

**City of Orient, Illinois**  
**AUDITED FINANCIAL STATEMENTS**  
**April 30, 2023**

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**Meyer & Associates CPA, LLC**  
**CERTIFIED PUBLIC ACCOUNTANT**

- 1 -

1800 W. Boulevard, Suite A

Marion, IL 62959

(618) 993-5553

Fax: (618) 993-3394

kmeyer@meyercpa.com

**INDEPENDENT AUDITORS' REPORT**

Honorable Mayor and Trustees of  
The City of Orient, Illinois

**Report on the Audit of the Financial Statements**

**Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Orient, Illinois as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Orient, Illinois' basic financial statements as listed in the table of contents.

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

**Basis for Opinions**

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

**Responsibilities of Management for the Financial Statements**

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a

material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Orient, Illinois' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Orient, Illinois' 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 budgetary comparison information on pages 34-37 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic

financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying combining and individual nonmajor fund financial statements and the Consolidated Year-End Financial Report as required by the Illinois Grant Accountability and Transparency Act are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the Consolidated Year-End Financial Report as Required by the Illinois Grant Accountability and Transparency Act are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

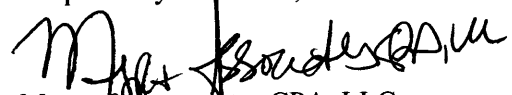
Management is responsible for the other information included in the annual report. The other information includes the legal debt margin but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, 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 November 17, 2023, on our consideration of the City of Orient, Illinois' 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 of Orient, Illinois' 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 City of Orient, Illinois' internal control over financial reporting and compliance.

Respectfully submitted,



Meyer & Associates CPA, LLC  
Certified Public Accountants  
December 7, 2023



# Meyer & Associates CPA, LLC

CERTIFIED PUBLIC ACCOUNTANT

- 4 -

1800 W. Boulevard, Suite A

Marion, IL 62959

(618) 993-5553

Fax: (618) 993-3394

kmeyer@meyercpa.com

**INDEPENDENT AUDITORS' 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 Trustees of  
The City of Orient, Illinois

We have audited, in accordance with the 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 financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Orient, Illinois, as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Orient, Illinois' basic financial statements and have issued our report thereon dated November 19, 2023.

**Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Orient, Illinois' 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 determination of financial statement amounts. 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 of Orient, Illinois' 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 of Orient, Illinois' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Meyer & Associates CPA, LLC  
Certified Public Accountants  
December 7, 2023

**CITY OF ORIENT, ILLINOIS**  
**GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
**APRIL 30, 2023**

	<b>PRIMARY GOVERNMENT</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 93,126	\$ 46,920	\$ 140,046
Sales tax receivable	3,543	-	3,543
Income tax receivable	12,454	-	12,454
Real estate taxes receivable	6,406	-	6,406
Use tax receivable	4,213	-	4,213
Personal property tax receivable	308	-	308
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 120,050</b>	<b>\$ 46,920</b>	<b>\$ 166,970</b>
<b>RESTRICTED ASSETS</b>			
Cash and cash equivalents	\$ 36,947	\$ -	\$ 36,947
<b>TOTAL RESTRICTED ASSETS</b>	<b>\$ 36,947</b>	<b>\$ -</b>	<b>\$ 36,947</b>
<b>CAPITAL ASSETS, NET OF DEPRECIATION</b>			
Land	\$ 10,000	\$ -	\$ 10,000
Infrastructure & Equipment	-	397,046	397,046
Improvements	46,450	-	46,450
Buildings	50,300	-	50,300
Equipment	14,293	-	14,293
<b>TOTAL CAPITAL ASSETS</b>	<b>\$ 121,043</b>	<b>\$ 397,046</b>	<b>\$ 518,089</b>
<b>TOTAL ASSETS</b>	<b>\$ 278,040</b>	<b>\$ 443,966</b>	<b>\$ 722,006</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Deferred revenues	\$ 6,406	\$ -	\$ 6,406
Notes payable - Short-term portion	-	2,141	2,141
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 6,406</b>	<b>\$ 2,141</b>	<b>\$ 8,547</b>
<b>NON-CURRENT LIABILITIES</b>			
Notes payable - Long-term portion	\$ -	\$ 37,328	\$ 37,328
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>\$ -</b>	<b>\$ 37,328</b>	<b>\$ 37,328</b>
<b>TOTAL LIABILITIES &amp; DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 6,406</b>	<b>\$ 39,469</b>	<b>\$ 45,875</b>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	\$ 121,043	\$ 357,577	\$ 478,620
Restricted	36,947	-	36,947
Unrestricted	113,644	46,920	160,564
<b>TOTAL NET POSITION</b>	<b>\$ 271,634</b>	<b>\$ 404,497</b>	<b>\$ 676,131</b>

SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

**CITY OF ORIENT, ILLINOIS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS AND PROPRIETARY FUNDS**  
**BALANCE SHEETS TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
**APRIL 30, 2023**

**GOVERNMENTAL ACTIVITIES:**

**TOTAL FUND BALANCE - GOVERNMENTAL FUNDS** \$ 150,588

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets and the related debt used in governmental activities are not current outlays of financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.

121,046

**NET ASSETS OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT**  
**OF NET POSITION**

\$ 271,634

**BUSINESS-TYPE ACTIVITIES:**

**TOTAL NET POSITION - PROPRIETARY FUNDS** \$ 404,497

No adjustments.

**NET POSITION OF BUSINESS -TYPE ACTIVITIES IN THE STATEMENT**  
**OF NET POSITION**

\$ 404,497

SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

**CITY OF ORIENT, ILLINOIS**  
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED APRIL 30, 2023**

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>PRIMARY GOVERNMENT</b>						
<b>GOVERNMENTAL ACTIVITIES</b>						
General government	\$ 130,341	\$ 16,037	\$ -	\$ 32,877	\$ -	\$ 32,877
Public safety	-	6,796	-	6,796	-	6,796
Public works	470,356	-	412,826	(57,530)	-	(57,530)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 600,697</b>	<b>\$ 22,833</b>	<b>\$ 412,826</b>	<b>\$ (17,857)</b>	<b>\$ -</b>	<b>\$ (17,857)</b>
<b>BUSINESS-TYPE ACTIVITIES</b>						
Water and sewer	\$ 147,236	\$ 109,038	\$ -	\$ -	\$ (10,950)	\$ (10,950)
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 147,236</b>	<b>\$ 109,038</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (10,950)</b>	<b>\$ (10,950)</b>
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 747,933</b>	<b>\$ 131,871</b>	<b>\$ 412,826</b>	<b>\$ (17,857)</b>	<b>\$ (10,950)</b>	<b>\$ (28,807)</b>

