

**VILLAGE OF LOAMI
LOAMI, ILLINOIS**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

APRIL 30, 2023

**TENTATIVE AND PRELIMINARY
FOR DISCUSSION PURPOSES ONLY**

Village of Loami, Illinois

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INDEPENDENT AUDITOR'S REPORT

To the Honorable President
and Board of Trustees
Village of Loami, Illinois
Sangamon County

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Loami, Illinois, as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Village of Loami, Illinois' basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of Loami, Illinois, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting

a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of Loami, Illinois' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Loami, Illinois' ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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 Village of Loami, Illinois' basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Certified Public Accountants
Springfield, Illinois

Village of Loami, Illinois
MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the Village of Loami, Illinois' (the Village) annual financial reports, the Village's management provides a narrative discussion and analysis of the financial activities of the Village for the fiscal year ended April 30, 2023. The Village's performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the Village's primary government which includes both governmental and proprietary funds.

Financial Highlights

- The Village assets exceeded its liabilities by \$2,983,678 for the fiscal year reported.
- Net position is comprised of the following:
 1. Capital assets, net of related debt of \$1,461,295 include property and equipment, net of accumulated depreciation.
 2. Net position of \$148,693 are restricted by constraints imposed from outside the Village.
 3. Unrestricted net position of \$1,373,690 represent the portion available to maintain the Village's continuing obligations to its residents and creditors.
- The Village's governmental funds reported total ending fund balance of \$1,424,360.
- Total Village's liabilities were \$93,789 at the end of the fiscal year.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Village's basic financial statements. The basic financial statements include (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The Village also includes in this report additional information to supplement the basic financial statements.

Government-Wide Financial Statements

The Village's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Village's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the *Statement of Net Position*. This is the Village-wide statement of position presenting information that includes all of the Village's assets and liabilities, with the difference 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 Village as a whole is improving or deteriorating. Evaluation of the overall economic health of the Village would extend to other non-financial factors such as diversification of the taxpayer base or the condition of Village infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the Village's net assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Village's distinct activities or functions on revenues provided by the Village's taxpayers.

Village of Loami, Illinois
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Both government-wide financial statements distinguish governmental activities of the Village that are principally supported by taxes. Governmental activities include general government, public safety, public services, and road and bridge maintenance. Fiduciary activities such as cemetery operations are not included in the government-wide statements since these assets are not available to fund Village programs.

The Village's financial reporting includes the Village's primary government. These funds include the General Fund, Motor Fuel Tax Fund, and Water and Sewer Fund.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Village uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Village's most significant funds rather than the Village as a whole. Major funds are separately reported while others are combined into a single, aggregated presentation.

The Village has two types of funds:

Governmental Funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Village's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources during the year and the balances of spendable resources available at the end of the year. They are useful for evaluating annual financing requirements of governmental programs and commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparison between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, And Changes in Fund Balances provide reconciliation to the government-wide statements to assist understanding the differences between the two perspectives.

Budgetary comparison statements are included in the basic financial statements for the General Fund and Motor Fuel Tax Fund. These statements and schedules demonstrate compliance (noncompliance) with the Village's adopted and final budget.

Proprietary Funds are used to account for the proprietary or business-type activities of the Village. The Village operates its Water and Sewer Utility that charges its customers for services rendered. The net results of operations for this particular activity are determined using accounting similar to that used by a commercial enterprise, generally providing the most relevant information to the financial statement user.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

Village of Loami, Illinois
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents other supplementary information that includes detail by fund, transfers, and budgetary comparisons.

Government-Wide Financial Analysis

As discussed, Governmental Funds are reported in the fund statements with a short-term inflow and outflow of spendable resources. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental Funds reported ending balances of \$1,424,360. Of this year-end total, \$918,090 is unreserved indicating availability for continuing Village service requirements. Reserved fund balance includes \$148,693 committed to the Motor Fuel Tax Fund.

As year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the Village as a whole.

Village of Loami's Net Position

	Governmental Activities		Business-type Activities		Totals	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current and Other Assets	\$1,082,895	\$ 872,600	\$ 501,894	\$ 473,457	\$1,584,789	\$1,346,057
Capital Assets	<u>357,577</u>	<u>364,166</u>	<u>1,132,859</u>	<u>1,245,995</u>	<u>1,490,436</u>	<u>1,610,161</u>
Total Assets	<u>1,440,472</u>	<u>1,236,766</u>	<u>1,634,753</u>	<u>1,719,452</u>	<u>3,075,225</u>	<u>2,956,218</u>
Current Liabilities	16,112	17,680	48,536	71,733	64,648	89,413
Non-current Liabilities	<u>-</u>	<u>-</u>	<u>29,141</u>	<u>29,141</u>	<u>29,141</u>	<u>29,141</u>
Total Liabilities	<u>16,112</u>	<u>17,680</u>	<u>77,677</u>	<u>100,874</u>	<u>93,789</u>	<u>118,554</u>
Net Position:						
Capital Assets	357,577	364,166	1,103,718	1,179,485	1,461,295	1,543,651
Restricted	148,693	107,838	-	-	148,693	107,838
Unrestricted	<u>918,090</u>	<u>747,082</u>	<u>453,358</u>	<u>439,093</u>	<u>1,371,448</u>	<u>1,186,175</u>
Total Net Position	<u>\$1,424,360</u>	<u>\$1,219,086</u>	<u>\$1,557,076</u>	<u>\$1,618,578</u>	<u>\$2,981,436</u>	<u>\$2,837,664</u>

