

CITY OF BENTON, ILLINOIS
ANNUAL FINANCIAL REPORT
APRIL 30, 2025

CITY OF BENTON, ILLINOIS
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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Commissioners
City of Benton
Benton, Illinois

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Benton, Illinois (the City), as of and for the year ended April 30, 2025, 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of April 30, 2025, 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 (US GAAP).

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's 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 GAAS and *Government 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 aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 60 and 61 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. The City has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the basic financial statements is not affected by this missing information. 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.

Other 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 accompanying combining and individual nonmajor fund financial statements, other supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary 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. Such 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 other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

ATLAS CPAs & Advisors PLLC

Marion, Illinois
November 20, 2025



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Mayor and Commissioners
City of Benton
Benton, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America (US GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Benton, Illinois (the City), as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 20, 2025.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as items 2025-001 and 2025-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

City of Benton's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The City's response was not subjected to the other auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

ATLAS CPAs & Advisors PLLC

Marion, Illinois
November 20,
2025

BASIC FINANCIAL STATEMENTS

CITY OF BENTON, ILLINOIS
STATEMENT OF NET POSITION
APRIL 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 10,526,076	\$ 1,145,443	\$ 11,671,519
Restricted cash and cash equivalents	1,104,068	1,133,124	2,237,192
Investments, at fair value	-	1,594	1,594
Accounts receivable, net	650,604	116,983	767,587
Property taxes receivable, net	934,091	-	934,091
Intergovernmental receivable	736,062	-	736,062
Due from other funds	528,879	(528,879)	-
Inventories	-	19,594	19,594
Prepaid expenses	-	229,448	229,448
Capital assets, non-depreciable	1,712,182	533,928	2,246,110
Capital assets, depreciable, net of accumulated depreciation	<u>7,889,641</u>	<u>18,996,063</u>	<u>26,885,704</u>
Total Assets	<u>24,081,603</u>	<u>21,647,298</u>	<u>45,728,901</u>
Deferred Outflow of Resources			
Deferred outflows related to pensions	<u>3,788,067</u>	<u>415,587</u>	<u>4,203,654</u>
Liabilities			
Accounts payable	190,258	163,624	353,882
Accrued payroll	170,874	14,810	185,684
Accrued vacation	281,765	53,121	334,886
Accrued interest payable	-	58,903	58,903
Consumer deposits	8,800	-	8,800
Due to fiduciary	-	5,121	5,121
Current portion of long-term debt	-	355,843	355,843
Non-current liabilities			
Net pension obligation	5,358,730	560,235	5,918,965
Long-term debt, net of current portion	<u>-</u>	<u>5,362,708</u>	<u>5,362,708</u>
Total Liabilities	<u>6,010,427</u>	<u>6,574,365</u>	<u>12,584,792</u>
Deferred Inflow of Resources			
Deferred inflows related to pensions	2,164,718	1,534	2,166,252
Deferred inflows related to property taxes	<u>1,205,122</u>	<u>-</u>	<u>1,205,122</u>
Total Deferred Inflow of Resources	<u>3,369,840</u>	<u>1,534</u>	<u>3,371,374</u>
Net Position			
Net investment in capital assets	9,601,823	13,811,440	23,413,263
Restricted for:			
Maintenance of roadways	1,610,656	-	1,610,656
Public safety expenditures	162,381	-	162,381
Grant expenditures	74,721	-	74,721
TIF development	804,890	-	804,890
Ordinance	1,314,783	935,625	2,250,408
Capital projects	346,168	-	346,168
Unassigned	<u>4,573,981</u>	<u>739,921</u>	<u>5,313,902</u>
Total Net Position	<u>\$ 18,489,403</u>	<u>\$ 15,486,986</u>	<u>\$ 33,976,389</u>

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

CITY OF BENTON, ILLINOIS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2025

Functions / Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Governmental Activities								
General government	\$ 3,430,184	\$ 669,488	\$ -	\$ 103,598	\$ (2,657,098)		\$ (2,657,098)	
Public health and safety	2,671,277	250,186	7,172	-	(2,413,919)		(2,413,919)	
Streets and alleys	1,241,963	1,818	303,118	-	(937,027)		(937,027)	
Culture and recreation	93,707	17,655	-	-	(76,052)		(76,052)	
Development	758,731	20,466	481,776	-	(256,489)		(256,489)	
Debt service - interest	39,160	-	-	-	(39,160)		(39,160)	
Capital Outlay	466,653	-	-	-	(466,653)		(466,653)	
Unallocated depreciation expense	13,817	-	-	-	(13,817)		(13,817)	
Total Governmental Activities	8,715,492	959,613	792,066	103,598	(6,860,215)		(6,860,215)	
Business-Type Activities								
Water & Sewer	4,031,962	2,792,829	-	-	-	\$ (1,239,133)	(1,239,133)	
Total Business-Type Activities	4,031,962	2,792,829	-	-	-	(1,239,133)	(1,239,133)	
Total Primary Government	\$ 12,747,454	\$ 3,752,442	\$ 792,066	\$ 103,598	(6,860,215)	(1,239,133)	(8,099,348)	
General Revenues								
Taxes								
Property					1,358,753	-	1,358,753	
Sales					2,174,200	-	2,174,200	
Franchise fees and other taxes					633,836	-	633,836	
Intergovernmental					1,465,275	-	1,465,275	
Investment Income					444,232	11,921	456,153	
Miscellaneous					294,170	23,387	317,557	
Transfer in (out)					725,000	-	725,000	
Total General Revenues					7,095,466	35,308	7,130,774	
Change in Net Position					235,251	(1,203,825)	(968,574)	
Net Position - Beginning of Year					18,254,152	16,690,811	34,944,963	
Net Position - End of Year					\$ 18,489,403	\$ 15,486,986	\$ 33,976,389	

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

CITY OF BENTON, ILLINOIS
GOVERNMENTAL FUNDS
BALANCE SHEET
APRIL 30, 2025

	General Fund	Motor Fuel Tax	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 6,583,546	\$ 769,694	\$ 3,172,841	\$ 10,526,081
Restricted cash and cash equivalents	749,201	-	354,867	1,104,068
Accounts receivable	247,785	23,401	379,418	650,604
Property taxes receivable	198,573	-	735,518	934,091
Intergovernmental receivable	736,062	-	-	736,062
Due from other funds	<u>1,007,713</u>	<u>-</u>	<u>89,079</u>	<u>1,096,792</u>
Total Assets	<u>\$ 9,522,880</u>	<u>\$ 793,095</u>	<u>\$ 4,731,723</u>	<u>\$ 15,047,698</u>
Liabilities, Deferred Inflows and Fund Balances				
Accounts Payable	\$ 142,710	\$ -	\$ 47,553	\$ 190,263
Accrued Payroll Expenses	71,558	-	99,316	170,874
Consumer Deposits	-	-	8,800	8,800
Due to other funds	<u>477,614</u>	<u>-</u>	<u>90,299</u>	<u>567,913</u>
Total Liabilities	<u>691,882</u>	<u>-</u>	<u>245,968</u>	<u>937,850</u>
Deferred Inflow of Resources				
Unavailable revenue - property taxes	<u>185,106</u>	<u>-</u>	<u>1,020,016</u>	<u>1,205,122</u>
Fund Balances				
Restricted	-	793,095	3,119,571	3,912,666
Committed	83,437	-	346,168	429,605
Assigned	44,553	-	-	44,553
Unassigned	<u>8,517,902</u>	<u>-</u>	<u>-</u>	<u>8,517,902</u>
Total Fund Balances	<u>8,645,892</u>	<u>793,095</u>	<u>3,465,739</u>	<u>12,904,726</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 9,522,880</u>	<u>\$ 793,095</u>	<u>\$ 4,731,723</u>	<u>\$ 15,047,698</u>

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

CITY OF BENTON, ILLINOIS
RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION
APRIL 30, 2025

Fund Balances of Governmental Funds	\$ 12,904,726
Amounts reported for governmental activities in the Statement of Net Position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in government funds.	9,601,823
Deferred inflows and outflows of resources related to pensions are not reported in governmental funds.	1,623,349
Accrued vacation, sick, and personal leave are recorded in the statement of net position when incurred; these costs are recorded in governmental funds as expense when paid.	(281,765)
Long-term liabilities, including bonds, notes payable, and net pension obligations are not due and payable in the current period and therefore, are not reported in the governmental funds.	<u>(5,358,730)</u>
Net Position of Governmental Activities	<u><u>\$ 18,489,403</u></u>

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

CITY OF BENTON, ILLINOIS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED APRIL 30, 2025

	General Fund	Motor Fuel Tax Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 243,697	\$ -	\$ 1,115,056	\$ 1,358,753
Sales taxes	2,110,280	-	63,920	2,174,200
Franchise fees and other taxes	633,529	-	-	633,529
Licenses and permits	81,455	-	-	81,455
Intergovernmental revenue	1,465,275	-	-	1,465,275
Service charges and fees	756,530	-	99,651	856,181
Grants revenue	-	-	585,374	585,374
Investment income	324,090	48,473	71,669	444,232
Miscellaneous income	267,178	323,944	35,622	626,744
Total Revenues	5,882,034	372,417	1,971,292	8,225,743
Expenditures				
General government	2,126,443	-	691,568	2,818,011
Public health and safety	2,478,858	-	503	2,479,361
Streets, alleys, and cemeteries	462,980	101,951	4,056	568,987
Culture and recreation	64,901	-	14,603	79,504
Development	5,274	-	753,457	758,731
Debt service				
Principal	38,925	-	-	38,925
Interest	235	-	-	235
Capital outlay	369,406	287,584	15,081	672,071
Total Expenditures	5,547,022	389,535	1,479,268	7,415,825
Excess (Deficiency) of Revenues Over Expenditures	335,012	(17,118)	492,024	809,918
Other Financing Sources				
Transfers in, net	719,980	-	5,020	725,000
Total Other Financing Sources	719,980	-	5,020	725,000
Net Changes in Fund Balances	1,054,992	(17,118)	497,044	1,534,918
Fund Balances - Beginning of Year	7,590,900	810,213	2,968,695	11,369,808
Fund Balances - End of Year	\$ 8,645,892	\$ 793,095	\$ 3,465,739	\$ 12,904,726

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

CITY OF BENTON, ILLINOIS
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2025

Net Change In Fund Balances - Total Governmental Funds \$ 1,534,918

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the Statement of Activities.

Depreciation expense	\$ (892,912)
Capital asset purchases capitalized	205,418

Some expenses reported in the Statement of Activities do not require the use of current financial resources; therefore, are not reported as expenditures in government funds. (187,841)

Accrued vacation, sick, and personal leave are reported in the Statement of Activities and Changes in Net Position, but does not require the use of current financial resources. Therefore, these accrued expenses are not reported as an expenditure in governmental funds. 281,765

Pension expense is recorded in the statement of activities when incurred; these costs are recorded in governmental funds as expenses when paid. (706,097)

Change In Net Position of Governmental Activities \$ 235,251

CITY OF BENTON, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
APRIL 30, 2025

Assets

Current Assets		
Cash and cash equivalents	\$	1,145,443
Restricted cash and cash equivalents		1,133,124
Investments, at fair value		1,594
Accounts receivable, net of provision for uncollectible accounts of \$127,137		116,983
Inventories		19,594
Interfund balance		(582,879)
Prepaid expense		229,448
		<hr/>
Total Current Assets		2,063,307
		<hr/>
Noncurrent Assets		
Capital assets, non-depreciable		533,928
Capital assets, depreciable, net of depreciation		18,996,063
		<hr/>
Total Non-Current Assets		19,529,991
		<hr/>
Total Assets		21,593,298
		<hr/>
Deferred Outflow of Resources		
Deferred outflow related to pension liabilities		415,587
		<hr/>
Liabilities		
Current Liabilities		
Accounts payable		163,624
Accrued payroll		14,810
Accrued interest payable		58,903
Accrued vacation		53,121
Due to fiduciary		5,121
Current portion of notes payable		355,843
Net pension obligation		560,235
		<hr/>
Total Current Liabilities		1,211,657
		<hr/>
Notes payable, less current portion		5,362,708
		<hr/>
Total Liabilities		6,574,365
		<hr/>
Deferred Inflow of Resources		
Deferred inflow related to pension liabilities		1,534
		<hr/>
Net Position		
Invested in capital assets		13,811,440
Restricted by ordinance		935,625
Unrestricted		739,921
		<hr/>
Total Net Position	\$	15,486,986
		<hr/>

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

CITY OF BENTON, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED APRIL 30, 2025

Operating Revenues	
Charges for services and fees	\$ 2,792,829
Miscellaneous income	<u>23,387</u>
 Total Operating Revenues	 <u>2,816,216</u>
 Operating Expenses	
Administrative and general	278,784
Water supply expense	1,015,444
Transmission and distribution	1,072,943
Plant maintenance and purification	758,136
Professional Services	13,433
Depreciation	<u>715,206</u>
 Total Operating Expenses	 <u>3,853,946</u>
 Operating Loss	 <u>(1,037,730)</u>
 Nonoperating Revenues (Expenses)	
Investment income	11,921
Rental income, net	14,960
Interest expense	(98,643)
Bad debt expense, net of recoveries	<u>(94,333)</u>
 Net Nonoperating (Expenses)	 <u>(166,095)</u>
 Operating Loss Before Transfers	 <u>(1,203,825)</u>
 Change in Net Position	 <u>(1,203,825)</u>
 Net Position - Beginning of Year	 <u>16,690,811</u>
 Net Position - End of Year	 <u>\$ 15,486,986</u>

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

CITY OF BENTON, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED APRIL 30, 2025

Cash Flows from Operating Activities	
Receipts from customers	\$ 2,798,129
Payments to employees	(809,616)
Payments to suppliers of goods and services	<u>(2,859,913)</u>
 Net Cash Used by Operating Activities	 <u>(871,400)</u>
 Cash Flows from Noncapital Financing Activities	
Net operating transfers	<u>495,727</u>
 Net Cash Provided by Noncapital Financing Activities	 <u>495,727</u>
 Cash Flows from Capital and Related Financing Activities	
Interest paid on capital debt	(98,643)
Disposals of capital assets	<u>696,731</u>
 Net Cash Provided in Capital and Related Financing Activities	 <u>598,088</u>
 Cash Flows from Investing Activities	
Interest on investments	11,921
Proceeds from rental income	<u>14,960</u>
 Net Cash Provided by Investing Activities	 <u>26,881</u>
 Increase in Cash and Cash Equivalents	 249,296
 Cash and Cash Equivalents - Beginning of Year	 <u>2,083,271</u>
 Cash and Cash Equivalents - End of Year	 <u>\$ 2,332,567</u>
 Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating income	\$ (1,037,730)
Adjustments to reconcile operating income to net cash provided by operating activities:	
(Increase) decrease in accounts receivable	(18,087)
Increase (decrease) in accounts payable	<u>11,680</u>
 Total adjustments	 <u>166,330</u>
 Net Cash Used by Operating Activities	 <u>\$ (871,400)</u>

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

CITY OF BENTON, ILLINOIS
FIDUCIARY FUND TYPES
STATEMENT OF FIDUCIARY NET POSITION
APRIL 30, 2025

	<u>Pension Trust Funds</u>	<u>Custodial Funds</u>
Assets		
Cash	\$ 267,293	\$ 105,928
Receivables, net		
Interest	2,037	-
Property tax	518,000	-
Investments, at fair value -		
IFPIF	5,100,029	-
IPOPIF	6,170,355	-
Due from other funds	<u>9,121</u>	<u>-</u>
Total Assets	<u>12,066,835</u>	<u>105,928</u>
Liabilities		
Accrued payroll and related expenses	(10,543)	-
Due to other funds	<u>-</u>	4,000
Deferred tax revenue	<u>(241)</u>	<u>-</u>
Total Liabilities	(10,784)	4,000
Deferred Inflow of Resources		
Deferred inflow of resources - property tax	<u>518,000</u>	<u>-</u>
Net Position	<u>\$ 11,559,619</u>	<u>\$ 101,928</u>

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

CITY OF BENTON, ILLINOIS
FIDUCIARY FUND TYPES
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED APRIL 30, 2025

	Pension Trust Funds	Custodial Funds
Additions		
Contributions		
Employer -		
Property tax	\$ 513,702	\$ -
Employer contribution	220,000	-
Replacement tax	23,957	-
Plan members	133,673	-
Other	<u>-</u>	<u>11,376</u>
Total Contributions	<u>891,332</u>	<u>11,376</u>
Investment Earnings		
Interest	<u>69,379</u>	<u>-</u>
Net (decrease) in fair value of investments	<u>1,694,044</u>	<u>-</u>
Less investment expense	<u>(3,157)</u>	<u>-</u>
Net Investment Earnings	<u>1,760,266</u>	<u>-</u>
Total Additions	<u>2,651,598</u>	<u>11,376</u>
Deductions		
Benefits	763,646	-
Transfers in (out)	725,000	-
Administrative expense	<u>17,582</u>	<u>7,209</u>
Total Deductions	<u>1,506,228</u>	<u>7,209</u>
Change in Plan Net Position	1,145,370	4,167
Plan Net Position - Beginning of Year	<u>10,414,249</u>	<u>97,761</u>
Plan Net Position - End of Year	<u>\$ 11,559,619</u>	<u>\$ 101,928</u>

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

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Benton, Illinois (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the more significant accounting policies consistently applied in the preparation of the accompanying basic financial statements follows.

