



C. J. SCHLOSSER
& COMPANY, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF TRENTON, ILLINOIS

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

**FOR THE YEAR ENDING
APRIL 30, 2022**

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CITY OF TRENTON, ILLINOIS

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CITY OF TRENTON, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the Board of Aldermen
City of Trenton, Illinois:

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Trenton, Illinois, as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Trenton, Illinois, as of April 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report

that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's 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.

C. J. Schlorer & Company LLC

Certified Public Accountants

Alton, Illinois

August 11, 2022

CITY OF TRENTON, ILLINOIS

STATEMENT OF NET POSITION
APRIL 30, 2022

	Governmental Activities	Business-type Activities	Total	Component Unit Library
<u>Assets</u>				
Cash and Cash Equivalents	\$ 2,376,556	\$ (122,156)	\$ 2,254,400	\$ 112,240
Investments	74,621	157,947	232,568	-
Receivables (Net of allowance for uncollectibles):	1,002,573	88,283	1,090,856	65,400
Prepaid Items	31,476	9,837	41,313	-
Net Pension Asset	444,973	189,769	634,742	23,083
Capital Assets:				
Land	1,344,602	190,200	1,534,802	3,000
Land Improvements	234,746	-	234,746	-
Buildings	3,296,147	49,540	3,345,687	935,041
Vehicles and Equipment	1,032,687	291,121	1,323,808	-
Plant and Distribution Systems	-	9,059,382	9,059,382	-
Infrastructure	478,349	-	478,349	-
Accumulated Depreciation	(3,199,475)	(3,572,120)	(6,771,595)	(925,463)
Capital Assets, Net	3,187,056	6,018,123	9,205,179	12,578
Total Assets	7,117,255	6,341,803	13,459,058	213,301
<u>Deferred Outflows of Resources</u>				
Future Pension Expense	210,646	89,835	300,481	10,927
<u>Liabilities</u>				
Accounts Payable	213,534	17,371	230,905	-
Accrued Wages and Benefits	73,927	31,252	105,179	992
Accrued Interest Payable	-	22,154	22,154	-
Customer Deposits	-	20,675	20,675	-
Noncurrent Liabilities:				
Due Within One Year	-	269,062	269,062	-
Due in More Than One Year	-	3,981,112	3,981,112	-
Total Liabilities	287,461	4,341,626	4,629,087	992
<u>Deferred Inflows of Resources</u>				
Future Pension Expense	590,844	251,981	842,825	30,650
Deferred Property Taxes	649,468	-	649,468	65,400
Total Deferred Inflows of Resources	1,240,312	251,981	1,492,293	96,050
<u>Net Position</u>				
Net Investment in Capital Assets	2,952,310	1,767,949	4,720,259	12,578
Restricted	904,035	-	904,035	-
Unrestricted	1,943,783	70,082	2,013,865	114,608
Total Net Position	\$ 5,800,128	\$ 1,838,031	\$ 7,638,159	\$ 127,186

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

CITY OF TRENTON, ILLINOIS

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2022

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Governmental Activities:								
General Government	\$ 553,087	\$ 23,903	\$ -	\$ -	\$ (529,184)	\$ (529,184)	\$ (529,184)	
Public Safety	448,169	22,898	-	-	(425,271)	(425,271)	(425,271)	
Streets and Highways	285,525	-	44,652	191,221	(49,652)	(49,652)	(49,652)	
Culture and Recreation	141,814	38,120	-	-	(103,694)	(103,694)	(103,694)	
Sanitation	301,583	301,819	-	-	236	236	236	
Economic Development	194,778	-	-	-	(194,778)	(194,778)	(194,778)	
Interest on Long-term Debt	64	-	-	-	(64)	(64)	(64)	
Total Governmental Activities	1,925,020	386,740	44,652	191,221	(1,302,407)	(1,302,407)	(1,302,407)	
Business-type Activities:								
Water	485,964	475,641	-	-	\$ (10,323)	(10,323)	(10,323)	
Sewer	534,945	555,772	-	-	20,827	20,827	20,827	
Total Business-type Activities	1,020,909	1,031,413	-	-	10,504	10,504	10,504	
Total Primary Government	\$ 2,945,929	\$ 1,418,153	\$ 44,652	\$ 191,221	(1,302,407)	10,504	(1,291,903)	
Component Unit:								\$ (48,898)
Library	\$ 60,732	\$ 3,697	\$ 8,137	\$ -				65,335
General Revenues:								
Property Tax, Levied for General Purposes					632,379	-	632,379	
Sales and Use Tax					816,866	-	816,866	
Income Tax					441,217	-	441,217	
Corporate Personal Property Tax					35,024	-	35,024	
Motor Fuel Tax					108,232	-	108,232	
Video Gaming Tax					30,713	-	30,713	
Excise Tax					13,923	-	13,923	
Utility Tax					78,677	-	78,677	
Franchise Fees					35,253	-	35,253	
Investment Earnings					856	-	856	
Miscellaneous					2,752	-	2,752	
Gain (Loss) on Disposal					50,924	-	50,924	
Total General Revenues and Transfers					2,247,390	856	2,248,246	65,507
Change in Net Position					944,983	11,360	956,343	16,609
Net Position - Beginning					4,855,145	1,826,671	6,681,816	110,577
Net Position - Ending					\$ 5,800,128	\$ 1,838,031	\$ 7,638,159	\$ 127,186

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

CITY OF TRENTON, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS
APRIL 30, 2022

	General Fund	Tax Increment Financing Fund	Recreation Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>						
Cash and Cash Equivalents	\$ 499,650	\$ 410,293	\$ -	\$ 1,028,356	\$ 438,257	\$ 2,376,556
Investments	74,621	-	-	-	-	74,621
Receivables (Net, where applicable, of allowances for uncollectible):						
Property Tax	234,290	298,241	26,941	-	89,996	649,468
Intergovernmental	255,600	-	-	30,715	23,352	309,667
Other	40,698	-	1,370	1,370	-	43,438
Prepaid Items	27,303	-	4,173	-	-	31,476
Due From Other Funds	400,906	-	-	-	103	401,009
Total Assets	<u>\$ 1,533,068</u>	<u>\$ 708,534</u>	<u>\$ 32,484</u>	<u>\$ 1,060,441</u>	<u>\$ 551,708</u>	<u>\$ 3,886,235</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>						
Liabilities:						
Accrued Payroll and Benefits	\$ 73,879	\$ -	\$ 48	\$ -	\$ -	\$ 73,927
Accounts Payable	4,581	-	7,990	200,963	-	213,534
Due to Other Funds	-	2,230	398,676	-	103	401,009
Total Liabilities	<u>78,460</u>	<u>2,230</u>	<u>406,714</u>	<u>200,963</u>	<u>103</u>	<u>688,470</u>
Deferred Inflows of Resources:						
Deferred Revenue	<u>289,350</u>	<u>298,241</u>	<u>26,941</u>	<u>9,369</u>	<u>95,208</u>	<u>719,109</u>
Fund Balance:						
Nonspendable	27,303	-	-	-	-	27,303
Restricted	44,342	408,063	-	-	451,630	904,035
Committed	-	-	-	850,109	4,767	854,876
Unassigned	<u>1,093,613</u>	<u>-</u>	<u>(401,171)</u>	<u>-</u>	<u>-</u>	<u>692,442</u>
Total Fund Balance	<u>1,165,258</u>	<u>408,063</u>	<u>(401,171)</u>	<u>850,109</u>	<u>456,397</u>	<u>2,478,656</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 1,533,068</u>	<u>\$ 708,534</u>	<u>\$ 32,484</u>	<u>\$ 1,060,441</u>	<u>\$ 551,708</u>	<u>\$ 3,886,235</u>

