CITY OF HOMETOWN, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
APRIL 30, 2025

John Kasperek Co.
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF HOMETOWN, ILLINOIS
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INTRODUCTORY SECTION

Frank Finnegan, Mayor

CITY COUNCIL

Donna Grochowski

Art Rivas

Brian Barnhouse

Melissa Casey Weber

Robert Reynolds

John Forney

Gary Dolan

Luci Kurysz

Glen Zak

Tom Brookman

ADMINISTRATION

Christina Walker, City Clerk

Salvatore A. Roti, Treasurer

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Hometown, Illinois
Hometown, Illinois

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Hometown, Illinois (the City) as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City as of April 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Adjustments and Restatements

As discussed in Note 11 to the financial statements, the City has restated the fund balances of the General Fund, Motor Fuel Tax Fund and Nonmajor Governmental Funds and net position of the Governmental Activities, Business-type Activities and Discretely Presented Component Unit as of May 1, 2024 to reflect a change within the reporting entity occurring during the current fiscal year and to correct the effects of errors in previously issued financial statements. Our opinions are not modified with respect to this matter.

Changes in Accounting Principles

As discussed in Note 1 to the financial statements, the City has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections* and Statement No. 101, *Compensated Absences* effective May 1, 2024. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules, as listed in the table of contents, and the Illinois Grant Accountability and Transparency Act Consolidated Year-End Financial Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules and the Illinois Grant Accountability and Transparency Act Consolidated Year-End Financial Report 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 comprises the introductory section and other information, as listed in the table of contents, 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.

John Kasperek Co., Inc.

Calumet City, Illinois
December 19, 2025

The City of Hometown (the City) offers readers of its financial statements this narrative overview and analysis of the financial activity of the City for the year ended April 30, 2025. Please read it in conjunction with the City's financial statements.

Financial Highlights

- The City's overall net position increased as a result of this year's operations. Net position of governmental activities increased by $672,388, and net position of the business-type activities increased by $45,397.
- During the year, government-wide revenues for the primary government totaled $6,433,628, while expenses totaled $5,715,893, resulting in an increase to net position of $717,735.
- The City's net position totaled $9,876,180 on April 30, 2025, which includes $5,899,387 net investment in capital assets, $567,092 subject to external restrictions, and unrestricted net position of $3,409,701.
- The General Fund reported a net change in fund balance this year of $43,152, resulting in a fund balance of $1,209,203.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The statement of net position reports information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between them 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. Consideration of other nonfinancial factors, such as changes in the City's property tax base and the condition of the City's infrastructure, is needed to assess the overall health of the City.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes). The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all, or a significant portion, of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, and culture and recreation. The business-type activities of the City include water and sewer utilities.

The government-wide financial statements include not only the City itself (known as the primary government), but also a component unit, the Hometown Public Library. Financial information for the component unit is reported separately from the financial information presented for the primary government. Separately issued financial statements are not available for the component unit.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government'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 this comparison between governmental funds and governmental activities.

The City maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, and Motor Fuel Tax Fund, both of which are considered to be major funds. Data from the last governmental fund is reported under the nonmajor governmental fund column in the balance sheet and statement of revenues, expenditures and changes in fund balances.

The City adopts an annual appropriated budget for the General Fund. A budgetary comparison schedule for this fund has been provided to demonstrate compliance with this budget.

Proprietary Funds

The City maintains one enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its water and sewer utility.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Water Operations and Maintenance Fund, which is considered to be a major fund of the City.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information, Supplementary Information and Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's IMRF pension liability. The required supplementary information also contains the budgetary comparison schedules for the General Fund and major special revenue funds which have legally adopted budgets. Immediately following the required supplementary information are the combining and individual fund financial statements and schedules and Illinois Grant Accountability and Transparency Act Consolidated Year-End Financial Report. Other information consisting of schedule of valuations, rates and extensions for tax levies follows.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $9,876,180 at April 30, 2025.

