WIPFLI

City of Oregon, Illinois

Oregon, Illinois

Financial Report

Year Ended April 30, 2026

OREGON
ILLINOIS

City of Oregon, Illinois

Year Ended April 30, 2026

Table of Contents

Table of Contents (Continued)

WIPFLI

Independent Auditor's Report

Honorable Mayor and Members of the City Council
City of Oregon, Illinois
Oregon, Illinois

Report on the Audit of the Basic Financial Statements

Opinions

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Oregon, Illinois (the "City"), as of and for the year ended April 30, 2026, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying basic 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 of Oregon, Illinois 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 of America. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Basic 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.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in 2026 the City adopted new accounting guidance, GASB No. 102, Certain Risk Disclosures. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Basic Financial Statements

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

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

Auditor's Responsibility for the Audit of the Basic Financial Statements

Our objectives are to obtain reasonable assurance about whether the basic financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the basic 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 basic 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 basic 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 basic 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 a management's discussion and analysis and required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 27, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Wipfli LLP

Wipfli LLP
Sterling, Illinois

August 27, 2026

Management's Discussion and Analysis

City of Oregon, Illinois
Management's Discussion and Analysis

As management of City of Oregon, Illinois, we offer the readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended April 30, 2026.

The MD&A is provided at the beginning of the report to provide an overview of the City's financial position at April 30, 2026, and the results of operations for the year. This summary should not be taken as a replacement for the annual financial report, which consists of the financial statements, notes to the financial statements, and required, supplementary and other information.

Using This Financial Report

The financial section of this annual report consists of six parts - Independent Auditor's Report, the basic financial statements, required supplementary information, supplementary information, other information, and compliance. The basic financial statements include two kinds of statements that present different views of the City:

Government -Wide Financial Statements

The first two statements are government-wide financial statements that provide both short term and long-term information about the City's overall financial status, similar to a private sector business. In the government-wide financial statements the City's activities are shown in two categories - governmental activities and business-type activities. The City's governmental activities are general government, public safety, public works, and culture and recreation. These activities are largely financed with sales taxes, income taxes, property taxes, and user fees. The City’s business-type activities include water and sewer. These activities are largely financed with user fees.

The statement of net position presents information on all of the City's assets, deferred outflows, liabilities, and deferred inflows with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. To assess the overall health of the City you need to consider additional non-financial factors such as the condition of the City's buildings and facilities.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. The government-wide financial statements are prepared under the accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's funds - not the City as a whole. Funds are accounting devices the City uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by state law, while others are established to control and manage money for particular purposes or to show that the City is properly using certain revenues.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for each. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and in the fund statement of revenues, expenditures, and the changes in fund balances for all these funds. The City has major funds while non-major funds are presented in supplementary information. More detail of the individual revenues and expenditures for these funds is presented in the supplementary information section of this report.

The City maintains one individual business-type fund. Information is presented separately in the proprietary statement of net position and in the proprietary statement of revenues, expenses, and the changes in net position for this fund. This fund is considered a major fund of the City. More detail of the individual revenues and expenditures for these funds is presented in the supplementary information section of this report.

The City adopts annual budgets for all funds. The term budget, used throughout the financial statements, represents the estimated revenues and appropriations set forth in the City's annual appropriation ordinance. A budgetary comparison statement has been provided for the major funds only.

GOVERNMENTAL FINANCIAL HIGHLIGHTS

- The City's governmental assets exceeded its liabilities at the close of the fiscal year by $10,841,600 (net position). Of this amount, $1,898,327 (unrestricted net position) may be used to meet the City's ongoing obligations.
- The City's governmental total net position increased by $1,024,635 during fiscal year 2026 as reported in the statement of activities.
- The City's major revenue consisted of $1,357,322 in sales taxes and $1,521,278 in property tax distributions.
- At the close of fiscal year 2026, the City's governmental funds reported combined ending fund balances of $5,606,589, an increase of $423,081 in comparison to the prior year.
- At the end of fiscal year 2026, the unassigned fund balance in the General Fund was $2,471,621.

BUSINESS-TYPE FINANCIAL HIGHLIGHTS

- The City's business-type assets exceeded its liabilities at the close of the fiscal year by $10,023,377 (net position). Unrestricted net position is $1,178,605. The restricted net position of $901,007 is restricted for bond payments and employee benefits.
- The City's business-type net position increased by $15,158 during fiscal year 2026 as reported in the statement of activities.
- The City's major business-type revenue consisted of $1,867,407 in charges for services.

Government-Wide Financial Analysis

As previously addressed, net position may serve the purpose over time as a useful indicator of a government's financial position. To that end, the City's assets exceeded its liabilities by $10,841,600 for FY2026.

The following table represents a condensed Statement of Net Position of the City for governmental and business-type activities as of April 2026:

Condensed Statement of Net Position

April 30, 2026

	Governmental Activities	Business-Type Activities	Total Primary Government
Current assets	$ 7,578,160	$ 2,199,091	$ 9,777,251
Noncurrent assets	7,465,863	12,615,436	20,081,299
Total assets	15,044,023	14,814,527	29,858,550
Deferred outflows of resources	97,151	24,660	121,811
Total assets and deferred outflows of resources	15,141,174	14,839,187	29,980,361
Current liabilities	450,416	762,621	1,213,037
Noncurrent liabilities	1,705,693	3,939,149	5,644,842
Total liabilities	2,156,109	4,701,770	6,857,879
Deferred inflows of resources	2,143,465	114,040	2,257,505
Total liabilities and deferred inflows of resources	4,299,574	4,815,810	9,115,384
Net position			
Net investment in capital assets	5,593,920	7,943,765	13,537,685
Restricted	3,349,353	901,007	4,250,360
Unrestricted	1,898,327	1,178,605	3,076,932
Total net position	$ 10,841,600	$ 10,023,377	$ 20,864,977

Government-Wide Financial Analysis (Continued)

Condensed Statement of Net Position
April 30, 2025

	Governmental Activities	Business-Type Activities	Total Primary Government
Current assets	$ 7,071,981	$ 2,562,486	$ 9,634,467
Noncurrent assets	6,653,440	12,849,831	19,503,271
Total assets	13,725,421	15,412,317	29,137,738
Deferred outflows of resources	205,937	44,211	250,148
Total assets and deferred outflows of resources	13,931,358	15,456,528	29,387,886
Current liabilities	684,697	780,785	1,465,482
Noncurrent liabilities	1,647,528	4,664,875	6,312,403
Total liabilities	2,332,225	5,445,660	7,777,885
Deferred inflows of resources	1,808,775	38,129	1,846,904
Total liabilities and deferred inflows of resources	4,141,000	5,483,789	9,624,789
Net position			
Net investment in capital assets	5,053,956	7,584,659	12,638,615
Restricted	3,199,825	833,318	4,033,143
Unrestricted	1,536,577	1,554,762	3,091,339
Total net position	$ 9,790,358	$ 9,972,739	$ 19,763,097

*Balances for fiscal year 2025 were not restated for accounting changes related to GASB Statement No. 101 for MD&A purposes.

Current assets consist of cash and investments.

One of the City's largest asset groups is its capital assets. This includes buildings and improvements, infrastructure, equipment, and vehicles.

Current liabilities consist mainly of refundable deposits and current portion of long-term debt.

Bonds payable, notes payable, and the IEPA loans constitute the City's long-term debt.

The City's net position consists of capital assets net of related debt, restricted and unrestricted net position.

Government-Wide Financial Analysis (Continued)

The following condensed financial information was derived from the Government-Wide Statement of Activities and reflects how the City's net position changed during the fiscal years.

Changes in Net Position

For the Year Ended April 30, 2026

	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues:			
Program revenues:			
Charges for services	$ 435,025	$ 1,867,407	$ 2,302,432
Capital grants and contributions	-	20,000	20,000
General revenues:			
Property taxes	1,521,278	-	1,521,278
Sales taxes	1,357,322	-	1,357,322
Income taxes	659,538	-	659,538
Motor fuel taxes	165,313	-	165,313
Replacement taxes	107,060	-	107,060
Video gaming tax	243,596	-	243,596
Other taxes	332,573	-	332,573
Interest	85,683	4,347	90,030
Miscellaneous	268,091	-	268,091
Total revenues	5,175,479	1,891,754	$ 7,067,233
Expenses:			
General government	1,298,602	-	1,298,602
Public safety	1,526,561	-	1,526,561
Public works	1,820,351	-	1,820,351
Culture and recreation	50,192	-	50,192
Water and Sewer	-	1,298,610	1,298,610
Interest and other fiscal charges	33,124	-	33,124
Total expenses	4,728,830	1,298,610	6,027,440
Transfers	577,986	(577,986)	-
Change in net position	$ 1,024,635	$ 15,158	$ 1,039,793

Government-Wide Financial Analysis (Continued)

Changes in Net Position

For the Year Ended April 30, 2025

	Governmental Activities	Business-Type Activities	Total Primary Government
Revenues:			
Program revenues:			
Charges for services	$ 445,602	$ 1,758,278	$ 2,203,880
General revenues:			
Property taxes	1,293,374	-	1,293,374
Sales taxes	1,206,229	-	1,206,229
Income taxes	642,725	-	642,725
Motor fuel taxes	162,896	-	162,896
Replacement taxes	109,542	-	109,542
Video gaming taxes	226,938	-	226,938
Other taxes	358,697	-	358,697
Interest	50,050	4,904	54,954
Miscellaneous	116,571	-	116,571
Total revenues	4,612,624	1,763,182	$ 6,375,806
Expenses:			
General government	1,065,659	-	1,065,659
Public safety	1,631,437	-	1,631,437
Public works	1,480,555	-	1,480,555
Culture and recreation	43,589	-	43,589
Water and Sewer	-	1,424,207	1,424,207
Interest and other fiscal charges	28,245	-	28,245
Total expenses	4,249,485	1,424,207	5,673,692
Transfers	(49,994)	49,994	-
Change in net position	$ 313,145	$ 388,969	$ 702,114

*Balances for fiscal year 2025 were not restated for accounting changes related to GASB Statement No. 101 for MD&A purposes.

Major sources of operating revenues for the City include: Property and state taxes, charges for services, and fines & fees.

Government-Wide Financial Analysis (Continued)

Management's Analysis of the City's Overall Financial Position and Results of Operations

Governmental reporting requirements affect the City's reporting model, but not the day-to-day operations or the budgeting process of the City. The City's total net position increased $1,039,793 (including Water and Sewer Fund) from the prior year. The General Fund had an increase in fund balance of $544,892. The Water and Sewer Fund had an increase in net position of $15,158. Fund balances in the other fund types are limited in use according to the source of revenue.

General Fund Budgetary Comparison

The City adopted the budget (annual appropriation ordinance) in July of 2025. The budget for all funds is prepared on the GAAP basis of accounting.

The General Fund revenues were $385,389 more than budgeted due mainly to more state income tax and state sales tax than budgeted. General Fund expenditures were $95,443 over budget. Including Inter-Fund Transfers, the General Fund had an increase of $544,892.

Capital Assets/Long term Debt

The City has elected to prospectively report infrastructure assets. Therefore, infrastructure assets constructed in years prior to 2004 are not included in capital assets. During the fiscal year 2026, the City completed the city hall conference room bathroom project and continued on the headworks portion of the Wastewater Treatment Plant for $31,800, and continued other miscellaneous purchases and projects for $116,187.

As of April 30, 2026, $6,164,061 of principal and premiums is outstanding on long-term debt and $424,197 in compensated absence liability. See notes to financial statements for additional information on Capital Assets and on Long-Term Debt.

Factors or Conditions Impacting Future Periods

Financial and budget planning is directly related to and supportive of the City's strategic plan and operational needs. The City's financial outlook is influenced by factors such as: the economy, employment, and commercial and residential growth.

Contacting the City's Financial Management

This financial report is designed to provide citizens, taxpayers and customers with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the City of Oregon, City Clerk, 115 N. Third St., Oregon, IL 61061.