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

CITY OF TRENTON, ILLINOIS

RECONCILIATION OF THE BALANCE SHEET OF THE
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
APRIL 30, 2022

Amounts reported for governmental fund balances are different because:

Fund balances - total governmental funds	\$ 2,478,656
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the balance sheet of the governmental funds.	3,187,056
Some receivables are not available to pay current-period expenditures and, therefore, are deferred in the governmental funds balance sheet, but recognized as revenue for economic financial resources.	69,641
Net pension liabilities and the related future pension expense are not reported as a liability on the balance sheet of the governmental funds.	<u>64,775</u>
Net position of governmental activities	<u>\$ 5,800,128</u>

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

CITY OF TRENTON, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2022

	General Fund	Tax Increment Financing Fund	Recreation Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Property Tax	\$ 235,255	\$ 274,336	\$ 32,946	\$ -	\$ 89,842	\$ 632,379
Intergovernmental						
Replacement Tax	35,024	-	-	-	-	35,024
Sales Tax	569,563	-	-	87,981	58,258	715,802
State Income Tax	441,217	-	-	-	-	441,217
Local Use Tax	104,878	-	-	-	-	104,878
Motor Fuel Tax	-	-	-	-	108,232	108,232
Excise Tax	-	-	-	13,993	-	13,993
Video Gaming Tax	-	-	-	30,713	-	30,713
Grant Revenue	-	-	-	-	235,873	235,873
Utility Tax	38,952	-	19,981	19,744	-	78,677
Licenses and Permits	14,128	-	-	2,775	-	16,903
Charges for Services	308,819	-	33,438	-	1,455	343,712
Fines and Forfeitures	13,235	-	-	-	7,938	21,173
Franchise Fees	35,253	-	-	-	-	35,253
Investment Earnings	971	-	-	-	459	1,430
Contributions	266	-	4,682	-	-	4,948
Miscellaneous	86,306	-	-	-	-	86,306
Total Revenues	1,883,867	274,336	91,047	155,206	502,057	2,906,513
Expenditures:						
Current:						
General Government	424,839	-	-	-	147,756	572,595
Public Safety	491,431	-	-	-	4,576	496,007
Streets and Highways	239,951	-	-	33,048	-	272,999
Culture and Recreation	-	-	126,213	-	-	126,213
Sanitation	301,583	-	-	-	-	301,583
Economic Development	-	194,778	-	-	-	194,778
Capital Outlay	73,886	-	183,006	291,422	398,087	946,401
Debt Service:						
Principal	33,168	-	-	-	-	33,168
Interest	64	-	-	-	-	64
Total Expenditures	1,564,922	194,778	309,219	324,470	550,419	2,943,808
Excess (Deficiency) of Revenues Over Expenditures	318,945	79,558	(218,172)	(169,264)	(48,362)	(37,295)
Other Financing Sources (Uses):						
Transfers In (Out)	-	-	-	109,933	(109,933)	-
Total Other Financing Sources (Uses)	-	-	-	109,933	(109,933)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Uses	318,945	79,558	(218,172)	(59,331)	(158,295)	(37,295)
Fund Balance, Beginning of Year,	846,313	328,505	(182,999)	909,440	614,692	2,515,951
Fund Balance, End of Year	\$ 1,165,258	\$ 408,063	\$ (401,171)	\$ 850,109	\$ 456,397	\$ 2,478,656

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

CITY OF TRENTON, 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, 2022

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

Net change in fund balances - total governmental funds	\$ (37,295)
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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. This is the amount by which capital outlays (\$946,401) exceeded depreciation expense (\$118,183) and loss on disposals (\$32,626) in the current year.	795,592
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The issuance of long-term debt (e.g., bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of those differences in the treatment of long-term debt and related items.	33,168
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Net pension liabilities and the related future pension expenses are reported in the government-wide statement of activities and changes in net position, but do not require the use of current financial resources; therefore, these amounts are not reported as expenditures in governmental funds. This is the change in the balances between years.	157,402
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Some intergovernmental revenues will not be collected for several months after the fiscal year end. They are not considered "available" revenues in the governmental funds. This is the change in deferred revenues between fiscal years.	<u>(3,884)</u>
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Change in net position of governmental activities	<u>\$ 944,983</u>
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The notes to the financial statements are an integral part of this statement

CITY OF TRENTON, ILLINOIS

STATEMENT OF NET POSITION PROPRIETARY FUNDS APRIL 30, 2022

		Business-Type Activities--Enterprise Funds			Business-Type Activities--Enterprise Funds		
		Water	Sewer	Total	Water	Sewer	Total
<u>Assets:</u>							
Current Assets:							
Cash and Cash Equivalents	\$	-	\$ 9,685	\$ 9,685	\$	\$ 131,841	\$ 131,841
Investments		109,576	48,371	157,947		3,562	7,124
Receivables (Net, where applicable, of allowances for uncollectible):						10,969	17,371
Accounts		5,327	7,233	12,560		979	22,154
Unbilled Revenue		34,997	40,726	75,723		12,064	24,128
Prepaid Expenses		3,478	6,359	9,837		42,270	269,062
Total Current Assets		153,378	112,374	265,752		20,675	20,675
						222,360	492,355
Capital Assets:							
Land		56,000	134,200	190,200		59,311	3,981,112
Buildings		49,540	-	49,540		3,921,801	3,981,112
Vehicles and Equipment		151,900	139,221	291,121		59,311	3,981,112
Plant and Distribution System		3,405,297	5,654,085	9,059,382		4,191,796	4,473,467
Total		3,662,737	5,927,506	9,590,243		281,671	4,473,467
Less - Accumulated Depreciation		(2,746,917)	(825,203)	(3,572,120)			
Net Capital Assets		915,820	5,102,303	6,018,123			
Net Pension Asset		95,259	94,510	189,769			
						\$ 126,488	\$ 251,981
						\$ 125,493	\$ 251,981
Total Assets		\$ 1,164,457	\$ 5,309,187	\$ 6,473,644			
						814,239	1,767,949
						(12,846)	70,082
<u>Deferred Outflows of Resources:</u>							
Future Pension Expense		\$ 45,095	\$ 44,740	\$ 89,835		\$ 1,036,638	\$ 1,838,031
						\$ 801,393	\$ 1,838,031
<u>Liabilities:</u>							
Current Liabilities:							
Deficit Cash							
Accrued Payroll and Benefits							
Accounts Payable							
Accrued Interest							
Accrued Vacation							
Notes Payable							
Customer Deposits							
Total Current Liabilities							
Noncurrent Liabilities:							
Notes Payable							
Total Noncurrent Liabilities							
Total Liabilities							
<u>Deferred Outflows of Resources:</u>							
Future Pension Expense							
<u>Net Position:</u>							
Net Investment in Capital Assets							
Unrestricted							
Total Net Position							

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

CITY OF TRENTON, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED APRIL 30, 2022

