debt:	
General Obligation Bonds of 2013B	(150,000)
Installment Contract Payable of 2018	(239,498)
Installment Contract Payable of 2020	<u>(1,764)</u>
Net Investment in Capital Assets	<u>1,348,967</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	13,410,890
Less Capital Related Debt:	
IEPA Loan Payable (L17-1818) of 2013	(839,257)
IEPA Loan Payable (L17-3160) of 2017	(5,079,528)
IEPA Loan Payable (L17-5678) of 2021	(1,663,904)
IEPA Loan Payable (L17-5680) of 2021	(566,149)
Installment Contract Payable of 2020	<u>(3,526)</u>
Net Investment in Capital Assets	<u>5,258,526</u>



# CITY OF GEORGETOWN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

---

---

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### FUND BALANCE

##### Fund Balance Classifications

*Nonspendable.* Consists of resources that cannot be spent because they are either; a) not in a spendable form; or b) legally or contractually required to be maintained intact.

*Restricted.* Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either; a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitution or enabling legislation.

*Committed.* Consists of resources contracted (issuance of an ordinance) to specific purposes by a government itself, using its highest level of decision-making authority, the City Council; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

*Assigned.* Amounts that are constrained by the City Council's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by; a) the City Council itself or b) a body or official to which the City Council has delegated the authority to assign amounts to be used for specific purposes. The City's highest level of decision-making authority is the City Council, who is authorized to assign amounts to a specific purpose.

*Unassigned.* Consists of the residual net resources of the General Fund that have not been restricted, committed, or assigned, as well as deficit fund balances of any other governmental fund.

*Minimum Fund Balance Policy.* The City's policy manual states that the General Fund should maintain a minimum fund balance equal to 25% to 50% of budgeted operating expenditures.

In the governmental fund financial statements, the City considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The City first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**FUND BALANCE - Continued**

**Fund Balance Classifications - Continued**

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Revenue		Nonmajor	Totals
		Business District	Motor Fuel Tax		
<b>Nonspendable</b>					
Prepays	\$ 24,255	—	—	25,927	50,182
Advances	107,822	—	—	—	107,822
	<u>132,077</u>	<u>—</u>	<u>—</u>	<u>25,927</u>	<u>158,004</u>
<b>Restricted</b>					
IMRF	—	—	—	45,307	45,307
FICA	—	—	—	13,377	13,377
Motor Fuel Tax	—	—	494,035	—	494,035
Unemployment	—	—	—	41,550	41,550
Tort	—	—	—	59,536	59,536
Debt Service	—	—	—	103,128	103,128
TIF District	—	—	—	48,196	48,196
	<u>—</u>	<u>—</u>	<u>494,035</u>	<u>311,094</u>	<u>805,129</u>
<b>Committed</b>					
Capital Improvements	189,029	—	—	—	189,029
Public Safety	23,873	—	—	—	23,873
Special Activities	6,188	—	—	—	6,188
Business District	—	198,108	—	—	198,108
	<u>219,090</u>	<u>198,108</u>	<u>—</u>	<u>—</u>	<u>417,198</u>
Unassigned	1,786,824	—	—	—	1,786,824
Total Fund Balances	<u>2,137,991</u>	<u>198,108</u>	<u>494,035</u>	<u>337,021</u>	<u>3,167,155</u>

# CITY OF GEORGETOWN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

---

---

### NOTE 4 - OTHER INFORMATION

#### RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction to assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance and participates in the Illinois Municipal League Risk Management Association to manage these risks.

The Illinois Municipal League Risk Management Association (IMLRMA) is a joint risk management pool comprised of 739 Illinois municipalities. The member agreement provides that IMLRMA's other members, has a contractual obligation to fund any deficit of IMLRMA attributable to a membership year during which it was a member. Supplemental contributions may be required to fund these deficits. There were no supplemental contributions paid in the previous three years. Settled claims relating to commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

#### CONTINGENT LIABILITIES

##### Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

##### Grants

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

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

The City contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

CITY OF GEORGETOWN, ILLINOIS

Notes to the Financial Statements

April 30, 2023

---

---

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

*Plan Administration.* All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

*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).

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

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96, with a maximum salary cap of \$106,800 at January 1, 2011. 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.

*Plan Membership.* As of December 31, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	24
Inactive Plan Members Entitled to but not yet Receiving Benefits	18
Active Plan Members	<u>15</u>
Total	<u><u>57</u></u>

**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

---

---

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*Contributions.* As set by statute, the City's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2023, the City's contribution rate was 3.78% of covered payroll.

*Net Pension (Asset).* The City's net pension (asset) was measured as of December 31, 2022. The total pension (asset) used to calculate the net pension (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2022, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

For nondisabled 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.