Basic Financial Statements

City of Oregon, Illinois

Statement of Net Position

April 30, 2026	Primary Government Governmental Activities	 Business-type Activities	 Total
Assets			
Cash, deposits and investments	$ 5,239,249	$ 1,239,330	$ 6,478,579
Restricted cash	61,112	823,400	884,512
Receivables, net of allowance:			
Property tax and customer receivables	1,707,777	135,489	1,843,266
Due from other governments	494,344	-	494,344
Prepaid items	75,678	872	76,550
Total current assets	7,578,160	2,199,091	9,777,251
Capital assets:			
Land and construction in progress	692,054	566,409	1,258,463
Depreciable assets, net of accumulated depreciation	6,468,059	11,971,420	18,439,479
Total capital assets	7,160,113	12,537,829	19,697,942
Other assets:			
Net pension asset	305,750	77,607	383,357
Total other assets	305,750	77,607	383,357
Total assets	15,044,023	14,814,527	29,858,550
Deferred outflow of resources			
Deferred outflows of pension resources	97,151	24,660	121,811
Total deferred outflow of resources	97,151	24,660	121,811
Liabilities and Deferred Inflows of Resources			
Liabilities			
Current liabilities			
Refundable deposits	-	11,963	11,963
Accrued payroll	48,533	12,368	60,901
Current portion of compensated absences	88,643	22,426	111,069
Accounts payable	140,188	31,288	171,476
Accrued interest	14,806	10,451	25,257
Current portion of bonds payable, including premium	116,736	300,000	416,736
Current portion of notes and loans payable	41,486	374,125	415,611
Other	24	-	24
Total current liabilities	450,416	762,621	1,213,037

City of Oregon, Illinois

Statement of Net Position (Continued)

April 30, 2026	Primary Government Governmental Activities	Business-type Activities	Total
Noncurrent liabilities			
Bonds payable, including premium	1,411,775	190,000	1,601,775
Notes and loans payable	-	3,729,939	3,729,939
Compensated absences	293,918	19,210	313,128
Total noncurrent liabilities	1,705,693	3,939,149	5,644,842
Total liabilities	2,156,109	4,701,770	6,857,879
Deferred inflow of resources			
Deferred revenue-grants	50,498	-	50,498
Deferred revenue - property taxes	1,643,685	-	1,643,685
Deferred inflows of pension resources	449,282	114,040	563,322
Total deferred inflow of resources	2,143,465	114,040	2,257,505
Net position			
Net investment in capital assets	5,593,920	7,943,765	13,537,685
Restricted for:			
General government	1,199,258	-	1,199,258
Public safety	170,919	-	170,919
Public works	1,008,881	-	1,008,881
Employee benefits	802,209	77,607	879,816
Culture and recreation	106,974	-	106,974
Debt service	61,112	823,400	884,512
Unrestricted	1,898,327	1,178,605	3,076,932
Total net position	$ 10,841,600	$ 10,023,377	$ 20,864,977

City of Oregon, Illinois

Statement of Activities

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Year Ended April 30, 2026	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Functions/Programs							
Governmental activities:							
General government	$ 1,298,602	$ 63,393	$ -	$ -	$ (1,235,209)	$ -	$ (1,235,209)
Public safety	1,526,561	371,632	-	-	(1,154,929)	-	(1,154,929)
Public works	1,820,351	-	-	-	(1,820,351)	-	(1,820,351)
Culture and recreation	50,192	-	-	-	(50,192)	-	(50,192)
Interest and other fiscal charges	33,124	-	-	-	(33,124)	-	(33,124)
Total governmental activities	4,728,830	435,025	-	-	(4,293,805)	-	(4,293,805)
Business-type activities:							
Water and Sewer	1,298,610	1,867,407	-	20,000	-	588,797	588,797
Total business-type activities	1,298,610	1,867,407	-	20,000	-	588,797	588,797
Total government	6,027,440	2,302,432	-	20,000	(4,293,805)	588,797	(3,705,008)
General revenues:							
Taxes:							
Property taxes					1,521,278	-	1,521,278
Sales taxes					1,357,322	-	1,357,322
Income taxes					659,538	-	659,538
Motor fuel taxes					165,313	-	165,313
Replacement taxes					107,060	-	107,060
Video gaming tax					243,596	-	243,596
Other intergovernmental					332,573	-	332,573
Interest					85,683	4,347	90,030
Miscellaneous					268,091	-	268,091
Transfers					577,986	(577,986)	-
Total general revenues					5,318,440	(573,639)	4,744,801
Change in net position					1,024,635	15,158	1,039,793
Net position, beginning of year, as previously reported					9,790,358	9,972,739	19,763,097
Error correction					26,607	35,480	62,087
Net position, beginning of year, restated					9,816,965	10,008,219	19,825,184
Net position, end of year					$ 10,841,600	$ 10,023,377	$ 20,864,977

City of Oregon, Illinois

Balance Sheet - Governmental Funds

April 30, 2026	General Fund	Police	Civil Defense	IMRF
Assets				
Cash, deposits and investments	$ 2,197,851	$ 13,680	$ 160,887	$ 495,678
Restricted cash	-	-	-	-
Property tax and other receivable, net	23,356	281,274	-	63,343
Due from other governments	347,662	-	-	-
Prepaid items	2,731	1,277	-	-
Total assets	2,571,600	296,231	160,887	559,021
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	20,371	7,504	27	-
Payroll and related	8,764	27,096	-	-
Compensated absences - current portion	17,615	53,989	-	-
Other	-	24	-	-
Total liabilities	46,750	88,613	27	-
Deferred inflow of resources				
Deferred revenue-grants	50,498	-	-	-
Deferred revenue - property taxes	-	274,926	-	63,343
Total deferred inflow of resources	50,498	274,926	-	63,343
Fund balances				
Non-spendable	2,731	1,277	-	-
Restricted for:				
General government	-	-	-	-
Public safety	-	-	160,860	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Debt service	-	-	-	-
Employee benefits	-	-	-	495,678
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	2,471,621	(68,585)	-	-
Total fund balances	2,474,352	(67,308)	160,860	495,678
Total liabilities, deferred inflows of resources and fund balances	$ 2,571,600	$ 296,231	$ 160,887	$ 559,021

City of Oregon, Illinois

Balance Sheet - Governmental Funds (Continued)

April 30, 2026	Economic Development	Street & Alley	Motor Fuel	Group Insurance	Road & Bridge
Assets					
Cash, deposits and investments	$ 100,756	$ 1,021	$ 781,436	$ 66,915	$ 81,263
Restricted cash	-	-	-	-	47,954
Property tax and other receivable, net	9,735	88,573	-	88,848	43,122
Due from other governments	-	-	13,304	-	133,378
Prepaid items	-	-	-	-	-
Total assets	110,491	89,594	794,740	155,763	305,717
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities					
Accounts payable	5,702	31,522	-	648	500
Payroll and related	-	12,456	-	-	-
Compensated absences - current portion	-	17,039	-	-	-
Other	-	-	-	-	-
Total liabilities	5,702	61,017	-	648	500
Deferred inflow of resources					
Deferred revenue-grants	-	-	-	-	-
Deferred revenue - property taxes	-	88,213	-	88,213	43,122
Total deferred inflow of resources	-	88,213	-	88,213	43,122
Fund balances					
Non-spendable	-	-	-	-	-
Restricted for:					
General government	-	-	-	66,902	-
Public safety	-	-	-	-	-
Public works	-	-	794,740	-	214,141
Culture and recreation	-	-	-	-	-
Debt service	-	-	-	-	47,954
Employee benefits	-	-	-	-	-
Committed	104,789	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(59,636)	-	-	-
Total fund balances	104,789	(59,636)	794,740	66,902	262,095
Total liabilities, deferred inflows of resources and fund balances	$ 110,491	$ 89,594	$ 794,740	$ 155,763	$ 305,717

City of Oregon, Illinois

Balance Sheet - Governmental Funds (Continued)

April 30, 2026	TIF District	Nonmajor Funds	Total Governmental Funds
Assets			
Cash, deposits and investments	$ 927,083	$ 412,679	$ 5,239,249
Restricted cash	-	13,158	61,112
Property tax and other receivable, net	777,954	331,572	1,707,777
Due from other governments	-	-	494,344
Prepaid items	-	71,670	75,678
Total assets	1,705,037	829,079	7,578,160
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts payable	58,658	15,256	140,188
Payroll and related	-	217	48,533
Compensated absences - current portion	-	-	88,643
Other	-	-	24
Total liabilities	58,658	15,473	277,388
Deferred inflow of resources			
Deferred revenue-grants	-	-	50,498
Deferred revenue - property taxes	777,954	307,914	1,643,685
Total deferred inflow of resources	777,954	307,914	1,694,183
Fund balances			
Non-spendable	-	71,670	75,678
Restricted for:			
General government	868,425	189,530	1,124,857
Public safety	-	10,059	170,919
Public works	-	-	1,008,881
Culture and recreation	-	106,974	106,974
Debt service	-	13,158	61,112
Employee benefits	-	781	496,459
Committed	-	-	104,789
Assigned	-	114,705	114,705
Unassigned	-	(1,185)	2,342,215
Total fund balances	868,425	505,692	5,606,589
Total liabilities, deferred inflows of resources and fund balances	$ 1,705,037	$ 829,079	$ 7,578,160

City of Oregon, Illinois

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

April 30, 2026

Total fund balances - governmental funds	$	5,606,589
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds, net of accumulated depreciation.		7,160,113
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Net pension asset (liabilities)		305,750
Pension related deferred outflows		97,151
Pension related deferred inflows		(449,282)
Compensated absences		(293,918)
Current portion of long-term debt		(158,222)
Bonds payable, including premium		(1,411,775)
Accrued interest payable		(14,806)
Net position of governmental activities	$	10,841,600

City of Oregon, Illinois

Statement of Revenues, Expenditures and Changes In Fund Balance - Governmental Funds

Year Ended April 30, 2026	**General Fund**	**Police**	**Civil Defense**	**IMRF**	**Economic Development**
Revenues:					
Property taxes	$ -	$ 325,263	$ -	$ 63,438	$ -
Intergovernmental revenues	2,002,394	101,830	17,612	9,656	-
Licenses and permits	27,902	-	-	-	35,491
Fines and forfeitures	-	38,709	-	-	-
Charges for services	-	-	-	-	-
Interest	83,517	-	-	-	-
Miscellaneous	171,776	4,700	-	-	2,596
Settlement revenue	55,000	-	-	-	-
Total revenues	2,340,589	470,502	17,612	73,094	38,087
Expenditures:					
Current:					
General government	518,561	-	-	9,649	159,362
Public safety	-	927,867	12,776	31,572	-
Public works	-	-	-	31,485	-
Culture and recreation	-	-	-	258	-
Debt service					
Principal	28,987	615	-	-	-
Interest	2,537	-	-	-	-
Capital outlay	303,902	48,962	-	-	-
Total expenditures	853,987	977,444	12,776	72,964	159,362
Excess (deficiency) of revenues over (under) expenditures	1,486,602	(506,942)	4,836	130	(121,275)
Other financing sources (uses):					
Proceeds from long-term debt	59,595	-	-	-	-
Transfers in	549,686	478,100	-	2,991	175,000
Transfers out	(1,550,991)	-	-	-	-
Total other financing sources (uses)	(941,710)	478,100	-	2,991	175,000
Net change in fund balances	544,892	(28,842)	4,836	3,121	53,725
Fund balances, beginning of year, as previously stated	1,948,087	2,882	156,024	492,557	51,064
Error correction	(18,627)	(41,348)	-	-	-
Fund balances, beginning of year, as restated	1,929,460	(38,466)	156,024	492,557	51,064
Fund balances, end of year	$ 2,474,352	$ (67,308)	$ 160,860	$ 495,678	$ 104,789

City of Oregon, Illinois

Statement of Revenues, Expenditures and Changes In Fund Balance - Governmental Funds (Continued)

Year Ended April 30, 2026	**Street & Alley**	**Motor Fuel**	**Group Insurance**	**Road & Bridge**	**TIF District**
Revenues:					
Property taxes	$ 58,836	$ -	$ 58,836	$ 42,491	$ 671,570
Intergovernmental revenues	4,266	165,313	-	564,331	-
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Charges for services	-	-	-	-	-
Interest	-	1,885	-	-	-
Miscellaneous	20,300	-	12,176	-	-
Settlement revenue	-	-	-	-	-
Total revenues	83,402	167,198	71,012	606,822	671,570
Expenditures:					
Current:					
General government	-	-	45,357	-	225,842
Public safety	-	-	146,299	-	-
Public works	651,835	132,339	145,894	540,687	-
Culture and recreation	-	-	1,198	-	-
Debt service					
Principal	16,795	-	-	87,437	-
Interest	248	-	-	35,856	-
Capital outlay	-	-	-	68,712	466,566
Total expenditures	668,878	132,339	338,748	732,692	692,408
Excess (deficiency) of revenues over (under) expenditures	(585,476)	34,859	(267,736)	(125,870)	(20,838)
Other financing sources (uses):					
Proceeds from long-term debt	-	-	-	-	-
Transfers in	581,100	-	320,500	-	-
Transfers out	-	-	(66,000)	-	-
Total other financing sources (uses)	581,100	-	254,500	-	-
Net change in fund balances	(4,376)	34,859	(13,236)	(125,870)	(20,838)
Fund balances, beginning of year, as previously stated	(38,578)	759,881	80,138	387,965	889,263
Error correction	(16,682)	-	-	-	-
Fund balances, beginning of year, as restated	(55,260)	759,881	80,138	387,965	889,263
Fund balances, end of year	$ (59,636)	$ 794,740	$ 66,902	$ 262,095	$ 868,425

City of Oregon, Illinois

Statement of Revenues, Expenditures and Changes In Fund Balance - Governmental Funds (Continued)

