CITY OF ALTAMONT, ILLINOIS

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED APRIL 30, 2026



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CITY OF ALTAMONT, ILLINOIS
TABLE OF CONTENTS
YEAR ENDED APRIL 30, 2026

INDEPENDENT AUDITORS' REPORT	1
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	5
STATEMENT OF ACTIVITIES	7
BALANCE SHEET – GOVERNMENTAL FUNDS	8
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION	9
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	10
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	11
STATEMENT OF NET POSITION – PROPRIETARY FUNDS	12
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS	13
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS	14
NOTES TO FINANCIAL STATEMENTS	15
REQUIRED SUPPLEMENTARY INFORMATION	
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND (UNAUDITED)	41
BUDGETARY COMPARISON SCHEDULE – (BUDGETARY BASIS) – TIF FUND (UNAUDITED)	46
BUDGETARY COMPARISON SCHEDULE – (BUDGETARY BASIS) – TIF 2 FUND (UNAUDITED)	47
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (UNAUDITED)	48

CITY OF ALTAMONT, ILLINOIS
TABLE OF CONTENTS
YEAR ENDED APRIL 30, 2026

SCHEDULE OF EMPLOYER CONTRIBUTIONS – ILLINOIS MUNICIPAL RETIREMENT FUND (UNAUDITED) 49

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (UNAUDITED) 50

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) 51

OTHER SUPPLEMENTARY INFORMATION

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS 53

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) – NONMAJOR GOVERNMENTAL FUNDS 54

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INDEPENDENT AUDITORS' REPORT

Mayor and City Council
City of Altamont
Altamont, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of City of Altamont, Illinois (the City), as of and for the year ended April 30, 2026, 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 accompany financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of April 30, 2026, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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Auditors' 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 auditors' 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 the 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of changes in net pension liability and related ratios, schedule of employer contributions, and schedule of changes in total OPEB liability and related ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The City has omitted a 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to soley describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Champaign, Illinois
October 22, 2026

BASIC FINANCIAL STATEMENTS

CITY OF ALTAMONT, ILLINOIS
STATEMENT OF NET POSITION
APRIL 30, 2026

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash	$ 6,080,888	$ 5,586,449	$ 11,667,337
Assets Held for Resale	90,938	-	90,938
Restricted Cash	-	194,531	194,531
Investments	-	143,310	143,310
Accounts Receivable, Net	1,193,130	489,680	1,682,810
Prepaid Insurance	40,663	43,927	84,590
Total Current Assets	7,405,619	6,457,897	13,863,516
Noncurrent Assets:			
Capital Assets:			
Land	35,000	282,594	317,594
Construction in Progress	94,026	2,167,943	2,261,969
Infrastructure Assets - Net of Accumulated Depreciation	1,089,340	-	1,089,340
Plant and Equipment - Net of Accumulated Depreciation	639,864	6,700,411	7,340,275
Total Capital Assets	1,858,230	9,150,948	11,009,178
Net Pension Asset	333,802	482,939	816,741
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount Related to Pension	8,689	12,571	21,260
Deferred Amount Related to OPEB Liability	5,750	8,317	14,067
Total Deferred Outflows of Resources	14,439	20,888	35,327
Total Assets and Deferred Outflows of Resources	9,612,090	16,112,672	25,724,762
LIABILITIES			
Current Liabilities:			
Accounts Payable	37,219	113,087	150,306
Accrued Payroll and Taxes	12,851	22,641	35,492
Customer Deposits	-	94,031	94,031
Unearned Revenue	1,500	-	1,500
Interest Payable	-	1,861	1,861
Bonds and Loans Payable	14,000	239,603	253,603
Total Current Liabilities	65,570	471,223	536,793
Long-Term Liabilities:			
Bonds and Loans Payable - Net of Current Portion	-	2,370,823	2,370,823
Total OPEB Liability	28,995	41,948	70,943
Compensated Absences	57,398	175,391	232,789
Total Long-Term Liabilities	86,393	2,588,162	2,674,555
Total Liabilities	151,963	3,059,385	3,211,348

See accompanying Notes to Financial Statements.

CITY OF ALTAMONT, ILLINOIS
STATEMENT OF NET POSITION (CONTINUED)
APRIL 30, 2026

	Governmental Activities	Business-Type Activities	Total
DEFERRED INFLOWS OF RESOURCES			
Subsequent Year's Property Taxes	963,722	-	963,722
Deferred Amount Related to Pension	190,725	275,938	466,663
Deferred Amount Related to OPEB	12,690	18,359	31,049
Total Deferred Inflows of Resources	1,167,137	294,297	1,461,434
NET POSITION			
Net Investment in Capital Assets	1,844,230	6,459,952	8,304,182
Restricted for:			
Bond Requirements	-	194,531	194,531
General and Administrative	104,586	-	104,586
Library Operations	70,673	-	70,673
Retirement (Includes Net Pension Asset)	719,383	-	719,383
Road Construction and Maintenance	509,760	-	509,760
Economic Development	2,044,295	-	2,044,295
Total Restricted	3,448,697	194,531	3,643,228
Unrestricted	3,000,063	6,104,507	9,104,570
Total Net Position	$ 8,292,990	$ 12,758,990	$ 21,051,980

See accompanying Notes to Financial Statements.

CITY OF ALTAMONT, ILLINOIS
STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2026

FUNCTIONS/PROGRAMS	Expenditures	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net Revenue (Expenditures) and Changes in Net Position: Governmental Activities	Net Revenue (Expenditures) and Changes in Net Position: Business-Type Activities	Net Revenue (Expenditures) and Changes in Net Position: Total
Governmental Activities:							
General Administration	$ 315,222	$ 73,679	$ -	$ -	$ (241,543)	$ -	$ (241,543)
Police	319,174	2,535	543	-	(316,096)	-	(316,096)
Streets and Alleys	460,915	11,194	-	-	(449,721)	-	(449,721)
Economic Development	170,159	-	-	-	(170,159)	-	(170,159)
Parks	77,419	-	-	3,858	(73,561)	-	(73,561)
Library	70,570	-	15,769	-	(54,801)	-	(54,801)
Cemetery	39,612	11,375	-	-	(28,237)	-	(28,237)
Interest on Long-Term Debt	623	-	-	-	(623)	-	(623)
Total Governmental Activities	$ 1,453,694	$ 98,783	$ 16,312	$ 3,858	(1,334,741)	-	(1,334,741)
Business-Type Activities:							
Water	723,808	924,806	-	1,500,000	-	1,700,998	1,700,998
Sewer	696,827	843,833	-	-	-	147,006	147,006
Electric	3,129,221	3,000,994	-	-	-	(128,227)	(128,227)
Garbage	155,472	156,450	-	-	-	978	978
Total Business-Type Activities	$ 4,705,328	$ 4,926,083	$ -	$ 1,500,000	-	1,720,755	1,720,755
General Revenues:							
Property and Mobile Home Taxes					888,024	-	888,024
Hotel/Motel and Video Game/Cannabis Use Tax					108,958	-	108,958
Utility and Excise Taxes					-	129,195	129,195
Sales, Use, Income, and Grocery Store Tax					1,013,005	-	1,013,005
Replacement Tax					17,826	-	17,826
Motor Fuel Tax					101,646	-	101,646
Memorials, Donations, and Trust Income					3,206	-	3,206
Investment Earnings					170,651	175,440	346,091
Miscellaneous Income					49,074	-	49,074
Transfers					(111,655)	111,655	-
Total General Revenues and Transfers					2,240,735	416,290	2,657,025
CHANGE IN NET POSITION					905,994	2,137,045	3,043,039
Net Position - Beginning of Year					7,386,996	10,621,945	18,008,941
NET POSITION - END OF YEAR					$ 8,292,990	$ 12,758,990	$ 21,051,980

See accompanying Notes to Financial Statements.

CITY OF ALTAMONT, ILLINOIS
BALANCE SHEET – GOVERNMENTAL FUNDS
APRIL 30, 2026

	General Fund	TIF Fund	TIF #2 Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash	$ 3,166,321	$ 1,373,458	$ 12	$ 1,541,097	$ 6,080,888
Assets Held for Resale	-	-	90,938	-	90,938
Accounts Receivable, Net	413,316	615,213	-	164,601	1,193,130
Due from Other Funds	6,495	408,520	-	-	415,015
Prepaid Insurance	10,070	-	-	30,593	40,663
Total Assets	$ 3,596,202	$ 2,397,191	$ 90,950	$ 1,736,291	$ 7,820,634
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 24,838	$ 500	$ 140	$ 11,741	$ 37,219
Accrued Payroll	12,851	-	-	-	12,851
Unearned Revenue	-	-	1,500	-	1,500
Due to Other Funds	-	-	408,520	6,495	415,015
Total Liabilities	37,689	500	410,160	18,236	466,585
DEFERRED INFLOWS OF RESOURCES					
Subsequent Year's Property Taxes	212,874	615,213	-	135,635	963,722
Unavailable Revenues	51,481	-	-	7,900	59,381
Total Deferred Inflows of Resources	264,355	615,213	-	143,535	1,023,103
FUND BALANCES					
Nonspendable:					
Prepaid Items	10,070	-	-	30,593	40,663
Restricted for:					
General and Administrative	-	-	-	104,586	104,586
Library Operations	-	-	-	70,673	70,673
Retirement	-	-	-	385,581	385,581
Streets and Alleys	-	-	-	509,760	509,760
Economic Development	-	1,781,478	-	262,817	2,044,295
Committed for:					
Cemetery	-	-	-	210,510	210,510
Unassigned	3,284,088	-	(319,210)	-	2,964,878
Total Fund Balances	3,294,158	1,781,478	(319,210)	1,574,520	6,330,946
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 3,596,202	$ 2,397,191	$ 90,950	$ 1,736,291	$ 7,820,634

See accompanying Notes to Financial Statements.

CITY OF ALTAMONT, ILLINOIS
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
APRIL 30, 2026

Total Fund Balance - Governmental Funds		$ 6,330,946
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, the underlying resources are not recognized currently in the governmental funds.		1,858,230
Deferred outflows of resources and deferred inflows of resources for pension and OPEB are applicable to future periods and, therefore, are not reported in the governmental funds.		
Deferred Outflows of Resources Related to Pensions	$ 8,689	
Deferred Outflows of Resources Related to OPEB	5,750	
Deferred Inflows of Resources Related to Pensions	(190,725)	
Deferred Inflows of Resources Related to OPEB	(12,690)	(188,976)
Certain revenues will be collected after year but are not available to pay for the current period's expenditures and, therefore, are reported as deferred inflows in the governmental funds.		59,381
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Compensated Absences	(57,398)	
Bonds and Loans Payable	(14,000)	
Net Pension Asset	333,802	
Total OPEB Liability	(28,995)	233,409
Net Position of Governmental Activities		$ 8,292,990

See accompanying Notes to Financial Statements.