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:

**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*Actuarial Assumptions - Continued.*

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	25.00%	(0.60%)
Domestic Equities	39.00%	1.90%
International Equities	15.00%	3.15%
Real Estate	10.00%	3.30%
Blended	10.00%	1.70% - 5.50%
Cash and Cash Equivalents	1.00%	(0.90%)

**Discount Rate**

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

**Discount Rate Sensitivity**

The following is a sensitive analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the net pension liability/(asset) of the City calculated using the discount rate as well as what the City's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 469,130	61,649	(266,718)

**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Changes in the Net Pension (Asset)**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Balances at December 31, 2021	\$ 3,701,894	4,467,091	(765,197)
Changes for the Year:			
Service Cost	68,588	—	68,588
Interest on the Total Pension Liability	261,322	—	261,322
Difference Between Expected and Actual Experience of the Total Pension Liability	(57,901)	—	(57,901)
Changes of Assumptions	—	—	—
Contributions - Employer	—	27,149	(27,149)
Contributions - Employees	—	31,086	(31,086)
Net Investment Income	—	(628,878)	628,878
Benefit Payments, Including Refunds of Employee Contributions	(263,491)	(263,491)	—
Other (Net Transfer)	—	15,806	(15,806)
Net Changes	8,518	(818,328)	826,846
Balances at December 31, 2022	3,710,412	3,648,763	61,649

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

For the year ended April 30, 2023, the City recognized pension expense of \$76,540. At April 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 91,127	(40,794)	50,333
Change in Assumptions	—	(3,723)	(3,723)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	339,042	—	339,042
Total Pension Expense to be Recognized in Future Periods	430,169	(44,517)	385,652
Pension Contributions Made Subsequent to the Measurement Date	8,289	—	8,289
 Total Deferred Amounts Related to IMRF	 438,458	 (44,517)	 393,941

\$8,289 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2024	\$ 23,683
2025	68,380
2026	104,414
2027	189,175
2028	—
Thereafter	—
Total	<u>385,652</u>



**CITY OF GEORGETOWN, ILLINOIS**

**Notes to the Financial Statements**

**April 30, 2023**

---

---

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS**

The City has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the City are required to pay 100% of the current premium. However, there is minimal participation. As the City provides no explicit benefit, and there is minimal participation, there is no material implicit subsidy to calculate in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Therefore, the City has not recorded a liability as of April 30, 2023.

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule Employer Contributions  
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)  
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedules  
General Fund  
Business District - Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information - Budgets are adopted on a basis consistent with generally accepted accounting principles.

**CITY OF GEORGETOWN, ILLINOIS**

**Illinois Municipal Retirement Fund  
Schedule of Employer Contributions  
April 30, 2023**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Employee Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 51,571	\$ 51,571	\$ —	\$ 587,365	8.78%
2017	53,570	53,570	—	615,048	8.71%
2018	54,110	54,110	—	636,594	8.50%
2019	47,430	47,430	—	638,705	7.43%
2020	39,307	39,307	—	655,174	6.00%
2021	47,696	47,696	—	696,896	6.84%
2022	38,107	38,107	—	709,464	5.37%
2023	27,064	27,064	—	716,578	3.78%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	21 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.85% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
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.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

**CITY OF GEORGETOWN, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Schedule of Changes in the Employer's Net Pension Liability /(Asset)**

**April 30, 2023**

	<u>12/31/2015</u>
Total Pension Liability	
Service Cost	\$ 57,880
Interest	197,118
Differences Between Expected and Actual Experience	44,114
Change of Assumptions	3,398
Benefit Payments, Including Refunds of Member Contributions	<u>(130,591)</u>
Net Change in Total Pension Liability	171,919
Total Pension Liability - Beginning	<u>2,664,594</u>
 Total Pension Liability - Ending	 <u><u>2,836,513</u></u>
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 51,571
Contributions - Members	26,432
Net Investment Income	13,623
Benefit Payments, Including Refunds of Member Contributions	<u>(130,591)</u>
Other (Net Transfer)	<u>(20,289)</u>
Net Change in Plan Fiduciary Net Position	(59,254)
Plan Net Position - Beginning	<u>2,750,939</u>
 Plan Net Position - Ending	 <u><u>2,691,685</u></u>
 Employer's Net Pension Liability/(Asset)	 <u><u>\$ 144,828</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	  94.89%
 Covered Payroll	 \$ 587,365
 Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	  24.66%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
68,689	64,446	63,928	66,219	70,293	64,723	68,588
209,115	218,692	218,394	229,090	235,251	242,458	261,322
4,528	(34,466)	60,294	(14,337)	37,471	198,734	(57,901)
(3,567)	(89,246)	88,553	—	(21,840)	—	—
(157,857)	(147,489)	(178,813)	(189,912)	(206,148)	(231,822)	(263,491)
120,908	11,937	252,356	91,060	115,027	274,093	8,518
2,836,513	2,957,421	2,969,358	3,221,714	3,312,774	3,427,801	3,701,894
2,957,421	2,969,358	3,221,714	3,312,774	3,427,801	3,701,894	3,710,412
53,570	53,131	54,745	36,193	49,606	43,813	27,149
27,677	28,129	28,983	29,346	32,889	32,895	31,086
181,730	502,686	(186,486)	598,628	516,055	670,364	(628,878)
(157,857)	(147,489)	(178,813)	(189,912)	(206,148)	(231,822)	(263,491)
21,718	(35,747)	113,287	(30,912)	25,902	39,245	15,806
126,838	400,710	(168,284)	443,343	418,304	554,495	(818,328)
2,691,685	2,818,523	3,219,233	3,050,949	3,494,292	3,912,596	4,467,091
2,818,523	3,219,233	3,050,949	3,494,292	3,912,596	4,467,091	3,648,763
138,898	(249,875)	170,765	(181,518)	(484,795)	(765,197)	61,649
95.30%	108.42%	94.70%	105.48%	114.14%	120.67%	98.34%
615,048	625,073	644,063	652,134	704,340	727,759	716,578
22.58%	(39.98%)	26.51%	(27.83%)	(68.83%)	(105.14%)	8.60%