Year Ended April 30, 2026	**Nonmajor Funds**	**Total Governmental Funds**
Revenues:		
Property taxes	$ 300,844	$ 1,521,278
Intergovernmental revenues	-	2,865,402
Licenses and permits	16,197	79,590
Fines and forfeitures	-	38,709
Charges for services	316,726	316,726
Interest	281	85,683
Miscellaneous	1,543	213,091
Settlement revenue	-	55,000
Total revenues	635,591	5,175,479
Expenditures:		
Current:		
General government	222,797	1,181,568
Public safety	388,624	1,507,138
Public works	42,719	1,544,959
Culture and recreation	44,637	46,093
Debt service		
Principal	30,000	163,834
Interest	1,880	40,521
Capital outlay	17,724	905,866
Total expenditures	748,381	5,389,979
Excess (deficiency) of revenues over (under) expenditures	(112,790)	(214,500)
Other financing sources (uses):		
Proceeds from long-term debt	-	59,595
Transfers in	120,000	2,227,377
Transfers out	(32,400)	(1,649,391)
Total other financing sources (uses)	87,600	637,581
Net change in fund balances	(25,190)	423,081
Fund balances, beginning of year, as previously stated	530,882	5,260,165
Error correction	-	(76,657)
Fund balances, beginning of year, as restated	530,882	5,183,508
Fund balances, end of year	$ 505,692	$ 5,606,589

City of Oregon, Illinois

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended April 30, 2026

Net change in fund balance - governmental funds	$	423,081
Amounts reported for governmental activities in the statement of net position are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which capitalized capital outlay is (less than)/more than depreciation expense in the period.		506,673
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences		(50,179)
Accrued interest		504
Pension related expenses		33,424
Amortization of bond premiums		6,893
Debt payments are reported in governmental funds as expenditures. However, only the interest on the debt is recorded in the statement of activities. This is the amount of debt principal payments in the period.		163,834
Debt proceeds are reported in governmental funds as an other financing source.		(59,595)
Change in net position of governmental activities	$	1,024,635

City of Oregon, Illinois

Statement of Net Position - Proprietary Funds

April 30, 2026	**Water and Sewer Fund**
Assets	
Current assets:	
Cash, deposits and investments	$ 1,239,330
Receivables (net of allowance)	135,489
Restricted assets - cash	823,400
Prepaid items	872
Total current assets	2,199,091
Other assets:	
Net pension asset	77,607
Total other assets	77,607
Capital assets:	
Construction in progress	566,409
Depreciable assets (net of accumulated depreciation)	11,971,420
Total capital assets	12,537,829
Total assets	14,814,527
Deferred outflow of resources	
Deferred outflows of pension resources	24,660
Total deferred outflow of resources	24,660
Liabilities	
Current liabilities:	
Refundable deposits	11,963
Payroll and related	12,368
Accounts payable	31,288
Accrued interest	10,451
Current portion of compensated absences	22,426
Current portion of bonds payable	300,000
Current portion of loans payable	374,125
Total current liabilities	762,621
Noncurrent liabilities	
Compensated absences	19,210
Bonds payable	190,000
Loans payable	3,729,939
Total noncurrent liabilities	3,939,149
Total liabilities	4,701,770
Deferred inflow of resources	
Deferred inflows of pension resources	114,040
Total deferred inflow of resources	114,040
Net position	
Net investment in capital assets	7,943,765
Restricted - debt service	823,400
Restricted - employee benefits	77,607
Unrestricted	1,178,605
Total net position	$ 10,023,377

City of Oregon, Illinois

Statement of Revenues, Expenses and Changes In Net Position - Proprietary Funds

Year Ended April 30, 2026	**Water and Sewer Fund**
Operating revenues:	
Charges for services	$ 1,867,407
Total operating revenues	1,867,407
Operating expenses:	
Personnel	397,676
Contractual	339,888
Office supplies and postage	61,730
Miscellaneous	25,134
Depreciation	417,951
Total operating expenses	1,242,379
Operating income	625,028
Non-operating revenues (expenses)	
Interest income	4,347
Interest expense	(56,231)
Total non-operating revenues (expenses)	(51,884)
Other financing sources (uses)	
Transfers in	196,514
Transfers out	(774,500)
Capital grants and contributions	20,000
Change in net position	15,158
Net position, beginning of year, as previously reported	9,972,739
Error correction	35,480
Net position, beginning of year, as restated	10,008,219
Net position, end of year	$ 10,023,377

City of Oregon, Illinois

Statement of Cash Flows - Proprietary Funds

Year Ended April 30, 2026		**Water and Sewer Fund**
Cash flows from operating activities		
Receipts from customers	$	1,852,870
Payments to suppliers		(443,926)
Payments to employees		(398,841)
Net cash flows from operating activities		1,010,103
Cash flows from non-capital financing activities		
Transfers from other funds		(577,986)
Net cash flows from non-capital financing activities		(577,986)
Cash flows from capital and related financing activities		
Principal paid on long-term debt		(671,108)
Purchase of capital assets		(105,949)
Interest expense		(56,231)
Capital grants and contributions		20,000
Increase in accrued interest		(1,980)
Net cash flows from capital and related financing activities		(815,268)
Cash flows from investing activities		
Interest income		4,347
Net cash flows from investing activities		4,347
Net change in cash and cash equivalents		(378,804)
Cash and cash equivalents, beginning of year		2,441,534
Cash and cash equivalents, end of year	$	2,062,730
Reconciliation of cash and cash equivalents		
Cash in bank		$ 1,239,330
Restricted cash		823,400
Total		$ 2,062,730
Reconciliation of operating income (loss) to net cash flows from operating activities		
Operating income (loss)	$	625,028
Adjustment to reconcile operating income (loss) to net cash flows from operating activities:		
Depreciation		417,951
Effects of changes in assets and liabilities:		
(Increase) Decrease in accounts receivable		(14,537)
Pension related deferred outflows		19,551
Prepaid expenses		(872)
Accounts payable		(16,302)
Accrued liabilities		3,939
Accrued compensated absences		258
Net pension liability/asset		(100,824)
Pension related deferred inflows		75,911
Net cash flows from operating activities	$	1,010,103

See Accompanying Notes to Financial Statements.

Note 1: Summary of Significant Accounting Policies

The City of Oregon, Illinois was incorporated in 1870, under the provisions of the State of Illinois.

The Financial Reporting Entity

This report includes all of the funds of the City of Oregon, Illinois. The reporting entity for the City consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on 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 organizations 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; (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 that primary government.

Basis of Presentation

Government-Wide, Fund Financial Statements and Basis of Accounting

The government wide and proprietary financial statements are reported using the accrual basis of accounting. Governmental funds are reported using the modified accrual basis of accounting.

The government wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of the interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expense of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Earnings on investments, not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds and proprietary funds.

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

The government wide and proprietary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. For this purpose, the City generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The City has elected to take exception to this assumption for revenue remitted by the State. Due to the State being late with payments, the City considers those amounts applicable to the current fiscal year to be available as it is vouchered by the State and will be paid after the 60-day period. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases obligations are reported as other financing sources

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The various funds are grouped in the financial statements into five generic fund types as follows:

Governmental Funds

General Fund

The General Fund is the general operating fund of the City. It accounts for all financial resources except those required to be accounted for in other funds.

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts) that are legally restricted to expenditures for specified purposes. The non-major funds are all special revenue fund types in the combining statements.

Debt Service Fund

The Bond and Interest Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds

The Capital Projects Funds account for all resources used for the acquisition or construction of a specific capital facility by the City, except those financed by the Enterprise Fund.

Proprietary Fund - Enterprise

The Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City's enterprise fund is the Water and Sewer Fund.

The City reports the following major funds:

Governmental Funds

General Fund

The general fund is the general operating fund of the City. It is used to account for all the financial resources except those required to be accounted for in another fund.

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Police Protection Fund

The fund records the revenues of the City's levied property taxes for police protection and fines. These funds are then expended for cost of the police protection.

Civil Defense

This fund records the revenues and expenditures for the City's preparation and the carrying out of all emergency functions.

IMRF

This fund records the revenues and expenditures for the City's defined benefit pension plan.

Economic Development Fund

This fund encourages the rehabilitation of the business district. This fund records the revenues of the City's franchise licenses.

Streets and Alleys Fund

This fund records the revenues of property taxes for road and bridge. These funds are then expended for the maintenance of roads and bridges.

Motor Fuel Tax Fund

This fund records the revenues of the City's share of state gasoline taxes. These funds are then expended for the maintenance of roads and bridges. State of Illinois law requires separate accounting for such revenues and expenditures.

City Group Insurance Fund

This fund records the revenues and expenditures for the City's group health insurance.

Road and Bridge Fund

This fund records the revenues of the City's levied sales tax and funds are expended for road and bridge capital projects.

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

TIF Fund

This fund is used to account for the revenues and expenditures associated with TIF activities. Financing is provided by incremental sales and property taxes.

Under the Governmental Accounting Standards Board (GASB) issued Statement 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, the City may report any governmental or enterprise fund (but not internal service funds or fiduciary funds) as a major fund if the government's officials believe the fund is "particularly important to financial statement users". The City has chosen to include the Civil Defense, IMRF, Economic Development, Street and Alley, Motor Fuel Tax, and City Group Insurance funds as major funds even though the fund calculations do not classify them as major funds. The City views these funds particularly important to the financial users.

Enterprise Funds

The Water and Sewer Fund accounts for the costs related to the operation of the City's water and sewer system. Funding is mostly provided by user fees.

Measurement Focus and Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available (susceptible to accrual). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers all imposed nonexchange revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the current fiscal year.

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

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 revenue 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 generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues.

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

Use of Estimates

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

Budgetary Basis of Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

While the City prepares an operating budget by fund, function, and department for planning and management purposes, the legally adopted budget is the annual appropriation ordinance. Appropriations are established by fund, function, and department. Department heads are authorized to transfer appropriations within their respective departments, while transfers between departments require approval of the Board. The legal level of budgetary control, at which expenditures may not legally exceed appropriations, is established at the fund level. All appropriations lapse at fiscal year-end.

Cash and Investments

The City considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The City considers deposits with financial institutions, including nonnegotiable certificates of deposit, to be nonparticipating contracts reported at cost.

Note 1: Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents (Continued)

The cash balances of most of the City's funds are pooled and invested. Each fund's share of the investment pool is reflected on its respective balance sheet.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices.

The City is a participant in the Local Government Investment Pool (LGIP) which is authorized in Illinois Compiled Statutes 30 ILCS 235 under the Public Funds Investment Act. The LGIP is not registered with the Securities Exchange Commission as an investment company. The LGIP operates and reports to participants on the amortized cost basis. LGIP pool shares are bought and redeemed at $1 based on the amortized cost of the investments in LGIP. The investment is not subject to the fair value hierarchy disclosures.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for governmental activities include property taxes, sales and use taxes, income taxes, excise taxes, and utility charges. Business-type activities report utility charges as their major receivables. As of April 30, 2026, the allowance for uncollectible accounts in the Water and Sewer Fund and the Public Health Fund amounted to $2,125 and $374, respectively.

Prepaid Items

Prepaid items represent payments made by the City for which benefits extend beyond April 30, 2026. The costs of governmental fund type prepaid items are recorded as expenditures when consumed rather than when purchased.

Capital Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

All Proprietary Funds (Water and Sewer Enterprise Funds) are accounted for on the accrual basis. Therefore, all assets and liabilities (whether current or noncurrent) associated with the fund activities are included on the combined statements. Infrastructure assets in the Proprietary Funds are capitalized on a prospective basis beginning May 1, 2005.

Note 1: Summary of Significant Accounting Policies (Continued)

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of applicable bond premium or discount.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net position that applies to a future period[s] and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

> *Restricted fund balance:* This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

Committed fund balance: These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the City Board – the City's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the City Board removes the specified use by taking the same type of action that imposed the original commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance: This classification reflects the amounts constrained by the City's "intent" to be used for specific purposes, but the amounts are neither restricted nor committed. The City Board has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance: This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

Property Taxes/Accounts Receivable

The City's property tax is levied each year on all taxable real property located in the City. Since the 2025 property tax levy is levied to finance the operations of fiscal year 2027, the 2025 property tax is recorded as a receivable and the 2025 property tax revenue is unavailable. The 2024 property tax levy is recorded as revenue by the City in accordance with the applicable measurement focus and basis of accounting for fiscal year 2026. Taxes are levied by the last Tuesday of December each year. The 2024 levy was approved on November 26, 2024. The 2025 levy was approved on November 25, 2025.

Tax bills are prepared by the City and are payable in two installments, on or about June 1, 2025 and September 1, 2025. The City collects such taxes and remits them periodically.