Village of Loami, Illinois
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Village of Loami's Changes in Net Position

	<u>Governmental</u> <u>Activities</u>		<u>Business-type</u> <u>Activities</u>		<u>Totals</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues:						
Program Revenues:						
Charges for services	\$ 11,025	\$ 70,163	\$ 284,264	\$ 274,703	\$ 295,289	\$ 344,866
Operating grants and contributions	51,032	34,526	-	-	51,032	34,526
General Revenues:						
Property and other taxes	387,136	277,108	-	-	294,517	342,646
Transfers	-	(36,226)	-	36,226	-	-
Other	<u>66,945</u>	<u>67,993</u>	<u>6,239</u>	<u>398</u>	<u>73,184</u>	<u>2,853</u>
Total Revenues	<u>516,138</u>	<u>413,564</u>	<u>290,503</u>	<u>311,327</u>	<u>714,022</u>	<u>724,891</u>
Expenses:						
General Government	142,912	132,711	-	-	142,912	132,711
Public Safety	106,256	104,418	-	-	106,256	104,418
Public works	12,073	33,557	-	-	12,073	33,557
Culture and recreation	24,850	34,380	-	-	24,850	34,380
Water and Sewer Operations	<u>-</u>	<u>-</u>	<u>376,778</u>	<u>348,763</u>	<u>376,778</u>	<u>348,763</u>
Total Expenses	<u>286,091</u>	<u>305,066</u>	<u>376,778</u>	<u>348,763</u>	<u>662,869</u>	<u>653,829</u>
Change in Net Position	230,047	108,498	(86,275)	(37,436)	143,772	71,062
Net Position – Beginning of Year	<u>1,194,313</u>	<u>1,085,815</u>	<u>1,643,351</u>	<u>1,680,787</u>	<u>2,837,664</u>	<u>2,766,602</u>
Net Position – End of Year	<u>\$1,424,360</u>	<u>\$1,194,313</u>	<u>\$1,557,076</u>	<u>\$1,643,351</u>	<u>\$2,981,436</u>	<u>\$2,837,664</u>

Capital Asset and Debt Administration

The Village's investment in capital assets, net of accumulated depreciation, for governmental activities as of April 30, 2023 was \$357,577.

Economic Environment and Next Year's Budgets

The general outlook for the Village economy for the next year is to remain stable or see an increase of moderate growth. The population usually remains constant and does not tend to increase dramatically.

Contacting The Village's Financial Management

The financial report is designed to provide a general overview of the Village's finances, comply with finance-related laws and regulations, and demonstrate the Village's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the Village office at 104 Main Street, P.O. Box 226, Loami, Illinois 62661-0226.

Village of Loami, Illinois
STATEMENT OF NET POSITION
April 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets:			
Cash and cash equivalents.....	\$ 764,782	\$ 386,206	\$1,150,988
Investments in Illinois Funds	203,642	149,991	353,633
Receivables:			
Accounts receivable.....	-	25,184	25,184
Due from other governments.....	44,664	-	44,664
Interfund balances	69,807	(69,807)	-
Total Current Assets	1,082,895	491,574	1,574,469
Noncurrent Assets:			
Restricted Assets:			
Cash and cash equivalents.....	-	10,320	10,320
Land and infrastructure	100,000	1,000	101,000
Capital assets, net of accumulated depreciation.....	257,577	1,131,859	1,389,436
Total Noncurrent Assets	357,577	1,143,179	1,500,756
TOTAL ASSETS.....	1,440,472	1,634,753	3,075,225
LIABILITIES			
Current Liabilities:			
Accounts payable	16,112	13,686	29,798
Customer deposits payable	-	34,850	34,850
Long-term debt - due within one year.....	-	26,899	26,899
Total Current Liabilities	16,112	75,435	91,547
Noncurrent Liabilities:			
Long-term debt - due in more than one year.....	-	2,242	2,242
TOTAL LIABILITIES.....	16,112	77,677	93,789
NET POSITION			
Net investment in capital assets	357,577	1,103,718	1,461,295
Restricted for:			
Motor Fuel Tax Fund.....	148,693	-	148,693
Unrestricted	918,090	453,358	1,371,448
TOTAL NET POSITION.....	\$1,424,360	\$1,557,076	\$2,981,436

The accompanying notes are an integral part of the basic financial statements.

Village of Loami, Illinois
STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2023

	Program Revenues		Net (Expense) Revenue and Changes in Position	
	Expenses	Charges for Services and Contributions	Governmental Activities	Business-type Activities
FUNCTIONS/PROGRAMS				
PRIMARY GOVERNMENT:				
Governmental Activities:				
General Government.....	(\$ 142,912)	\$ 10,027	(\$ 132,885)	\$ -
Public safety	(106,256)	998	(105,258)	-
Public works/streets	(12,073)	-	(12,073)	-
Culture and recreation	(24,850)	-	(24,850)	-
Total Governmental Activities	(286,091)	11,025	(275,066)	-
Business-type Activities:				
Water and sewerage	(376,778)	284,264	-	(92,514)
TOTAL PRIMARY GOVERNMENT	(\$ 662,869)	\$ 295,289	(275,066)	(92,514)
General Revenues:				
Real estate taxes			52,959	-
Sales tax and use taxes			133,333	-
Income tax			137,735	-
Excise taxes			6,288	-
Property and replacement taxes			8,885	-
Cannabis taxes			1,264	-
Motor fuel tax & Rebuild Illinois			40,036	-
Video gaming tax			6,636	-
Franchise fees			50,660	-
Interest income			9,375	6,239
Federal grant - ARPA			51,032	-
Miscellaneous			6,910	-
Total General Revenues			505,113	6,239
Change in Net Position			230,047	(86,275)
Net Position Beginning of Year			1,194,313	1,643,351
Net Position End of Year			\$1,424,360	\$1,557,076

The accompanying notes are an integral part of the basic financial statements.

