

CITY OF WASHINGTON, ILLINOIS
ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2024

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CITY OF WASHINGTON, ILLINOIS

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FINANCIAL SECTION

This section includes:

Independent Auditor's Report

Management's Discussion and Analysis

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INDEPENDENT AUDITOR'S REPORT

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



INDEPENDENT AUDITOR'S REPORT

October 28, 2024

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Washington (the City), Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 supplementary pension and other post-employment benefit (OPEB) schedules, 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 Washington, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS**

October 28, 2024

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Washington, Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 28, 2024.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF WASHINGTON, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

This Management's Discussion and Analysis (MD&A) provides the reader with a narrative overview and analysis of the overall financial position and results of operations for the year ended April 30, 2024, for the City of Washington. Please read it in conjunction with the City's financial statements, which can be found in the basic financial statements section of this report.

FINANCIAL HIGHLIGHTS

- The City's net position increased because of this year's operations. Net position of the governmental activities increased by \$9,986,244, or 19.1 percent, from a restated beginning balance of \$52,378,135. Net position of business-type activities increased by \$1,530,014, or 3.8 percent, from a beginning balance of \$40,382,603.
- During the year, government-wide revenues primary government totaled \$33,491,714, while expenses totaled \$21,975,456, resulting in an increase to net position of \$11,516,258 from a restated beginning balance of \$92,760,738.
- The City's net position totaled \$104,276,996 on April 30, 2024, which includes \$66,818,443 net investment in capital assets, \$4,365,400 subject to external restrictions, and \$33,093,153 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$30,006,595, and total unassigned fund balance of \$20,261,814 or 67.5 percent of the total fund balance amount is available for spending at the City's discretion.
- Beginning balances in capital assets and long-term debt were restated due to the implementations of GASB Statement No. 96; however, the net effect on the Statement of Activities was zero.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements can be found in the financial section of this report. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the City's finances, in a matter similar to a private-sector business. The government wide financial statements which can be found in the financial section of this report.

The Statement of Net Position reports 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 deteriorating. Consideration of other nonfinancial factors, such as changes in the City's property tax base and the condition of the City's infrastructure, is needed to assess the overall health of the City.

Management's Discussion and Analysis

April 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

Government-Wide Financial Statements - Continued

The Statement of Activities presents information showing how the government'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 (e.g., uncollected taxes and earned but unused vacation leave).

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 of the City include general government, public safety, highways and streets, and cemetery. The business-type activities of the City include waterworks and sewerage.

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 local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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, 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 the City'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 the comparison between governmental funds and governmental activities.

The City maintains seventeen 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, which is considered a major fund. Data from the other sixteen 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 appropriated budget for all of the governmental funds, except the Rural Business Development Grant Fund. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

CITY OF WASHINGTON, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

Proprietary Funds

The City maintains two proprietary fund types: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City utilizes enterprise funds to account for its water and sewer operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

The City uses internal service funds to account for its health plan, maintenance, repairs, and capital equipment. These services predominantly benefit governmental rather than business-type functions, and therefore, has been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Funds, which are considered to be major funds of the City. Conversely, the internal service fund is presented in the proprietary fund financial statements in a single column. Individual fund data for the internal service fund is provided elsewhere in this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds.

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 the City's I.M.R.F. and police employee pension obligations, other post-employment benefit obligations and budgetary comparison schedules for the General Fund.

CITY OF WASHINGTON, ILLINOIS

Management’s Discussion and Analysis

April 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table represents the net position as of April 30, 2024. Net position serves over time as a useful indicator of a government’s financial position. The following tables show that assets/deferred outflows exceeded liabilities/deferred inflows by \$104,276,996.

	Net Position					
	Governmental		Business-Type		Totals	
	Activities	Activities	Activities	Activities	Activities	Activities
	2024	2023	2024	2023	2024	2023
Current Assets	\$ 41,569,172	33,491,542	12,058,797	12,019,351	53,627,969	45,510,893
Capital Assets	43,941,982	37,160,685	36,632,477	35,683,247	80,574,459	72,843,932
Other Assets	—	—	—	—	—	—
Total Assets	85,511,154	70,652,227	48,691,274	47,702,598	134,202,428	118,354,825
Deferred Outflows	3,638,287	3,521,885	—	—	3,638,287	3,521,885
Total Assets/Deferred Outflows	89,149,441	74,174,112	48,691,274	47,702,598	137,840,715	121,876,710
Long-Term Liabilities	19,977,874	14,832,847	4,948,342	5,419,128	24,926,216	20,251,975
Other Liabilities	3,755,186	1,232,354	1,516,393	1,548,894	5,271,579	2,781,248
Total Liabilities	23,733,060	16,065,201	6,464,735	6,968,022	30,197,795	23,033,223
Deferred Inflows	3,052,002	5,730,776	313,922	351,973	3,365,924	6,082,749
Total Liabilities/Deferred Inflows	26,785,062	21,795,977	6,778,657	7,319,995	33,563,719	29,115,972
Net Position						
Net Investment in Capital Assets	35,833,544	34,350,161	30,984,899	29,596,891	66,818,443	63,947,052
Restricted	4,365,400	4,591,840	—	810,999	4,365,400	5,402,839
Unrestricted	22,165,435	13,436,134	10,927,718	9,974,713	33,093,153	23,410,847
Total Net Position	62,364,379	52,378,135	41,912,617	40,382,603	104,276,996	92,760,738

A large portion of the City’s net position, \$66,818,443 or 64.1 percent, reflects its investment in capital assets (for example, land, construction in progress, land improvements, buildings, infrastructure, water and sewer systems, equipment, vehicles,, and subscription assets), 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 future 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.

An additional portion, \$4,365,400 or 4.2 percent, of the City’s net position represents resources that are subject to external restrictions on how they may be used. The remaining 31.7 percent, or \$33,093,153, represents unrestricted net assets and may be used to meet the government’s ongoing obligations to citizens and creditors.

CITY OF WASHINGTON, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Change in Net Position					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues						
Charges for Services	\$ 2,877,409	2,541,366	7,026,926	6,481,250	9,904,335	9,022,616
Operating Grants/Contributions	3,038,381	1,352,925	—	—	3,038,381	1,352,925
Capital Grants/Contributions	3,063,307	11,581	—	—	3,063,307	11,581
General Revenues						
Property Taxes	2,086,958	2,131,339	—	—	2,086,958	2,131,339
Intergovernmental	7,110,111	6,640,204	—	—	7,110,111	6,640,204
Other Taxes	6,848,055	6,343,321	—	—	6,848,055	6,343,321
Other General Revenues	1,135,846	536,805	304,721	83,368	1,440,567	620,173
Total Revenues	26,160,067	19,557,541	7,331,647	6,564,618	33,491,714	26,122,159
Expenses						
General Government	3,099,541	4,193,561	—	—	3,099,541	4,193,561
Public Safety	7,116,187	6,718,362	—	—	7,116,187	6,718,362
Highways and Streets	5,411,940	4,601,291	—	—	5,411,940	4,601,291
Cemetery	260,740	107,074	—	—	260,740	107,074
Interest on Long-Term Debt	285,415	62,754	—	—	285,415	62,754
Waterworks	—	—	2,361,639	2,072,056	2,361,639	2,072,056
Sewerage	—	—	3,439,994	3,462,990	3,439,994	3,462,990
Total Expenses	16,173,823	15,683,042	5,801,633	5,535,046	21,975,456	21,218,088
Change in Net Position	9,986,244	3,874,499	1,530,014	1,029,572	11,516,258	4,904,071
Fund Balance - Beginning	52,378,135	48,503,636	40,382,603	39,353,031	92,760,738	87,856,667
Net Position - Ending	62,364,379	52,378,135	41,912,617	40,382,603	104,276,996	92,760,738

CITY OF WASHINGTON, ILLINOIS

Management’s Discussion and Analysis

April 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Net position of the City’s governmental activities increased by 19.1 percent (\$62,364,379 in 2024 compared to \$52,378,135 in 2023, as restated).

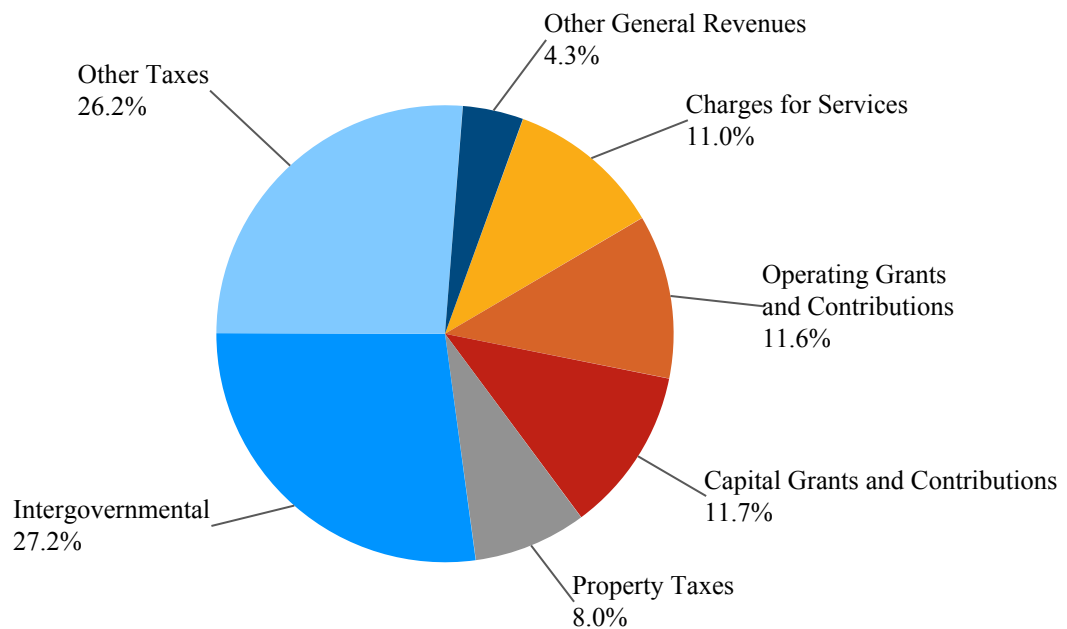
Net position of business-type activities increased by 3.8 percent (\$41,912,617 in 2024 compared to \$40,382,603 in 2023, as restated).

Governmental Activities

Revenues for governmental activities totaled \$26,160,067, while the cost of all governmental functions totaled \$16,173,823. This results in a surplus of \$9,986,244. In 2023, revenues of \$19,557,541 exceeded expenses of \$15,683,042, resulting in a surplus of \$3,874,499. The increase in the current year is due to increases in charges for services, grants and state shared revenues.

The following table graphically depicts the major revenue sources of the City. It depicts very clearly the reliance of intergovernmental revenues as well as property and other taxes. It also clearly identifies the less significant percentage the City receives from charges for services.

Revenue by Source - Governmental Activities



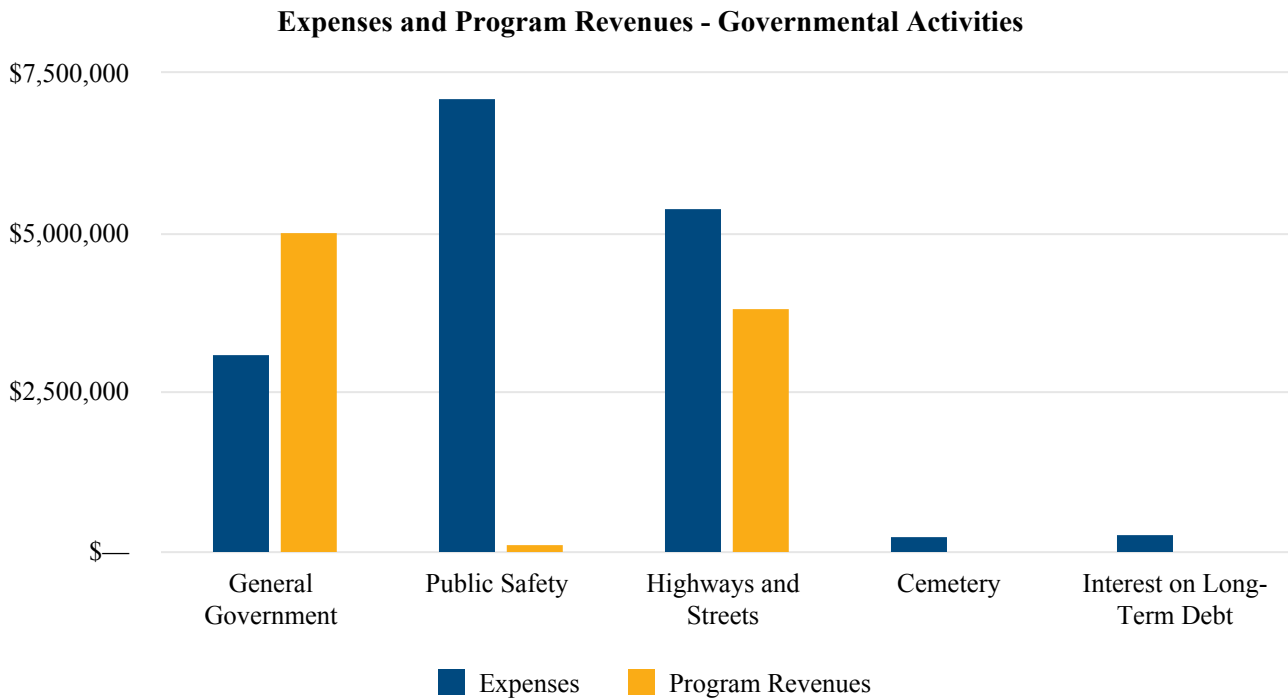
Management’s Discussion and Analysis

April 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities - Continued

The ‘Expenses and Program Revenues’ Table identifies those governmental functions where program expenses greatly exceed revenues.



As depicted in the chart above, general government, public safety, highways and streets, and cemetery expenses exceed any directly allocated revenues. Unlike the Waterworks and Sewerage Funds that is supported by user fees, these activities are substantially tax supported.

Business-Type Activities

Business-Type activities posted total revenues of \$7,331,647, while the cost of all business-type activities totaled \$5,801,633. This results in a surplus of \$1,530,014. In 2023, revenues of \$6,564,618 exceeded expenses of \$5,535,046, resulting in a surplus of \$1,029,572. The increase in the current year is due to Waterworks and Sewerage Funds revenues exceeding budgetary expectations and expenses in the Waterworks and Sewerage Funds both coming in under budget for the year. In addition, the City did not transfer any funds in 2024 from the business-type activities to the governmental activities.

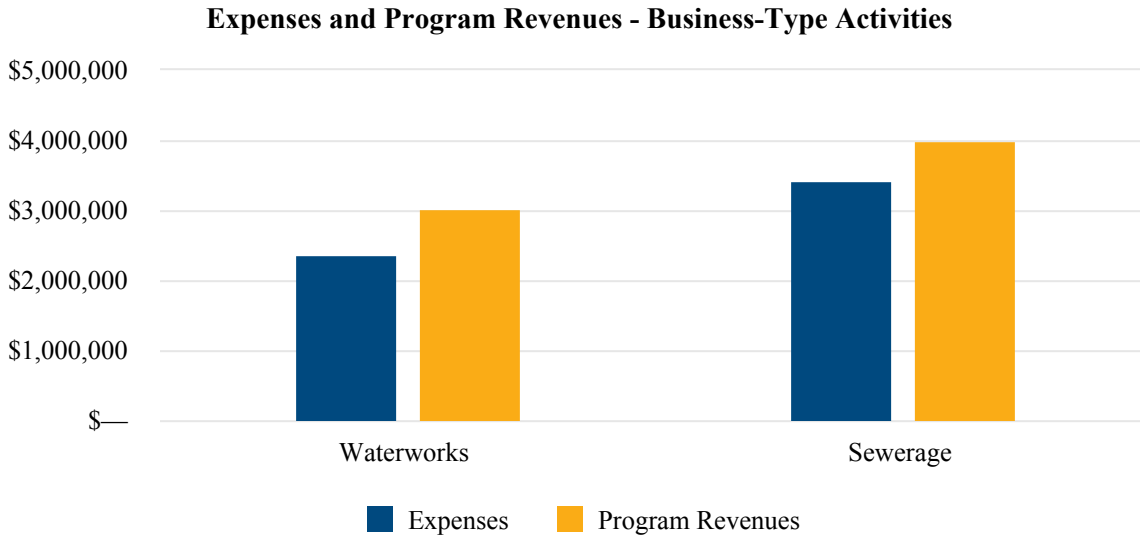
CITY OF WASHINGTON, ILLINOIS

Management’s Discussion and Analysis

April 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Business-Type Activities - Continued



The above graph compares program revenues to expenses for the water and sewer operations.

FINANCIAL ANALYSIS OF THE GOVERNMENT’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. 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.

The City’s governmental funds reported combining ending fund balances of \$30,006,595, which is \$8,387,813, or 38.8 percent, higher than last year’s total of \$21,618,782. Of the \$30,006,595 total, \$20,261,814, or 67.5 percent, constitutes unassigned fund balance.

The General Fund is the chief operating fund of the City and reported an increase in fund balance for the year of \$3,944,578, which is an increase of 22.9 percent from a beginning balance of \$17,227,847. This increase due to state shared revenues including sales, home rule sales taxes, income taxes and grants coming in over budget, and expenditures coming in under budget due to cost controlling measures across all departments during the year.