Note 1: Summary of Significant Accounting Policies (Continued)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from the IMRF's fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Adoption of GASB Pronouncements

During the fiscal year ended April 30, 2026, the City implemented the following GASB Pronouncements:

GASB Statement No. 102: *Certain Risk Disclosures:* As of May 1, 2025, the City implemented GASB Statement No. 102. The statement requires state and local governments to disclose information in notes to financial statements about specific, known risks related to concentrations and constraints that make them vulnerable to substantial impact. The City adopted this guidance retroactively for the year beginning May 1, 2025. There was no impact to implementing this standard.

Note 2: Stewardship, Compliance and Accountability

Deficit Fund Equity

As of April 30, 2026, the Street & Alley Fund had a deficit fund balance of $59,636, the Police Fund had a deficit fund balance of $67,308 and the City Hall Fund had a deficit fund balance of $1,185.

Note 3: Cash Deposits

Deposits

As of April 30, 2026, the carrying amount of the City's deposits into checking, savings, money market accounts and certificates of deposit was $5,523,689 and the bank balance was $5,626,047. The City's total collateral, including Federal Deposit Insurance and collateral held by a pledging bank's trust department, was $5,626,047.

Custodial credit risk is the risk that, in the event of a bank failure, the City’s deposits might not be recovered. The City does not have a deposit policy for custodial credit risk. As of April 30, 2026, the City had $0 that was exposed to custodial credit risk and was uninsured and uncollateralized. For financial statement purposes, certificates of deposit with maturity dates greater than 90 days are shown as investments.

Note 4: Common Bank Account

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

Occasionally certain funds participating in the common bank account will incur overdrafts (deficit cash balances) in the account. A deficit in one fund restricts the cash available for use by other funds in the same common bank account. Deficit cash balances are classified as due to other funds in the financial statements. There were no deficit cash fund balances at fiscal year end.

Note 5: Investments

As of April 30, 2026, the City had following investment in the Illinois Funds.

Current accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy, as described under current accounting standards, are as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; or inputs other than quoted prices that are observable for the asset or liability. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The City invests in the Illinois Funds. These investments are public funds investment pool created by the Illinois General Assembly and is administered by the Illinois State Treasurer. The pool is not registered with the Securities and Exchange Commission as an investment company; however, it operates in a manner consistent with SEC Rule 2a-7 governing money market funds. The Illinois Funds seeks to maintain a stable net asset value of $1.00 per share.

The City's investment in the Illinois Funds is reported at fair value. The fair value of the position in the pool is the same as the value of the pool shares. The Illinois Funds is measured using a net asset value (NAV) per share of $1.00.

Investment Type	Carrying Amount	Fair Value
Local government investment pool	$ 1,839,402	$ 1,839,402

Note 5: Investments (Continued)

Interest Rate Risk
Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City has no specific policy on the interest rate risk at year-end.

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

	Remaining Maturities (in Months)			
	Less than 1 year	1-5 Years	6-10 Years	Total
Local government investment pool	$ 1,839,402	$ -	$ -	$ 1,839,402

Credit Risk
Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below are the City's investment policy, or debt agreements, and the actual rating as of year-end for each investment type:

	Total as of 04/30/26	AAAmmf	AA	A	BBB
Local government investment pool	$ 1,839,402	$ 1,839,402	$ -	$ -	$ -

Concentration of Credit Risk
The City has no investments, other than certificate of deposits that are exempted from this requirement, in any one issuer that represent 5% or more of total City's investments.

Custodial Credit Risk
The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

As of April 30, 2026, there are no investments with custodial credit risk in that all of its investments are insured.

Foreign Currency Risk
The City has no foreign currency risk for investments at year end.

Note 6: Restricted Assets

The ordinance authorizing the bond issue of 2021B for $1,435,000 imposed certain covenants and financial requirements on the City. The bond ordinance requires that all monies held in the proprietary fund be segregated and restricted in separate special reserve accounts, in the priority indicated by the order of the following:

Account	Amount	Purpose
Bond proceeds account of 2021B	The balance of all issued bond proceeds	Moneys in the account shall be used for the finance and refinance of certain sewer repairs, rehabilitation and sewer system replacements and related improvements.
Operation and Maintenance	Sufficient amount to pay all reasonable and necessary costs for the current month	Paying the cost of operation and maintenance of the system.
Bond and Interest	A fraction of the amount sufficient to pay principal and interest maturing during the next twelve months.	Paying principal and interest.
Sinking Fund	1/12 of the amount payable on the next installment date.	Paying of sinking fund installments.
Depreciation	Amount to be adequate and reasonable.	Paying cost of any unusual and extraordinary maintenance, repairs, and/or replacements.
Surplus	All remaining funds after crediting above accounts.	All lawful purposes.

Note 6: Restricted Assets (Continued)

The City has established the following accounts to meet the ordinance requirements and to account for the bond proceeds restricted for Waterworks and Sewerage Improvements.

Restricted Cash		**Balances 4/30/2026**
Restricted assets:		
Operations and Maintenance Account	$	73,188
Bond and Interest Account		128,094
Capital Improvement Account		204,167
Depreciation Account		417,951
Total restricted assets	$	823,400

The ordinance authorizing the bond issue of 2021A and 2021C for $1,725,000 and $280,000 imposed certain covenants and financial requirements on the City. The bond ordinance requires that monies held be segregated and restricted in separate special reserve accounts, in the priority indicated by the order of the following:

Account	**Amount**	**Purpose**
Bond and Interest	A fraction of the amount sufficient to pay principal and interest maturing during the next twelve months.	Paying principal and interest.

The City has established the following accounts to meet the ordinance requirements and to account for the bond proceeds restricted.

Restricted Cash		**Balances 4/30/2026**
Restricted assets:		
Bond and Interest Account	$	61,112
Total restricted assets	$	61,112

Note 7: Capital Assets

Capital assets, which include buildings and improvements, infrastructure, equipment and vehicles, are reported in the government-wide financial statements. The City defines capital assets as assets with an initial individual cost of more than $5,000 for equipment and vehicles, $10,000 for building and improvements, and $50,000 for infrastructure assets, and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated or contributed capital assets are recorded at their acquisition value at the date of donation. For those assets for which historical cost is not available, the City has estimated historical cost by using current costs and adjusting for inflation. The cost of normal maintenance and repair that do not add to the value of the asset or materially extend the useful life are not capitalized.

Note 7: Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital assets, except construction in progress, are being depreciated using the straight line method over the following useful lives:

Buildings and improvements	20-40 years
Infrastructure	40 years
Equipment and vehicles	5-7 years

The City has elected to record infrastructure assets on a prospective basis.

Capital assets in the governmental fund financial statements are reported as expenditures when incurred.

The governmental activities capital asset activity for the year ended April 30, 2026, is as follows:

Governmental activities	**Balance 5/1/2025**	**Additions**	**Transfers and Deletions**	**Balance 04/30/26**
Capital assets, not being depreciated:				
Land	$ 137,400	$ 437,712	$ -	$ 575,112
Construction in progress	26,230	99,212	(8,500)	116,942
Total capital assets, not being depreciated	163,630	536,924	(8,500)	692,054
Capital assets, being depreciated:				
Buildings and improvements	2,699,558	17,084	8,500	2,725,142
Equipment	978,768	9,900	-	988,668
Infrastructure	6,157,826	-	-	6,157,826
Vehicles	1,226,751	341,958	-	1,568,709
Total capital assets, being depreciated	11,062,903	368,942	8,500	11,440,345
Accumulated depreciation:				
Buildings and improvements	1,632,639	39,403	-	1,672,042
Equipment	738,840	79,827	-	818,667
Infrastructure	1,231,928	153,907	-	1,385,835
Vehicles	969,686	126,056	-	1,095,742
Total accumulated depreciation	4,573,093	399,193	-	4,972,286
Total capital assets, being depreciated, net	6,489,810	(30,251)	8,500	6,468,059
Governmental activities capital assets, net	$ 6,653,440	$ 506,673	$ -	$ 7,160,113

Note 7: Capital Assets (Continued)

Business-type activities capital asset balances and activity for the year ended April 30, 2026, were as follows:

Business-type activities	Balance 5/1/2025	Increases	Transfers/ Deletions	Balance 04/30/26
Capital assets, not being depreciated:				
Construction in progress	$ 517,634	$ 48,775	$ -	$ 566,409
Total capital assets, not being depreciated	517,634	48,775	-	566,409
Capital assets, being depreciated:				
Buildings and improvements	649,183	-	-	649,183
Equipment	1,023,955	-	-	1,023,955
Infrastructure	15,454,081	-	-	15,454,081
Vehicles	190,828	57,174	-	248,002
Total capital assets, being depreciated	17,318,047	57,174	-	17,375,221
Accumulated depreciation:				
Buildings and improvements	425,725	5,714	-	431,439
Equipment	979,095	12,085	-	991,180
Infrastructure	3,390,202	388,717	-	3,778,919
Vehicles	190,828	11,435	-	202,263
Total accumulated depreciation	4,985,850	417,951	-	5,403,801
Total capital assets, being depreciated, net	12,332,197	(360,777)	-	11,971,420
Business-type activities capital assets, net	$ 12,849,831	$ (312,002)	$ -	$ 12,537,829

Depreciation expense was charged to function/programs of the primary government as follows:

Governmental activities	
General government	$ 88,898
Public safety	25,754
Public works	280,483
Culture and recreation	4,058
Total	$ 399,193

Business-type activities	
Water and Sewer	$ 417,951

Note 8: Retirement Plans

Illinois Municipal Retirement Fund (IMRF)

Plan Description and Benefits

Plan description – The City's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The City's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available 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 https://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).

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 12/3% 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 12/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

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

Note 8: Retirement Plans (Continued)

Regular Plan

Employees Covered by the Benefit Terms - At the December 31, 2025 valuation date, the following employees were covered by the benefit terms:

Retirees and beneficiaries	23
Inactive, non-retired members	20
Active members	23
Total	66

Contributions - As set by statute, the City's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate for calendar year 2025 was 5.52%. For the fiscal year ended April 30, 2026, the City contributed $92,548 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability - The City's Net Pension Liability was measured as of December 31, 2025, and the total pension liability used to calculate the Net Pension Liability was determined by an annual 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:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
Inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) 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.

Note 8: Retirement Plans (Continued)

Regular Personnel (Non-SLEP) (Continued)

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 as of December 31, 2025:

			Projected Returns/Risk	
Asset Class	**Portfolio Target Percentage**	**Return 12/31/2024**	**One Year Arithmetic**	**Ten Year Geometric**
Equities	32.5 %	14.44 %	4.85 %	7.35 %
International equities	18.0 %	32.71 %	4.95 %	7.45 %
Fixed income	24.0 %	7.50 %	2.25 %	4.75 %
Real estate	10.5 %	2.33 %	3.75 %	6.25 %
Alternatives	14.0 %	15.24 %		
Private equity		N/A	6.00 %	8.50 %
Hedge funds		N/A	N/A	N/A
Commodities		N/A	1.40 %	3.90 %
Cash equivalents	1.0 %	4.35 %	0.50 %	3.00 %

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

2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

Note 8: Retirement Plans (Continued)

Regular Personnel (Non-SLEP) (Continued)

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%.

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at January 1, 2025	$ 8,004,816	$ 7,873,460	$ 131,356
Changes for the year:			
Service cost	144,202	-	144,202
Interest on the total pension liability	570,926	-	570,926
Differences between expected and actual experience of the total pension liability	98,234	-	98,234
Contributions - employer	-	94,885	(94,885)
Contributions - employees	-	77,352	(77,352)
Net investment income	-	1,193,590	(1,193,590)
Benefit payments, including refunds of employee contributions	(404,163)	(404,163)	-
Other (net transfer)	-	(37,752)	37,752
Net changes	409,199	923,912	(514,713)
Balances at December 31, 2025	$ 8,414,015	$ 8,797,372	$ (383,357)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the plan's net pension liability, calculated using the single discount rate of 7.25 percent, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1% lower or 1% higher:

	1% Lower (6.25%)	Current Discount (7.25%)	1% Higher (8.25%)
Net pension liability (asset)	$ 454,994	$ (383,357)	$ (1,072,568)

Note 8: Retirement Plans (Continued)

Regular Personnel (Non-SLEP) (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - For year ended April 30, 2026, the City recognized pension expense (income) of $51,425. 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 Inflow of Resources
Deferred amounts to be recognized in pension expense in future periods:		
Difference between expected and actual experience	$ 93,311	$ 134,295
Changes in assumptions	-	3,303
Net difference between projected and actual earnings on pension plan investments	-	425,724
Total deferred amounts to be recognized in pension expense in future periods	93,311	563,322
Pension contributions subsequent to the measurement date	28,500	-
Total deferred amounts related to pensions	$ 121,811	$ 563,322

The City reported $28,500 as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the measurement period ending April 30, 2027.