A. Reporting entity

The City was created in 1902 and operates under an elected Mayor/Council form of government. The City's major operations include public safety, fire protection, street maintenance, recreation, and general administrative services.

The City's reporting entity includes the City's governing board and all related organizations for which the City exercises oversight responsibility.

The City has developed criteria to determine whether outside agencies with activities which benefit the citizens of the City should be included within its financial reporting entity or as a component unit. The criteria include, but are not limited to, whether the City exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public services, and special financing relationships.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The City also has business-type activities and proprietary funds on which to apply the pronouncements.

The Police Pension Fund and Fire Pension Fund have been included as fiduciary component units reported as a Pension Trust Fund. The Police Pension Fund functions for the benefit of the City's sworn police employees and is governed by a five-member pension board. Two members appointed by the Mayor, two elected police officers, and one elected beneficiary constitute the pension board. The Fire Pension Fund functions for the benefit of the City's sworn firemen and is governed by a five-member pension board. Two members appointed by the Mayor, two elected firemen, and one elected beneficiary constitute the pension board. The City and the Police/Fire Pension Fund participants are obligated to fund all of the Police/Fire Pension Fund costs based upon actuarial valuations, including administrative costs. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Accordingly, the Police Pension and Fire Pension Funds are fiscally independent of the City. No separate annual financial report is issued for the Police Pension Fund or Fire Pension Fund.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of presentation

The basic financial statements include both government-wide and fund financial statements. The government-wide statements focus on the City as a whole, while the fund financial statements focus on major funds. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. 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. The City's government-wide activities are both governmental and business-type activities.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

In the government-wide Statement of Net Position, the governmental activities column (a) is presented on a consolidated basis, and (b) is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Interfund receivables/payables resulting from short-term interfund loans are eliminated in the government-wide Statement of Net Position. The City's net position is reported in four parts - invested in capital assets, net of related debt; restricted net assets; non-spendable; and unrestricted net assets. The City first utilizes restricted resources to finance qualifying activities. This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

Fund financial statements report detailed information about the City.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures or expenses, as appropriate. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The following fund types are used by the City:

Governmental Fund Types:

These are the funds through which most governmental functions typically are financed. The following is a description of the governmental fund types of the City:

- a. **General Fund Types** – The General Fund, Municipal Utility Tax Fund, Capital Improvements Fund, Municipal Telecommunications Tax Fund, Auxiliary Police Fund, Accounts Payable Fund, Impound Fee Fund, Grants and Donations Fund, Ambulance Fund, Hazmat Fund, and Restricted Sale Fund are the general operating funds of the City. They are used to account for all financial resources devoted to financing the general services that the City performs for its citizens, except those required to be accounted for in another fund.
- b. **Special Revenue Funds** – These funds are established to account for the proceeds of specific revenue sources (other than expendable trusts and major capital projects) that are legally restricted to expenditures for specified purposes. The City's special revenue funds are the Audit Fund, Benton Police Vehicle Fund, Police DUI Fund, Twin Oaks Fund, Municipal Retirement Fund, Municipal Insurance Fund, Foreign Fire Insurance Fund, Road and Bridge Fund, Motor Fuel Tax Fund, Airport Fund, DCEO/IHDA Recapture Fund, Home Rule Street Improvement Fund, TIF Funds and Housing Grant Fund.
- c. **Capital Project Funds** – These funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Enterprise Funds). The City's capital project funds are the Restricted Fund and I-57 Interchange Modifications Fund.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Fund Types:

These funds account for operations that are organized to be self-supporting through user charges. The following is a description of the proprietary funds of the City:

- a. **Enterprise Funds** – These funds are established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Fiduciary Fund Types:

Fiduciary Funds are used to report assets held by the City as a trustee or agent for individuals, private organizations, and other units of government. The following is a description of the fiduciary funds of the City:

- a. **Pension Trust Funds** – These funds were established to provide pension benefits for City police and fire employees. The principal revenue source for this fund is employer and employee contributions. The financial statements presented for these funds, the Statement of Plan Net Position and Statement of Changes in Plan Net Position, are not consistent with conventional basic financial statements.
- b. **Custodial Funds** – These funds are custodial in nature and do not present results of operations or have a measurement focus. The custodial funds are accounted for using the modified accrual basis of accounting.

Major and Non-major Funds

The funds are further classified as major or non-major as follows:

<u>Fund</u>	<u>Brief Description</u>
Major Governmental:	
General Fund Types	Accounts for financial resources devoted to financing the general services that the City performs for its citizens.
Motor Fuel Tax Fund	Accounts for the revenues and expenditures of improving roads and infrastructure.
Major Proprietary:	
Water and Sewer	Accounts for activities related to providing water and sewer services to the citizens of the City.
Non-major Governmental:	
Special Revenue Funds:	
Benton TIF Special Account	Accounts for the revenues and expenditures of providing tax incentives related to the development, redevelopment, and rehabilitation of real property within the TIF district.
Municipal Retirement Fund	Accounts for the revenues and expenditures of the City employees' retirement.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

<u>Fund</u>	<u>Brief Description</u>
Non-major Governmental:	
<i>Special Revenue Funds:</i>	
Municipal Insurance Fund	Accounts for the revenues and expenditures of insuring the City as a whole.
Audit Fund	Accounts for the revenues and expenditures of paying for the City's annual audit.
Foreign Fire Insurance Fund	Accounts for the revenues and expenditures of purchasing and maintaining equipment for the City's fire department.
Road and Bridge Fund	Accounts for the revenues and expenditures of improving roads and infrastructure.
Home Rule Street Improvement Fund	Accounts for the revenues and expenditures of improving roads and infrastructure.
IJRL TIF #2 Fund	Accounts for revenues and expenditures of providing tax incentives related to the development, redevelopment, and rehabilitation of real property within the TIF district.
Housing Grant Fund	Accounts for revenues and expenditures to certain low income and very low income individuals and families in connection with the rehabilitation of single family homes located in Benton, Illinois.
DCEO/IHDA Recapture Fund	Accounts for revenues and expenditures to be used for housing improvements (similar to housing grants).
Airport Fund	Accounts for the revenues and expenditures of operating and developing the airport.
<i>Capital Projects:</i>	
Restricted Fund	Accounts for revenues and expenditures of making improvements to various City streets.
I-57/IL14 Interchange Modifications Fund	Accounts for revenues and expenditures of creating a new interchange on I-57.

C. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accrual

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The accrual basis of accounting is also utilized by the proprietary funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The accrual basis of accounting is followed for presentation of assets of the Pension Trust Funds. Liabilities pertaining to benefits payable or refunds payable are presented on the modified accrual basis, with remaining liabilities presented on the accrual basis of accounting.

Modified Accrual

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 "available" when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be "available" if they are collected within 60 days of the end of the current fiscal period except for sales tax and telecommunication taxes which are 90 days and state income tax which is 120 days. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

Taxes (excluding property taxes), licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized 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 City. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when paid.

D. Annual Budget Ordinance

The City Council annually passes a budget ordinance which includes all fund types using the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles. All unexpended budget amounts lapse at the end of each fiscal year.

Each fund's budget is prepared on a detailed line-item basis. Expenditures are budgeted by department and class as follows: salaries and benefits, services and charges, supplies, capital outlay, transfers and debt service. For each fund, total expenditures may not legally exceed the budget at this level.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Cash Equivalents

Cash includes cash on hand and cash on deposit with financial institutions that can be withdrawn without prior notice or penalty.

Cash equivalents include short-term, highly liquid investments with original maturities of 90 days or less. For purposes of the Proprietary Fund statement of cash flows presentation, cash and cash equivalents totaled \$2,278,567 at April 30, 2025.

F. Investments

Investments are stated at fair value. Cash deposits are reported at carrying value which reasonably estimates fair value.

G. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Bad debts under the Proprietary Funds are accounted for by the allowance reserve method in recognizing bad debt expense. This method better matches the cost of operating the fund with revenues of the fund and is consistent with generally accepted accounting principles.

H. Prepaid Expenses

Prepaid expenses are for insurance payments made by the City in the current year to provide coverage occurring in the subsequent fiscal year.

I. Inventories

Inventories are valued at cost using the first-in, first-out method, and consists of expendable supplies held for consumption for the proprietary funds.

J. Due To and Due From Other Funds

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund receivables and payables are eliminated in the government-wide statement of net position.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Restricted Assets

Enterprise Funds are required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only for water and sewer renovations. The General Fund is required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only for specific purposes.

L. Capital Assets

Capital assets are reported by the City in the applicable governmental or business-type activities columns in the government-wide financial statements. All purchased capital assets are valued at cost or estimated historical cost, including all ancillary charges necessary to place the asset in its intended location and condition for use or capitalized interest incurred during the construction phase on debt-financed projects. The City maintains infrastructure asset records consistent with all other capital assets.

The City capitalizes property, plant, and equipment with estimated useful lives of more than one year and an original cost of \$2,500. Costs that significantly extend the useful life of an asset and meet the following thresholds are capitalized: 1) \$5,000 for an addition, improvement or other capital outlay for land improvements, buildings, and building improvements; 2) \$2,500 for equipment; 3) \$50,000 for infrastructure; and 4) \$500 for attractive items. Donated assets are reported at fair market value at the time of acquisition plus all appropriate ancillary costs. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer.

The estimated useful lives of assets are based on local government suggested basis, past experience, or other reliable sources. Useful lives typically will not exceed fifty (50) years. The following estimated useful lives are used for depreciation purposes:

Buildings and improvements	10 – 50 years
Furniture and equipment	5 – 20 years
Infrastructures	20 – 40 years

Depreciation of exhaustible fixed assets used by proprietary funds is charged as an expense against operations, and accumulated depreciation is reported on the proprietary fund's balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation applied to the cost of each class of property, plant and equipment. Estimated useful lives, in years, for depreciable assets of the Water and Sewer departments are as follows:

Buildings and grounds	20 – 50 years
Improvements	100 years
Machinery and equipment	5 – 50 years
Water and sewer lines	20 – 50 years

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Compensated Absences

For the General Fund and Enterprise Funds, benefit pay is accrued for benefits earned but not taken at April 30, 2025. Vacation time is earned either on a calendar year, fiscal year, or hire-date basis, depending upon the department in which employed.

Upon termination of employment, employees will be paid for unused vacation time accumulated at the rate of pay at the time of separation. Unused sick leave benefits are not paid upon termination of employment. Accrued compensated absences at April 30, 2025, totaled \$334,886 and are included in accrued expenses reports by the City.

In June 2022, the GASB issued Statement No. 101, Compensated Absences. This Statement requires that liabilities for compensated absences be recognized in financial statements prepared using the economic resources measurement focus for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for that leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The standard was implemented May 1, 2024. The City has recorded compensated absences in the financial statements for the year ended April 30, 2025..

Vacation Days

POLICE DEPARTMENT – Union employees are eligible to earn and use vacation time after six months of full-time employment. Vacation is earned on a pro-rata monthly basis determined by length of employment which is based on the anniversary date of each respective employee. Employees must work at least 136 hours per month to earn the vacation time for that month.

Employees will continue to accumulate vacation allowances for as long as they meet the eligibility requirements set forth in the Agreement. However, when an employee has reached a total accumulation of four (4) weeks, he or she will be required to meet with the Chief to schedule the use of at least two (2) weeks of accumulated time so as to reduce the overall balance of time on the books unless mutually agreed in writing by employee and respective Chief and Commissioner to extend the vacation carryover date to a date certain, rather than an indeterminate date, for the mutual benefit of the employee and the department. Upon the mutual agreement of the employee, the Chief, and the Commissioner, accumulated unused vacation time up to a maximum of one half the allowances an employee will earn in a year may be sold back to the City at the employee's regular rate of pay, unless otherwise mutually agreed in writing among employees, Chief and Commissioner to sell back in excess of the one-half allowance. The City shall issue said compensation to the employee within twenty-one (21) days following the approval of the employee's request to sell back excess time.

Any employee who is separated from City employment shall be compensated for all unused vacation time accumulated for the year at the rate of pay at the time of separation.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FIRE DEPARTMENT – Union employees are eligible to earn and use vacation time after six months of full-time employment. Vacation is earned on a pro-rata monthly basis determined by length of employment which is based on the anniversary date of each respective employee. Employees must work at least 168 hours per month to earn the vacation time for that month.

Employees will continue to accumulate vacation allowances for as long as they meet the eligibility requirements set forth in the Agreement. However, when an employee has reached a total accumulation of four (4) weeks, he or she will be required to meet with the Chief to schedule the use of at least two (2) weeks of accumulated time so as to reduce the overall balance of time on the books unless mutually agreed in writing by employee and respective Chief and Commissioner to extend the vacation carryover date to a date certain, rather than an indeterminate date, for the mutual benefit of the employee and the department. In the event an employee's vacation is denied or cancelled for operational needs, and the employee is unable to take his vacation during the year, the unused portion may be sold to the City at the employee's regular rate of pay.

Any employee who is separated from City employment shall be compensated for all unused vacation time accumulated for the year at the rate of pay at the time of separation.

LABORERS – Employees who have completed one year of service shall earn one week of vacation. After two years of service, employees shall earn two weeks of vacation. After five years of service, employees shall earn three weeks of vacation. After 10 years of service, employees shall earn two extra days of vacation for each additional year, up to 25 days. Vacation is paid at the employee's regular straight time hourly rate.