	<u>Business-Type Activities--Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Operating Revenues:			
Charges for Services	\$ 471,101	\$ 550,812	\$ 1,021,913
Meters	2,853	-	2,853
Miscellaneous	<u>1,687</u>	<u>4,960</u>	<u>6,647</u>
Total Operating Revenue	<u>475,641</u>	<u>555,772</u>	<u>1,031,413</u>
Operating Expenses:			
Personal Services	175,201	174,055	349,256
Contractual Services	63,205	79,062	142,267
Supplies and Materials	27,212	15,107	42,319
Water Purchased	138,613	-	138,613
Utilities	4,930	44,123	49,053
Depreciation and Amortization	<u>73,462</u>	<u>148,206</u>	<u>221,668</u>
Total Operating Expenses	<u>482,623</u>	<u>460,553</u>	<u>943,176</u>
Operating Income	<u>(6,982)</u>	<u>95,219</u>	<u>88,237</u>
Nonoperating Revenues (Expenses):			
Investment Earnings	701	155	856
Interest and Fiscal Charges	<u>(3,341)</u>	<u>(74,392)</u>	<u>(77,733)</u>
Total Nonoperating Revenues (Expenses)	<u>(2,640)</u>	<u>(74,237)</u>	<u>(76,877)</u>
Change in Net Position	(9,622)	20,982	11,360
Net Position - Beginning of Year	<u>811,015</u>	<u>1,015,656</u>	<u>1,826,671</u>
Net Position - End of Year	<u>\$ 801,393</u>	<u>\$ 1,036,638</u>	<u>\$ 1,838,031</u>

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

CITY OF TRENTON, ILLINOIS

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED APRIL 30, 2022

	<u>Business-Type Activities--Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 478,510	\$ 559,705	\$ 1,038,215
Payments to Suppliers	(282,190)	(181,756)	(463,946)
Payments to Employees	(157,719)	(156,398)	(314,117)
Net Cash Provided by Operating Activities	<u>38,601</u>	<u>221,551</u>	<u>260,152</u>
Cash Flows from Capital and Related Financing Activities:			
Principal Payments on Long-Term Debt	(71,511)	(222,875)	(294,386)
Interest Paid on Debt	(4,068)	(75,530)	(79,598)
Customer Deposits	<u>75</u>	<u>-</u>	<u>75</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(75,504)</u>	<u>(298,405)</u>	<u>(373,909)</u>
Cash Flows from Investing Activities:			
Interest Received	701	155	856
Net Sale of Investments	<u>3,761</u>	<u>(155)</u>	<u>3,606</u>
Net Cash Provided by Investing Activities	<u>4,462</u>	<u>-</u>	<u>4,462</u>
Net Change in Cash and Cash Equivalents	(32,441)	(76,854)	(109,295)
Cash and Cash Equivalents, Beginning of Year	<u>(99,400)</u>	<u>86,539</u>	<u>(12,861)</u>
Cash and Cash Equivalents, End of Year	<u>\$ (131,841)</u>	<u>\$ 9,685</u>	<u>\$ (122,156)</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income	\$ (6,982)	\$ 95,219	\$ 88,237
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation and Amortization	73,462	148,206	221,668
Net Pension Changes	(36,182)	(36,045)	(72,227)
(Increase) Decrease in Assets:			
Accounts Receivables	(1,526)	(1,955)	(3,481)
Unbilled Revenue	4,395	5,888	10,283
Prepaid Expenses	1,312	1,816	3,128
Increase (Decrease) in Liabilities:			
Accrued Payroll and Benefits	1,030	1,067	2,097
Accrued Vacation	5,642	5,642	11,284
Accounts Payable	(2,550)	1,713	(837)
Net Cash Provided by Operating Activities	<u>\$ 38,601</u>	<u>\$ 221,551</u>	<u>\$ 260,152</u>

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

CITY OF TRENTON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS APRIL 30, 2022

NOTE 1: SUMMARY OF SIGNIFICANT POLICIES

The City of Trenton ("City") operates on a Mayor-Board form of government and provides the following services as authorized by its charter: general administrative functions, public safety, streets and highways, culture and recreation, and sanitation. The City also provides utility services in the form of water and sewer. The financial statements of the City have been prepared in conformity with the modified accrual basis of accounting as applied to governmental units. 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 are described below.

(a) The financial reporting entity

The City is a political subdivision of the State of Illinois. These financial statements present the government and all component units. Component units are legally separate entities for which the City is financially accountable. Component units, although legally separate entities, are part of the City's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Trenton Public Library

The Trenton Public Library (Library) is governed by a separate Board of Directors. The Library provides services to residents within the geographic boundaries of the City. The City oversees the budget and levies taxes for the Library. The Library does not prepare separate financial statements.

(b) Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

CITY OF TRENTON, ILLINOIS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

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

(c) Measurement focus, basis of accounting and financial statement presentation

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

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

Property taxes, intergovernmental revenues, permits and fees associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized, when applicable, as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

CITY OF TRENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The government reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Tax Increment Financing Fund accounts for the taxes received and the expenditures related to the operations of the tax increment financing districts.

The Recreation Fund accounts for the taxes received and the expenditures related to the operations of the recreational activities of the City.

The Capital Improvements Fund is used to account for the funding and acquisition of major capital purchases not associated with the enterprise funds.

The government reports the following major proprietary funds:

The Water and Sewer Funds account for all activities related to the billing, administration, distribution and collection processes of the water and sewer utilities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are reimbursements between funds for direct costs applicable to the other fund. Elimination of these charges would distort the direct costs and program receipts reported for the various functions concerned.

Proprietary funds distinguish operating receipts and disbursements from nonoperating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating receipts of the City's enterprise funds are charges to customers for sales and services. The City also recognizes as operating receipts the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating disbursements for enterprise funds include the cost of sales and services, administrative disbursements and depreciation on capital assets. All receipts and disbursements not meeting this definition are reported as nonoperating receipts and disbursements.

CITY OF TRENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(d) Assets, liabilities and net position

Deposits and investments

The City's cash and cash equivalents include amounts in demand deposits as well as short-term investments with an original maturity date of three months or less of the date issued.

The City is authorized by state statute to invest in obligations of the United States of America, insured interest bearing accounts of banks, savings and loan associations or credit unions, certain short-term obligations of corporations organized in the United States, money market mutual funds that invest in obligations of the United States of America or its agencies or are guaranteed by the full faith and credit of the United States of America, the Illinois Funds and repurchase agreements of government securities. Investment income is recognized when received.

Deposits and investments are valued at fair market.

Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Capital assets

The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects when constructed.

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

<u>Assets</u>	<u>Years</u>
Land Improvements	10 - 20
Buildings	15 - 40
Vehicles and Equipment	5 - 20
Plant and Distribution Systems	15 - 40
Infrastructure	30

CITY OF TRENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Compensated absences

Sick leave is earned by City employees at the rate of 3 days per year (30 maximum). Employees are compensated for sick leave, upon retirement, at 50% of the accumulated amount. Terminated employees are not paid for accumulated sick leave. Personal days and vacation days are earned and eligible for use each January 1. The City requires that employees take their vacation annually on a calendar basis.

Long-term obligations

All long-term debt of the City is reported as liabilities in the government-wide statements.

Long-term debt arising from transactions of the governmental funds is not reported as a liability in the governmental fund financial statements. The debt proceeds are reported as other financing sources and the payment of principal and interest is reported as disbursements.

Net position classification

Government-wide statements

Net position is displayed as 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 any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – Remaining balance of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

CITY OF TRENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Fund financial statements

Governmental fund balance is classified upon the following criteria:

Nonspendable - balances that are not in "spendable" form and are not expected to be converted to cash. This category also includes funds required to be retained in perpetuity.

Restricted - balances with restrictions that are either externally imposed by creditors or imposed by law through constitutional provisions or enabling legislation.

Committed - balances that are to be only used for specific purposes pursuant to constraints imposed by formal action of the City Council, the government's highest level of decision-making authority.

Assigned - balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned - the residual classification of the City's fund balance.

When expenditures are incurred for which the City has both restricted and unrestricted funds available, the City spends any restricted funds before using unrestricted sources. Likewise, the City uses committed, assigned and then unassigned balances, in that order, when spending amounts for which all three categories are available.