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

Year Ending April 30	Net Deferred Outflows (Inflows) of Resources
2027	$ 70,756
2028	(262,424)
2029	(151,835)
2030	(126,508)
Total	$ (470,011)

Note 8: Retirement Plans (Continued)

Aggregate Pension Amounts - At April 30, 2026, the City reported the following from all pension plans:

	Governmental Activities	Business-Type Activities	All Pension Plans
Net pension liability/(asset)	$ (305,750)	$ (77,607)	$ (383,357)
Deferred outflows of resources	97,151	24,660	121,811
Deferred inflows of resources	449,282	114,040	563,322
Pension expense (income)	41,014	10,411	51,425

Note 9: Long-Term Debt

Direct Borrowings - Notes Payable

Governmental Activities

On February 12, 2016, the City obtained a line of credit of $140,000 at 3.10% interest from The National Bank & Trust Company to fund the utility installation on vacant lots. The balance of the loan on April 30, 2016 was $102,202. The note is payable in monthly interest only payments of $264 through August 12, 2016. After August 12, 2016, the note will convert to a fully amortizing loan on the outstanding principal balance with quarterly principal and interest payments beginning November 12, 2016 of $4,071. This note was refunded in August 2021 by the First Midwest Bank note.

On June 2, 2020, the City borrowed $35,112 at 2.00% interest from Stillman Bank for a squad car. The note is payable in monthly installments of $616 and matures on June 2, 2025. The debt service of the monthly installments is paid from the City's Police Fund and was fully paid in fiscal year 2026.

On August 12, 2021, the City borrowed $35,507 at 3.10% interest from First Midwest Bank to refund the remaining balance on the loan with The National Bank & Trust Company. The funds were originally used for the utility installation on vacant lots. The note is payable in monthly installments of $1,926 and matures on August 12, 2026 and is paid from the City's Road & Bridge Fund.

On September 29, 2021, the City borrowed $82,000 at 1.50% interest from Stillman Bank to purchase a plow truck. The note is payable in monthly installments of $1,420 and matures on September 30, 2026 and is paid from the City's Street & Alley Fund.

On June 27, 2025, the City borrowed $59,595 at 5.38% interest from Stillman Bank to purchase a leaf vacuum. The note is payable in monthly installments of $2,627 and matures on May 1, 2027 and is paid from the City's General Fund.

Note 9: Long-Term Debt (Continued)

IEPA Loan and General Obligation Bonds

Governmental Activities

In fiscal year 2021, the City issued the Series 2021A Bond with a principal balance of $1,725,000 and a bond premium of $96,328. The bond matures on December 1, 2040, and the bonds due on or after December 1, 2031 are subject to redemption prior to maturity on any date on December 1, 2030 and thereafter. The proceeds were used to refund notes payable for 2nd street property and street reconstruction. The debt service is paid from the City's Road & Bridge Fund.

The City has pledged sales tax revenue and net operating income of water and sewer activities for the repayment of the Alternate Revenue Source, Series 2021A of 1.25 times annual principal and interest payments. The total principal and interest remaining to be paid on the bonds as of April 30, 2026 is $1,658,290 . During April 30, 2026, the principal and interest paid was $115,090. The City has complied with bond requirements of Section 15 of the Debt Reform Act and Bond Ordinance for April 30, 2026.

In fiscal year 2021, the City issued the Series 2021C Bond with a principal balance of $280,000. The bond matures on December 1, 2029 and are not subject to redemption prior to maturity. The proceeds were used to refund notes payable for City Hall roof replacement. The debt service is paid from the City's City Hall Fund.

The City has pledged income tax revenue for the repayment of the Alternate Revenue Source, Series 2021C of 1.25 times annual principal and interest payments. The total principal and interest remaining to be paid on the bonds as of April 30, 2026 is $134,330. During April 30, 2026, the principal and interest paid was $31,880. The City has complied with bond requirements of Section 15 of the Debt Reform Act and Bond Ordinance for April 30, 2026.

Business-type Activities

On October 19, 2009, the City entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Infrastructure Financial Assistance Section for the wastewater treatment plant upgrade. The note is non-interest bearing. The term of the loan is for 20 years with semi-annual repayments. The total amount drawn on the IEPA loan amount was $2,814,141. The debt service is paid from the City's Water and Sewer Fund.

In fiscal year 2018, construction began on the drinking water project and the City entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Infrastructure Financial Assistance Section. The project was to be financed with up to a $2,600,035 Illinois Environmental Protection Agency loan with a term of 20 years and an interest rate of 1.64%. The loan funded the construction of three new well houses. The note has an interest rate of 1.64% with payments semi-annually. The total amount drawn on the IEPA loan amount was $2,691,393 (which included interest capitalized of $20,644) as of April 30, 2026. The IEPA forgave $750,000 of this debt in fiscal year 2019 upon finalization of the loan amount. The debt service is paid from the City's Water and Sewer Fund.

Note 9: Long-Term Debt (Continued)

IEPA Loan and General Obligation Bonds (Continued)

Business-type Activities (Continued)

In fiscal year 2020, construction began on the clean water project and the City entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Infrastructure Financial Assistance Section. The project was to be financed with up to a $1,949,990 Illinois Environmental Protection Agency loan with a term of 20 years and an interest rate of 1.00% to be paid semi-annually. The total amount drawn on the IEPA loan amount was $1,852,670 (which included interest capitalized of $8,256) as of April 30, 2026. The IEPA forgave $584,997 of this debt in fiscal year 2020 upon finalization of the loan amount. The debt service is paid from the City's Water and Sewer Fund.

In fiscal year 2020, construction began on the drinking water project and the City entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Infrastructure Financial Assistance Section. The project was to be financed with up to a $2,023,601 Illinois Environmental Protection Agency loan with a term of 20 years and an interest rate of 1.00% to be paid semi-annually. The total amount drawn on the IEPA loan amount was $1,967,262 (which included interest capitalized of $1,410) as of April 30, 2026. The IEPA forgave $1,500,000 of this debt in fiscal year 2020 upon finalization of the loan amount. The debt service is paid from the City's Water and Sewer Fund.

In fiscal year 2021, the City issued the Series 2021B Bond with a principal balance of $1,435,000. The bond matures on December 1, 2027 and is not subject to redemption prior to maturity. The proceeds were used to refund the 2013 G.O. Bond. The debt service is paid from the City's Water and Sewer Fund.

The City has pledged sales tax revenue and net operating income of water and sewer activities for the repayment of the Alternate Revenue Source, Series 2021B of 1.25 times annual principal and interest payments. The total principal and interest remaining to be paid on the bonds as of April 30, 2026 is $500,714. During April 30, 2026, the principal and interest paid was $311,117. The City has complied with bond requirements of Section 15 of the Debt Reform Act and Bond Ordinance for April 30, 2026.

In fiscal year 2022, construction began on the drinking water project and the City entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Infrastructure Financial Assistance Section. The project was to be financed with up to a $812,150 Illinois Environmental Protection Agency loan with a term of 20 years and an interest rate of 1.01% to be paid semi-annually. The total amount drawn on the IEPA loan amount was $812,150 (which included interest capitalized of $284) as of April 30, 2026. The IEPA forgave $400,000 of this debt in fiscal year 2022 upon finalization of the loan amount. The debt service is paid from the City's Water and Sewer Fund.

Note 9: Long-Term Debt (Continued)

IEPA Loan and General Obligation Bonds (Continued)

Business-type Activities (Continued)

In fiscal year 2022, construction began on the drinking water project and the City entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Infrastructure Financial Assistance Section. The project was to be financed with up to a $1,362,595 Illinois Environmental Protection Agency loan with a term of 20 years and an interest rate of 1.50% to be paid semi-annually. The total amount drawn on the IEPA loan amount was $1,362,595 (which included interest capitalized of $2,357) as of April 30, 2026. The IEPA forgave $773,124 of this debt in fiscal year 2022 upon finalization of the loan amount. The debt service is paid from the City's Water and Sewer Fund.

Annual debt service requirements to maturity are as follows:

Governmental Activities:	Notes Payable		2021 Alternate Revenue Source Notes Payable	
	Principal	Interest	Principal	
2027	$ 41,486	$ 987	$ 110,000	$ 35,870
2028	-	-	110,000	34,770
2029	-	-	115,000	33,670
2030	-	-	115,000	32,060
2031	-	-	80,000	30,450
2032 - 2036	-	-	435,000	114,900
2037 - 2041	-	-	500,000	45,900
Totals	$ 41,486	$ 987	$ 1,465,000	$ 327,620

Business-Type Activities:	IEPA Loans Proprietary		2013 and 2021 Alternate Alternate Revenue Source Bonds Payable	
	Principal	Interest	Principal	
2027	$ 374,125	$ 41,949	$ 300,000	$ 7,427
2028	377,182	40,477	190,000	3,287
2029	380,284	37,375	-	-
2030	383,431	34,231	-	-
2031	386,621	31,039	-	-
2032 - 2036	1,254,855	105,757	-	-
2037 - 2041	935,946	26,245	-	-
2042 - 2046	11,620	59	-	-
Totals	$ 4,104,064	$ 317,132	$ 490,000	$ 10,714

Note 9: Long-Term Debt (Continued)

IEPA Loan and General Obligation Bonds (Continued)

Business-type Activities (Continued)

The changes in long-term liabilities for the year ended April 30, 2026, are as follows:

Governmental Activities	**Balance 5/1/2025**	**Additions**	**Deletions**	**Balance 04/30/26**	**Amounts due Within One Year**
2021 note payable	$ 615	$ -	$ 615	$ -	$ -
2021A Bond	1,415,000	-	80,000	1,335,000	80,000
2021A Bond Premium	70,404	-	6,893	63,511	6,736
2021C Bond	160,000	-	30,000	130,000	30,000
2022 note payable	23,869	-	16,795	7,074	7,074
2022 note payable	11,241	-	7,437	3,804	3,804
2025 note payable	-	59,595	28,987	30,608	30,608
Compensated absences	320,397	62,164	-	382,561	88,643
Totals	$ 2,001,526	$ 121,759	$ 170,727	$ 1,952,558	$ 246,865

Business-Type Activities	**Balance 5/1/2025**	**Additions**	**Deletions**	**Balance 04/30/26**	**Amounts due Within One Year**
2010 IEPA loan	$ 873,219	$ -	$ 145,536	$ 727,683	$ 145,536
2018 IEPA loan	1,361,856	-	94,801	1,267,055	96,363
2019 IEPA loan	1,006,880	-	60,368	946,512	60,974
2019 IEPA loan	373,410	-	22,388	351,022	22,612
2021B Bond	790,000	-	300,000	490,000	300,000
2022 IEPA loan	505,672	-	28,187	477,485	28,611
2022 IEPA loan	354,135	-	19,828	334,307	20,029
Compensated absences	41,378	258	-	41,636	22,426
Totals	$ 5,306,550	$ 258	$ 671,108	$ 4,635,700	$ 696,551

The Road and Bridge Fund, City Hall Capital Improvements Fund, and Police Fund are typically used to pay the debt relating to the governmental activities.

The City is subject to a debt limitation of 8.625% of its assessed valuation of $66,711,771. As of April 30, 2026, the City had $5,712,404 remaining legal debt margin.

Note 10: Compensated Absences

The City follows the policy of allowing unused sick days to accumulate up to a maximum of 240 days. Unused sick days are not payable to an employee upon termination, except for employees employed over 20 years. Unused vacation days may be carried over to the next year only upon approval by the City Council. The liability related to accrued compensated absences is recorded in the basic financial statements.

Note 11: Commitments

Construction commitment. The City has no active construction commitments as of April 30, 2026.

Note 12: Interfund Receivables and Payables

As of April 30, 2026, there were no interfund receivables or payables between any of the City's funds.

Note 13: Transfers

Below are the interfund transfers as of April 30, 2026:

	Transfers In	Transfers Out
Major Funds:		
General Fund	$ 549,686	$ 1,550,991
Water and Sewer Fund	196,514	774,500
Police Fund	478,100	-
Street & Alley Fund	581,100	-
Economic Development Fund	175,000	-
Group Insurance Fund	320,500	66,000
IMRF Fund	2,991	-
Total Major Funds	2,303,891	2,391,491
Nonmajor Governmental Funds -		
Nonmajor Funds	120,000	32,400
Total all funds	$ 2,423,891	$ 2,423,891

The purpose of these transfers was to subsidize the costs provided by the various funds shown above to the General Fund. The Water & Sewer Fund, Police Fund, Street and Alley Fund, Economic Development Fund, City Group Insurance Fund, IMRF Fund, and some Nonmajor Funds do not have a large enough tax levy to support the expenditures within the funds.

Note 14: Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. In order to handle such risks of loss, the City purchases insurance coverage through the Illinois Municipal League Risk Management Association and self insures for unemployment insurance purposes (See Note 15). The deductibles in effect through these policies as of April 30, 2026 vary with the type of coverage and risk involved. The amounts of settlements have not exceeded insurance coverage for any of the past three years. Potentially, the City could be assessed additional premiums for its share of any losses of the insurance pool. Historically, the City has not been assessed any additional premiums.