**CITY OF GEORGETOWN, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2023**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 183,400	183,400	172,628
Intergovernmental	825,000	825,000	993,583
Licenses and Permits	4,950	4,950	14,974
Fines and Forfeitures	5,800	5,800	14,000
Interest Income	4,545	4,545	39,192
Miscellaneous	39,835	39,835	72,792
Total Revenues	<u>1,063,530</u>	<u>1,063,530</u>	<u>1,307,169</u>
Expenditures			
General Government	267,938	267,938	227,147
Public Safety	536,983	536,983	427,004
Public Works	253,621	253,621	239,343
Culture and Recreation	39,886	39,886	21,202
Capital Outlay	25,000	25,000	27,495
Debt Service			
Principal Retirement	—	—	1,720
Total Expenditures	<u>1,123,428</u>	<u>1,123,428</u>	<u>943,911</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(59,898)</u>	<u>(59,898)</u>	<u>363,258</u>
Other Financing Sources (Uses)			
Disposal of Capital Assets	20,000	20,000	19,500
Transfers In	8,000	8,000	8,000
Transfers Out	(48,000)	(48,000)	(20,000)
	<u>(20,000)</u>	<u>(20,000)</u>	<u>7,500</u>
Net Change In Fund Balance	<u>(79,898)</u>	<u>(79,898)</u>	370,758
Fund Balance - Beginning			<u>1,767,233</u>
Fund Balance - Ending			<u><u>2,137,991</u></u>

**CITY OF GEORGETOWN, ILLINOIS**

**Business District - Special Revenue Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Sales Tax	\$ 115,000	115,000	118,745
Interest Income	400	400	1,151
Total Revenues	<u>115,400</u>	<u>115,400</u>	<u>119,896</u>
Expenditures			
General Government			
Maintenance	5,000	5,000	—
Miscellaneous	20,000	20,000	8,402
Debt Service			
Principal Retirement	38,760	38,760	38,759
Interest and Fiscal Charges	10,570	10,570	10,571
Total Expenditures	<u>74,330</u>	<u>74,330</u>	<u>57,732</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	41,070	41,070	62,164
Other Financing (Uses)			
Transfers Out	—	—	(45,000)
Net Change In Fund Balance	<u>41,070</u>	<u>41,070</u>	17,164
Fund Balance - Beginning			<u>180,944</u>
Fund Balance - Ending			<u><u>198,108</u></u>

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Enterprise Funds



## INDIVIDUAL FUND DESCRIPTIONS

---

### GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

---

### SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

#### Business District Fund

The Business District Fund is used to account for sales tax raised within the District to pay for actions and activities to eradicate the blighting conditions found in this portion of the City and assist in development of the Business District.

#### Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for funds received from the State of Illinois Motor Fuel Tax to be used for operating and maintaining local streets and roads.

#### Illinois Municipal Retirement Fund

The Illinois Municipal Retirement Fund is used to account for the City's participation in the Illinois Municipal Retirement Fund. Financing is provided by a specific annual property tax levy which produces a sufficient amount to pay the Library's contributions to the fund on behalf of its employees.

#### FICA Tax Fund

The FICA Tax Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for payment of the employer's portion of Federal Social Security and Medicare taxes.

#### Unemployment Fund

The Unemployment Fund is used to account for expenditures related to unemployment.

#### Tort Fund

The Tort Fund is used to account for the costs of risk management insurance and tort judgements and/or settlements.

## **INDIVIDUAL FUND DESCRIPTIONS - Continued**

---

### **SPECIAL REVENUE FUNDS - Continued**

#### **TIF District Fund**

The TIF District fund is to account for revenues derived from the Tax Increment District to be used to ameliorate the blighting conditions of the proposed Redevelopment Project Area and to stimulate private investment. It is in accordance with the City's continuing efforts to encourage reinvestment through the use of incentives to support capital investments in infrastructure for redevelopment.

---

#### **DEBT SERVICE FUND**

##### **Municipal Building Fund**

The Municipal Building Fund is used to account for funds restricted, committed or assigned for principal retirements, interest and fiscal charges for debt issues.

---

#### **ENTERPRISE FUNDS**

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been 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 purpose.

##### **Water Utilities Fund**

The Water Utilities Fund is used to account for the operations of water services for the citizens of the City.

##### **Sewer Utilities Fund**

The Sewer Utilities Fund is used to account for the operations of sewer services for the citizens of the City.