Village of Loami, Illinois
BALANCE SHEET
 GOVERNMENTAL FUNDS
 April 30, 2023

	<u>Assets</u>	<u>General</u>	<u>Motor Fuel Tax Fund</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents		\$ 616,089	\$ 148,693	\$ 764,782
Investments in Illinois Funds.....		203,642	-	203,642
Due from other governments.....		44,664	-	44,664
Due from Water and Sewer		<u>69,807</u>	<u>-</u>	<u>69,807</u>
TOTAL ASSETS.....		<u>\$ 934,202</u>	<u>\$ 148,693</u>	<u>\$1,082,895</u>
<u>Liabilities and Fund Balances</u>				
CURRENT LIABILITIES				
Payroll liabilities.....		\$ 4,962	\$ -	\$ 4,962
Accounts payable.....		<u>11,150</u>	<u>-</u>	<u>11,150</u>
Total Liabilities.....		<u>16,112</u>	<u>-</u>	<u>16,112</u>
FUND BALANCES				
Restricted		-	148,693	148,693
Unassigned.....		<u>918,090</u>	<u>-</u>	<u>918,090</u>
Total Fund Balances		<u>918,090</u>	<u>148,693</u>	<u>1,066,783</u>
TOTAL LIABILITIES AND FUND BALANCES		<u>\$ 934,202</u>	<u>\$ 148,693</u>	<u>\$1,082,895</u>

The accompanying notes are an integral part of the basic financial statements.

Village of Loami, Illinois
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION**
 April 30, 2023

Total Fund Balances – Total Governmental Funds	\$1,066,783
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 governmental funds	<u>357,577</u>
Net Position of Governmental Activities	<u>\$1,424,360</u>

The accompanying notes are an integral part of the basic financial statements.

Village of Loami, Illinois
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended April 30, 2023

	<u>General</u>	<u>Motor Fuel Tax Fund</u>	<u>Total</u>
REVENUES			
Taxes:			
Property taxes	\$ 52,959	\$ -	\$ 52,959
Sales & Use Taxes	133,333	-	133,333
Income Taxes	137,735	-	137,735
Excise Taxes	6,288	-	6,288
Video Gaming Taxes	6,636	-	6,636
Personal Property Replacement Taxes	8,885	-	8,885
Cannabis Use Taxes	1,264	-	1,264
Intergovernmental	-	40,036	40,036
Charges for services	7,282	-	7,282
Fines and forfeitures	998	-	998
Licenses and permits	2,745	-	2,745
Franchise fees	50,660	-	50,660
Miscellaneous	6,910	-	6,910
Interest income	<u>8,497</u>	<u>878</u>	<u>9,375</u>
Total Revenues	<u>424,192</u>	<u>40,914</u>	<u>465,106</u>
EXPENDITURES			
Current Operation:			
General Government	137,158	-	137,158
Public Safety:			
Police	100,502	-	100,502
Street and Public Works:			
Streets	10,510	59	10,569
Culture and Recreation:			
Park	<u>31,273</u>	<u>-</u>	<u>31,273</u>
Total Expenditures	<u>279,443</u>	<u>59</u>	<u>279,502</u>
OTHER FINANCING SOURCES (USES)			
Federal Grant - ARPA	<u>51,032</u>	<u>-</u>	<u>51,032</u>
NET CHANGE IN FUND BALANCE	195,781	40,855	236,636
FUND BALANCE – BEGINNING OF YEAR	<u>722,309</u>	<u>107,838</u>	<u>830,147</u>
FUND BALANCE – END OF YEAR	<u>\$ 918,090</u>	<u>\$ 148,693</u>	<u>\$1,066,783</u>

The accompanying notes are an integral part of the basic financial statements.

Village of Loami, Illinois
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**
 For The Year Ended April 30, 2023

Net Change in Fund Balances—Total Governmental Funds	\$236,636
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
Capital asset purchases capitalized	16,426
Depreciation expense	(<u>23,015</u>)
Change in Net Position of Governmental Activities.....	\$ <u>230,047</u>

The accompanying notes are an integral part of the basic financial statements.

Village of Loami, Illinois
STATEMENT OF NET POSITION
 PROPRIETARY FUND
 April 30, 2023

	<u>Water and Sewer</u>
<u>Assets</u>	
CURRENT ASSETS	
Cash and cash equivalents	\$ 386,206
Restricted cash – customer deposits	10,320
Illinois Funds	149,991
Accounts receivable	<u>25,184</u>
Total Current Assets	<u>571,701</u>
FIXED ASSETS	
Land	1,000
Capital assets, net of accumulated depreciation	<u>1,131,859</u>
Total Fixed Assets	<u>1,132,859</u>
TOTAL ASSETS	<u>1,704,560</u>
<u>Liabilities and Net Position</u>	
CURRENT LIABILITIES	
Accounts payable	13,686
Customer meter deposits payable	34,850
Due to other funds	69,807
Note payable – Water Line, current portion	<u>26,899</u>
Total Current Liabilities	<u>145,242</u>
LONG-TERM LIABILITIES	
Note payable – Water Line	<u>2,242</u>
TOTAL LIABILITIES	<u>147,484</u>
NET POSITION	
Net investment in capital assets	1,103,718
Unrestricted	<u>453,358</u>
TOTAL NET POSITION	<u>\$1,557,076</u>

The accompanying notes are an integral part of the basic financial statements.