Unassigned fund balance in the General Fund was \$20,261,814, which represents 95.7 percent of the total fund balance of the General Fund. As a measure of the General Fund’s liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 151.9 percent of total General Fund expenditures.

CITY OF WASHINGTON, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Proprietary Funds

The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

The City reports the Waterworks and Sewerage Funds as major proprietary funds. The Waterworks and Sewerage Funds account for all financial activities associated with the municipal water and sewer service. Fees from consumption of water, tap on fees, and sewer services from building activities provide the primary source of revenue for these funds. Revenues are used to provide water and to maintain the water and sewer delivery infrastructure.

The City intends to run the funds at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of capital projects.

The Waterworks Fund reported an increase of \$796,747 from a beginning balance of \$14,410,605. Prior year's operations resulted in a surplus of \$810,247. Unrestricted net position in the Waterworks Fund totaled \$2,930,541 at April 30, 2024. The current year surplus is due to expenses in all categories except personnel expense coming in under budget and a reduction in capital outlay which resulted in operating income of \$672,928.

The Sewerage Fund reported an increase of \$733,267 from a beginning balance of \$25,971,998. Prior year's operations resulted in a surplus of \$219,325. Unrestricted net position in the Sewerage Fund totaled \$7,997,177 at April 30, 2024. The current year surplus is due to charges for services exceeding budget by \$167,954, which helped to provide operating income of \$552,365.

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund actual revenues for the year totaled \$19,495,651, compared to budgeted revenues of \$16,154,835. Revenues for all functions except charges for taxes and fines and forfeitures were higher than budgeted.

General Fund actual expenditures for the year were \$809,659 lower than budgeted (\$13,208,231 actual compared to \$14,017,890 budgeted) due to cost controlling measures during the year and capital outlay costs coming in under budget by \$341,233.

CITY OF WASHINGTON, ILLINOIS

Management’s Discussion and Analysis

April 30, 2024

CAPITAL ASSETS

The City’s investment in capital assets for its governmental and business type activities as of April 30, 2024 was \$80,574,459 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings, infrastructure, water and sewer systems, equipment, and vehicles.

	Capital Assets - Net of Depreciation					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2024	2023	2024	2023	2024	2023
Land	\$ 4,965,000	4,965,000	204,676	204,676	5,169,676	5,169,676
Construction in Progress	10,479,592	3,854,915	4,093,676	2,907,856	14,573,268	6,762,771
Land Improvements	852,345	848,094	—	—	852,345	848,094
Buildings	3,217,156	3,298,253	—	—	3,217,156	3,298,253
Infrastructure	20,099,658	20,987,437	—	—	20,099,658	20,987,437
Water System	—	—	9,247,726	9,618,181	9,247,726	9,618,181
Sewer System	—	—	21,092,090	21,179,522	21,092,090	21,179,522
Equipment and Vehicles	3,218,489	2,778,054	1,718,293	1,773,012	4,936,782	4,551,066
Leased Assets - Vehicles	1,038,113	428,932	—	273,800	1,038,113	702,732
Leased Assets - Subscriptions	71,629	—	276,016	—	347,645	—
Totals	<u>43,941,982</u>	<u>37,160,685</u>	<u>36,632,477</u>	<u>35,957,047</u>	<u>80,574,459</u>	<u>73,117,732</u>

This year’s major additions included:

Construction in Progress	\$ 7,931,193
Land Improvements	31,078
Buildings	31,114
Infrastructure	1,994,960
Water System	186,320
Sewer System	612,543
Equipment and Vehicles	1,284,765
Leased Assets - Vehicles	826,783
Leased Assets - Subscriptions	<u>119,382</u>
	<u><u>13,018,138</u></u>

Additional information on the City’s capital assets can be found in Note 3 of this report.

CITY OF WASHINGTON, ILLINOIS

Management’s Discussion and Analysis

April 30, 2024

DEBT ADMINISTRATION

As of April 30, 2024, the City had total outstanding debt of \$8,760,055 as compared to \$8,896,880 the previous year, a decrease of 1.5 percent. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental		Business-Type		Totals	
	Activities	Activities	Activities	Activities	2024	2023
	2024	2023	2024	2023	2024	2023
Promissory Notes Payable	\$ 1,989,905	2,294,905	594,085	836,048	2,583,990	3,130,953
Leases Payable	1,052,836	515,619	—	—	1,052,836	515,619
Subscriptions Payable	69,736	—	279,284	—	349,020	—
IEPA Loans Payable	—	—	4,774,209	5,250,308	4,774,209	5,250,308
	<u>3,112,477</u>	<u>2,810,524</u>	<u>5,647,578</u>	<u>6,086,356</u>	<u>8,760,055</u>	<u>8,896,880</u>

As a home-rule unit, no legal limit exists on the amount of outstanding debt. Additional information on the City's long-term debt can be found in Note 3 of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

The national economy grew faster than expected in 2023, however inflation still remains a concern. As such, the Fed has begun lowering interest rates and plans to do so several more times in the coming months. Legislation allowing for sales tax on internet sales has been a positive impact for home rule sales tax. Municipal and home rule sales tax recorded growth of over 5% to 7.5%. These trends are expected to slow going into next budget year. Additionally, unemployment rates increased over the past year with the state unemployment rate in April 2024 at 5.2% compared to 4.2%, 4.6%, and 5.3% in April 2023, April 2022, and April 2021, respectively. A concern on the horizon is the impact of the 1% grocery tax that was repealed by the State legislature effective January 1, 2026. It is not known at this time what the revenue loss may be to the City.

Legislative action in an attempt to ease the state’s budgetary problems has been enacted in recent years, including increases to the state Motor Fuel Tax. The annual MFT collection expanded because of the increase in the overall tax rate and additional revenue from the Build Illinois Bond Funds. Because both taxes are unstable and tied to the local economy, it is difficult to project long-term impact. In addition, an ordinance was approved to increase the Home Rule Sales Tax to 1.75% effective July 1, 2018. This additional revenue continues to be targeted for street infrastructure improvements. In early 2019, the City Council adopted a Utility Rate Study which provided for a graduated increase in the Sewer and Water Rates, including additional fixed fees. These increased funds are also targeted to allow utility replacements along with the street improvements. In July 2022, an additional .5% Home Rule Sales Tax took effect, bringing the total sales tax rate to 9.0% which will provide funding for stormwater management initiatives. A \$4.735M bond was issued in October 2023 so that multiple projects could be addressed while utilizing the sales tax for debt service purposes. As a result of these additional funding sources, capital spending will continue to increase in future years.

Accumulated reserves will also begin to decrease as projects that have been delayed in past years are completed, such as the Freedom Parkway and Nofsinger Realignment projects. Grant funding has been awarded that will largely offset many of these capital projects.

CITY OF WASHINGTON, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES - Continued

Personnel costs account for about one-third of total budgeted expenditures. These expenses present steady upward pressure on the City's budget from year to year. In addition to continuing focus on wellness initiatives, the City joined a municipal pool for health insurance in 2017 in an effort to contain costs. The change to the pool has provided stability and has resulted in an overall premium decrease of 2.54% over the last seven years. Pension costs continue to have an impact on the City's long-term obligations. Police pension costs continue to increase as changes to the actuarial and market returns are not keeping pace with the long-term obligations. State-mandated consolidation of pension fund investments has been completed; however, it has yet to be seen whether this will bring a positive or negative local impact.

The City's near-term financial well-being remains directly dependent on the sustained growth of the City's key sources of revenue: sales tax, income tax, and water and sewer user fees. Development of Washington 223 and continued commercial growth is essential to the City's long-term financial well-being. Income tax revenue is largely dependent on the overall health of the state and national economy and the preservation of the current state distribution formula to municipalities. Although property taxes account for a comparatively small portion of total City revenue, growth in the City's assessed valuation is still important to meet future fire protection/ambulance, pension and liability insurance expenses as well as potential funding for transportation as these costs are largely funded through property taxes. Sustained building activity is essential to the growth of the local property tax base. The City has seen increased investment with new residential, industrial and commercial construction. However, the overall Equalized Assessed Value (EAV) has remained relatively flat, excluding the effects of the quadrennial reassessment. Several new projects were begun during the fiscal year and should be completed next year, including the Freedom Parkway improvement and Nofsinger Realignment project which should continue to improve the EAV and stimulate further economic growth. In addition, a brew pub that is being developed in the downtown TIF district is anticipated to provide further vitality to the historic downtown square.

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, customers, investors, and creditors and for all those with an interest in the government's finances, a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to the City Hall at 301 Walnut Street, Washington, IL 61571, (309) 444-3196 to the attention of Mrs. Joanie Baxter, Washington Finance Director (jbaxter@ci.washington.il.us).

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
- Fiduciary Fund

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 WASHINGTON, ILLINOIS

Statement of Net Position

April 30, 2024

See Following Page

CITY OF WASHINGTON, ILLINOIS

Statement of Net Position

April 30, 2024

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 34,899,175	11,086,505	45,985,680
Receivables - Net of Allowances	6,265,863	966,603	7,232,466
Due from Other Governments	66,399	—	66,399
Internal Balances	4,005	(4,005)	—
Prepays	178,524	9,694	188,218
Inventories	155,206	—	155,206
Total Current Assets	<u>41,569,172</u>	<u>12,058,797</u>	<u>53,627,969</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	15,444,592	4,298,352	19,742,944
Depreciable/Amortizable	65,108,733	60,849,721	125,958,454
Accumulated Depreciation/Amortization	<u>(36,611,343)</u>	<u>(28,515,596)</u>	<u>(65,126,939)</u>
Total Noncurrent Assets	<u>43,941,982</u>	<u>36,632,477</u>	<u>80,574,459</u>
Total Assets	<u>85,511,154</u>	<u>48,691,274</u>	<u>134,202,428</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	1,587,270	—	1,587,270
Deferred Items - Police Pension	2,051,017	—	2,051,017
Total Deferred Outflows of Resources	<u>3,638,287</u>	<u>—</u>	<u>3,638,287</u>
Total Assets and Deferred Outflows of Resources	<u>89,149,441</u>	<u>48,691,274</u>	<u>137,840,715</u>

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

	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 2,761,873	237,897	2,999,770
Accrued Payroll	136,623	48,073	184,696
Accrued Interest Payable	142,988	22,355	165,343
Deposits	—	445,660	445,660
Other Payables	73,600	—	73,600
Current Portion of Long-Term Debt	640,102	762,408	1,402,510
Total Current Liabilities	<u>3,755,186</u>	<u>1,516,393</u>	<u>5,271,579</u>
Noncurrent Liabilities			
Compensated Absences Payable	477,408	50,538	527,946
Net Pension Liability - IMRF	2,620,787	—	2,620,787
Net Pension Liability - Police Pension	7,855,820	—	7,855,820
Total OPEB Liability - RBP	1,517,525	—	1,517,525
Promissory Notes Payable	1,674,905	346,090	2,020,995
Subscriptions Payable	53,756	256,886	310,642
Installment Contract Payable	9,578	—	9,578
Leases Payable	772,134	—	772,134
General Obligation Bonds Payable - Net	4,995,961	—	4,995,961
IEPA Loans Payable	—	4,294,828	4,294,828
Total Noncurrent Liabilities	<u>19,977,874</u>	<u>4,948,342</u>	<u>24,926,216</u>
Total Liabilities	<u>23,733,060</u>	<u>6,464,735</u>	<u>30,197,795</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	2,501,936	—	2,501,936
Grants	5,515	—	5,515
Leases	358,440	313,922	672,362
Other	38,900	—	38,900
Deferred Items - IMRF	7,543	—	7,543
Deferred Items - Police Pension	139,668	—	139,668
Total Deferred Inflows of Resources	<u>3,052,002</u>	<u>313,922</u>	<u>3,365,924</u>
Total Liabilities and Deferred Inflows of Resources	<u>26,785,062</u>	<u>6,778,657</u>	<u>33,563,719</u>
NET POSITION			
Net Investment in Capital Assets	35,833,544	30,984,899	66,818,443
Restricted			
Special Police Funds	736,738	—	736,738
Audit	66,981	—	66,981
Motor Fuel Tax	1,497,430	—	1,497,430
Incremental Tax	562,597	—	562,597
Liability Insurance	281,910	—	281,910
Illinois Municipal Retirement	616,848	—	616,848
Rural Development Business Grant	182,781	—	182,781
Social Security and Medicare	420,115	—	420,115
Unrestricted	22,165,435	10,927,718	33,093,153
Total Net Position	<u>62,364,379</u>	<u>41,912,617</u>	<u>104,276,996</u>

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

CITY OF WASHINGTON, ILLINOIS

Statement of Activities

For the Fiscal Year Ended April 30, 2024

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 3,099,541	2,720,489	2,295,948	—
Public Safety	7,116,187	135,577	—	—
Highways and Streets	5,411,940	21,343	742,433	3,063,307
Cemetery	260,740	—	—	—
Interest on Long-Term Debt	285,415	—	—	—
Total Governmental Activities	16,173,823	2,877,409	3,038,381	3,063,307
Business-Type Activities				
Waterworks	2,361,639	3,034,567	—	—
Sewerage	3,439,994	3,992,359	—	—
Total Business-Type Activities	5,801,633	7,026,926	—	—
Total Primary Government	21,975,456	9,904,335	3,038,381	3,063,307

General Revenues

Taxes

Property Tax

Home Rule Sales Tax

Local Use Tax

Other Taxes

Intergovernmental - Unrestricted

Sales Tax

Income Tax

Replacement Tax

Other

Interest Income

Miscellaneous

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		
Governmental Activities	Business-Type Activities	Totals
1,916,896	—	1,916,896
(6,980,610)	—	(6,980,610)
(1,584,857)	—	(1,584,857)
(260,740)	—	(260,740)
(285,415)	—	(285,415)
<u>(7,194,726)</u>	<u>—</u>	<u>(7,194,726)</u>
—	672,928	672,928
—	552,365	552,365
—	<u>1,225,293</u>	<u>1,225,293</u>
<u>(7,194,726)</u>	<u>1,225,293</u>	<u>(5,969,433)</u>
2,086,958	—	2,086,958
5,760,607	—	5,760,607
606,155	—	606,155
481,293	—	481,293
4,131,410	—	4,131,410
2,674,542	—	2,674,542
119,991	—	119,991
184,168	—	184,168
949,230	254,807	1,204,037
186,616	49,914	236,530
<u>17,180,970</u>	<u>304,721</u>	<u>17,485,691</u>
9,986,244	1,530,014	11,516,258
<u>52,378,135</u>	<u>40,382,603</u>	<u>92,760,738</u>
<u>62,364,379</u>	<u>41,912,617</u>	<u>104,276,996</u>

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

CITY OF WASHINGTON, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2024

	General	Capital Projects Fund		Nonmajor	Totals
		Freedom Parkway	Stormwater Management		
ASSETS					
Cash and Investments	\$ 18,328,791	1,356,593	5,036,704	4,148,189	28,870,277
Receivables - Net of Allowances					
Taxes	4,610,933	—	—	978,809	5,589,742
Accounts	228,871	—	—	—	228,871
Interest	12,848	—	—	—	12,848
Leases Receivables	—	—	—	301,483	301,483
Other	31,724	—	—	93,360	125,084
Due from Other Governments	8,599	—	—	57,800	66,399
Due from Other Funds	4,589	—	—	—	4,589
Prepays	18,667	—	—	17,969	36,636
Inventories	155,206	—	—	—	155,206
Total Assets	23,400,228	1,356,593	5,036,704	5,597,610	35,391,135
LIABILITIES					
Accounts Payable	439,706	1,356,593	—	435,174	2,231,473
Accrued Payroll	132,423	—	—	35,239	167,662
Due to Other Funds	7,014	—	—	—	7,014
Other Payables	73,600	—	—	—	73,600
Total Liabilities	652,743	1,356,593	—	470,413	2,479,749
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	1,530,645	—	—	971,291	2,501,936
Grants	5,515	—	—	—	5,515
Leases	—	—	—	358,440	358,440
Other	38,900	—	—	—	38,900
Total Deferred Inflows of Resources	1,575,060	—	—	1,329,731	2,904,791
Total Liabilities and Deferred Inflows of Resources	2,227,803	1,356,593	—	1,800,144	5,384,540
FUND BALANCES					
Nonspendable	173,873	—	—	17,969	191,842
Restricted	736,738	—	—	3,628,662	4,365,400
Assigned	—	—	5,036,704	150,835	5,187,539
Unassigned	20,261,814	—	—	—	20,261,814
Total Fund Balances	21,172,425	—	5,036,704	3,797,466	30,006,595
Total Liabilities, Deferred Inflows of Resources and Fund Balances	23,400,228	1,356,593	5,036,704	5,597,610	35,391,135

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

CITY OF WASHINGTON, ILLINOIS

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

April 30, 2024

Total Governmental Fund Balances	\$ 30,006,595
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.	43,941,982
Less: Internal Service Capital Assets	(3,538,677)
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	1,579,727
Deferred Items - Police Pension	1,911,349
Internal service funds are used by the City to charge the costs of vehicle and equipment management and employee compensated absences to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position	8,132,349
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(466,646)
Net Pension Liability - IMRF	(2,620,787)
Net Pension Liability - Police Pension	(7,855,820)
Total OPEB Liability - RBP	(1,517,525)
General Obligation Bonds - Net	(4,995,961)
Promissory Notes Payable	(1,989,905)
Subscriptions Payable	(69,736)
Installment Contract Payable	(9,578)
Accrued Interest Payable	(142,988)
Net Position of Governmental Activities	<u>62,364,379</u>