Employees may carry over a maximum of 2 weeks of vacation. The unused portion may be sold at the employee's regular rate of pay. Vacation time may be sold back one time per year (from anniversary date to anniversary date).

NON-UNION EMPLOYEES – Employees who have completed one year of service shall receive one week of vacation. After two years of service, employees shall receive two weeks of vacation and employees who have completed more than five years of service shall receive three weeks of vacation. Upon completion of 10 years of service, the employee shall earn 2 additional days of vacation up to 25 days.

CONTRACTUAL EMPLOYEES – Vacation time is determined by contract.

Any employee who is separated from City employment shall be compensated for all unused vacation time accumulated for the year at the rate of pay at the time of separation.

Sick Days

POLICE DEPARTMENT – All full-time union employees shall be granted sick leave allowances each fiscal year, to be accrued pro rata during each respective fiscal year. Sick leave is accrued at a rate of 3.08 hours per pay. Only regular full-time union employees are eligible for sick leave benefits. Benefits will accrue in any month in which an employee is paid for at least one hundred thirty-six (136) hours of work. For purposes of this provision, compensated paid time off under the Agreement (including vacation, personal days, and paid sick leave) shall count as "hours of work".

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Workers' compensation leave, use of donated leave time, or unpaid leaves, layoff, or any other unpaid absences shall not count as "hours of work". Employees may accumulate unused sick leave up to 160 hours of sick leave time.

If an employee has unused sick time in excess of one hundred sixty (160) hours, he or she may elect to sell back such excess time up to a maximum of one hundred (100) hours per fiscal year, to be elected between May 1 and June 30 of each year and subject to approval by the City Council. Denial of the annual sell back may only be made by the City Council for budgetary reasons, however, and partial approval must be given on an equal basis to all bargaining unit members. An employee on layoff may elect to keep any accrued unused sick leave time in his or her bank to be frozen until time of recall. The City shall issue said compensation to the employee within twenty-one (21) days following the approval of the employee's request to sell back excess time.

FIRE DEPARTMENT – All full-time union employees shall be granted sick leave allowance for each fiscal year to be accrued pro rata during each respective fiscal year. Sick time shall accrue at a rate of 3.69 hours per pay. They may accumulate up to 480 hours of sick leave.

If an employee has unused sick time at the end of a fiscal year in excess of 160 hours he or she may elect to sell back the excess in 80 hour blocks on February 1 and/or August 1 for all sick time unused over 160 hours provided notice is given to the City 30 days prior to February 1 and August 1. Failure to give notice shall result in a forfeiture of the right of election to sell back.

Any employee who is separated from City employment shall be compensated for all unused sick time accumulated for the year at the rate of pay at the time of separation.

LABORER'S UNION – All full-time active employees shall be entitled to 5 sick leave days each fiscal year worked. During the first year worked, each regular full-time employee will earn 1 sick day for each month worked up to a maximum of 5 days. Employees may carry over 15 sick leave days which shall be increased to a maximum of 20 days. The sick leave is granted on May 1 of each fiscal year. Sick leave may be prorated the first year. Employees may sell back unused time over 20 days at the end of the fiscal year.

Any employee who is separated from City employment shall be compensated for all unused sick time accumulated for the year at the rate of pay at the time of separation.

NON-UNION AND CONTRACTUAL EMPLOYEES – Employees will receive 80 hours of sick time on May 1st of each fiscal year. They may accumulate up to 240 hours of sick time. Unused sick time over 160 hours may be sold back at the end of the fiscal year.

Any employee who is separated from City employment shall be compensated for all unused sick time accumulated for the year at the rate of pay at the time of separation.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Personal Days

POLICE DEPARTMENT – Each post-probationary employee shall receive personal leave days in accordance with the following schedule: At the discretion of the Chief, a probationary employee may, upon written request, borrow up to one-half (1/2) of their personal leave time that they will receive upon successful completion of probationary status, although the time has not formally accrued. If employment is terminated before successful completion of probationary status, the employee may be required to reimburse the City for the value of any time advanced.

<u>Position</u>	<u>Personal Leave Allowance</u>
E911/Dispatcher	Six (6) eight (8) hour days
Peace Officers	Five (5) ten (10) hour days

Personal days are to be scheduled with the approval of the Chief, although they may also be used in the event of a personal emergency requiring the employee's attention. Personal days may not be used immediately before or after a holiday unless scheduled and approved two (2) weeks in advance or in the event of an extreme emergency in which case the Chief may require a good, reasonable and bona fide explanation. Personal leave days shall be allocated as above for each fiscal year, to be accrued pro rata during each respective fiscal year.

FIRE DEPARTMENT – Each post-probationary employee shall receive 4 – 24 hour days (96 hours). Personal days are to be scheduled with the approval of the Chief, although they may also be used in the event of a personal emergency requiring the employee's attention. Personal leave will be required to be utilized at a two (2) hour minimum schedule of use. Personal leave days shall be allocated as above for each fiscal year, to be accrued pro rata during each respective fiscal year.

LABORER AND OTHER EMPLOYEES – Laborer shall be entitled to eleven (11) personal days per year. Any laborers may carry over a maximum of twenty-two (22) personal days. Any additional personal days in excess of twenty-two (22) will be used or sold back on or before May 1st of each year. Other employees receive six (6) personal days on May 1st and they are use or lose by the end of the fiscal year.

In June 2022, the GASB issued Statement No. 101, Compensated Absences. This Statement requires that liabilities for compensated absences be recognized in financial statements prepared using the economic resources measurement focus for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for that leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This standard was implemented May 1, 2024.

N. Postemployment Healthcare Benefits

The City provides postemployment healthcare benefits mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the City.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

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

P. Equity Classifications

Government-wide Statements

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

- a. Invested in capital assets, net of related debt – 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 assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”, or “non-spendable.”
- d. Non-spendable - Consists of assets that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned and unassigned.

- a. The *nonspendable* fund balance classification includes amounts that cannot be spent because they are either not in spendable form, such as inventories, or are legally or contractually required to be maintained intact.
- b. *Restricted* fund balances are those that have externally imposed restrictions on their usage by creditors (such as through debt covenants), grantors, contributor, or laws and regulations.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- c. *Committed* fund balances are self-imposed limitations that the City's Council approved, which is the highest level of decision-making authority within the City. Only the City Council can remove or change the constraints placed on committed fund balances.
- d. *Assigned* fund balances are resources constrained by the City's intent to be used for specific purposes, but that are neither restricted nor committed.
- e. The *unassigned* fund balance is the residual classification for the general fund and includes all spendable amounts not reported in the other classifications. Also, deficits in fund balances of the other governmental funds are reported as unassigned.
- f. The *unrestricted* fund balance category is composed of committed, assigned, and unassigned resources.

Q. Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

R. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has deferred outflows related to pension expense to be recognized in future periods and for pension contributions made after the measurement dates.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports unavailable/unearned property taxes in this category. The City also reports deferred inflows related to pensions.

S. Use of Estimates

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

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

T. Subscription-Based IT Arrangements (SBITAs)

Effective May 1, 2023, the City implemented GASB No. 96, Subscription-Based Information Technology Arrangements (SBITA). The City determines whether a contract conveys control of the right to use another party's (SBITA vendor's) IT software, infrastructure, or data warehouse, alone or in combination with tangible capital assets (underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The SBITA liability is the present value of the annual payments using the City's incremental borrowing rate. The liability is amortized providing the principal and interest components of the payments over the SBITA term. The SBITA asset is measured as the SBITA liability plus any capitalized expenditures/expenses incurred in the initial implementation stage. The SBITA asset is depreciated (amortized) using a straight-line depreciation method over the term of the SBITA arrangement. For the year ended April 30, 2025, the City's SBITAs are not material to the financial statements.

U. Leases

Effective May 1, 2022, the City implemented GASB No. 87, Leases. As the lessee, the City determines whether a contract is, or contains a lease at inception. Lease agreements with a maximum lease term of twelve months or less, including options to extend, are accounted for as short-term leases. Lease agreements that transfer ownership of the underlying asset to the City at the end of the contract are recorded as a finance purchase with a related lease liability. Lease agreements not classified as a short-term lease, or a finance purchase are accounted for as an intangible right to use lease asset. An Intangible right to use lease asset represents the City's right to use an underlying asset during the lease term and the lease liability represents the City's obligation to make lease payments arising from the lease. Intangible right to use lease assets and lease liabilities are recognized at lease commencement based upon the estimate present value of unpaid lease payments over the lease term. The City uses its incremental borrowing rate based on information available at lease commencement in determining the present value of unpaid lease payments. As the lessor, the City applies the same criteria but recognizes a lease receivable and a deferred inflow of resources equal to the present value of the lease payments. The City did not have any leases during the year ended April 30, 2025 that were material to the financial statements as a whole. Therefore, GASB No. 87 does not affect the financial statement presentation and disclosure.

NOTE 2: DEPOSITS AND INVESTMENTS

The City and Pension Funds categorize the fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices on active markets for identical assets. Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs.

Permitted Deposits and Investments – The City's investment policy allows for deposits and investments in interest-bearing savings accounts, certificates of deposits, any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act, Bonds, notes, certificates of indebtedness, treasury bills or other securities which are guaranteed by the full faith and credit of the United States, bond, note indentures or similar obligations held by an agency of the United States, and the State of Illinois Public Treasurer's Investment Pool.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

The pension trust fund's investment policies allow for the same investments as the City plus investments in general and separate accounts that are managed by life insurance companies with certain restrictions, corporate bonds with certain restrictions, and mutual funds which meet certain restrictions.

A. Deposits

Custodial Credit Risk Related to Deposits with Financial Institutions

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits might not be returned to it. The City requires all amounts deposited or invested with financial institutions in excess of any insurance limit shall be protected by collateralization with securities eligible for City investment or any other high-quality, interest bearing security. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization.

At April 30, 2025, the carrying amount of the City's deposits with financial institutions, which includes demand deposits, savings accounts, and certificates of deposit, was \$14,277,587 (excludes \$2,345 in cash on hand held at the City). The bank balance was \$14,282,667. As of April 30, 2025, none of the City's bank balances (certificates of deposit, checking, and savings accounts) were exposed to custodial credit risk.

During the year ended April 30, 2025, the depository banks used by the City had pledged \$8,884,741 in federal securities to secure the City's deposits in excess of the amounts insured by the FDIC. The pledged securities are held by the pledging financial institutions' trust department or agent but not in the City's name.

B. Investments

The Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the state to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, the price for which the investment could be sold.

Firefighters' Pension Fund

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, Illinois 60148 or at www.ifpif.org.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 2: DEPOSITS AND INVESTMENTS (continued)

IFPIF is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in the Illinois Firefighters' Pension Investment Fund are valued at Illinois Fund's share price, the price for which the investments could be sold. IFPIF acts as the investment custodian under the Treasury and Security Division.

The Firefighters' Pension Fund's investment policy, in accordance with Illinois Statutes, establishes a target allocation across asset classes. The target allocation table is available at www.ifpif.org.

Investment Policy: IFPIF's current investment policy was adopted by the Board of Trustees on June 17, 2022. IFPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IFPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

Investments: At year end, the Fund's allocated value of investments with the Illinois Firefighters' Pension Investment Fund were \$14,346,710 measured at the Net Asset Value (NAV) per share as determined by the pool. The pooled investments consist of the investments as noted in the target allocation table available at www.ifpif.org.

Police Pension Fund

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police officer pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IPOPIF by Illinois suburban and downstate police officer pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, Illinois 61602 or at www.ipopif.org.

IPOPIF is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in the Illinois Police Officers' Pension Investment Fund are valued at Illinois Fund's share price, the price for which the investments could be sold. IPOPIF acts as the investment custodian under the Treasury and Security Division.

The Police Officers' Pension Fund's investment policy, in accordance with Illinois Statutes, establishes a target allocation across asset classes. The target allocation table is available at www.ipopif.org.

Investment Policy: IPOPIF's current investment policy was adopted by the Board of Trustees on December 17, 2021, revised April 14, 2023. IPOPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 2: DEPOSITS AND INVESTMENTS (continued)

Investments: At year end, the Fund's allocated value of investments with the Illinois Police Officers' Pension Investment Fund were \$16,355,241 measured at the Net Asset Value (NAV) per share as determined by the pool. The pooled investments consist of the investments as noted in the target allocation table available at www.ipopif.org.

As of April 30, 2025, the City, including pension trust funds, had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (In Years)				Moody's Rating
		Less than 1	1-5	6-10	More than 10	
Government National Mortgage Assoc	\$ 2,028	\$ -	\$ 1,383	\$ 645	\$ -	N/A
IFPIF Consolidated Pool	5,100,029	5,100,029	-	-	-	N/A
United States Treasury	6,170,355	6,170,355	-	-	-	N/A
Total	\$ 11,272,412	\$ 11,270,384	\$ 1,383	\$ 645	\$ -	

All of the investments listed above, except for Illinois Money Market which is valued using Level 2, are valued using Level 1 inputs.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways the City manages its exposure to interest rate risk is by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations. Another way the City manages its exposure to interest rate risk is by investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

Investments with Fair Values Highly Sensitive to Interest Rate Risk

The City's investments include the following investments that are highly sensitive to interest rate fluctuations:

<u>Highly Sensitive Investments</u>	<u>Fair Value at</u> <u>April 30, 2025</u>
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Federal agency securities. These securities are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows affects the fair value of these

\$ 2,028

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment.

This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City minimizes its exposure to credit risk by limiting its investments to the safest types of securities; by pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisers which the City will do business; and by diversifying the investment portfolio so that potential losses on individual securities will be minimized.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Disclosures are required for any issuer that represents 5% or more of total investments, exclusive of mutual funds, exchange-traded funds, external investment pools and investments issued or guaranteed by the U.S. government.

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the Illinois Government Code.

Foreign Currency Risk

Foreign currency risk is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value, as a result of changes in foreign currency exchange rates. The City had no foreign currency risk as of April 30, 2025.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the City will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments, other than the following provision for investments: a list will be maintained of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000) and at least five years of operation. These may include primary dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

At April 30, 2025, none of the City's investments were subject to custodial credit risk due to one of the following:

- Investments were part of an insured pool
- Investments were book-entry only in the name of the City and were fully insured
- Investments were part of a mutual fund
- Investments were held by an agent in the City's name

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 3: RESTRICTED ASSETS

Governmental Funds

	General Fund			
	Utility Tax Fund	Restricted Sale Fund	DCEO/IHDA Recapture Fund	I-57/IL14 Interchange Fund
Cash	\$ 527,722	\$ 221,479	\$ 3,362	\$ 351,505

Restricted assets of the General Fund are for police department use. Restricted assets of the DCEO/IHDA Recapture Fund are for grant expenditures. Restricted assets of the Restricted Sale Fund are for capital improvements.

Enterprise Fund

	Water and Sewer	
Cash	\$	<u>1,133,124</u>

Restricted assets of the Water and Sewer Department are restricted for the sewer plant loan repayment.

NOTE 4: PROPERTY TAX REVENUES

Receivables and Allowance

Property tax revenues are recorded on the "deferred method". Because of the extraordinarily long period of time between the levy date and the receipt of tax distributions from the County Collector, the property taxes are not "available" to finance current year expenditures.

