

**CITY OF TRENTON, ILLINOIS**

FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDING  
APRIL 30, 2023

# 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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City 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.

Certified Public Accountants  
Alton, Illinois  
October 24, 2023

# CITY OF TRENTON, ILLINOIS

## STATEMENT OF NET POSITION APRIL 30, 2023

	Governmental Activities	Business-type Activities	Total	Component Unit Library
<b><u>Assets</u></b>				
Cash and Cash Equivalents	\$ 2,623,301	\$ (231,158)	\$ 2,392,143	\$ 98,456
Investments	75,256	159,926	235,182	-
Receivables (Net of allowance for uncollectibles):	1,032,692	98,036	1,130,728	68,672
Prepaid Items	31,082	10,920	42,002	-
Capital Assets:				
Land	1,344,602	190,200	1,534,802	3,000
Land Improvements	234,746	-	234,746	-
Buildings	3,511,698	49,540	3,561,238	935,041
Vehicles and Equipment	1,160,737	291,121	1,451,858	-
Plant and Distribution Systems	-	9,066,090	9,066,090	-
Infrastructure	614,038	-	614,038	-
Accumulated Depreciation	(3,311,229)	(3,794,837)	(7,106,066)	(925,793)
Capital Assets, Net	<u>3,554,592</u>	<u>5,802,114</u>	<u>9,356,706</u>	<u>12,248</u>
Total Assets	<u>7,316,923</u>	<u>5,839,838</u>	<u>13,156,761</u>	<u>179,376</u>
<b><u>Deferred Outflows of Resources</u></b>				
Future Pension Expense	<u>497,286</u>	<u>164,738</u>	<u>662,024</u>	<u>26,591</u>
<b><u>Liabilities</u></b>				
Accounts Payable	158,362	31,487	189,849	-
Accrued Wages and Benefits	76,119	25,189	101,308	1,116
Accrued Interest Payable	-	20,590	20,590	-
Customer Deposits	-	18,893	18,893	-
Noncurrent Liabilities:				
Due Within One Year	-	274,141	274,141	-
Due in More Than One Year	<u>510,287</u>	<u>3,876,015</u>	<u>4,386,302</u>	<u>27,286</u>
Total Liabilities	<u>744,768</u>	<u>4,246,315</u>	<u>4,991,083</u>	<u>28,402</u>
<b><u>Deferred Inflows of Resources</u></b>				
Future Pension Expense	933	310	1,243	50
Deferred Property Taxes	<u>694,241</u>	<u>-</u>	<u>694,241</u>	<u>68,672</u>
Total Deferred Inflows of Resources	<u>695,174</u>	<u>310</u>	<u>695,484</u>	<u>68,722</u>
<b><u>Net Position</u></b>				
Net Investment in Capital Assets	3,319,846	1,821,002	5,140,848	12,248
Restricted	964,017	-	964,017	-
Unrestricted	<u>2,090,404</u>	<u>(63,051)</u>	<u>2,027,353</u>	<u>96,595</u>
Total Net Position	<u>\$ 6,374,267</u>	<u>\$ 1,757,951</u>	<u>\$ 8,132,218</u>	<u>\$ 108,843</u>

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, 2023

Functions/ <u>Programs</u>	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	\$ 569,509	\$ 41,823	\$ 1,700	\$ -	\$ (525,986)	\$	\$ (525,986)	
Public Safety	670,320	43,971	5,540	176,230	(444,579)		(444,579)	
Streets and Highways	365,550	-	-	29,822	(335,728)		(335,728)	
Culture and Recreation	238,799	75,126	-	-	(163,673)		(163,673)	
Sanitation	310,833	312,299	-	-	1,466		1,466	
Economic Development	270,848	-	-	-	(270,848)		(270,848)	
Total Governmental Activities	2,425,859	473,219	7,240	206,052	(1,739,348)		(1,739,348)	
Business-type Activities:								
Water	535,765	538,405	-	-	\$ 2,640		2,640	
Sewer	643,600	558,827	-	-	(84,773)		(84,773)	
Total Business-type Activities	1,179,365	1,097,232	-	-	(82,133)		(82,133)	
Total Primary Government	\$ 3,605,224	\$ 1,570,451	\$ 7,240	\$ 206,052	(1,739,348)		(1,821,481)	
Component Unit:								\$ (83,428)
Library	\$ 92,070	\$ 4,174	\$ 4,468	\$ -				
General Revenues:								
Property Tax, Levied for General Purposes					670,548		670,548	65,026
Sales and Use Tax					856,113		856,113	-
Income Tax					413,969		413,969	-
Corporate Personal Property Tax					43,734		43,734	-
Motor Fuel Tax					110,140		110,140	-
Video Gaming Tax					33,435		33,435	-
Excise Tax					16,902		16,902	-
Utility Tax					74,679		74,679	-
Franchise Fees					38,254		38,254	-
Investment Earnings					23,136	2,053	25,189	59
Miscellaneous					21,357	-	21,357	-
Gain (Loss) on Disposal					11,220	-	11,220	-
Total General Revenues and Transfers					2,313,487	2,053	2,315,540	65,085
Change in Net Position					574,139	(80,080)	494,059	(18,343)
Net Position - Beginning					5,800,128	1,838,031	7,638,159	127,186
Net Position - Ending					\$ 6,374,267	\$ 1,757,951	\$ 8,132,218	\$ 108,843