	Net Position					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 3,711,034	$ 3,471,065	$ 2,324,427	$ 2,222,398	$ 6,035,461	$ 5,693,463
Capital assets, net	4,632,648	3,413,044	1,305,531	1,612,948	5,938,179	5,025,992
Total Assets	8,343,682	6,884,109	3,629,958	3,835,346	11,973,640	10,719,455
Deferred outflows	96,682	352,841	-	-	96,682	352,841
Total Assets/ Deferred Outflows	8,440,364	7,236,950	3,629,958	3,835,346	12,070,322	11,072,296
Current liabilities	259,841	159,386	95,244	81,029	355,085	240,415
Long-term liabilities	146,214	182,161	-	-	146,214	182,161
Total Liabilities	406,055	341,547	95,244	81,029	501,299	422,576
Deferred inflows	1,692,843	879,077	-	-	1,692,843	879,077
Total Liabilities/ Deferred Inflows	2,098,898	1,220,624	95,244	81,029	2,194,142	1,301,653
Net Position						
Net investment in capital assets	4,593,856	3,413,044	1,305,531	1,612,948	5,899,387	5,025,992
Restricted	567,092	635,880	-	-	567,092	635,880
Unrestricted	1,180,518	1,967,402	2,229,183	2,141,369	3,409,701	4,108,771
Total Net Position	$ 6,341,466	$ 6,016,326	$ 3,534,714	$ 3,754,317	$ 9,876,180	$ 9,770,643

A portion of the City's net position, $5,899,387, reflects its investment in capital assets (for example, land, buildings, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, $567,092, of the City's net position represents resources that are subject to external restrictions on how they may be used, including restrictions for highway and streets of $567,092. The remaining net position is reported as unrestricted net position of $3,409,701. Unrestricted net position represents amounts that may be used to meet the government's ongoing obligations to citizens and creditors.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges for services	$ 808,113	$ 527,684	$ 1,657,281	$ 1,632,538	$ 2,465,394	$ 2,160,222
Operating grants/contrib.	258,937	-	-	-	258,937	-
Capital grants/contrib.	1,149,453	-	-	542,878	1,149,453	542,878
General Revenues						
Property taxes	493,074	539,321	-	-	493,074	539,321
Other intergovernmental	1,985,119	2,042,664	-	-	1,985,119	2,042,664
Other general revenues	65,288	365,532	16,363	(2,581)	81,651	362,951
Total Revenues	4,759,984	3,475,201	1,673,644	2,172,835	6,433,628	5,648,036
Expenses						
General government	1,198,607	1,205,554	-	-	1,198,607	1,205,554
Public safety	1,960,141	1,495,726	-	-	1,960,141	1,495,726
Highways and streets	813,727	507,454	-	-	813,727	507,454
Culture and recreation	114,923	146,689	-	-	114,923	146,689
Unallocated depreciation	-	375,450	-	-	-	375,450
Interest and fiscal charges	248	364	-	-	248	364
Water operations	-	-	1,628,247	1,443,355	1,628,247	1,443,355
Total Expenses	4,087,646	3,731,237	1,628,247	1,443,355	5,715,893	5,174,592
Change in net position	672,338	(256,036)	45,397	729,480	717,735	473,444
Net position-beginning as previously reported	6,016,326	6,272,362	3,754,317	3,024,837	9,770,643	9,297,199
Changes and restatements	(347,198)	-	(265,000)	-	(612,198)	-
Net position-beginning as restated	5,669,128	6,272,362	3,489,317	3,024,837	9,158,445	9,297,199
Net position-ending	$ 6,341,466	$ 6,016,326	$ 3,534,714	$ 3,754,317	$ 9,876,180	$ 9,770,643