CITY OF ALTAMONT, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED APRIL 30, 2026

	General Fund	TIF Fund	TIF #2 Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property and Mobile Home Taxes	$ 187,194	$ 540,442	$ 1,035	$ 154,472	$ 883,143
Hotel/Motel Tax	10,932	-	-	-	10,932
Video Game/Cannabis Use Tax	98,026	-	-	-	98,026
Sales Tax	482,294	-	-	103,225	585,519
Local Use Tax	13,038	-	-	-	13,038
Income Tax	405,532	-	-	-	405,532
Replacement Tax	16,120	-	-	1,706	17,826
Grocery Store Tax	8,916	-	-	-	8,916
Motor Fuel Tax	-	-	-	101,646	101,646
Memorials, Donations, and Trust Income	2,000	-	-	1,206	3,206
Charges for Services	-	-	-	11,375	11,375
Grant Proceeds	4,401	-	-	15,769	20,170
Liquor Licenses	6,075	-	-	-	6,075
Franchise Fees	48,878	-	-	-	48,878
Public Hearing Fees	200	-	-	-	200
Golf Cart Permits	1,900	-	-	-	1,900
Telecommunication	10,950	-	-	-	10,950
Court Fines	12,177	-	-	-	12,177
Materials Sold	1,552	-	-	-	1,552
Investment Earnings	92,056	37,924	46	40,625	170,651
Rental and Lease Income	5,676	-	-	-	5,676
Miscellaneous Income	45,294	-	-	3,780	49,074
Total Revenues	1,453,211	578,366	1,081	433,804	2,466,462
EXPENDITURES					
Current:					
General Administration	222,334	-	-	107,584	329,918
Police	318,543	-	-	-	318,543
Streets and Alleys	356,204	-	-	58,840	415,044
Economic Development	-	82,313	13,286	66,560	162,159
Parks	93,238	-	-	-	93,238
Library	-	-	-	73,689	73,689
Cemetery	-	-	-	39,612	39,612
Debt Service:					
Principal	13,500	-	-	-	13,500
Interest	623	-	-	-	623
Capital Outlay	124,346	113,104	21,960	-	259,410
Other Expenses	-	-	8,000	-	8,000
Total Expenditures	1,128,788	195,417	43,246	346,285	1,713,736
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	324,423	382,949	(42,165)	87,519	752,726
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	63,645	63,645
Transfers Out	(63,645)	-	-	-	(63,645)
Total Other Financing Sources (Uses)	(63,645)	-	-	63,645	-
NET CHANGE IN FUND BALANCE	260,778	382,949	(42,165)	151,164	752,726
Fund Balance (DEFICIT) - Beginning of Year	3,033,380	1,398,529	(277,045)	1,423,356	5,578,220
FUND BALANCE (DEFICIT) - END OF YEAR	$ 3,294,158	$ 1,781,478	$ (319,210)	$ 1,574,520	$ 6,330,946

See accompanying Notes to Financial Statements.

CITY OF ALTAMONT, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2026

Net Change in Fund Balance - Governmental Funds		$ 752,726
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Expenditures for Capital Outlay	$ 200,008	
Current Year Depreciation	(113,922)	86,086
Revenues in the statement of activities that do not provide current financial resources are not reported in the funds.		4,881
Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in the funds.		
Compensated Absences	19,185	
Pension Expense	32,655	
OPEB Expense	(3,039)	48,801
Debt proceeds provide current financial resources for governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums and discounts when debt is first issued. These amounts are deferred and amortized in the statement of activities.		
Principal Payments on Loans		13,500
Change in Net Position of Governmental Activities		$ 905,994

See accompanying Notes to Financial Statements.

CITY OF ALTAMONT, ILLINOIS
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
YEAR ENDED APRIL 30, 2026

	Water Fund	Sewer Fund	Electric Fund	Garbage Fund (Nonmajor)	Total Enterprise Funds
CURRENT ASSETS					
Cash	$ 715,620	$ 2,766,953	$ 2,095,086	$ 8,790	$ 5,586,449
Restricted Cash	194,531	-	-	-	194,531
Investments	-	-	143,310	-	143,310
Accounts Receivable, Net	100,250	118,876	248,643	21,911	489,680
Due from Other Funds	19,484	22,905	21,339	4,169	67,897
Prepaid Insurance	14,283	7,142	22,502	-	43,927
Total Current Assets	1,044,168	2,915,876	2,530,880	34,870	6,525,794
NONCURRENT ASSETS					
Capital Assets					
Land	116,805	111,999	53,790	-	282,594
Construction in Progress	2,131,028	26,111	10,804	-	2,167,943
Plant, Infrastructure, and Equipment	5,765,619	9,856,822	6,810,155	-	22,432,596
Less Accumulated Depreciation	(4,561,719)	(4,897,329)	(6,273,137)	-	(15,732,185)
Net Capital Assets	3,451,733	5,097,603	601,612	-	9,150,948
Net Pension Asset	167,105	136,396	179,438	-	482,939
Total Noncurrent Assets	3,618,838	5,233,999	781,050	-	9,633,887
Total Assets	4,663,006	8,149,875	3,311,930	34,870	16,159,681
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Amount Related to Pension	4,350	3,550	4,671	-	12,571
Deferred Amount Related to OPEB	2,878	2,348	3,091	-	8,317
Total Deferred Outflows of Resources	7,228	5,898	7,762	-	20,888
CURRENT LIABILITIES					
Accounts Payable	$ 88,680	$ 5,337	$ 18,706	$ 364	$ 113,087
Accrued Payroll	7,580	7,222	7,839	-	22,641
Customer Deposits	19,334	22,905	47,623	4,169	94,031
IEPA South Wastewater Plant Loan	-	104,852	-	-	104,852
Due to Other Funds	21,339	-	46,558	-	67,897
Interest Payable	1,861	-	-	-	1,861
ILEPA Transmission Main Loan	9,751	-	-	-	9,751
Series 2019A Bond	125,000	-	-	-	125,000
Total Current Liabilities	273,545	140,316	120,726	4,533	539,120
NONCURRENT LIABILITIES					
Compensated Absences	92,416	49,079	33,896	-	175,391
Total OPEB Liability	14,515	11,846	15,587	-	41,948
ILEPA Transmission Main Loan	34,136	-	-	-	34,136
Series 2019A Bond	260,000	-	-	-	260,000
IEPA South Wastewater Plant Loan	-	2,076,687	-	-	2,076,687
Total Noncurrent Liabilities	401,067	2,137,612	49,483	-	2,588,162
Total Liabilities	674,612	2,277,928	170,209	4,533	3,127,282
DEFERRED INFLOWS OF RESOURCES					
Deferred Amount Related to Pension	95,479	77,933	102,526	-	275,938
Deferred Amount Related to OPEB	6,353	5,184	6,822	-	18,359
Total Deferred Inflows of Resources	101,832	83,117	109,348	-	294,297
NET POSITION					
Net Investment in Capital Assets	2,942,276	2,916,064	601,612	-	6,459,952
Restricted for Bond Requirements	194,531	-	-	-	194,531
Unrestricted	756,983	2,878,664	2,438,523	30,337	6,104,507
Total Net Position	$ 3,893,790	$ 5,794,728	$ 3,040,135	$ 30,337	$ 12,758,990

See accompanying Notes to Financial Statements.

CITY OF ALTAMONT, ILLINOIS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS
YEAR ENDED APRIL 30, 2026

	Water Fund	Sewer Fund	Electric Fund	Garbage Fund (Nonmajor)	Total Enterprise Funds
OPERATING REVENUES					
Charges for Services	$ 748,725	$ 834,258	$ 2,858,084	$ 150,479	$ 4,591,546
Tap on Fees	4,200	400	-	-	4,600
Out of Town Service	9,521	-	-	-	9,521
Capacity Credits	-	-	114,954	-	114,954
Material Sales	-	-	1,525	-	1,525
Rental Income	-	1,200	-	-	1,200
Annual Clean Up Fees	-	-	-	4,318	4,318
Penalties	7,117	7,827	15,670	1,653	32,267
Miscellaneous Income	155,243	148	10,761	-	166,152
Total Operating Revenues	924,806	843,833	3,000,994	156,450	4,926,083
OPERATING EXPENSES					
Personal Services	325,605	285,646	379,591	-	990,842
Contractual Services	8,646	19,428	34,041	143,774	205,889
Commodities	160,159	35,634	53,941	-	249,734
Utilities	9,549	3,635	10,757	-	23,941
Electric Purchases	-	-	2,265,508	-	2,265,508
Insurance	24,983	12,844	38,837	-	76,664
Repairs and Maintenance	-	35,592	27,904	-	63,496
Other Supplies and Expenses	7,420	11,702	101,827	11,698	132,647
Depreciation	175,916	241,842	159,308	-	577,066
Noncapital Equipment	-	-	52,281	-	52,281
Miscellaneous	190	886	226	-	1,302
Total Operating Expenses	712,468	647,209	3,124,221	155,472	4,639,370
OPERATING INCOME (LOSS)	212,338	196,624	(123,227)	978	286,713
NONOPERATING REVENUE (EXPENSE)					
State and City Taxes	-	-	129,195	-	129,195
Grant Proceeds	1,500,000	-	-	-	1,500,000
Investment Income	30,446	82,434	62,375	185	175,440
Interest Expense	(9,340)	(46,618)	-	-	(55,958)
Bad Debt Expense	(2,000)	(3,000)	(5,000)	-	(10,000)
Total Nonoperating Revenue (Expense)	1,519,106	32,816	186,570	185	1,738,677
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	1,731,444	229,440	63,343	1,163	2,025,390
TRANSFERS AND CAPITAL CONTRIBUTIONS					
Capital Contributions	111,655	-	-	-	111,655
CHANGE IN NET POSITION	1,843,099	229,440	63,343	1,163	2,137,045
Net Position - Beginning of Year	2,050,691	5,565,288	2,976,792	29,174	10,621,945
NET POSITION - END OF YEAR	$ 3,893,790	$ 5,794,728	$ 3,040,135	$ 30,337	$ 12,758,990

See accompanying Notes to Financial Statements.