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

**CITY OF TRENTON, ILLINOIS**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
APRIL 30, 2023

	<u>General Fund</u>	<u>Tax Increment Financing Fund</u>	<u>Capital Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>					
Cash and Cash Equivalents	\$ 705,503	\$ 392,962	\$ 851,542	\$ 673,294	\$ 2,623,301
Investments	56,413	-	-	18,843	75,256
Receivables (Net, where applicable, of allowances for uncollectible):					
Property Tax	259,419	325,455	-	109,367	694,241
Intergovernmental	240,379	-	31,768	20,550	292,697
Other	43,294	-	1,230	1,230	45,754
Prepaid Items	27,722	-	-	3,360	31,082
Due From Other Funds	3,896	-	-	103	3,999
Total Assets	<u>\$ 1,336,626</u>	<u>\$ 718,417</u>	<u>\$ 884,540</u>	<u>\$ 826,747</u>	<u>\$ 3,766,330</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>					
Liabilities:					
Accrued Payroll and Benefits	\$ 76,119	\$ -	\$ -	\$ -	\$ 76,119
Accounts Payable	21,714	-	135,056	1,592	158,362
Due to Other Funds	-	2,230	-	1,769	3,999
Total Liabilities	<u>97,833</u>	<u>2,230</u>	<u>135,056</u>	<u>3,361</u>	<u>238,480</u>
Deferred Inflows of Resources:					
Deferred Revenue	<u>313,866</u>	<u>325,455</u>	<u>9,356</u>	<u>112,855</u>	<u>761,532</u>
Fund Balance:					
Nonspendable	27,722	-	-	3,360	31,082
Restricted	-	390,732	-	573,285	964,017
Committed	-	-	740,128	135,914	876,042
Unassigned	897,205	-	-	(2,028)	895,177
Total Fund Balance	<u>924,927</u>	<u>390,732</u>	<u>740,128</u>	<u>710,531</u>	<u>2,766,318</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 1,336,626</u>	<u>\$ 718,417</u>	<u>\$ 884,540</u>	<u>\$ 826,747</u>	<u>\$ 3,766,330</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, 2023

Amounts reported for governmental fund balances are different because:

Fund balances - total governmental funds	\$ 2,766,318
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the balance sheet of the governmental funds.	3,554,592
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.	67,291
Net pension liabilities and the related future pension expense are not reported as a liability on the balance sheet of the governmental funds.	<u>496,353</u>
Net position of governmental activities	<u><u>\$ 6,374,267</u></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, 2023

	General Fund	Tax Increment Financing Fund	Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property Tax	\$ 256,197	\$ 298,081	\$ -	\$ 116,270	\$ 670,548
Intergovernmental					
Replacement Tax	43,734	-	-	-	43,734
Sales Tax	590,697	-	102,280	55,242	748,219
State Income Tax	413,969	-	-	-	413,969
Local Use Tax	110,305	-	-	-	110,305
Motor Fuel Tax	-	-	-	110,140	110,140
Excise Tax	-	-	16,841	-	16,841
Video Gaming Tax	-	-	33,435	-	33,435
Grant Revenue	-	-	-	206,052	206,052
Utility Tax	37,446	-	18,567	18,666	74,679
Licenses and Permits	33,748	-	2,750	-	36,498
Charges for Services	317,624	-	-	75,126	392,750
Fines and Forfeitures	21,018	-	-	17,308	38,326
Franchise Fees	38,254	-	-	-	38,254
Investment Earnings	15,614	-	-	7,522	23,136
Contributions	-	-	-	7,240	7,240
Miscellaneous	37,672	-	-	5,645	43,317
Total Revenues	<u>1,916,278</u>	<u>298,081</u>	<u>173,873</u>	<u>619,211</u>	<u>3,007,443</u>
Expenditures:					
Current:					
General Government	427,721	-	-	104,369	532,090
Public Safety	549,005	-	-	23,964	572,969
Streets and Highways	211,766	-	16,397	104,821	332,984
Culture and Recreation	-	-	-	191,592	191,592
Sanitation	310,833	-	-	-	310,833
Economic Development	-	270,848	-	-	270,848
Capital Outlay	60,755	44,564	267,457	135,689	508,465
Total Expenditures	<u>1,560,080</u>	<u>315,412</u>	<u>283,854</u>	<u>560,435</u>	<u>2,719,781</u>
Excess (Deficiency) of Revenues Over Expenditures	356,198	(17,331)	(109,981)	58,776	287,662
Other Financing Sources (Uses):					
Transfers In (Out)	<u>(596,529)</u>	<u>-</u>	<u>-</u>	<u>596,529</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(596,529)</u>	<u>-</u>	<u>-</u>	<u>596,529</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Uses	(240,331)	(17,331)	(109,981)	655,305	287,662
Fund Balance, Beginning of Year,	<u>1,165,258</u>	<u>408,063</u>	<u>850,109</u>	<u>55,226</u>	<u>2,478,656</u>
Fund Balance, End of Year	<u>\$ 924,927</u>	<u>\$ 390,732</u>	<u>\$ 740,128</u>	<u>\$ 710,531</u>	<u>\$ 2,766,318</u>

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, 2023

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

Net change in fund balances - total governmental funds	\$ 287,662
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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 (\$508,465) exceeded depreciation expense (\$135,834) and disposals of not fully depreciated assets (\$5,095) in the current year.	367,536
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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.	(78,709)
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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>(2,350)</u>
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Change in net position of governmental activities	<u>\$ 574,139</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, 2023