---

**CITY OF GEORGETOWN, ILLINOIS**

**General Fund  
Schedule of Revenues - Budget and Actual  
For the Fiscal Year Ended April 30, 2023**

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 68,400	68,400	68,385
Utility Taxes	34,000	34,000	30,016
Road and Bridge Taxes	10,000	10,000	10,063
Video Gaming/PullTab/Jar Games Taxes	71,000	71,000	64,164
	<u>183,400</u>	<u>183,400</u>	<u>172,628</u>
Intergovernmental			
State Replacement	20,000	20,000	33,547
Sales and Use Tax	305,000	305,000	298,308
State Income	470,000	470,000	517,491
Grants	—	—	134,834
Miscellaneous	30,000	30,000	9,403
	<u>825,000</u>	<u>825,000</u>	<u>993,583</u>
Licenses and Permits	<u>4,950</u>	<u>4,950</u>	<u>14,974</u>
Fines and Forfeitures			
Court and Local Fines	<u>5,800</u>	<u>5,800</u>	<u>14,000</u>
Interest Income	<u>4,545</u>	<u>4,545</u>	<u>39,192</u>
Miscellaneous			
Reimbursed Expenditures	25,785	25,785	22,937
Police Forfeiture	50	50	—
Donations	100	100	14
Miscellaneous Income	13,900	13,900	49,841
	<u>39,835</u>	<u>39,835</u>	<u>72,792</u>
Total Revenues	<u>1,063,530</u>	<u>1,063,530</u>	<u>1,307,169</u>

**CITY OF GEORGETOWN, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual**

**For the Fiscal Year Ended April 30, 2023**

	Budget		Actual
	Original	Final	
General Government			
Salaries - Mayor	\$ 1,667	1,667	1,667
Salaries - Alderman	4,580	4,580	4,347
Salaries - City Clerk	3,571	3,571	4,040
Salaries - City Treasurer	4,767	4,767	4,743
Salaries - Office	26,458	26,458	36,596
Salaries - Janitor	1,718	1,718	1,116
Employee Benefits	8,477	8,477	7,665
Professional Fees	19,325	19,325	15,617
Printing and Publishing	1,400	1,400	447
Utilities and Telephone	11,700	11,700	13,195
Insurance	42,500	42,500	34,858
Maintenance	64,900	64,900	51,535
Office Expenditure	9,150	9,150	4,697
Homeland Security	750	750	421
Locis System	3,000	3,000	1,898
Real Estate Taxes	500	500	983
Decorations/Parade	4,975	4,975	2,975
Miscellaneous Expenditure	58,500	58,500	40,347
	<u>267,938</u>	<u>267,938</u>	<u>227,147</u>
Public Safety			
Salaries	391,569	391,569	323,863
Employee Benefits	30,414	30,414	26,256
Training	4,000	4,000	2,735
Repair and Maintenance	15,800	15,800	18,550
Gas and Oil	17,500	17,500	18,868
Supplies	47,500	47,500	25,662
Utilities	6,700	6,700	6,684
Equipment	12,500	12,500	4,193
Miscellaneous Expenditure	11,000	11,000	193
	<u>536,983</u>	<u>536,983</u>	<u>427,004</u>

**CITY OF GEORGETOWN, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**

**For the Fiscal Year Ended April 30, 2023**

	Budget		Actual
	Original	Final	
Public Works			
Salaries	\$ 67,081	67,081	70,811
Employee Benefits	12,068	12,068	10,101
Street Maintenance	9,500	9,500	10,897
Building Repair and Maintenance	3,000	3,000	3,835
Garage Repair and Supply	500	500	4,648
Gas and Oil	34,000	34,000	22,723
Supplies	4,650	4,650	3,317
Utilities	68,760	68,760	57,548
Rental	4,500	4,500	1,902
Equipment	49,062	49,062	53,514
Miscellaneous Expenditure	500	500	47
	<u>253,621</u>	<u>253,621</u>	<u>239,343</u>
Culture and Recreation			
Salaries	1,561	1,561	846
Supplies	1,550	1,550	643
Utilities	12,775	12,775	11,744
Maintenance	21,500	21,500	3,313
Senior Center Activity	2,500	2,500	4,656
	<u>39,886</u>	<u>39,886</u>	<u>21,202</u>
Capital Outlay			
Building Repair and Maintenance	1,000	1,000	—
Public Safety	4,000	4,000	10,803
Public Works	20,000	20,000	16,692
	<u>25,000</u>	<u>25,000</u>	<u>27,495</u>
Debt Service			
Principal Retirement	—	—	1,720
	<u>—</u>	<u>—</u>	<u>1,720</u>
Total Expenditures	<u>1,123,428</u>	<u>1,123,428</u>	<u>943,911</u>

**CITY OF GEORGETOWN, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Balance Sheet**

**April 30, 2023**

	Special Revenue	<u>Debt Service</u> Municipal Building	Totals
<b>ASSETS</b>			
Cash and Investments	\$ 207,966	103,128	311,094
Receivables - Net of Allowances			
Taxes	123,754	12,001	135,755
Prepays	25,927	—	25,927
Total Assets	<u>357,647</u>	<u>115,129</u>	<u>472,776</u>
<b>LIABILITIES</b>			
None	—	—	—
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	123,754	12,001	135,755
Total Liabilities and Deferred Inflows of Resources	<u>123,754</u>	<u>12,001</u>	<u>135,755</u>
<b>FUND BALANCES</b>			
Nonspendable	25,927	—	25,927
Restricted	207,966	103,128	311,094
Total Fund Balances	<u>233,893</u>	<u>103,128</u>	<u>337,021</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>357,647</u>	<u>115,129</u>	<u>472,776</u>