CITY OF ALTAMONT, ILLINOIS
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
YEAR ENDED APRIL 30, 2026

	Water Fund	Sewer Fund	Electric Fund	Garbage Fund (Nonmajor)	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers and Users	$ 917,674	$ 837,464	$ 2,988,237	$ 155,769	$ 4,899,144
Payments to Employees	(281,860)	(228,863)	(302,109)	-	(812,832)
Payments to Suppliers, Contractors	(308,953)	(211,470)	(2,657,597)	(155,192)	(3,333,212)
Net Cash Provided by Operating Activities	326,861	397,131	28,531	577	753,100
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Customer Deposits Received (Refunded)	(239)	-	(1,666)	(193)	(2,098)
Transfers (to) From Other Funds	-	-	(1,183)	-	(1,183)
Receipts from Other Government Entities	-	-	129,195	-	129,195
Net Cash Provided (Used) by Noncapital Financing Activities	(239)	-	126,346	(193)	125,914
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of Plant, Infrastructure, and Equipment	(1,955,694)	(65,264)	(21,301)	-	(2,042,259)
Payment of Interest on Debt	(9,920)	(46,618)	-	-	(56,538)
Proceeds from Grant	1,500,000	-	-	-	1,500,000
Payment of Debt Principal	(129,751)	(206,605)	-	-	(336,356)
Net Cash Provided (Used) by Capital and Related Financing Activities	(595,365)	(318,487)	(21,301)	-	(935,153)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Income	30,446	82,434	62,375	185	175,440
Net Cash Provided by Investing Activities	30,446	82,434	62,375	185	175,440
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(238,297)	161,078	195,951	569	119,301
Cash and Cash Equivalents - Beginning of Year	1,148,448	2,605,875	2,042,445	8,221	5,804,989
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 910,151	$ 2,766,953	$ 2,238,396	$ 8,790	$ 5,924,290
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	$ 212,338	$ 196,624	$ (123,227)	$ 978	$ 286,713
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	175,916	241,842	159,308	-	577,066
Bad Debt Expense	(2,000)	(3,000)	(5,000)	-	(10,000)
(Increase) Decrease in Assets:					
Accounts Receivable	(5,132)	(3,369)	(7,758)	(681)	(16,940)
Prepaid Insurance	(1,037)	294	(431)	-	(1,174)
Net Pension Asset	(118,505)	(106,799)	(117,837)	-	(343,141)
Increase (Decrease) in Liabilities:					
Accounts Payable	5,968	(28,626)	4,019	280	(18,359)
Accrued Payroll	2,898	4,926	2,634	-	10,458
Accrued Compensated Absences	(62,094)	4,096	(16,257)	-	(74,255)
Total OPEB Liability	(1,886)	-	(1,553)	-	(3,439)
Deferred Outflows - Pension	28,630	15,421	40,649	-	84,700
Deferred Outflows - OPEB	-	(517)	815	-	298
Deferred Inflows - Pension	93,567	76,833	99,899	-	270,299
Deferred Inflows - OPEB	(1,802)	(594)	(6,730)	-	(9,126)
Net Cash Provided by Operating Activities	$ 326,861	$ 397,131	$ 28,531	$ 577	$ 753,100
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES					
Contributed Capital Assets	$ 111,655	$ -	$ -	$ -	$ 111,655
Capital Related Accounts Payable and Retainage	$ 80,570	$ -	$ -	$ -	$ 80,570

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Altamont (the City) is a municipality located in Effingham County, Illinois, and was first established in 1871. On August 8, 1872, the Town of Altamont adopted the Village form of government which consists of a mayor and four council members. On April 16, 1901, the voters of the Village of Altamont adopted the City Organization form of government and became the City of Altamont. The City operates with a fiscal year ending on April 30 and provides services to its residents in many areas as authorized by its charter including public safety, public works, health and welfare, community enrichment, development, and general administration.

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

Financial Reporting Entity

The City is a body corporate and politic established under Illinois Compiled Statutes (ILCS). The City is considered to be a primary government as defined by GASB, since it is legally separate and fiscally independent.

In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity is based upon the significance of its operational or financial relationship with the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government. The City has no discretely presented component units. The following entity is reported as a blended component unit:

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Reporting Entity (Continued)

Altamont Public Library

The Altamont Public Library is a separate legal entity formed for the purpose of accounting for the tax and other resources used to provide library services to the citizens of the City. The City appoints a majority of the Library's governing body and is therefore able to impose its will on the Library. There is potential for the Library to provide financial benefits to, or impose financial burdens on, the City, and the Library is fiscally dependent upon the City; therefore, the City has included the Library as a blended component unit described as the Library Fund. Separate financial statements are not issued.

The City receives funding from local and state government sources and must comply with the concomitant requirements of these funding source entities. However, the City is not included in any other governmental reporting entity as defined by GASB, because council members are elected by the public, have decision-making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters. The scope of the reporting entity has been determined based on consideration of oversight responsibility, scope of public service, and special financing relationships.

Government-Wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Activities) report information on all of the nonfiduciary activities of the primary government. The effect of interfund activity has been removed from these statements. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues and are reported separate from business-type activities, which are financed through fees charged to external customers.

The Statement of Net Position presents the government's financial position at a point in time, and the Statement of Activities presents its activities during a period. The government-wide financial statements present highly aggregated information for the overall government, and they do not display individual funds or fund types.

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows and inflows of resources, fund equity, revenues, and expenditures/expenses. Government 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 City uses the calculation prescribed by GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, to determine major funds. All nonmajor funds of the City are aggregated into a single total in the financial statements. The various funds are grouped in the financial statements into three fund types as follows:

Governmental Funds

The governmental fund category includes the General Fund and Special Revenue Funds.

General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund, including administrative, police, streets, and recreational functions. This is the City's only major governmental fund.

TIF and TIF #2

The TIF and TIF #2 Funds account for the tax increment financing project activities for redevelopment in the City's two TIF districts.

The other governmental funds of the City are considered nonmajor and are special revenue funds. Special revenue funds account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects.

Proprietary Funds

A proprietary fund (or business-type fund) is one which (1) is financed and operated in a manner similar to a private business enterprise — where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City of Altamont operates the following proprietary funds:

Water Fund

The Water Fund is used to account for operations of the water works department, providing water services for the citizens of the City.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Funds (Continued)

Sewer Fund

The Sewer Fund is used to account for operations of the sewer department, providing sewer services for the citizens of the City.

Electric Fund

The Electric Fund is used to account for operations of the electric department, providing electric services for the citizens of the City.

Each of the above proprietary funds has been determined to be a major fund for purposes of financial reporting. The following fund has been determined to be a nonmajor fund.

Garbage Fund

The Garbage Fund is used to account for operations of the solid waste disposal department, providing waste collection and disposal services for the citizens of the City.

Measurement Focus and Basis of Accounting

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

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

Property taxes, sales and use taxes, utility taxes, licenses and permits, charges for services, fines and forfeits, miscellaneous revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so are recognized as revenues of the current fiscal period. Personal property replacement taxes are considered to be measurable when they have been collected and allocated by the state and are recognized as revenue at that time. All other revenue items are considered to be measurable and available only when cash is received by the City.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses result from providing services in connection with the proprietary funds' principal operations. The principal operating revenues for proprietary funds are charges to customers for water, garbage, electric, and sewer sales and services. Principal operating expenses for proprietary funds include the cost of providing sales and services and include administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Appropriations and Budget

The City adopts an annual budget and appropriations ordinance in accordance with Chapter 35 of the Illinois Compiled Statutes. The City employs the use of a budget as a management control device during the year for all governmental and proprietary funds. Whenever necessary, the budget is amended by approval of the City Council when actual expenditures exceed the original amounts budgeted. The initial Appropriation Ordinance for fiscal year 2026 was approved by the City Council on July 28, 2025, and the final budget was approved on December 8, 2025. The legal level of control (level at which expenditures or expenses may not exceed the appropriate amounts) is the fund level. Appropriations for all funds are accounted for using the cash basis of accounting.

The City does not maintain any rainy-day funds (amounts set aside for use in emergency situations or when a budgetary imbalance arises). The City does not utilize encumbrance accounting. Appropriations not spent at year-end may be acted upon as a supplemental appropriation, if required.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all highly liquid investments with a maturity at the time of purchase of three months or less to be cash equivalents.

Investments

The City's investments are limited to interest-bearing deposits at approved depositories, including certificates of deposit. The investments are recorded at cost, which approximates market value.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Property taxes receivable represents the 2025 levy that is due and collectible in the 2026-2027 fiscal year. The 2025 levy was adopted on December 8, 2025. Property taxes attach as an enforceable lien on the property as of January 1 and are due and collectible in June and September of the fiscal year following the 2025 tax levy. For governmental fund types, these property taxes are recognized as revenues in the year for which they are levied for budgetary purposes, therefore, shown as deferred inflows of resources. An allowance has been provided for uncollectible taxes. The 2026 levy has not been recorded as a receivable in accordance with GASB Statement No. 33, *Accounting for Nonexchange Transactions*. While the levy attached as a lien as of January 1, 2026, the taxes will not be levied by the City or extended by the County until December 2026 and, therefore, the amount is not measurable at April 30, 2026.

The City has provided an allowance for doubtful accounts receivable in the proprietary funds because management believes a portion of the balance is not expected to be collected.

Prepaid Items

The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased in both the government-wide and fund financial statements.

Capital Assets

Capital assets are defined by the City as tangible and intangible assets that are used in operations and that have useful lives that extend beyond a single reporting period. Capital assets include land, land improvements, plants, buildings and building improvements, infrastructure, and equipment.

Capital assets are not capitalized in the governmental funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds.

Capital assets and related activity are reported in the applicable governmental or business-type activities column in the government-wide financial statements. All purchased capital assets are recorded in the statement of net position at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are recorded at the acquisition value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The City's capitalization threshold is $10,000 for plants, buildings, building improvements and facilities and other improvements; $5,000 for infrastructure, personal property and software, machinery and equipment and vehicles. The City capitalizes all purchases of land or land improvements regardless of cost.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Infrastructure has been reported prospectively as of May 1, 2004, as required by GASB Statement No. 34. Depreciable capital assets are reported net of accumulated depreciation in the Statement of Net Position.

Capital assets are depreciated in the statement of activities and statement of revenues, expenses, and changes in net position of proprietary funds, on a straight-line basis over their estimated useful lives which are:

Land Improvements	25 Years
Plants, Buildings, and Building improvements	15 to 40 Years
Facilities and Other Improvements	15 to 25 Years
Infrastructure	20 to 50 years
Personal Property and Software	5 Years
Machinery and Equipment	5 Years
Vehicles	5 Years

Other Postemployment Benefits Other than Pensions (OPEB)

Qualifying retirees are provided with other postemployment benefits. The OPEB is a single employer defined plan administered by the City. For purposes of measuring the OPEB liability, related deferred outflows and OPEB expense, the City has used values provided by their actuary. Benefit payments are recognized when due and payable in accordance with the benefit terms.

Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave. This includes vacation and sick leave.

Interfund Receivables, Payables, and Activity

The City has the following types of transactions between funds:

Loans – amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds.

Reimbursements – repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Receivables, Payables, and Activity

Transfers – flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after nonoperating revenues and expenses, if any.

Assets Held for Resale

Assets held for resale represents land purchased with the intent of selling the property for future development. This is recorded at the lower of cost or estimated market value.

Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statements of net position. Debt premiums and discounts are amortized over the life of the obligation using the effective interest method. Bonds payable are reported net of the applicable premium or discount. Issuance costs are expensed.

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as 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.

Net Position/Fund Balance Classifications

Net position represents the difference between all other elements in a statement of financial position and is displayed in three components – *net investment in capital assets*; *restricted* (distinguishing between major categories of restrictions); and *unrestricted*.

a. The *net investment in capital assets* component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources is included in the same net position component (restricted or unrestricted) as the unspent amount.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position/Fund Balance Classifications (Continued)

b. The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.

c. The *unrestricted* component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first and then unrestricted resources as they are needed.

In accordance with GASB Statement No. 54 (GASBS No. 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, the governmental fund statements classify fund equity as fund balance, displayed in five components. The five components of fund balance are:

Nonspendable – consists of fund balance amounts that cannot be spent, either because they are not in spendable form or because legal or contractual constraints require them to be maintained intact.

Restricted – consists of fund balances with constraints placed on their use either by external groups, by laws of higher authority governments or by constitutional provisions or enabling legislation.

Committed – consists of fund balance amounts that are constrained for specific purposes that are internally imposed by formal action of the highest level of decision-making authority, the City Council. These amounts are committed through a resolution approved by the City Council prior to year-end (actual amounts are determined after year-end). Any changes to the constraints imposed require amendment by the same type of City Council resolution.

Assigned – consists of fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned by financial management or official action of the City Council and also includes all amounts in governmental funds, other than the general fund, that are not restricted or committed. Assignments may take place after the end of the reporting period.

Unassigned – consists of residual positive fund balance within the governmental funds which has not been classified within the other above categories. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position/Fund Balance Classifications (Continued)

The City's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first unless there are legal documents or contracts that prohibit this (e.g., grant agreements). Additionally, if different levels of unrestricted funds are available for spending, the City considers committed funds to be expended first, followed by assigned and then unassigned funds.

Use of Estimates

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

NOTE 2 CASH AND INVESTMENTS

Authorized Investments – the City is authorized by *Illinois Compiled Statutes* (ILCS) to invest public funds not currently needed for operating expenses in obligations of the United States government, its agencies and instrumentalities; interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investments constituting direct obligations of any bank and federally insured as defined by the Illinois Banking Act; short-term obligations of qualified corporations organized in the United States; qualified money market mutual funds registered under the Investment Company Act of 1940; public funds in interest bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district, of the state of Illinois, or of any other state, or of any political subdivision or agency of the state of Illinois or of any other state; any public funds in a Public Treasurers' Investment Pool created under Section 17 of the State Treasurer Act; funds managed, operated, and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company and qualified repurchase agreements. The City's investment policy follows the same guidelines as proposed by ILCS to invest public funds.

Statutes authorize the City to make deposits or invest in obligations of the United States Treasury and United States Agencies, obligations of the states and their political subdivisions, savings accounts, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Public Treasurer's Investment Pool (Illinois Funds). All investments are carried at cost, which approximates market.

It is the policy of the City to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds.

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

The City has the following checking accounts and interest-bearing demand deposits such as savings accounts and certificates of deposit as of April 30, 2026:

Institution	Type of Account	Bank Balance
First Mid-Illinois Bank & Trust	Checking, Money Market	$ 82,137
People Bank & Trust	Checking	11,984,083
Bank of Hillsboro	Certificate of Deposit	143,310
Total		$ 12,209,530

Custodial Credit Risk – the risk that a government will not be able to cover deposits if the depository financial institution fails or will not be able to recover collateral securities that are in the possession of an outside party. It shall be the policy of the City Treasurer to require collateral on all funds. When collateral is required, it must be pledged at 100%. As of April 30, 2026, the City's deposits were fully insured or collateralized.

NOTE 3 ACCOUNTS RECEIVABLE

Receivables for each major fund and the nonmajor funds in the aggregate at April 30, 2026, including the applicable allowances for uncollectible accounts, were as follows:

	General Fund	TIF Fund	Aggregate Nonmajor Fund	Total Governmental Funds
Receivables:				
Property Taxes	$ 217,404	$ 621,428	$ 137,006	$ 975,838
Other Taxes	202,646	-	28,965	231,611
Less Allowance for Uncollectible Amounts	(6,734)	(6,215)	(1,370)	(14,319)
Net Receivables	$ 413,316	$ 615,213	$ 164,601	$ 1,193,130

	Water Fund	Sewer Fund	Electric Fund	Garbage Fund	Total Business-Type
Receivables:					
Accounts	$ 106,250	$ 125,876	$ 262,643	$ 22,911	$ 517,680
Less Allowance for Uncollectible Amounts	(6,000)	(7,000)	(14,000)	(1,000)	(28,000)
Net Receivables	$ 100,250	$ 118,876	$ 248,643	$ 21,911	$ 489,680

NOTE 4 CAPITAL ASSETS

Governmental Activities

A summary of changes in capital assets of the governmental funds for the year ended April 30, 2026 is as follows:

	Balance May 1, 2025	Additions	Retirements/ Transfers	Balance April 30, 2026
Assets not Being Depreciated:				
Land	$ 27,500	$ 7,500	$ -	$ 35,000
Construction in Progress	62,799	53,622	(22,395)	94,026
Total Assets not Being Depreciated	90,299	61,122	(22,395)	129,026
Depreciable Assets:				
Infrastructure	1,333,840	60,638	-	1,394,478
Plant and Equipment	1,413,081	100,643	-	1,513,724
Total Capital Assets Being Depreciated	2,746,921	161,281	-	2,908,202
Less Accumulated Depreciation:				
Infrastructure	250,695	54,443	-	305,138
Plant and Equipment	814,381	59,479	-	873,860
Total Accumulated Depreciation	1,065,076	113,922	-	1,178,998
Total Capital Assets Being Depreciated, Net	1,681,845	47,359	-	1,729,204
Total Governmental Activities Capital Assets	$ 1,772,144	$ 108,481	$ (22,395)	$ 1,858,230

Business-Type Activities

A summary of changes in capital assets of the proprietary funds for the year ended April 30, 2026 is as follows:

	Balance May 1, 2025	Additions	Retirements/ Transfers	Balance April 30, 2026
Assets not Being Depreciated:				
Land	$ 282,594	$ -	$ -	$ 282,594
Construction in Progress	120,037	2,047,906	-	2,167,943
Total Assets not Being Depreciated	402,631	2,047,906	-	2,450,537
Depreciable Assets:				
Plant, Equipment, and Infrastructure	22,246,019	186,577	-	22,432,596
Total Capital Assets Being Depreciated	22,246,019	186,577	-	22,432,596
Less Accumulated Depreciation:				
Plant, Equipment, and Infrastructure	15,155,119	577,066	-	15,732,185
Total Accumulated Depreciation	15,155,119	577,066	-	15,732,185
Total Capital Assets Being Depreciated, Net	7,090,900	(390,489)	-	6,700,411
Total Business Type Capital Assets	$ 7,493,531	$ 1,657,417	$ -	$ 9,150,948

NOTE 4 CAPITAL ASSETS (CONTINUED)

Business-Type Activities (Continued)

Depreciation expense was charged to functions/programs of the primary government in the year ended April 30, 2026 as follows:

Governmental Activities:		
General Administration	$	5,383
Police		23,708
Streets and Alleys		56,921
Parks		25,797
Library		2,113
Total Governmental Activities	$	113,922
Business-Type Activities:		
Water Fund	$	175,916
Sewer Fund		241,842
Electric Fund		159,308
Total Business-Type Activities	$	577,066

NOTE 5 LONG-TERM DEBT

As of April 30, 2026, the long-term indebtedness of the City consisted of the following:

The City refinanced general obligation refunding series 2010A and 2010B bonds and issued general obligation refunding bonds, referred to as the Waterworks ARS, Series 2019A, on May 28, 2019. Interest is paid semi-annually at varying rates ranging from 1.45% to 2.00%. Bonds mature in 2029 and have an outstanding balance of $385,000 as of April 30, 2026.

The City obtained a public water supply loan under the provisions of the Illinois Environmental Protection Agency on December 15, 2010, to fund improvements in the waterworks system. This loan is not collateralized and there are no restrictive covenants. Annual payments are $9,751 including interest calculated at a 0% simple annual interest rate. The loan matures in 2030 and has an outstanding balance of $43,887 as of April 30, 2026.

The City obtained a wastewater project loan under the provisions of the Illinois Environmental Protection Agency on December 23, 2013, to fund improvements in the wastewater system. This loan is not collateralized and there are no restrictive covenants. Annual payments are $206,605 including interest calculated at a 1.995% annual fixed loan rate. The loan matures in 2035 and has an outstanding balance of $2,181,539 as of April 30, 2026.

NOTE 5 LONG-TERM DEBT (CONTINUED)

The City has a loan payable to South Central Illinois Regional Planning and Development Commission to fund improvements on Division Street. This loan is not collateralized and there are no restrictive covenants. Annual payments are approximately $13,500, including interest calculated at a rate of 3%. The note matures in 2026 and has an outstanding balance of $14,000 as of April 30, 2026.

The City's outstanding notes from direct borrowings related to the IEPA notes of $2,225,426 as of April 30, 2026, contain a provision that in an event of default, failure to take appropriate action shall cause the IEPA to pursue the collection of the amounts past due, the loan balance and the costs thereby incurred through either the Illinois State Collection Act of 1986 (30 ILCS 210) or by any other reasonable means as may be provided by law.