Business-Type Activities--Enterprise Funds					Business-Type Activities--Enterprise Funds									
					<u>Water</u>	<u>Sewer</u>	<u>Total</u>							
<u>Assets:</u>					<u>Liabilities:</u>									
Current Assets:					Current Liabilities:									
Cash and Cash Equivalents	\$	-	\$	-	\$	90,695	\$	140,463	\$	231,158				
Investments		110,980				3,373		3,360		6,733				
Receivables (Net, where applicable, of allowances for uncollectible):						21,700		9,787		31,487				
Accounts		6,653				572		20,018		20,590				
Unbilled Revenue		40,988				9,228		9,228		18,456				
Prepaid Expenses		4,200				43,363		230,778		274,141				
Total Current Assets		162,821				18,893		-		18,893				
						187,824		413,634		601,458				
Capital Assets:					Noncurrent Liabilities:									
Land		56,000				83,917		85,127		169,044				
Buildings		49,540				15,948		3,691,023		3,706,971				
Vehicles and Equipment		151,900				99,865		3,776,150		3,876,015				
Plant and Distribution System		3,412,005				287,689		4,189,784		4,477,473				
Total		3,669,445												
Less - Accumulated Depreciation		(2,820,677)												
Net Capital Assets		848,768												
						154		156		310				
Total Assets	\$	1,011,589	\$	5,059,407	\$	1,031,545	\$	1,821,002						
<u>Deferred Outflows of Resources:</u>					<u>Net Position:</u>									
Future Pension Expense	\$	81,779	\$	82,959	\$	805,525	\$	952,426	\$	1,757,951				
						789,457		1,031,545		1,821,002				
						16,068		(79,119)		(63,051)				

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, 2023

	<u>Business-Type Activities--Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Operating Revenues:			
Charges for Services	\$ 529,948	\$ 550,642	\$ 1,080,590
Meters	4,308	-	4,308
Miscellaneous	<u>4,149</u>	<u>8,185</u>	<u>12,334</u>
Total Operating Revenue	<u>538,405</u>	<u>558,827</u>	<u>1,097,232</u>
Operating Expenses:			
Personal Services	215,287	208,788	424,075
Contractual Services	51,995	148,595	200,590
Supplies and Materials	32,902	21,303	54,205
Water Purchased	147,415	-	147,415
Utilities	12,472	45,502	57,974
Depreciation and Amortization	<u>73,760</u>	<u>148,957</u>	<u>222,717</u>
Total Operating Expenses	<u>533,831</u>	<u>573,145</u>	<u>1,106,976</u>
Operating Income	<u>4,574</u>	<u>(14,318)</u>	<u>(9,744)</u>
Nonoperating Revenues (Expenses):			
Investment Earnings	1,492	561	2,053
Interest and Fiscal Charges	<u>(1,934)</u>	<u>(70,455)</u>	<u>(72,389)</u>
Total Nonoperating Revenues (Expenses)	<u>(442)</u>	<u>(69,894)</u>	<u>(70,336)</u>
Change in Net Position	4,132	(84,212)	(80,080)
Net Position - Beginning of Year	<u>801,393</u>	<u>1,036,638</u>	<u>1,838,031</u>
Net Position - End of Year	<u>\$ 805,525</u>	<u>\$ 952,426</u>	<u>\$ 1,757,951</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, 2023

	<u>Business-Type Activities--Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 531,088	\$ 556,391	\$ 1,087,479
Payments to Suppliers	(287,846)	(260,046)	(547,892)
Payments to Employees	(149,083)	(148,075)	(297,158)
Net Cash Provided by Operating Activities	<u>94,159</u>	<u>148,270</u>	<u>242,429</u>
Cash Flows from Capital and Related Financing Activities:			
Principal Payments on Long-Term Debt	(42,270)	(226,792)	(269,062)
Interest Paid on Debt	(2,341)	(71,612)	(73,953)
Customer Deposits	(1,782)	-	(1,782)
Payments for Capital Assets	(6,708)	-	(6,708)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(53,101)</u>	<u>(298,404)</u>	<u>(351,505)</u>
Cash Flows from Investing Activities:			
Interest Received	1,492	561	2,053
Net Sale of Investments	(1,404)	(575)	(1,979)
Net Cash Provided by Investing Activities	<u>88</u>	<u>(14)</u>	<u>74</u>
Net Change in Cash and Cash Equivalents	41,146	(150,148)	(109,002)
Cash and Cash Equivalents, Beginning of Year	(131,841)	9,685	(122,156)
Cash and Cash Equivalents, End of Year	<u>\$ (90,695)</u>	<u>\$ (140,463)</u>	<u>\$ (231,158)</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	\$ 4,574	\$ (14,318)	\$ (9,744)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation and Amortization	73,760	148,957	222,717
Net Pension Changes	16,158	16,081	32,239
(Increase) Decrease in Assets:			
Accounts Receivables	(1,326)	(433)	(1,759)
Unbilled Revenue	(5,991)	(2,003)	(7,994)
Prepaid Expenses	(722)	(361)	(1,083)
Increase (Decrease) in Liabilities:			
Accrued Payroll and Benefits	(189)	(202)	(391)
Accrued Vacation	(2,836)	(2,836)	(5,672)
Accounts Payable	10,731	3,385	14,116
Net Cash Provided by Operating Activities	<u>\$ 94,159</u>	<u>\$ 148,270</u>	<u>\$ 242,429</u>

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

## **CITY OF TRENTON, ILLINOIS**

### NOTES TO FINANCIAL STATEMENTS APRIL 30, 2023

#### **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 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	\$ 31,082
Restricted:	
Tax Increment Financing	\$ 390,732
North Business District	178,830
Retirement Funds	45,139
Motor Fuel Tax	318,797
Police Funds	30,519
	<u>\$ 964,017</u>
Committed:	
Dare Funds	\$ 48,419
Capital Improvements/ARPA Funds	827,623
	<u>\$ 876,042</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 April 25, 2022.