Village of Loami, Illinois
**STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET POSITION**
 PROPRIETARY FUND
 For the Year Ended April 30, 2023

	<u>Water and Sewer</u>
OPERATING REVENUES	
Water collections	\$ 281,535
Bulk sales	<u>2,729</u>
 Total Operating Revenues	 <u>284,264</u>
OPERATING EXPENSES	
Salaries, taxes and benefits	85,333
Maintenance service – utility system	23,809
Maintenance service – vehicles	485
Maintenance supplies – utility system	1,159
Office supplies	109
Postage	2,180
Professional fees	1,175
Janitorial	770
Telephone	5,297
Utilities	44,901
Water purchases	71,100
Insurance	5,100
Gasoline	4,635
Water testing	4,284
Equipment replacement	5,150
Miscellaneous	24
Depreciation	<u>121,267</u>
 Total Operating Expenses	 <u>376,778</u>
 OPERATING (LOSS)	 (92,514)
NON-OPERATING REVENUES (EXPENSES)	
Interest income	<u>6,239</u>
 CHANGE IN NET POSITION	 (86,275)
 NET POSITION – BEGINNING OF YEAR	 <u>1,643,351</u>
 NET POSITION – END OF YEAR	 <u>\$1,557,076</u>

The accompanying notes are an integral part of the basic financial statements.

Village of Loami, Illinois
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Year Ended April 30, 2023

	<u>Water and Sewer</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 279,656
Payments for goods and services.....	(164,976)
Payments on behalf of employees for services	(<u>85,333</u>)
Net cash provided by (used for) operating activities.....	<u>29,347</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Interfund payable transactions.....	<u>26,362</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Principal paid on note payable	(26,899)
Purchase of fixed assets.....	(<u>18,601</u>)
Net cash provided by (used for) capital and related financing activities	(<u>45,500</u>)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	<u>6,239</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	16,448
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	<u>530,069</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	<u>\$ 546,517</u>
RECONCILIATION OF OPERATING GAIN (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:	
Operating gain (loss)	(\$ 92,514)
Adjustments to reconcile operating gain (loss) to net cash provided by (used for) operating activities:	
Depreciation expense.....	121,267
Changes in asset and liabilities:	
(Increase) decrease in accounts receivable.....	(3,108)
Increase (decrease) in accounts payable.....	5,202
Increase (decrease) in customer meter deposits	(<u>1,500</u>)
Net cash provided by (used for) operating activities	<u>\$ 29,347</u>

The accompanying notes are an integral part of the basic financial statements.

Village of Loami, Illinois
NOTES TO FINANCIAL STATEMENTS
For the Year Ended April 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Village of Loami, Illinois is a municipal corporation with a mayor/alderman form of government.

B. Component Units

The Village has developed criteria to determine whether outside agencies should be included within its financial reporting entity. The criteria include, but are not limited to, whether the Village exercises oversight responsibility on the following:

- Financial Interdependency
- Selection of Governing Authority
- Designation of Management
- Ability to Significantly Influence Operations
- Accountability for Fiscal Matters
- Scope of Public Service
- Special Financing Relationships

The Village has determined that there are no component units as of April 30, 2023.

C. Basis of Accounting, Measurement Focus, and Presentation

The Village's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities.

GASB standards require that the accounts of the Village be organized on the basis of funds, each of which is considered a separate accounting entity. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The operations of each fund are accounted for in a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Village resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Financial reporting standards established by GASB require that the financial statements described below be presented.

Government-Wide Financial Statements

The Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental activities and business-type activities, and represent a consolidation of all financial activities for the entire Village. Fiduciary activities of the Village are not included in these statements.

The Government-Wide Financial Statements are presented on an economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. Accordingly, all of the Village's current and long-term assets and liabilities, including capital assets, infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position as of April 30. The Statement of Activities presents changes in net position since May 1, the beginning of the fiscal year.

Village of Loami, Illinois
NOTES TO FINANCIAL STATEMENTS
For the Year Ended April 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of the related cash flows. For example, property tax revenue is recognized in the year of levy, and all other revenue is recognized when services have been rendered. The types of transactions reported as program revenues for the Village are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and nonmajor funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in financial position as presented in these statements to the financial position presented in the Government-Wide Financial Statements. The Village has presented all major funds that met the qualifications for major fund reporting.

Major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10% of corresponding totals for all governmental or enterprise funds and at least 5% of the aggregate amount for all governmental and enterprise funds. The identification and separate reporting of major funds serves to highlight financial activities which may be particularly important to financial statement users. Nonmajor funds are reported in aggregate in a separate column in the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances.

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village. It is used to account for all financial resources and transactions except those required to be accounted for in another fund.

The Motor Fuel Tax Fund receives and expends the Village's allocation of the highway user revenue money. Money allocated to the Village must be used for construction, reconstruction and maintenance.