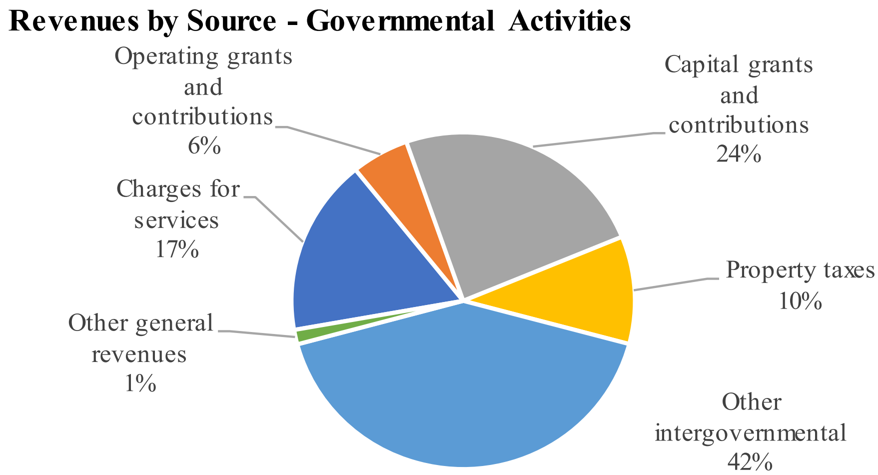
Net position of the City's governmental activities increased from the restated prior year net position of $5,669,128 to $6,341,466 in 2025. Net position of business-type activities increased from the restated prior year net position of $3,489,317 to $3,534,714 in 2025.

Governmental Activities

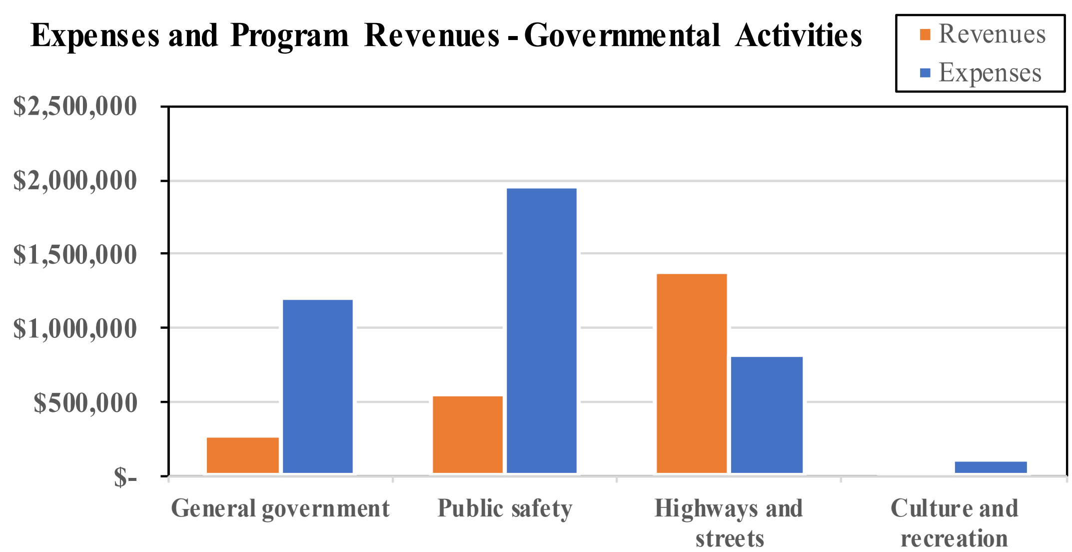
Revenues for governmental activities totaled $4,759,984 while the cost of all governmental functions totaled $4,087,646. This resulted in a surplus of $672,338. Governmental revenues increased 37 percent from the prior year, and expenses increased by 10 percent from the prior year. The increase in revenues was primarily due to grant revenues for highway and street repair and reconstruction. The increase in expenditures was primarily related to an increase in public safety of $464,415 and an increase in highway and streets of $306,273 from the prior year.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The following table graphically depicts the major revenue sources of the City. It depicts very clearly the reliance of property taxes, intergovernmental taxes (sales, income, other intergovernmental) to fund governmental activities, as well as the impact of capital grants in the current year.