(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, 2023, the carrying amount of the City's deposits and investments was \$1,985,152 and the respective bank balances totaled \$2,066,394. The deposits were comprised of checking and interest checking accounts and certificates of deposits.

At April 30, 2023, the City had the following deposits and investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
Illinois Funds	--	\$ 642,073
Petty Cash		100
Deposits as reported above		<u>1,985,152</u>
Total deposits and investments		<u>\$ 2,627,325</u>
As Reported in the Statement of Net Position:		
Cash and Cash Equivalents		\$ 2,392,143
Investments		<u>235,182</u>
		<u>\$ 2,627,325</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.

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

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

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, 2023, the City did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2023, 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, 2023.

**NOTE 3: LONG-TERM DEBT**

Notes Payable

The City has the following notes payable as of April 30, 2023:

\$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, 2023 is \$59,311.

\$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, 2023 is \$3,921,801.

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,	Business-type Activities	
	Principal	Interest
2024	\$ 274,141	\$ 68,873
2025	250,783	63,775
2026	238,962	59,443
2027	243,162	55,242
2028	247,436	50,968
2029 - 2033	1,303,965	188,056
2034 - 2038	<u>1,422,663</u>	<u>69,361</u>
	<u>\$ 3,981,112</u>	<u>\$ 555,718</u>

The following is a summary of changes in long-term liabilities for the year ended April 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<u>Business-type Activities:</u>					
Notes from direct borrowings	<u>\$ 4,250,174</u>	<u>\$ -</u>	<u>\$ 269,062</u>	<u>\$ 3,981,112</u>	<u>\$ 274,141</u>

**NOTE 4: LEGAL DEBT MARGIN**

The computation of legal debt margin on April 30, 2023 is as follows:

Bonded Debt Limit*	\$ 4,513,526
Bonded Indebtedness	<u>-</u>
Legal Debt Margin	<u>\$ 4,513,526</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, 2023:

General Fund Transfer From (To):	
Motor Fuel Tax Fund	\$ (80,372)
Dare Fund	(44,342)
Recreation Fund	(471,815)

Transfers between the funds were made to separate funds or reimburse for expenditures and provide operating 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, 2023, the City paid property tax abatements of \$51,463. In addition, the City made payments of \$139,986 towards renovation costs for businesses within the TIF areas.

**NOTE 7: SUBSEQUENT EVENTS**

The City has evaluated events occurring after the financial statement date through October 24, 2023 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 8: 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 2022 levy on November 28, 2022. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments. The County has not mailed 2022 tax levy tax bills as of April 30, 2023. 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		
		2022	2021	2020
Assessed Valuation		\$ 52,330,734	\$ 49,743,012	\$ 47,668,344
Rates:				
General	0.2500	0.19894	0.16743	0.24673
IMRF		0.07644	0.09047	0.09449
Police Protection	0.0750	0.05341	0.05227	0.06930
Audit		0.01106	0.00704	-
Liability Insurance		0.22931	0.24124	0.11759
Street Lighting	0.0500	0.00301	0.00302	0.01050
Playground & Recreation	0.0900	0.05611	0.05416	0.06930
Social Security		0.07644	0.09047	0.09449
Total		0.70472	0.70608	0.70240
Extensions:				
General		\$ 104,107	\$ 83,285	\$ 117,499
IMRF		40,001	44,998	44,998
Police Protection		27,950	26,001	33,002
Audit		5,788	3,502	-
Liability Insurance		120,000	120,000	55,999
Street Lighting		1,575	1,502	5,000
Playground & Recreation		29,363	26,941	33,002
Social Security		40,001	44,998	44,998
Total		\$ 368,785	\$ 351,227	\$ 334,498
Collections - Year Ended:				
April 30, 2023		\$ -	\$ 349,222	\$ -
April 30, 2022		-	-	334,173
Total		\$ -	\$ 349,222	\$ 334,173
Percent of Extension Collected				
		0.00%	99.43%	99.90%

The property taxes reported as revenue in the April 30, 2023 financial statements are from the 2021 levy.

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

**NOTE 9: 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](http://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 2022 was 7.76 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	20
Inactive, non-Retired Members	17
Active Members	<u>17</u>
Total	<u>54</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 4.05%; and the resulting single discount rate is 7.25%.

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

Actuarial Valuation Date	12/31/22
Measurement Date of the Net Pension Liability	12/31/22
Fiscal Year End	04/30/23

Development of the Single Discount Rate as of December 31, 2022	
Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate	4.05%
Last year ending December 31 in the 2023 to 2122 projection period for which projected benefit payments are fully funded	2122
Resulting Single Discount Rate based on the above development	7.25%
Single Discount Rate calculated using December 31, 2021 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, 2022.

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

Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.