**CITY OF GEORGETOWN, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

**For the Fiscal Year Ended April 30, 2023**

	Special Revenue	Debt Service Municipal Building	Totals
Revenues			
Taxes	\$ 163,473	9,769	173,242
Interest Income	1,435	647	2,082
Total Revenues	<u>164,908</u>	<u>10,416</u>	<u>175,324</u>
Expenditures			
General Government	86,035	—	86,035
Community Development	570	—	570
Debt Service			
Principal Retirement	—	70,000	70,000
Interest and Fiscal Charges	—	7,771	7,771
Total Expenditures	<u>86,605</u>	<u>77,771</u>	<u>164,376</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	78,303	(67,355)	10,948
Other Financing Sources			
Transfers In	—	65,000	65,000
Net Change in Fund Balances	78,303	(2,355)	75,948
Fund Balances - Beginning	<u>155,590</u>	<u>105,483</u>	<u>261,073</u>
Fund Balances - Ending	<u><u>233,893</u></u>	<u><u>103,128</u></u>	<u><u>337,021</u></u>

**CITY OF GEORGETOWN, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Balance Sheet**

**April 30, 2023**

---

---

	<u>Illinois Municipal Retirement</u>
<b>ASSETS</b>	
Cash and Investments	\$ 45,307
Receivables - Net of Allowances	
Taxes	34,001
Prepays	<u>—</u>
Total Assets	<u><u>79,308</u></u>
<b>LIABILITIES</b>	
None	—
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	<u>34,001</u>
Total Liabilities and Deferred Inflows of Resources	<u><u>34,001</u></u>
<b>FUND BALANCES</b>	
Nonspendable	—
Restricted	<u>45,307</u>
Total Fund Balances	<u><u>45,307</u></u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>79,308</u></u>



FICA Tax	Unemployment	Tort	TIF District	Totals
13,377	41,550	59,536	48,196	207,966
43,001	752	46,000	—	123,754
—	—	25,927	—	25,927
56,378	42,302	131,463	48,196	357,647
—	—	—	—	—
43,001	752	46,000	—	123,754
43,001	752	46,000	—	123,754
—	—	25,927	—	25,927
13,377	41,550	59,536	48,196	207,966
13,377	41,550	85,463	48,196	233,893
56,378	42,302	131,463	48,196	357,647

**CITY OF GEORGETOWN, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**

**For the Fiscal Year Ended April 30, 2023**

---

---

	<u>Illinois Municipal Retirement</u>
Revenues	
Taxes	\$ 31,749
Interest Income	319
Total Revenues	<u>32,068</u>
Expenditures	
General Government	15,701
Community Development	—
Total Expenditures	<u>15,701</u>
Net Change in Fund Balances	16,367
Fund Balances - Beginning	<u>28,940</u>
Fund Balances - Ending	<u><u>45,307</u></u>

FICA Tax	Unemployment	Tort	TIF District	Totals
41,029	734	43,959	46,002	163,473
127	311	426	252	1,435
41,156	1,045	44,385	46,254	164,908
35,809	3,821	30,704	—	86,035
—	—	—	570	570
35,809	3,821	30,704	570	86,605
5,347	(2,776)	13,681	45,684	78,303
8,030	44,326	71,782	2,512	155,590
13,377	41,550	85,463	48,196	233,893

**CITY OF GEORGETOWN, ILLINOIS**

**Illinois Municipal Retirement - Special Revenue Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 31,500	31,500	31,749
Interest Income	125	125	319
Total Revenues	<u>31,625</u>	<u>31,625</u>	<u>32,068</u>
Expenditures			
General Government			
Illinois Municipal Retirement	<u>33,701</u>	<u>33,701</u>	<u>15,701</u>
Net Change in Fund Balance	<u>(2,076)</u>	<u>(2,076)</u>	16,367
Fund Balance - Beginning			<u>28,940</u>
Fund Balance - Ending			<u><u>45,307</u></u>

CITY OF GEORGETOWN, ILLINOIS

FICA Tax - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 40,500	40,500	41,029
Interest Income	60	60	127
Total Revenues	40,560	40,560	41,156
Expenditures			
General Government			
Social Security	39,611	39,611	35,809
Net Change in Fund Balance	949	949	5,347
Fund Balance - Beginning			8,030
Fund Balance - Ending			13,377

CITY OF GEORGETOWN, ILLINOIS

**Unemployment - Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended April 30, 2023**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,000	1,000	734
Interest Income	200	200	311
Total Revenues	<u>1,200</u>	<u>1,200</u>	<u>1,045</u>
Expenditures			
General Government			
Unemployment Tax Expenditures	<u>3,010</u>	<u>3,835</u>	<u>3,821</u>
Net Change in Fund Balance	<u>(1,810)</u>	<u>(2,635)</u>	<u>(2,776)</u>
Fund Balance - Beginning			<u>44,326</u>
Fund Balance - Ending			<u><u>41,550</u></u>

**CITY OF GEORGETOWN, ILLINOIS**

**Tort - Special Revenue Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 44,500	44,500	43,959
Interest Income	200	200	426
Total Revenues	<u>44,700</u>	<u>44,700</u>	<u>44,385</u>
Expenditures			
General Government			
Risk Management	40,000	40,000	30,704
Net Change in Fund Balance	<u>4,700</u>	<u>4,700</u>	13,681
Fund Balance - Beginning			<u>71,782</u>
Fund Balance - Ending			<u>85,463</u>