A summary of the changes in long-term debt is as follows:

	Balance May 1, 2025	Issued	Retired	Balance April 30, 2026	Due In One Year
Governmental Activities					
Division Street SCRPDC (Direct Placement)	$ 27,500	$ -	$ 13,500	$ 14,000	$ 14,000
Compensated Absences (Accrued Vacation and Sick Pay)	76,583	-	19,185	57,398	-
Subtotal Governmental Activities	104,083	-	32,685	71,398	14,000
Business-Type Activities					
Compensated Absences (Accrued Vacation and Sick Pay)	249,646	-	74,255	175,391	-
Sewer Dept. - ILEPA (Direct Borrowing)	2,388,144	-	206,605	2,181,539	104,852
Water Dept. - ILEPA Transmission Main (Direct Borrowing)	53,638	-	9,751	43,887	9,751
Water Dept.-2019A Bond	505,000	-	120,000	385,000	125,000
Subtotal Business-Type Activities	3,196,428	-	410,611	2,785,817	239,603
Total Primary Government	$ 3,300,511	$ -	$ 443,296	$ 2,857,215	$ 253,603

The change in the compensated absence liability is presented as a net change.

The General Fund typically has been used in the prior years to liquidate long-term liabilities for governmental funds.

Net pension liability (asset) and OPEB liability changes are disclosed in separate footnotes.

NOTE 5 LONG-TERM DEBT (CONTINUED)

A summary of the future minimum commitments of bonds and loans payable is as follows:

	Governmental Activities			Business-Type Activities		
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total
2027	$ 14,000	$ 420	$ 14,420	$ 239,602	$ 29,461	$ 269,063
2028	-	-	-	352,601	45,574	398,175
2029	-	-	-	356,868	38,706	395,574
2030	-	-	-	231,221	31,753	262,974
2031	-	-	-	230,794	27,313	258,107
2032-2036	-	-	-	1,199,340	66,778	1,266,118
Total	$ 14,000	$ 420	$ 14,420	$ 2,610,426	$ 239,585	$ 2,850,011

NOTE 6 STATUTORY DEBT LIMITATION

The statutory debt limitation is 8.625% of the equalized assessed valuation for 2026 calculated as follows:

Equalized Assessed Valuation	$ 45,181,256
Limitation Percentage	8.625%
Statutory Debt Limitation	3,896,883
Outstanding General Obligation Debt	57,887
Remaining Debt Margin	$ 3,838,996

NOTE 7 DEFINED BENEFIT PENSION PLAN

IMRF Plan Description

The City's defined benefit pension plan, a multi-employer agent plan, for regular employees provides retirement and disability benefits, postretirement 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 multiemployer 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 Annual Comprehensive 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 Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date). The City only participates in the Regular Plan.

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Benefits Provided (Continued)

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
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2025, the following employees were covered by the benefit terms:

Retirees and Beneficiaries Currently Receiving Benefits	23
Inactive Plan Members Entitled to but not yet Receiving Benefits	29
Active Plan members	24
Total	76

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 their own employees. The City's annual contribution rate for calendar year 2026 was 4.48% and 2025 was 4.26%. For the fiscal year ended April 30, 2026, the City contributed $59,610 to the Plan.

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension (Asset) Liability

The City's net pension (asset) liability was measured as of December 31, 2025. The total pension asset (liability) used to calculate the net pension (asset) liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2025:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Price Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement** Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study from years 2020 - 2022.
- For **Nondisabled 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.

There were no benefit changes during the year.

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

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions (Continued)

	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	32.5 %	7.35 %
International Equity	18.0	7.45
Fixed Income	24.0	4.75
Real Estate	10.5	6.25
Alternative Investments	14.0	3.90 to 8.50
Cash Equivalents	1.0	3.00
Total	100.0 %	

Single Discount Rate

A Single Discount Rate of 7.25% 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 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 7.25%, the municipal bond rate is 4.83%, and the resulting single discount rate is 7.25%.

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Changes in the Net Pension Liability (Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) Liability (A) - (B)
Balances - December 31, 2024	$ 6,855,093	$ 7,057,661	$ (202,568)
Changes for the Year:			
Service Cost	109,478	-	109,478
Interest on the Total Pension Liability	488,170	-	488,170
Differences Between Expected and Actual Experience of the Total Pension Liability	(24,463)	-	(24,463)
Changes of Assumptions	-	-	-
Contributions - Employer	-	65,774	(65,774)
Contributions - Employees	-	54,257	(54,257)
Net Investment Income	-	494,163	(494,163)
Differences Between Projected and Actual Investment Income	-	609,924	(609,924)
Benefit Payments, Including Refunds of Employee Contributions	(352,901)	(352,899)	(2)
Other	-	(36,762)	36,762
Net Changes	220,284	834,457	(614,173)
Balances - December 31, 2025	$ 7,075,377	$ 7,892,118	$ (816,741)

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

The following presents the Plan's net pension (asset) liability, calculated using a Single Discount Rate of 7.25%, as well as what the Plan's net pension (asset) liability 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 (Asset)	$ 195,642	$ (816,741)	$ (1,638,385)

NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

For the year ended April 30, 2026, the City recognized pension expense of $22,640. At April 30, 2026, 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 to be Recognized in Pension Expense in Future Periods:		
Differences Between Expected and Actual Experience	$ 361	$ (16,162)
Changes of Assumptions	-	(247)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(450,254)
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	361	(466,663)
Pension Contributions Made Subsequent to the Measurement Date	20,899	-
Total Deferred Amounts Related to Pensions	$ 21,260	$ (466,663)

$20,899 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the year ended April 30, 2027.

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

Year Ending April 30,	Net Deferred Outflows of Resources
2027	$ 39,891
2028	(230,682)
2029	(153,526)
2030	(121,985)
Total	$ (466,302)

NOTE 8 POSTEMPLOYMENT HEALTH CARE PLAN

Plan Description

The City is the administrator of a single employer Other Postemployment Benefit (OPEB) Plan and follows GASB No. 75. The Plan provides for continuation of group health insurance coverage to employees (and their beneficiaries) who retire under the Illinois Municipal Retirement Fund system. The City's group health insurance plan covers both active and retired members. The health plan does not issue a publicly available financial report. Membership in the plan as of April 30, 2026, consisted of:

Active Participants	21
Retiree Participants	-
Total	21

Funding Policy

Retirees and beneficiaries electing coverage pay 100% of the premium to the City in accordance with rates set by the City. The plan is financed on a pay-as-you-go basis. There have been no OPEB contributions by either the City or employees to date. As such, there are no plan assets.

Total OPEB Liability

The City's total OPEB liability was determined for fiscal year ended April 30, 2026, using April 30, 2026, as the measurement date and the actuarial valuation date was May 1, 2025 projected to April 30, 2026, on a rolled forwarded basis with adjustments for actual premium, health card trend rates and discount rates changes.

Actuarial Assumptions

The total OPEB liability in the April 30, 2026 (measurement date), actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal Level % of Salary
Inflation Rate	2.25% per Year
Salary Increases	2.75% Plus Merit and Longevity Increases
Health Care Cost Trend Rates	8.50% for 2026, Decreasing 0.25% Annually to an Ultimate Rate of 4.5% for 2043 and Later Years

Mortality rates for general actives and retirees were based on: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021 Mortality rates for surviving spouses were based on SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021.

Discount Rate

Under GASB 75, the discount rate used in valuing OPEB liabilities for unfunded plans as of the measurement date must be based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The discount rate was 4.62% as of April 30, 2026, for accounting disclosure purposes.

NOTE 8 POSTEMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB Liability at April 30, 2025	$ 56,711
Changes for the Year:	
Service Cost	4,233
Interest	3,194
Differences Between Expected and Actual Experience of the Total OPEB Liability	(1,125)
Changes in Assumptions	7,930
Benefit Payments	-
Net Changes	14,232
Total OPEB Liability at April 30, 2026	$ 70,943

The following assumptions have been used in accordance with GASB 75.

- The payroll growth rate assumption has been updated based on the 12/31/23 Illinois Municipal Retirement Fund (IMRF) GASB report. This caused a decrease in the liabilities.
- Discount rate as of the measurement date has been updated to be based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The prior full valuation used a discount rate of 5.24%. The current full valuation uses a discount rate of 4.42% as of the beginning of the year and 4.62% as of the end of the year. This change has caused an increase in liabilities as of the beginning of the year and a decrease in liabilities during the year. The discount rate will be updated annually to reflect market conditions as of the measurement date.

Sensitivity of the total OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.62%) or 1-percentage-point higher (5.62%) than the current discount rate:

As of April 30, 2026	Total OPEB Liability
1% Decrease (3.62%)	$ 76,373
Current Discount Rate (4.62%)	70,943
1% Increase (5.62%)	65,812

NOTE 8 POSTEMPLOYMENT HEALTH CARE PLAN (CONTINUED)

Changes in the Total OPEB Liability (Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using health care cost trend rates that are 1-percentage-point lower (7.5% decreasing by 1% annually to an ultimate rate of 3.5%) or 1-percentage-point higher (9.5% decreasing by 1% annually to an ultimate rate of 5.5%) than the current health care cost trend rates:

As of April 30, 2026	Total OPEB Liability
1% Decrease (7.50%)	$ 62,661
Current Trend Rate (8.50%)	70,943
1% Increase (9.50%)	80,622

OPEB Expense (Benefit) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended April 30, 2026, the City recognized OPEB benefit of ($1,646). At April 30, 2026, the City reported deferred outflows/inflows of resources related to OPEB from the following source:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience of the Total OPEB Liability	$ 3,906	$ (29,337)
Changes in Assumptions	10,161	(1,712)
Total Deferred Amounts Related to OPEB	$ 14,067	$ (31,049)

Amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized in OPEB expense (benefit) as follows:

Year Ending April 30,	Amount
2027	$ (10,887)
2028	(3,682)
2029	(4,787)
2030	1,245
2031	1,129
Thereafter	-
Total	$ (16,982)

NOTE 9 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, injuries to employees, and natural disasters. For general insurance, comprehensive liability and workers' compensation coverage, the City is a member of the Illinois Municipal League Risk Management Association (IMLRMA), a public entity risk pool.

The Risk Management Association (the RMA) was formed in 1981 under an Intergovernmental Cooperation Contract in accordance with the Intergovernmental Cooperation Section of the 1970 Illinois Constitution and by the Intergovernmental Cooperation Act of the Illinois Compiled Statutes. The agreement provides participating Illinois municipalities with a program of risk management, loss coverage and claims administration for municipal operations. The program provides for the creation of a self-insurance pool and the purchase of reinsurance or excess insurance with loss coverage for workers' compensation, automobile and general liability, auto physical damage, and property damage. The City is obligated to procure insurance policies to protect against liability and loss due to insurance claims. The City's responsibilities under this policy are: to initiate and maintain reasonable safety programs to prevent or reduce claims or losses within the scope of coverage, immediately report all incidents which could result in a claim or loss, immediately report a suit or other proceedings that are brought against the City as a result of a claim or loss, furnish the provider with any requests for annual payroll figures for the purposes of determining the City's annual contribution, allow the provider, at all reasonable times, to inspect the City's work places and equipment covered by the agreement. The City pays an annual premium to IMLRMA for its coverage.