**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.

<b>Total pension liability</b>	
Service Cost	\$ 100,462
Interest on the Total Pension Liability	401,184
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	190,737
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	(336,379)
Net change in total pension liability	\$ 356,004
Total pension liability - beginning	5,651,531
Total pension liability - ending	<u>\$ 6,007,535</u>
<b>Plan fiduciary net position</b>	
Contributions - employer	\$ 82,116
Contributions - employee	47,618
Net investment income	(837,962)
Benefit payments, including refunds of employee contributions	(336,379)
Other	36,169
Net change in plan fiduciary net position	\$ (1,008,438)
Plan fiduciary net position - beginning	6,309,356
Plan fiduciary net position - ending	<u>\$ 5,300,918</u>
<b>Net pension liability/(asset)</b>	<u>\$ 706,617</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	
	88.24%
<b>Covered valuation payroll</b>	\$ 1,058,187
<b>Net pension liability as a percentage of covered valuation payroll</b>	66.78%

**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	\$ 6,630,999	\$ 6,007,535	\$ 5,495,866
Plan Fiduciary Net Position	<u>5,300,918</u>	<u>5,300,918</u>	<u>5,300,918</u>
Net Pension Liability/(Asset)	<u>\$ 1,330,081</u>	<u>\$ 706,617</u>	<u>\$ 194,948</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 Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 206,895	\$ -
Changes in assumptions	-	1,293
Contributions subsequent to valuation date	24,789	-
Net difference between projected and actual earnings on pension plan investments	<u>456,931</u>	<u>-</u>
Total	<u>\$ 688,615</u>	<u>\$ 1,293</u>

Year Ending December 31,	Net Deferred Outflows of Resources
2023	\$ 106,948
2024	139,808
2025	157,934
2026	257,843
2027	-
Thereafter	<u>-</u>
	<u>\$ 662,533</u>

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

**NOTE 10: CAPITAL ASSETS**

Capital asset activity for the year ended April 30, 2023 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	234,746	-	-	234,746
Buildings and improvements	3,296,147	215,551	-	3,511,698
Vehicles and equipment	1,032,687	157,225	29,175	1,160,737
Infrastructure	478,349	135,689	-	614,038
Total capital assets being depreciated	5,041,929	508,465	29,175	5,521,219
Less accumulated depreciation for:				
Land improvements	130,698	10,917	-	141,615
Buildings and improvements	2,345,106	26,085	-	2,371,191
Vehicles and equipment	702,971	81,379	24,080	760,270
Infrastructure	20,700	17,453	-	38,153
Total accumulated depreciation	3,199,475	135,834	24,080	3,311,229
Total capital assets, being depreciated, net	1,842,454	372,631	5,095	2,209,990
Governmental activities capital assets, net	\$ 3,187,056	\$ 372,631	\$ 5,095	\$ 3,554,592
<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	6,708	-	9,066,090
Total capital assets, being depreciated	9,400,043	6,708	-	9,406,751
Less accumulated depreciation for:				
Buildings and improvements	21,663	1,218	-	22,881
Vehicles and equipment	231,719	11,252	-	242,971
Plant and distribution system	3,318,738	210,247	-	3,528,985
Total accumulated depreciation	3,572,120	222,717	-	3,794,837
Total capital assets, being depreciated, net	5,827,923	(216,009)	-	5,611,914
Business-type activities capital assets, net	\$ 6,018,123	\$ (216,009)	\$ -	\$ 5,802,114

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

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 20,149
Public safety	54,721
Streets and highways, including depreciation of general infrastructure assets	40,562
Cultural and recreational	20,402
Total depreciation expense - governmental activities	<u>\$ 135,834</u>
Business-type activities:	
Water	\$ 73,760
Sewer	148,957
	<u>\$ 222,717</u>

**NOTE 11: 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, 2023:

	<u>General</u>	<u>Other Major Funds</u>	<u>Enterprise Funds</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Receivables:					
Property Taxes	\$ 259,419	\$ 325,455	\$ -	\$ 109,367	\$ 694,241
Intergovernmental	240,379	31,768		20,550	292,697
Accounts	29,500	-	98,036	-	127,536
Other	<u>13,794</u>	<u>1,230</u>	<u>-</u>	<u>1,230</u>	<u>16,254</u>
Gross Receivables	543,092	358,453	98,036	131,147	1,130,728
Less: Allowance for uncollectible	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 543,092</u>	<u>\$ 358,453</u>	<u>\$ 98,036</u>	<u>\$ 131,147</u>	<u>\$ 1,130,728</u>

**NOTE 12: INTERFUND RECEIVABLES/PAYABLES**

Individual fund interfund receivable and payable balances as of April 30, 2023 are as follows:

General Fund Due from:	
Tax Increment Financing Fund	\$ 2,230
Recreation Fund	1,666
Retirement Fund Due from:	
Motor Fuel Tax Fund	<u>103</u>
	<u>\$ 3,999</u>