Note 15: Self Insurance Plan

The City is self-insured for unemployment insurance. The City is therefore liable to the State for any payments made to any of its former employees claiming unemployment benefits. For the year ended April 30, 2026, there were no payments made for unemployment benefit claims.

Note 16: Impact of Pending Accounting Principles

GASB Statement No. 103, *Financial Reporting Model Improvements*, improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The City has not determined the effect of this Statement.

GASB Statement No. 104, *Disclosures in Certain Capital Assets*, mandates the disclosure of specific types of capital assets, including lease, intangible, subscription, and assets held for sale, in the capital asset note disclosures. This aims to enhance consistency and comparability in financial reporting among governments. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The City has not determined the effect of this Statement.

GASB Statement No. 105, *Subsequent Events*, improves the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026. The City has not determined the effect of this Statement.

Note 17: Asset Retirement Obligations

The Governmental Accounting Standards Board (GASB) issued Statement No. 83, *Certain Asset Retirement Obligations*, which addresses accounting and financial reporting for legally enforceable liabilities associated with the retirement of tangible capital assets. The City has evaluated the applicability of this standard to its operations.

As of the fiscal year ended April 30, 2026, the City does not have any legally enforceable asset retirement obligations that meet the criteria outlined in GASB Statement No. 83. Specifically, the City does not operate facilities or hold assets that require retirement activities under federal, state, or local laws, regulations, or contracts. Accordingly, no liability or related deferred outflows of resources have been recognized in the accompanying financial statements.

Management will continue to monitor the City’s operations and regulatory environment for any future developments that may result in the recognition of asset retirement obligations under this standard.

Note 18: Accounting Changes and Error Corrections

During fiscal year 2026, the City had a change in the calculation related to an accounting change in estimate for compensated absences. As a result in this change in estimate, the City's beginning balances of Governmental Activities, General Fund, Police Fund, Street & Alley Fund, Water/Sewer Fund, and Business-Type Activities were restated.

	Governmental Activities	General Fund	Police Fund	Street & Alley Fund	Total Governmental Funds	Water/Sewer Fund
4/30/2025, as previously reported	$ 9,790,358	$ 1,948,087	$ 2,882	$ (38,578)	$ 5,260,165	$ 9,972,739
Error correction	26,607	(18,627)	(41,348)	(16,682)	(76,657)	35,480
4/30/2025, as restated	$ 9,816,965	$ 1,929,460	$ (38,466)	$ (55,260)	$ 5,183,508	$ 10,008,219

Note 19: Subsequent Events

The City has evaluated subsequent events through August 27, 2026, which is the date the financial statements were available to be issued.

Required Supplementary Information

City of Oregon, Illinois

Mulityear Schedule of Changes in the Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund

Last Ten Calendar Years

IMRF Regular Plan	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Calendar year ending December 31										
Total pension liability:										
Service cost	$ 144,202	$ 138,433	$ 115,752	$ 127,815	$ 115,923	$ 122,894	$ 114,155	$ 112,530	$ 125,356	$ 110,996
Interest on total pension liability	570,926	552,928	562,511	543,220	520,862	508,888	485,833	441,631	444,799	394,726
Differences between expected and actual experience of the total pension liability	98,234	(21,226)	(336,666)	85,355	105,689	53,013	88,653	367,244	(121,860)	459,731
Assumption changes	-	-	(9,027)	-	-	(110,510)		199,840	(211,471)	(8,563)
Benefit payments, including refunds of employee contributions	(404,163)	(445,396)	(506,779)	(461,761)	(418,326)	(392,961)	(357,055)	(261,579)	(283,739)	(323,155)
Net change in total pension liability	409,199	224,739	(174,209)	294,629	324,148	181,324	331,586	859,666	(46,915)	633,735
Total pension liability, beginning	8,004,816	7,780,077	7,954,286	7,659,657	7,335,509	7,154,185	6,822,599	5,962,933	6,009,848	5,376,113
Total pension liability, ending (a)	8,414,015	8,004,816	7,780,077	7,954,286	7,659,657	7,335,509	7,154,185	6,822,599	5,962,933	6,009,848
Plan fiduciary net position:										
Contributions - employer	94,885	97,785	88,756	117,439	141,897	106,179	162,027	139,509	122,491	132,126
Contributions - employees	77,352	75,478	68,509	68,190	63,159	58,412	57,434	57,126	52,849	53,904
Net investment income	1,193,590	769,674	804,929	(1,088,800)	1,283,828	961,002	1,105,925	(319,485)	906,177	334,640
Benefit payments, including refunds of employee contributions	(404,163)	(445,396)	(506,779)	(461,761)	(418,326)	(392,961)	(357,055)	(261,579)	(283,739)	(323,155)
Other (net transfers)	(37,752)	(232,719)	(91,812)	30,493	11,933	44,922	1,465	129,216	(90,308)	326,411
Net change in plan fiduciary net position	923,912	264,822	363,603	(1,334,439)	1,082,491	777,554	969,796	(255,213)	707,470	523,926
Plan net position, beginning	7,873,460	7,608,638	7,245,035	8,579,474	7,496,983	6,719,429	5,749,633	6,004,846	5,297,376	4,773,450
Plan net position, ending (b)	$ 8,797,372	$ 7,873,460	$ 7,608,638	$ 7,245,035	$ 8,579,474	$ 7,496,983	$ 6,719,429	$ 5,749,633	$ 6,004,846	$ 5,297,376
Net pension liability (asset) - Ending (a) - (b)	$ (383,357)	$ 131,356	$ 171,439	$ 709,251	$ (919,817)	$ (161,474)	$ 434,756	$ 1,072,966	$ (41,913)	$ 712,472
Plan fiduciary net position as a percentage of the total pension liability	104.56 %	98.36 %	97.80 %	91.08 %	112.01 %	102.20 %	93.92 %	84.27 %	100.70 %	88.14 %
Covered valuation payroll	1,718,927	1,677,278	1,522,416	1,515,344	1,403,534	1,298,032	1,276,301	1,269,465	1,174,412	1,197,874
Net pension liability as a percentage of covered valuation payroll	(22.30)%	7.83 %	11.26 %	46.80 %	(65.54)%	(12.44)%	34.06 %	84.52 %	(3.57)%	59.48 %

See Notes to Required Supplementary Information.

City of Oregon, Illinois

Multiyear Schedule of IMRF Contributions

Illinois Municipal Retirement Fund

Last Ten Fiscal Years

Fiscal Year Ending April 30	Actuarially Determined Contribution*	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contributions as a Percentage of Covered Valuation Payroll
2026	$ 92,548	$ 92,548	$ -	$ 1,659,407	5.58 %
2025	96,648	96,648	-	1,687,468	5.73 %
2024	92,080	92,080	-	1,579,416	5.83 %
2023	117,439	117,439	-	1,515,344	7.75 %
2022	141,897	141,897	-	1,403,534	10.11 %
2021	136,942	106,179	30,763	1,298,032	8.18 %
2020	94,957	162,027	(67,070)	1,276,301	12.70 %
2019	132,024	139,509	(7,485)	1,269,465	10.99 %
2018	122,491	122,491	-	1,174,412	10.43 %
2017	132,126	132,126	-	1,197,874	11.03 %

* Estimated based on 5.52% 2025 contribution rate, 5.71% 2026 calendar year contribution rate and covered payroll of $1,659,407.

City of Oregon, Illinois

Schedule of Revenues and Expenditures
Compared with Budget

	General Fund		
Year Ended April 30, 2026	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Intergovernmental			
State Income Tax	$ 600,000	$ 659,538	$ 59,538
State Replacement Tax	85,000	97,404	12,404
Local Sales Tax	120,700	34,217	(86,483)
Utilities Tax	75,000	73,816	(1,184)
Communications Utilities	42,000	33,987	(8,013)
Video Gaming Tax	40,000	243,596	203,596
State Sales Tax	745,000	792,991	47,991
Cannabis Tax	5,500	5,553	53
ARPA Funds	-	61,292	61,292
	1,713,200	2,002,394	289,194
Settlement revenue:			
Settlement revenue	-	55,000	55,000
Use of money and property:			
Interest on investments	76,000	83,517	7,517
Miscellaneous revenues:			
Miscellaneous	136,200	171,776	35,576
Licenses and permits:			
Liquor license	28,000	25,263	(2,737)
Licenses and permits	1,800	2,639	839
	29,800	27,902	(1,898)
Total revenues	1,955,200	2,340,589	385,389
Expenditures:			
General government:			
Personnel services:			
Salaries-city officials	175,700	196,731	(21,031)
Salary-clerk/treasurer	53,770	32,295	21,475
	229,470	229,026	444
Contractual services:			
Dues	2,500	1,719	781
Legal service	30,000	52,332	(22,332)
Printing and publishing	2,000	3,386	(1,386)
Travel and training-council	2,500	3,160	(660)
Travel and training-clerk's office	2,500	1,891	609
Engineering services	29,500	37,123	(7,623)
Telephone	11,000	9,594	1,406
City Hall clock maintenance	700	775	(75)
Gas	250	388	(138)
	80,950	110,368	(29,418)

See Notes to Required Supplementary Information.

City of Oregon, Illinois

Schedule of Revenues and Expenditures
Compared with Budget (Continued)

Year Ended April 30, 2026	General Fund Original and Final Budget	Actual	Variance with Final Budget
Commodities:			
Office supplies and postage	$ 81,500	$ 79,484	$ 2,016
Gas and oil	3,500	2,530	970
	85,000	82,014	2,986
Miscellaneous	31,100	67,050	(35,950)
Equipment and maintenance:			
Purchase equipment	300,500	334,005	(33,505)
Debt service:			
Principal	-	28,987	(28,987)
Interest	-	2,537	(2,537)
	-	31,524	(31,524)
Total expenditures	727,020	853,987	(95,443)
Other financing sources (uses):			
Proceeds from long-term debt	-	59,595	59,595
Transfers in	-	549,686	549,686
Transfers out	(1,286,065)	(1,550,991)	(264,926)
Total other financing sources (uses)	(1,286,065)	(941,710)	344,355
Net change in fund balance	$ (57,885)	544,892	$ 634,301
Fund balance at beginning of year, as restated		1,929,460	
Fund balance at end of year		$ 2,474,352	

City of Oregon, Illinois

Schedule of Revenues and Expenditures

Compared with Budget

Year Ended April 30, 2026	Police Original and Final Budget	Police Actual	Police Variance with Final Budget
Revenues:			
Taxes:			
Property taxes	$ 324,760	$ 325,263	$ 503
Intergovernmental revenues:			
Other Intergovernmental	70,000	75,000	5,000
Public Welfare	25,500	26,830	1,330
	95,500	101,830	6,330
Police fines	33,040	22,686	(10,354)
Police reports	300	425	125
Towing fee	35,000	11,249	(23,751)
Parking fines	6,000	4,349	(1,651)
	74,340	38,709	(35,631)
Miscellaneous	14,150	4,700	(9,450)
Total revenues	508,750	470,502	(38,248)
Expenditures:			
Public safety and health:			
Personnel services:			
Salaries-police	854,000	763,234	90,766
Contractual services:			
Maintenance-equipment	1,200	1,115	85
Maintenance-vehicles	12,000	11,280	720
Contractual services	35,500	56,561	(21,061)
Dues	400	424	(24)
Police	17,500	4,742	12,758
Printing and publishing	1,500	1,539	(39)
Utilities-telephone	14,500	17,773	(3,273)
	82,600	93,434	(10,834)
Commodities:			
Office supplies and postage	2,000	1,772	228
Clothing and uniforms	6,800	7,716	(916)
Admin towing disbursements	-	71	(71)
Gas and oil	28,000	26,608	1,392
	36,800	36,167	633
Other miscellaneous expenditures	2,000	1,427	573

City of Oregon, Illinois

Schedule of Revenues and Expenditures Compared with Budget (Continued)

	Police		
Year Ended April 30, 2026	Original and Final Budget	Actual	Variance with Final Budget
Equipment and maintenance:			
Capital outlay equipment	$ 9,000	$ 13,852	$ (4,852)
Capital outlay vehicles	1,220	-	1,220
Office equipment	1,500	19,753	(18,253)
Capital outlay	-	48,962	(48,962)
	11,720	82,567	(70,847)
Debt Service:			
Principal	-	615	(615)
	-	615	(615)
Total expenditures	987,120	977,444	9,676
Other financing sources (uses):			
Transfers in	-	478,100	478,100
Total other financing sources (uses)	-	478,100	478,100
Net change in fund balance	$ (478,370)	(28,842)	$ 449,528
Fund balance at beginning of year, as restated		(38,466)	
Fund balance at end of year		$ (67,308)	