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

CITY OF WASHINGTON, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2024

	Capital Projects Fund				Totals
	General	Freedom Parkway	Stormwater Management	Nonmajor	
Revenues					
Taxes	\$ 7,944,165	—	—	990,848	8,935,013
Intergovernmental	9,386,033	2,146,027	—	1,679,739	13,211,799
Licenses and Permits	518,447	—	—	—	518,447
Charges for Services	817,942	—	—	1,405,443	2,223,385
Fines and Forfeitures	135,577	—	—	—	135,577
Interest Income	506,871	—	152,581	124,534	783,986
Miscellaneous	186,616	—	—	—	186,616
Total Revenues	19,495,651	2,146,027	152,581	4,200,564	25,994,823
Expenditures					
General Government	2,905,336	750	—	1,275,081	4,181,167
Public Safety	7,014,769	—	—	30,305	7,045,074
Highways and Streets	2,425,763	—	—	42,598	2,468,361
Cemetery	133,997	—	—	117,155	251,152
Capital Outlay	847,119	3,791,494	—	3,626,296	8,264,909
Debt Service					
Principal Retirement	4,824	—	—	305,000	309,824
Interest and Fiscal Charges	10,420	—	111,839	53,563	175,822
Total Expenditures	13,342,228	3,792,244	111,839	5,449,998	22,696,309
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,153,423	(1,646,217)	40,742	(1,249,434)	3,298,514
Other Financing Sources (Uses)					
Debt Issuance	89,536	—	4,735,000	—	4,824,536
Disposal of Capital Assets	3,801	—	260,962	—	264,763
Transfers In	—	1,667,946	—	634,236	2,302,182
Transfers Out	(2,302,182)	—	—	—	(2,302,182)
	(2,208,845)	1,667,946	4,995,962	634,236	5,089,299
Net Change in Fund Balances	3,944,578	21,729	5,036,704	(615,198)	8,387,813
Fund Balances - Ending	17,227,847	(21,729)	—	4,412,664	21,618,782
Fund Balances - Ending	21,172,425	—	5,036,704	3,797,466	30,006,595

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

CITY OF WASHINGTON, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the
Governmental Funds to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended April 30, 2024**

Net Change in Fund Balances - Total Governmental Funds **\$ 8,387,813**

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	8,678,641
Depreciation Expense	(3,234,066)
Disposals - Cost	(46,429)
Disposals - Accumulated Depreciation	31,444

The net effect of deferred outflows (inflows) of resources related
to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(307,039)
Change in Deferred Items - Police Pension	510,033

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.

Change in Compensated Absences Payable	3,498
Change in Net Pension Liability - IMRF	635,226
Change in Net Pension Liability - Police Pension	(805,786)
Change in Total OPEB Liability - RBP	156,045
Issuance of Debt	(4,824,536)
Premium on Issuance of Debt	(260,961)
Retirement of Debt	329,624
Changes to Accrued Interest	(115,495)

Internal service funds are used by the City to charge the costs of vehicle and equipment
management and employee compensated absences to individual funds.

The net revenue of certain activities of internal service funds is
reported with governmental activities.

848,232

Changes in Net Position of Governmental Activities

9,986,244

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

CITY OF WASHINGTON, ILLINOIS

Statement of Net Position - Proprietary Funds

April 30, 2024

	Business-Type Activities - Enterprise			Governmental
				Activities
	Waterworks	Sewerage	Totals	Internal Service
ASSETS				
Current Assets				
Cash and Investments	\$ 3,236,725	7,849,780	11,086,505	6,028,898
Receivables - Net of Allowances				
Accounts	293,908	331,083	624,991	2,193
Interest	1,001	10,435	11,436	5,642
Leases	329,876	—	329,876	—
Other	300	—	300	—
Due from Other Funds	595	—	595	7,920
Prepays	5,407	4,287	9,694	141,888
Total Current Assets	<u>3,867,812</u>	<u>8,195,585</u>	<u>12,063,397</u>	<u>6,186,541</u>
Noncurrent Assets				
Capital Assets				
Nondepreciable	1,989,978	2,308,374	4,298,352	104,141
Depreciable/Amortizable	21,288,525	39,561,196	60,849,721	5,899,584
Accumulated Depreciation/Amortization	(10,267,964)	(18,247,632)	(28,515,596)	(2,465,048)
Total Noncurrent Assets	<u>13,010,539</u>	<u>23,621,938</u>	<u>36,632,477</u>	<u>3,538,677</u>
Total Assets	<u>16,878,351</u>	<u>31,817,523</u>	<u>48,695,874</u>	<u>9,725,218</u>

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

	Business-Type Activities - Enterprise			Governmental
				Activities
	Waterworks	Sewerage	Totals	Internal Service
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 113,779	124,118	237,897	530,400
Accrued Payroll	21,991	26,082	48,073	4,268
Accrued Interest Payable	12,126	10,229	22,355	—
Deposits	445,660	—	445,660	—
Due to Other Funds	3,694	906	4,600	1,490
Current Portion of Long-Term Debt	264,414	497,994	762,408	273,815
Total Current Liabilities	861,664	659,329	1,520,993	809,973
Noncurrent Liabilities				
Compensated Absences Payable	20,880	29,658	50,538	10,762
Subscriptions Payable	128,443	128,443	256,886	—
Promissory Notes Payable	346,090	—	346,090	—
IEPA Loans Payable	—	4,294,828	4,294,828	—
General Obligation Bonds Payable - Net	—	—	—	—
Leases Payable	—	—	—	772,134
Total Noncurrent Liabilities	495,413	4,452,929	4,948,342	782,896
Total Liabilities	1,357,077	5,112,258	6,469,335	1,592,869
DEFERRED INFLOWS OF RESOURCES				
Leases	313,922	—	313,922	—
Total Liabilities and Deferred Inflows of Resources	1,670,999	5,112,258	6,783,257	1,592,869
NET POSITION				
Net Investment in Capital Assets	12,276,811	18,708,088	30,984,899	2,495,419
Unrestricted	2,930,541	7,997,177	10,927,718	5,636,930
Total Net Position	15,207,352	26,705,265	41,912,617	8,132,349
Total Liabilities, Deferred Inflows of Resources, and Net Position	16,878,351	31,817,523	48,695,874	9,725,218

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

CITY OF WASHINGTON, ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended April 30, 2024

	Business-Type Activities - Enterprise			Governmental
	Waterworks	Sewerage	Totals	Internal Service
Operating Revenues				
Metered Sales	\$ 1,553,046	2,604,746	4,157,792	—
Charges for Services	1,473,210	1,386,933	2,860,143	1,941,046
Employee Contributions	—	—	—	1,299,717
Other	8,311	680	8,991	121,517
Total Operating Revenues	3,034,567	3,992,359	7,026,926	3,362,280
Operating Expenses				
Operations				
Personnel	788,315	857,957	1,646,272	1,354,955
Contractual Services	367,104	558,142	925,246	231,773
Commodities	260,632	138,470	399,102	273,028
Other	336,127	1,024,995	1,361,122	207,723
Depreciation	609,461	860,430	1,469,891	736,332
Total Operating Expenses	2,361,639	3,439,994	5,801,633	2,803,811
Operating Income	672,928	552,365	1,225,293	558,469
Nonoperating Revenues (Expenses)				
Grant Income	2,800	2,800	5,600	—
Other Income	43,700	—	43,700	—
Interest Income	98,383	230,974	329,357	165,244
Interest Expense	(21,659)	(52,891)	(74,550)	(13,899)
Disposal of Capital Assets	595	19	614	138,418
	123,819	180,902	304,721	289,763
Change in Net Position	796,747	733,267	1,530,014	848,232
Net Position - Beginning	14,410,605	25,971,998	40,382,603	7,284,117
Net Position - Ending	15,207,352	26,705,265	41,912,617	8,132,349

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

CITY OF WASHINGTON, ILLINOIS

**Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended April 30, 2024**

	Business-Type Activities - Enterprise			Governmental
				Activities
	Waterworks	Sewerage	Totals	Internal Service
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 3,079,524	3,955,596	7,035,120	1,421,234
Interfund Services Provided	—	—	—	1,935,246
Payments to Suppliers	(1,129,430)	(2,513,160)	(3,642,590)	(1,551,653)
Payments to Employees	(660,378)	(130,428)	(790,806)	(5,788)
	<u>1,289,716</u>	<u>1,312,008</u>	<u>2,601,724</u>	<u>1,799,039</u>
Cash Flows from Capital and Related				
Purchase of Capital Assets	(1,053,964)	(1,365,155)	(2,419,119)	(2,194,176)
Disposal of Capital Assets	595	19	614	244,555
Issuance of Debt	151,823	151,823	303,646	746,424
Principal Retirement	(254,144)	(488,280)	(742,424)	(204,383)
Interest Expense	(21,659)	(52,891)	(74,550)	(13,899)
	<u>(1,177,349)</u>	<u>(1,754,484)</u>	<u>(2,931,833)</u>	<u>(1,421,479)</u>
Cash Flows from Investing Activities				
Interest Income	98,383	230,974	329,357	165,244
Net Change in Cash and Cash Equivalents	210,750	(211,502)	(752)	542,804
Cash and Cash Equivalents - Beginning	3,025,975	8,061,282	11,087,257	5,486,094
Cash and Cash Equivalents - Ending	<u>3,236,725</u>	<u>7,849,780</u>	<u>11,086,505</u>	<u>6,028,898</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income	672,928	552,365	1,225,293	558,469
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in)				
Operating Activities				
Depreciation	609,461	860,430	1,469,891	736,332
Other Income	46,500	2,800	49,300	—
(Increase) Decrease in Current Assets	(1,543)	(39,563)	(41,106)	(5,800)
Increase (Decrease) in Current Liabilities	(37,630)	(64,024)	(101,654)	510,038
Net Cash Provided by Operating Activities	<u>1,289,716</u>	<u>1,312,008</u>	<u>2,601,724</u>	<u>1,799,039</u>

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

CITY OF WASHINGTON, ILLINOIS

Statement of Fiduciary Net Position

April 30, 2024

	<u>Pension Trust</u>
ASSETS	
Cash and Cash Equivalents	\$ 1,612,815
Investments	
Illinois Police Officers' Pension Investment Fund	8,548,507
Receivables - Net of Allowance	
Accrued Interest	<u>1,441</u>
NET POSITION	
Net Position Restricted	<u><u>10,162,763</u></u>

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

CITY OF WASHINGTON, ILLINOIS

Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2024

	Pension Trust
Additions	
Contributions - Employer	\$ 784,999
Contributions - Plan Members	174,972
Total Contributions	<u>959,971</u>
Investment Earnings	
Interest Earned	794,006
Net Change in Fair Value	—
	<u>794,006</u>
Less Investment Expenses	—
Net Investment Income	<u>794,006</u>
Total Additions	<u>1,753,977</u>
Deductions	
Administration	5,969
Benefits and Refunds	822,996
Total Deductions	<u>828,965</u>
Change in Fiduciary Net Position	925,012
Net Position Restricted for Pensions	
Beginning	<u>9,237,751</u>
Ending	<u><u>10,162,763</u></u>

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

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Washington, Illinois operates under the Aldermanic-City form of government. The legislative body consists of two aldermen from each ward elected for a four-year term. Their terms are staggered so that half are elected every two years. Other elected officials include a City Clerk and City Treasurer, elected to a four-year term. In 1972 (Ord. 1052), the City Council created the office of City Administrator. The City Administrator is appointed by the Mayor and confirmed by a majority vote of the City Council. The City Administrator is the chief administrative officer of the city, and responsible to the Mayor and City Council for the proper administration of the affairs of the City. Voters approved a Home Rule referendum in 1998 which affords the City greater latitude in meeting the needs of its residents and managing its governmental affairs.

The City directly provides or makes provision for the delivery of services to its residents including, but not limited to, the following: police; fire; ambulance and rescue; water; wastewater; streets; solid waste disposal and recycling; storm water management; and planning, zoning and code enforcement. It also performs a variety of functions related to these services and other general administrative responsibilities including: budgeting and financial management, human resources administration, accounts payable/receivable and engineering.

The government-wide financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies established in GAAP and used by the City are described below.

REPORTING ENTITY

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there is one fiduciary component unit that is required to be included in the financial statements of the City as pension trust fund and there are no discretely component units to include in the reporting entity.

Police Pension Employees Retirement System

The City's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor with the advice and consent of the City Council, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the City is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the City, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the City's police employees. The PPERS is reported as a pension trust fund.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION

Government-Wide 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 general government, public safety, highways and streets, and cemetery are classified as governmental activities. The City's waterworks and sewerage services are classified as business-type activities.

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 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, highways and streets, 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, operating and capital grants. Program revenues must be directly associated with the function (general government, public safety, highways and streets, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, intergovernmental revenues, fines, permits and charges, 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 comprise 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.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

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 may electively add 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 a 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

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental 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 accounts for all revenues and expenditures of the City which are not accounted for in other funds. 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 ten nonmajor special revenue funds.

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 City maintains one nonmajor debt service funds.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The City maintains five nonmajor capital projects funds.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles 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 Waterworks and Sewerage Fund, a major fund, accounts for the provision of water sewer services to the residents and businesses of the City. The Sewerage Fund, a major fund, accounts for the provision of sewer sewer services to the residents and businesses of the City.

Internal service funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the City on a cost-reimbursement basis. The City maintains four internal services funds. The Employees' Benefit Fund is used to account for the City's health plan. The Motor Equipment Replacement Fund is used to account for the maintenance and repair of motorized equipment and vehicles used in the operations of City Services. The Capital Replacement Fund is used to account for non-motorized capital equipment in excess of \$15,000. The Building Maintenance Fund is used to account for building maintenance in excess of \$15,000. The City's internal service funds are presented in the proprietary funds' financial statements. Because the principal users of the internal services are the City's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, highways and streets, etc.).

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support City programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Pension trust funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the City's police force.

The City's pension trust fund is presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

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

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 seventy-five days after year end. The City recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A seventy-five-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, franchise taxes, utility taxes, hotel/motel taxes, fines, 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 WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting - Continued

All proprietary funds and pension trust 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 and of the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service 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

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and 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.

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, franchise taxes, and grants. Business-type activities report charges for services as their major receivables.

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. Prepaids/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

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. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Capital Assets

Capital assets purchased or acquired with an original cost \$5,000 or more, depending on asset class, 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/amortized. 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/amortization on all assets is computed and recorded using the straight-line method of depreciation/amortization over the following estimated useful lives:

Land Improvements	20 Years
Buildings	20 - 50 Years
Infrastructure	20 - 50 Years
Equipment and Vehicles	3 - 50 Years
Leased Assets	3 - 50 Years
Water and Sewer Systems	10 - 50 Years

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents a 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.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Compensated Absences

The City's sick leave policy allows for twelve sick days per year. Employees with unused sick leave accumulated prior to January 1, 1992, may carry forward up to 30 days and will be paid for unused hours remaining upon an employee's retirement or separation from City service at the employee's hourly rate of pay in effect on December 31, 1991. Sick leave accumulated since December 31, 1991 and not covered by the terms of the police officer's collective bargaining agreement, or the applicable policy for Sergeants, does not vest. For employees covered by the police officer's collective bargaining agreement, or the applicable policy for Sergeants, sick leave accumulates at their current hourly rate.

The City's vacation policy allows each regular full-time employee assigned as a Sergeant or to a position classification of a range lower than 98 within the City's position classification system, and not otherwise covered by the terms of a collective bargaining agreement, to earn two weeks of vacation after one year of service and one additional day for each year of service in excess of six years, up to a maximum vacation time of five weeks. Each regular full-time employee with a position classification of a range 98 or above, or a Department Head position classification without a contract, earns two weeks of vacation after one year of service and up to five years of service, three weeks of vacation from five to ten years of service, four weeks of vacation from eleven to fifteen years of service, and five weeks of vacation for sixteen and more years of service.

For employees with up to 15 years of service, up to one week of vacation may be carried over to the following year. Employees with 15 or more years of service may carry two weeks of vacation over to the following year. Upon termination, an employee is entitled to be paid for any vested vacation from the prior year and a prorated share of the current year's vacation. The City Council passed an ordinance to amend the personnel manual to provide for non-union part-time employee leave. The employee must have worked 1,000 hours in the prior year to qualify. The employee will receive up to 80 hours of paid leave based on the ratio of total hours worked by the employee to 2,080 hours.

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.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

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.”

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The budget for all governmental funds, except the Rural Business Development Grant Fund, is prepared on the modified accrual basis of accounting, which is the same basis that is used in the fund financial reporting. This allows for comparability between budget and actual amounts.