**GENERAL REVENUES, SPECIAL ITEMS AND TRANSFERS:**

Taxes:					
Property taxes	\$ 6,005	\$ -	\$ -	\$ 6,005	\$ 6,005
Interest income	110	42		152	152
<b>TOTAL GENERAL REVENUES, SPECIAL ITEMS AND TRANSFERS</b>	<b>\$ 6,115</b>	<b>\$ 42</b>	<b>\$ 42</b>	<b>\$ 6,157</b>	<b>\$ 6,157</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ (11,742)</b>	<b>\$ (10,908)</b>	<b>\$ (22,650)</b>	<b>\$ (22,650)</b>	<b>\$ (22,650)</b>
<b>NET POSITION - BEGINNING</b>	<b>283,376</b>	<b>415,405</b>	<b>698,781</b>	<b>698,781</b>	<b>698,781</b>
<b>NET POSITION - ENDING</b>	<b>\$ 271,634</b>	<b>\$ 404,497</b>	<b>\$ 676,131</b>	<b>\$ 676,131</b>	<b>\$ 676,131</b>

SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

**CITY OF ORIENT, ILLINOIS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES AND FUND NET POSITION OF THE GOVERNMENTAL FUNDS AND**  
**PROPRIETARY FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED APRIL 30, 2023**

**GOVERNMENTAL ACTIVITIES:**

**NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS:** \$ (37)

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

Depreciation expense is not recorded in the fund financial statements. (11,705)

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** \$ (11,742)

**BUSINESS-TYPE ACTIVITIES:**

**NET CHANGE IN NET ASSETS - PROPRIETARY FUNDS:** \$ (10,908)

No adjustments. -

**CHANGE IN NET POSITION OF BUSINESS-TYPE ACTIVITIES** \$ (10,908)

SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

CITY OF ORIENT, ILLINOIS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
APRIL 30, 2023

	General Fund	Motor Fuel Tax	Housing Rehabilitation Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	\$ 93,126	\$ -	\$ -	\$ -	\$ 93,126
Income tax receivable	12,453	-	-	-	12,453
Property tax receivable	6,406	-	-	-	6,406
Use tax receivable	4,212	-	-	-	4,212
Other receivables	307	-	-	-	307
<b>RESTRICTED ASSETS</b>					
Cash and cash equivalents	-	21,319	571	15,057	36,947
<b>TOTAL ASSETS</b>	<u>\$ 120,047</u>	<u>\$ 21,319</u>	<u>\$ 571</u>	<u>\$ 15,057</u>	<u>\$ 156,994</u>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES**

<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**DEFERRED INFLOWS OF RESOURCES**

Deferred property taxes	\$ 6,406	\$ -	\$ -	\$ -	\$ 6,406
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>\$ 6,406</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,406</u>

**FUND BALANCES**

Restricted	\$ -	\$ 21,319	\$ 571	\$ 15,057	\$ 36,947
Committed	-	-	-	-	-
Unassigned	113,641	-	-	-	113,641
<b>TOTAL FUND BALANCES</b>	<u>\$ 113,641</u>	<u>\$ 21,319</u>	<u>\$ 571</u>	<u>\$ 15,057</u>	<u>\$ 150,588</u>

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES**

	<u>\$ 120,047</u>	<u>\$ 21,319</u>	<u>\$ 571</u>	<u>\$ 15,057</u>	<u>\$ 156,994</u>
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SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

**CITY OF ORIENT, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED APRIL 30, 2023**

	General Fund	Motor Fuel Tax	Housing Rehabilitation Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Property taxes	\$ 6,005	\$ -	\$ -	\$ -	\$ 6,005
Sales taxes	4,361	-	-	-	4,361
Income taxes	50,323	-	-	-	50,323
Franchise and other similar taxes	17,864	-	-	-	17,864
Use taxes	14,409	-	-	-	14,409
Fees and fines	6,796	-	-	-	6,796
Motor fuel taxes	-	17,739	-	-	17,739
Charges for services	22,731	-	-	-	22,731
Interest income	75	35	-	1	111
Grant income	23,339	-	412,826	-	436,165
Miscellaneous	12,450	-	-	-	12,450
<b>TOTAL REVENUES</b>	<b>\$ 158,353</b>	<b>\$ 17,774</b>	<b>\$ 412,826</b>	<b>\$ 1</b>	<b>\$ 588,954</b>
<b>EXPENDITURES</b>					
General government	\$ 118,635	\$ -	\$ -	\$ -	\$ 118,635
Public safety	-	-	-	-	-
Public works	-	57,530	-	-	57,530
Capital outlay	-	-	-	-	-
Public welfare	-	-	412,826	-	412,826
<b>TOTAL EXPENDITURES</b>	<b>\$ 118,635</b>	<b>\$ 57,530</b>	<b>\$ 412,826</b>	<b>\$ -</b>	<b>\$ 588,991</b>
Excess (deficiency) of revenues over expenditures	\$ 39,718	\$ (39,756)	\$ -	\$ 1	\$ (37)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 39,718</b>	<b>\$ (39,756)</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ (37)</b>
<b>FUND BALANCES - BEGINNING</b>	<b>73,923</b>	<b>61,075</b>	<b>571</b>	<b>15,056</b>	<b>150,625</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 113,641</b>	<b>\$ 21,319</b>	<b>\$ 571</b>	<b>\$ 15,057</b>	<b>\$ 150,588</b>

SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

**CITY OF ORIENT, ILLINOIS**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**APRIL 30, 2023**

	Enterprise Funds		
	Sewer Operation & Maintenance Fund	Water Fund	Total
<b><u>ASSETS</u></b>			
<b><u>CURRENT ASSETS</u></b>			
Cash and cash equivalents	\$ 27,825	\$ 19,095	\$ 46,920
<b><u>TOTAL CURRENT ASSETS</u></b>	<b><u>\$ 27,825</u></b>	<b><u>\$ 19,095</u></b>	<b><u>\$ 46,920</u></b>
 <b><u>CAPITAL ASSETS</u></b>			
Infrastructure & Equipment	\$ 448,106	\$ 507,872	\$ 955,978
Less: accumulated depreciation	(251,175)	(307,757)	(558,932)
<b><u>TOTAL CAPITAL ASSETS</u></b>	<b><u>\$ 196,931</u></b>	<b><u>\$ 200,115</u></b>	<b><u>\$ 397,046</u></b>
 <b><u>TOTAL ASSETS</u></b>	<b><u>\$ 224,756</u></b>	<b><u>\$ 219,210</u></b>	<b><u>\$ 443,966</u></b>
 <b><u>LIABILITIES</u></b>			
<b><u>CURRENT LIABILITIES</u></b>			
Notes payable - short-term	\$ 2,141	\$ -	\$ 2,141
<b><u>TOTAL CURRENT LIABILITIES</u></b>	<b><u>\$ 2,141</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,141</u></b>
 <b><u>NON-CURRENT LIABILITIES</u></b>			
Notes payable - long-term	\$ 37,328	\$ -	\$ 37,328
<b><u>TOTAL NON-CURRENT LIABILITIES</u></b>	<b><u>\$ 37,328</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 37,328</u></b>
 <b><u>TOTAL LIABILITIES</u></b>	<b><u>\$ 39,469</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 39,469</u></b>
 <b><u>NET POSITION</u></b>			
Invested in capital assets, net of related debt	\$ 157,462	\$ 200,115	\$ 357,577
Unrestricted	27,825	19,095	46,920
<b><u>TOTAL NET POSITION</u></b>	<b><u>\$ 185,287</u></b>	<b><u>\$ 219,210</u></b>	<b><u>\$ 404,497</u></b>

SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

**CITY OF ORIENT, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED APRIL 30, 2023**

	<b>Enterprise Funds</b>		
	<b>Sewer Operation &amp; Maintenance Fund</b>	<b>Water Fund</b>	<b>Total</b>
<b><u>REVENUES</u></b>			
Charges for services			
Water receipts	\$ -	\$ 109,038	\$ 109,038
Sewer receipts	27,248	-	27,248
<b><u>TOTAL OPERATING REVENUES</u></b>	<b><u>\$ 27,248</u></b>	<b><u>\$ 109,038</u></b>	<b><u>\$ 136,286</u></b>
<b><u>OPERATING EXPENSES</u></b>			
Repairs and maintenance	\$ -	\$ 831	\$ 831
Other supplies and expenses	19,050	103,807	122,857
Insurance benefits and expenses	-	-	-
Depreciation	11,542	11,593	23,135
<b><u>TOTAL OPERATING EXPENSES</u></b>	<b><u>\$ 30,592</u></b>	<b><u>\$ 116,231</u></b>	<b><u>\$ 146,823</u></b>
<b><u>OPERATING INCOME (LOSS)</u></b>	<b><u>\$ (3,344)</u></b>	<b><u>\$ (7,193)</u></b>	<b><u>\$ (10,537)</u></b>
<b><u>NON-OPERATING REVENUES (EXPENSES)</u></b>			
Interest revenue	\$ 21	\$ 21	\$ 42
Interest expense	(411)	-	(411)
<b><u>TOTAL NON-OPERATING REVENUES (EXPENSES)</u></b>	<b><u>\$ (392)</u></b>	<b><u>\$ 21</u></b>	<b><u>\$ (371)</u></b>
<b><u>INCOME (LOSS) BEFORE TRANSFERS</u></b>	<b><u>(3,736)</u></b>	<b><u>\$ (7,172)</u></b>	<b><u>\$ (10,908)</u></b>
Transfers in	\$ -	\$ -	\$ -
Transfers out	-	-	-
<b><u>CHANGE IN NET POSITION</u></b>	<b><u>\$ (3,736)</u></b>	<b><u>\$ (7,172)</u></b>	<b><u>\$ (10,908)</u></b>
<b><u>TOTAL NET POSITION - BEGINNING</u></b>	<b><u>\$ 189,023</u></b>	<b><u>\$ 226,382</u></b>	<b><u>\$ 415,405</u></b>
<b><u>TOTAL NET POSITION - ENDING</u></b>	<b><u>\$ 185,287</u></b>	<b><u>\$ 219,210</u></b>	<b><u>\$ 404,497</u></b>

SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

**CITY OF ORIENT, ILLINOIS**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED APRIL 30, 2023**

	<b>Sewer Operation &amp; Maintenance Fund</b>	<b>Water Fund</b>	<b>Total</b>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>			
Receipts from customers	\$ 27,248	\$ 109,038	\$ 136,286
Decrease in accounts receivable	-	8,992	8,992
Payments for operating expenses	(19,051)	(104,638)	(123,689)
<b><u>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u></b>	<b><u>\$ 8,197</u></b>	<b><u>\$ 13,392</u></b>	<b><u>\$ 21,589</u></b>
<b><u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u></b>			
Operating subsidies and transfers from (to) other funds	\$ -	\$ -	\$ -
<b><u>NET CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u></b>			
Payment of interest and debt principal payments	\$ (7,761)	\$ -	\$ (7,761)
New debt issued	41,589	-	-
<b><u>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</u></b>	<b><u>\$ 33,828</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (7,761)</u></b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES:</u></b>			
Interest income	\$ 21	\$ 21	\$ 42
Acquisition of capital assets	(41,589)	-	-
<b><u>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</u></b>	<b><u>\$ (41,568)</u></b>	<b><u>\$ 21</u></b>	<b><u>\$ 42</u></b>
<b><u>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u></b>	<b><u>\$ 457</u></b>	<b><u>\$ 13,413</u></b>	<b><u>\$ 13,870</u></b>
<b><u>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</u></b>	<b><u>\$ 27,368</u></b>	<b><u>\$ 5,682</u></b>	<b><u>\$ 33,050</u></b>
<b><u>CASH AND CASH EQUIVALENTS AT END OF YEAR</u></b>	<b><u>\$ 27,825</u></b>	<b><u>\$ 19,095</u></b>	<b><u>\$ 46,920</u></b>
<b><u>CASH, INCLUDING TIME DEPOSITS</u></b>	<b><u>\$ 27,825</u></b>	<b><u>\$ 19,095</u></b>	<b><u>\$ 46,920</u></b>
<b><u>RESTRICTED CASH, INCLUDING TIME DEPOSITS</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b><u>TOTAL CASH AND CASH EQUIVALENTS, END OF YEAR</u></b>	<b><u>\$ 27,825</u></b>	<b><u>\$ 19,095</u></b>	<b><u>\$ 46,920</u></b>
<b><u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</u></b>			
Operating income (loss)	\$ (3,736)	\$ (7,172)	\$ (10,908)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	11,542	11,593	23,135
Change in assets and liabilities:			
(Increase) Decrease in accounts receivable	-	-	-
<b><u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u></b>	<b><u>\$ 7,806</u></b>	<b><u>\$ 4,421</u></b>	<b><u>\$ 12,227</u></b>

SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

**BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED April 30, 2023**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Orient, Illinois, (the “City”) operates under an elected Mayor/Trustee form of government. The City’s major operations include public works and general administrative services.

The City’s financial statements are prepared in accordance with generally accepted accounting principles (GAAP) established in the United States of America. The Government Accounting Standards Trustees (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Trustees (FASB) pronouncements and Accounting Principles Trustees (APB) opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

**The Financial Reporting Entity**

The City’s financial reporting entity comprises the following:

Primary Government: City of Orient, Illinois

In determining the financial reporting entity, the City complies with the provisions of Government Accounting Standards Trustees Statement No. 14, “The Financial Reporting Entity.” By definition a component unit is a unit which the City appoints a voting majority of the units Trustees; the City is either able to impose its will on the unit or a financial benefit or burden relationship exists. As of April 30, 2023, the City did not have any component units.

**Basis of Presentation**

**Government-wide Financial Statements** - The government-wide financial statements include the *Statement of Net Position* and the *Statement of Activities*. These statements display information about the reporting government as a whole. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Fiduciary funds or funds that are fiduciary in nature are not included in government-wide financial statements.

**Fund Financial Statements** - Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund balance, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories.