City of Oregon, Illinois

Schedule of Revenues and Expenditures
Compared with Budget

	Civil Defense		
Year Ended April 30, 2026	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Miscellaneous revenues:			
Intergovernmental revenues	5,250	17,612	12,362
Total revenues	5,250	17,612	12,362
Expenditures:			
Public safety and health:			
Telephone	250	3,460	(3,210)
	250	3,460	(3,210)
Commodities:			
Supplies and materials	5,000	9,316	(4,316)
Total expenditures	5,250	12,776	(7,526)
Other financing sources (uses)			
Total other financing sources (uses)	0	0	0
Net change in fund balance	$ -	4,836	$ 4,836
Fund balance at beginning of year		156,024	
Fund balance at end of year		$ 160,860	

City of Oregon, Illinois

Schedule of Revenues and Expenditures
Compared with Budget

Year Ended April 30, 2026	IMRF Original and Final Budget	IMRF Actual	IMRF Variance with Final Budget
Revenues:			
Miscellaneous revenues:			
Property taxes	$ 63,337	$ 63,438	$ 101
State Replacement Tax	10,260	9,656	(604)
Total revenues	73,597	73,094	(503)
Expenditures:			
General government	80,000	9,649	70,351
Public safety	-	31,572	(31,572)
Public works	-	31,485	(31,485)
Culture and recreation	-	258	(258)
Total expenditures	80,000	72,964	69,835
Other financing sources (uses)			
Transfers in	-	2,991	2,991
Total other financing sources (uses)	0	2,991	2,991
Net change in fund balance	$ (6,403)	3,121	$ 72,323
Fund balance at beginning of year		492,557	
Fund balance at end of year		$ 495,678	

City of Oregon, Illinois

Schedule of Revenues and Expenditures
Compared with Budget

Year Ended April 30, 2026	Economic Development Original and Final Budget	Economic Development Actual	Economic Development Variance with Final Budget
Revenues:			
Licenses and permits	$ 120,000	$ 35,491	$ (84,509)
Miscellaneous	147,357	2,596	(144,761)
Total revenues	267,357	38,087	(229,270)
Expenditures:			
General government:			
Economic development	270,857	159,362	111,495
Total expenditures	270,857	159,362	111,495
Other financing sources (uses):			
Transfers in	-	175,000	175,000
Total other financing sources (uses)	-	175,000	175,000
Net change in fund balance	$ (3,500)	53,725	$ 57,225
Fund balance at beginning of year		51,064	
Fund balance at end of year		$ 104,789	

City of Oregon, Illinois

Schedule of Revenues and Expenditures
Compared with Budget

Year Ended April 30, 2026	Street & Alley Original and Final Budget	Street & Alley Actual	Street & Alley Variance with Final Budget
Revenues:			
Taxes:			
Property taxes - corporate	$ 58,745	$ 58,836	$ 91
Utilities Tax	8,100	-	(8,100)
Intergovernmental revenues:			
Other state sources	40,000	4,266	(35,734)
Miscellaneous	5,800	20,300	14,500
Total revenues	112,645	83,402	(29,243)
Expenditures:			
Streets and public improvements:			
Personnel services-salaries	416,400	410,762	5,638
Contractual services:			
Maintenance-buildings	4,500	7,318	(2,818)
Maintenance-equipment	10,000	9,871	129
Maintenance-vehicles	10,000	9,033	967
Travel and training	6,500	5,935	565
Contract labor	45,000	67,053	(22,053)
Telephone	8,000	7,788	212
	84,000	106,998	(22,998)
Commodities:			
Supplies and materials	43,000	55,313	(12,313)
Equipment maintenance materials	10,000	7,087	2,913
Equipment	20,000	20,181	(181)
Gas	23,000	20,403	2,597
	96,000	102,984	(6,984)
Miscellaneous disbursements	24,500	31,091	(6,591)
Debt Service:			
Principal	-	16,795	(16,795)
Interest	-	248	(248)
	-	17,043	(17,043)
Total expenditures	620,900	668,878	(47,978)

City of Oregon, Illinois

Schedule of Revenues and Expenditures
Compared with Budget (Continued)

Year Ended April 30, 2026	Street & Alley Original and Final Budget	Street & Alley Actual	Street & Alley Variance with Final Budget
Other financing sources (uses):			
Proceeds from issuance of debt	$ -	$ 581,100	$ 581,100
Total other financing sources (uses)	-	581,100	581,100
Net change in fund balance	$ (508,255)	(4,376)	$ 503,879
Fund balance at beginning of year, as restated		(55,260)	
Fund balance at end of year		$ (59,636)	

City of Oregon, Illinois

Schedule of Revenues and Expenditures
Compared with Budget

	Motor Fuel		
Year Ended April 30, 2026	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Intergovernmental revenues:			
Motor fuel tax allotments and other	$ 160,000	$ 165,313	$ 5,313
Use of money and property:			
Interest on investments	-	1,885	1,885
Total revenues	160,000	167,198	7,198
Expenditures			
Streets and public improvements:			
Contractual services			
Maintenance-grounds	134,000	122,143	11,857
Engineering	15,000	10,196	4,804
	149,000	132,339	16,661
Total expenditures	149,000	132,339	16,661
Net change in fund balance	$ 11,000	34,859	$ 23,859
Fund balance at beginning of year		759,881	
Fund balance at end of year		$ 794,740	

City of Oregon, Illinois

Schedule of Revenues and Expenditures
Compared with Budget

Year Ended April 30, 2026	Group Insurance Original and Final Budget	Group Insurance Actual	Group Insurance Variance with Final Budget
Revenues:			
Taxes:			
Property taxes	$ 58,745	$ 58,836	$ 91
Miscellaneous	61,500	12,176	(49,324)
Total revenues	120,245	71,012	(49,233)
Expenditures:			
General government:			
Personnel services:			
General government	365,120	45,357	319,763
Public safety	-	146,299	(146,299)
Public works	-	145,894	(145,894)
Culture and recreation	-	1,198	(1,198)
Total expenditures	365,120	338,748	26,372
Other financing sources (uses):			
Transfers in	-	320,500	320,500
Transfers out	-	(66,000)	(66,000)
Total other financing sources (uses)	-	254,500	254,500
Net change in fund balance	$ (244,875)	(13,236)	$ 231,639
Fund balance at beginning of year		80,138	
Fund balance at end of year		$ 66,902	

City of Oregon, Illinois

Schedule of Revenues and Expenditures
Compared with Budget

	Road & Bridge		
Year Ended April 30, 2026	**Original and Final Budget**	**Actual**	**Variance with Final Budget**
Revenues:			
Taxes:			
Property taxes	$ 43,000	$ 42,491	$ (509)
Sales tax	464,600	564,331	99,731
Total revenues	507,600	606,822	99,222
Expenditures:			
Road and bridge improvements:			
Capital outlay:			
Improvements	-	68,712	(68,712)
Debt service:			
Principal	-	87,437	(87,437)
Interest	-	35,856	(35,856)
Other	639,301	540,687	98,614
Total expenditures	639,301	732,692	(93,391)
Net change in fund balance	$ (131,701)	(125,870)	$ 5,831
Fund balance at beginning of year		387,965	
Fund balance at end of year		$ 262,095	

See Notes to Required Supplementary Information.

City of Oregon, Illinois

Schedule of Revenues and Expenditures
Compared with Budget

	TIF District		
Year Ended April 30, 2026	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Taxes:			
Property taxes	$ 498,883	$ 671,570	$ 172,687
Total revenues	498,883	671,570	172,687
Expenditures:			
General government	231,000	225,842	5,158
Capital outlay	-	466,566	(466,566)
Total expenditures	231,000	692,408	(461,408)
Net change in fund balance	$ 267,883	(20,838)	$ (288,721)
Fund balance at beginning of year		889,263	
Fund balance at end of year		$ 868,425	

See Notes to Required Supplementary Information.

Note 1: Basis of Accounting

Annual budgets are adopted for all governmental funds using the modified accrual basis of accounting, which is consistent with generally accepted accounting principles.

Note 2: Excess of Disbursements Over Appropriations

The City had no major funds with expenditures exceeding appropriations for fiscal year ended April 30, 2026.

Note 3: Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2025 Contribution Rate for IMRF*

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 percent of payroll, closed
Remaining amortization period	Non Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 18-year closed period. Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 13 years for most employers (five employers were financed over 14 years; one employer was financed over 15 years; two employers were financed over 16 years; one employer was financed over 19 years; three employers were financed over 22 years; four employers were financed over 23 years and one employer were financed over 24 years).
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	2.75%
Inflation	2.25%
Salary increases	2.85% 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 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below median income, General, Retiree, Male (adjusted 108.0%) 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.
Other Information:	
Notes:	There were no benefit changes during the year.

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

Supplementary Information

City of Oregon, Illinois

Schedule of Revenues and Expenses Compared With Budget

Year Ended April 30, 2026	Water & Sewer Original and Final Budget	Water & Sewer Actual	Water & Sewer Variance with Final Budget
Operating revenues:			
Charges for services:			
Water - sewer revenues	$ 1,815,908	$ 1,842,431	$ 26,523
Sale of meters	3,000	1,662	(1,338)
Turn on fees	500	4,497	3,997
Main taps	500	150	(350)
Sewer hook up fees	2,000	-	(2,000)
Water hook up fees	4,000	100	(3,900)
Other	19,850	18,567	(1,283)
	1,845,758	1,867,407	21,649
Miscellaneous	8,100	-	(8,100)
Total operating revenues	1,853,858	1,867,407	13,549
Operating expenses:			
Waterworks and sewage:			
Personnel services:			
Salaries	531,500	397,676	133,824
Contractual services - sewer:			
Engineering services	100,000	7,307	92,693
Maintenance	112,100	29,112	82,988
Professional services	297,000	264,944	32,056
	509,100	301,363	207,737
Contractual services - water:			
Engineering services	45,000	38,525	6,475
	45,000	38,525	6,475
Commodities - water & sewer			
Office supplies and postage	52,000	61,730	(9,730)
Waterworks and sewerage:			
Miscellaneous:			
Sewer	106,500	4,404	102,096
Water	3,000	20,730	(17,730)
	109,500	25,134	84,366
Depreciation	-	417,951	(417,951)
Total operating expenses	1,247,100	1,242,379	4,721

City of Oregon, Illinois

Schedule of Revenues and Expenses Compared with Budget (Continued)

Year Ended April 30, 2026	Water & Sewer Original and Final Budget	Water & Sewer Actual	Water & Sewer Variance with Final Budget
Nonoperating revenue (expenses):			
Interest	$ 5,000	$ 4,347	$ (653)
Interest expense	(733,000)	(56,231)	676,769
Total nonoperating revenue (expenses)	(728,000)	(51,884)	676,116
Other financing sources (uses):			
Capital grants and contributions	80,000	20,000	(100,000)
Transfers in	-	196,514	196,514
Transfers out	-	(774,500)	(774,500)
Total other financing sources (uses)	(80,000)	(557,986)	(677,986)
Change in net position	$ (41,242)	15,158	$ 890,900
Net position at beginning of year, as restated		10,008,219	
Net position at end of year		$ 10,023,377	

City of Oregon, Illinois

Combining Balance Sheet - Nonmajor Governmental Funds

April 30, 2026	Street Lighting	Recreation	School Crossing	Tort Liability	Band
Assets					
Cash, deposits and investments	$ 325	$ 1	$ 9,734	$ 64,523	$ 3,857
Restricted cash	-	-	-	-	-
Property tax and other receivables, net	26,838	11,221	12,669	170,942	3,035
Prepaid items	-	-	-	71,670	-
Total assets	27,163	11,222	22,403	307,135	6,892
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	-	-	-	6,528	-
Payroll and related	-	-	-	-	-
Total liabilities	-	-	-	6,528	-
Deferred inflows of resources					
Deferred revenue - property taxes	26,838	11,221	12,669	170,942	3,035
Total deferred inflows of resources	26,838	11,221	12,669	170,942	3,035
Fund balances:					
Non-spendable	-	-	-	71,670	-
Restricted for:					
General government	-	-	-	57,995	-
Public safety	325	-	9,734	-	-
Employee benefits	-	-	-	-	-
Culture and recreation	-	1	-	-	3,857
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	325	1	9,734	129,665	3,857
Total liabilities, deferred inflows of resources and fund balances	$ 27,163	$ 11,222	$ 22,403	$ 307,135	$ 6,892

City of Oregon, Illinois

Combining Balance Sheet - Nonmajor Governmental Funds (Continued)