For each fund, total fund expenditures may not legally exceed the budgeted expenditures. Unexpended budgeted amounts lapse at the end of each fiscal year. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised at the line item level. Encumbrances accounting is not employed.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

BUDGETARY INFORMATION - Continued

The City adopts its annual budget in accordance with Chapter 65, Paragraph 5/8-2-9.4 of the Illinois Compiled Statutes, as follows:

- The budget officer submits to the City Council a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them.
- A public hearing is conducted to obtain taxpayer comments.
- Prior to May 1, the budget is legally adopted through passage of an ordinance.
- Budgeted amounts may be transferred between object classes within a fund at any time. The annual budget may be revised by a vote of two-thirds of the City Council by deleting, adding to, or changing budgeted items. No revision of the budget can be made increasing the budget in the event funds are not available.

The City also adopts an informal operating budget for proprietary funds containing estimated revenues and expenditures, which is used as a management control device.

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 except the pension trust 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. The deposits and investments of the pension trust fund are held separately from those of other funds.

Permitted Deposits and Investments - Illinois Statutes authorizes 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.

City

Deposits. At year-end, the carrying amount of the City's deposits for governmental and business-type activities totaled \$45,985,680 and the bank balances totaled \$43,913,932.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

City - Continued

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 portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which may be reasonably anticipated.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investments may be made in any type of security allowed for in Illinois statutes regarding the investment of public funds. Investments shall be made that reflect the cash flow needs of the fund type being invested.

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. Funds on deposit (checking accounts, certificates of deposit, etc.) in excess of FDIC limits must be secured by some form of collateral, witnessed by a written agreement and held at an independent third-party institution in the name of the municipality.

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. The City's investment policy does not address custodial credit risk for investments.

Concentration Risk. This is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's investment policy states the City shall diversify its investments to the best of its ability based on the type of funds invested, the credit worthiness of the institution it is investing in, and the cash flow needs of the City. At year-end, the City has no 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).

Police Pension Fund

The Illinois Police Officers Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual comprehensive financial report. For additional information on IPOPIF's investments, please refer to their annual report, which can be obtained from IPOPIF at 456 Fulton Street, Suite 402 Peoria, Illinois 61602 or at www.ipopif.org.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund - Continued

Deposits. The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$1,612,815 and the bank balances totaled \$1,601,802.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy states that deposits in excess of Federally insured limits in financial institutions will be required to be secured by some form of collateral. The Fund will accept United States Treasury Bills, Notes, or Bonds or United States Agency Notes or Bonds as authorized by the Public Funds Investment Act, but excluding the government sponsored agencies prohibited by the Illinois Department of Insurance. The amount of collateral provided will not be less than 110% of the fair market value of the net amount of funds secured.. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

Investments. At year-end the Fund has \$8,548,507 invested in IPOPIF. The pooled investments consist of the investments as noted in the target allocation table available at www.ipopif.org. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at year-end. The fund may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

Investment Policy. IPOPIF's current investment policy was adopted by the Board of Trustees on December 17, 2021. IPOPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 3 of the Illinois Pension Code.

Rate of Return

For the year ended April 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.42%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for 2023 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 June 1 and September 1 during the following year. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1.7% of the tax levy to reflect actual collection experience.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Nonmajor Governmental	General	\$ 634,236
Freedom Parkway	General	<u>1,667,946</u>
		<u><u>2,302,182</u></u>

Transfers are used to transfer unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

INTERFUND BALANCES

The below balances represent short-term loans to cover deficit cash balances at April 30, 2024. Interfund balances as of the date of this report are as follows:

Receivable Fund	Payable Fund	Amount
General	Waterworks	\$ 3,694
General	Internal Service	895
Internal Service	General Fund	7,014
Internal Service	Sewerage	906
Waterworks	Internal Service	<u>595</u>
		<u><u>13,104</u></u>

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LEASES RECEIVABLE

The City is a lessor on the following leases at year end:

Lease	Term	Start Date	Payments	Interest
Farm	2 Years	5/1/2022	\$69,357 per Year	1.772%
Water Tower	123 Months	5/1/2022	\$3,545 per Month	0.184%
Cell Tower	245 Months	5/1/2022	\$1,276 per Month	0.202%

During the fiscal year, the City has recognized \$107,577 of lease revenue.

The future principal and interest lease payments as of the year-end were as follows:

Fiscal Year	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total Lease Payment	Principal	Interest	Total Lease Payment
2025	\$ 75,350	6,606	81,956	32,439	6,940	39,379
2026	7,204	5,395	12,599	34,354	6,207	40,561
2027	7,381	5,219	12,600	36,348	5,430	41,778
2028	8,670	5,031	13,701	38,422	4,609	43,031
2029 - 2033	52,129	21,586	73,715	188,313	9,310	197,623
2034 - 2038	70,561	14,211	84,772	—	—	—
2039 - 2043	80,188	4,445	84,633	—	—	—
	<u>301,483</u>	<u>62,493</u>	<u>363,976</u>	<u>329,876</u>	<u>32,496</u>	<u>362,372</u>

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

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	\$ 4,965,000	—	—	4,965,000
Construction in Progress	3,854,915	6,624,677	—	10,479,592
	<u>8,819,915</u>	<u>6,624,677</u>	<u>—</u>	<u>15,444,592</u>
Depreciable/Amortizable Capital Assets				
Land Improvements	1,187,670	31,078	—	1,218,748
Buildings	5,214,401	31,114	—	5,245,515
Infrastructure	48,573,132	1,994,960	—	50,568,092
Equipment and Vehicles	5,953,302	1,274,669	635,488	6,592,483
Leased Assets - Vehicles	567,576	826,783	—	1,394,359
Leased Assets - Subscriptions	—	89,536	—	89,536
	<u>61,496,081</u>	<u>4,248,140</u>	<u>635,488</u>	<u>65,108,733</u>
Less Accumulated Depreciation/Amortization				
Land Improvements	339,576	26,827	—	366,403
Buildings	1,916,148	112,211	—	2,028,359
Infrastructure	27,585,695	2,882,739	—	30,468,434
Equipment and Vehicles	3,175,248	713,112	514,366	3,373,994
Leased Assets - Vehicles	138,644	217,602	—	356,246
Leased Assets - Subscriptions	—	17,907	—	17,907
	<u>33,155,311</u>	<u>3,970,398</u>	<u>514,366</u>	<u>36,611,343</u>
Total Net Depreciable/Amortizable Capital Assets	<u>28,340,770</u>	<u>277,742</u>	<u>121,122</u>	<u>28,497,390</u>
Total Net Capital Assets	<u>37,160,685</u>	<u>6,902,419</u>	<u>121,122</u>	<u>43,941,982</u>

Depreciation and amortization expense was charged to governmental activities as follows:

General Government	\$ 91,807
Public Safety	189,092
Highways and Streets	2,943,579
Cemetery	9,588
Internal Service	<u>736,332</u>
	<u>3,970,398</u>

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

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:

	Restated Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 204,676	—	—	204,676
Construction in Progress	2,907,856	1,306,516	120,696	4,093,676
	<u>3,112,532</u>	<u>1,306,516</u>	<u>120,696</u>	<u>4,298,352</u>
Depreciable Capital Assets				
Water System	18,323,799	186,320	—	18,510,119
Sewer System	38,302,866	733,239	—	39,036,105
Equipment	2,994,955	10,096	5,200	2,999,851
Leased Assets - Subscriptions	273,800	29,846	—	303,646
	<u>59,895,420</u>	<u>959,501</u>	<u>5,200</u>	<u>60,849,721</u>
Less Accumulated Depreciation				
Water System	8,705,618	556,775	—	9,262,393
Sewer System	17,123,344	820,671	—	17,944,015
Equipment	1,221,943	64,815	5,200	1,281,558
Leased Asses - Subscriptions	—	27,630	—	27,630
	<u>27,050,905</u>	<u>1,469,891</u>	<u>5,200</u>	<u>28,515,596</u>
Total Net Depreciable Capital Assets	<u>32,844,515</u>	<u>(510,390)</u>	<u>—</u>	<u>32,334,125</u>
Total Net Capital Assets	<u>35,957,047</u>	<u>796,126</u>	<u>120,696</u>	<u>36,632,477</u>

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

Waterworks	\$ 609,461
Sewerage	<u>860,430</u>
	<u>1,469,891</u>

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

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 have been issued for governmental activities. 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	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds, Series 2023 - Due in annual installments of \$240,000 to \$460,000, plus interest at 5.00% through May 15, 2038.	Stormwater Management	\$ —	4,735,000	—	4,735,000

Promissory Notes Payable

The City enters into promissory notes payable for the purpose of renovating, remodeling and improving infrastructure, and improving the City. Promissory notes payable have been issued for the governmental and business-type activities. Promissory notes payable are direct obligations and pledge the full faith and credit of the City. Promissory notes payable currently outstanding are as follows:

Issue	Fund	Beginning Balances	Issuances	Retirements	Ending Balances
Promissory Note of 2015 - Due in annual installments of \$295,000 to \$349,905 plus interest at 2.50% through May 15, 2029.	Washington Area Community Center	\$ 2,294,905	—	305,000	1,989,905
Promissory Note of 2016 - Due in annual installments of \$91,942 to \$254,260 plus interest at 2.46% through June 2, 2026.	Waterworks	836,048	—	241,963	594,085
		<u>3,130,953</u>	<u>—</u>	<u>546,963</u>	<u>2,583,990</u>

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

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 loans currently outstanding are as follows:

Issue	Fund	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Loan of 2009 - Due in annual installments of \$289,446, interest free through November 30, 2030.	Sewerage	\$ 2,315,566	—	289,446	2,026,120
IEPA Loan of 2017 - Due in annual installments of \$237,182 including interest at 1.75% through March 15, 2037.	Sewerage	2,934,742	—	186,653	2,748,089
		<u>5,250,308</u>	<u>—</u>	<u>476,099</u>	<u>4,774,209</u>

Leases Payable

The City has entered into right-to-use lease agreements as lessee for equipment. An initial lease liability was recorded in the amount of \$746,424 during the current fiscal year. The City is required to make various monthly principal and interest payments. The City used the incremental borrowing rate as the interest rate for the right-to-use asset agreements if an interest rate was not provided in the lease agreement. The City leases equipment for various terms under long-term, noncancellable lease agreements. The leases expire at various dates through 2028. The future principal and interest lease payments as of the year-end were as follows:

Fiscal Year	Governmental Activities	
	Principal	Interest
2025	\$ 271,124	19,534
2026	276,314	14,344
2027	248,010	9,059
2028	171,504	4,203
2029	76,306	692
	<u>1,043,258</u>	<u>47,832</u>

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Subscriptions Payable

For the year-ended, the City entered into various subscriptions for the use of subscription-based information technology arrangements. The subscriptions range from \$9,652 to \$26,400, with interest rates from 2.36% to 2.56%. Initial subscription liabilities were recorded in the amount of \$393,181. As of year-end, the value of the subscription liabilities are \$349,019. The City is required to make annual payments of \$3,300 to \$23,100 plus interest. The value of the right to use asset as of year-end of \$393,181 with accumulated amortization of \$45,537 is included with Software in the capital assets note disclosure located elsewhere in Note 3.

The future principal and interest lease payments as of the year-end were as follows:

Fiscal Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 15,980	1,785	22,398	6,646
2026	16,922	1,376	23,808	6,106
2027	17,905	943	25,280	5,533
2028	18,928	485	26,813	4,923
2029	—	—	21,746	4,277
2030 - 2034	—	—	129,262	13,046
2035 - 2036	—	—	29,976	708
	<u>69,735</u>	<u>4,589</u>	<u>279,283</u>	<u>41,239</u>

Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of legal debt margin. “The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.” To date the Illinois General Assembly has set no limits for home rule municipalities. The City is a home rule municipality.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liabilities Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Restated Beginning Balances	Additions	Deductions	Ending Balances	Amounts within One Year
Governmental Activities					
Compensated Absences					
Governmental	\$ 500,904	2,098	1,049	501,953	35,307
Internal Service	11,672	3,562	1,781	13,453	2,691
Net Pension Liability/(Asset) - IMRF	3,256,013	—	635,226	2,620,787	—
Net Pension Liability - Police Pension	7,050,034	805,786	—	7,855,820	—
Total OPEB Liability - RBP	1,673,570	—	156,045	1,517,525	—
General Obligation Bonds	—	4,735,000	—	4,735,000	—
Unamortized Premium	—	260,961	—	260,961	—
Promissory Notes Payable	2,294,905	—	305,000	1,989,905	315,000
Subscriptions Payable	—	89,536	19,800	69,736	15,980
Installment Contract Payable	14,402	—	4,824	9,578	—
Leases Payable					
Internal Service	501,217	746,424	204,383	1,043,258	271,124
	<u>15,302,717</u>	<u>6,643,367</u>	<u>1,328,108</u>	<u>20,617,976</u>	<u>640,102</u>
Business-Type Activities					
Compensated Absences	63,170	4	2	63,172	12,634
Promissory Notes Payable	836,048	—	241,963	594,085	247,995
Subscriptions Payable	273,800	29,846	24,362	279,284	22,398
IEPA Loans Payable	5,250,308	—	476,099	4,774,209	479,381
	<u>6,423,326</u>	<u>29,850</u>	<u>742,426</u>	<u>5,710,750</u>	<u>762,408</u>

For the governmental activities, payments on the compensated absences, the net pension liabilities, and the total OPEB liability are made by the General Fund. Payments on the promissory note is made by the Washington Area Community Center Fund. The Stormwater Management Fund makes payments on the general obligation bonds. The Motor Equipment Replacement Fund makes payments on the leases payable.

Additionally, for the business-type activities, payments on the compensated absences and the subscriptions payables are made by the Waterworks and Sewerage Funds. The promissory note is liquidated by the Waterworks Fund and the IEPA loans are liquidated by the Sewerage Fund.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

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		Promissory		Promissory		IEPA	
	Obligation Bonds		Contract		Notes		Notes		Loans	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ —	263,056	5,102	447	315,000	45,813	247,995	13,320	479,381	47,247
2026	240,000	230,750	4,476	153	320,000	37,875	254,260	7,055	482,719	43,909
2027	250,000	218,500	—	—	330,000	29,750	91,830	1,143	486,116	40,512
2028	265,000	205,625	—	—	335,000	21,438	—	—	489,573	37,055
2029	280,000	192,000	—	—	340,000	13,000	—	—	493,090	33,538
2030	295,000	177,625	—	—	349,905	4,375	—	—	496,670	29,958
2031	305,000	162,625	—	—	—	—	—	—	500,310	26,316
2032	325,000	146,875	—	—	—	—	—	—	214,572	22,610
2033	340,000	130,250	—	—	—	—	—	—	218,344	18,838
2034	355,000	112,875	—	—	—	—	—	—	222,182	15,000
2035	375,000	94,625	—	—	—	—	—	—	226,087	11,095
2036	395,000	75,375	—	—	—	—	—	—	230,061	7,121
2037	415,000	55,125	—	—	—	—	—	—	235,104	2,080
2038	435,000	33,875	—	—	—	—	—	—	—	—
2039	460,000	11,500	—	—	—	—	—	—	—	—
Totals	4,735,000	2,110,681	9,578	600	1,989,905	152,251	594,085	21,518	4,774,209	335,279

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATIONS

Net investment in capital/amortizable assets was comprised of the following as of April 30, 2024:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation/Amortization	\$ 43,941,982
Less Capital Related Debt:	
Promissory Notes	(1,989,905)
Leases Payable	(1,052,836)
Subscriptions Payable	<u>(69,736)</u>
Net Investment in Capital Assets	<u><u>40,829,505</u></u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation/Amortization	36,632,477
Less Capital Related Debt:	
Promissory Notes	(594,085)
Subscriptions Payable	(279,284)
IEPA Loans	<u>(4,774,209)</u>
Net Investment in Capital Assets	<u><u>30,984,899</u></u>

FUND BALANCE CLASSIFICATIONS

In the governmental funds 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.

Nonspendable Fund Balance. 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 Fund Balance. 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 constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the 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.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

Assigned Fund Balance. Consists of amounts that are constrained by the City Council intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by the City Council itself or by 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 Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The City’s fund balance policy for the General Fund requires unassigned fund balance to be maintained at a minimum of 25% current year expenditures.

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

	General	Freedom Parkway	Stormwater Management	Nonmajor	Totals
Fund Balances					
Nonspendable					
Prepays	\$ 18,667	—	—	17,969	36,636
Inventories	155,206	—	—	—	155,206
	<u>173,873</u>	<u>—</u>	<u>—</u>	<u>17,969</u>	<u>191,842</u>
Restricted					
Special Police Funds	736,738	—	—	—	736,738
Audit	—	—	—	66,981	66,981
Motor Fuel Tax	—	—	—	1,497,430	1,497,430
Incremental Tax	—	—	—	562,597	562,597
Liability Insurance	—	—	—	281,910	281,910
Illinois Municipal Retirement	—	—	—	616,848	616,848
Rural Development Business Grant	—	—	—	182,781	182,781
Social Security and Medicare	—	—	—	420,115	420,115
	<u>736,738</u>	<u>—</u>	<u>—</u>	<u>3,628,662</u>	<u>4,365,400</u>
Assigned					
Civil Defense	—	—	—	55,038	55,038
Storm Water Management	—	—	5,036,704	95,797	5,132,501
	<u>—</u>	<u>—</u>	<u>5,036,704</u>	<u>150,835</u>	<u>5,187,539</u>
Unassigned	<u>20,261,814</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>20,261,814</u>
Total Fund Balances	<u>21,172,425</u>	<u>—</u>	<u>5,036,704</u>	<u>3,797,466</u>	<u>30,006,595</u>

NET POSITION RESTATEMENT

Beginning balances in capital assets and long-term debt were restated due to the implementations of GASB Statement No. 96; however, the net effect on the Statement of Activities was zero.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the City's employees. The City has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

Intergovernmental Personnel Benefit Cooperative (IPBC)

Risks for medical and death benefits for employees and retirees are provided for through the City's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The City pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years experience factor for premiums. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

CONTINGENT LIABILITIES

Litigation

From time to time, the City is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the City attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

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.