The Road and Bridge Fund taxes received are a pro-rata portion of such taxes collected by Franklin County, Illinois, and are not extended separately for the City of Benton, Illinois.

The Tax Increment Financing (TIF) taxes received are calculated based on the increase in the assessed valuation of the property located within the TIF district.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 4: PROPERTY TAX REVENUES (continued)

The City's property tax is levied each year on all taxable real property located in the City. Property taxes attach as an enforceable lien on property as of January 1st and were payable in two installments on September 11, 2024, and October 23, 2024. The City receives significant distributions of tax receipts approximately one month after these due dates. Taxes recorded in these financial statements are from 2023 and prior tax levies.

Allowance for Uncollectible Amounts

The allowance for doubtful accounts is analyzed as follows:

	Enterprise Fund
Balance at April 30, 2024	\$ 38,200
Add	<u>44,316</u>
Balance at April 30, 2025	<u><u>\$ 82,516</u></u>

At April 30, 2025, the allowance for doubtful accounts was 12.44% of accounts receivables for the Enterprise Fund.

NOTE 5: CAPITAL ASSETS

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 988,680	\$ 12,200	\$ -	\$ 1,000,880
Construction in progress	<u>711,302</u>	<u>-</u>	<u>-</u>	<u>711,302</u>
Total Capital Assets Not Being Depreciated	<u><u>1,699,982</u></u>	<u><u>12,200</u></u>	<u><u>-</u></u>	<u><u>1,712,182</u></u>
Capital assets being depreciated:				
Land improvements	12,400,461	-	-	12,400,461
Improvements	431,726	-	-	431,726
Equipment	4,166,866	193,218	-	4,360,084
Buildings	<u>2,867,973</u>	<u>-</u>	<u>-</u>	<u>2,867,973</u>
Total Capital Assets Being Depreciated	<u><u>19,867,026</u></u>	<u><u>193,218</u></u>	<u><u>-</u></u>	<u><u>20,060,244</u></u>
Less accumulated depreciation for:				
Land improvements	7,273,647	496,448	-	7,770,095
Improvements	94,739	29,026	-	123,765
Equipment	3,529,630	305,853	-	3,565,483
Buildings	<u>649,675</u>	<u>61,585</u>	<u>-</u>	<u>711,260</u>
Total Accumulated Depreciation	<u><u>11,277,691</u></u>	<u><u>892,912</u></u>	<u><u>-</u></u>	<u><u>12,170,603</u></u>
Total Capital Assets Being Depreciated, Net	<u><u>8,589,335</u></u>	<u><u>(699,694)</u></u>	<u><u>-</u></u>	<u><u>7,889,641</u></u>
Governmental Activities Capital Assets, Net	<u><u>\$ 10,289,317</u></u>	<u><u>\$ (687,494)</u></u>	<u><u>-</u></u>	<u><u>\$ 9,601,823</u></u>

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 5: CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 206,275	\$ -	\$ -	\$ 206,275
Construction in progress	327,653	-	-	327,653
Total Capital Assets Not Being Depreciated	<u>533,928</u>	<u>-</u>	<u>-</u>	<u>533,928</u>
Capital assets being depreciated:				
Buildings	14,892,625	-	-	14,892,625
Equipment	613,801	27,341	-	641,142
Vehicles	485,161	-	-	485,161
Transmission and distribution systems	5,819,826	-	-	5,819,826
Capital improvements	8,916,938	-	-	8,916,938
Total Capital Assets Being Depreciated	<u>30,728,351</u>	<u>27,341</u>	<u>-</u>	<u>30,755,692</u>
Less accumulated depreciation for:				
Buildings	1,971,041	318,551	-	2,289,592
Equipment	520,051	34,377	-	554,428
Vehicles	223,693	56,989	-	280,952
Transmission and distribution systems	3,429,359	136,074	-	3,565,433
Capital improvements	4900,009	16,9215	-	5,069,224
Total Accumulated Depreciation	<u>11,044,423</u>	<u>715,206</u>	<u>-</u>	<u>11,759,629</u>
Total Capital Assets Being Depreciated, Net	<u>19,683,928</u>	<u>(687,865)</u>	<u>-</u>	<u>18,996,063</u>
Business-Type Activities Capital Assets, Net	<u>\$ 20,217,856</u>	<u>\$ (867,685)</u>	<u>\$ -</u>	<u>\$ 19,529,991</u>

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:

General government	\$ 187,841
Public health and safety	191,916
Streets, alleys and cemeteries	485,135
Cultural and recreation	14,202
Unallocated infrastructure	13,817
Total Governmental Activities Depreciation Expense	<u>\$ 892,912</u>

Business-Type Activities:

Water	\$ 357,603
Sewer	357,603
Total Business-Type Activities Depreciation Expense	<u>\$ 715,206</u>

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 6: LEGAL DEBT MARGIN AND CHANGES IN LONG-TERM DEBT

Legal Debt Margin

The City is a home rule municipality. Under the Illinois Compiled Statutes, home rule governments may issue notes and bonds in excess of any statutory limitation, and they shall not reduce the debt incurring power otherwise authorized for any such unit of government. Therefore, the City has no legal debt limitation.

Changes in Long-Term Debt for Governmental Activities

Other Contractual Liabilities

The following is a summary of other contractual liability transactions for governmental-type activities of the City for the fiscal year ended April 30, 2025:

Governmental-Type Activities:	Balance May 1, 2024	Additions	Payments	Balance April 30, 2025	Amounts Due Within One Year
Fire truck	\$ 38,927	\$ -	\$ 38,927	\$ -	\$ -
Accrued vacation	137,918	124,382	102,947	159,353	-
Accrued sick	121,606	-	-	121,606	-
Accrued personal	806	-	-	806	-
Net pension liability	4,742,143	616,587	-	5,358,730	-
Total	\$ 5,041,400	\$675,601	\$ 38,927	\$ 4,451,893	\$ -

For governmental activities the General Fund makes payments on the accrued vacation, sick, personal, fire truck, and net pension liability.

The following is a summary of other contractual liability transactions for business-type activities of the City for the fiscal year ended April 30, 2025:

Business-Type Activities:	Balance May 1, 2024	Additions	Payments	Balance April 30, 2025	Amounts Due Within One Year
State of Illinois	\$ 5,718,551	\$ -	\$ 355,843	\$ 5,362,708	\$ 355,843
Accrued vacation	27,499	-	-	27,499	-
Accrued sick	20,500	-	-	20,500	-
Accrued personal	5,122	-	-	5,122	-
Net pension liability	387,498	181,737	-	560,235	-
Total	\$ 6,159,170	\$ 181,737	\$ 355,843	\$ 5,976,064	\$ 355,843

Enterprise Fund contractual obligations at April 30, 2025, are comprised of the 1.75% note payable to the State of Illinois for sewer capital projects, payable in semi-annual installments of \$224,123 beginning November 1, 2018 through May 1, 2038. Balance as of April 30, 2025 was \$5,362,708

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 6: LEGAL DEBT MARGIN AND CHANGES IN LONG-TERM DEBT (continued)

Debt Service requirements to maturity for notes payable are as follows:

<u>Fiscal Years Ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 355,843	\$ 92,405	\$ 448,248
2027	362,097	86,151	448,248
2028	368,462	79,786	448,248
2029	374,938	73,310	448,248
2030	381,528	66,719	448,247
2031-2035	2,010,619	230,619	2,241,238
2036-2039	<u>1,509,221</u>	<u>53,500</u>	<u>1,562,721</u>
 Total	 <u>\$ 5,362,708</u>	 <u>\$ 682,490</u>	 <u>\$ 6,045,198</u>

The City's outstanding note is from direct borrowings related to business-type activities of \$5,362,708 and contains a provision that in an event of default, the outstanding amount becomes due if the City is unable to make payment.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLANS

Net Pension Liability

Net Pension Liability is reported in the accompanying statement of net position as follows:

	<u>Net Pension Liability</u>
IMRF	\$ 668,831
Police Pension Fund	1,629,867
Fire Pension Fund	<u>888,163</u>
Total	<u>\$ 2,518,030</u>

Deferred Inflows and Outflows of Resources

Deferred Inflows and Outflows of Resources are reported in the accompanying statement of net position as follows:

	Differences Between Expected and Actual Experience	Employer Contributions	Net Differences Between Projected and Actual Earnings	Change in Assumptions
Illinois Municipal Retirement Fund	\$ 387	\$ 34,428	\$ 228,555	\$ (1,385)
Police Pension Fund	(264,366)	-	44,162	269202
Fire Pension Fund	39,294	-	1,688	199,938
Totals	\$ (224,685)	\$ 34,428	\$ 274,405	\$ 467,755

Pension Expense

Pension expenses are included in the accompanying statement of revenues, expense, and changes in net position as follows:

	<u>Pension Expense</u>
Illinois Municipal Retirement Fund	\$ 457,230
Police Pension Fund	240,356
Fire Pension Fund	<u>187,267</u>
Total	<u>\$ 884,853</u>

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

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 City's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the 'Benefits Provided' section of this document. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided: IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriffs Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

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

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

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

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

Employees Covered by Benefit Terms

As of December 31, 2024, the following employees were covered by the benefit terms:

	IMRF
Retirees and beneficiaries currently receiving benefits	37
Inactive plan members entitled to but not yet receiving benefits	5
Active plan members	<u>26</u>
	<u><u>68</u></u>

Contributions: As set by statute, the City's regular plan members are required to contribute 4.5% 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 City's annual contribution rate for calendar year 2024 was 8.70%. For the fiscal year ended April 30, 2025, the City contributed \$110,451 to the plan. The City 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability: The City's net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Actuarial Assumptions

Methods and Assumptions Used to Determine Total Pension Liability at December 31, 2024

Actuarial Cost Method	Entry Age Normal
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 2023 valuation pursuant to an experience study of the period 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

Changes in the Net Pension Liability (Asset)

<u>Fiscal Years Ending April 30,</u>	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) – (B)
Balances at December 31, 2023	\$ 8,713,924	\$ 7,987,568	\$ 726,356
Changes for the year:			
Service cost	115,291	-	115,291
Interest on the total pension liability	617,273	-	617,273
Differences between Expected and Actual Experience of the total pension liability	(55,695)	-	(55,695)
Contributions – employer	-	110,451	(110,451)
Contributions – employees	-	57,130	(57,130)
Net Investment income	-	800,410	(800,410)
Benefit payments, including refunds of employee contributions	(514,927)	(514,927)	-
Other	-	(233,597)	233,597
Net changes	161,942	219,467	(57,525)
Balances at December 31, 2024	<u>\$ 8,875,866</u>	<u>\$ 8,207,035</u>	<u>\$ 668,831</u>

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability 92.46%

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the plans net pension liability (asset), calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability (asset) would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (6.25%)	Current Discount (7.25%)	1% Higher (8.25%)
Net pension liability	\$ 1,671,528	\$ 668,831	\$ (138,964)

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

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

For the year ended April 30, 2025, the City recognized pension expense of \$457,230. At April 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts Related to Pensions		
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 41,414	\$ 41,027
Changes of assumptions	-	1,385
Net difference between projected and actual earnings on pension plan investments	<u>752,403</u>	<u>523,848</u>
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	<u>793,817</u>	<u>566,260</u>
Pension Contributions Made Subsequent to the Measurement Date	<u>44,131</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 837,948</u>	<u>\$ 566,260</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year Ending December 31,</u>	Net Deferred Outflows of Resources	
2025	\$ 134,795	
2026		263,022
2027		(121,785)
2028		(48,475)
Total	<u>\$</u>	<u>227,557</u>

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

Police Pension Fund

Plan Description: Police-sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contribution levels are mandated by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. The police pension board consists of five members. Two are elected by active plan members. One is elected by the retired members and two are appointed by the City. At April 30, 2025, the Police Pension Plan membership consisted of:

Active members	13
Retirees and beneficiaries	11
	<hr/> <hr/> <hr/> 24

The Police Pension Plan provides retirement benefits as well as death and disability benefits. The Police Pension Plan now has a two Tier coverage. Tier 1 coverage is for policemen employed prior to January 1, 2011. Tier 2 coverage is for policemen employed after December 31, 2010. Tier 1 employees attaining the age of 50 or more with at least 20 years of creditable service are entitled to receive a monthly benefit of 50% of the final salary for the first 20 years of service, plus an additional 2.5% of final salary for each year of service beyond 20 years. Tier 2 employees must attain the age of 55 or more with at least 10 years of creditable service to receive a monthly benefit computed by multiplying 2.50% for each year of service completed by the final average salary (as defined in the statutes). Tier 1 employees with at least 8 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit. Tier 2 employees attaining the age 50 with 10 or more years of creditable service may retire with a reduced benefit. The maximum pension under Tier 1 or Tier 2 is 75% of the computed salary. The monthly benefit of Tier 1 employees who retired with 20 or more years of service after January 1, 1977 shall be increased annually following the first anniversary date of retirement and be paid upon reaching the age of 55 years by 3% of the original pension and 3% compounded annually thereafter. The monthly benefit of Tier 2 employees shall be increased on January 1st occurring either on or after the attainment of age 60. Each annual increase shall be the lesser of $\frac{1}{2}$ of the Consumer Price Index-Urban or 3% of the original pension.

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. For the year ended April 30, 2025, the City's contribution was 61.44% of covered payroll.

A separate report on the Police Pension Fund may be obtained at the City Clerk's Office in City Hall.

Net Pension Liability: The net pension liability was measured as of April 30, 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions

Methods and Assumptions Used to Determine Total Pension Liability and Contribution Rates

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay
Equivalent Single Amortization Period	100% Funded Over 17 years
Asset Valuation Method	5 Year Smoothed Market Value
Inflation (CPI-U)	2.25%
Total Payroll Increases	3.25%
Individual Pay Increases	3.50% to 14.01%
Investment Rate of Return	6.50%
Mortality Rates	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described
Retirement Rates	100% of L&A 2020 Illinois Police Retirement Rates Capped at Age 65
Termination Rates	100% of L&A 2020 Illinois Police Termination Rates
Disability Rates	100% of L&A 2020 Illinois Police Disability Rates
Spouse Mortality Rates	Spouse Mortality follows the Sex Distinct Raw Rates as developed in the Pubs-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.
Other Actuarial Assumptions	Other actuarial assumptions (demographic) rates are based on a review of the L & A Assumption Study for Police 2020.