April 30, 2026	City Audit	Social Security	Public Health	Coliseum	City Hall
Assets					
Cash, deposits and investments	$ 58,581	$ 781	$ 93,113	$ 106,442	$ 668
Restricted cash	-	-	-	-	-
Property tax and other receivables, net	-	35,477	23,658	47,732	-
Prepaid items	-	-	-	-	-
Total assets	58,581	36,258	116,771	154,174	668
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	398	-	1,849	3,326	1,853
Payroll and related	-	-	217	-	-
Total liabilities	398	-	2,066	3,326	1,853
Deferred inflows of resources					
Deferred revenue - property taxes	-	35,477	-	47,732	-
Total deferred inflows of resources	-	35,477	-	47,732	-
Fund balances:					
Non-spendable	-	-	-	-	-
Restricted for:					
General government	58,183	-	-	-	-
Public safety	-	-	-	-	-
Employee benefits	-	781	-	-	-
Culture and recreation	-	-	-	103,116	-
Debt service	-	-	-	-	-
Assigned	-	-	114,705	-	-
Unassigned	-	-	-	-	(1,185)
Total fund balances	58,183	781	114,705	103,116	(1,185)
Total liabilities, deferred inflows of resources and fund balances	$ 58,581	$ 36,258	$ 116,771	$ 154,174	$ 668

City of Oregon, Illinois

Combining Balance Sheet - Nonmajor Governmental Funds (Continued)

April 30, 2026	City Hall Capital Improvements	Farmer's Market	Total
Assets			
Cash, deposits and investments	$ 73,787	$ 867	$ 412,679
Restricted cash	13,158	-	13,158
Property tax and other receivables, net	-	-	331,572
Prepaid items	-	-	71,670
Total assets	86,945	867	829,079
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities:			
Accounts payable	1,302	-	15,256
Payroll and related	-	-	217
Total liabilities	1,302	-	15,473
Deferred inflows of resources			
Deferred revenue - property taxes	-	-	307,914
Total deferred inflows of resources	-	-	307,914
Fund balances:			
Non-spendable	-	-	71,670
Restricted for:			
General government	72,485	867	189,530
Public safety	-	-	10,059
Employee benefits	-	-	781
Culture and recreation	-	-	106,974
Debt service	13,158	-	13,158
Assigned	-	-	114,705
Unassigned	-	-	(1,185)
Total fund balances	85,643	867	505,692
Total liabilities, deferred inflows of resources and fund balances	$ 86,945	$ 867	$ 829,079

City of Oregon, Illinois

Combining Statement of Revenues, Expenditures and Changes In Fund Balances - Nonmajor Governmental Funds

Year Ended April 30, 2026	**Street Lighting**	**Recreation**	**School Crossing**	**Tort Liability**	**Band**
Revenues:					
Property taxes	$ 27,277	$ 12,023	$ 12,689	$ 164,930	$ 3,043
Licenses and permits	-	-	-	-	-
Charges for services	-	-	-	-	-
Interest	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	27,277	12,023	12,689	164,930	3,043
Expenditures:					
Current:					
General government	-	-	-	150,188	-
Public safety	48,175	-	12,689	-	-
Public works	-	-	-	-	-
Culture and recreation	-	12,023	-	-	6,350
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	48,175	12,023	12,689	150,188	6,350
Excess (deficiency) of revenues over (under) expenditures	(20,898)	-	-	14,742	(3,307)
Other financing sources (uses)					
Transfers in	26,000	-	-	-	-
Transfers out	-	-	-	(32,400)	-
Total other financing sources (uses)	26,000	-	-	(32,400)	-
Net change in fund balances	5,102	-	-	(17,658)	(3,307)
Fund balances, beginning of year	(4,777)	1	9,734	147,323	7,164
Fund balances, end of year	$ 325	$ 1	$ 9,734	$ 129,665	$ 3,857

City of Oregon, Illinois

Combining Statement of Revenues, Expenditures and Changes In Fund Balances - Nonmajor Governmental Funds (Continued)

Year Ended April 30, 2026	City Audit	Social Security	Public Health	Coliseum	City Hall
Revenues:					
Property taxes	$ -	$ 33,305	$ -	$ 47,577	$ -
Licenses and permits	-	-	16,197	-	-
Charges for services	-	-	316,726	-	-
Interest	-	-	281	-	-
Miscellaneous	-	-	1,153	-	125
Total revenues	-	33,305	334,357	47,577	125
Expenditures:					
Current:					
General government	29,813	13,089	-	-	28,703
Public safety	-	-	327,760	-	-
Public works	-	42,719	-	-	-
Culture and recreation	-	352	-	25,912	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	640	-	-
Total expenditures	29,813	56,160	328,400	25,912	28,703
Excess (deficiency) of revenues over (under) expenditures	(29,813)	(22,855)	5,957	21,665	(28,578)
Other financing sources (uses)					
Transfers in	-	3,000	-	-	28,000
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	3,000	-	-	28,000
Net change in fund balances	(29,813)	(19,855)	5,957	21,665	(578)
Fund balances, beginning of year	87,996	20,636	108,748	81,451	(607)
Fund balances, end of year	$ 58,183	$ 781	$ 114,705	$ 103,116	$ (1,185)

City of Oregon, Illinois

Combining Statement of Revenues, Expenditures and Changes In Fund Balances - Nonmajor Governmental Funds (Continued)

Year Ended April 30, 2026	**City Hall Capital Improvements**	**Farmer's Market**	**Total**
Revenues:			
Property taxes	$ -	$ -	$ 300,844
Licenses and permits	-	-	16,197
Charges for services	-	-	316,726
Interest	-	-	281
Miscellaneous	-	265	1,543
Total revenues	-	265	635,591
Expenditures:			
Current:			
General government	480	524	222,797
Public safety	-	-	388,624
Public works	-	-	42,719
Culture and recreation	-	-	44,637
Debt service			
Principal	30,000	-	30,000
Interest	1,880	-	1,880
Capital outlay	17,084	-	17,724
Total expenditures	49,444	524	748,381
Excess (deficiency) of revenues over (under) expenditures	(49,444)	(259)	(112,790)
Other financing sources (uses)			
Transfers in	63,000	-	120,000
Transfers out	-	-	(32,400)
Total other financing sources (uses)	63,000	-	87,600
Net change in fund balances	13,556	(259)	(25,190)
Fund balances, beginning of year	72,087	1,126	530,882
Fund balances, end of year	$ 85,643	$ 867	$ 505,692

City of Oregon, Illinois

Schedule of Tort Expenditures

Year Ended April 30, 2026

Insurance	$	102,943
Miscellaneous		47,245
Total	$	150,188

Other Information

City of Oregon, Illinois

Schedule of Long-Term Debt - Business-type Activities

	2010 - L172832 IEPA Loan Payable		2022 - L175809 IEPA Loan Payable		2018 - L175296 IEPA Loan Payable		2019 - L174369 IEPA Loan Payable	
	Principal	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2027	$ 145,536	$ -	$ 20,029	$ 3,326	$ 96,363	$ 20,386	$ 60,974	$ 9,314
2028	145,536	-	20,231	3,123	97,950	18,800	61,584	8,702
2029	145,536	-	20,436	2,918	99,563	17,186	62,202	8,085
2030	145,536	-	20,644	2,712	101,203	15,547	62,825	7,461
2031	145,539	-	20,852	2,502	102,868	13,880	63,456	6,831
2032	-	-	21,063	2,291	104,563	12,187	64,092	6,195
2033	-	-	21,277	2,078	106,284	10,464	64,734	5,552
2034	-	-	21,492	1,862	108,035	8,715	65,383	4,903
2035	-	-	21,710	1,645	109,814	6,935	66,039	4,248
2036	-	-	21,929	1,425	111,622	5,127	66,700	3,586
2037	-	-	22,152	1,203	113,461	3,289	67,370	2,918
2038	-	-	22,376	979	115,329	1,421	68,044	2,242
2039	-	-	22,603	753	-	-	68,727	1,559
2040	-	-	22,831	523	-	-	69,415	870
2041	-	-	23,062	292	-	-	34,967	175
2042	-	-	11,620	59	-	-	-	-
2043	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-
Totals	$ 727,683	$ 0	$ 334,307	$ 27,691	$ 1,267,055	$ 133,937	$ 946,512	$ 72,641

City of Oregon, Illinois

Schedule of Long-Term Debt - Business-type Activities (Continued)

	2019 - L175543 IEPA Loan Payable		Series 2021B Bonds Payable		2022 - L175671 IEPA Loan Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2027	$ 22,612	$ 3,454	$ 300,000	$ 7,427	$ 28,611	$ 7,055
2028	22,839	3,227	190,000	3,287	29,042	6,625
2029	23,068	2,998	-	-	29,479	6,188
2030	23,300	2,767	-	-	29,923	5,744
2031	23,533	2,533	-	-	30,373	5,293
2032	23,769	2,297	-	-	30,831	4,835
2033	24,008	2,060	-	-	31,295	4,371
2034	24,248	1,818	-	-	31,766	3,900
2035	24,491	1,575	-	-	32,244	3,422
2036	24,736	1,330	-	-	32,730	2,936
2037	24,984	1,082	-	-	33,222	2,444
2038	25,235	831	-	-	33,722	1,944
2039	25,488	578	-	-	34,230	1,436
2040	25,744	323	-	-	34,746	920
2041	12,967	65	-	-	35,271	398
2042	-	-	-	-	-	-
2043	-	-	-	-	-	-
2044	-	-	-	-	-	-
2045	-	-	-	-	-	-
Totals	$ 351,022	$ 26,938	$ 490,000	$ 10,714	$ 477,485	$ 57,511

City of Oregon, Illinois

Schedule of Assessed Valuations, Rates, Extensions and Collections

Fund	2025 Levy		2024 Levy		2023 Levy	
	Rate	Extended	Rate	Extended	Rate	Extended
General	0.26446 %	$ 176,426	0.27320 %	$ 176,233	0.28725 %	$ 165,672
Police protection	0.41211	274,926	0.41238	266,014	0.34873	201,131
Recreation	0.01682	11,221	0.01861	12,005	0.01739	10,030
Coliseum	0.07155	47,732	0.07364	47,503	0.06928	39,957
Illinois Municipal Retirement	0.09495	63,343	0.09819	63,339	0.17269	99,599
Audit	-	-	-	-	0.02529	14,586
Liability insurance	0.25624	170,942	0.25528	164,673	0.24458	141,062
Social security	0.05318	35,477	0.05155	33,253	0.09774	56,372
Band	0.00455	3,035	0.00471	3,038	0.00549	3,166
Street Lighting	0.04023	26,838	0.04222	27,235	0.04575	26,386
School Crossing Guard	0.01899	12,669	0.01964	12,669	0.01726	9,955
Totals	1.23308	$ 822,609	1.24942	$ 805,962	1.33145	$ 767,916
Valuations		$ 66,711,771		$ 64,506,893		$ 57,675,174
Collections		$ 0		$ 1,521,278		$ 1,293,374

Included in the collections is the City's share of Road & Bridge & TIF property taxes.

City of Oregon, Illinois

Schedule of Information Required by Alternate Revenue Source Bonds

Insurer	Coverage Period From/To	Coverage/ Amount
Illinois Municipal League Insurance Company	1/1/26-12/31/26	Crime - Forgery/Theft/Computer Fraud/Employee Dishonesty $100,000 - each occurrence
Illinois Municipal Insurance Company	1/1/26-12/31/26	General Liability $1,000,000 each occurrence
Illinois Municipal League Insurance Company	1/1/26-12/31/26	Umbrella $8,000,000 - each occurrence
Illinois Municipal League Insurance Company	1/1/26-12/31/26	Automobile Liability & Uninsured Motorist $1,000,000 & $300,000
Illinois Municipal League Risk Fund	1/1/26-12/31/26	Worker's Compensation/Statutory
Illinois Municipal League Insurance Company	1/1/26-12/31/26	Property & Inland Marine $250,000,000 - each occurrence & $50,000 - extra expense

Compliance

WIPFLI

Independent Accountant's Report on Compliance with State of Illinois Public Act 85-1142

Honorable Mayor and Members of the City Council
City of Oregon, Illinois
Oregon, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America (and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America), the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of City of Oregon, 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, and have issued our opinion thereon dated August 27, 2026.

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with Subsection (q) of Section 11-74.4-3 of Public Act of 85-1142 (the Illinois Tax Increment Redevelopment Allocation Act) insofar as it relates to accounting matters for the Tax Increment Financing District. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced statute, insofar as it related to accounting matters.

This report is intended solely for the information and use of the City Council, management, the State of Illinois, and others within the City and is not intended to be, and should not be, used by anyone other than the specified parties.

Wipfli LLP

Sterling, Illinois
August 27, 2026

WIPFLI

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Mayor and Members of the City Council
City of Oregon, Illinois
Oregon, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of City of Oregon, Illinois (the "City"), as of and for the year ended April 30, 2026 and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August 27, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

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

Wipfli LLP

Wipfli LLP

Sterling, Illinois
August 27, 2026

Audit Findings in Relation to the Financial statements - None

City of Oregon, Illinois

Summary Schedule of Prior Audit Findings

Year Ended April 30, 2026

The following summarizes the prior audit findings and corrective action taken:

Finding 2025-001 Improper Segregation of Duties: There is inadequate control over the functions of processing and recording the financial transactions due to the inadequate segregation of duties. **- Implemented**