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

**CITY OF TRENTON, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS**

**GENERAL FUND**

**FOR THE YEAR ENDED APRIL 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Receipts:			
Property Tax	\$ 259,400	\$ 259,400	\$ 256,197
Intergovernmental:			
Replacement Tax	28,000	28,000	44,645
Sales Tax	534,500	534,500	584,485
State Income Tax	360,000	360,000	434,646
Local Use Tax	115,000	115,000	109,537
Utility Tax	40,000	40,000	37,728
Licenses and Permits	30,950	30,950	33,748
Charges for Services	303,000	303,000	316,008
Fines and Penalties	16,500	16,500	20,429
Franchise Fees	41,250	41,250	37,582
Investment Earnings	2,500	2,500	15,614
Miscellaneous Receipts	38,600	38,600	37,672
Total Receipts	<u>1,769,700</u>	<u>1,769,700</u>	<u>1,928,291</u>
Disbursements:			
Administration:			
Salaries	\$ 176,300	\$ 176,300	\$ 160,404
Health Insurance	43,000	43,000	39,985
Training, Travel, and Dues	7,000	7,000	10,206
Annuity	1,800	1,800	2,174
Legal	26,400	26,400	15,492
Maintenance Contracts	2,000	2,000	1,853
Computer Updates	6,000	6,000	2,643
Office Equipment	600	600	368
Office Supplies and Postage	2,000	2,000	1,279
Planning and Zoning	33,350	33,350	37,265
Printing and Publishing	1,200	1,200	1,024
Telephone	4,200	4,200	4,249
Internet Expense	1,500	1,500	1,402
Professional Services	10,000	10,000	14,348
Auto Gas, Oil, Repairs	450	450	-
Code Update	2,000	2,000	1,295
Water/Sewer	2,200	2,200	2,168
Engineering	30,000	30,000	3,807

**CITY OF TRENTON, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS**

**GENERAL FUND**

**FOR THE YEAR ENDED APRIL 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Disbursements (continued):			
Marketing	5,000	5,000	3,940
Property Tax Rebates	1,100	1,100	-
Total Administration	<u>356,100</u>	<u>356,100</u>	<u>303,902</u>
 Liability Insurance	 <u>60,000</u>	 <u>60,000</u>	 <u>80,261</u>
 Audit	 <u>10,000</u>	 <u>10,000</u>	 <u>9,223</u>
 TEMS (Trenton Emergency Management Service):			
Emergency Sirens Maintenance	3,000	3,000	2,030
Emergency Notification System	2,300	2,300	2,447
Telephone	<u>800</u>	<u>800</u>	<u>955</u>
Total TEMS	<u>6,100</u>	<u>6,100</u>	<u>5,432</u>
 Health Department:			
Salaries	1,000	1,000	350
Postage	2,000	2,000	2,843
Insect Spraying	300	300	817
Refuse Collections	295,000	295,000	305,429
Weed Spraying	<u>500</u>	<u>500</u>	<u>1,394</u>
Total Health Department	<u>298,800</u>	<u>298,800</u>	<u>310,833</u>
 Police:			
Salaries	464,500	464,500	448,855
Health Insurance	25,000	25,000	31,495
Training, Travel, and Dues	6,000	6,000	2,243
Auto Operation and Supplies	18,000	18,000	24,144
Legal	1,000	1,000	3,450
Radio & Radar Maintenance	750	750	1,004
Telephone	4,000	4,000	4,522
Gun, Camera, Batteries	1,000	1,000	793
Office Supplies and Postage	500	500	896
Uniform Allowance	1,500	1,500	1,673
Internet Expense	2,500	2,500	2,872
Computer Updates/Repairs	<u>5,200</u>	<u>5,200</u>	<u>2,690</u>

**CITY OF TRENTON, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS**

**GENERAL FUND**

**FOR THE YEAR ENDED APRIL 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Disbursements (continued):			
Equipment	500	500	5,210
Operations & Maintenance	<u>1,500</u>	<u>1,500</u>	<u>2,967</u>
Total Police	<u>531,950</u>	<u>531,950</u>	<u>532,814</u>
Public Buildings:			
Salaries	4,500	4,500	3,000
Cleaning Services	1,300	1,300	1,140
Repairs and Maintenance	15,000	15,000	54,937
Utilities	16,100	16,100	16,160
Supplies and Materials	<u>2,000</u>	<u>2,000</u>	<u>2,237</u>
Total Public Buildings	<u>38,900</u>	<u>38,900</u>	<u>77,474</u>
Street:			
Salaries	151,200	151,200	111,869
Health Insurance	16,000	16,000	21,426
Training, Travel, and Dues	1,000	1,000	506
Annuity	1,500	1,500	668
Legal	-	-	356
Engineering	40,000	40,000	22,421
Material Rock, Oil, Salt	20,000	20,000	13,523
Computer Updates	250	250	181
Supplies	4,500	4,500	2,482
Gas and Oil	6,000	6,000	6,500
Maintenance and Repairs	12,300	12,300	6,706
Equipment	500	500	5,970
Street Lighting & Signals	15,000	15,000	15,516
Signs	5,000	5,000	2,390
Storm Sewers	3,000	3,000	6,411

**CITY OF TRENTON, ILLINOIS**

**BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS**

**GENERAL FUND**

**FOR THE YEAR ENDED APRIL 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Disbursements (continued):			
Telephone	400	400	488
New Curb & Guttering	2,000	2,000	498
Tools	1,500	1,500	1,427
Stickers	-	-	272
Internet	750	750	933
Christmas Decorations	100	100	-
Uniforms	2,500	2,500	993
Equipment Hire	2,000	2,000	-
Tree/Stump Removal	5,000	5,000	-
Total Street	<u>290,500</u>	<u>290,500</u>	<u>221,536</u>
Total Disbursements	<u>1,592,350</u>	<u>1,592,350</u>	<u>1,541,475</u>
Net Transfers	<u>-</u>	<u>-</u>	<u>(596,529)</u>
Excess of Receipts Over Disbursements	<u>\$ 177,350</u>	<u>\$ 177,350</u>	<u>(209,713)</u>
Change for reporting on modified accrual basis:			
Change in intergovernmental revenue on modified accrual basis			(14,608)
Change in utility tax revenue on modified accrual basis			(282)
Change in other receivables on modified accrual basis			2,206
Change in franchise fee revenue on modified accrual basis			672
Change in prepaid items on modified accrual basis			419
Change in accrued salaries on modified accrual basis			(1,892)
Change in accounts payable on modified accrual basis			<u>(17,133)</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (240,331)</u>