Settled claims have exceeded this coverage in two of the past three fiscal years.

NOTE 10 INTERFUND TRANSFERS

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, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorization.

For the fiscal year ended April 30, 2026, the City Council approved the following interfund transfers:

Fund	Interfund Transfer In	Interfund Transfers Out
General Fund	$ -	$ 63,645
Nonmajor Funds:		
Workers' Compensation Fund	48,803	-
Tort Liability Fund	14,842	-
Total Interfund Transfers	$ 63,645	$ 63,645

These interfund transfers were necessary to conduct the ordinary business of the City.

NOTE 11 INTERFUND RECEIVABLES AND PAYABLES

Fund	Receivable	Payable
Water Fund	$ 19,484	$ (21,339)
Sewer Fund	22,905	-
Electric Fund	21,339	(46,558)
General Fund	6,495	-
TIF Fund	408,520	-
TIF#2 Fund	-	(408,520)
Nonmajor Funds:		
Garbage Fund	4,169	-
Business District Fund	-	(6,495)
Total	$ 482,912	$ (482,912)

These balances result from the time lag between dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The balance between TIF Fund and TIF#2 Fund is not expected to be fully collected in the subsequent year.

NOTE 12 OTHER DISCLOSURE REQUIREMENTS

Accounting principles generally accepted in the United States of America require disclosure, as part of the basic financial statements, of certain information concerning individual funds including:

Excess of expenditures over appropriations in individual funds for those funds which appropriations were made:

Fund	Appropriations	Expenditures
Workers' Compensation	$ 48,800	$ 48,803
Unemployment Tax Fund	2,800	3,144
Perpetual Care Cemetery Fund	568	790

TIF Fund #2 reported a deficit fund balance of ($319,210) at April 30, 2026.

NOTE 13 TAX ABATEMENTS

Tax abatements, as defined by Governmental Accounting Standards Board (GASB) Statement No 77, *Tax Abatement Disclosures* (GASB 77), are agreements between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

NOTE 13 TAX ABATEMENTS (CONTINUED)

Tax Increment Financing Abatements

Illinois's Tax Increment Financing Act enables cities to finance certain redevelopment costs with the revenue generated from (1) payments in lieu of real estate taxes, as measured by the net increase in assessed valuation resulting from redevelopment and (2) a portion of the increase in other local tax revenue associated with new economic activity. When a tax increment financing (TIF) plan is adopted, real estate tax rate of all taxing districts having taxing power within the redevelopment area to the increased assessed valuation resulting from redevelopment, a tax "increment" is produced.

The City's estimated net reduced property tax revenue resulting from the TIFs for the year ended April 30, 2026, is $49,278.

Redevelopment Plan for Tax Increment Area

The City has entered into an agreement with two businesses in the project area. The City's net reduced property tax revenue resulting from these agreements for the year ended April 30, 2026 is $66,559.

Economic Incentive Credits

The City has entered into an economic incentive agreement with a developer to encourage economic development within the business district. The City remits a percentage of sales tax generated within the project area back to the developer. The City's net reduced sales tax revenue resulting from the economic incentive agreement for the year ended April 30, 2026, is $56,559.

NOTE 14 COMMITMENTS

As of April 30, 2026, the City's Water Main Replacement construction project had commitments with contractors in the amount of $114,000.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ALTAMONT, ILLINOIS
BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS) – GENERAL FUND (UNAUDITED)
YEAR ENDED APRIL 30, 2026

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property and Mobile Home Taxes	$ 186,995	$ 186,995	$ 187,194	$ 199
Hotel/Motel Tax	10,000	10,000	10,932	932
Video Game/Cannabis Use Tax	102,200	102,200	97,779	(4,421)
Sales Tax	430,000	430,000	445,934	15,934
Local Use Tax	75,000	75,000	19,005	(55,995)
Income Tax	386,000	386,000	406,320	20,320
Replacement Tax	17,500	17,500	59,727	42,227
Grocery Store Tax	-	-	2,857	2,857
Liquor Licenses	7,000	7,000	6,075	(925)
Franchise Fees	40,000	40,000	48,878	8,878
Public Hearing Fees	300	300	200	(100)
Golf Cart Permits	1,500	1,500	1,900	400
Telecommunication	12,000	12,000	11,258	(742)
Court Fines	4,500	6,000	12,177	6,177
Materials Sold	-	-	1,552	1,552
Investment Earnings	86,400	86,400	92,056	5,656
Rental and Lease Income	2,300	5,450	5,676	226
Grant Proceeds	237,028	240,928	4,401	(236,527)
Miscellaneous Income	8,800	18,600	45,294	26,694
Memorials, Donations, and Trust Income	7,000	7,000	2,000	(5,000)
Total Revenues	1,614,523	1,632,873	1,461,215	(171,658)
EXPENDITURES				
General Administration:				
Contractual Services:				
Contract Labor	15,000	15,000	-	15,000
Consultants	8,000	8,000	4,968	3,032
Contractual Mowing	2,500	2,500	2,530	(30)
Dues and Subscriptions	3,000	3,000	2,227	773
General Insurance	12,000	12,000	11,058	942
Lease, Permits, Fees, and Licenses	-	-	132	(132)
Legal Services	30,000	33,000	24,375	8,625
Liability Insurance	1,000	1,000	1,076	(76)
Maintenance Agreements	800	800	653	147
Maintenance - Building	14,000	14,000	15,728	(1,728)
Maintenance - Vehicles	2,500	2,500	795	1,705
Maintenance - Equipment	200	200	78	122
Maintenance - Grounds	500	500	433	67
Advertising	200	200	209	(9)
Insect Control	6,000	6,000	3,188	2,812
Postage	100	100	27	73
Printing	500	500	907	(407)
Telephone	5,300	5,300	6,957	(1,657)
Training	1,000	1,000	174	826
Travel	1,800	1,800	318	1,482
Tree City USA	1,800	1,800	108	1,692
Tourism	8,000	8,000	7,500	500
Zoning	1,800	1,800	681	1,119
Total Contractual Services	116,000	119,000	84,122	34,878

See accompanying Notes to Required Supplementary Information.

CITY OF ALTAMONT, ILLINOIS
BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS) – GENERAL FUND (UNAUDITED) (CONTINUED)
YEAR ENDED APRIL 30, 2026

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXPENDITURES (CONTINUED)				
General Administration: (Continued)				
Personal Services:				
Salaries	$ 83,000	$ 83,000	$ 84,213	$ (1,213)
Payroll Tax	6,400	6,400	6,442	(42)
Health Insurance	3,600	3,600	875	2,725
IMRF	2,600	2,600	2,532	68
Total Personal Services	95,600	95,600	94,062	1,538
Commodities:				
Gas and Oil	1,500	1,500	809	691
Office Supplies	1,500	1,500	2,044	(544)
Computer Supplies	5,000	5,000	7,219	(2,219)
Uniforms	800	800	609	191
Operating Supplies	3,500	3,500	2,590	910
Total Commodities	12,300	12,300	13,271	(971)
Other:				
Real Estate Taxes	500	500	318	182
Enterprise Zone	1,500	1,500	36	1,464
Miscellaneous	3,000	3,000	23,541	(20,541)
Total Other	5,000	5,000	23,895	(18,895)
Capital Outlay:				
Vehicle	2,500	2,500	-	2,500
Total Capital Outlay	2,500	2,500	-	2,500
Debt Service:				
Payments on Principal	13,500	13,500	13,500	-
Interest	625	625	623	2
Total Debt Service	14,125	14,125	14,123	2
Total General Administration	245,525	248,525	229,473	19,052
POLICE DEPARTMENT				
Personal Services:				
Salaries	203,000	203,000	226,061	(23,061)
Payroll Tax	15,600	15,600	17,294	(1,694)
IMRF	8,400	8,400	9,747	(1,347)
Medical and Life Insurance	12,200	18,500	25,186	(6,686)
Total Personal Services	239,200	245,500	278,288	(32,788)
Contractual Services:				
Dues and Subscriptions	500	500	420	80
Lease, Permits, Fees, and Licenses	225	225	46	179
Legal Services	8,000	8,000	2,299	5,701
Maintenance - Building	500	500	843	(343)
Maintenance - Vehicles	10,000	10,000	5,605	4,395
Maintenance - Equipment	2,300	2,300	196	2,104
Postage	200	200	42	158
Telephone	2,500	2,500	3,316	(816)
Training	7,000	7,000	8,272	(1,272)
Travel	200	200	-	200
Maintenance Agreements	500	500	435	65
Total Contractual Services	31,925	31,925	21,474	10,451

See accompanying Notes to Required Supplementary Information.

CITY OF ALTAMONT, ILLINOIS
BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS) – GENERAL FUND (UNAUDITED) (CONTINUED)
YEAR ENDED APRIL 30, 2026

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXPENDITURES (CONTINUED)				
Police Department: (Continued)				
Commodities:				
Gas and Oil	$ 10,000	$ 10,000	$ 9,144	$ 856
Office Supplies	200	200	93	107
Computer Supplies	1,500	1,500	2,559	(1,059)
Operating Supplies	3,000	3,000	1,756	1,244
Uniforms	5,000	5,000	4,789	211
Total Commodities	19,700	19,700	18,341	1,359
Capital Outlay:				
Equipment - Vehicle	32,000	32,000	-	32,000
Equipment	500	500	10,014	(9,514)
Total Capital Outlay	32,500	32,500	10,014	22,486
Other:				
Miscellaneous	1,000	1,000	595	405
Total Other	1,000	1,000	595	405
Total Police Department	324,325	330,625	328,712	1,913
STREETS AND ALLEYS DEPARTMENT				
Personal Services:				
Salaries	145,100	145,100	178,854	(33,754)
Payroll Tax	11,100	11,100	13,682	(2,582)
IMRF	6,300	6,300	7,782	(1,482)
Medical and Life Insurance	50,180	50,180	73,643	(23,463)
Total Personal Services	212,680	212,680	273,961	(61,281)
Commodities:				
Gas and Oil	10,000	10,000	8,828	1,172
Office Supplies	200	200	286	(86)
Computer Supplies	700	700	68	632
Operating Supplies	4,500	4,500	3,919	581
Total Commodities	15,400	15,400	13,101	2,299
Other:				
Miscellaneous	1,000	1,000	923	77
Total Other	1,000	1,000	923	77

See accompanying Notes to Required Supplementary Information.