COMMITMENTS

The City has a contract for the expansion of the Sewer Treatment Plant #2 phase 2B - Farm Creek Trunk Sewer. Due to change orders and project issues, a total of \$804,829 has been paid or is included in payables as of the year-end.

The City has a contract for the reconstruction of Hilldale Ave. As of April 30, 2024, the total estimated City obligation was \$6,869,696. A total of \$6,869,696 has been paid as of the year-end.

The City has private redevelopment agreements with several companies in the TIF district. As of April 30, 2024, the total City obligation remaining for these agreements was \$730,000.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

COMMITMENTS - Continued

The City has a contract for the extension of Freedom Parkway. As of April 30, 2024, the total estimated cost was \$6,595,005, excluding federal funding of \$2,146,026. A total of \$4,522,084 has been paid as of the year-end.

The City has a contract for the realignment of Nofsinger Road. As of April 30, 2024, the total estimated cost was \$6,846,974, excluding federal funding of \$4,000,000. A total of \$1,411,060 has been paid as of the year-end.

The City has a contract for the reconstruction of Catherine Street. As of April 30, 2024, the total estimated obligation was \$1,985,442. A total of \$122,347 has been paid as of the year-end.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

The City contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. IMRF does issue 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. The Police Pension Plan also issues separate reports that may be obtained by writing the City at 301 Walnut Street, Washington, IL 61571. 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.

The aggregate amounts recognized for the pension plans are:

	Pension Expense	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
IMRF	\$ 24,091	2,620,787	1,587,270	7,543
Police Pension	1,080,752	7,855,820	2,051,017	139,668
	<u>1,104,843</u>	<u>10,476,607</u>	<u>3,638,287</u>	<u>147,211</u>

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. All employees (other than those covered by the Police Pension Plan) 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. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

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

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Plan Membership. As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	46
Inactive Plan Members Entitled to but not yet Receiving Benefits	30
Active Plan Members	<u>42</u>
Total	<u><u>118</u></u>

Contributions. As set by statute, the City’s Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires 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, 2024, the City’s contribution was 11.11% of covered payroll.

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

Actuarial Assumptions. The total pension liabilities were determined by an actuarial valuation performed, as of December 31, 2023, 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%

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued. For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

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

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	4.75%
Domestic Equities	34.50%	5.00%
International Equities	18.00%	6.35%
Real Estate	10.50%	6.30%
Blended	11.50%	6.05% - 8.65%
Cash and Cash Equivalents	1.00%	3.80%

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.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate as well as what the City's net pension liability 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	\$ 4,940,941	2,620,787	737,664

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 18,648,360	15,392,347	3,256,013
Changes for the Year:			
Service Cost	271,298	—	271,298
Interest on the Total Pension Liability	1,323,195	—	1,323,195
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	452,270	—	452,270
Changes of Assumptions	(9,300)	—	(9,300)
Contributions - Employer	—	346,281	(346,281)
Contributions - Employees	—	141,147	(141,147)
Net Investment Income	—	1,746,107	(1,746,107)
Benefit Payments, Including Refunds of Employee Contributions	(1,066,074)	(1,066,074)	—
Other (Net Transfer)	—	439,154	(439,154)
Net Changes	971,389	1,606,615	(635,226)
Balances at December 31, 2023	19,619,749	16,998,962	2,620,787

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended April 30, 2024, the City recognized pension expense of \$24,091. At April 30, 2024, the City reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 565,545	—	565,545
Change in Assumptions	—	(7,543)	(7,543)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	901,505	—	901,505
Total Pension Expense to be Recognized in Future Periods	1,467,050	(7,543)	1,459,507
Pension Contributions Made Subsequent to the Measurement Date	120,220	—	120,220
Total Deferred Amounts Related to IMRF	1,587,270	(7,543)	1,579,727

\$120,220 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, 2025. 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/ (Inflows) of Resources
2025	\$ 318,206
2026	489,164
2027	748,361
2028	(96,224)
2029	—
Thereafter	—
Totals	1,459,507

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the City Mayor and with the advice and consent of the City Council, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At April 30, 2022, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	14
Inactive Plan Members Entitled to but not yet Receiving Benefits	4
Active Plan Members	<u>23</u>
Total	<u><u>41</u></u>

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}$ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent of $\frac{1}{2}$ of the change in the Consumer Price Index for the preceding calendar year.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Plan Descriptions - Continued

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2024, the City's contribution percentage of covered payroll was not available.

Concentrations. At year end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of May 1, 2022, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	Service Based
Cost of Living Adjustments	3.00%
Inflation	2.50%

Mortality rates are based on PubS-2010 Employee Mortality projected to the valuation date with Scale MP-2021.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%, 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.

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate as well as what the City's net pension liability 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 (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 10,376,191	7,855,820	5,808,277

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2022	\$ 15,956,887	8,906,853	7,050,034
Changes for the Year:			
Service Cost	388,985	—	388,985
Interest on the Total Pension Liability	1,078,363	—	1,078,363
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	407,259	—	407,259
Changes of Assumptions	—	—	—
Contributions - Employer	—	715,118	(715,118)
Contributions - Employees	—	172,745	(172,745)
Contributions - Other	2,311	2,311	—
Net Investment Income	—	189,013	(189,013)
Benefit Payments, Including Refunds of Employee Contributions	(740,234)	(740,234)	—
Other (Net Transfer)	—	(8,055)	8,055
Net Changes	1,136,684	330,898	805,786
Balances at April 30, 2023	17,093,571	9,237,751	7,855,820

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

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

For the year ended April 30, 2024, the City recognized pension expense of \$1,080,752. At April 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 451,543	(112,756)	338,787
Change in Assumptions	200,595	(26,912)	173,683
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	613,880	—	613,880
Total Pension Expense to be Recognized in Future Periods	1,266,018	(139,668)	1,126,350
Pension Contributions Made Subsequent to the Measurement Date	784,999	—	784,999
Total Deferred Amounts Related to Police Pension	2,051,017	(139,668)	1,911,349

\$784,999 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, 2025. 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
2025	\$ 280,097
2026	160,977
2027	396,807
2028	136,302
2029	52,429
Thereafter	99,738
Total	1,126,350

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The City's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the City. RBP is a single-employer defined benefit OPEB plan administered by the City. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. Eligible retirees participating in the group insurance plans offered by the City and are required to contribute a portion of the active premiums. As of the most recent actuarial valuation, the retiree's portion of coverage was \$170/month for family and \$81/month for single after a wellness incentive premium reduction of \$50/month for family and \$5/month for single. Additionally, the City pays 100% of the retiree premium for dental insurance coverage for eligible retirees. Retirees ineligible for this benefit must pay 100% of the active premium for medical and/or dental insurance to remain covered by the plan. To be eligible for the Plan, retirees need to be at least 55 years old, have combined age and years of service of at least 80, and have been hired by the City before August 1, 1998 to receive the retiree health and dental insurance benefits or meet retirement eligibility under one of the pension plans offered by the City.

Plan Membership. As of April 30, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	11
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>63</u>
Total	<u><u>74</u></u>

Total OPEB Liability

The City's total OPEB liability was measured as of April 30, 2024, and was determined by an actuarial valuation as of April 30, 2023.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the April 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Total OPEB Liability - Continued

Actuarial Assumptions and Other Inputs - Continued.

Inflation	2.50%
Salary Increases	2.50%
Discount Rate	4.14%
Healthcare Cost Trend Rates	7.25% to an ultimate rate of 4.00% for 2075 and later years.
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for retirees.

The discount rate assumption is based on the S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices.

Mortality rates were based on PubG-2010 Mortality Tables projected to the valuation date using Projection Scale MP-2020.

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at April 30, 2023	<u>\$ 1,673,570</u>
Changes for the Year:	
Service Cost	44,736
Interest on the Total OPEB Liability	63,473
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	—
Changes of Assumptions or Other Inputs	(14,851)
Benefit Payments	(249,403)
Other Changes	
Net Changes	<u>(156,045)</u>
Balance at April 30, 2024	<u><u>1,517,525</u></u>

CITY OF WASHINGTON, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The discount rate used to measure the total pension liability was 4.14%, while the prior valuation used 3.98%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.14%)	Current Discount Rate (4.14%)	1% Increase (5.14%)
Total OPEB Liability	\$ 1,614,756	1,517,525	1,430,299

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 1,405,566	1,517,525	1,647,054

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expense, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB. For the year ended , the City recognized OPEB expense of \$93,358.

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
 Police Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
 Illinois Municipal Retirement Fund
 Police Pension Fund
- Schedule of Investment Returns
 Police Pension Fund
- Schedule of Changes in the Employer's Total OPEB Liability
 Retiree Benefit Plan
- Budgetary Comparison Schedule
 General Fund

Notes to the Required Supplementary Information

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

CITY OF WASHINGTON, ILLINOIS

**Illinois Municipal Retirement Fund - Regular Plan
Schedule of Employer Contributions
April 30, 2024**

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
4/30/16	\$ 343,295	\$ 343,295	\$ —	\$ 2,409,094	14.25%
4/30/17	395,121	395,121	—	2,580,806	15.31%
4/30/18	385,941	385,941	—	2,620,105	14.73%
4/30/19	357,653	357,653	—	2,469,975	14.48%
4/30/20	307,825	307,825	—	2,454,749	12.54%
4/30/21	368,581	368,581	—	2,590,170	14.23%
4/30/22	374,206	374,206	—	2,750,167	13.61%
4/30/23	344,092	344,092	—	2,943,778	11.69%
4/30/24	352,278	352,278	—	3,170,598	11.11%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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

CITY OF WASHINGTON, ILLINOIS

Police Pension Fund

Schedule of Employer Contributions

April 30, 2024

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
4/30/15	\$ 304,709	\$ 320,283	\$ 15,574	\$ 1,179,945	27.14%
4/30/16	320,912	373,617	52,705	1,268,296	29.46%
4/30/17	378,061	514,605	136,544	1,336,695	38.50%
4/30/18	513,651	551,778	38,127	1,369,110	40.30%
4/30/29	550,691	553,041	2,350	1,473,074	37.54%
4/30/20	550,231	532,190	(18,041)	1,521,288	34.98%
4/30/21	634,090	687,092	53,002	1,645,994	41.74%
4/30/22	679,478	690,713	11,235	1,611,917	42.85%
4/30/23	713,027	715,118	2,091	1,743,138	41.02%
4/30/24	797,954	784,999	(12,955)	N/A	N/A

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	3.50% - 11.00%
Investment Rate of Return	6.75%
Retirement Age	50 - 65
Mortality	PubS-2010 employee mortality, unadjusted, with generational improvements using Scale MP-2021.

N/A - Not Available

CITY OF WASHINGTON, ILLINOIS

Illinois Municipal Retirement Fund

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

April 30, 2024

See Following Page

CITY OF WASHINGTON, ILLINOIS

Illinois Municipal Retirement Fund - Regular Plan

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

April 30, 2024

	12/31/2015	12/31/2016
Total Pension Liability		
Service Cost	\$ 263,773	270,831
Interest	981,553	1,049,524
Changes in Benefit Terms	—	—
Differences Between Expected and Actual Experience	419,869	1,984
Change of Assumptions	—	(57,997)
Benefit Payments, Including Refunds of Member Contributions	(798,996)	(718,617)
Net Change in Total Pension Liability	866,199	545,725
Total Pension Liability - Beginning	13,407,549	14,273,748
Total Pension Liability - Ending	14,273,748	14,819,473
Plan Fiduciary Net Position		
Contributions - Employer	\$ 343,295	395,121
Contributions - Members	142,475	130,400
Net Investment Income	53,662	764,487
Benefit Payments, Including Refunds of Member Contributions	(798,996)	(718,617)
Other (Net Transfer)	413,324	32,124
Net Change in Plan Fiduciary Net Position	153,760	603,515
Plan Net Position - Beginning	10,889,097	11,042,857
Plan Net Position - Ending	11,042,857	11,646,372
Employer's Net Pension Liability/(Asset)	\$ 3,230,891	3,173,101
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.36%	78.59%
Covered Payroll	\$ 2,409,094	2,580,806
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	134.11%	122.95%

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017 and 2023.

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

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
289,151	264,423	248,219	250,001	256,064	247,782	271,298
1,094,710	1,092,031	1,095,502	1,153,477	1,217,899	1,267,274	1,323,195
—	—	—	—	—	—	—
(201,115)	(453,590)	258,156	494,445	209,108	287,827	452,270
(430,251)	441,510	—	(100,010)	—	—	(9,300)
(735,824)	(815,897)	(756,719)	(849,497)	(975,232)	(1,020,557)	(1,066,074)
16,671	528,477	845,158	948,416	707,839	782,326	971,389
14,819,473	14,836,144	15,364,621	16,209,779	17,158,195	17,866,034	18,648,360
14,836,144	15,364,621	16,209,779	17,158,195	17,866,034	18,648,360	19,619,749
385,941	357,653	307,825	368,581	392,070	352,731	346,281
117,905	116,026	110,464	116,557	123,206	130,319	141,147
2,114,999	(774,914)	2,351,809	2,056,553	2,789,698	(2,470,804)	1,746,107
(735,824)	(815,897)	(756,719)	(849,497)	(975,232)	(1,020,557)	(1,066,074)
(257,194)	142,357	65,210	166,160	(249,614)	86,163	439,154
1,625,827	(974,775)	2,078,589	1,858,354	2,080,128	(2,922,148)	1,606,615
11,646,372	13,272,199	12,297,424	14,376,013	16,234,367	18,314,495	15,392,347
13,272,199	12,297,424	14,376,013	16,234,367	18,314,495	15,392,347	16,998,962
1,563,945	3,067,197	1,833,766	923,828	(448,461)	3,256,013	2,620,787
89.46%	80.04%	88.69%	94.62%	102.51%	82.54%	86.64%
2,620,105	2,469,975	2,454,749	2,590,170	2,737,921	2,895,984	3,136,598
59.69%	124.18%	74.70%	35.67%	(16.38%)	112.43%	83.56%

CITY OF WASHINGTON, ILLINOIS

Police Pension Fund

Schedule of Changes in the Employer's Net Pension Liability

April 30, 2024

	<u>4/30/2015</u>	<u>4/30/2016</u>
Total Pension Liability		
Service Cost	\$ 284,738	290,520
Interest	681,523	759,768
Changes in Benefit Terms	—	—
Differences Between Expected and Actual Experience	(293,629)	(92,933)
Change of Assumptions	662,460	641,098
Contributions - Other	—	—
Benefit Payments, Including Refunds of Member Contributions	(528,697)	(486,957)
Net Change in Total Pension Liability	806,395	1,111,496
Total Pension Liability - Beginning	10,000,394	10,806,789
Total Pension Liability - Ending	<u>10,806,789</u>	<u>11,918,285</u>
Plan Fiduciary Net Position		
Contributions - Employer	\$ 320,283	373,617
Contributions - Members	115,109	124,594
Contributions - Other	—	—
Net Investment Income	283,752	(50,667)
Benefit Payments, Including Refunds of Member Contributions	(528,697)	(486,957)
Administrative Expenses	(4,357)	(6,318)
Net Change in Plan Fiduciary Net Position	186,090	(45,731)
Plan Net Position - Beginning as Restated	6,491,252	6,677,342
Plan Net Position - Ending	<u>6,677,342</u>	<u>6,631,611</u>
Employer's Net Pension Liability	<u>\$ 4,129,447</u>	<u>5,286,674</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability/(Asset)	61.79%	55.64%
Covered Payroll	\$ 1,179,945	1,268,296
Employer's Net Pension Liability as a Percentage of Covered Payroll	349.97%	416.83%

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

4/30/2017	4/30/2018	4/30/2019	4/30/2020	4/30/2021	4/30/2022	4/30/2023
324,331	342,439	322,692	355,536	372,154	400,729	388,985
807,141	850,614	860,298	944,014	992,655	1,034,521	1,078,363
—	—	—	—	—	—	—
99,029	(299,557)	167,797	3,798	28,787	(50,484)	407,259
—	(107,650)	467,158	79,002	—	33,877	—
—	—	—	—	—	—	2,311
(569,929)	(639,208)	(600,996)	(616,977)	(739,416)	(823,753)	(740,234)
660,572	146,638	1,216,949	765,373	654,180	594,890	1,136,684
11,918,285	12,578,857	12,725,495	13,942,444	14,707,817	15,361,997	15,956,887
12,578,857	12,725,495	13,942,444	14,707,817	15,361,997	15,956,887	17,093,571
514,605	551,778	553,041	632,190	687,092	690,713	715,118
130,676	135,723	147,472	153,915	174,405	208,957	172,745
—	—	—	—	—	—	2,311
504,132	403,054	341,748	16,639	1,484,929	(285,572)	189,013
(569,929)	(639,208)	(606,049)	(625,188)	(747,942)	(872,969)	(740,234)
(5,827)	(9,268)	(7,804)	(5,933)	(7,294)	(15,326)	(8,055)
573,657	442,079	428,408	171,623	1,591,190	(274,197)	330,898
6,631,611	7,205,268	7,647,347	8,075,755	8,247,378	9,181,050	8,906,853
7,205,268	7,647,347	8,075,755	8,247,378	9,838,568	8,906,853	9,237,751
5,373,589	5,078,148	5,866,689	6,460,439	5,523,429	7,050,034	7,855,820
57.28%	60.09%	57.92%	56.07%	64.04%	55.82%	54.04%
1,336,695	1,369,110	1,473,074	1,521,288	1,645,994	1,611,917	1,743,138
402.01%	370.91%	398.26%	424.67%	335.57%	437.37%	450.67%