**CITY OF GEORGETOWN, ILLINOIS**

**TIF District - Special Revenue Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 20,000	20,000	46,002
Interest Income	35	35	252
Total Revenues	20,035	20,035	46,254
Expenditures			
Community Development			
Contractual Services	—	600	570
Net Change in Fund Balance	20,035	19,435	45,684
Fund Balance - Beginning			2,512
Fund Balance - Ending			48,196



**CITY OF GEORGETOWN, ILLINOIS**

**Municipal Building - Debt Service Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 10,000	10,000	9,769
Interest Income	400	400	647
Total Revenues	<u>10,400</u>	<u>10,400</u>	<u>10,416</u>
Expenditures			
Debt Service			
Principal Retirement	70,000	70,000	70,000
Interest and Fiscal Agent Fees	7,771	7,771	7,771
Total Expenditures	<u>77,771</u>	<u>77,771</u>	<u>77,771</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(67,371)	(67,371)	(67,355)
Other Financing Sources			
Transfers In	48,000	48,000	65,000
Net Change in Fund Balance	<u>(19,371)</u>	<u>(19,371)</u>	(2,355)
Fund Balance - Beginning			<u>105,483</u>
Fund Balance - Ending			<u><u>103,128</u></u>

CITY OF GEORGETOWN, ILLINOIS

**Water Utilities - Enterprise Fund**

**Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual**

**For the Fiscal Year Ended April 30, 2023**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Regular Fees	\$ 544,000	544,000	553,325
Debt Surcharge Fees	190,000	190,000	193,061
Other Fees	600	600	1,663
Total Operating Revenues	<u>734,600</u>	<u>734,600</u>	<u>748,049</u>
Operating Expenses			
Operations			
Personal Services	273,764	273,764	274,982
Contractual Services	223,382	223,382	220,958
Commodities	20,750	20,750	15,069
Miscellaneous	8,925	8,925	9,825
Depreciation	119,400	119,400	230,243
Total Operating Expenses	<u>646,221</u>	<u>646,221</u>	<u>751,077</u>
Operating Income (Loss)	<u>88,379</u>	<u>88,379</u>	<u>(3,028)</u>
Nonoperating Revenues (Expenses)			
Interest Income	2,000	2,000	5,323
Interest Expense	(9,000)	(9,000)	(19,713)
	<u>(7,000)</u>	<u>(7,000)</u>	<u>(14,390)</u>
Income (Loss) Before Transfers	81,379	81,379	(17,418)
Transfers Out	<u>—</u>	<u>—</u>	<u>(4,000)</u>
Change in Net Position	<u>81,379</u>	<u>81,379</u>	(21,418)
Net Position - Beginning			<u>3,659,707</u>
Net Position - Ending			<u><u>3,638,289</u></u>

CITY OF GEORGETOWN, ILLINOIS

**Water Utilities - Enterprise Fund**  
**Schedule of Operating Expenses - Budget and Actual**  
**For the Fiscal Year Ended April 30, 2023**

	Budget		Actual
	Original	Final	
Operations			
Personal Services			
Salaries	\$ 203,645	203,645	212,094
Payroll Taxes	16,087	16,087	15,888
IMRF - Retirement	13,560	13,560	12,042
Employee Benefits	40,472	40,472	34,958
	<u>273,764</u>	<u>273,764</u>	<u>274,982</u>
Contractual Services			
Insurance	33,000	33,000	28,136
Office Expense	12,070	12,070	2,873
Postage	4,200	4,200	3,746
Maintenance	112,962	112,962	120,087
Engineering and Testing	17,850	17,850	24,958
Professional Fees	15,350	15,350	10,220
Utilities	27,950	27,950	30,938
	<u>223,382</u>	<u>223,382</u>	<u>220,958</u>
Commodities			
Supplies	12,750	12,750	8,500
Chemicals	8,000	8,000	6,569
	<u>20,750</u>	<u>20,750</u>	<u>15,069</u>
Miscellaneous	8,925	8,925	9,825
Total Operations	<u>526,821</u>	<u>526,821</u>	<u>520,834</u>
Depreciation	<u>119,400</u>	<u>119,400</u>	<u>230,243</u>
Total Expenses	<u>646,221</u>	<u>646,221</u>	<u>751,077</u>

**CITY OF GEORGETOWN, ILLINOIS**

**Sewer Utilities - Enterprise Fund**

**Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual**

**For the Fiscal Year Ended April 30, 2023**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Regular Fees	\$ 556,500	556,500	548,979
Debt Surcharge Fees	260,000	260,000	259,318
Other Fees	500	500	33
Total Operating Revenues	<u>817,000</u>	<u>817,000</u>	<u>808,330</u>
Operating Expenses			
Operations			
Personal Services	187,901	200,151	183,748
Contractual Services	213,900	213,900	237,634
Commodities	31,450	31,450	22,897
Miscellaneous	100	100	1,261
Depreciation and Amortization	218,500	218,500	254,127
Total Operating Expenses	<u>651,851</u>	<u>664,101</u>	<u>699,667</u>
Operating Income	<u>165,149</u>	<u>152,899</u>	<u>108,663</u>
Nonoperating Revenues (Expenses)			
Interest Income	2,500	2,500	5,145
Interest Expense	(53,000)	(53,000)	(51,549)
	<u>(50,500)</u>	<u>(50,500)</u>	<u>(46,404)</u>
Income Before Transfers	114,649	102,399	62,259
Transfers Out	—	—	(4,000)
Change in Net Position	<u>114,649</u>	<u>102,399</u>	58,259
Net Position -Beginning			<u>3,464,599</u>
Net Position - Ending			<u><u>3,522,858</u></u>