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (Continued)**

A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

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

The funds of the financial reporting entity are described below:

**Governmental Funds**

*General Fund* - The General Fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

*Special Revenue Funds* - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes.

**Proprietary Funds**

*Enterprise Funds* - Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the Water Operating & Maintenance and Water "Fund" as Enterprise Funds.

**Major and Nonmajor Funds**

The funds are further classified as major or nonmajor as follows:

**Major Governmental Funds**

- |                              |  |
|------------------------------|--|
| General Fund -               | Receipt and disbursement of City funds not otherwise required to be recorded separately. |
| Motor Fuel Tax Fund -        | Receipt and disbursement of motor fuel tax funds.  |
| Housing Rehabilitation Fund- | Receipt and disbursement of housing rehabilitation funds.                                |

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Nonmajor Special Revenue Funds**

- Police Vehicle Fund-              Receipt and disbursement of police vehicle fees.
- Parks and Recreation Fund-      Receipt and disbursement of parks and recreation income.

**Major Proprietary Funds**

- Sewer Operation  
& Maintenance Fund-              Accounts for activities of the public trust in providing water and wastewater services to the public by recording enterprise fund receipts.
- Water Fund-                              Accounts for activities of the public trust in providing water and wastewater services to the public by recording enterprise fund receipts.

**Measurement Focus, Basis of Accounting, and Estimates**

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

**Measurement Focus**

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item 2 below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in Net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as Net position.

**Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or 60 days thereafter to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

**Estimates**

Preparing the City’s financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect 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 expenses during the reporting period. These estimates may be adjusted as more current information becomes available, and any adjustment could be significant.

**Assets, Liabilities, and Equity**

**Cash and Cash Equivalents**

*Governmental and Proprietary Funds* - For the purpose of the Statement of Net Position, “cash” includes all demand, savings accounts, and certificates of deposit of the City. For the purpose of the proprietary fund Statement of Cash Flows, “cash and cash equivalents” includes all demand, savings accounts, and certificates of deposit. Generally, the City’s investing activities are managed under the custody of the City Treasurer. City funds may be invested in those instruments authorized by the Public Funds Investment Act of the Illinois Compiled Statutes, Chapter 30, Section 235/2. The City does not have a formal investment policy.

**Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions which will not be reimbursed are classified as interfund transfers. Short-term interfund loans are reported as “interfund receivables and payables.” In the government-wide statements, the interfund activity is eliminated by offsetting each other.

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Receivables**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include state income and sales taxes. Business-type activities report fees charged for utility services provided to customers as their major receivables. Generally accepted accounting principles require that the allowance method be used to recognize bad debts. The City has elected to not record an allowance for uncollectible water and sewer accounts. As the new occupant would be responsible for any payments not made by the prior occupant, there would be no uncollectible accounts.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax and other similar intergovernmental revenues since they are usually both measurable and available. Interest and investment earnings are recorded when earned only if paid within sixty days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility services provided accounts receivable compose the majority of proprietary fund receivables.

**Capital Assets**

The accounting treatment for property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

**Government-wide Statements**

In the government-wide financial statements, fixed assets are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation. The City does not have a formal capitalization policy. For financial statement purposes for the fiscal year ended April 30, 2023, capital asset purchases of \$500 or more have been capitalized.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. The City does not have a formal depreciation policy. For financial statement purposes, depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

- |                  |          |                                   |              |
|------------------|----------|-----------------------------------|--------------|
| - Buildings      | 50 years | - Utility system and improvements | 20 years     |
| - Infrastructure | 30 years | - Machinery and equipment         | 3 - 15 years |

**Fund Financial Statements**

In the fund financial statements, capital assets used in proprietary fund operations are accounted for in the same manner as the government-wide statements.

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Restricted Assets**

Restricted assets include cash of the governmental and proprietary funds that are legally restricted as to its use. The governmental funds restricted assets are from the Motor Fuel Tax Fund and are to be used for road maintenance. The primary restricted assets of the proprietary funds are related to the waterworks and sewerage revenue bonds for the Water "Fund".

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 needed.

**Long-Term Debt**

The accounting treatment for long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt that is to be repaid from governmental and business-type resources is included as a liability in the government-wide statements. The long-term debt consists primarily of bonds.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The accounting treatment for the long-term debt in proprietary fund is the same in the fund statements as it is in the government-wide statements.

**Equity Classifications**

**Government-wide Statements**

Equity is classified as Net Position and displayed in three components:

**Invested in capital assets, net of related debt** – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any debt that is attributable to the acquisition, construction, or improvement of those assets.

**Restricted Net Position** – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

**Unrestricted Net Position** – All other assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

**Fund Statements**

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

Proprietary fund equity is classified the same as in the government-wide statements.

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenues, Expenditures, and Expenses**

**Property Tax**

The City's property tax is levied each year before the last Tuesday in December on all taxable real property located in the City upon the passing of the City's budget, appropriations ordinance and tax levy. Property taxes are levied based on the assessed value of property as listed as of January 1 of the previous year. Assessed values are an approximation of market value. The property taxes attach as an enforceable lien on property as of January 1. The levy for 2022 payable in 2023 was filed with the Franklin County Clerk's Office by the last Tuesday in December of 2022.

The County (Franklin County, Illinois) extends, bills and collects the City's property taxes. Residents may pay property taxes to the County in two installments. The first installment was due on or about September 1, 2023 and the second installment was due on or about October 1, 2023. The property tax is paid to the City by the County as statute permits, which is generally shortly after the installment due dates. A receivable for property taxes is recorded as of April 30, 2023 as the City has an enforceable legal claim to collect these taxes. The property taxes are also recorded as deferred revenue as these taxes are budgeted to be used by the City in the subsequent fiscal year.

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

**Expenditures/Expenses**

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

**Governmental Funds** – by character

**Proprietary Fund** – by operating and non-operating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

**Operating Revenues and Expenses**

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Subsequent Events**

Subsequent events were evaluated through November 19, 2023 which is the date the financial statements were available to be issued.

**Interfund Transfers**

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

**NOTE 2      STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

By its nature as a local government unit, the City is subject to various federal, state, and local laws and contractual regulations. An analysis of the City’s compliance with significant laws and regulations and demonstration of its stewardship over City resources follows.

**Deposits and Investments Laws and Regulations**

In accordance with state law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State of Illinois or political subdivision debt obligations, or surety bonds. As required by 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the City must have a written collateral agreement approved by the Trustees of Directors or loan committee.

**Revenue Restrictions**

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

**Revenue Source**

**Legal Restrictions of Use**

Sewer Operation & Maintenance Fund

Payment of water/sewer system expenses & loan payments

Water “Fund”

Utility operations

Motor Fuel Tax

Road maintenance

Housing Rehabilitation Fund

Disbursement of grant proceeds

**Debt Restrictions and Covenants**

**General Obligation Debt**

Chapter 65, Act 5 of the Illinois Municipal Code, Article 8, Finance Division 5 limits the amount of outstanding general obligation bonded debt of the City for non-utility or non-street purposes to no

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 2      STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

more than 8.625 percent of net assessed valuation. For the year ended April 30, 2023, the City had no general obligation debt.