CITY OF ALTAMONT, ILLINOIS
BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS) – GENERAL FUND (UNAUDITED) (CONTINUED)
YEAR ENDED APRIL 30, 2026

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXPENDITURES (CONTINUED)				
Streets and Alleys Department: (Continued)				
Contractual Services:				
Lease, Permits, Fees, and Licenses	$ 200	$ 200	$ 609	$ (409)
Contract Labor	3,000	3,000	6,656	(3,656)
Dues and Subscriptions	1,000	1,000	52	948
Engineering Service	25,290	25,290	2,263	23,027
Legal Services	6,000	7,000	6,687	313
Maintenance Agreements	500	500	993	(493)
Maintenance - Building	2,000	2,000	2,849	(849)
Maintenance - Equipment	12,300	20,300	30,729	(10,429)
Maintenance - Grounds	1,000	1,000	468	532
Maintenance - Storm Sewer	2,000	4,000	4,965	(965)
Maintenance - Street	7,500	-	846	(846)
Maintenance - Vehicles	2,500	2,500	143	2,357
Mobile Phone Service	600	600	489	111
Training	1,300	1,300	1,280	20
Telephone	1,300	1,300	1,624	(324)
Tree City USA	2,000	2,000	-	2,000
Postage	-	-	67	(67)
Printing	300	300	267	33
Street/Traffic Sign Repair	500	500	426	74
Uniforms	4,500	4,500	4,728	(228)
Utilities - Heating	2,800	2,800	3,169	(369)
Total Contractual Services	76,590	80,090	69,310	10,780
Capital Outlay:				
Culverts and Tile	3,000	3,000	1,392	1,608
Drainage	6,000	6,000	4,207	1,793
Communication Equipment	1,000	1,000	80	920
Sidewalks/Street Improvements	220,210	220,210	-	220,210
Total Capital Outlay	230,210	230,210	5,679	224,531
Total Streets and Alleys Department	535,880	539,380	362,974	176,406

See accompanying Notes to Required Supplementary Information.

CITY OF ALTAMONT, ILLINOIS
BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS) – GENERAL FUND (UNAUDITED) (CONTINUED)
YEAR ENDED APRIL 30, 2026

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
EXPENDITURES (CONTINUED)				
Park Department:				
Personal Services:				
Salaries	$ 6,000	$ 6,000	$ 3,668	$ 2,332
Payroll Tax	470	470	280	190
Total Personal Services	6,470	6,470	3,948	2,522
Contractual Services:				
Maintenance - Building	4,800	8,500	9,147	(647)
Maintenance - Equipment	1,500	1,500	137	1,363
Maintenance - Grounds	3,000	3,000	2,520	480
Maintenance- Other	1,000	1,000	355	645
Legal Fees	3,000	5,000	4,740	260
Engineering Fees	-	1,500	1,328	172
Contractual Mowing	27,000	27,000	24,590	2,410
General Insurance	2,800	2,800	2,624	176
Printing	50	50	113	(63)
Total Contractual Services	43,150	50,350	45,554	4,796
Commodities:				
Other Improvements	-	-	6,774	(6,774)
Operating Supplies	4,000	4,000	3,958	42
Total Commodities	4,000	4,000	10,732	(6,732)
Other Expenses:				
Miscellaneous Expense	1,000	9,390	26,094	(16,704)
Total Other Expenses	1,000	9,390	26,094	(16,704)
Capital Outlay:				
Land	-	7,500	7,500	-
Building	42,800	42,800	38,698	4,102
Equipment	9,900	9,900	9,900	-
Other Improvements	28,925	52,925	52,998	(73)
Total Capital Outlay	81,625	113,125	109,096	4,029
Total Park Department	136,245	183,335	195,424	(12,089)
Total Expenditures	1,241,975	1,301,865	1,116,583	185,282
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	372,548	331,008	344,632	13,624
OTHER FINANCING SOURCES (USES)				
Transfers In	921,165	947,800	636,000	(311,800)
Transfers Out	(18,000)	(18,000)	(699,645)	(681,645)
Total Other Financing Sources (Uses)	903,165	929,800	(63,645)	(993,445)
NET CHANGE IN FUND BALANCE	$ 1,275,713	$ 1,260,808	280,987	$ (979,821)
Reconciliation to Modified Accrual Basis - Net Change Resulting from Recording:				
Receivables			(8,004)	
Accruals			(12,205)	
NET CHANGE IN FUND BALANCE - MODIFIED ACCRUAL BASIS			260,778	
Fund Balance - Beginning of Year			3,033,380	
FUND BALANCE - END OF YEAR			$ 3,294,158	

See accompanying Notes to Required Supplementary Information.

CITY OF ALTAMONT, ILLINOIS
BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS) – TIF FUND (UNAUDITED)
YEAR ENDED APRIL 30, 2026

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property and Mobile Home Taxes	$ 455,500	$ 455,500	$ 540,442	$ 84,942
Investment Earnings	28,000	28,000	37,924	9,924
Total Revenues	483,500	483,500	578,366	94,866
EXPENDITURES				
Economic Development:				
Incentive Payments - Real Estate Taxes	38,000	38,000	73,230	(35,230)
TIF #2 Development	229,000	177,000	-	177,000
Printing	-	-	50	(50)
Dues and Subscriptions	550	550	551	(1)
Consultants	-	-	-	-
Legal Services	6,000	8,000	8,670	(670)
Miscellaneous	1,000	1,000	-	1,000
Capital Outlay	-	80,000	113,104	(33,104)
Total Expenditures	274,550	304,550	195,605	108,945
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	208,950	178,950	382,761	(14,079)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(27,420)	(27,420)	-	(27,420)
Total Other Financing Uses	(27,420)	(27,420)	-	(27,420)
NET CHANGE IN FUND BALANCE	$ 181,530	$ 151,530	382,761	$ (41,499)
Reconciliation to Modified Accrual Basis - Net Change Resulting from Recording:				
Receivables				
Accruals			188	
NET CHANGE IN FUND BALANCE - MODIFIED ACCRUAL BASIS			382,949	
Fund Balance - Beginning of Year			1,398,529	
FUND BALANCE - END OF YEAR			$ 1,781,478	

See accompanying Notes to Required Supplementary Information.

CITY OF ALTAMONT, ILLINOIS
BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS) – TIF 2 FUND (UNAUDITED)
YEAR ENDED APRIL 30, 2026

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property and Mobile Home Taxes	$ 700	$ 700	$ 1,035	$ 335
Investment Earnings	100	100	46	(54)
Sale of Lots	-	-	10,500	10,500
Total Revenues	800	800	11,581	10,781
EXPENDITURES				
Economic Development:				
Engineers	1,000	1,000	-	1,000
Consultants	220	220	-	220
Incentive Payments - Re Tax	-	-	8,000	(8,000)
Legal Services	10,000	5,000	3,582	1,418
Maintenance - Street	16,000	16,000	-	16,000
Capital Outlay	-	-	21,960	(21,960)
Miscellaneous	1,000	6,000	6,045	(45)
Total Expenditures	28,220	28,220	39,587	(11,367)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(27,420)	(27,420)	(28,006)	22,148
OTHER FINANCING SOURCES (USES)				
Transfers In	27,420	27,420	-	(27,420)
Total Other Financing Sources (Uses)	27,420	27,420	-	(27,420)
NET CHANGE IN FUND BALANCE	$ -	$ -	(28,006)	$ (5,272)
Reconciliation to Modified Accrual Basis - Net Change Resulting from Recording:				
Accruals			(14,159)	
NET CHANGE IN FUND BALANCE - MODIFIED ACCRUAL BASIS			(42,165)	
Fund Balance - Beginning of Year			(277,045)	
FUND BALANCE - END OF YEAR			$ (319,210)	

See accompanying Notes to Required Supplementary Information.

CITY OF ALTAMONT, ILLINOIS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED APRIL 30, 2026
(UNAUDITED)

Calendar Year Ended December 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Service Cost	$ 109,478	$ 106,120	$ 98,247	$ 97,832	$ 93,146	$ 99,711	$ 104,120	$ 97,625	$ 97,768	$ 98,353
Interest on Total Pension Liability	488,170	470,909	456,052	413,785	392,257	368,133	368,080	360,468	351,669	322,759
Difference Between Expected and Actual Experience	(24,463)	1,072	(17,407)	377,863	74,361	140,714	(243,702)	(82,573)	60,584	187,858
Assumption Changes	-	-	(6,735)	-	-	(44,847)	-	144,383	(143,383)	-
Benefit Payments and Refunds	(352,901)	(330,496)	(327,841)	(285,539)	(244,808)	(210,555)	(240,574)	(264,266)	(234,237)	(212,182)
Net Change in Total Pension Liability	220,284	247,605	202,316	603,941	314,956	353,156	(12,076)	255,637	132,401	396,788
Total Pension Liability - Beginning	6,855,093	6,607,488	6,405,172	5,801,231	5,486,275	5,133,119	5,145,195	4,889,558	4,757,157	4,360,369
Total Pension Liability - Ending (A)	$ 7,075,377	$ 6,855,093	$ 6,607,488	$ 6,405,172	$ 5,801,231	$ 5,486,275	$ 5,133,119	$ 5,145,195	$ 4,889,558	$ 4,757,157
Plan Fiduciary Net Position:										
Employer Contributions	$ 65,774	$ 47,478	$ 262,160	$ 60,933	$ 78,661	$ 81,650	$ 72,982	$ 90,243	$ 83,630	$ 72,498
Employee Contributions	54,257	64,385	71,022	97,210	66,133	34,312	37,514	73,244	63,551	61,469
Pension Plan Net Investment Income	1,104,087	629,418	761,961	(870,878)	1,051,949	926,037	710,346	(224,653)	733,418	319,437
Benefit Payments and Refunds	(352,899)	(321,109)	(329,212)	(330,451)	(244,808)	(210,555)	(240,574)	(264,267)	(234,237)	(212,182)
Other	(36,762)	(11,724)	(36,432)	8,666	(33,758)	(4,402)	(3,616)	(111,449)	(4,092)	(5,163)
Net Change in Plan Fiduciary Net Position	834,457	408,448	729,499	(1,034,520)	918,177	827,042	576,652	(436,882)	642,270	236,059
Plan Fiduciary Net Position - Beginning	7,057,661	6,649,213	5,919,714	6,954,234	6,036,057	5,209,015	4,632,363	5,069,245	4,426,975	4,190,916
Plan Fiduciary Net Position - Ending (B)	$ 7,892,118	$ 7,057,661	$ 6,649,213	$ 5,919,714	$ 6,954,234	$ 6,036,057	$ 5,209,015	$ 4,632,363	$ 5,069,245	$ 4,426,975
Net Pension Liability (Asset) - Ending (A) - (B)	$ (816,741)	$ (202,568)	$ (41,725)	$ 485,458	$ (1,153,003)	$ (549,782)	$ (75,896)	$ 512,832	$ (179,687)	$ 330,182
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	111.54%	102.96%	100.63%	92.42%	119.88%	110.02%	101.48%	90.03%	103.67%	93.06%
Covered Payroll	$ 1,205,716	$ 1,198,953	$ 1,128,125	$ 1,046,966	$ 1,000,774	$ 992,104	$ 1,006,658	$ 999,369	$ 980,419	$ 952,666
Net Pension Liability (Asset) as a Percentage of Covered Payroll	-67.74%	-16.90%	-3.70%	46.37%	-115.21%	-55.42%	-7.54%	51.32%	-18.33%	34.66%

See accompanying Notes to Required Supplementary Information.