The following details the description and amount of all constraints recorded by the City in the fund financial statements:

Governmental Funds

Nonspendable:	
Prepaid Items	\$ 27,303
Restricted:	
Dare Funds	\$ 44,342
Tax Increment Financing	408,063
North Business District	122,161
Retirement Funds	60,026
Motor Fuel Tax	239,645
Police Funds	29,798
	<u>\$ 904,035</u>
Committed:	
Capital Improvements/ARPA Funds	<u>\$ 854,876</u>

CITY OF TRENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(e) Appropriation accounting

The appropriation for all funds is prepared on the modified cash basis of accounting. This allows for comparability between appropriated and actual amounts. Unused appropriations for all the above annually budgeted funds lapse at year end. The appropriation was passed on May 10, 2021 and the appropriations were amended on April 25, 2022 to provide revenue and expenses in the American Rescue Plan Act (ARPA) Fund.

(f) Estimates

The City uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. These estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenditures. Actual results could vary from estimates that were used.

(g) Risk management

The City is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions and natural disasters for which the City carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 2: DEPOSITS AND INVESTMENTS

As of April 30, 2022, the carrying amount of the City's deposits and investments was \$1,967,766 and the respective bank balances totaled \$2,028,101. The deposits were comprised of checking and interest checking accounts and certificates of deposits.

At April 30, 2022, the City had the following deposits and investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
Illinois Funds	--	\$ 519,102
Petty Cash		100
Deposits as reported above		<u>1,967,766</u>
Total deposits and investments		<u>\$ 2,486,968</u>
As Reported in the Statement of Net Position:		
Cash and Cash Equivalents		\$ 2,254,400
Investments		<u>232,568</u>
		<u>\$ 2,486,968</u>

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the City's name.

CITY OF TRENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Interest Rate Risk. The City's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. As of April 30, 2022, the City did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2022, the City did not have foreign currency risk.

The Illinois Funds are pooled investments that are operated by the State of Illinois as a not-for-profit common law trust and are not registered with the SEC. The funds are monitored regularly through the State by internal and external audits. The goals of the funds are to provide liquidity and to maintain balances that are equal to the par value of the invested shares with no loss to market fluctuations. The fair value of the City's position in the pool is the same as the value of the pool shares. The Illinois Funds have an investment rating of AAAM by Standards and Poor as of April 30, 2022.

NOTE 3: LONG-TERM DEBT

Notes Payable

The City has the following notes payable as of April 30, 2022:

\$694,229 Drinking Water Project Loan dated June 10, 2003 with the Illinois EPA to provide for the replacement of an existing watermain. The loan will be repaid in semi-annual installments of \$22,305 through June 15, 2024, including interest at 2.57%. The note is being repaid by the Water Fund. The amount of the note outstanding as of April 30, 2022 is \$101,581.

\$4,975,365 Wastewater Project Loan dated November 11, 2016 with the Illinois EPA to provide for the construction of a new wastewater treatment plant. The loan will be repaid in estimated semi-annual installments of \$148,390 through January 17, 2038, including interest at 1.75%. The note is being repaid by the Sewer Fund. The amount of the note outstanding as of April 30, 2022 is \$4,148,593.

In the event of default on any of the loans with the bank, the loan is subject to immediate collection of principal and any interest. In the event of default on any of the IEPA loans, the State has the ability to use any constitutional right to ensure collection.

CITY OF TRENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The annual requirements to retire outstanding notes payable are as follows:

Fiscal Year Ended April 30,	<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 269,062	\$ 73,952
2024	274,141	68,873
2025	250,783	63,775
2026	238,962	59,443
2027	243,162	55,242
2028 - 2032	1,281,441	210,579
2033 - 2037	1,398,089	93,935
2038	<u>294,534</u>	<u>3,871</u>
	<u>\$ 4,250,174</u>	<u>\$ 629,670</u>

The following is a summary of changes in long-term liabilities for the year ended April 30, 2022:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Government Activities:</u>					
Notes from direct borrowings	\$ 33,168	\$ -	\$ 33,168	\$ -	\$ -
<u>Business-type Activities:</u>					
Notes from direct borrowings	\$ 4,544,560	\$ -	\$ 294,386	\$ 4,250,174	\$ 269,062

NOTE 4: LEGAL DEBT MARGIN

The computation of legal debt margin on April 30, 2022 is as follows:

Bonded Debt Limit*	\$ 4,290,335
Bonded Indebtedness	<u>-</u>
Legal Debt Margin	<u>\$ 4,290,335</u>

- * The bonded indebtedness of the City is limited by Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes to 8.625% of the assessed valuation of taxable tangible property.

CITY OF TRENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 5: INTERFUND TRANSFERS

The City made the following interfund transfers during the year ended April 30, 2022:

Capital Improvement Fund Transfer From (To):	
Infrastructure Fund	\$ 78,129
Equipment Fund	11,407
Small Capital Improvement Fund	20,397

Transfers between the funds were made to consolidate and close funds.

NOTE 6: TAX INCREMENT FINANCING DISTRICT

In 2002, the City established a Tax Increment Financing (TIF) District. Provisions for the establishment and operations of a TIF District are prescribed in the Illinois Compiled Statutes, Chapter 65, Act 5, Article 11-74.4. The objectives of the District are defined in a redevelopment plan adopted by the City and dated February 11, 2002. The City established two additional TIF Districts on June 25, 2018.

Tax Incremental Financing (TIF) Funds have been established to account for the portion of taxes attributable to the increase in the current equalized assessed valuation of property within the TIF areas. Tax receipts are deposited into the TIF Funds to be used for paying the debt service on obligations incurred on project costs and for current expenditures for area improvements.

The City has entered into several property tax abatement agreements with local businesses as part of the TIF development. For the year ended April 30, 2022, the City paid property tax abatements of \$44,468. In addition, the City made payments of \$77,643 towards renovation costs for businesses within the TIF areas.

NOTE 7: DEFICIT FUND BALANCE

The City has a deficit fund balance of \$401,171 in the Recreation Fund as of April 30, 2022. This fund was supported by an internal loan from the General Fund for \$398,676 as of April 30, 2022.

NOTE 8: SUBSEQUENT EVENTS

The City has evaluated events occurring after the financial statement date through August 11, 2022 in order to determine their potential for recognition or disclosure in the financial statements. The latter date is the same date the financial statements were available to be issued.

CITY OF TRENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 9: PROPERTY TAXES

The City's property tax is levied each year on all taxable real property located in the City prior to or on the second Tuesday in December. The board passed the 2021 levy on December 27, 2021. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments. The County has not mailed 2021 tax levy tax bills as of April 30, 2022. Past mailing practices of the County have generally been subsequent to May 31 of each year. The City receives significant distributions of tax receipts beginning in July through September of each year.