**Other Long-Term Debt**

For the year ended April 30, 2023, the City maintains other long-term debt as described in Note #4.

**NOTE 3      DETAILED NOTE ON TRANSACTION CLASSES/ACCOUNTS**

The following note presents detailed information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues, and expenditures/expenses.

**Cash and Cash Equivalents**

As of April 30, 2023, the cumulative *carrying amount* of the City's cash and cash equivalent deposits with local financial institutions was \$140,046. The cumulative *bank balance* of these cash and cash equivalent deposits was \$140,046. The amounts that comprise these cash balances are included in the governmental, proprietary and fiduciary funds. The deposits are categorized in accordance with risk factors created by governmental reporting standards to give an indication of the level of risk assumed by the City at fiscal year-end. The following further categorizes the deposits held as of April 30, 2023, by risk category and by fund type.

**Interest Rate Risk**

As a means of limiting its exposure to fair value losses arising from rising interest rates, it is the City's policy, generally, to limit investment maturities to 180 days or less. Consequently, repurchase agreements, money market accounts, and certificates of deposit are classified as cash equivalents.

**Credit Risk**

In compliance with Illinois State law, City investments are limited to obligations of the United States of America, obligations guaranteed by the United States of America where the payment of principal and interest are guaranteed by the United States of America, obligations of the State of Illinois or any other state, or any political subdivision or agency of the state of Illinois or of any other state, whether the interest earned thereon is taxable or tax-exempt under federal law, special time deposit accounts, and certificates of deposit.

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of April 30, 2023, the City's bank balances were classified as follows:

<b><u>Governmental and Proprietary Funds</u></b>	<b>Carrying Amount</b>	<b>Bank Balance</b>
FDIC - Insured	\$ 176,993	\$ 176,993
Collateralized	-	-
Uninsured and uncollateralized	-	-
<b>Total</b>	<b>\$ 176,993</b>	<b>\$ 176,993</b>

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 3 DETAILED NOTE ON TRANSACTION CLASSES/ACCOUNTS**  
**(CONTINUED)**

**Concentration of Credit Risk**

To promote competition in rates and service cost, and to limit the risk of institutional failure, City deposits and investments may be placed with multiple institutions.

**Restricted Assets**

Restricted assets consist of cash in bank that is for customer deposits in various funds. Other restricted assets are restricted by fund purpose. Those other restricted funds consist of the funds listed below. These restricted cash accounts are included in noncurrent assets on the Statement of Net Position.

**Motor Fuel Tax Fund** – The monies in this fund shall be used to make repairs and maintain the City’s roads.

**Parks & Recreation Fund** – The funds held in this account are to be used to pay for Trustee approved capital or fixed asset items.

**Housing Rehabilitation Fund** – The funds held in this account are to be used to pay for grant approved disbursements.

**Police Vehicle Fund** – The funds held in this account are to be used to pay for police vehicle expenses.

**Water Fund** – The funds held in the restricted cash accounts are to be used to satisfy current bonding reserve accounts for depreciation, sinking fund requirements, and bond and interest reserves.

**Sewer Operation & Maintenance Fund** – The funds held in the restricted cash accounts are to be used to satisfy current bonding reserve accounts for depreciation, sinking fund requirements, and bond and interest reserves.

Restricted cash as of April 30, 2023, is as follows:

<b><u>Governmental Funds</u></b>	
Motor Fuel Tax Fund	\$ 21,319
Housing Rehabilitation Fund	571
Parks & Recreation Fund	13,705
Police Vehicle Fund	1,352
	<u>\$ 36,947</u>

**Receivables**

Accounts receivable related to business-type activities consist of utilities provided to customers. Receivables related to governmental activities consist of property taxes, state income, personal property replacement tax, motor fuel tax, sales/use taxes, fines and fees of which all is due from other governments.

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 3     DETAILED NOTE ON TRANSACTION CLASSES/ACCOUNTS**  
**(CONTINUED)**

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
Sales Tax Receivable	\$ -	\$ -	\$ -
Income Tax Receivable	10,381	-	10,381
Use Tax Receivable	2,070	-	2,070
Property Tax Receivable	5,410	-	5,410
Use Tax Receivable	2,070	-	2,070
<b><u>Total Receivables</u></b>	<b><u>\$ 19,931</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 19,931</u></b>

**Capital Assets**

Capital asset activity for the year ended April 30, 2023, was as follows:

<b><u>Governmental Activities:</u></b>	<b><u>APRIL 30, 2021</u></b>	<b><u>ADDITIONS</u></b>	<b><u>DISPOSALS</u></b>	<b><u>APRIL 30, 2022</u></b>
<i>Capital assets not being depreciated:</i>				
Land	\$ 10,000	\$ -	\$ -	\$ 10,000
<b><u>Total capital assets not being depreciated:</u></b>	<b><u>\$ 10,000</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 10,000</u></b>
<i>Capital assets being depreciated:</i>				
Buildings & Improvements	\$ 111,880	\$ -	\$ -	\$ 111,880
Recreation Equipment	67,812	-	-	67,812
Equipment	41,799	-	-	41,799
<b><u>Total capital assets being depreciated:</u></b>	<b><u>\$ 221,491</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 221,491</u></b>
<i>Less accumulated depreciation for:</i>				
Buildings & Improvements	\$ 52,023	\$ 3,344	\$ -	\$ 55,367
Recreation Equipment	19,215	3,391	-	22,606
Equipment	27,504	4,971	-	32,475
<b><u>Total accumulated depreciation:</u></b>	<b><u>\$ 98,742</u></b>	<b><u>\$ 11,706</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 110,448</u></b>
<b><u>Total capital assets being depreciated, net:</u></b>	<b><u>\$ 122,749</u></b>	<b><u>\$ (11,706)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 111,043</u></b>
<b><u>Governmental activities capital assets, net:</u></b>	<b><u>\$ 132,749</u></b>	<b><u>\$ (11,706)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 121,043</u></b>

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 3     DETAILED NOTE ON TRANSACTION CLASSES/ACCOUNTS**  
**(CONTINUED)**