Single Discount Rate: A Single Discount Rate of 6.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate 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. The 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).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 6.50%, the municipal bond rate is 3.21%, and the resulting single discount rate is 6.50%.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) – (B)
Balances at May 1, 2024	\$ 7,551,353	\$ 5,560,658	\$ 1,990,665
Changes for the year:			
Service cost	208,972	-	208,972
Interest	476,247	-	476,247
Changes of benefit terms	(22,662)	-	22,662
Actual experience	133,601	-	133,601
Contributions – employer	-	532,561	(532,561)
Contributions – members	-	90,311	(90,311)
Net Investment income	-	543,651	(543,651)
Benefit payments and refunds	(399,629)	(399,629)	-
Administrative expenses	-	(9,567)	9,567
Net changes	<u>396,529</u>	<u>757,327</u>	<u>(360,798)</u>
Balances at April 30, 2025	<u><u>\$ 7,947,852</u></u>	<u><u>\$ 6,317,985</u></u>	<u><u>\$ 1,629,867</u></u>

Plan Fiduciary Net Position as a Percentage
of the Total Pension Liability 66.59%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the plan's net pension liability, calculated using a Single Discount Rate of 6.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (5.50%)	Current Discount (6.50%)	1% Higher (7.50%)
Net pension liability	\$ 2,809,705	\$ 1,629,867	\$ 677,404

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions: For the year ended April 30, 2025, the City recognized pension expense of \$240,356. At April 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts Related to Pensions		
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 88,458	\$ (353,121)
Changes of assumptions	269,202	-
Net difference between projected and actual earnings on pension plan investments	<u>262,154</u>	<u>(217,992)</u>
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	<u>619,814</u>	<u>(571,113)</u>
Total Deferred Amounts Related to Pensions	<u><u>\$ 619,814</u></u>	<u><u>\$ (571,113)</u></u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year Ending April 30,</u>	Net Deferred Outflows of Resources	
2026	\$ 140,422	
2027	43,565	
2028	(117,452)	
2029	(41,270)	
2030	4,840	
Thereafter	<u>18,596</u>	
Total	<u><u>\$ 48,701</u></u>	

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

Fire Pension Fund

Plan Description: Fire sworn personnel are covered by the Fire Pension Plan which is a defined benefit single employer pension plan. Although this is a single employer pension plan, the defined benefits as well as the employee and employer contribution levels are mandated by Illinois Compiled Statutes (40 ILCS 5/4 1) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. The fire pension board consists of five members. Two are elected by active plan members. One is elected by the retired members and two are appointed by the City. At April 30, 2025, the Fire Pension Plan membership consisted of:

Active members	7
Retirees and beneficiaries	8
Inactive, non-retired members	<u>1</u>
<u>16</u>	

The Fire Pension Plan provides retirement benefits as well as death and disability benefits. The Fire Pension Plan now has a two Tier coverage. Tier 1 coverage is for firefighters employed prior to January 1, 2011. Tier 2 coverage is for firefighters employed after December 31, 2010. Tier 1 employees attaining the age of 50 or more with 20 years of creditable service are entitled to receive a monthly benefit of 1/2 the monthly salary attached to the rank held in the fire service at the date of retirement. Tier 2 employees must attain the age of 55 or more with 10 years of creditable service to receive a monthly benefit computed by multiplying 2.50% for each year of service completed by the final average salary (as defined in the statutes). Tier 1 employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit. Tier 2 employees attaining the age 50 with 10 or more years of creditable service may retire with a reduced benefit. The maximum pension under Tier 1 or Tier 2 is 75% of the computed salary. The monthly benefit of Tier 1 employees who retired with 20 or more years of service after January 1, 1977 shall be increased annually following the first anniversary date of retirement and be paid upon reaching the age of 55 years by 3% of the original pension and 3% compounded annually thereafter. The monthly benefit of Tier 2 employees shall be increased on January 1st occurring either on or after

the attainment of age 60. Each annual increase shall be the lesser of 1/2 of the Consumer Price Index Urban or 3% of the original pension.

Covered employees are required to contribute 9.455% of their base salary to the Fire Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to finance the plan as actuarially determined by an enrolled actuary. Effective July 1, 2011, the City has until the year 2040 to fund the plan in an amount sufficient to bring the total assets of the fire pension fund up to 90% of the total actuarial liabilities. For the year ended April 30, 2025, the City's contribution was 48.73% of covered payroll.

Net Pension Liability: The net pension liability was measured as of April 30, 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial Assumptions

Methods and Assumptions Used to Determine Total Pension Liability and Contribution Rates

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay
Equivalent Single Amortization Period	100% Funded Over 17 years
Asset Valuation Method	5 Year Smoothed Fair Value
Inflation (CPI-U)	2.25%
Total Payroll Increases	3.25%
Individual Pay Increases	3.50% to 8.92%
Investment Rate of Return	6.50%
Mortality Rates	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described
Termination Rates	100% of L&A 2020 Illinois Firefighters Retirement Rates
Retirement Rates	100% of L&A 2020 Illinois Firefighters Retirement Rates Capped at Age 65
Disability Rates	100% of L&A 2020 Illinois Firefighters Disability Rates
Spouse Mortality Rates	Spouse Mortality follows the Sex Distinct Raw Rates as developed in the Pubs-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.
Other Actuarial Assumptions	Other actuarial assumptions (demographic) rates are based on a review of the L & A Assumption Study for Firefighters 2020.

Single Discount Rate: A Single Discount Rate of 6.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate 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. The 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).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 6.50%, the municipal bond rate is 3.53%, and the resulting single discount rate is 6.50%.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) – (B)
Balances at May 1, 2024	\$ 5,769,485	\$ 4,853,591	\$ 915,894
Changes for the year:			
Service cost	116,774	-	116,774
Interest	368,138	-	368,138
Changes of benefits terms	96,057	-	96,057
Actual experience	143,360	-	143,360
Changes in assumptions	-	-	-
Contributions – employer	-	225,098	(225,098)
Contributions – members	-	43,462	(43,462)
Net investment income	-	491,300	(491,300)
Benefit payments and refunds	(364,017)	(364,017)	-
Prior period audit adjustment	-	(7,700)	7,700
Administrative expenses			
Net changes	<u>360,312</u>	<u>388,043</u>	<u>(27,731)</u>
Balances at April 30, 2025	<u><u>\$ 6,129,634</u></u>	<u><u>\$ 5,241,634</u></u>	<u><u>\$ 888,163</u></u>

Plan Fiduciary Net Position as a Percentage
of the Total Pension Liability 85.51%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the plan's net pension liability, calculated using a Single Discount Rate of 6.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (5.50%)	Current Discount (6.50%)	1% Higher (7.50%)
Net pension liability	\$ 1,701,593	\$ 888,163	\$ 219,074

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions: For the year ended April 30, 2025, the City recognized pension expense of \$186,267. At April 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts Related to Pensions		
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 149,908	\$ (109,804)
Changes of assumptions	205,428	(5,490)
Net difference between projected and actual earnings on pension plan investments	<u>226,303</u>	<u>(224,615)</u>
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	<u>580,829</u>	<u>(303,909)</u>
Total Deferred Amounts Related to Pensions	<u><u>\$ 580,829</u></u>	<u><u>\$ (303,909)</u></u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year Ending April 30,</u>	Net Deferred Outflows of Resources	
2026	\$ 194,285	
2027	4,106	
2028	(24,203)	
2029	5,219	
2030	36,506	
Thereafter	<u>25,007</u>	
Total	<u><u>\$ 240,920</u></u>	

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

Risks and Uncertainties

Contributions to the Plans and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee compensation and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions will occur in the near term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements. Investment securities are exposed to various risks, such as interest rate, market and credit. It is, at least, reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the statement of net position available for benefits.

NOTE 8: FUND BALANCE REPORTING

According to *Government Accounting Standards*, fund balances are to be classified into five major classifications; nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

A. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

B. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the City. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The City has the following restricted fund balances:

- Restricted for maintenance of roads. This was created by enabling legislation (state and local) to fund the maintenance and upkeep of City streets.
- Restricted for public safety expenditures. This was created to restrict the use of 911 fees, DUI, drug enforcement fees, vehicle fund, and foreign fire insurance collected for police and fire department expenditures.
- Restricted for grant expenditures. This was created by grant agreements for specific grant expenditures per the agreements.
- Restricted for TIF development. This was created to restrict the use of all resources collected or earned by the Tax Increment Financing Funds for development of private and public projects in the TIF districts.
- Restricted by ordinance. This restriction was created by the City's tax levy ordinance to restrict expenditures for the purpose levied.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 8: FUND BALANCE REPORTING (continued)

C. Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (City Council). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action (resolution or ordinance) it employed to previously commit those amounts.

By council action, the City has committed to capital improvement projects.

D. Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the City's management and/or commissioners to be used for a specific purpose but are neither restricted nor committed. Assigned fund balance amounts are shown in the General Fund Types.

At the direction of management and administration, fees are imposed for the use of the auxiliary police and for the impounding of noncompliant vehicles.

At the direction of management and administration, donations have been received for the use of the police department.

Service charges and fees are imposed for the use of the city ambulance.

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the general fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund Types.

F. Expenditures of Fund Balance

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 8: FUND BALANCE REPORTING (Continued)

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Fund Balances				
Restricted for -				
Public health and safety	\$ -	\$ 117,828	\$ -	\$ 117,828
Grants	- -	56,647	- -	56,647
Restricted tax levies	- -	1,314,783	- -	1,314,783
Maintenance of roadways	- -	1,610,656	- -	1,610,656
TIF development	- -	794,678	- -	794,678
Twin Oaks	- -	18,074	- -	18,074
Committed for – Capital projects	83,437	- -	346,168	429,605
Assigned for -				
Public health and safety	22,057	- -	- -	22,057
Ambulance	22,496	- -	- -	22,496
Unassigned	<u>8,517,902</u>	<u>- -</u>	<u>- -</u>	<u>8,517,902</u>
Total Fund Balances	<u>\$ 8,645,892</u>	<u>\$ 3,912,666</u>	<u>\$ 346,168</u>	<u>\$ 12,904,726</u>

There was a deficit to the fund equity of a non-major capital project fund of \$5,337 as of April 30, 2025.

NOTE 9: INTERFUND TRANSACTIONS

During the course of normal operations, the City has numerous transactions between funds. Individual fund interfund receivable and payable balances at April 30, 2025, arising from these transactions were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 911,462	\$ 428,838
Water and Sewer Fund	20,369	554,369
Municipal Retirement Fund	- -	371
Utility Tax Fund	5,000	- -
Police Pension Fund	9,121	- -
Restricted Sale	19,223	19,223
Housing Grant Fund	- -	83,896
Airport Fund	- -	1,000
Twin Oaks	- -	32
Audit Expense	- -	5,000
Community Events	- -	4,000
Capital Improvements	- -	450
Hazmat	93	- -
Accounts Payable Fund	66,935	29,558
Telecommunications Tax Fund	<u>5,000</u>	<u>17,783</u>
Total	<u>\$ 1,126,282</u>	<u>\$ 1,126,282</u>

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 9: INTERFUND TRANSACTIONS (continued)

Interfund balances result from the timing difference between when payments are made or receipts received and when transfers are made to and from other funds. Interfund balances are expected to be repaid within one year.

Schedule of transfers used for general operations within the reporting entity:

<u>Fund</u>	<u>Transfer Out</u>	<u>Transfer In</u>	
General Fund Types -			
General Fund	\$ -	\$ 713,980	
Utility Tax	- -	6,000	
Police Pension Fund	450,000	-	
Fire Pension Fund	275,000	-	
Special Revenue Funds -			
Housing Grant	- -	5,020	
Enterprise Fund			
Water and Sewer	478,513	478,513	
Total	<u>\$ 1,203,513</u>	<u>\$ 1,203,513</u>	

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) use unrestricted revenues collected in the general fund types to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 10: TAX ABATEMENT

As of April 30, 2025, the City provides tax rebates through Tax Increment Financing District Redevelopment Agreements.

Tax Increment Financing District Redevelopment Agreements

This type of agreement is authorized by the Illinois Statute 65 ILCS 5/11-74.4 et. Seq., the "Tax Increment Allocation Redevelopment Act", the "TIF Act". The TIF Act allows developers to be reimbursed certain eligible projects costs for developments within the TIF District. The eligible costs are reimbursed to the developer through a combination of sales tax increment and real estate tax increment rebates or just real estate tax increment rebates. In all cases, the developer must first pay the tax and then request reimbursement of the tax pay along with proof of payment.

Any real estate rebate is a percentage of the real estate taxes generated above a baseline amount. This baseline amount in most cases is the amount of equal assessed valuation at the time the TIF district is created. The developer will receive rebates until the earlier of the eligible project costs are reimbursed or the TIF ends. Specific details such as eligibility, special provisions, percentage of rebate, type of rebate, commitments by Developers, etc. would be specific to each Redevelopment Agreement, but all the terms in the contracts are per an approved Redevelopment

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 10: TAX ABATEMENT (continued)

Agreement entered into pursuant to the TIF Act. The following is the amount of taxes rebated during the year ending April 30, 2025 by TIF District.

<u>Tax Increment District</u>	<u>Amount of Real Estate Tax Rebated</u>
IJRL Airport TIF	\$ 73,902
Central Benton Redevelopment TIF	<u>131,122</u>
Total	<u>\$ 205,024</u>

The City is required to file an annual report on each TIF District with the Illinois State Comptroller. Those reports can be reviewed on the Comptroller's website.

NOTE 11: CONTINGENT LIABILITIES

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance.

Significant losses are covered by commercial insurance for all major programs: property, liability, and workers' compensation. During the year ended April 30, 2025, there were no significant reductions in coverage. Also, there have been no settlement amounts which have exceeded insurance coverage in the past three years.

Litigation

The City is party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the City.

Grants

In the normal course of operations, the City receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Development

The City has TIF districts for which they are contingently liable to developers as costs are incurred over a period of years. As eligible redevelopment costs are incurred, the City receives real estate taxes. The City in turn refunds a percentage of the tax increment to the developer based on the percentages specified in the TIF redevelopment agreement.

CITY OF BENTON, ILLINOIS
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2025

NOTE 12: SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The following Enterprise Funds have been created to provide various services to the general public:

Water Department - established to account for the operation of the City's water utility services.

Sewer Department - established to account for the operation of the City's sewer system.

Segment information for these Enterprise Funds is summarized below for the year ended April 30, 2025:

	<u>Water Department</u>	<u>Sewer Department</u>
Operating revenues	\$ 1,311,658	\$ 1,203,161
Depreciation	357,603	357,603
Property, plant, and equipment additions	27,341	-

As of April 30, 2025, there were approximately 3,586 individual customer accounts and 153,644,480 gallons of water sold on the Water Department books.

NOTE 13: SUBSEQUENT EVENTS

In preparing the financial statements, the City has evaluated transactions for potential disclosure for the period May 1, 2024 through November 20, 2025, the date the financial statements were available to be issued. Management has determined no events have occurred subsequent to November 20, 2025 that would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BENTON, ILLINOIS
GENERAL FUND TYPES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED APRIL 30, 2025

	Budgeted Amounts		Actual GAAP Basis	Over (Under) Budget
	Original	Final		
Revenues				
Property taxes	\$ 150,000	\$ 150,000	\$ 243,697	\$ 93,697
Sales taxes	945,000	945,000	2,110,280	1,165,280
Franchise fees and other taxes	450	450	633,529	633,079
Licenses and permits	60,300	60,300	81,455	21,155
Intergovernmental revenue	1,237,000	1,237,000	1,465,275	228,275
Service charges and fees	506,250	506,250	756,530	250,280
Grant revenue	-	-	-	-
Investment income	25,000	25,000	324,090	299,090
Miscellaneous income	589,550	589,550	267,178	(322,372)
Total Revenues	3,513,550	3,513,550	5,882,034	2,368,484
Expenditures				
General government	428,724	428,724	1,187,738	759,014
Public health and safety	2,167,625	2,167,625	2,067,395	(100,230)
Streets, alleys, and cemeteries	561,600	561,600	535,457	(26,143)
City Service	1,775,471	1,775,471	58,589	(1,716,882)
Development	-	-	5,274	5,274
Debt service				
Principal		-	38,925	38,925
Interest	-	-	235	235
Capital outlay		-	369,406	369,406
Total Expenditures	\$ 4,933,420	\$ 4,933,420	\$ 4,263,019	\$ (670,401)
Excess (Deficiency) of Revenues Over Expenditures			\$ 1,619,015	

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

CITY OF BENTON, ILLINOIS
MOTOR FUEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED APRIL 30, 2025

	Budgeted Amounts		Actual Budgetary Basis	Over (Under) Budget
	Original	Final		
Revenues				
Investment income	\$ 25,000	\$ 25,000	\$ 48,473	\$ 23,473
Miscellaneous income	<u>250,000</u>	<u>250,000</u>	<u>323,944</u>	<u>73,944</u>
Total Revenues	<u>275,000</u>	<u>275,000</u>	<u>372,417</u>	<u>97,417</u>
Expenditures				
Streets, alleys, and cemeteries	495,926	495,926	101,951	(393,975)
Capital outlay	<u>281,420</u>	<u>281,420</u>	<u>287,584</u>	<u>6,164</u>
Total Expenditures	<u>\$ 777,346</u>	<u>\$ 777,346</u>	<u>\$ 389,535</u>	<u>\$ (387,812)</u>
Excess (Deficiency) of Revenues Over Expenditures			<u>\$ (17,118)</u>	

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

CITY OF BENTON, ILLINOIS
GENERAL FUND
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
APRIL 30, 2025

The City Council annually passes a budget ordinance which includes all fund types using the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles. All unexpended budget amounts lapse at the end of each fiscal year.