**CITY OF TRENTON, ILLINOIS**

BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
TAX INCREMENT FINANCING FUND  
FOR THE YEAR ENDED APRIL 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Receipts:			
Property Tax	\$ 292,500	\$ 292,500	\$ 298,081
Total Receipts	<u>292,500</u>	<u>292,500</u>	<u>298,081</u>
Disbursements:			
Economic Development:			
Salaries/Benefits	\$ 13,500	\$ 13,500	9,353
Infrastructure Improvements	150,000	150,000	119,095
Real Estate Tax Reimbursement	150,000	150,000	183,866
Attorney	500	500	-
Engineering	45,000	45,000	1,897
Office Supplies	250	250	54
Consulting Contract	<u>15,000</u>	<u>15,000</u>	<u>1,147</u>
Total Economic Development	<u>374,250</u>	<u>374,250</u>	<u>315,412</u>
Total Disbursements	<u>374,250</u>	<u>374,250</u>	<u>315,412</u>
Excess (Deficiency) of			
Receipts Over Disbursements	<u>\$ (81,750)</u>	<u>\$ (81,750)</u>	<u>\$ (17,331)</u>
Change for reporting on modified accrual basis:			
None			<u>-</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (17,331)</u>

**CITY OF TRENTON, ILLINOIS**

BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS  
CAPITAL IMPROVEMENT FUND  
FOR THE YEAR ENDED APRIL 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Receipts:			
Excise Tax	\$ 20,000	\$ 20,000	\$ 16,610
Sales Tax	125,000	125,000	102,246
Video Gaming Tax	30,000	30,000	32,634
Utility Tax	19,000	19,000	18,706
Licenses and Permits	2,750	2,750	2,750
Total Receipts	<u>196,750</u>	<u>196,750</u>	<u>172,946</u>
Disbursements:			
Highways and Streets:			
Improvement Projects	\$ 350,000	\$ 350,000	326,384
Engineering	35,000	35,000	23,376
Consulting	20,000	20,000	-
Total Highways and Streets	<u>405,000</u>	<u>405,000</u>	<u>349,760</u>
Total Disbursements	<u>405,000</u>	<u>405,000</u>	<u>349,760</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ (208,250)</u>	<u>\$ (208,250)</u>	<u>(176,814)</u>
Change for reporting on modified accrual basis:			
Change in intergovernmental revenue on modified accrual basis			1,066
Change in utility tax revenue on modified accrual basis			(140)
Change in accounts payable on modified accrual basis			<u>65,907</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (109,981)</u>

CITY OF TRENTON, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
APRIL 30, 2023

	<u>2022</u>	<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	\$ 100,462	\$ 97,476	\$ 95,496	\$ 98,289	\$ 83,453	\$ 99,603	\$ 83,512	\$ 78,943
Interest	401,184	375,436	362,642	354,076	335,665	319,848	322,559	300,707
Difference between expected and actual experience	190,737	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	(336,379)	(330,846)	(280,772)	(305,321)	(253,734)	(225,468)	(206,985)	(207,544)
Net change in total pension liability	356,004	356,423	200,518	107,271	426,650	233,090	(40,691)	294,548
Total pension liability - beginning	5,651,531	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>\$ 6,007,535</u>	<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	82,116	97,929	104,489	83,358	84,999	88,040	89,112	84,669
Contributions - employee	47,618	50,468	43,297	42,147	45,875	38,167	37,653	34,637
Net investment income	(837,962)	940,564	718,419	800,952	(256,842)	675,314	276,203	19,856
Benefit payments, including refunds	(336,379)	(330,846)	(280,772)	(305,321)	(253,734)	(225,468)	(206,985)	(207,544)
Other	36,169	36,926	34,726	56,508	102,659	(20,410)	(213,903)	8,959
Net change in plan fiduciary net position	(1,008,438)	795,041	620,159	677,644	(277,043)	555,643	(17,920)	(59,423)
Plan fiduciary net position - beginning	6,309,356	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>\$ 5,300,918</u>	<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	\$ 706,617	\$ (657,825)	\$ (219,207)	\$ 200,434	\$ 770,807	\$ 67,114	\$ 389,667	\$ 412,438
Plan fiduciary net position as a percentage of the total pension liability	88.24%	111.64%	104.14%	96.07%	84.54%	98.53%	91.00%	90.56%
Covered Valuation Payroll	\$ 1,058,187	\$ 1,015,871	\$ 962,147	\$ 936,607	\$ 881,726	\$ 848,160	\$ 836,738	\$ 769,717
Net position liability as a percentage of covered valuation payroll	66.78%	-64.75%	-22.78%	21.40%	87.42%	7.91%	46.57%	53.58%

CITY OF TRENTON, ILLINOIS

SCHEDULE OF CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND  
APRIL 30, 2023

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 82,115	\$ 97,930	\$ 104,489	\$ 83,358	\$ 84,998	\$ 88,039	\$ 89,113	\$ 84,669
Contributions in relation to actuarial determined contribution	82,116	97,929	104,489	83,358	84,999	88,040	89,112	84,669
Contribution deficiency (excess)	<u>\$ (1)</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ 1</u>	<u>\$ -</u>
Covered Valuation Payroll	<u>\$ 1,058,187</u>	<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 valuation payroll	<u>7.76%</u>	<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, 2022.