All governmental funds are accounted for on the current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in current net position.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due.

Village of Loami, Illinois
NOTES TO FINANCIAL STATEMENTS
For the Year Ended April 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Property tax, sales tax, franchise tax, intergovernmental revenue, and investment earnings are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available when cash is received. For shared funding arrangements with third parties that perform accounting functions, transactions are generally recorded based on the cash basis.

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

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Fund Net Position; and a Statement of Cash Flows for each major proprietary fund. A column representing internal service funds is also presented in these statements. However, internal service fund balances and activities are combined with the Governmental Activities in the Government-Wide Financial Statements.

The Village reports the following major proprietary (enterprise) funds:

The Water and Sewer Fund is used to account for the activities of the Village's water supply system and sewage collection system and the Wastewater Treatment Plant.

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) and deferred outflows of resources and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. In these funds, receivables have been recorded as revenue and provisions have been made for uncollectible amounts.

Proprietary Funds are used to account for distinguishing 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 water and sewer fund accounts for the activities associated with the water distribution system and the sewage pumping stations and collection systems for the regional area. The principal operating revenues of the Village's enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise funds include salaries and wages, administrative fees, operating and maintenance, and depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expense.

Village of Loami, Illinois
NOTES TO FINANCIAL STATEMENTS
For the Year Ended April 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Fund Balance/Net Position

Government-Wide Statements:

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets net of accumulated depreciation and reduced by the outstanding balances of bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvements of those assets.
- b. Restricted net position – Consist 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.
- c. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

It is the Village’s policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Financial Statements:

Governmental fund balances are classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the Village Board of Trustees through approval of resolutions. Committed fund balance can be assigned for other uses only by similar action of the Village Board of Trustees. Assigned fund balances is a limitation imposed by a designee of the Village Board of Trustees. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories.

Proprietary fund net position is classified the same as in the government-wide statements.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the policy of the Village to generally consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the Village that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts. In both instances, when a proposed expenditure is made with specific balances identified as the source of the funding, that specific fund balance will be used.

E. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America that requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Village of Loami, Illinois
NOTES TO FINANCIAL STATEMENTS
For the Year Ended April 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

F. Infrastructure Assets

Capital assets, consisting of certain improvements other than buildings, including roads, bridges, curbs, and gutters, streets and sidewalks, drainage systems, and lighting systems have been capitalized prior to the beginning of the fiscal year ended April 30, 2005. Infrastructure assets were valued at \$100,000. Instead of depreciating infrastructure assets, the Village maintains these assets to state a level of condition. To comply with this standard, the Village:

1. Manages the eligible infrastructure assets using an asset management system that has the following characteristics:
 - a. An up-to-date inventory of eligible infrastructure assets is maintained.
 - b. Condition assessments of the eligible infrastructure assets are performed and summarized using a measurement scale.
 - c. An estimate is made each year of the annual amount to maintain and preserve the eligible infrastructure assets at the condition level established and disclosed by the government.
2. The government documents that the eligible infrastructure assets are being preserved approximately at or above a condition level established and disclosed by the government. The condition level should be established and documented by administrative or executive policy.

G. Receivables and Payables

Activities between funds that are representative of lending and borrowing arrangements outstanding at the end of the fiscal year are referred to as due to or due from other funds. All other outstanding balances between funds are reported as interfund receivables or payables for pooled cash, and represent residual balances between the governmental activities and business-type activities for pooled cash activities. All interfund loans are considered current. Interfund loans are allocated interest based on the amount outstanding at year end.

Receivables are shown net of an allowance for doubtful accounts. The allowance for doubtful accounts is estimated based on professional judgment and historical information.

H. Prepaid Assets

Prepaid assets are generally accounted for using the consumption method.

I. Restricted Assets

Certain resources of the Village are classified as restricted assets on the balance sheet. These funds are maintained in separate accounts and their use is limited by applicable bond covenants or agreements, or customer utility deposits.

Village of Loami, Illinois
NOTES TO FINANCIAL STATEMENTS
For the Year Ended April 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

J. Cash and Investments

For purposes of the statement of cash flows for proprietary and similar fund types, the Village considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.

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

Investments in The Illinois Funds are stated at amortized cost to comply with GASB Statement 79.

K. Capital Assets

General capital assets generally result from expenditures in the governmental funds. These assets are reported on the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The Village maintains a capitalization threshold of \$5,000. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not. Depreciation is computed on the straight line basis over a period of from 3 to 50 years based on asset class.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Capital Asset Category</u>	<u>Useful Life</u>
Buildings	10 to 30 years
Infrastructure	20 to 50 years
Equipment	3 to 40 years

L. Compensated Absences

The Village does not record compensatory time for sick and vacation time.

M. Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as contributions awarded on a non-reimbursement basis, are recorded when earned by the Village.

N. Transaction Between Funds

Transactions that would be treated as revenue, expenditures, or expenses if they involved organizations external to the governmental unit are accounted for as revenue, expenditures, or expenses in the funds involved. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed.

Village of Loami, Illinois
NOTES TO FINANCIAL STATEMENTS
For the Year Ended April 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

O. Long-Term Obligations

In the government-wide financial statements and proprietary funds 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 statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year of issuance.

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

P. Deferred Outflows/Inflows of Resources

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

Q. Budget

The Illinois Revised Statutes do not require that the Village approve and adopt a budget for control purposes. Illinois law does require the Village to pass an annual appropriations ordinance. The Village uses the appropriations ordinance as their budget.