Each fund's budget is prepared on a detailed line item basis. Expenditures are budgeted by department and class as follows: personal services, other services and charges, supplies, capital outlay, transfers, and debt service. This constitutes the legal level of control. Expenditures may not exceed the budget at this level. Within these control levels, management may transfer budget lines without Board approval.

The fund financial statements in this report are prepared on the modified accrual basis. The budget ordinance is prepared using the cash basis of accounting. The following schedule reconciles the difference between the legally enacted budget and major general and special revenue fund expenditures:

	Actual on GAAP Basis	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Budget	Over (Under) Budget
General Fund:					
Revenues					
Property taxes	\$ 243,697	\$ 1,175,006	\$ 1,418,703	\$ 150,000	\$ 1,268,703
Sales taxes	2,110,280	(82,465)	2,027,815	945,000	1,082,815
Franchise fees and other taxes	633,529	-	633,529	450	633,079
Licenses and permits	81,455	-	81,455	60,300	21,155
Intergovernmental revenue	1,465,275	(30,403)	1,434,872	1,237,000	197,872
Service charges and fees	756,530	(212,000)	544,530	506,250	38,280
Investment income	324,090	(11,628)	312,462	25,000	287,462
Miscellaneous income	267,178	(6,198)	260,980	589,550	(328,570)
Total Revenues	<u>\$ 5,882,034</u>	<u>\$ 832,312</u>	<u>\$ 6,714,346</u>	<u>\$ 3,513,550</u>	<u>\$ 3,200,796</u>
Expenditures					
General government	\$ 1,187,738	\$ (319,198)	\$ 868,540	\$ 428,724	\$ 439,816
Public health and safety	2,067,395	6,628	2,074,023	2,167,625	(93,602)
Streets, alleys, and cemeteries	535,457	(79,303)	456,154	561,600	(105,446)
Culture and recreation	58,589	4,542	63,131	1,775,471	(1,712,340)
Development	5,274	(5,274)	-	-	-
Principal	38,925	48,600	87,525	-	87,525
Interest	235	6,224	6,459	-	6,459
Capital outlay	369,406	(169,077)	200,329	-	200,329
Total Expenditures	<u>\$ 4,263,019</u>	<u>\$ (506,858)</u>	<u>\$ 3,756,161</u>	<u>\$ 4,933,420</u>	<u>\$ (1,177,259)</u>
Motor Fuel Tax:					
Revenues					
Investment income	\$ 48,473	\$ -	\$ 48,473	\$ 25,000	\$ 23,473
Miscellaneous income	323,944	-	323,944	-	323,944
Total Revenues	<u>\$ 372,417</u>	<u>\$ -</u>	<u>\$ 372,417</u>	<u>\$ 25,000</u>	<u>\$ 347,417</u>
Expenditures					
Streets, alleys, and cemeteries	\$ 101,951	\$ -	\$ 101,951	\$ 495,926	\$ (393,975)
Capital outlay	287,584	-	287,584	281,420	6,164
Total Expenditures	<u>\$ 389,535</u>	<u>\$ -</u>	<u>\$ 389,535</u>	<u>\$ 777,346</u>	<u>\$ (387,811)</u>

The City operated within the legal confines of the budget ordinance prepared on the cash basis of accounting.

CITY OF BENTON, ILLINOIS
MULTIYEAR SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
IMRF
LAST TEN CALENDAR YEARS

	2024	2023	2022	2021	2020
Calendar Year Ended December 31,					
Total Pension Liability					
Service cost	\$ 115,291	\$ 114,436	\$ 105,848	\$ 122,723	\$ 129,555
Interest on the total pension liability	617,273	599,098	578,417	541,983	532,656
Differences between expected and actual experience of the total pension liability	(55,695)	61,346	107,057	306,841	(75,882)
Changes of assumptions	-	(2,973)	-	-	(56,551)
Benefit payments, including refunds of employee contributions	<u>(514,927)</u>	<u>(528,358)</u>	<u>(492,368)</u>	<u>(428,794)</u>	<u>(366,632)</u>
Net Change in Total Pension Liability	161,942	243,549	298,954	542,753	163,146
Total Pension Liability – Beginning	<u>8,713,924</u>	<u>8,470,375</u>	<u>8,171,421</u>	<u>7,628,668</u>	<u>7,465,522</u>
Total Pension Liability – Ending (A)	<u><u>\$ 8,875,866</u></u>	<u><u>\$ 8,713,924</u></u>	<u><u>\$ 8,470,375</u></u>	<u><u>\$ 8,171,421</u></u>	<u><u>\$ 7,628,668</u></u>
Plan Fiduciary Net Position					
Contributions – Employer	\$ 110,451	\$ 96,292	\$ 96,165	\$ 124,550	\$ 140,405
Contributions – Employees	57,130	55,270	53,154	52,776	56,013
Net Investment income	800,410	836,757	(1,238,075)	1,296,216	1,026,477
Benefit payments, including refunds of employee contributions	(514,927)	(528,358)	(492,368)	(428,794)	(366,632)
Other (Net transfer)	(233,597)	94,994	(51,694)	44,108	(17,422)
Net change in plan fiduciary net position	219,467	554,955	(1,632,818)	1,088,856	838,841
Plan fiduciary net position – Beginning	<u>7,987,568</u>	<u>7,432,613</u>	<u>9,065,431</u>	<u>7,976,575</u>	<u>7,137,734</u>
Plan fiduciary net position – Ending (B)	<u><u>\$ 8,207,035</u></u>	<u><u>\$ 7,987,568</u></u>	<u><u>\$ 7,432,613</u></u>	<u><u>\$ 9,065,431</u></u>	<u><u>\$ 7,976,575</u></u>
Net Pension Liability "Asset" – Ending (A)-(B)	<u><u>\$ 668,831</u></u>	<u><u>\$ 726,356</u></u>	<u><u>\$ 1,037,762</u></u>	<u><u>\$ (894,010)</u></u>	<u><u>\$ (347,907)</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.46%	91.66%	87.75%	110.94%	104.56%
Covered Valuation Payroll	\$ 1,269,554	\$ 1,228,215	\$ 1,180,609	\$ 1,175,790	\$ 1,244,734
Net Pension Liability as a Percentage of Covered Valuation Payroll	52.68%	59.14%	87.90%	-76.03%	-27.95%

Additional years will be added to the schedule annually until 10 years of data is presented.

2019	2018	2017	2016	2015
\$ 133,665 522,005	\$ 125,663 509,199	\$ 133,357 509,395	\$ 135,764 492,360	\$ 132,920 491,056
(138,700) -	(66,146) 206,408	(57,501) (214,707)	(31,477) (16,894)	(240,660) 8,259
<u>(369,358)</u>	<u>(367,417)</u>	<u>(371,204)</u>	<u>(366,733)</u>	<u>(366,865)</u>
147,612	407,707	(660)	213,020	24,710
<u>7,317,910</u>	<u>6,910,203</u>	<u>6,910,863</u>	<u>6,697,843</u>	<u>6,673,133</u>
<u>\$ 7,465,522</u>	<u>\$ 7,317,910</u>	<u>\$ 6,910,203</u>	<u>\$ 6,910,863</u>	<u>\$ 6,697,843</u>
\$ 119,020 56,676 1,189,445	\$ 131,050 53,515 (387,800)	\$ 140,717 56,894 1,081,325	\$ 138,027 56,395 402,419	\$ 134,923 56,638 30,706
<u>(369,358)</u> <u>(115,212)</u>	<u>(367,417)</u> <u>79,455</u>	<u>(371,204)</u> <u>(277,569)</u>	<u>(366,733)</u> <u>96,395</u>	<u>(366,865)</u> <u>(292,567)</u>
880,571	(491,197)	630,163	326,503	(437,165)
<u>6,257,163</u>	<u>6,748,360</u>	<u>6,118,197</u>	<u>5,791,694</u>	<u>6,288,859</u>
<u>\$ 7,137,734</u>	<u>\$ 6,257,163</u>	<u>\$ 6,748,360</u>	<u>\$ 6,118,197</u>	<u>\$ 5,791,694</u>
<u>\$ 327,788</u>	<u>\$ 1,060,747</u>	<u>\$ 161,843</u>	<u>\$ 792,666</u>	<u>\$ 906,149</u>
95.61%	85.50%	97.66%	88.53%	86.47%
\$ 1,259,464	\$ 1,189,209	\$ 1,264,305	\$ 1,204,422	\$ 1,258,611
26.03%	89.20%	12.80%	65.81%	72.00%

CITY OF BENTON, ILLINOIS
MULTIYEAR SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
FIRE PENSION FUND
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service cost	\$ 116,774	\$ 111,051	\$ 96,908	\$ 92,757	\$ 106,542	\$ 95,457	\$ 93,983	\$ 100,480	\$ 88,817	\$ 90,185
Interest on the total pension liability	368,138	355,010	346,180	331,309	335,937	293,986	287,908	279,254	272,429	263,868
Changes of benefit terms	-	-	(7,927)	-	-	13,926	-	-	-	-
Differences between expected and actual experience	96,057	5,925	116,009	(237,246)	(73,234)	20,080	(35,246)	(7,847)	(21,587)	8,284
Changes of assumptions	143,360	-	-	(14,574)	-	569,688	-	-	-	-
Benefit payments	(364,017)	(310,869)	(304,376)	(291,856)	(281,447)	(245,214)	(240,990)	(236,851)	(232,795)	(228,820)
Net change in total pension liability	\$ 360,312	\$ 161,117	\$ 246,794	\$ (119,610)	\$ 87,798	\$ 747,923	\$ 105,655	\$ 135,036	\$ 106,864	\$ 133,517
Total pension liability – Beginning of period	<u>5,769,485</u>	<u>5,608,368</u>	<u>5,361,574</u>	<u>5,481,184</u>	<u>5,393,386</u>	<u>4,645,463</u>	<u>4,539,808</u>	<u>4,404,772</u>	<u>4,297,908</u>	<u>4,164,391</u>
Total pension liability – End of period	<u>\$ 6,129,797</u>	<u>\$ 5,769,485</u>	<u>\$ 5,608,368</u>	<u>\$ 5,361,574</u>	<u>\$ 5,481,184</u>	<u>\$ 5,393,386</u>	<u>\$ 4,645,463</u>	<u>\$ 4,539,808</u>	<u>\$ 4,404,772</u>	<u>\$ 4,297,908</u>
Plan Fiduciary Net Position										
Member contributions	\$ 43,362	\$ 42,256	\$ 41,204	\$ 37,559	\$ 34,794	\$ 35,324	\$ 33,522	\$ 33,234	\$ 31,860	\$ 31,177
Employer contributions	225,098	219,857	251,231	218,160	192,811	172,946	131,145	113,620	88,996	108,071
Contributions – Other	-	-	-	-	-	3,427	-	-	-	-
Net investment income	491,300	425,163	31,847	(294,570)	964,429	(26,145)	191,394	215,683	305,828	(31,995)
Benefit payments	(364,017)	(310,869)	(304,376)	(291,856)	(281,447)	(245,214)	(240,990)	(236,851)	(232,795)	(228,820)
Other (Net transfer)	(7,700)	(8,156)	(13,542)	(9,242)	(10,474)	(10,859)	(10,316)	(11,534)	(8,150)	(10,364)
Net change in plan fiduciary net position	388,043	368,251	6,364	(339,949)	900,113	(70,521)	104,755	114,152	185,739	(131,931)
Plan fiduciary net position – Beginning of period	<u>4,853,591</u>	<u>4,485,340</u>	<u>4,478,976</u>	<u>4,818,925</u>	<u>3,918,812</u>	<u>3,989,333</u>	<u>3,884,578</u>	<u>3,770,426</u>	<u>3,584,687</u>	<u>3,716,618</u>
Plan fiduciary net position – End of period	<u>\$ 5,241,634</u>	<u>\$ 4,853,591</u>	<u>\$ 4,485,340</u>	<u>\$ 4,478,976</u>	<u>\$ 4,818,925</u>	<u>\$ 3,918,812</u>	<u>\$ 3,989,333</u>	<u>\$ 3,884,578</u>	<u>\$ 3,770,426</u>	<u>\$ 3,584,687</u>
Net Pension Liability/(Asset)										
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.51%	84.13%	79.98%	83.54%	87.92%	72.66%	85.88%	85.57%	85.60%	83.41%
Covered Valuation Payroll	\$ 461,897	\$ 447,358	\$ 430,549	\$ 295,951	\$ 367,991	\$ 373,602	\$ 366,884	\$ 351,924	\$ 348,897	\$ 346,267
Net Pension Liability as a Percentage of Covered Valuation Payroll	192.29%	204.73%	260.84%	298.22%	179.97%	394.69%	178.84%	186.19%	181.81%	205.97%

Additional years will be added to the schedule annually until 10 years of data is presented.