<b>Business-Type Activities:</b>	<b>APRIL 30, 2022</b>	<b>ADDITIONS</b>	<b>DISPOSALS</b>	<b>APRIL 30, 2023</b>
<i>Capital assets not being depreciated:</i>				
Land	\$ -	\$ -	\$ -	\$ -
<i>Total capital assets not being depreciated:</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Capital assets being depreciated:</i>				
Infrastructure	\$ 840,757	\$ 41,589	\$ -	\$ 882,346
Improvements	12,630	-	-	12,630
Equipment	52,362	-	-	52,362
<i>Total capital assets being depreciated:</i>	<u>\$ 905,749</u>	<u>\$ 41,589</u>	<u>\$ -</u>	<u>\$ 947,338</u>
<i>Less accumulated depreciation for:</i>				
Infrastructure	\$ 481,352	\$ 22,819	\$ -	\$ 504,171
Improvements	1,656	315	-	1,971
Equipment	44,150	-	-	44,150
<i>Total accumulated depreciation:</i>	<u>\$ 527,158</u>	<u>\$ 23,134</u>	<u>\$ -</u>	<u>\$ 550,292</u>
<i>Total capital assets being depreciated, net:</i>	<u>\$ 378,591</u>	<u>\$ 18,455</u>	<u>\$ -</u>	<u>\$ 397,046</u>
<i>Business-type activities capital assets, net:</i>	<u>\$ 378,591</u>	<u>\$ 18,455</u>	<u>\$ -</u>	<u>\$ 397,046</u>
<b>Combined Activities:</b>	<b>APRIL 30, 2022</b>	<b>ADDITIONS</b>	<b>DISPOSALS</b>	<b>APRIL 30, 2023</b>
<i>Capital assets not being depreciated:</i>				
Land	\$ 10,000	\$ -	\$ -	\$ 10,000
<i>Total capital assets not being depreciated:</i>	<u>\$ 10,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000</u>
<i>Capital assets being depreciated:</i>				
Buildings	\$ 179,689	\$ -	\$ -	\$ 179,689
Improvements	12,630	-	-	12,630
Equipment	101,268	-	-	101,268
Infrastructure	840,757	41,589	-	882,346
<i>Total capital assets being depreciated:</i>	<u>\$ 1,134,344</u>	<u>\$ 41,589</u>	<u>\$ -</u>	<u>\$ 1,175,933</u>

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 3      DETAILED NOTE ON TRANSACTION CLASSES/ACCOUNTS**  
**(CONTINUED)**

*Less accumulated depreciation for:*

Buildings	\$ 61,063	\$ 3,344	\$ -	\$ 64,407
Improvements	1,656	315	-	1,971
Equipment	88,933	8,362	-	97,295
Infrastructure	481,352	22,819	-	504,171
<i>Total accumulated depreciation:</i>	<u>\$ 633,004</u>	<u>\$ 34,840</u>	<u>\$ -</u>	<u>\$ 667,844</u>
<i>Total capital assets being depreciated, net:</i>	<u>\$ 501,340</u>	<u>\$ 6,749</u>	<u>\$ -</u>	<u>\$ 508,089</u>
<i>Combined activities capital assets, net:</i>	<u>\$ 511,340</u>	<u>\$ 6,749</u>	<u>\$ -</u>	<u>\$ 518,089</u>

Depreciation expense was charged to functions as follows:

Governmental Funds:

General Government	\$ 11,706
<u>Total depreciation for governmental activities</u>	<u>\$ 11,706</u>

Proprietary Funds:

Sewer Operations & Maintenance	\$ 11,541
Water Fund	11,593
<u>Total depreciation for proprietary funds</u>	<u>\$ 23,134</u>

<u>Total Depreciation</u>	<u>\$ 34,840</u>
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**NOTE 4      LONG-TERM DEBT**

The following is a summary of transactions for debt for the fiscal year ended April 30, 2023:

Loan Payable 1

Southern Illinois Bank  
Purpose of Loan: Tractor Purchase  
Date of Loan: February, 2018  
Interest Rate: 3.95%  
Length of Loan: 60 months

	April 30, 2022	Incurred (Paid)	April 30, 2023	Amount Due in One Year
	\$ 5,230	\$ (5,230)	\$ -	\$ -
<u>Total</u>	<u>\$ 5,230</u>	<u>\$ (5,230)</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 4      LONG-TERM DEBT (CONTINUED)**

Loan Payable 2

Illinois EPA

Purpose of Loan: Pump Station Rehabilitation Loan

Date of Loan: July 2021

Interest Rate: 1.00

Length of Loan: 20 Years

	April 30, 2022	Incurred (Paid)	April 30, 2023	Amount Due in One Year
	\$ 41,589	\$ (2,120)	\$ 39,469	\$ 2,120
<u>Total</u>	<u>\$ 41,589</u>	<u>\$ (2,120)</u>	<u>\$ 39,469</u>	<u>\$ 2,120</u>

Following is a summary of the loan principal maturities and interest requirements to maturity by year:

<u>Year(s) Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
4/30/2023	\$ 2,120	\$ 395	\$ 2,515
4/30/2024	2,120	373	2,493
4/30/2025	2,120	352	2,472
4/30/2026	2,120	331	2,451
4/30/2027	2,120	310	2,430
4/30/2028 - 2032	10,600	289	10,889
4/30/2023 - 2027	10,600	183	10,783
4/30/2028 - 2029	7,669	77	7,746
	<u>\$ 39,469</u>	<u>\$ 395</u>	<u>\$ 39,864</u>

**NOTE 5      CONCENTRATION OF REVENUE AND GEOGRAPHIC REGION**

The City's operations are subject to various economic risks and uncertainties related to the economic condition, such as commercial/industrial activity and employment factors, of the geographic region in which it is located.

**NOTE 6      RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City manages these various risks of loss as follows:

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 6 RISK MANAGEMENT (CONCLUDED)**

<b><u>TYPE OF LOSS</u></b>	<b><u>METHOD MANAGED</u></b>	<b><u>RISK RETAINED</u></b>
a. Torts, errors and omissions, health and life and wrongful acts	Purchased insurance and public official bond to cover losses	(1)
b. Injuries to employees	Purchased insurance to cover losses (workers' compensations)	(1)
c. Physical property loss and natural disasters	Purchased insurance to cover losses	(1)

Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this insurance coverage in recent fiscal years.

**Liability Protection Plan**

The basic insurance and public official bond agreements cover claims against the City for all government functions, utilities, and services covered in the policy. These include bodily injury, property damage, wrongful acts, personal injury, and related torts under the State tort claims law and federal civil rights laws.

All public officials, employees, services, and municipal functions are covered unless they are specifically listed as exclusions in the policy.

**NOTE 7 CONTINGENCIES**

**Grant Program Involvement**

In the normal course of operations, the City participates in various federal or state grant/loan programs from year to year. The grant/loan programs are often subject to additional audits by agents of the granting or loaning agency, the purpose of that is to ensure compliance with the specific conditions of the grant or loan. Any liability for reimbursement that may arise as a result of these audits cannot be reasonably determined at this time.

**Natural Disasters**

Possible natural disasters may possibly affect the City's water and sewer operations. The City does carry insurance to help defray the replacement costs incurred in these situations.

**Litigation**

The City is unaware of any material asserted or unasserted loss claims as of April 30, 2023.

**NOTE 8 INTERFUND TRANSFERS**

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due,

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 8 INTERFUND TRANSFERS (CONCLUDED)**

and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers made and the purposes of permanently transferring funds to support current reserves and expenses.