R. Program Revenues

Program revenues are revenues generated by the operations of the Village. The program revenues in the governmental funds consist of fines and penalties received by the public safety fund. The program revenues in the business-type fund consist of revenues from the operation of the Village's water and sewer system.

NOTE 2 – DEPOSITS AND INVESTMENTS

Investments

Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, generally requires investments to be measured at fair value. GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, established criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost rather than fair value for financial reporting purposes. The Illinois Funds meets the criteria established in GASB Statement No. 79 and, thus, reports all investments at amortized cost.

Fair Value Measurements:

As stated in the aforementioned paragraph, The Illinois Funds reports its investments at amortized cost for financial reporting purposes. GASB Statements No. 72 and 79 require disclosure regarding the fair value of investments. GASB Statement

Village of Loami, Illinois
NOTES TO FINANCIAL STATEMENTS
For the Year Ended April 30, 2023

NOTE 2 – DEPOSITS AND INVESTMENTS, Continued

No. 72 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement established a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Inputs are used in applying the various valuation techniques and take into account the assumptions that market participants use to make valuation decisions. Inputs may include price information, credit data, interest and yield curve data, and other factors specific to the financial instrument. Observable inputs reflect market data obtained from independent sources. In contrast, unobservable inputs reflect an entity's assumptions about how market participants would value the financial instrument. Valuation techniques should maximize the use of observable inputs to the extent available.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used for financial instrument measured at fair value on a recurring basis:

- Level 1 Investments whose values are based on quoted prices (unadjusted) for identical assets in active markets that a government can access at the measurement date.
- Level 2 investment with inputs – other than quoted prices included within Level 1 – that are observable for an asset, either directly or indirectly.
- Level 3 Investment classified as Level 3 have unobservable inputs for an asset and may require a degree of professional judgment.

The following table summarizes The Illinois Funds' investments within the fair value hierarchy at April 30, 2023.

<u>Type</u>	<u>Amortized Cost (Fair Value)</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Illinois Funds	<u>\$353,633</u>	<u>\$ -</u>	<u>\$353,633</u>	<u>\$353,633</u>

Interest Rate Risk: The Village does not have any restrictions in any of its investment policies that limit investment maturities.

Credit Risk: The Village is governed by State Laws that limit investment choices to short-term investments. The City has not adopted an investment policy and all investment activity has been limited to Illinois Funds.

Concentration of Credit Risk: The Village does not have any policies that limit the amount that can be invested with one issuer.

Custodial credit risk for investments is the risk that in the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village has investments in Illinois Funds of \$353,633 and Illinois Funds holds an AAAM rating by S&P Global Ratings and has never been downgraded in its entire history.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The government does not have a policy for custodial credit risk. As of April 30, 2023, \$907,498 of the Village's bank balance of \$1,157,498 (total book balance was \$1,150,988) was exposed to custodial credit risk.

Village of Loami, Illinois
NOTES TO FINANCIAL STATEMENTS
For the Year Ended April 30, 2023

NOTE 3 – CAPITAL ASSETS

The following is a summary of changes in the capital assets for the fiscal year:

<u>Primary Government</u>	<u>April 30,</u>			<u>April 30,</u>
Governmental Activities:	<u>2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>2023</u>
Capital assets, not being depreciated:				
Infrastructure	\$ <u>100,000</u>	\$ _____ -	\$ _____ -	\$ <u>100,000</u>
Total capital assets not being depreciated	<u>100,000</u>	_____ -	_____ -	<u>100,000</u>
Capital assets, being depreciated:				
Building and Improvements	363,536	16,426	-	379,962
Equipment	89,248	-	-	89,248
Vehicles	<u>68,286</u>	_____ -	_____ -	<u>68,286</u>
Total assets being depreciated	521,070	16,426	-	537,496
Less total accumulated depreciation	(<u>256,904</u>)	(<u>23,015</u>)	_____ -	(<u>279,919</u>)
Total capital assets being depreciated, net	<u>264,166</u>	(<u>6,589</u>)	_____ -	<u>257,577</u>
Governmental Activities Capital Assets, net	\$ <u>364,166</u>	(\$ <u>6,589</u>)	\$ _____ -	\$ <u>357,577</u>

Depreciation expense was charged to functions as follows in the Statement of Activities:

Governmental activities	\$ <u>23,015</u>			
		<u>April 30,</u>		<u>April 30,</u>
		<u>2022</u>	<u>Additions</u>	<u>2023</u>
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ <u>1,000</u>	\$ _____ -	\$ _____ -	\$ <u>1,000</u>
Total capital assets not being depreciated	<u>1,000</u>	_____ -	_____ -	<u>1,000</u>
Capital assets, being depreciated:				
Building and improvements – Sewer Utility	4,906	-	-	4,906
Sewer Equipment	34,535	8,423	-	42,958
Sewer System	2,675,085	10,178	-	2,685,263
Sewer Vehicles	6,000	-	-	6,000
Water System	1,286,964	-	-	1,286,964
Building and improvements – Water Utility	198,370	-	-	198,370
Water Equipment	30,184	-	-	30,184
Water Vehicles	<u>129,248</u>	_____ -	_____ -	<u>129,248</u>
Total assets being depreciated	4,365,292	18,601	-	4,383,893
Less total accumulated depreciation	(<u>3,130,767</u>)	(<u>121,267</u>)	_____ -	(<u>3,252,034</u>)
Total capital assets being depreciated, net	<u>1,234,525</u>	(<u>102,666</u>)	_____ -	<u>1,131,859</u>
Business-type Activities Capital Assets, net	\$ <u>1,235,525</u>	(\$ <u>102,666</u>)	\$ _____ -	\$ <u>1,132,859</u>