CITY OF BENTON, ILLINOIS
MULTIYEAR SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service cost	\$ 208,972	\$ 186,450	\$ 163,031	\$ 176,345	\$ 182,851	\$ 159,628	\$ 153,457	\$ 143,352	\$ 139,061	\$ 144,564
Interest on the total pension liability	476,247	461,282	452,238	447,384	446,154	381,562	372,649	358,768	353,694	345,882
Changes of benefit terms	-	-	(8,840)	-	-	33,677	-	-	-	-
Differences between expected and actual experience	(22,662)	(73,118)	(169,092)	(279,072)	270,129	(220,866)	(65,148)	39,786	(97,017)	(79,133)
Changes of assumptions	133,601	-	-	-	-	681,718	-	-	-	-
Benefit payments	(399,629)	(387,483)	(406,838)	(348,101)	(311,559)	(312,696)	(309,206)	(344,554)	(294,933)	(287,896)
Net change in total pension liability	396,529	187,131	30,499	(3,444)	587,575	723,023	151,752	197,352	100,805	123,417
Total pension liability – Beginning of period	7,551,323	7,364,192	7,333,693	7,337,137	6,749,562	6,026,539	5,874,787	5,677,435	5,576,630	5,453,213
Total pension liability – End of period	\$ 7,947,852	\$ 7,551,323	\$ 7,364,192	\$ 7,333,693	\$ 7,337,137	\$ 6,749,562	\$ 6,026,539	\$ 5,874,787	\$ 5,677,435	\$ 5,576,630
Plan Fiduciary Net Position										
Member contributions	\$ 532,561	\$ 516,591	\$ 83,748	\$ 78,448	\$ 68,865	\$ 67,153	\$ 58,507	\$ 57,392	\$ 51,743	\$ 52,456
Employer contributions	90,311	83,414	568,104	503,172	467,681	451,800	391,716	353,071	338,364	443,771
Net investment income	543,651	454,949	(137,410)	(86,042)	868,125	(43,008)	147,791	162,334	188,271	63,183
Benefit payments	(399,629)	(387,483)	(406,838)	(348,101)	(311,559)	(312,696)	(309,206)	(344,554)	(294,933)	(287,896)
Other (Net transfer)	(9,567)	(10,767)	(2,509)	(11,505)	(11,141)	(10,616)	(11,998)	(12,742)	(9,005)	(11,602)
Net change in plan fiduciary net position	757,327	656,704	105,095	135,972	1,081,971	152,633	276,810	215,501	274,440	259,912
Plan fiduciary net position – Beginning of period	5,560,658	4,903,954	4,798,859	4,662,887	3,580,916	3,428,283	3,151,473	2,935,972	2,661,532	2,401,620
Plan fiduciary net position – End of period	\$ 6,317,985	\$ 5,560,658	\$ 4,903,954	\$ 4,798,859	\$ 4,662,887	\$ 3,580,916	\$ 3,428,283	\$ 3,151,473	\$ 2,935,972	\$ 2,661,532
Net Pension Liability/(Asset)										
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.49%	73.64%	66.59%	65.44%	63.55%	53.05%	56.89%	53.64%	51.71%	47.73%
Covered Valuation Payroll	\$ 866,742	\$ 839,459	\$ 711,258	\$ 712,705	\$ 689,117	\$ 677,238	\$ 609,649	\$ 550,628	\$ 533,416	\$ 536,473
Net Pension Liability as a Percentage of Covered Valuation Payroll	188.05%	237.14%	345.90%	355.66%	388.07%	467.88%	426.19%	494.58%	513.94%	543.38%

Additional years will be added to the schedule annually until 10 years of data is presented.

CITY OF BENTON, ILLINOIS
MULTIYEAR SCHEDULE OF EMPLOYER CONTRIBUTIONS
IMRF
LAST TEN FISCAL YEARS

Calendar Year Ended December 31	Required Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2024	\$ 110,451	\$ 110,451	\$ -	\$ 1,269,554	8.70%
2023	96,292	96,292	-	1,228,215	7.84%
2022	96,102	96,165	(63)	1,180,609	8.15%
2021	124,550	124,550	-	1,172,790	10.62%
2020	140,406	140,405	1	1,244,734	11.28%
2019	119,019	119,020	(1)	1,259,464	9.45%
2018	131,051	131,050	1	1,189,209	11.02%
2017	140,717	140,717	-	1,264,305	11.13%
2016	138,027	138,027	-	1,204,422	11.46%
2015	134,923	134,922	1	1,258,611	10.72%

Additional years will be added to the schedule annually until ten years of data is presented.

CITY OF BENTON, ILLINOIS
MULTIYEAR SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIRE PENSION FUND
LAST TEN FISCAL YEARS

Fiscal Year Ended April 30	Required Actuarially Determined Contribution		Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2025	\$ 128,576	\$ 225,098	\$ (96,522)	\$ 461,897		48.73%
2024	119,617	219,857	(100,240)	447,358		49.15%
2023	137,313	251,231	(113,918)	430,549		58.35%
2022	148,920	218,160	(69,240)	295,951		73.71%
2021	120,946	192,811	(71,865)	367,991		52.40%
2020	129,561	172,946	(43,385)	373,602		46.29%
2019	120,946	131,145	(10,199)	366,884		35.75%
2018	129,561	113,620	15,941	351,924		32.29%
2017	112,347	88,996	23,351	348,897		25.51%
2016	105,124	108,071	(2,947)	346,267		31.21%

CITY OF BENTON, ILLINOIS
MULTIYEAR SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND
LAST TEN FISCAL YEARS

Fiscal Year Ended April 30	Required Actuarially Determined Contribution		Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2025	\$ 259,742		\$ 532,561	\$ (272,819)	\$ 866,742	61.44%
2024	266,061		516,591	(250,530)	893,459	57.82%
2023	331,409		568,104	(236,695)	711,258	79.87%
2022	340,944		503,172	(162,228)	712,705	70.60%
2021	322,574		467,681	(145,107)	689,117	67.87%
2020	325,602		451,800	(126,198)	677,238	66.71%
2019	320,461		391,716	(71,255)	609,649	64.25%
2018	332,135		353,071	(20,936)	550,628	64.12%
2017	347,576		338,364	9,212	533,416	63.43%
2016	307,081		443,771	(136,690)	536,473	82.72%

OTHER SUPPLEMENTARY INFORMATION

CITY OF BENTON, ILLINOIS
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
APRIL 30, 2025

	Special Revenue Funds	Capital Project Fund	Total Non-Major Governmental Funds
Assets			
Cash and cash equivalents	\$ 3,172,841	\$ -	\$ 3,172,841
Restricted cash and cash equivalents	3,362	351,505	354,867
Accounts Receivable, net	379,418	-	379,418
Property Taxes Receivable, net	735,518	-	735,518
Due from other funds	<u>89,079</u>	<u>-</u>	<u>89,079</u>
Total Assets	<u>\$ 4,380,218</u>	<u>\$ 351,505</u>	<u>\$ 4,731,723</u>
Liabilities, Deferred Inflows of Resources			
Fund Balances			
Accounts payable	\$ 42,216	\$ 5,337	\$ 47,553
Accrued payroll related expenses	99,316	-	99,316
Consumer deposits	8,800	-	8,800
Due to other funds	<u>90,299</u>	<u>-</u>	<u>90,299</u>
Total Liabilities	<u>240,631</u>	<u>5,337</u>	<u>245,968</u>
Deferred Inflow of Resources			
Unavailable revenue - property taxes	<u>1,020,016</u>	<u>-</u>	<u>1,020,016</u>
Fund Balances			
Restricted	3,119,571	-	3,119,571
Committed	<u>-</u>	<u>346,168</u>	<u>346,168</u>
Total Fund Balances	<u>3,119,571</u>	<u>346,168</u>	<u>3,465,739</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,380,218</u>	<u>\$ 351,505</u>	<u>\$ 4,731,723</u>

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

CITY OF BENTON, ILLINOIS
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED APRIL 30, 2025

	Special Revenue Funds	Capital Project Fund	Total Non-Major Governmental Funds
Revenues			
Property taxes	\$ 1,115,056	\$ -	\$ 1,115,056
Sales taxes	63,920	-	63,920
Service charges and fees	99,651	-	99,651
Grant revenue	585,374	-	585,374
Investment income	60,917	10,036	70,953
Miscellaneous income	36,338	-	36,338
Total Revenues	1,961,256	10,036	1,971,292
Expenditures			
General government	666,568	25,000	691,568
Public health and safety	503	-	503
Streets, alleys, and cemeteries	4,056	-	4,056
Culture and recreation	14,603	-	14,603
Development	753,457	-	753,457
Capital outlay	15,081	-	15,081
Total Expenditures	1,454,268	25,000	1,479,268
Excess (Deficiency) of Revenues			
Over Expenditures	506,988	(14,964)	492,024
Other Financing Sources			
Transfers in	5,020	-	5,020
Net Changes in Fund Balances	512,008	(14,964)	497,044
Fund Balances - Beginning of Year			
Restricted	2,607,563	-	2,607,563
Committed	-	361,132	361,132
Fund Balances - End of Year	\$ 3,119,571	\$ 346,168	\$ 3,465,739

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

CITY OF BENTON, ILLINOIS
NON-MAJOR SPECIAL REVENUE FUNDS
BALANCE SHEET
APRIL 30, 2025

	Benton Police Vehicle Fund	Police DUI Fund	DCEO/IHDA	Audit Fund	URL TIF #2	Road and Bridge Fund	Home Rule Street Improvement Fund	Foreign Fire Insurance Fund	IHDA Abandoned Property Fund
Assets									
Cash and cash equivalents	\$ 2,547	\$ 28,753	\$ -	\$ 54,335	\$ 412,672	\$ 569,290	\$ 242,421	\$ 39,128	\$ 77,161
Restricted cash and cash equivalents	-	-	3,362	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-	-	5,850	-	-
Property taxes receivable, net	-	-	-	62,000	135,725	85,793	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Total Assets	\$ 2,547	\$ 28,753	\$ 3,362	\$ 116,335	\$ 548,397	\$ 655,083	\$ 248,271	\$ 39,128	\$ 77,161
Liabilities									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-	-	-	-
Consumer deposits	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	5,000	-	-	-	-	-
Total Liabilities	-	-	-	5,000	-	-	-	-	-
Deferred Inflows of Resources									
Unavailable revenue - property taxes	-	-	-	62,000	135,725	85,793	-	-	-
Fund Balances									
Restricted	2,547	28,753	3,362	49,335	412,672	569,290	248,271	39,128	77,161
Total Fund Balances	2,547	28,753	3,362	49,335	412,672	569,290	248,271	39,128	77,161
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,547	\$ 28,753	\$ 3,362	\$ 116,335	\$ 548,397	\$ 655,083	\$ 248,271	\$ 39,128	\$ 77,161

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

CITY OF BENTON, ILLINOIS
NON-MAJOR SPECIAL REVENUE FUNDS
BALANCE SHEET
APRIL 30, 2025

	Airport Fund		Housing Grant Fund		Municipal Insurance Fund		Municipal Retirement Fund		Benton TIF Special Account Fund		Opioid Fund		Push Tax Fund		Twin Oaks Fund		Total Special Revenue Funds	
Assets																		
Cash and cash equivalents	\$ 564,959		\$ 60,020		\$ 426,948		\$ 238,295		\$ 392,218		\$ 36,659		\$ 529		\$ 26,906		\$ 3,172,841	
Restricted cash and cash equivalents	-		-		-		-		-		-		-		-		3,362	
Accounts receivable, net	89,070		-		-		-		284,498		-		-		-		379,418	
Property taxes receivable, net	42,000		-		320,000		90,000		-		-		-		-		735,518	
Due from other funds	-		-		-		89,079		-		-		-		-		89,079	
Total Assets	\$ 696,029		\$ 60,020		\$ 746,948		\$ 417,374		\$ 676,716		\$ 36,659		\$ 529		\$ 26,906		\$ 4,380,218	
Liabilities																		
Accounts payable	\$ 42,216		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ 42,216	
Accrued payroll	-		-		(14,940)		114,256		-		-		-		-		99,316	
Consumer deposits	-		-		-		-		-		-		-		8,800		8,800	
Due to other funds	1,000		83,896		371		-		-		-		-		32		90,299	
Total Liabilities	43,216		83,896		(14,569)		114,256		-		-		-		8,832		240,631	
Deferred Inflows of Resources																		
Unavailable revenue - property taxes	42,000		-		320,000		90,000		284,498		-		-		-		1,020,016	
Fund Balances																		
Restricted	610,813		(23,876)		441,517		213,118		392,218		36,659		529		18,074		3,119,571	
Total Fund Balances	610,813		(23,876)		441,517		213,118		392,218		36,659		529		18,074		3,119,571	
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 696,029		\$ 60,020		\$ 746,948		\$ 417,374		\$ 676,716		\$ 36,659		\$ 529		\$ 26,906		\$ 4,380,218	

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

CITY OF BENTON, ILLINOIS
NON-MAJOR SPECIAL REVENUE FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED APRIL 30, 2025

	Benton Police Vehicle Fund	Police DUI Fund	DCEO/IHDA	Audit Fund	URL TIF #2	Road and Bridge Fund	Home Rule Street Improvement Fund	Foreign Fire Insurance Fund	IHDA Abandoned Property Fund
Revenues									
Property taxes	\$ -	\$ -	\$ -	\$ 60,776	\$ 138,600	\$ 88,036	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	63,905	-	-
Service charges and fees	20	-	-	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-	-	-	10,432
Investment income	-	-	58	227	7,544	14,038	3,633	-	-
Miscellaneous income	5	-	-	-	-	-	-	-	-
Total Revenues	25	-	58	61,003	146,144	102,074	67,538	-	10,432
Expenditures									
General government	-	-	-	31,000	-	-	-	-	-
Public health and safety	178	-	-	-	-	-	-	120	-
Streets and alleys	-	-	-	-	-	668	3,388	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Development	-	-	-	-	83,604	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Total Expenditures	178	-	-	31,000	83,604	668	3,388	120	-
Excess (Deficiency) of Revenues Over Expenditures	(153)	-	58	30,003	62,540	101,406	64,150	(120)	10,432
Other Financing Sources (Uses)									
Transfers in (out)	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-
Net Changes in Fund Balances	(153)	-	58	30,003	62,540	101,406	64,150	(120)	10,432
Fund Balances - Beginning of Year	2,700	28,753	3,304	19,332	350,132	467,884	184,121	39,248	66,729
Fund Balances - End of Year	\$ 2,547	\$ 28,753	\$ 3,362	\$ 49,335	\$ 412,672	\$ 569,290	\$ 248,271	\$ 39,128	\$ 77,161

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

CITY OF BENTON, ILLINOIS
NON-MAJOR SPECIAL REVENUE FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED APRIL 30, 2025

	<u>Airport Fund</u>	<u>Housing Grant Fund</u>	<u>Municipal Insurance Fund</u>	<u>Municipal Retirement Fund</u>	<u>Benton TIF Special Account Fund</u>	<u>Opioid Fund</u>	<u>Push Tax Fund</u>	<u>Twin Oaks Fund</u>	<u>Totals</u>
Revenues									
Property taxes	\$ 39,241	\$ -	\$ 329,171	\$ 172,661	\$ 286,571	\$ -	\$ -	\$ -	\$ 1,115,056
Sales taxes	15	-	-	-	-	-	-	-	63,920
Service charges and fees	81,669	-	-	-	-	-	307	17,655	99,651
Grant revenue	93,166	481,776	-	-	-	-	-	-	585,374
Investment income	11,050	-	11,868	5,238	7,261	-	-	-	60,917
Miscellaneous income	300	-	13,837	-	-	22,181	15	-	36,338
Total Revenues	225,441	481,776	354,876	177,899	293,832	22,181	322	17,655	1,961,256
Expenditures									
General government	72,334	-	391,921	171,313	-	-	-	-	666,568
Public health and safety	-	-	-	-	-	103	102	-	503
Streets and alleys	-	-	-	-	-	-	-	-	4,056
Culture and recreation	-	-	-	-	-	-	-	14,603	14,603
Development	-	510,672	-	-	159,181	-	-	-	753,457
Capital outlay	15,081	-	-	-	-	-	-	-	15,081
Total Expenditures	87,415	510,672	391,921	171,313	159,181	103	102	14,603	1,454,268
Excess (Deficiency) of Revenues Over Expenditures	138,026	(28,896)	(37,045)	6,586	134,651	22,078	220	3,052	506,988
Other Financing Sources (Uses)									
Transfers in (out)	-	5,020	-	-	-	-	-	-	5,020
Total Other Financing Sources (Uses)	-	5,020	-	-	-	-	-	-	5,020
Net Changes in Fund Balances	138,026	(23,876)	(37,045)	6,586	134,651	22,078	220	3,052	512,008
Fund Balances - Beginning of Year	472,787	-	478,562	206,532	257,567	14,581	309	15,022	2,607,563
Fund Balances - End of Year	\$ 610,813	\$ (23,876)	\$ 441,517	\$ 213,118	\$ 392,218	\$ 36,659	529	\$ 18,074	\$ 3,119,571