**CITY OF GEORGETOWN, ILLINOIS**

**Sewer Utilities - Enterprise Fund  
 Schedule of Operating Expenses - Budget and Actual  
 For the Fiscal Year Ended April 30, 2023**

	Budget		Actual
	Original	Final	
Operations			
Personal Services			
Salaries	\$ 137,914	150,164	139,837
Payroll Taxes	10,895	10,895	10,473
IMRF - Retirement	9,000	9,000	8,053
Employee Benefits	30,092	30,092	25,385
	<u>187,901</u>	<u>200,151</u>	<u>183,748</u>
Contractual Services			
Insurance	16,250	16,250	12,849
Office Expense	18,150	18,150	6,950
Postage	4,100	4,100	3,746
Maintenance	67,600	67,600	119,196
Engineering and Testing	16,750	16,750	6,197
Professional Fees	20,700	20,700	17,149
Utilities	58,350	58,350	57,481
NPDES Fees	12,000	12,000	14,066
	<u>213,900</u>	<u>213,900</u>	<u>237,634</u>
Commodities			
Supplies	21,450	21,450	11,985
Chemicals	10,000	10,000	10,912
	<u>31,450</u>	<u>31,450</u>	<u>22,897</u>
Miscellaneous	<u>100</u>	<u>100</u>	<u>1,261</u>
Total Operations	433,351	445,601	445,540
Depreciation and Amortization	<u>218,500</u>	<u>218,500</u>	<u>254,127</u>
Total Expenses	<u>651,851</u>	<u>664,101</u>	<u>699,667</u>

**SUPPLEMENTAL SCHEDULES**

**CITY OF GEORGETOWN, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding (Alternate Revenue Source) Bonds of 2013B**

**April 30, 2023**

---

---

Date of Issue	October 31, 2013
Date of Maturity	October 1, 2024
Authorized Issue	\$705,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 4.00%
Interest Dates	April 1 and October 1
Principal Maturity Date	October 1
Payable at	UMB Bank, N.A.

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2024	\$ 75,000	4,500	79,500
2025	75,000	1,500	76,500
	<u>150,000</u>	<u>6,000</u>	<u>156,000</u>

**CITY OF GEORGETOWN, ILLINOIS**

**Long-Term Debt Requirements**

**Illinois Environmental Protection Agency Loan Payable (L17-1818) of 2013**

**April 30, 2023**

Date of Issue	August 6, 2002
Date of Maturity	June 15, 2033
Authorized Issue	\$3,619,118
Interest Rate	1.00%
Interest Dates	June 15 and December 15
Principal Maturity Date	June 15
Payable at	Illinois Environmental Protection Agency

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2024	\$ 76,196	8,202	84,398
2025	76,960	7,438	84,398
2026	77,731	6,667	84,398
2027	78,510	5,888	84,398
2028	79,298	5,100	84,398
2029	80,092	4,306	84,398
2030	80,896	3,502	84,398
2031	81,706	2,692	84,398
2032	82,526	1,872	84,398
2033	83,353	1,045	84,398
2034	41,989	1,210	43,199
	839,257	47,922	887,179



**CITY OF GEORGETOWN, ILLINOIS**

**Long-Term Debt Requirements**

**Illinois Environmental Protection Agency Loan Payable (L17-3160) of 2017**

**April 30, 2023**

---



---

Date of Issue	December 7, 2016
Date of Maturity	June 19, 2045
Authorized Issue	\$6,937,253
Interest Rate	1.00%
Interest Dates	June 19 and December 19
Principal Maturity Date	June 19
Payable at	Illinois Environmental Protection Agency

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2024	\$ 202,377	50,291	252,668
2025	204,406	48,262	252,668
2026	206,455	46,213	252,668
2027	208,525	44,143	252,668
2028	210,615	42,053	252,668
2029	212,727	39,941	252,668
2030	214,859	37,809	252,668
2031	217,013	35,655	252,668
2032	219,189	33,479	252,668
2033	221,386	31,282	252,668
2034	223,606	29,062	252,668
2035	225,847	26,821	252,668
2036	228,111	24,557	252,668
2037	230,398	22,270	252,668
2038	232,708	19,960	252,668
2039	235,041	17,627	252,668
2040	237,397	15,271	252,668
2041	239,776	12,890	252,666
2042	242,180	10,488	252,668
2043	244,608	8,060	252,668
2044	247,060	5,608	252,668
2045	249,538	3,130	252,668
2046	125,706	629	126,335
	5,079,528	605,501	5,685,029