**NOTE 9 DUE TO AND DUE FROM OTHER FUNDS**

There were no due to or due from other funds as of April 30, 2023

**NOTE 10 DEPENDENCE ON MAJOR CUSTOMERS**

No one customer comprises 10 percent or more of the total water and sewer revenue,

**NOTE 11 RESTRICTED NET POSITION, COMMITTED FUND BALANCES, RESTRICTED CASH, AND STABILIZATION AMOUNTS**

For financial statement reporting purposes, the City of Orient, Illinois has implemented GASB #54, *Fund Balance Reporting and Governmental Fund Type Definitions* for its governmental funds financial statement presentation. Under GASB #54, the following fund balance types exist:

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

**Restricted** - This fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

**Committed** - This fund balance classification includes amounts that may be used only for the specific purposes determined by a formal action of the Trustees.

**Assigned** - This fund balance classification is intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.

**Unassigned** - This fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Assignments of fund balances are made by the City Trustees.

For the classification of Governmental Fund balances, the City considers an expenditure to be made from the most restrictive first when more than one classification is available.

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**APRIL 30, 2023**

**NOTE 11 RESTRICTED NET POSITION, COMMITTED FUND BALANCES,  
RESTRICTED CASH, AND STABILIZATION AMOUNTS**

**Stabilization Amounts**

The authority for establishing stabilization arrangements: The City Trustees can, by resolution, establish a funding arrangement for stabilization in the event of an emergency situation or when revenue shortages or budgetary imbalances occur. The City Trustees is currently reviewing the establishment of a stabilization fund.

- Requirements for additions to the stabilization amount: At this time, there is no requirement for additions to any stabilization amounts.
- Conditions under which stabilization amounts may be spent: At this time, there are no formal stabilization amounts adopted by the Trustees.
- Stabilization balance: At this time, there are no formal stabilization amounts adopted by the Trustees.
- Minimum Fund Balance Policies: At this time, there are no formal stabilization amounts adopted by the Trustees.

**NOTE 12 DEFERRED INFLOWS OF RESOURCES**

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. Deferred inflows of resources reported in the governmental funds for unavailable revenues include \$6,406 for the General Fund.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF ORIENT, ILLINOIS**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE YEAR ENDED APRIL 30, 2023**

	<u>BUDGETED AMOUNTS</u>		<u>ACUTAL AMOUNTS, BUDGETARY BASIS</u>	<u>BUDGET TO ACTUAL VARIANCES</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b><u>REVENUES</u></b>				
Property taxes	\$ 6,000	\$ 6,000	\$ 6,005	\$ 5
Replacement Tax	500	500	-	(500)
Sales taxes	6,000	6,000	4,361	(1,639)
Income taxes	50,000	50,000	50,323	323
Franchise and other similar taxes	18,000	18,000	17,864	(136)
Use taxes	15,000	15,000	14,409	(591)
Fees and fines	7,000	7,000	6,796	(204)
Charges for services	23,000	23,000	22,731	(269)
Interest	100	100	75	(25)
Federal grants	-	-	23,339	23,339
Miscellaneous	13,000	13,000	12,450	
<b><u>TOTAL REVENUES</u></b>	<b><u>\$ 138,600</u></b>	<b><u>\$ 138,600</u></b>	<b><u>\$ 158,353</u></b>	<b><u>\$ 20,303</u></b>
<b><u>EXPENDITURES</u></b>				
General government	\$ 120,000	\$ 120,000	\$ 118,635	\$ 1,365
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>\$ 120,000</u></b>	<b><u>\$ 120,000</u></b>	<b><u>\$ 118,635</u></b>	<b><u>\$ 1,365</u></b>
Excess (deficiency) of revenues over expenditures	\$ 18,600	\$ 18,600	\$ 39,718	\$ 21,668
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
<b><u>TOTAL OTHER FINANCING SOURCES (USES)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b><u>NET CHANGE IN FUND BALANCE</u></b>	<b><u>\$ 18,600</u></b>	<b><u>\$ 18,600</u></b>	<b><u>\$ 39,718</u></b>	<b><u>\$ 21,668</u></b>
<b><u>FUND BALANCE - BEGINNING</u></b>			\$ 73,923	
<b><u>ACCRUAL ADJUSTMENTS</u></b>			-	
<b><u>FUND BALANCE - ENDING</u></b>			<b><u>\$ 113,641</u></b>	

SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

**CITY OF ORIENT, ILLINOIS**  
**BUDGETARY COMPARISON SCHEDULE**  
**MOTOR FUEL TAX FUND**  
**FOR THE YEAR ENDED APRIL 30, 2023**

	<b>BUDGETED AMOUNTS</b>		<b>ACUTAL AMOUNTS, BUDGETARY BASIS</b>	<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b><u>REVENUES</u></b>				
Income	\$ 24,500	\$ 24,500	17,739	\$ (6,761)
Miscellaneous	65	65	35	(30)
<b><u>TOTAL REVENUES</u></b>	<b><u>\$ 24,565</u></b>	<b><u>\$ 24,565</u></b>	<b><u>\$ 17,774</u></b>	<b><u>\$ (6,791)</u></b>
<b><u>EXPENDITURES</u></b>				
Transportation	\$ 58,000	\$ 58,000	57,530	\$ 470
Capital Outlay	-	-	-	-
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>\$ 58,000</u></b>	<b><u>\$ 58,000</u></b>	<b><u>\$ 57,530</u></b>	<b><u>\$ 470</u></b>
Excess (deficiency) of revenues over expenditures	<u>\$ (33,435)</u>	<u>\$ (33,435)</u>	<u>\$ (39,756)</u>	<u>\$ (6,321)</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
<b><u>TOTAL OTHER FINANCING SOURCES (USES)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ (39,756)</u></b>	<b><u>\$ (39,756)</u></b>
<b><u>FUND BALANCES - BEGINNING</u></b>			\$ 61,075	
<b><u>ACCRUAL ADJUSTMENTS</u></b>			-	
<b><u>FUND BALANCES - ENDING</u></b>			<b><u>\$ 21,319</u></b>	

SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

**CITY OF ORIENT, ILLINOIS**  
**BUDGETARY COMPARISON SCHEDULE**  
**HOUSING REHABILITATION FUND**  
**FOR THE YEAR ENDED APRIL 30, 2023**

	<b>BUDGETED AMOUNTS</b>		<b>ACUTAL AMOUNTS, BUDGETARY BASIS</b>	<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b><u>REVENUES</u></b>				
Income	\$ -	\$ -	\$ -	\$ -
Federal grants	415,000	415,000.00	412,826	(2,174)
Miscellaneous	-	-	-	-
<b><u>TOTAL REVENUES</u></b>	<b><u>\$ 415,000</u></b>	<b><u>\$ 415,000</u></b>	<b><u>\$ 412,826</u></b>	<b><u>\$ (2,174)</u></b>
<b><u>EXPENDITURES</u></b>				
General and Administrative	\$ -	\$ -	\$ -	\$ -
Public Welfare	415,000	415,000	412,826	(2,174)
<b><u>TOTAL EXPENDITURES</u></b>	<b><u>\$ 415,000</u></b>	<b><u>\$ 415,000</u></b>	<b><u>\$ 412,826</u></b>	<b><u>\$ (2,174)</u></b>
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ -	\$ (4,348)
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
<b><u>TOTAL OTHER FINANCING SOURCES (USES)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b><u>NET CHANGE IN FUND BALANCES</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b><u>FUND BALANCES - BEGINNING</u></b>			\$ 571	
<b><u>ACCRUAL ADJUSTMENTS</u></b>			\$ -	
<b><u>FUND BALANCES - ENDING</u></b>			<b><u>\$ 571</u></b>	

SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

**CITY OF ORIENT, ILLINOIS**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED APRIL 30, 2023**

**NOTE 1 EXPLANATION OF BUDGETARY BASIS OF ACCOUNTING**

The City's policy is to prepare the annual appropriations ordinance on a basis that does not include encumbrances as the equivalent of expenditures. The Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds, therefore, does not include any encumbrances in accordance with accounting principles generally accepted in the United States of America for the modified accrual basis of accounting.

**NOTE 2 EXPLANATION OF BUDGETARY PROCESS**

The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

The appropriations ordinance is legally enacted by the Board.

The appropriations ordinance may be amended by the Trustees.

Appropriations are adopted on the cash basis of accounting.

Appropriations lapse at the end of the fiscal year.

SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

**OTHER SUPPLEMENTARY INFORMATION**



**Meyer & Associates CPA, LLC**  
CERTIFIED PUBLIC ACCOUNTANT

-36-

1800 W. Boulevard, Suite A

Marion, IL 62959

(618) 993-5553


Fax: (618) 993-3394

kmeyer@meyercpa.com

**INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION**

We have audited the financial statement of the City of Orient, Illinois as of and for the year ended April 30, 2023 and our report thereon dates December 7, 2023, which expressed an unmodified opinion on those financial statements, appears on page 1 of the audit report. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole.

The following schedule is prepared for the purpose of additional analysis and is not a required part of the financial statements. The Consolidated Year-End Financial Report is required by the Grant Accountability and Transparency Act (GATA). 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

  
Meyer & Associates CPA, LLC  
Certified Public Accountant  
December 7, 2023

**CITY OF ORIENT, ILLINOIS**  
**CONSOLIDATED YEAR END FINANCIAL REPORT**  
**FOR THE YEAR ENDED APRIL 30, 2023**

<u>CSFA#</u>	<u>Program Name</u>	<u>State Amount</u>	<u>Federal Amount</u>	<u>Other Amount</u>	<u>Total</u>
494-00-1488	Motor Fuel Tax Program	\$ 57,530	\$ -	\$ -	\$ 57,530
420-75-1633	Community Development Block Grant Housing Rehabilitation Program	\$ -	\$ 412,826	\$ -	\$ 412,826
	Total	<u>\$ 57,530</u>	<u>\$ 412,826</u>	<u>\$ -</u>	<u>\$ 470,356</u>

There were no unallocated costs.

SEE AUDITOR'S REPORT AND NOTES TO FINANCIAL STATEMENTS.

CITY OF ORIENT, ILLINOIS  
COMBINING BALANCE SHEET  
OTHER NONMAJOR GOVERNMENTAL FUNDS  
APRIL 30, 2023

	<u>Parks and Recreation Fund</u>	<u>Police Vehicle Fund</u>	<u>Nonmajor Governmental Funds</u>
<b>ASSETS</b>			
<b><u>CURRENT ASSETS</u></b>			
Other assets	\$ -	\$ -	\$ -
<b><u>RESTRICTED ASSETS</u></b>			
Cash and cash equivalents	13,705	1,351	15,056
<b><u>TOTAL ASSETS</u></b>	<u>\$ 13,705</u>	<u>\$ 1,351</u>	<u>\$ 15,056</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
Accounts payable	\$ -	\$ -	\$ -
<b><u>TOTAL LIABILITIES</u></b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>FUND BALANCES</u></b>			
Restricted	13,705	1,352	15,057
Unassigned	-	-	-
Total fund balances	<u>\$ 13,705</u>	<u>\$ 1,352</u>	<u>\$ 15,057</u>
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<u>\$ 13,705</u>	<u>\$ 1,352</u>	<u>\$ 15,057</u>

SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

CITY OF ORIENT, ILLINOIS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
OTHER NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED APRIL 30, 2023

	<u>Housing Rehabilitation Fund</u>	<u>Police Vehicle Fund</u>	<u>Nonmajor Governmental Funds</u>
<u>REVENUES</u>			
Intergovernmental receipts	\$ -	\$ -	-
Charges for services	-	-	-
Property taxes	-	-	-
Interest income	-	1	1
Grant proceeds	-	-	-
Miscellaneous	-	-	-
<u>TOTAL REVENUES</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
<u>EXPENDITURES</u>			
General Government	\$ -	\$ -	-
Public Works	-	-	-
Public Welfare	-	-	-
<u>TOTAL EXPENDITURES</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues over expenditures	-	1	1
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers in	\$ -	\$ -	-
Transfers out	-	-	-
<u>TOTAL OTHER FINANCING SOURCES (USES)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
<u>FUND BALANCES - BEGINNING</u>	<u>13,705</u>	<u>\$ 1,351</u>	<u>\$ 15,056</u>
<u>FUND BALANCES - ENDING</u>	<u>\$ 13,705</u>	<u>\$ 1,352</u>	<u>\$ 15,057</u>

SEE ACCOMPANYING AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.

**OTHER INFORMATION**

**CITY OF ORIENT, ILLINOIS**  
**LEGAL DEBT MARGIN**  
**FOR THE YEAR ENDED APRIL 30, 2023**

*Assessed Valuation (Calendar Year 2022 Payable 2023)	\$	1,464,250
**Limitation on Indebtedness Per Chapter 65 Municipalities, Act 5. Illinois Municipal Code, Article 8. Finance Division 5-1. Debit Limits in Municipalities of Less Than \$500,000. Illinois Compiled Statutes Expressed as a Percentage		8.625%
<b><u>LEGAL DEBT LIMITATION</u></b>	\$	126,292
Less: Qualified Indebtedness - April 30, 2023		(39,469)
<b><u>LEGAL DEBT MARGIN</u></b>	\$	86,823

*\*(Source: Franklin County Tax Collector)*

*\*\* (Source: Illinois Compiled Statutes)*

The indebtedness limitation set forth in Section 5.1 shall not apply to any indebtedness of any municipality incurred to finance the cost of the acquisition, construction or improvement of water or wastewater treatment facilities mandated by an enforceable compliance schedule developed in connection with the federal Clean Water Act or a compliance order issued by the United States Environmental Protection Agency or the Illinois Pollution Control Board.

SEE ACCOMPANYNG AUDITORS' REPORT AND NOTES TO FINANCIAL STATEMENTS.