	Maximum Rate	Tax Levy Year		
		2021	2020	2019
Assessed Valuation		\$ 49,743,012	\$ 47,668,344	\$ 46,256,882
Rates:				
General	0.2500	0.16743	0.24673	0.25000
IMRF		0.09047	0.09449	0.09728
Police Protection	0.0750	0.05227	0.06930	0.07134
Audit		0.00704	-	-
Liability Insurance		0.24124	0.11759	0.11890
Street and Bridge		-	-	0.01081
Street Lighting	0.0500	0.00302	0.01050	-
Playground & Recreation	0.0900	0.05416	0.06930	0.06918
Social Security		0.09047	0.09449	0.09728
Total		0.70608	0.70240	0.71479
Extensions:				
General		\$ 83,285	\$ 117,499	\$ 115,642
IMRF		44,998	44,998	44,999
Police Protection		26,001	33,002	33,000
Audit		3,502	-	-
Liability Insurance		120,000	55,999	54,999
Street and Bridge		-	-	5,000
Street Lighting		1,502	5,000	-
Playground & Recreation		26,941	33,002	32,001
Social Security		44,998	44,998	44,999
Total		\$ 351,227	\$ 334,498	\$ 330,640
Collections - Year Ended:				
April 30, 2021		\$ -	\$ -	\$ 324,751
April 30, 2022		-	334,173	-
Total		\$ -	\$ 334,173	\$ 324,751
Percent of Extension Collected		0.00%	99.90%	98.22%

The property taxes reported as revenue in the April 30, 2022 financial statements are from the 2020 levy.

CITY OF TRENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 10: RETIREMENT AND PENSION FUND COMMITMENTS

1. Illinois Municipal Retirement Fund

Plan Description. The City's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2021 was 9.64 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Covered Employees. The following types of employees comprise the membership of the plan.

Retirees and Beneficiaries	19
Inactive, non-Retired Members	15
Active Members	<u>18</u>
Total	<u>52</u>

Discount Rate. GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a "risk-free" rate is required, as described in the following paragraph.

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 1.84%; and the resulting single discount rate is 7.25%.

CITY OF TRENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Actuarial Valuation Date	12/31/21
Measurement Date of the Net Pension Liability	12/31/21
Fiscal Year End	04/30/22

Development of the Single Discount Rate as of December 31, 2021	
Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate	1.84%
Last year ending December 31 in the 2022 to 2121 projection period for which projected benefit payments are fully funded	2121
Resulting Single Discount Rate based on the above development	7.25%
Single Discount Rate calculated using December 31, 2020 Measurement Date	7.25%

The Long-Term Municipal Bond Rate is based on the Fidelity Index's "20-Year Municipal GO AA Index" as of December 31, 2021.

Actuarial Assumptions. The following are the actuarial assumptions used in the calculation of the net pension liability.

Asset Valuation Method	Aggregate Entry Age Normal
Price Inflation	2.50%
Salary Increases	3.35% to 14.25% 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 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employees Mortality Table with adjustments to match current IMRF experience.

CITY OF TRENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Net Pension Liability. The following is a summary of the Net Pension Liability as shown as a liability in the financial statements.

Total pension liability	
Service Cost	\$ 97,476
Interest on the Total Pension Liability	375,436
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	214,357
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	(330,846)
Net change in total pension liability	\$ 356,423
Total pension liability - beginning	5,295,108
Total pension liability - ending	<u>\$ 5,651,531</u>
Plan fiduciary net position	
Contributions - employer	\$ 97,929
Contributions - employee	50,468
Net investment income	940,564
Benefit payments, including refunds of employee contributions	(330,846)
Other	36,926
Net change in plan fiduciary net position	\$ 795,041
Plan fiduciary net position - beginning	5,514,315
Plan fiduciary net position - ending	<u>\$ 6,309,356</u>
Net pension liability/(asset)	<u>\$ (657,825)</u>
Plan fiduciary net position as a percentage of the total pension liability	111.64%
Covered valuation payroll	\$ 1,015,871
Net pension liability as a percentage of covered valuation payroll	-64.75%

CITY OF TRENTON, ILLINOIS**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>
Total Pension Liability	\$ 6,250,144	\$ 5,651,531	\$ 5,159,299
Plan Fiduciary Net Position	<u>6,309,356</u>	<u>6,309,356</u>	<u>6,309,356</u>
Net Pension Liability/(Asset)	<u>\$ (59,212)</u>	<u>\$ (657,825)</u>	<u>\$ (1,150,057)</u>

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 163,501	\$ 5,963
Changes in assumptions	-	10,487
Contributions subsequent to valuation date	29,285	-
Net difference between projected and actual earnings on pension plan investments	-	738,403
Total	<u>\$ 192,786</u>	<u>\$ 754,853</u>

Year Ending December 31,	Net Deferred Inflows of <u>Resources</u>
2022	\$ (92,257)
2023	(211,372)
2024	(178,512)
2025	(109,211)
2026	-
Thereafter	-
	<u>\$ (591,352)</u>

CITY OF TRENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 11: CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2022 was as follows:

	Beginning Balance	Additions/ Completions	Retirements/ Deletions	Ending Balance
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 1,344,602	\$ -	\$ -	\$ 1,344,602
Capital assets, being depreciated:				
Land improvements	216,723	18,023	-	234,746
Buildings and improvements	2,875,493	438,654	18,000	3,296,147
Vehicles and equipment	957,705	204,473	129,491	1,032,687
Infrastructure	193,098	285,251	-	478,349
Total capital assets being depreciated	4,243,019	946,401	147,491	5,041,929
Less accumulated depreciation for:				
Land improvements	117,506	13,192	-	130,698
Buildings and improvements	2,330,403	27,308	12,605	2,345,106
Vehicles and equipment	743,493	61,738	102,260	702,971
Infrastructure	4,755	15,945	-	20,700
Total accumulated depreciation	3,196,157	118,183	114,865	3,199,475
Total capital assets, being depreciated, net	1,046,862	828,218	32,626	1,842,454
Governmental activities capital assets, net	\$ 2,391,464	\$ 828,218	\$ 32,626	\$ 3,187,056
<u>Business-type activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 190,200	\$ -	\$ -	\$ 190,200
Capital assets, being depreciated:				
Buildings and improvements	49,540	-	-	49,540
Vehicles and equipment	291,121	-	-	291,121
Plant and distribution system	9,059,382	-	-	9,059,382
Total capital assets, being depreciated	9,400,043	-	-	9,400,043
Less accumulated depreciation for:				
Buildings and improvements	20,445	1,218	-	21,663
Vehicles and equipment	220,621	11,098	-	231,719
Plant and distribution system	3,109,386	209,352	-	3,318,738
Total accumulated depreciation	3,350,452	221,668	-	3,572,120
Total capital assets, being depreciated, net	6,049,591	(221,668)	-	5,827,923
Business-type activities capital assets, net	\$ 6,239,791	\$ (221,668)	\$ -	\$ 6,018,123

CITY OF TRENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 17,919
Public safety	36,816
Streets and highways, including depreciation of general infrastructure assets	23,134
Cultural and recreational	40,314
Total depreciation expense - governmental activities	<u>\$ 118,183</u>
Business-type activities:	
Water	\$ 73,462
Sewer	148,206
	<u>\$ 221,668</u>

NOTE 12: RECEIVABLES

Accounts receivable for the City, as reported in the statement of net position, including the applicable allowances for uncollectible accounts, are as follows as of April 30, 2022:

	<u>General</u>	<u>Other Major Funds</u>	<u>Enterprise Funds</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Receivables:					
Property Taxes	\$ 234,290	\$ 325,182	\$ -	\$ 89,996	\$ 649,468
Intergovernmental	255,600	30,715		23,352	309,667
Accounts	27,883	-	88,283	-	116,166
Notes/Other	<u>12,815</u>	<u>2,740</u>	<u>-</u>	<u>-</u>	<u>15,555</u>
Gross Receivables	530,588	358,637	88,283	113,348	1,090,856
Less: Allowance for uncollectible	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 530,588</u>	<u>\$ 358,637</u>	<u>\$ 88,283</u>	<u>\$ 113,348</u>	<u>\$ 1,090,856</u>

NOTE 13: INTERFUND RECEIVABLES/PAYABLES

Individual fund interfund receivable and payable balances as of April 30, 2022 are as follows:

General Fund Due from:	
Tax Increment Financing Fund	\$ 2,230
Recreation Fund	398,676
Retirement Fund Due from:	
Motor Fuel Tax Fund	<u>103</u>
	<u>\$ 401,009</u>

The interfund receivables/payables are short term in nature and are expected to be repaid in the subsequent year.