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:	21 years
Asset Valuation Method:	5-Year smoothed market; 20% corridor
Actuarial Assumptions:	
Investment Rate of Return	7.25%
Wage Growth	2.75%
Price Inflation	2.25%

**CITY OF TRENTON, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
APRIL 30, 2023

	Special Revenue Funds						
	North Business District Fund	Social Security Fund	Retirement Fund	Motor Fuel Tax Fund	Dare Fund	Recreation Fund	Police Equipment Fund
							Total
Cash and Cash Equivalents	\$ 171,325	\$ 26,830	\$ 18,206	\$ 309,343	\$ 29,576	\$ -	\$ 673,294
Investments	-	-	-	-	18,843	-	18,843
Receivables (Net of Allowance for Doubtful Accounts):							
Property Tax	-	40,002	40,002	-	-	29,363	109,367
Intergovernmental	10,993	-	-	9,557	-	-	20,550
Other	-	-	-	-	-	1,230	1,230
Prepaid Items	-	-	-	-	-	3,360	3,360
Due from Other Funds	-	-	103	-	-	-	103
Total Assets	\$ 182,318	\$ 66,832	\$ 58,311	\$ 318,900	\$ 48,419	\$ 33,953	\$ 826,747
<b>Liabilities and Fund Balance</b>							
Liabilities:							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,592	\$ 1,592
Due to Other Funds	-	-	-	103	-	1,666	1,769
Total Liabilities	-	-	-	103	-	3,258	3,361
Deferred Inflows of Resources:							
Deferred Revenue	3,488	40,002	40,002	-	-	29,363	112,855
Fund Balance:							
Nonspendable	-	-	-	-	-	3,360	3,360
Restricted	178,830	26,830	18,309	318,797	-	-	573,285
Committed	-	-	-	-	48,419	-	135,914
Unassigned	-	-	-	-	-	(2,028)	(2,028)
Total Fund Balance	178,830	26,830	18,309	318,797	48,419	1,332	710,531
Total Liabilities and Fund Balance	\$ 182,318	\$ 66,832	\$ 58,311	\$ 318,900	\$ 48,419	\$ 33,953	\$ 826,747

**CITY OF TRENTON, ILLINOIS**

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED APRIL 30, 2023

	Special Revenue Funds									
	North Business District Fund	Social Security Fund	Retirement Fund	Motor Fuel Tax Fund	Dare Fund	Recreation Fund	ARPA Relief Fund	Police Equipment Fund	Total	
Revenues:										
Property Tax	\$ -	\$ 44,741	\$ 44,741	\$ -	\$ -	\$ 26,788	\$ -	\$ -	\$ -	\$ 116,270
Intergovernmental:										
Sales Tax	55,242	-	-	-	-	-	-	-	-	55,242
Motor Fuel Tax	-	-	-	110,140	-	-	-	-	-	110,140
Grants	-	-	-	29,822	-	-	176,230	-	-	206,052
Utility Tax	-	-	-	-	-	18,666	-	-	-	18,666
Charges for Services	-	-	-	-	-	75,126	-	-	-	75,126
Fines and Forfeitures	-	-	-	-	-	-	-	17,308	-	17,308
Investment Earnings	1,427	-	-	5,826	198	-	-	71	-	7,522
Contributions	-	-	-	-	-	1,700	-	5,540	-	7,240
Miscellaneous	-	-	-	-	5,645	-	-	-	-	5,645
Total Revenues	56,669	44,741	44,741	145,788	5,843	122,280	176,230	22,919	-	619,211
Expenditures:										
Current:										
General Government	-	55,897	48,472	-	-	-	-	-	-	104,369
Public Safety	-	-	-	-	1,766	-	-	22,198	-	23,964
Streets & Highways	-	-	-	11,319	-	-	93,502	-	-	104,821
Culture and Recreation	-	-	-	-	-	191,592	-	-	-	191,592
Capital Outlay	-	-	-	135,689	-	-	-	-	-	135,689
Total Expenditures	-	55,897	48,472	147,008	1,766	191,592	93,502	22,198	-	560,435
Excess (Deficiency) of Revenues Over Expenditures	56,669	(11,156)	(3,731)	(1,220)	4,077	(69,312)	82,728	721	-	58,776
Other Financing Sources (Uses):										
Transfers In (Out)	-	-	-	80,372	44,342	471,815	-	-	-	596,529
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Uses	56,669	(11,156)	(3,731)	79,152	48,419	402,503	82,728	721	-	655,305
Fund Balance, Beginning of Year	122,161	37,986	22,040	239,645	-	(401,171)	4,767	29,798	-	55,226
Fund Balance, End of Year	\$ 178,830	\$ 26,830	\$ 18,309	\$ 318,797	\$ 48,419	\$ 1,332	\$ 87,495	\$ 30,519	\$ -	\$ 710,531

**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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City 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  
October 24, 2023