CITY OF WASHINGTON, ILLINOIS

Police Pension Fund

Schedule of Investment Returns

April 30, 2024

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	3.58%
2016	(0.32%)
2017	6.97%
2018	3.81%
2019	4.88%
2020	5.82%
2021	19.11%
2022	N/A
2023	N/A
2024	1.42%

N/A - Not Available

CITY OF WASHINGTON, ILLINOIS

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2024

See Following Page

CITY OF WASHINGTON, ILLINOIS

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2024

	<u>4/30/2019</u>
Total OPEB Liability	
Service Cost	\$ 56,444
Interest	122,834
Changes in Benefit Terms	—
Differences Between Expected and Actual Experience	—
Change of Assumptions or Other Inputs	(30,009)
Benefit Payments	<u>(314,967)</u>
Net Change in Total OPEB Liability	(165,698)
Total OPEB Liability - Beginning	<u>3,314,257</u>
Total OPEB Liability - Ending	<u><u>3,148,559</u></u>
Covered-Employee Payroll	\$ 3,778,813
Total OPEB Liability as a Percentage of Covered-Employee Payroll	83.32%

Notes:

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2019 through 2024.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

4/30/2020	4/30/2021	4/30/2022	4/30/2023	4/30/2024
56,394	65,835	57,923	71,616	44,736
120,504	96,731	60,343	38,738	63,473
—	—	—	—	—
—	(250,210)	—	(4,480)	—
149,019	(489,560)	125,775	(343,598)	(14,851)
(342,527)	(371,642)	(249,203)	(266,647)	(249,403)
(16,610)	(948,846)	(5,162)	(504,371)	(156,045)
3,148,559	3,131,949	2,183,103	2,177,941	1,673,570
3,131,949	2,183,103	2,177,941	1,673,570	1,517,525
3,873,283	4,274,811	4,381,681	4,818,984	4,939,459
80.86%	51.07%	49.71%	34.73%	30.72%

CITY OF WASHINGTON, ILLINOIS

General Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 8,033,845	8,033,845	7,944,165
Intergovernmental	6,661,600	6,661,600	9,386,033
Licenses and Permits	470,900	470,900	518,447
Charges for Services	646,449	646,449	817,942
Fines and Forfeitures	148,100	148,100	135,577
Interest Income	80,690	80,690	506,871
Miscellaneous	113,251	113,251	186,616
Total Revenues	<u>16,154,835</u>	<u>16,154,835</u>	<u>19,495,651</u>
Expenditures			
General Government	3,568,292	3,568,292	2,905,336
Public Safety	6,943,005	6,943,005	7,014,769
Highways and Streets	2,350,533	2,350,533	2,425,763
Cemetery	154,300	154,300	133,997
Capital Outlay	1,150,500	1,150,500	847,119
Debt Service			
Principal Retirement	4,824	4,824	4,824
Interest and Fiscal Charges	736	736	10,420
Total Expenditures	<u>14,172,190</u>	<u>14,172,190</u>	<u>13,342,228</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,982,645</u>	<u>1,982,645</u>	<u>6,153,423</u>
Other Financing Sources (Uses)			
Debt Issuance	—	—	89,536
Disposal of Capital Assets	—	—	3,801
Transfers Out	(5,429,525)	(5,429,525)	(2,302,182)
	<u>(5,429,525)</u>	<u>(5,429,525)</u>	<u>(2,208,845)</u>
Net Change in Fund Balance	<u>(3,446,880)</u>	<u>(3,446,880)</u>	3,944,578
Fund Balance - Beginning			<u>17,227,847</u>
Fund Balance - Ending			<u>21,172,425</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 - General Fund
- Combining Statements - Nonmajor Governmental Funds
- Combining Statements - Nonmajor Governmental - Special Revenue Funds
- Budgetary Comparison Schedules - Nonmajor Governmental - Special Revenue Funds
- Budgetary Comparison Schedule - Nonmajor Governmental - Debt Service Fund
- Combining Statements - Nonmajor Governmental - Capital Projects Funds
- Budgetary Comparison Schedules - Nonmajor Governmental - Capital Projects Funds
- Budgetary Comparison Schedules - Enterprise Funds
- Combining Statements - Internal Service Funds
- Budgetary Comparison Schedules - Internal Service Funds
- Budgetary Comparison Schedule - Police Pension Fund
- Consolidated Year-End Financial Report

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.

Cemetery Fund

The Cemetery Fund is used to account for the operations of the municipal cemetery. Revenue is derived principally from sale of lots and interment fees. This fund was closed into the General Fund at April 30, 2024.

Emergency Management Agency Fund

The Emergency Management Agency Fund is used to account for the operations of the City's program in connection with the "Illinois Emergency Services and Disaster Agency Act of 1975." Financing is provided through property taxes with the purpose to pay those costs which may be necessary or proper to prevent, minimize, repair and alleviate injury, loss of life, or property damage resulting from disasters caused by flood, earthquake, extended periods of severe and inclement weather, etc.

Audit Fund

The Audit Fund is used to account for the cost of the annual audit of the City's financial statements.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the state motor fuel tax revenue collected by the City and used in connection with the highway construction and maintenance projects of the City as authorized by the Illinois Department of Transportation.

Incremental Tax Fund

The Incremental Tax Fund is used to account for the revenue and expenditures related to tax increment designated areas within the City.

Liability Insurance Fund

The Liability Insurance Fund is used to account for the cost of insurance premiums and tort judgments or settlements of the City.

Storm Water Management Fund

The Storm Water Management Fund is used to account for the revenue and expenditures in connection with storm water management.

INDIVIDUAL FUND DESCRIPTIONS - Continued

SPECIAL REVENUE FUNDS – Continued

Illinois Municipal Retirement Fund

The Illinois Municipal Retirement Fund is used to account for the expenditures related to the City's participation in the Illinois Municipal Retirement Fund system.

Social Security and Medicare Fund

The Social Security and Medicare Fund is used to account for the expenditures related to the City's portion of Social Security and Medicare for eligible employees.

Rural Business Development Grant Fund

The Rural Business Development Grant Fund is used to account for grant revenues legally restricted for making economic development loans to businesses and other organizations.

DEBT SERVICE FUND

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Washington Area Community Center Fund

The Washington Area Community Center Fund is used to account for the accumulation of resources for and the payment of general obligation bond principal, interest, and related costs for the Washington Area Community Center project.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital assets (other than those financed by business-type/proprietary funds).

Freedom Parkway Fund

The Freedom Parkway Fund is used to account for the improvement of Freedom Parkway for road and stormwater improvements.

INDIVIDUAL FUND DESCRIPTIONS - Continued

CAPITAL PROJECTS FUNDS - Continued

Stormwater Management Fund

The Stormwater Management Fund is used to account for stormwater management improvements. Revenue is from bond proceeds. Expenses include stormwater infrastructure expenditures.

Washington 223 Fund

The Washington 223 Fund is used to account for the improvements of the Washington 223 property, including the realignment of Nofsinger Road.

North Lawndale Special Service Area Fund

The North Lawndale Special Service Area Fund is used to account the improvement of North Lawndale Road for road and stormwater.

West Holland Special Service Area Fund

The West Holland Special Service Area Fund is used to account for the improvement of West Holland Road for road and stormwater.

Hilldale Avenue Fund

The Hilldale Avenue Fund is used to account for the improvement of Hilldale Avenue.

ENTERPRISE FUNDS

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.

Waterworks Fund

The Waterworks Fund is used to account for the water service to the residents of the City. Revenue is provided through user charges which are designed to pay operating expenses (including depreciation of the Fund's fixed assets) and provide for a net income to finance the continued operations of the system.

Sewerage Fund

The Sewerage Fund is used to account for the sewer services to the residents of the City. Revenue is provided through user charges which are designed to pay operating expenses (including depreciation of the Fund's fixed assets) and provide for a net income to finance the continued operations of the system.

INDIVIDUAL FUND DESCRIPTIONS - Continued

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

Employee Benefit Fund

The Employee Benefit Fund is used to account for the City's health plan. The purpose of the Fund is to pay the premiums for health insurance of the City's employees and retirees and their covered dependents.

Motor Equipment Replacement Fund

The Motor Equipment Replacement Fund is used to account for the maintenance and repair of motorized equipment and vehicles used in the operations of City services. Revenue is from rental charges to user departments. Expenses include cost of labor, material, supplies, and services.

Capital Replacement Fund

The Capital Replacement Fund is used to account for funding for non-motorized capital equipment in excess of \$5,000. Revenue is from rental charges to user departments. Expenses include cost for depreciation.

Building Maintenance Fund

The Building Maintenance Fund is used to account for for building maintenance in excess of \$5,000. Revenue is from transfers from other departments. Expenses include cost of labor, material, supplies, and services.

PENSION TRUST FUND

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement pensions for the City's sworn police personnel. Most rules and regulations of the fund are established by the Pension Division of the Illinois Department of Insurance. Resources are contributed by sworn police personnel at rates fixed by state statutes and by the City through an annual property tax levy.

CITY OF WASHINGTON, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Taxes			
Property Tax	\$ 1,097,845	1,097,845	1,096,110
Home Rule Sales Tax	5,815,000	5,815,000	5,760,607
Local Use Tax	659,000	659,000	606,155
Road and Bridge Tax	220,000	220,000	227,499
Telecommunication Tax	125,000	125,000	125,487
Hotel and Motel Tax	80,000	80,000	91,527
Foreign Fire Insurance Tax	37,000	37,000	36,780
Total Taxes	8,033,845	8,033,845	7,944,165
Intergovernmental			
Sales Tax	3,900,000	3,900,000	4,131,410
Income Tax	2,500,000	2,500,000	2,674,542
Replacement Tax	105,000	105,000	99,965
Gaming Tax	100,000	100,000	158,738
Cannabis Tax	26,000	26,000	25,430
Grants	30,600	30,600	2,295,948
Total Intergovernmental	6,661,600	6,661,600	9,386,033
Licenses and Permits	470,900	470,900	518,447
Charges for Services	646,449	646,449	817,942
Fines and Forfeitures	148,100	148,100	135,577
Interest Income	80,690	80,690	506,871
Miscellaneous	113,251	113,251	186,616
Total Revenues	16,154,835	16,154,835	19,495,651

CITY OF WASHINGTON, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
General Government			
Legislative and Administrative			
Personnel	\$ 688,100	688,100	711,916
Operations	304,100	304,100	293,417
Other	68,474	68,474	16,961
	<u>1,060,674</u>	<u>1,060,674</u>	<u>1,022,294</u>
City Hall			
Personnel	11,820	11,820	11,348
Operations	1,414,250	1,414,250	1,331,146
Other	76,413	76,413	76,787
	<u>1,502,483</u>	<u>1,502,483</u>	<u>1,419,281</u>
Tourism and Economic Development			
Personnel	67,300	67,300	53,378
Operations	85,925	85,925	72,318
Other	285,100	285,100	37,750
	<u>438,325</u>	<u>438,325</u>	<u>163,446</u>
Planning, Zoning, and Code Enforcement			
Personnel	172,115	172,115	180,085
Operations	378,895	378,895	112,577
Other	15,800	15,800	1,191
	<u>566,810</u>	<u>566,810</u>	<u>293,853</u>
Cemetery			
Personnel	69,300	69,300	61,042
Operations	14,150	14,150	4,742
Other	70,850	70,850	68,213
	<u>154,300</u>	<u>154,300</u>	<u>133,997</u>
Stormwater Management			
Operations	—	—	6,462
	<u>—</u>	<u>—</u>	<u>6,462</u>
Total General Government	<u>3,722,592</u>	<u>3,722,592</u>	<u>3,039,333</u>

CITY OF WASHINGTON, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Public Safety			
Police			
Personnel	\$ 4,344,800	4,344,800	4,455,367
Operations	618,740	618,740	534,774
Other	557,910	557,910	534,462
	<u>5,521,450</u>	<u>5,521,450</u>	<u>5,524,603</u>
Fire and Rescue			
Operations	1,389,505	1,389,505	1,437,123
Other	3,500	3,500	42,593
	<u>1,393,005</u>	<u>1,393,005</u>	<u>1,479,716</u>
Police Special Projects			
Operations	26,550	26,550	10,450
Other	2,000	2,000	—
	<u>28,550</u>	<u>28,550</u>	<u>10,450</u>
Total Public Safety	<u>6,943,005</u>	<u>6,943,005</u>	<u>7,014,769</u>
Highways and Streets			
Streets			
Personnel	1,052,400	1,052,400	1,031,323
Operations	1,270,133	1,270,133	1,361,959
Other	28,000	28,000	32,481
	<u>2,350,533</u>	<u>2,350,533</u>	<u>2,425,763</u>
Total Highways and Streets	<u>2,350,533</u>	<u>2,350,533</u>	<u>2,425,763</u>
Capital Outlay	<u>1,150,500</u>	<u>1,150,500</u>	<u>847,119</u>
Debt Service			
Principal Retirement	4,824	4,824	4,824
Interest and Fiscal Charges	736	736	10,420
	<u>5,560</u>	<u>5,560</u>	<u>15,244</u>
Total Debt Service	<u>5,560</u>	<u>5,560</u>	<u>15,244</u>
Total Expenditures	<u>14,172,190</u>	<u>14,172,190</u>	<u>13,342,228</u>

CITY OF WASHINGTON, ILLINOIS

Freedom Parkway - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Grants	\$ 1,000,000	1,000,000	2,146,027
Expenditures			
General Government			
Other	—	—	750
Capital Outlay	4,700,000	4,700,000	3,791,494
Total Expenditures	4,700,000	4,700,000	3,792,244
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,700,000)	(3,700,000)	(1,646,217)
Other Financing Sources			
Transfers In	3,700,000	3,700,000	1,667,946
Net Change in Fund Balance	—	—	21,729
Fund Balance - Beginning			(21,729)
Fund Balance - Ending			—

CITY OF WASHINGTON, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

April 30, 2024

	Special Revenue	Debt Service Washington Area Community Center	Capital Projects	Totals
ASSETS				
Cash and Investments	\$ 3,845,703	—	302,486	4,148,189
Receivables - Net of Allowances				
Taxes	957,809	—	21,000	978,809
Leases Receivables	233,165	—	68,318	301,483
Other	2,858	—	90,502	93,360
Due from Other Governments	57,800	—	—	57,800
Prepays	17,969	—	—	17,969
Total Assets	5,115,304	—	482,306	5,597,610
LIABILITIES				
Accounts Payable	109,915	—	325,259	435,174
Accrued Payroll	35,239	—	—	35,239
Total Liabilities	145,154	—	325,259	470,413
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	950,291	—	21,000	971,291
Leases	222,393	—	136,047	358,440
Total Deferred Inflows of Resources	1,172,684	—	157,047	1,329,731
Total Liabilities and Deferred Inflows of Resources	1,317,838	—	482,306	1,800,144
FUND BALANCES				
Nonspendable	17,969	—	—	17,969
Restricted	3,628,662	—	—	3,628,662
Assigned	150,835	—	—	150,835
Unassigned	—	—	—	—
Total Fund Balances	3,797,466	—	—	3,797,466
Total Liabilities, Deferred Inflows of Resources and Fund Balances	5,115,304	—	482,306	5,597,610

CITY OF WASHINGTON, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended April 30, 2024

	Special Revenue	Debt Service Washington Area Community Center	Capital Projects	Totals
Revenues				
Taxes	\$ 970,348	—	20,500	990,848
Intergovernmental	762,459	—	917,280	1,679,739
Charges for Services	158,843	—	1,246,600	1,405,443
Interest Income	123,965	—	569	124,534
Total Revenues	<u>2,015,615</u>	<u>—</u>	<u>2,184,949</u>	<u>4,200,564</u>
Expenditures				
General Government	1,248,291	—	26,790	1,275,081
Public Safety	30,305	—	—	30,305
Highways and Streets	26,598	—	16,000	42,598
Cemetery	117,155	—	—	117,155
Capital Outlay	1,209,221	—	2,417,075	3,626,296
Debt Service				
Principal Retirement	—	305,000	—	305,000
Interest and Fiscal Charges	—	53,563	—	53,563
Total Expenditures	<u>2,631,570</u>	<u>358,563</u>	<u>2,459,865</u>	<u>5,449,998</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(615,955)	(358,563)	(274,916)	(1,249,434)
Other Financing Sources				
Transfers In	25,000	358,563	250,673	634,236
Net Change in Fund Balances	(590,955)	—	(24,243)	(615,198)
Fund Balances - Beginning	<u>4,388,421</u>	<u>—</u>	<u>24,243</u>	<u>4,412,664</u>
Fund Balances - Ending	<u><u>3,797,466</u></u>	<u><u>—</u></u>	<u><u>—</u></u>	<u><u>3,797,466</u></u>