CITY OF TRENTON, ILLINOIS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 14: EXPENDITURES IN EXCESS OF BUDGET

The General Fund and the Recreation Fund reported expenditures in excess of the budgeted amounts as follows:

	<u>Budget</u>	<u>Actual</u>
General Fund	\$ 1,488,900	\$ 1,558,488
Recreation Fund	159,225	453,780

CITY OF TRENTON, ILLINOIS

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Receipts:			
Property Tax	\$ 236,500	\$ 236,500	\$ 235,255
Intergovernmental:			
Replacement Tax	14,000	14,000	30,893
Sales Tax	529,500	529,500	578,044
State Income Tax	302,000	302,000	389,275
Local Use Tax	115,000	115,000	103,944
Utility Tax	41,000	41,000	38,581
Licenses and Permits	24,850	24,850	14,128
Charges for Services	270,500	270,500	306,704
Fines and Penalties	47,500	47,500	12,323
Franchise Fees	39,250	39,250	34,359
Investment Earnings	5,400	5,400	971
Miscellaneous Receipts	277,350	277,350	86,572
Total Receipts	<u>1,902,850</u>	<u>1,902,850</u>	<u>1,831,049</u>
Disbursements:			
Administration:			
Salaries	\$ 175,300	\$ 175,300	\$ 162,126
Health Insurance	40,000	40,000	42,943
Training, Travel, and Dues	7,500	7,500	7,097
Annuity	1,800	1,800	2,002
Legal	16,000	16,000	22,810
Maintenance Contracts	200	200	3,882
Computer Updates	6,000	6,000	7,253
Office Equipment	350	350	1,299
Office Supplies and Postage	2,000	2,000	2,037
Planning and Zoning	41,550	41,550	13,540
Printing and Publishing	1,500	1,500	1,055
Telephone	4,200	4,200	4,575
Internet Expense	1,500	1,500	1,265
Professional Services	10,000	10,000	11,142
Auto Gas, Oil, Repairs	500	500	-
Code Update	2,500	2,500	1,295
Water/Sewer	2,200	2,200	1,894
Debt Service	600	600	33,232

CITY OF TRENTON, ILLINOIS

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Disbursements (continued):	-		
Engineering	32,000	32,000	350
COVID Expenses	-	-	55,166
Property Tax Rebates	1,100	1,100	1,078
Total Administration	<u>346,800</u>	<u>346,800</u>	<u>376,041</u>
 Liability Insurance	<u>70,000</u>	<u>70,000</u>	<u>74,264</u>
 Audit	<u>7,000</u>	<u>7,000</u>	<u>9,097</u>
 TEMS (Trenton Emergency Management Service):			
Emergency Sirens Maintenance	5,000	5,000	7,344
Emergency Notification System	2,300	2,300	2,331
Telephone	800	800	833
Total TEMS	<u>8,100</u>	<u>8,100</u>	<u>10,508</u>
 Health Department:			
Salaries	1,200	1,200	455
Postage	1,700	1,700	2,535
Insect Spraying	300	300	196
Refuse Collections	250,000	250,000	297,973
Weed Spraying	500	500	425
Total Health Department	<u>253,700</u>	<u>253,700</u>	<u>301,584</u>
 Police:			
Salaries	402,500	402,500	413,787
Health Insurance	25,000	25,000	21,267
Training, Travel, and Dues	4,000	4,000	1,717
Auto Operation and Supplies	16,000	16,000	19,879
Legal	500	500	1,050
Radio & Radar Maintenance	750	750	3,317
Telephone	4,000	4,000	3,877
Gun, Camera, Batteries	1,700	1,700	58
Office Supplies and Postage	750	750	140
Uniform Allowance	1,500	1,500	399
Internet Expense	2,500	2,500	2,437
Computer Updates/Repairs	5,200	5,200	4,901

CITY OF TRENTON, ILLINOIS

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Disbursements (continued):			
Equipment	750	750	647
Operations & Maintenance	<u>1,000</u>	<u>1,000</u>	<u>1,821</u>
Total Police	<u>466,150</u>	<u>466,150</u>	<u>475,297</u>
Police Dare:			
Salaries	750	750	-
Training, Travel, and Dues	100	100	-
Supplies	1,000	1,000	775
Fundraising Expenses	<u>1,000</u>	<u>1,000</u>	<u>112</u>
Total Police Dare	<u>2,850</u>	<u>2,850</u>	<u>887</u>
Public Buildings:			
Salaries	4,500	4,500	3,950
Repairs and Maintenance	5,000	5,000	18,865
Utilities	14,000	14,000	16,747
Supplies and Materials	<u>2,200</u>	<u>2,200</u>	<u>2,057</u>
Total Public Buildings	<u>25,700</u>	<u>25,700</u>	<u>41,619</u>
Street:			
Salaries	165,800	165,800	117,669
Health Insurance	18,000	18,000	16,870
Training, Travel, and Dues	2,000	2,000	94
Annuity	1,400	1,400	1,156
Legal	-	-	533
Engineering	19,500	19,500	61,344
Operations and Maintenance	40,000	40,000	14,390
Computer Updates/Internet	1,000	1,000	1,062
Supplies	2,500	2,500	4,603
Gas and Oil	7,000	7,000	5,552
Maintenance and Repairs	18,500	18,500	7,069
Equipment	1,000	1,000	7,025
Street Lighting & Signals	16,000	16,000	19,782
Signs	5,000	5,000	7,533
Storm Sewers	8,000	8,000	2,177

CITY OF TRENTON, ILLINOIS

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Disbursements (continued):			
Telephone	300	300	329
Tools	1,500	1,500	1,429
Stickers	-	-	272
Contingency	100	100	171
Uniforms	500	500	131
Tree/Stump Removal	500	500	-
Total Street	<u>308,600</u>	<u>308,600</u>	<u>269,191</u>
Total Disbursements	<u>1,488,900</u>	<u>1,488,900</u>	<u>1,558,488</u>
Excess of Receipts Over Disbursements	<u>\$ 413,950</u>	<u>\$ 413,950</u>	<u>272,561</u>
Change for reporting on modified accrual basis:			
Change in intergovernmental revenue on modified accrual basis			48,526
Change in utility tax revenue on modified accrual basis			371
Change in other receivables on modified accrual basis			3,027
Change in franchise fee revenue on modified accrual basis			894
Change in prepaid items on modified accrual basis			(4,859)
Change in accrued salaries on modified accrual basis			(17,315)
Change in accounts payable on modified accrual basis			<u>15,740</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 318,945</u>

CITY OF TRENTON, ILLINOIS

BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
TAX INCREMENT FINANCING FUND
FOR THE YEAR ENDED APRIL 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Receipts:			
Property Tax	<u>\$ 276,300</u>	<u>\$ 276,300</u>	<u>\$ 274,336</u>
Total Receipts	<u>276,300</u>	<u>276,300</u>	<u>274,336</u>
Disbursements:			
Economic Development:			
Salaries/Benefits	\$ 17,800	\$ 17,800	10,461
Infrastructure Improvements	160,000	160,000	24,626
Real Estate Tax Reimbursement	175,000	175,000	122,111
Attorney	500	500	-
Engineering	50,000	50,000	34,919
Office Supplies	250	250	-
Training, Travel, Dues	-	-	550
Consulting Contract	<u>20,000</u>	<u>20,000</u>	<u>4,573</u>
Total Economic Development	<u>423,550</u>	<u>423,550</u>	<u>197,240</u>
Total Disbursements	<u>423,550</u>	<u>423,550</u>	<u>197,240</u>
Excess (Deficiency) of			
Receipts Over Disbursements	<u>\$ (147,250)</u>	<u>\$ (147,250)</u>	<u>\$ 77,096</u>
Change for reporting on modified accrual basis:			
Change in accounts payable on modified accrual basis			<u>2,462</u>
As reported on the Statement of Revenues, Expenditures			
and Changes in Fund Balance			<u>\$ 79,558</u>