Depreciation expense was charged to functions as follows in the Statement of Activities:

Business-type activities	
Water and Sewer Utility	\$ <u>121,267</u>

Village of Loami, Illinois
NOTES TO FINANCIAL STATEMENTS
 For the Year Ended April 30, 2023

NOTE 4 – LONG-TERM DEBT

Business-type Activities

An agreement was signed in 2012 with Curran-Gardner Township Public Water District and CWLP for a new water line to be laid from Springfield to Loami going through Curran. The cost to install the water line is to be paid back to CWLP from Loami over a 10 year period. The repayment is interest free. The original cost of the repayment is \$268,990.15 and is payable in 120 equal monthly installments of \$2,241.59 beginning March 28, 2014 and ending February 2024 paid in May 2024. The balance at April 30, 2023 is \$29,141.

The following is a summary of changes in the loan dated April 30, 2023:

	<u>Balance</u> <u>April 30, 2022</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>April 30, 2023</u>
Water Line	\$ <u>56,040</u>	\$ <u> -</u>	(\$ <u>26,899</u>)	\$ <u>29,141</u>

Future principal payments for the note is as follows:

<u>Years Ending</u> <u>April 30,</u>	<u>Principal</u>
2024	\$ 26,899
2025	<u>2,242</u>
Total	\$ <u>29,141</u>

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES

The Village has one interfund balance at April 30, 2023:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Water & Sewer	\$ <u>69,807</u>

The balance is principally due to timing of reimbursable expenditures.

Village of Loami, Illinois
NOTES TO FINANCIAL STATEMENTS
For the Year Ended April 30, 2023

NOTE 6 – INTERFUND BALANCES

Interfund transfers are used to fund operations in various accounts.

The composition of interfund balances as of April 30, 2023 were as follows:

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>
General Fund	Water & Sewer Fund	\$ <u> </u> -

NOTE 7 – PROPERTY TAX CALENDAR

The following information gives significant dates on the property tax calendar of the Village

- The property tax lien date is January 1, 2021.
- The annual tax levy ordinance for 2021 taxes received during fiscal year 2023 was passed November 2022.
- The first installment of property taxes is due to the County Collector on July 1 and the second installment is due to the County Collector on September 1.
- Significant amounts of property taxes for 2021 were distributed to the Village in July through September of 2022.

The 2020 taxes are intended to finance the 2023 fiscal year and are not considered available for current operations and are, therefore, shown as unavailable revenue. The 2023 tax levy has not been recorded as a receivable at April 30, 2023. Although the tax attached as a lien on property as of January 1, 2023, the tax will not be levied until December 2023, and, accordingly, is not measurable at April 30, 2023.

NOTE 8 – RISK MANAGEMENT

The Village is exposed to various risks of loss relating to torts, theft, or impairment of assets, errors and omissions, injury to employees, and natural disasters. The Village purchases commercial insurance for risks of loss from third parties. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. A coverage limit of \$8,000,000 for general liability insurance has been purchased.

Village of Loami, Illinois
**SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – Budget and Actual**
 GENERAL FUND
 For the Year Ended April 30, 2023

	<u>Original/Final Budgeted Amounts</u>	<u>Current Year Actual</u>
REVENUES:		
Taxes:		
Property taxes	\$ 37,000	\$ 52,959
Income taxes	90,000	137,735
Sales taxes.....	40,000	97,867
Personal property taxes.....	6,500	8,885
Use taxes.....	26,000	35,466
Excise taxes	-	6,288
Cannabis use taxes.....	750	1,264
Video gaming taxes	-	6,636
Total Taxes	<u>200,250</u>	<u>347,100</u>
Charges For Services:		
Franchise fees	6,000	50,660
Rental income	-	3,785
Sale of materials and equipment.....	-	3,497
Total Charges For Services.....	<u>6,000</u>	<u>57,942</u>
Licenses and Permits:		
Permits	750	1,745
Liquor licenses.....	<u>750</u>	<u>1,000</u>
Total Licenses and Permits.....	<u>1,500</u>	<u>2,745</u>
Fines and Forfeitures:		
Traffic fines	<u>1,900</u>	<u>998</u>
Interest Income	<u>250</u>	<u>8,497</u>
Miscellaneous:		
Other	<u>150</u>	<u>6,910</u>
Other Financing Sources:		
ARPA grant income	-	<u>51,032</u>
TOTAL REVENUES.....	<u>\$210,050</u>	<u>475,224</u>
EXPENDITURES:		
General Government:		
Salaries	\$ 41,500	38,077
Unemployment insurance.....	9,500	5,271
Employer share of payroll taxes	21,500	15,376
Maintenance services – building	10,000	9,732
Maintenance services – equipment.....	1,500	1,460
Maintenance supplies - buildings	1,000	800

Village of Loami, Illinois
**SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – Budget and Actual, (Continued)**
 GENERAL FUND
 For the Year Ended April 30, 2023