CITY OF WASHINGTON, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

April 30, 2024

See Following Page

CITY OF WASHINGTON, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

April 30, 2024

	Cemetery	Emergency Management Agency	Audit	Motor Fuel Tax
ASSETS				
Cash and Investments	\$ —	55,070	66,981	1,517,975
Receivables - Net of Allowances				
Taxes	—	4,022	30,004	—
Leases Receivables	—	—	—	—
Other	—	—	—	2,476
Due from Other Governments	—	—	—	57,800
Prepays	—	464	—	—
Total Assets	—	59,556	96,985	1,578,251
LIABILITIES				
Accounts Payable	—	32	—	80,821
Accrued Payroll	—	—	—	—
Total Liabilities	—	32	—	80,821
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	—	4,022	30,004	—
Leases	—	—	—	—
Total Deferred Inflows of Resources	—	4,022	30,004	—
Total Liabilities and Deferred Inflows of Resources	—	4,054	30,004	80,821
FUND BALANCES				
Nonspendable	—	464	—	—
Restricted	—	—	66,981	1,497,430
Assigned	—	55,038	—	—
Total Fund Balances	—	55,502	66,981	1,497,430
Total Liabilities, Deferred Inflows of Resources and Fund Balances	—	59,556	96,985	1,578,251

Incremental Tax	Liability Insurance	Storm Water Management	Illinois Municipal Retirement	Social Security and Medicare	Rural Business Development Grant	Totals
563,616	281,910	113,229	626,995	437,146	182,781	3,845,703
118,217	115,009	—	351,856	338,701	—	957,809
—	—	233,165	—	—	—	233,165
382	—	—	—	—	—	2,858
—	—	—	—	—	—	57,800
—	16,367	1,138	—	—	—	17,969
682,215	413,286	347,532	978,851	775,847	182,781	5,115,304
858	—	28,204	—	—	—	109,915
543	—	—	13,978	20,718	—	35,239
1,401	—	28,204	13,978	20,718	—	145,154
118,217	115,009	—	348,025	335,014	—	950,291
—	—	222,393	—	—	—	222,393
118,217	115,009	222,393	348,025	335,014	—	1,172,684
119,618	115,009	250,597	362,003	355,732	—	1,317,838
—	16,367	1,138	—	—	—	17,969
562,597	281,910	—	616,848	420,115	182,781	3,628,662
—	—	95,797	—	—	—	150,835
562,597	298,277	96,935	616,848	420,115	182,781	3,797,466
682,215	413,286	347,532	978,851	775,847	182,781	5,115,304

CITY OF WASHINGTON, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended April 30, 2024

	Cemetery	Emergency Management Agency	Audit	Motor Fuel Tax
Revenues				
Taxes	\$ —	4,041	29,954	—
Intergovernmental	—	—	—	742,433
Charges for Services	—	—	—	—
Interest Income	—	1,879	2,387	38,500
Total Revenues	—	5,920	32,341	780,933
Expenditures				
General Government	—	—	25,835	—
Public Safety	—	30,305	—	—
Highways and Streets	—	—	—	26,598
Cemetery	117,155	—	—	—
Capital Outlay	—	—	—	1,096,073
Total Expenditures	117,155	30,305	25,835	1,122,671
Excess (Deficiency) of Revenues Over (Under) Expenditures	(117,155)	(24,385)	6,506	(341,738)
Other Financing Sources				
Transfers In	—	25,000	—	—
Net Change in Fund Balances	(117,155)	615	6,506	(341,738)
Fund Balances - Beginning	117,155	54,887	60,475	1,839,168
Fund Balances - Ending	—	55,502	66,981	1,497,430

Incremental Tax	Liability Insurance	Storm Water Management	Illinois Municipal Retirement	Social Security and Medicare	Rural Business Development Grant	Totals
118,217	114,760	—	369,140	334,236	—	970,348
—	—	—	10,204	9,822	—	762,459
—	—	21,343	41,500	96,000	—	158,843
24,279	9,788	5,736	23,512	16,960	924	123,965
142,496	124,548	27,079	444,356	457,018	924	2,015,615
116,760	107,246	201,415	352,278	444,757	—	1,248,291
—	—	—	—	—	—	30,305
—	—	—	—	—	—	26,598
—	—	—	—	—	—	117,155
72,236	—	40,912	—	—	—	1,209,221
188,996	107,246	242,327	352,278	444,757	—	2,631,570
(46,500)	17,302	(215,248)	92,078	12,261	924	(615,955)
—	—	—	—	—	—	25,000
(46,500)	17,302	(215,248)	92,078	12,261	924	(590,955)
609,097	280,975	312,183	524,770	407,854	181,857	4,388,421
562,597	298,277	96,935	616,848	420,115	182,781	3,797,466

CITY OF WASHINGTON, ILLINOIS

Cemetery - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Charges for Services	\$ —	—	—
Expenditures			
Cemetery			
Other	—	200,000	117,155
Net Change in Fund Balance	—	<u>(200,000)</u>	(117,155)
Fund Balance - Beginning			<u>117,155</u>
Fund Balance - Ending			<u>—</u>

CITY OF WASHINGTON, ILLINOIS

Emergency Management Agency - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	\$ 4,018	4,018	4,041
Interest Income	600	600	1,879
Total Revenues	<u>4,618</u>	<u>4,618</u>	<u>5,920</u>
Expenditures			
Public Safety			
Operations	51,465	51,465	30,249
Other	2,000	2,000	56
Total Expenditures	<u>53,465</u>	<u>53,465</u>	<u>30,305</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(48,847)	(48,847)	(24,385)
Other Financing Sources			
Transfers In	<u>50,000</u>	<u>50,000</u>	<u>25,000</u>
Net Change in Fund Balance	<u>1,153</u>	<u>1,153</u>	615
Fund Balance - Beginning			<u>54,887</u>
Fund Balance - Ending			<u><u>55,502</u></u>

CITY OF WASHINGTON, ILLINOIS

Audit - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	\$ 30,000	30,000	29,954
Interest Income	1,000	1,000	2,387
Total Revenues	<u>31,000</u>	<u>31,000</u>	<u>32,341</u>
Expenditures			
General Government			
Operations	<u>28,900</u>	<u>28,900</u>	<u>25,835</u>
Net Change in Fund Balance	<u>2,100</u>	<u>2,100</u>	6,506
Fund Balance - Beginning			<u>60,475</u>
Fund Balance - Ending			<u>66,981</u>

CITY OF WASHINGTON, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Motor Fuel Tax	\$ 375,000	375,000	401,335
Grants	307,300	307,300	341,098
Interest Income	2,500	2,500	38,500
Total Revenues	<u>684,800</u>	<u>684,800</u>	<u>780,933</u>
Expenditures			
Highways and Streets			
Other	—	—	26,598
Capital Outlay	1,400,000	1,400,000	1,096,073
Total Expenditures	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,122,671</u>
Net Change in Fund Balance	<u>(715,200)</u>	<u>(715,200)</u>	(341,738)
Fund Balance - Beginning			<u>1,839,168</u>
Fund Balance - Ending			<u>1,497,430</u>

CITY OF WASHINGTON, ILLINOIS

Incremental Tax - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	\$ 240,000	240,000	118,217
Interest Income	5,000	5,000	24,279
Total Revenues	<u>245,000</u>	<u>245,000</u>	<u>142,496</u>
Expenditures			
General Government			
Personnel	23,540	23,540	23,938
Operations	318,800	318,800	74,247
Other	27,000	27,000	18,575
Capital Outlay	10,000	10,000	72,236
Total Expenditures	<u>379,340</u>	<u>379,340</u>	<u>188,996</u>
Net Change in Fund Balance	<u>(134,340)</u>	<u>(134,340)</u>	(46,500)
Fund Balance - Beginning			<u>609,097</u>
Fund Balance - Ending			<u><u>562,597</u></u>

CITY OF WASHINGTON, ILLINOIS

Storm Water Management - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	\$ 115,000	115,000	114,760
Interest Income	3,800	3,800	9,788
Total Revenues	<u>118,800</u>	<u>118,800</u>	<u>124,548</u>
Expenditures			
General Government			
Operations	115,000	125,000	107,246
Net Change in Fund Balance	<u>3,800</u>	<u>(6,200)</u>	17,302
Fund Balance - Beginning			<u>280,975</u>
Fund Balance - Ending			<u><u>298,277</u></u>

CITY OF WASHINGTON, ILLINOIS

Storm Water Management - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Charges for Services	\$ 77,313	77,313	21,343
Interest Income	1,000	1,000	5,736
Total Revenues	<u>78,313</u>	<u>78,313</u>	<u>27,079</u>
Expenditures			
General Government			
Operations	265,500	265,500	201,415
Capital Outlay	1,136,000	1,136,000	40,912
Debt Service			
Interest and Fiscal Charges	—	200,000	—
Total Expenditures	<u>1,401,500</u>	<u>1,601,500</u>	<u>242,327</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,323,187)	(1,523,187)	(215,248)
Other Financing Sources			
Transfers In	<u>1,180,000</u>	<u>1,180,000</u>	—
Net Change in Fund Balance	<u>(143,187)</u>	<u>(343,187)</u>	(215,248)
Fund Balance - Beginning			<u>312,183</u>
Fund Balance - Ending			<u><u>96,935</u></u>

CITY OF WASHINGTON, 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, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	\$ 370,000	370,000	369,140
Intergovernmental			
Replacement Tax	17,000	17,000	10,204
Charges for Services	41,500	41,500	41,500
Interest Income	8,000	8,000	23,512
Total Revenues	436,500	436,500	444,356
Expenditures			
General Government			
Personnel	400,000	400,000	352,278
Net Change in Fund Balance	36,500	36,500	92,078
Fund Balance - Beginning			524,770
Fund Balance - Ending			616,848

CITY OF WASHINGTON, ILLINOIS

Social Security and Medicare - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	\$ 335,000	335,000	334,236
Intergovernmental			
Replacement Tax	15,000	15,000	9,822
Charges for Services	96,000	96,000	96,000
Interest Income	8,000	8,000	16,960
Total Revenues	454,000	454,000	457,018
Expenditures			
General Government			
Personnel	475,000	475,000	444,757
Net Change in Fund Balance	(21,000)	(21,000)	12,261
Fund Balance - Beginning			407,854
Fund Balance - Ending			420,115

CITY OF WASHINGTON, ILLINOIS

Washington Area Community Center - Debt Service Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Miscellaneous	\$ 75,000	75,000	—
Expenditures			
Debt Service			
Principal Retirement	305,000	305,000	305,000
Interest and Fiscal Charges	53,562	55,000	53,563
Total Expenditures	358,562	360,000	358,563
Excess (Deficiency) of Revenues Over (Under) Expenditures	(283,562)	(285,000)	(358,563)
Other Financing Sources			
Transfers In	283,562	283,562	358,563
Net Change in Fund Balance	—	(1,438)	—
Fund Balance - Beginning			—
Fund Balance - Ending			—

CITY OF WASHINGTON, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Balance Sheet

April 30, 2024

	Washington 223	North Lawndale SSA	West Holland SSA	Hilldale Avenue	Totals
ASSETS					
Cash and Investments	\$ 282,323	—	—	20,163	302,486
Receivables - Net of Allowances					
Taxes	—	16,500	4,500	—	21,000
Accounts	90,502	—	—	—	90,502
Other	68,318	—	—	—	68,318
Total Assets	441,143	16,500	4,500	20,163	482,306
LIABILITIES					
Accounts Payable	305,096	—	—	20,163	325,259
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	—	16,500	4,500	—	21,000
Other	136,047	—	—	—	136,047
Total Deferred Inflows of Resources	136,047	16,500	4,500	—	157,047
Total Liabilities and Deferred Inflows of Resources	441,143	16,500	4,500	20,163	482,306
FUND BALANCES					
Unassigned	—	—	—	—	—
Total Liabilities, Deferred Inflows of Resources and Fund Balances	441,143	16,500	4,500	20,163	482,306

CITY OF WASHINGTON, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended April 30, 2024

	Washington 223	North Lawndale SSA	West Holland SSA	Hilldale Avenue	Totals
Revenues					
Taxes	\$ —	16,000	4,500	—	20,500
Intergovernmental	917,280	—	—	—	917,280
Charges for Services	98,819	—	—	1,147,781	1,246,600
Interest Income	569	—	—	—	569
Total Revenues	1,016,668	16,000	4,500	1,147,781	2,184,949
Expenditures					
General Government	22,290	—	4,500	—	26,790
Highways and Streets	—	16,000	—	—	16,000
Capital Outlay	1,282,286	—	—	1,134,789	2,417,075
Total Expenditures	1,304,576	16,000	4,500	1,134,789	2,459,865
Excess (Deficiency) of Revenues Over (Under) Expenditures	(287,908)	—	—	12,992	(274,916)
Other Financing Sources					
Transfers In	250,673	—	—	—	250,673
Net Change in Fund Balances	(37,235)	—	—	12,992	(24,243)
Fund Balances - Beginning	37,235	—	—	(12,992)	24,243
Fund Balances - Ending	—	—	—	—	—

CITY OF WASHINGTON, ILLINOIS

Washington 223 - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Grants	\$ 2,187,500	2,187,500	917,280
Charges for Services	80,000	80,000	98,819
Interest Income	—	—	569
Total Revenues	<u>2,267,500</u>	<u>2,267,500</u>	<u>1,016,668</u>
Expenditures			
General Government			
Operations	—	—	8,615
Other	(12,500)	(12,500)	13,675
Capital Outlay	2,406,250	2,406,250	1,282,286
Total Expenditures	<u>2,393,750</u>	<u>2,393,750</u>	<u>1,304,576</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(126,250)	(126,250)	(287,908)
Other Financing Sources			
Transfers In	<u>151,250</u>	<u>151,250</u>	<u>250,673</u>
Net Change in Fund Balance	<u><u>25,000</u></u>	<u><u>25,000</u></u>	<u>(37,235)</u>
Fund Balance - Beginning			<u>37,235</u>
Fund Balance - Ending			<u><u>—</u></u>

CITY OF WASHINGTON, ILLINOIS

North Lawndale Special Service Area - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Property Tax	\$ 16,000	16,000	16,000
Expenditures			
Highways and Streets Operations	16,000	16,000	16,000
Net Change in Fund Balance	<u>—</u>	<u>—</u>	—
Fund Balance - Beginning			<u>—</u>
Fund Balance - Ending			<u><u>—</u></u>

CITY OF WASHINGTON, ILLINOIS

West Holland Special Service Area - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Property Tax	\$ 4,500	4,500	4,500
Expenditures			
General Government			
Operations	4,500	4,500	4,500
Net Change in Fund Balance	<u>—</u>	<u>—</u>	—
Fund Balance - Beginning			<u>—</u>
Fund Balance - Ending			<u><u>—</u></u>

CITY OF WASHINGTON, ILLINOIS

Hilldale Avenue - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Charges for Services	\$ 1,237,500	1,237,500	1,147,781
Expenditures			
Capital Outlay	1,237,500	1,237,500	1,134,789
Net Change in Fund Balance	<u>—</u>	<u>—</u>	12,992
Fund Balance - Beginning			<u>(12,992)</u>
Fund Balance - Ending			<u>—</u>

CITY OF WASHINGTON, ILLINOIS

Waterworks - Enterprise Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Metered Sales	\$ 1,440,000	1,440,000	1,553,046
Charges for Services	1,457,630	1,457,630	1,473,210
Other	1,000	1,000	8,311
Total Operating Revenues	<u>2,898,630</u>	<u>2,898,630</u>	<u>3,034,567</u>
Operating Expenses			
Operations			
Personnel	766,800	766,800	788,315
Contractual Services	368,965	368,965	367,104
Commodities	268,575	268,575	260,632
Other	330,112	330,112	336,127
Capital Outlay	1,604,250	1,604,250	—
Depreciation	—	—	609,461
Total Operating Expenses	<u>3,338,702</u>	<u>3,338,702</u>	<u>2,361,639</u>
Operating Income (Loss)	<u>(440,072)</u>	<u>(440,072)</u>	<u>672,928</u>
Nonoperating Revenues (Expenses)			
Grant Income	2,800	2,800	2,800
Other Income	38,200	38,200	43,700
Interest Income	32,500	32,500	98,383
Interest Expense	(19,351)	(19,351)	(21,659)
Disposal of Capital Assets	—	—	595
Principal Retirement	(241,963)	(241,963)	—
	<u>(187,814)</u>	<u>(187,814)</u>	<u>123,819</u>
Change in Net Position	<u>(627,886)</u>	<u>(627,886)</u>	796,747
Net Position - Beginning			<u>14,410,605</u>
Net Position - Ending			<u><u>15,207,352</u></u>