**CITY OF GEORGETOWN, ILLINOIS**

**Long-Term Debt Requirements**

**Illinois Environmental Protection Agency Loan Payable (L17-5678) of 2021**

**April 30, 2023**

Date of Issue	March 27, 2022
Date of Maturity	February 25, 2042
Authorized Issue	\$1,875,296
Interest Rate	1.00%
Interest Dates	February 25 and August 25
Principal Maturity Date	February 25
Payable at	Illinois Environmental Protection Agency

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2024	\$ 77,685	16,445	94,130
2025	78,464	15,667	94,131
2026	79,251	14,880	94,131
2027	80,045	14,085	94,130
2028	80,848	13,283	94,131
2029	81,658	12,472	94,130
2030	82,477	11,654	94,131
2031	83,304	10,827	94,131
2032	84,139	9,992	94,131
2033	84,982	9,148	94,130
2034	85,834	8,296	94,130
2035	86,695	7,436	94,131
2036	87,564	6,567	94,131
2037	88,442	5,689	94,131
2038	89,328	4,802	94,130
2039	90,224	3,907	94,131
2040	91,128	3,002	94,130
2041	92,042	2,089	94,131
2042	92,965	1,166	94,131
2043	46,829	234	47,063
	<u>1,663,904</u>	<u>171,641</u>	<u>1,835,545</u>

**CITY OF GEORGETOWN, ILLINOIS**

**Long-Term Debt Requirements  
Installment Contract Payable of 2018  
April 30, 2023**

---



---

Date of Issue	September 25, 2018
Date of Maturity	September 30, 2028
Authorized Issue	\$404,718
Interest Rate	4.00%
Interest Dates	30th Monthly
Principal Maturity Date	September 30, 2028
Payable at	Longview Bank & Trust

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2024	\$ 40,337	8,993	49,330
2025	42,027	7,303	49,330
2026	43,763	5,567	49,330
2027	45,572	3,758	49,330
2028	47,451	1,879	49,330
2029	20,348	207	20,555
	<u>239,498</u>	<u>27,707</u>	<u>267,205</u>

**CITY OF GEORGETOWN, ILLINOIS**

**Long-Term Debt Requirements  
Installment Contract Payable of 2020  
April 30, 2023**

---



---

Date of Issue	April 30, 2021
Date of Maturity	May 20, 2024
Authorized Issue	\$15,184
Interest Rate	No Interest
Interest Date	No Interest
Principal Maturity Date	Monthly
Payable at	Manitou Finance

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2024	\$ 5,162	—	5,162
2025	128	—	128
	5,290	—	5,290
General	1,764	—	1,764
Water Utilities	1,763	—	1,763
Sewer Utilities	1,763	—	1,763
	5,290	—	5,290

**CITY OF GEORGETOWN, ILLINOIS**

**Assessed Valuations, Tax Rates, Tax Extensions, and Tax Collections - Last Five Tax Levy Years  
April 30, 2023**

	2018	2019	2020	2021	2022
Assessed Valuations	\$ 20,329,062	20,693,379	20,815,440	22,153,513	22,995,436
<b>Tax Rates</b>					
Corporate	0.2091	0.2054	0.2090	0.1986	0.1913
Police Protection	0.0639	0.0677	0.0697	0.0677	0.0718
IMRF	0.1500	0.1546	0.1537	0.1467	0.1479
Unemployment	0.0295	0.0290	0.0288	0.0260	0.0250
Library	0.1328	0.1305	0.1369	0.1309	0.1370
Tort	0.2066	0.2126	0.2162	0.2031	0.2000
Bond and Interest	0.0492	0.0624	0.0481	0.0451	0.0522
Audit	0.0246	0.0242	0.0288	0.0271	0.0261
Social Security	0.1770	0.1836	0.1970	0.1896	0.1870
<b>Total Tax Rates</b>	<b>1.0427</b>	<b>1.0700</b>	<b>1.0882</b>	<b>1.0348</b>	<b>1.0382</b>
<b>Tax Extensions</b>					
Corporate	\$ 42,501	42,500	43,500	44,001	44,002
Police Protection	13,000	14,001	14,500	15,000	16,502
IMRF	30,502	32,000	32,002	32,501	34,001
Unemployment	6,001	6,004	6,003	5,751	5,754
Library	27,001	27,001	28,500	29,001	31,501
Tort	42,002	44,000	45,001	45,000	46,000
Bond and Interest	10,002	12,909	10,002	10,000	12,001
Audit	5,001	5,001	6,001	6,001	6,002
Social Security	36,001	38,001	41,000	42,001	43,001
<b>Total Tax Extensions</b>	<b>212,011</b>	<b>221,417</b>	<b>226,509</b>	<b>229,256</b>	<b>238,764</b>
<b>Tax Collections</b>					
General Fund	\$ 180,662	190,949	195,956	195,624	N/A
Library	26,366	26,519	28,205	28,331	N/A
	207,028	217,468	224,161	223,955	N/A
Road and Bridges	10,188	9,379	9,985	10,063	N/A
<b>Total Collections</b>	<b>217,216</b>	<b>226,847</b>	<b>234,146</b>	<b>234,018</b>	<b>N/A</b>
<b>Percentage Collected</b>					
City Levy	97.65%	98.22%	98.96%	97.69%	N/A

N/A - Not Available