	<u>Original/Final Budgeted Amounts</u>	<u>Current Year Actual</u>
EXPENDITURES: (Continued)		
General Government: (Continued)		
Accounting.....	\$ 4,500	\$ 4,025
Legal fees.....	8,000	5,705
Janitorial.....	2,500	2,143
Telephone.....	1,750	1,644
Dues	150	-
Printing and publications	400	69
Utilities.....	8,000	5,835
Street lights	7,000	7,397
Insurance.....	24,000	22,608
Office supplies	2,400	2,247
Postal services.....	-	557
Technology supplies	3,000	2,572
Capital improvements.....	500	-
Community relations	2,700	1,324
July 4 th celebration.....	4,500	7,500
Miscellaneous	<u>4,900</u>	<u>2,816</u>
Total General Government	<u>159,300</u>	<u>137,158</u>
Public Safety – Police Department:		
Employee Salaries	62,000	63,607
Maintenance services equipment.....	1,000	1,728
Maintenance services vehicles.....	2,500	536
Janitorial.....	1,920	2,400
Telephone.....	2,300	2,501
Radios	500	455
Star Comm fees.....	3,000	2,904
MDT Sangamon County ESDA.....	1,200	1,161
Dues & memberships.....	500	555
Training.....	2,500	2,472
Equipment.....	10,000	7,143
Utilities.....	4,000	3,454
Office supplies	500	303
Operating supplies	4,000	4,293
Gas & oil.....	7,500	5,146
Animal control.....	1,000	330
E.S.D.A.	1,000	1,411
Other	<u>100</u>	<u>103</u>
Total Public Safety – Police Department.....	<u>105,520</u>	<u>100,502</u>

Village of Loami, Illinois
**SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES – Budget and Actual, (Continued)**
 GENERAL FUND
 For the Year Ended April 30, 2023

	<u>Original/Final Budgeted Amounts</u>	<u>Current Year Actual</u>
EXPENDITURES: (Continued)		
Culture and Recreation – Parks:		
Employee salaries	\$ 17,000	\$ 13,594
Janitorial and league supplies	1,000	415
Utilities.....	2,000	1,528
Maintenance supplies.....	2,000	1,826
Chemicals & operating supplies	5,000	2,228
Gas & oil.....	2,500	2,224
Equipment.....	7,500	2,922
Tree maintenance.....	5,000	750
Other	1,000	200
Capital Outlay	-	<u>5,586</u>
Total Culture and Recreation – Parks	<u>43,000</u>	<u>31,273</u>
Transportation and Public Works – Street Department:		
Salaries.....	3,500	1,758
Utilities.....	1,800	508
Vehicle supplies.....	2,500	742
Street signs.....	500	567
Operating supplies	3,000	1,772
Small tools	200	160
Gas & oil.....	1,000	493
Bag salt.....	600	-
Sidewalks.....	15,000	-
Tree maintenance.....	5,000	-
Drainage.....	3,000	-
Other	2,500	260
Capital Outlay	<u>30,000</u>	<u>4,250</u>
Total Transportation and Public Works – Street Department	<u>68,600</u>	<u>10,510</u>
TOTAL EXPENDITURES	<u>\$376,420</u>	<u>279,443</u>
NET CHANGE IN FUND BALANCE		195,781
FUND BALANCE – BEGINNING OF YEAR.....		<u>722,309</u>
FUND BALANCE – END OF YEAR.....		<u>\$918,090</u>

The accompanying notes are an integral part of the basic financial statements.

Village of Loami, Illinois
**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – Budget to Actual**
MOTOR FUEL TAX REVENUE FUND
For the Year Ended April 30, 2023

	<u>Original/Final Budgeted Amounts</u>	<u>Current Year Actual</u>
REVENUES		
State motor fuel taxes	\$ -	\$ 31,853
Rebuild Illinois	-	8,183
Interest income	<u>-</u>	<u>878</u>
TOTAL REVENUES	<u>\$ -</u>	<u>40,914</u>
EXPENDITURES		
Current operation:		
Streets and Public Works:		
Professional services	\$ 7,800	-
Maintenance services	<u>90,200</u>	<u>59</u>
TOTAL EXPENDITURES	<u>\$ 98,000</u>	<u>59</u>
NET CHANGE IN FUND BALANCE		40,855
FUND BALANCE – BEGINNING OF YEAR.....		107,838
FUND BALANCE – END OF YEAR		<u>\$148,693</u>

The accompanying notes are an integral part of the basic financial statements.

Village of Loami, Illinois
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
For the Years Ended April 30, 2023 and 2022

Budgetary Accounting

The Village prepares its budget for the General Fund and Motor Fuel Tax Fund on the cash basis of accounting. This basis is consistent with the basis of accounting used in presenting the General Fund and Special Revenue Funds in the basic financial statements. All unexpended appropriations lapse at year-end.

Village of Loami, Illinois
SCHEDULE OF VALUATIONS, RATES, EXTENSIONS AND COLLECTIONS
 Levy Years 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSESSED VALUATION.....	<u>\$8,601,757</u>	<u>\$8,123,801</u>
<u>Rates:</u>		
General Fund2235	.2254
Audit0586	.0592
Police Protection.....	.0614	.0620
Liability Insurance2473	.2491
Street Lighting0423	.0423
E.S.D.A.....	.0080	.0081
Levy Recap.....	<u>.0071</u>	<u>.0073</u>
Total Rate	<u>.6482</u>	<u>.6534</u>
Total Extension	\$ <u>55,757</u>	\$ <u>53,081</u>
Total Collections.....		\$ <u>52,959</u>