CITY OF WASHINGTON, ILLINOIS

Sewerage - Enterprise Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Metered Sales	\$ 2,500,000	2,500,000	2,604,746
Charges for Services	1,143,625	1,143,625	1,386,933
Other	1,000	1,000	680
Total Operating Revenues	<u>3,644,625</u>	<u>3,644,625</u>	<u>3,992,359</u>
Operating Expenses			
Operations			
Personnel	871,000	871,000	857,957
Contractual Services	453,725	453,725	558,142
Commodities	165,960	165,960	138,470
Other	814,915	814,915	1,024,995
Capital Outlay	1,493,750	1,493,750	—
Depreciation	—	—	860,430
Total Operating Expenses	<u>3,799,350</u>	<u>3,799,350</u>	<u>3,439,994</u>
Operating Income (Loss)	<u>(154,725)</u>	<u>(154,725)</u>	<u>552,365</u>
Nonoperating Revenues (Expenses)			
Grant Income	2,800	2,800	2,800
Interest Income	58,800	58,800	230,974
Interest Expense	(50,527)	(50,527)	(52,891)
Disposal of Capital Assets	—	—	19
Principal Retirement	(476,100)	(476,100)	—
	<u>(465,027)</u>	<u>(465,027)</u>	<u>180,902</u>
Change in Net Position	<u>(619,752)</u>	<u>(619,752)</u>	733,267
Net Position - Beginning			<u>25,971,998</u>
Net Position - Ending			<u>26,705,265</u>

CITY OF WASHINGTON, ILLINOIS

**Internal Service Funds
Combining Statement of Net Position
April 30, 2024**

	<u>Employee Benefits</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 1,652,668
Receivables - Net of Allowances	
Accounts	—
Interest	3,456
Due from Other Funds	—
Prepays	130,418
Total Current Assets	<u>1,786,542</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	—
Depreciable/Amortizable	—
Accumulated Depreciation/Amortization	—
Total Noncurrent Assets	<u>—</u>
Total Assets	<u>1,786,542</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	—
Accrued Payroll	—
Due to Other Funds	895
Current Portion of Long-Term Debt	—
Total Current Liabilities	<u>895</u>
Noncurrent Liabilities	
Compensated Absences Payable	—
Leases Payable	—
Total Noncurrent Liabilities	<u>—</u>
Total Liabilities	<u>895</u>
NET POSITION	
Net Investment in Capital Assets	—
Unrestricted	1,785,647
Total Net Position	<u>1,785,647</u>
Total Liabilities and Net Position	<u>1,786,542</u>

Motor Equipment Replacement	Capital Replacement	Building Maintenance	Totals
2,563,427	709,852	1,102,951	6,028,898
2,193	—	—	2,193
2,186	—	—	5,642
7,920	—	—	7,920
11,470	—	—	141,888
2,587,196	709,852	1,102,951	6,186,541
—	—	104,141	104,141
4,952,470	837,304	109,810	5,899,584
(2,428,202)	(27,960)	(8,886)	(2,465,048)
2,524,268	809,344	205,065	3,538,677
5,111,464	1,519,196	1,308,016	9,725,218
65,231	406,760	58,409	530,400
4,268	—	—	4,268
595	—	—	1,490
273,815	—	—	273,815
343,909	406,760	58,409	809,973
10,762	—	—	10,762
772,134	—	—	772,134
782,896	—	—	782,896
1,126,805	406,760	58,409	1,592,869
1,481,010	809,344	205,065	2,495,419
2,503,649	303,092	1,044,542	5,636,930
3,984,659	1,112,436	1,249,607	8,132,349
5,111,464	1,519,196	1,308,016	9,725,218

CITY OF WASHINGTON, ILLINOIS

Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Net Position

For the Fiscal Year Ended April 30, 2024

	<u>Employee Benefits</u>
Operating Revenues	
Charges for Services	\$ —
Employee Contributions	1,299,717
Other	—
Total Operating Revenues	<u>1,299,717</u>
Operating Expenses	
Operations	
Personnel	1,251,423
Contractual Services	—
Commodities	—
Other	—
Depreciation	—
Total Operating Expenses	<u>1,251,423</u>
Operating Income (Loss)	<u>48,294</u>
Nonoperating Revenues (Expenses)	
Interest Income	56,610
Interest Expense	—
Disposal of Capital Assets	—
	<u>56,610</u>
Change in Net Position	104,904
Net Position - Beginning	<u>1,680,743</u>
Net Position - Ending	<u><u>1,785,647</u></u>

Motor Equipment Replacement	Capital Replacement	Building Maintenance	Totals
1,021,840	60,108	859,098	1,941,046
—	—	—	1,299,717
3,098	—	118,419	121,517
1,024,938	60,108	977,517	3,362,280
103,532	—	—	1,354,955
195,358	—	36,415	231,773
273,028	—	—	273,028
15,123	166,187	26,413	207,723
725,566	6,323	4,443	736,332
1,312,607	172,510	67,271	2,803,811
(287,669)	(112,402)	910,246	558,469
61,976	35,865	10,793	165,244
(13,899)	—	—	(13,899)
138,418	—	—	138,418
186,495	35,865	10,793	289,763
(101,174)	(76,537)	921,039	848,232
4,085,833	1,188,973	328,568	7,284,117
3,984,659	1,112,436	1,249,607	8,132,349

CITY OF WASHINGTON, ILLINOIS

**Internal Service Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended April 30, 2024**

	<u>Employee Benefit</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 1,299,717
Interfund Services Provided	(18,189)
Payments to Suppliers	(1,252,601)
Payments to Employees	—
	<u>28,927</u>
Cash Flows from Capital and Related	
Purchase of Capital Assets	—
Disposal of Capital Assets	—
Issuance of Debt	—
Principal Retirement	—
Interest Expense	—
	<u>—</u>
Cash Flows from Investing Activities	
Interest Income	<u>56,610</u>
Net Change in Cash and Cash Equivalents	85,537
Cash and Cash Equivalents - Beginning	<u>1,567,131</u>
Cash and Cash Equivalents - Ending	<u><u>1,652,668</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income	48,294
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in)	
Operating Activities	
Depreciation	—
(Increase) Decrease in Current Assets	(18,189)
Increase (Decrease) in Current Liabilities	<u>(1,178)</u>
Net Cash Provided by Operating Activities	<u><u>28,927</u></u>

Motor Equipment Replacement	Capital Replacement	Building Maintenance	Totals
3,098	—	118,419	1,421,234
1,012,214	82,123	859,098	1,935,246
(535,206)	240,573	(4,419)	(1,551,653)
(5,788)	—	—	(5,788)
474,318	322,696	973,098	1,799,039
(1,270,137)	(798,948)	(125,091)	(2,194,176)
244,555	—	—	244,555
746,424	—	—	746,424
(204,383)	—	—	(204,383)
(13,899)	—	—	(13,899)
(497,440)	(798,948)	(125,091)	(1,421,479)
61,976	35,865	10,793	165,244
38,854	(440,387)	858,800	542,804
2,524,573	1,150,239	244,151	5,486,094
2,563,427	709,852	1,102,951	6,028,898
(287,669)	(112,402)	910,246	558,469
725,566	6,323	4,443	736,332
(9,626)	22,015	—	(5,800)
46,047	406,760	58,409	510,038
474,318	322,696	973,098	1,799,039

CITY OF WASHINGTON, ILLINOIS

Motor Equipment Replacement - Internal Service Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	\$ 1,020,000	1,020,000	1,021,840
Other	—	—	3,098
Total Operating Revenues	<u>1,020,000</u>	<u>1,020,000</u>	<u>1,024,938</u>
Operating Expenses			
Operations			
Personnel	127,040	127,040	103,532
Contractual Services	379,000	379,000	195,358
Commodities	336,500	336,500	273,028
Other	1,000	1,000	15,123
Capital Outlay	912,000	912,000	—
Depreciation	—	—	725,566
Total Operating Expenses	<u>1,755,540</u>	<u>1,755,540</u>	<u>1,312,607</u>
Operating (Loss)	<u>(735,540)</u>	<u>(735,540)</u>	<u>(287,669)</u>
Nonoperating Revenues (Expenses)			
Interest Income	20,000	20,000	61,976
Interest Expense	—	—	(13,899)
Disposal of Capital Assets	50,000	50,000	138,418
	<u>70,000</u>	<u>70,000</u>	<u>186,495</u>
Change in Net Position	<u>(665,540)</u>	<u>(665,540)</u>	(101,174)
Net Position - Beginning			<u>4,085,833</u>
Net Position - Ending			<u><u>3,984,659</u></u>

CITY OF WASHINGTON, ILLINOIS

Capital Replacement - Internal Service Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	\$ 60,108	60,108	60,108
Operating Expenses			
Operations			
Other	—	—	166,187
Capital Outlay	554,956	554,956	—
Depreciation	—	—	6,323
Total Operating Expenses	554,956	554,956	172,510
Operating Income/(Loss)	(494,848)	(494,848)	(112,402)
Nonoperating Revenues			
Interest Income	10,000	10,000	35,865
Change in Net Position	(484,848)	(484,848)	(76,537)
Net Position - Beginning			1,188,973
Net Position - Ending			1,112,436

CITY OF WASHINGTON, ILLINOIS

Building Maintenance - Internal Service Fund

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

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	\$ 867,582	867,582	859,098
Intergovernmental			
Grants	583,000	583,000	—
Other	—	—	118,419
	<u>1,450,582</u>	<u>1,450,582</u>	<u>977,517</u>
Operating Expenses			
Operations			
Contractual Services	120,000	120,000	36,415
Other	26,413	26,413	26,413
Capital Outlay	1,158,000	1,158,000	—
Depreciation	—	—	4,443
Total Operating Expenses	<u>1,304,413</u>	<u>1,304,413</u>	<u>67,271</u>
Operating Income	146,169	146,169	910,246
Nonoperating Revenues			
Interest Income	3,000	3,000	10,793
Change in Net Position	<u>149,169</u>	<u>149,169</u>	921,039
Net Position - Beginning			<u>328,568</u>
Net Position - Ending			<u>1,249,607</u>

CITY OF WASHINGTON, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in the Fiduciary Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Original Budget	Final Budget	Actual
Additions			
Contributions - Employer	\$ 801,000	801,000	784,999
Contributions - Plan Members	185,000	185,000	174,972
Total Contributions	<u>986,000</u>	<u>986,000</u>	<u>959,971</u>
Investment Income			
Interest Earned	225,000	225,000	794,006
Net Change in Fair Value	100,000	100,000	—
	<u>325,000</u>	<u>325,000</u>	<u>794,006</u>
Less Investment Expenses	(25,000)	(25,000)	—
Net Investment Income	<u>300,000</u>	<u>300,000</u>	<u>794,006</u>
Total Additions	<u>1,286,000</u>	<u>1,286,000</u>	<u>1,753,977</u>
Deductions			
Administration	11,400	11,400	5,969
Benefits and Refunds	810,000	810,000	822,996
Total Deductions	<u>821,400</u>	<u>821,400</u>	<u>828,965</u>
Change in Fiduciary Net Position	<u>464,600</u>	<u>464,600</u>	925,012
Net Position Restricted for Pensions			
Beginning			<u>9,237,751</u>
Ending			<u>10,162,763</u>

CITY OF WASHINGTON, ILLINOIS

Consolidated Year-End Financial Report

April 30, 2024

CSFA #	Program Name	State	Federal	Other	Total
494-00-2725	Provision of Services to the Public from				
	Named Line GRF-Source	\$ 8,400	—	—	8,400
	Other Grant Programs and Activities	—	5,313,496	—	5,313,496
	Totals	8,400	5,313,496	—	5,321,896

SUPPLEMENTAL SCHEDULES

CITY OF WASHINGTON, ILLINOIS

Long-Term Debt Requirements

Promissory Note of 2015

April 30, 2024

Date of Issue	February 18, 2015
Date of Maturity	May 15, 2029
Authorized Issue	\$4,010,000
Interest Rate	2.50%
Interest Dates	May 15 and November 15
Principal Maturity Date	May 15
Payable at	Busey Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 315,000	45,813	360,813
2026	320,000	37,875	357,875
2027	330,000	29,750	359,750
2028	335,000	21,438	356,438
2029	340,000	13,000	353,000
2030	349,905	4,375	354,280
	<u>1,989,905</u>	<u>152,251</u>	<u>2,142,156</u>

CITY OF WASHINGTON, ILLINOIS

Long-Term Debt Requirements

Promissory Note of 2016

April 30, 2024

Date of Issue	December 2, 2015
Date of Maturity	June 2, 2026
Authorized Issue	\$2,300,000
Denomination of Bonds	\$5,000
Interest Rate	2.46%
Interest Dates	June 2 and December 2
Principal Maturity Date	June 2
Payable at	Morton Community Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 247,995	13,320	261,315
2026	254,260	7,055	261,315
2027	91,830	1,143	92,973
	<u>594,085</u>	<u>21,518</u>	<u>615,603</u>

CITY OF WASHINGTON, ILLINOIS

**Long-Term Debt Requirements
General Obligation Bonds of 2023
April 30, 2024**

Date of Issue	October 5, 2023
Date of Maturity	May 15, 2038
Authorized Issue	\$4,735,000
Denomination of Bonds	\$5,000
Interest Rate	5.00%
Interest Dates	May 15 and November 15
Principal Maturity Date	May 15
Payable at	Amalgamated Bank of Chicago, Illinois

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ —	144,681	144,681
2026	240,000	118,375	358,375
2027	250,000	112,375	362,375
2028	265,000	106,125	371,125
2029	280,000	99,500	379,500
2030	295,000	92,500	387,500
2031	305,000	85,125	390,125
2032	325,000	77,500	402,500
2033	340,000	69,375	409,375
2034	355,000	60,875	415,875
2035	375,000	52,000	427,000
2036	395,000	42,625	437,625
2037	415,000	32,750	447,750
2038	435,000	22,375	457,375
2039	460,000	11,500	471,500
	<u>4,735,000</u>	<u>1,127,681</u>	<u>5,862,681</u>

CITY OF WASHINGTON, ILLINOIS

Long-Term Debt Requirements

IEPA Loan of 2009

April 30, 2024

Date of Issue	April 20, 2009
Date of Maturity	November 30, 2030
Authorized Issue	\$9,500,000
Interest Rate	None
Interest Dates	N/A
Principal Maturity Date	November 30
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 289,446	—	289,446
2026	289,446	—	289,446
2027	289,446	—	289,446
2028	289,446	—	289,446
2029	289,446	—	289,446
2030	289,446	—	289,446
2031	289,444	—	289,444
	<u>2,026,120</u>	<u>—</u>	<u>2,026,120</u>

CITY OF WASHINGTON, ILLINOIS

Long-Term Debt Requirements

IEPA Loan of 2017

April 30, 2024

Date of Issue	August 2, 2016
Date of Maturity	March 15, 2037
Authorized Issue	\$3,900,000
Interest Rate	1.75%
Interest Dates	March 15 and September 15
Principal Maturity Date	March 15
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	\$ 189,935	47,247	237,182
2026	193,273	43,909	237,182
2027	196,670	40,512	237,182
2028	200,127	37,055	237,182
2029	203,644	33,538	237,182
2030	207,224	29,958	237,182
2031	210,866	26,316	237,182
2032	214,572	22,610	237,182
2033	218,344	18,838	237,182
2034	222,182	15,000	237,182
2035	226,087	11,095	237,182
2036	230,061	7,121	237,182
2037	235,104	2,080	237,184
	<u>2,748,089</u>	<u>335,279</u>	<u>3,083,368</u>

CITY OF WASHINGTON, ILLINOIS

**Property Tax Assessed Valuations, Rates, Extensions, and Collections - Last Four Tax Levy Years
April 30, 2024**

Tax Levy Year	2020	2021	2022	2023
Assessed Valuations	\$ 349,930,355	351,363,677	370,766,281	401,288,844
Tax Rates				
General Corporate	—	0.0302	0.0195	0.0236
Police Pension	0.1879	0.1958	0.2100	0.2360
Ambulance	0.0499	0.0497	0.0479	0.0443
Fire Protection	0.0246	0.0245	0.0236	0.0218
Civil Defense	0.0012	0.0012	0.0011	0.0010
Audit	0.0083	0.0100	0.0082	0.0076
Illinois Municipal Retirement	0.1035	0.1053	0.1014	0.0883
Social Security	0.0903	0.0911	0.0918	0.0850
Liability Insurance	0.0286	0.0270	0.0315	0.0292
Total Tax Rates	0.4943	0.5348	0.5350	0.5368
Tax Extensions				
General Corporate	\$ —	105,971	72,299	92,930
Police Pension	657,519	688,111	778,498	930,523
Ambulance	174,650	174,663	177,523	174,702
Fire Protection	86,048	86,049	87,464	86,070
Civil Defense	4,164	4,146	4,115	4,022
Audit	29,009	35,031	30,514	30,004
Illinois Municipal Retirement	362,003	370,021	376,031	348,025
Social Security	316,022	320,022	340,475	335,013
Liability Insurance	100,010	95,009	116,903	115,009
Total Tax Extensions	1,729,425	1,879,023	1,983,822	2,116,298
Tax Collections	\$ 1,723,309	1,879,023	1,952,012	2,116,298
Percentage Collected	99.65%	100.00%	98.40%	100.00%
Other Collections				
City Share of Township Road and Bridge	\$ 218,706	219,602	228,013	245,186
Incremental Tax District	\$ 243,312	235,209	118,216	144,474
N. Lawndale Special Service Area	\$ 16,500	16,500	16,500	16,500
W. Holland Special Service Area	\$ 4,500	4,500	4,500	4,500