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

CITY OF BENTON, ILLINOIS
NON-MAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
APRIL 30, 2025

	<u>Restricted Fund</u>	<u>Fund</u>	<u>Totals</u>
I-57 Interchange Modifications			
Assets			
Restricted cash and investments	\$ -	\$ 351,505	\$ 351,505
Accounts receivable, net	<u> -</u>	<u> -</u>	<u> -</u>
Total Assets	<u> \$ -</u>	<u> \$ 351,505</u>	<u> \$ 351,505</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 5,337	\$ -	\$ 5,337
Total Liabilities	<u> 5,337</u>	<u> -</u>	<u> 5,337</u>
Fund Balances			
Committed	<u> (5,337)</u>	<u> 351,505</u>	<u> 346,168</u>
Total Fund Balances	<u> (5,337)</u>	<u> 351,505</u>	<u> 346,168</u>
Total Liabilities and Fund Balances	<u> \$ -</u>	<u> \$ 351,505</u>	<u> \$ 351,505</u>

CITY OF BENTON, ILLINOIS
NON-MAJOR CAPITAL PROJECT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED APRIL 30, 2025

	Restricted Fund	I-57 Interchange Modifications Fund	Totals
Revenues			
Investment income	\$ -	\$ 10,036	\$ 10,036
Total Revenues	- - -	10,036	10,036
Expenditures			
General government	- - -	25,000	25,000
Total Expenditures	- - -	25,000	25,000
Deficiency of Revenues Over Expenditures	- - -	(14,964)	(14,964)
Net Changes in Fund Balances	- - -	(14,964)	(14,964)
Fund Balances - Beginning of Year	(5,337)	366,469	361,132
Fund Balances - End of Year	<u>\$ (5,337)</u>	<u>\$ 351,505</u>	<u>\$ 346,168</u>

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

CITY OF BENTON, ILLINOIS
GENERAL FUND TYPES
COMBINING BALANCE SHEET
APRIL 30, 2025

	<u>General Fund</u>	<u>Impound Fee Fund</u>	<u>Grants and Donations Fund</u>	<u>Capital Improvement Fund</u>
Assets				
Cash and cash equivalents	\$ 3,999,653	\$ 18,445	\$ 2,485	\$ 1,826,576
Restricted cash and cash equivalents	-	-	-	-
Accounts receivable, net	32,102	-	-	182,223
Property taxes receivable, net	185,106	-	-	-
Intergovernmental receivable	736,062	-	-	-
Building Improvements	-	-	-	-
Due from other funds	<u>911,462</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u><u>\$ 5,864,385</u></u>	<u><u>\$ 18,445</u></u>	<u><u>\$ 2,485</u></u>	<u><u>\$ 2,008,799</u></u>
Liabilities				
Accounts payable	\$ 52,227	\$ -	\$ -	\$ -
Accrued payroll	71,558	-	-	-
Due to other funds	<u>428,383</u>	<u>-</u>	<u>-</u>	<u>450</u>
Total Liabilities	<u><u>552,168</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>450</u></u>
Deferred Inflows of Resources				
Deferred inflows related to property taxes	<u>185,106</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Committed	-	-	-	-
Assigned	-	18,445	2,485	-
Unassigned	<u>5,127,111</u>	<u>-</u>	<u>-</u>	<u>2,008,349</u>
Total Fund Balances	<u><u>5,127,111</u></u>	<u><u>18,445</u></u>	<u><u>2,485</u></u>	<u><u>2,008,349</u></u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u><u>\$ 5,864,385</u></u>	<u><u>\$ 18,445</u></u>	<u><u>\$ 2,485</u></u>	<u><u>\$ 2,008,799</u></u>

CITY OF BENTON, ILLINOIS
GENERAL FUND TYPES
COMBINING BALANCE SHEET
APRIL 30, 2025

	Telecommunications Tax Fund	Accounts Payable Fund	Restricted Sale Fund	Ambulance Fund	Utility Tax Fund
Assets					
Cash and cash equivalents	\$ 346,135	\$ 59,821	\$ -	\$ 22,426	\$ 306,971
Restricted cash and cash equivalents	-	-	221,479	-	527,722
Accounts receivable, net	-	-	-	-	33,460
Property taxes receivable, net	13,467	-	-	-	-
Intergovernmental receivable	-	-	-	-	-
Building Improvements	-	-	-	-	-
Due from other funds	5,000	66,935	19,223	-	5,000
Total Assets	\$ 364,602	\$ 126,756	\$ 240,702	\$ 22,426	\$ 873,153
Liabilities					
Accounts payable	\$ 6,750	\$ 83,803	\$ -	\$ (70)	\$ -
Accrued payroll	-	-	-	-	-
Due to other funds	-	29,558	19,223	-	-
Total Liabilities	6,750	113,361	19,223	(70)	-
Deferred Inflows of Resources					
Deferred inflows related to property taxes	-	-	-	-	-
Fund Balances					
Committed	-	-	83,437	-	-
Assigned	-	-	-	22,496	-
Unassigned	357,852	13,395	138,042	-	873,153
Total Fund Balances	357,852	13,395	221,479	22,496	873,153
Total Liabilities, Deferred Inflow of Resources and Fund Balances	\$ 364,602	\$ 126,756	\$ 240,702	\$ 22,426	\$ 873,153

CITY OF BENTON, ILLINOIS
GENERAL FUND TYPES
COMBINING BALANCE SHEET
APRIL 30, 2025

	<u>Hazmat Fund</u>	<u>Total - General Fund Types</u>
Assets		
Cash and cash equivalents	\$ 1,034	\$ 6,583,546
Restricted cash and cash equivalents	-	749,201
Accounts receivable, net	-	247,785
Property taxes receivable, net	-	198,573
Intergovernmental receivable	-	736,062
Building Improvements	-	-
Due from other funds	<u>93</u>	<u>1,007,713</u>
Total Assets	<u><u>\$ 1,127</u></u>	<u><u>\$ 9,522,880</u></u>
Liabilities		
Accounts payable	\$ -	\$ 142,710
Accrued payroll	-	71,558
Due to other funds	<u>-</u>	<u>477,614</u>
Total Liabilities	<u>-</u>	<u>691,882</u>
Deferred Inflows of Resources		
Deferred inflows related to property taxes	<u>-</u>	<u>185,106</u>
Fund Balances		
Committed	-	83,437
Assigned	<u>1,127</u>	<u>44,553</u>
Unassigned	<u>-</u>	<u>8,517,902</u>
Total Fund Balances	<u><u>1,127</u></u>	<u><u>8,645,892</u></u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u><u>\$ 1,127</u></u>	<u><u>\$ 9,522,880</u></u>

CITY OF BENTON, ILLINOIS
GENERAL FUND TYPES
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED APRIL 30, 2025

	General Fund	Impound Fee Fund	Grants and Donations Fund	Capital Improvement Fund
Revenues				
Property taxes	\$ 243,697	\$ -	\$ -	\$ -
Sales taxes	1,939,807	-	-	170,473
Franchise fees and other taxes	5,894	-	-	39,864
Charges for services: licenses and permits	81,455	-	-	-
Intergovernmental revenue	1,465,275	-	-	-
Service charges and fees	737,336	9,311	-	-
Investment income	194,573	8	-	90,381
Miscellaneous income	87,842	(280)	(48)	7,500
Total Revenues	4,755,879	9,039	(48)	308,218
Expenditures				
General Government	2,028,136	465	-	-
Public health and safety	2,198,569	12,930	2,858	66
Streets and alleys	440,890	-	-	22,090
Culture and recreation	64,901	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	74,291	-	-	88,247
Total Expenditures	4,806,787	13,395	2,858	110,677
Excess (Deficiency) of Revenues Over Expenditures	(50,908)	(4,356)	(2,906)	197,541
Other Financing Sources (Uses)				
Transfers in (out)	713,980	-	-	-
Net Change in Fund Balances	663,072	(4,356)	(2,906)	197,541
Fund Balances - Beginning of Year	4,464,039	22,801	5,391	1,810,808
Fund Balances - End of Year	\$ 5,127,111	\$ 18,445	\$ 2,485	\$ 2,008,349

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

CITY OF BENTON, ILLINOIS
GENERAL FUND TYPES
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED APRIL 30, 2025

	Telecommunications Tax Fund	Accounts Payable Fund	Restricted Sale Fund	Ambulance Fund	Utility Tax Fund
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-
Franchise fees and other taxes	58,327	-	-	-	529,444
Charges for services: licenses and permits	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Service charges and fees	-	-	-	9,883	-
Investment income	16,593	-	3,065	-	19,470
Miscellaneous income	-	6,664	146,845	-	18,655
Total Revenues	74,920	6,664	149,910	9,883	567,569
Expenditures					
General Government	4,233	-	-	114	93,495
Public health and safety	22,920	434	-	1,459	235,000
Streets and alleys	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt Service					
Principal	-	-	-	-	38,925
Interest	-	-	-	-	235
Capital outlay	-	-	6,868	-	200,000
Total Expenditures	27,153	434	11,868	1,573	567,655
Excess (Deficiency) of Revenues Over Expenditures	47,767	6,230	138,042	8,310	(86)
Other Financing Sources (Uses)					
Transfers in (out)	-	6,000	-	-	-
Net Change in Fund Balances	47,767	12,230	138,042	8,310	(86)
Fund Balances - Beginning of Year	310,085	1,165	83,437	14,186	873,239
Fund Balances - End of Year	\$ 357,852	\$ 13,395	\$ 221,479	\$ 22,496	\$ 873,153

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

CITY OF BENTON, ILLINOIS
GENERAL FUND TYPES
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED APRIL 30, 2025

	<u>Hazmat Fund</u>	<u>ARPA Fund</u>	<u>Total - General Fund Types</u>
Revenues			
Property taxes	\$ -	\$ -	\$ 243,697
Sales taxes	- -	- -	2,110,280
Franchise fees and other taxes	- -	- -	633,529
Charges for services: licenses and permits	- -	- -	81,455
Intergovernmental revenue	- -	- -	1,465,275
Service charges and fees	- -	- -	756,530
Investment income	- -	- -	324,090
Miscellaneous income	- -	- -	267,178
 Total Revenues	 - -	 - -	 5,882,034
 Expenditures			
General Government	- -	- -	2,126,443
Public health and safety	4,622	- -	2,478,858
Streets and alleys	- -	- -	462,980
Culture and recreation	- -	- -	64,901
Debt Service			
Principal	- -	- -	38,925
Interest	- -	- -	235
Capital outlay	- -	- -	369,406
 Total Expenditures	 4,622	 - -	 5,547,022
 Excess (Deficiency) of Revenues Over Expenditures	 (4,622)	 - -	 335,012
 Other Financing Sources (Uses)			
Transfers in (out)	- -	- -	719,980
 Net Change in Fund Balances	 (4,622)	 - -	 1,054,992
 Fund Balances - Beginning of Year	 5,749	 - -	 7,590,900
 Fund Balances - End of Year	 \$ 1,127	 \$ - -	 \$ 8,645,892

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

COMPLIANCE SECTION

City of Benton, Illinois
Schedule of Findings and Responses
April 30, 2025

Finding 2025-001 – Lack of Segregation of Duties

Criteria:

The City is responsible for establishing and maintaining an internal control system over receipts and disbursements to prevent unintentional or intentional errors, misappropriations of assets, and fraud.

Condition:

The treasurer/bookkeeper has responsibility for the operation of and the conduct of many financial transactions. As such, there is an inadequate segregation of duties. This individual performs the following duties: issues disbursements, records receipts, and disbursements, reconciles bank accounts, prepares monthly general ledgers and controls investments.

Cause:

Lack of sufficient number of employees for segregation of duties.

Effect:

The risk of loss due to unintentional or intentional errors.

Recommendation:

The City should formally segregate duties between the bookkeeper and the Treasurer, where appropriate. Supervision and review procedures should be incorporated to compensate for the lack of segregation of duties

Management's Response:

The City accepts the degree of risk associated with this condition because the additional expense of hiring additional personnel would take away from the funds available to provide necessary services for the residents of the City.

Status:

Not corrected. Repeat finding from prior year 2024-001.

City of Benton, Illinois
Summary Schedule of Prior Audit Findings
April 30, 2025

Finding 2025-002 – Financial Statements and Footnotes

Criteria:

The City is required to maintain a system of controls over the preparation of financial statements in accordance with the accounting principles generally accepted in the United States of America. The City's internal controls over financial reporting should include adequately trained personnel with the knowledge, skills and experience to prepare financial statements and include all disclosures as required by the Governmental Accounting Standards Board (GASB)

GASB Statements No. 34, Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments, requires governments to present government-wide and fund financial statements as well as a summary reconciliation of the (a) total governmental funds balances to the net position of governmental activities in the Statement of Net Position, and (b) total change in governmental fund balances to the change in the net position of governmental activities in the Statement of Activities. In addition, the statement requires information about the government's major and nonmajor funds in the aggregate, to be provided in the fund financial statements.

Condition:

The City does not have sufficient internal controls over the financial reporting process. While the City maintains controls over the processing of most accounting transactions, such as the governmental fund and proprietary fund financial statements, there are not sufficient controls over the preparation of financial statements for management or employees in the normal course of performing their assigned functions to prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

Cause:

Lack of technical training. Prior auditing standards did not require an entity's accounting personnel or members of management to possess the technical expertise that is currently required by standards.

Effect:

The City's management and employees, in the normal course of performing their assigned functions, may not prevent or detect financial statement misstatements and disclosure omissions in a timely manner.

Recommendation:

As part of internal control over the preparation of financial statements, the City should implement comprehensive preparation procedures to ensure that the financial statements are complete and accurate. These procedures should be performed by a properly trained individual possessing a thorough understanding of the applicable accrual, GAAP, and GASB pronouncements, and knowledge of the City's activities and operations. This could include providing additional training to the City's current accounting personnel, as well as trying to attract an individual with a higher level accounting background to serve as a member of the Board of Trustees.

Management's Response:

The City accepts the degree of risk associated with this condition because the additional expense of hiring additional personnel would take away from the funds available to provide necessary services for the residents of the City.

City of Benton, Illinois
Schedule of Findings and Responses
April 30, 2025

<u>Finding Number</u>	<u>Condition</u>	<u>Current Status</u>
2024-001	Lack of segregation of duties	No change from prior year

City of Benton, Illinois
Corrective Action Plan for Current Year Audit Findings
For the Year Ended April 30, 2025

Corrective Action Plan

Finding No: 2025-001

Condition:

Internal controls are limited due to small staff size.

Plan:

No current plan of action.

Anticipated Completion Date: N/A

Name of Contact Person: Christopher Keys, Finance Commissioner

Management Response: This is not practical due to staff size and finances.