CITY OF TRENTON, ILLINOIS

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
RECREATION FUND
FOR THE YEAR ENDED APRIL 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Receipts:			
Property Tax	\$ 33,000	\$ 33,000	\$ 32,946
Utility Tax	17,500	17,500	19,796
Charges for Services	58,250	58,250	33,438
Contributions	5,750	5,750	4,682
Total Receipts	<u>114,500</u>	<u>114,500</u>	<u>90,862</u>
Disbursements:			
Pool:			
Salaries	\$ 28,000	\$ 28,000	\$ 19,200
Major Repairs	20,000	20,000	261,058
Bathhouse Repairs	500	500	1,285
Operations and Maintenance	2,000	2,000	1,736
Chemicals	3,000	3,000	1,971
Engineering	7,500	7,500	57,143
Concessions	3,700	3,700	-
Utilities	5,000	5,000	1,146
Telephone	1,000	1,000	-
Water	3,000	3,000	1,321
Sewer	1,200	1,200	1,051
Total Pool	<u>74,900</u>	<u>74,900</u>	<u>345,911</u>
Ball Diamonds:			
Salaries	27,000	27,000	23,952
Umpire Fees	1,000	1,000	1,100
Equipment and Trophies	750	750	3,031
Diamond Maintenance	2,000	2,000	23,576
League Dues	150	150	154
Uniforms	750	750	1,261
Utilities	1,500	1,500	3,079
Water/Sewer	375	375	439
Tournament Expense	1,000	1,000	-
Miscellaneous	-	-	680
Total Ball Diamonds	<u>34,525</u>	<u>34,525</u>	<u>57,272</u>

CITY OF TRENTON, ILLINOIS

BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS

RECREATION FUND

FOR THE YEAR ENDED APRIL 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Parks:			
Salaries	5,000	5,000	4,787
Park Improvements	10,000	10,000	2,513
Operation and Maintenance	7,000	7,000	4,527
Concerts in Park	1,500	1,500	2,751
Park Concessions	4,500	4,500	10,055
Liability Insurance	6,000	6,000	8,476
Utilities	5,000	5,000	4,870
Water/Sewer	3,500	3,500	930
Sales Tax	750	750	920
Park Christmas Lighting	200	200	-
Miscellaneous	100	100	-
Total Parks	<u>43,550</u>	<u>43,550</u>	<u>39,829</u>
Soccer Leagues:			
Director Fees	1,000	1,000	1,500
Equipment	600	600	5,792
League Dues	50	50	965
Field Maintenance	500	500	501
Referee Fees	1,000	1,000	630
Uniforms	3,100	3,100	1,380
Total Soccer Leagues	<u>6,250</u>	<u>6,250</u>	<u>10,768</u>
Total Disbursements	<u>159,225</u>	<u>159,225</u>	<u>453,780</u>
Excess (Deficiency) of			
Receipts Over Disbursements	<u>\$ (44,725)</u>	<u>\$ (44,725)</u>	<u>(362,918)</u>
Change for reporting on modified accrual basis:			
Change in utility tax revenue on modified accrual basis			185
Change in prepaid items on modified accrual basis			423
Change in accrued salaries on modified accrual basis			746
Change in accounts payable on modified accrual basis			<u>143,392</u>
As reported on the Statement of Revenues, Expenditures			
and Changes in Fund Balance			<u>\$ (218,172)</u>

CITY OF TRENTON, ILLINOIS

BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED APRIL 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Receipts:			
Excise Tax	\$ 30,000	\$ 30,000	\$ 14,170
Sales Tax	71,000	71,000	149,951
Video Gaming Tax	15,000	15,000	30,895
Utility Tax	18,500	18,500	22,320
Licenses and Permits	125	125	2,775
Total Receipts	<u>134,625</u>	<u>134,625</u>	<u>220,111</u>
Disbursements:			
Highways and Streets:			
Improvement Projects	\$ 230,000	\$ 230,000	90,474
Engineering	7,500	7,500	33,788
Consulting	5,000	5,000	14,700
Total Highways and Streets	<u>242,500</u>	<u>242,500</u>	<u>138,962</u>
Total Disbursements	<u>242,500</u>	<u>242,500</u>	<u>138,962</u>
Net Transfers	<u>150,000</u>	<u>150,000</u>	<u>28,700</u>
Excess of Receipts Over Disbursements	<u>\$ 42,125</u>	<u>\$ 42,125</u>	<u>109,849</u>
Change for reporting on modified accrual basis:			
Change in intergovernmental revenue on modified accrual basis			18,904
Change in utility tax revenue on modified accrual basis			(2,576)
Change in accounts payable on modified accrual basis			<u>(185,508)</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (59,331)</u>

CITY OF TRENTON, ILLINOIS

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
APRIL 30, 2022**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:							
Service Cost	\$ 97,476	\$ 95,496	\$ 98,289	\$ 83,453	\$ 99,603	\$ 83,512	\$ 78,943
Interest	375,436	362,642	354,076	335,665	319,848	322,559	300,707
Difference between expected and actual experience	214,357	49,477	(39,773)	141,654	168,967	(234,941)	117,439
Assumption changes	-	(26,325)	-	119,612	(129,860)	(4,836)	5,003
Benefit payments, including refunds	(330,846)	(280,772)	(305,321)	(253,734)	(225,468)	(206,985)	(207,544)
Net change in total pension liability	356,423	200,518	107,271	426,650	233,090	(40,691)	294,548
Total pension liability - beginning	5,295,108	5,094,590	4,987,319	4,560,669	4,327,579	4,368,270	4,073,722
Total pension liability - ending	<u>\$ 5,651,531</u>	<u>\$ 5,295,108</u>	<u>\$ 5,094,590</u>	<u>\$ 4,987,319</u>	<u>\$ 4,560,669</u>	<u>\$ 4,327,579</u>	<u>\$ 4,368,270</u>
Plan Fiduciary Net Position							
Contributions - employer	97,929	104,489	83,358	84,999	88,040	89,112	84,669
Contributions - employee	50,468	43,297	42,147	45,875	38,167	37,653	34,637
Net investment income	940,564	718,419	800,952	(256,842)	675,314	276,203	19,856
Benefit payments, including refunds	(330,846)	(280,772)	(305,321)	(253,734)	(225,468)	(206,985)	(207,544)
Other	36,926	34,726	56,508	102,659	(20,410)	(213,903)	8,959
Net change in plan fiduciary net position	795,041	620,159	677,644	(277,043)	555,643	(17,920)	(59,423)
Plan fiduciary net position - beginning	5,514,315	4,894,156	4,216,512	4,493,555	3,937,912	3,955,832	4,015,255
Plan fiduciary net position - ending	<u>\$ 6,309,356</u>	<u>\$ 5,514,315</u>	<u>\$ 4,894,156</u>	<u>\$ 4,216,512</u>	<u>\$ 4,493,555</u>	<u>\$ 3,937,912</u>	<u>\$ 3,955,832</u>
Net Pension Liability	<u>\$ (657,825)</u>	<u>\$ (219,207)</u>	<u>\$ 200,434</u>	<u>\$ 770,807</u>	<u>\$ 67,114</u>	<u>\$ 389,667</u>	<u>\$ 412,438</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>111.64%</u>	<u>104.14%</u>	<u>96.07%</u>	<u>84.54%</u>	<u>98.53%</u>	<u>91.00%</u>	<u>90.56%</u>
Covered-employee payroll	<u>\$ 1,015,871</u>	<u>\$ 962,147</u>	<u>\$ 936,607</u>	<u>\$ 881,726</u>	<u>\$ 848,160</u>	<u>\$ 836,738</u>	<u>\$ 769,717</u>
Net position liability as a percentage of covered-employee payroll	<u>-64.75%</u>	<u>-22.78%</u>	<u>21.40%</u>	<u>87.42%</u>	<u>7.91%</u>	<u>46.57%</u>	<u>53.58%</u>