CITY OF ALTAMONT, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS – ILLINOIS MUNICIPAL RETIREMENT FUND
YEAR ENDED APRIL 30, 2026
(UNAUDITED)

Regular Employees Plan

Fiscal Year Ended April 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2016	$ 76,718	$ 76,718	$ -	$ 938,390	8.18 %
2017	75,738	75,738	-	958,395	7.90
2018	87,438	87,438	-	1,005,722	8.69
2019	83,533	83,533	-	987,976	8.45
2020	75,559	75,559	-	1,020,159	7.41
2021	80,978	80,978	-	998,241	8.11
2022	73,688	73,688	-	1,026,854	7.18
2023	54,997	54,997	-	1,054,226	5.22
2024	263,260	263,260	-	1,160,323	22.69
2025	51,700	51,700	-	1,139,280	4.54
2026	56,555	56,555	-	1,303,492	4.34

See accompanying Notes to Required Supplementary Information.

CITY OF ALTAMONT, ILLINOIS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
APRIL 30, 2026
(UNAUDITED)

TOTAL OPEB LIABILITY	2026	2025	2024	2023	2022	2021	2020	2019
Service Cost	$ 4,233	$ 3,660	$ 3,568	$ 4,031	$ 4,466	$ 6,062	$ 4,738	$ 4,404
Interest	3,194	2,372	2,042	3,306	1,583	3,284	3,535	3,575
Differences Between Expected and Actual Experience of the Total OPEB Liability	(1,125)	(1,846)	(2,966)	(40,847)	13,666	(57,271)	8,521	-
Changes of Assumptions	7,930	2,517	1,611	222	(5,983)	6,840	4,164	800
Benefit Payments	-	-	-	-	-	-	(6,152)	(5,696)
Net Change in Total OPEB Liability	14,232	6,703	4,255	(33,288)	13,732	(41,085)	14,806	3,083
Total OPEB Liability - Beginning	56,711	50,008	45,753	79,041	65,309	106,394	91,588	88,505
Total OPEB Liability - Ending	$ 70,943	$ 56,711	$ 50,008	$ 45,753	$ 79,041	$ 65,309	$ 106,394	$ 91,588
Covered Employee Payroll	$ 1,247,365	$ 1,027,280	$ 1,112,573	$ 963,601	$ 946,355	$ 843,401	$ 764,656	$ 932,915
Total OPEB Liability as a Percentage of Covered Employee Payroll	5.69%	5.52%	4.49%	4.75%	8.35%	7.74%	13.91%	9.82%

NOTES TO SCHEDULE

1. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.
2. This schedule will ultimately present 10 years of information when available.
3. There have been no significant changes in assumptions in the years presented.

See accompanying Notes to Required Supplementary Information.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

Budget: The City Council legally enacts the budget through passage of an ordinance which is developed on the cash basis of accounting for all funds. Each fund's appropriate budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by operational line item. Expenditures may not exceed appropriations at the fund level which constitutes the legal level of control. All budget revisions must be approved by the city council. The budget lapses at year-end. The City has adopted an annual budget for all funds. Budgets are prepared on the cash basis and a reconciliation is provided to the modified accrual basis.

NOTE 2 EXPENDITURES IN EXCESS OF APPROPRIATIONS

There were no major governmental funds that had expenditures in excess of appropriations for the year ended April 30, 2026.

NOTE 3 SUMMARY OF IMRF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2025 CONTRIBUTION RATE

Valuation Date:	
Notes	Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2025 Contribution Rates:

Actuarial Cost Method	Aggregate entry age normal
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	18-year closed period
Asset Valuation Method	Five-year smoothed market; 20% corridor
Wage Growth	2.75%
Price Inflation	2.25%
Salary Increases	2.75% to 13.75%, including inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2023 valuation pursuant to an experience study of the period 2020-2023.

NOTE 3 SUMMARY OF IMRF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2025 CONTRIBUTION RATE (CONTINUED)

Methods and Assumptions Used to Determine 2025 Contribution Rates (Continued):

Mortality	For nondisabled 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, Disable 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.
Other Information	
Notes	There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2023 actuarial valuation.

OTHER SUPPLEMENTARY INFORMATION

CITY OF ALTAMONT, ILLINOIS
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENT FUNDS
APRIL 30, 2026

	Special Revenue Funds									
	Audit Fund	Workers' Compensation Fund	Cemetery Fund	Motor Fuel Tax Fund	IMRF Fund	Unemployment Tax Fund	Tort Liability Fund	Library Fund	Business District Fund	Total
ASSETS										
Cash	$ 25,034	$ -	$ 220,310	$ 503,505	$ 385,581	$ 79,568	$ -	$ 70,673	$ 256,426	$ 1,541,097
Prepaid Insurance	-	20,079	619	-	-	-	9,895	-	-	30,593
Accounts Receivable, Net	31,680	-	-	8,180	37,624	14,849	-	51,482	20,786	164,601
Total Assets	$ 56,714	$ 20,079	$ 220,929	$ 511,685	$ 423,205	$ 94,417	$ 9,895	$ 122,155	$ 277,212	$ 1,736,291
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES										
LIABILITIES										
Accounts Payable	$ -	$ -	$ 9,800	$ 1,925	$ -	16	$ -	$ -	$ -	$ 11,741
Due to Other Funds	-	-	-	-	-	-	-	-	6,495	6,495
Total Liabilities	-	-	9,800	1,925	-	16	-	-	6,495	18,236
DEFERRED INFLOWS OF RESOURCES										
Subsequent Year's Property Taxes	31,680	-	-	-	37,624	14,849	-	51,482	-	135,635
Unavailable Revenue	-	-	-	-	-	-	-	-	7,900	7,900
Total Deferred Inflows of Resources	31,680	-	-	-	37,624	14,849	-	51,482	7,900	143,535
FUND BALANCES										
Nonspendable:										
Prepaid Items	-	20,079	619	-	-	-	9,895	-	-	30,593
Restricted:										
General and Administrative	25,034	-	-	-	-	79,552	-	-	-	104,586
Library Operations	-	-	-	-	-	-	-	70,673	-	70,673
Retirement	-	-	-	-	385,581	-	-	-	-	385,581
Streets and Alleys	-	-	-	509,760	-	-	-	-	-	509,760
Economic Development	-	-	-	-	-	-	-	-	262,817	262,817
Committed for Cemetery	-	-	210,510	-	-	-	-	-	-	210,510
Total Fund Balances	25,034	20,079	211,129	509,760	385,581	79,552	9,895	70,673	262,817	1,574,520
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 56,714	$ 20,079	$ 220,929	$ 511,685	$ 423,205	$ 94,417	$ 9,895	$ 122,155	$ 277,212	$ 1,736,291

CITY OF ALTAMONT, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) – NONMAJOR GOVERNMENT FUNDS
YEAR ENDED APRIL 30, 2026

	Special Revenue Funds									
	Audit Fund	Workers' Compensation Fund	Cemetery Fund	Motor Fuel Tax Fund	IMRF Fund	Unemployment Tax Fund	Tort Liability Fund	Library Fund	Business District Fund	Total
REVENUES										
Property and Mobile Home Taxes	$ 30,098	$ -	$ 21,571	$ -	$ 38,121	$ 15,051	$ -	$ 49,631	$ -	$ 154,472
Replacement Tax	-	-	-	-	-	-	-	1,706	-	1,706
Sales Tax	-	-	-	-	-	-	-	-	103,225	103,225
Motor Fuel Tax	-	-	-	101,646	-	-	-	-	-	101,646
Memorials, Donations, and Trust Income	-	-	-	-	-	-	-	1,206	-	1,206
Charges for Services	-	-	11,375	-	-	-	-	-	-	11,375
Operating Grants	-	-	-	-	-	-	-	15,769	-	15,769
Investment Earnings	400	-	5,990	14,085	11,086	2,212	-	59	6,793	40,625
Miscellaneous Income	-	-	-	-	-	-	-	3,780	-	3,780
Total Revenues	30,498	-	38,936	115,731	49,207	17,263	-	72,151	110,018	433,804
EXPENDITURES										
General Administration	27,566	47,925	-	-	14,410	3,144	14,539	-	-	107,584
Streets and Alleys	-	-	-	58,840	-	-	-	-	-	58,840
Economic Development	-	-	-	-	-	-	-	-	66,560	66,560
Library	-	-	-	-	-	-	-	73,689	-	73,689
Cemetery	-	-	39,612	-	-	-	-	-	-	39,612
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	27,566	47,925	39,612	58,840	14,410	3,144	14,539	73,689	66,560	346,285
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,932	(47,925)	(676)	56,891	34,797	14,119	(14,539)	(1,538)	43,458	87,519
OTHER FINANCING SOURCES (USES)										
Transfers In	-	48,803	-	-	-	-	14,842	-	-	63,645
Total Other Financing Sources (Uses)	-	48,803	-	-	-	-	14,842	-	-	63,645
NET CHANGE IN FUND BALANCE	2,932	878	(676)	56,891	34,797	14,119	303	(1,538)	43,458	151,164
Fund Balance - Beginning of Year	22,102	19,201	211,805	452,869	350,784	65,433	9,592	72,211	219,359	1,423,356
FUND BALANCE - END OF YEAR	$ 25,034	$ 20,079	$ 211,129	$ 509,760	$ 385,581	$ 79,552	$ 9,895	$ 70,673	$ 262,817	$ 1,574,520



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