CITY OF TRENTON, ILLINOIS

**SCHEDULE OF CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
APRIL 30, 2022**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 97,930	\$ 104,489	\$ 83,358	\$ 84,998	\$ 88,039	\$ 89,113	\$ 84,669
Contributions in relation to actuarial determined contribution	<u>97,929</u>	<u>104,489</u>	<u>83,358</u>	<u>84,999</u>	<u>88,040</u>	<u>89,112</u>	<u>84,669</u>
Contribution deficiency (excess)	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ 1</u>	<u>\$ -</u>
Covered-employee Payroll	<u>\$ 1,015,871</u>	<u>\$ 962,147</u>	<u>\$ 936,607</u>	<u>\$ 881,726</u>	<u>\$ 848,160</u>	<u>\$ 836,738</u>	<u>\$ 769,717</u>
Contributions as a percentage of covered-employee payroll	<u>9.64%</u>	<u>10.86%</u>	<u>8.90%</u>	<u>9.64%</u>	<u>10.38%</u>	<u>10.65%</u>	<u>11.00%</u>

Actuarial valuations are performed as of April 30 of each year with the related contributions to be made in the following year. Actuarial valuation date for above is December 31, 2021.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	22 years
Asset Valuation Method:	5-Year smoothed market; 20% corridor
Actuarial Assumptions:	
Interest Rate	7.25%
Wage Growth	3.25%
Price Inflation	2.50%

CITY OF TRENTON, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
APRIL 30, 2022

	Special Revenue Funds							Capital Projects Fund		
	North Business District Fund	Social Security Fund	Retirement Fund	Motor Fuel Tax Fund	Capital Improvement Fund	Equipment Fund	ARPA Relief Fund	Police Equipment Fund	Infrastructure Fund	Total
<u>Assets</u>										
Cash and Cash Equivalents	\$ 113,132	\$ 37,986	\$ 21,937	\$ 230,637	\$ -	\$ -	\$ 4,767	\$ 29,798	\$ -	\$ 438,257
Receivables (Net of Allowance for Doubtful Accounts):										
Property Tax	-	44,998	44,998	-	-	-	-	-	-	89,996
Intergovernmental	14,241	-	-	9,111	-	-	-	-	-	23,352
Due from Other Funds	-	-	103	-	-	-	-	-	-	103
Total Assets	\$ 127,373	\$ 82,984	\$ 67,038	\$ 239,748	\$ -	\$ -	\$ 4,767	\$ 29,798	\$ -	\$ 551,708
<u>Liabilities and Fund Balance</u>										
Liabilities:										
Due to Other Funds	\$ -	\$ -	\$ -	\$ 103	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103
Total Liabilities	-	-	-	103	-	-	-	-	-	103
Deferred Inflows of Resources:										
Deferred Revenue	5,212	44,998	44,998	-	-	-	-	-	-	95,208
Fund Balance:										
Restricted	122,161	37,986	22,040	239,645	-	-	-	29,798	-	451,630
Committed	-	-	-	-	-	-	4,767	-	-	4,767
Total Fund Balance	122,161	37,986	22,040	239,645	-	-	4,767	29,798	-	456,397
Total Liabilities and Fund Balance	\$ 127,373	\$ 82,984	\$ 67,038	\$ 239,748	\$ -	\$ -	\$ 4,767	\$ 29,798	\$ -	\$ 551,708

CITY OF TRENTON, ILLINOIS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2022

	North Business District Fund	Special Revenue Funds								Capital Projects Fund		Total
		Social Security Fund	Retirement Fund	Motor Fuel Tax Fund	Capital Improvement Fund	Equipment Fund	ARPA Relief Fund	Police Equipment Fund	Infrastructure Fund			
Revenues:												
Property Tax	\$ -	\$ 44,921	\$ 44,921	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,842
Intergovernmental:												
Sales Tax	58,258	-	-	-	-	-	-	-	-	-	-	58,258
Motor Fuel Tax	-	-	-	108,232	-	-	-	-	-	-	-	108,232
Grants	-	-	-	59,643	-	-	176,230	-	-	-	-	235,873
Charges for Services	-	-	-	-	-	-	-	1,455	-	-	-	1,455
Fines and Forfeitures	-	-	-	-	-	-	-	7,938	-	-	-	7,938
Investment Earnings	178	-	-	252	-	-	-	29	-	-	-	459
Total Revenues	58,436	44,921	44,921	168,127	-	-	176,230	9,422	-	-	-	502,057
Expenditures:												
Current:												
General Government	-	52,210	55,661	-	-	-	39,885	-	-	-	-	147,756
Public Safety	-	-	-	3,553	-	-	-	1,023	-	-	-	4,576
Capital Outlay	-	-	-	266,509	-	-	131,578	-	-	-	-	398,087
Total Expenditures	-	52,210	55,661	270,062	-	-	171,463	1,023	-	-	-	550,419
Excess (Deficiency) of Revenues Over Expenditures	58,436	(7,289)	(10,740)	(101,935)	-	-	4,767	8,399	-	-	-	(48,362)
Other Financing Sources (Uses):												
Transfers In (Out)	-	-	-	-	(20,397)	(11,407)	-	-	(78,129)	-	-	(109,933)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Uses	58,436	(7,289)	(10,740)	(101,935)	(20,397)	(11,407)	4,767	8,399	(78,129)	-	-	(158,295)
Fund Balance, Beginning of Year	63,725	45,275	32,780	341,580	20,397	11,407	-	21,399	78,129	-	-	614,692
Fund Balance, End of Year	\$ 122,161	\$ 37,986	\$ 22,040	\$ 239,645	\$ -	\$ -	\$ 4,767	\$ 29,798	\$ -	\$ -	\$ -	\$ 456,397

INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH TAX INCREMENT FINANCING ACT

To the Honorable Mayor and
Members of the Board of Aldermen
City of Trenton, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Trenton, Illinois, as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Trenton, Illinois, as of April 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

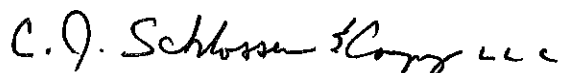
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining,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

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

Other Matters

The management of the City of Trenton, Illinois is responsible for the government's compliance with laws and regulations. In connection with our audit, referred to above, we selected and tested transactions and records to determine the government's compliance with 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act".

The results of our tests indicate that for the items tested, the City of Trenton, Illinois, complied with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act". Nothing came to our attention that caused us to believe that, for the items not tested, the City of Trenton, Illinois was not in compliance with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act".



Certified Public Accountants
Alton, Illinois
August 11, 2022