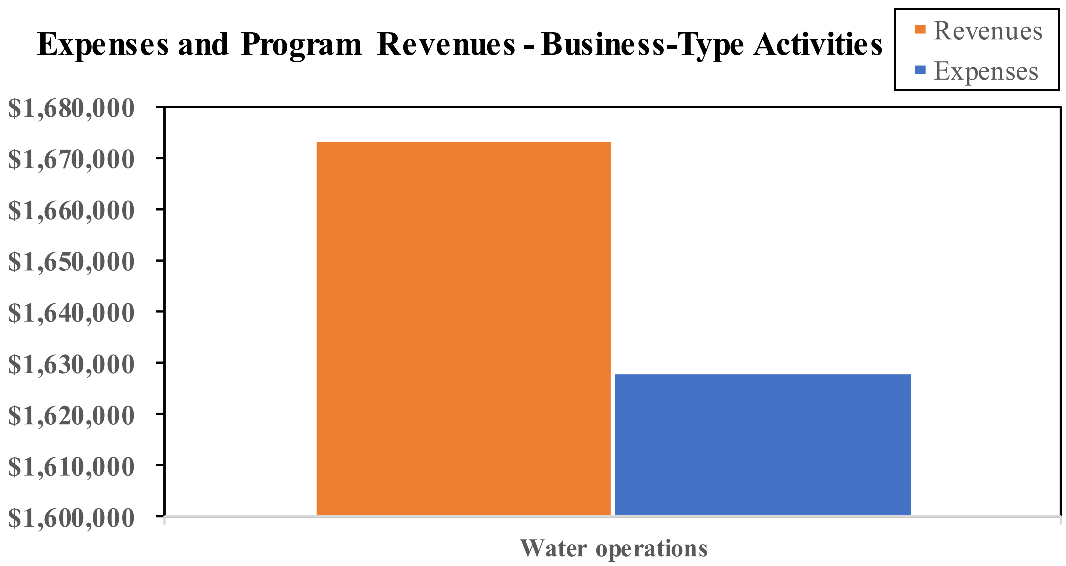
The following table summarizes the revenue and expenses of the governmental activities and identifies those governmental functions where program expenses greatly exceed revenues. Interest and fiscal charges was excluded from the table below due to minimal activity.



GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Business-Type Activities

Business-type activities, comprised of the Water Operations and Maintenance Fund, reported total revenues of $1,673,644, while the cost of all business-type activities totaled $1,628,247. The business-type activities net position increased by $45,397 in the current year. The below table compares program revenues to expenses for business-type operations.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The City's governmental funds reported combined ending fund balances of $1,776,368 which is a decrease of $25,796, from last year's restated total fund balance of $1,802,164. At April 30, 2025, the total unassigned fund balance for the governmental funds is $1,104,816. The restatements were due to removing the Hometown Public Library from the governmental funds and reporting it as a discretely presented component unit, and corrections of errors as described in the notes to financial statements.

The General Fund reported an increase in fund balance for the year of $43,152. The fund balance increase was largely due to grant revenues of $1,149,453, which were received to reimburse prior and current year capital outlay expenditures. Fines went up as a result of increases in fines issued and paid. Interest revenue experienced a significant increase of $55,181, which $46,722 was lease income generated from Monarch Towers III for the right to place a cell tower antenna on City property.

The Motor Fuel Tax Fund is reported as a major special revenue fund of the City and accounts for the revenues and expenditures related to the motor fuel allotments and taxes. During the fiscal year, the Motor Fuel Tax Fund reported a decrease in fund balance for the year of $68,788, resulting in an ending fund balance of $567,092. The decrease was related to street reconstruction, repair, and maintenance during the year.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (CONTINUED)

Proprietary Funds

The proprietary fund statements share the same focus as the government-wide financial statements, reporting both short-term and long-term information about financial status. The City's proprietary fund is the Water Operations and Maintenance Fund. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing, and collection.

The Water Operations and Maintenance Fund reported increases in net position for the year of $45,397. The Water Operations and Maintenance Fund's surplus is due to rate increases which compensate for increases in expenditures, especially water purchases. With respect to the Water Operations and Maintenance Fund, $47,813 was reported as depreciation expense.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City made no amendments to the General Fund budget in 2025. Actual revenues reported in the General Fund exceeded the budget by $997,359, with $849,453 of that related to grant revenues which had been receivable for several years.

On the expenditure side, General Fund expenditures were $4,496,180 versus the original and final budget of $5,093,951 for a total of $597,771 under budgeted expenditures. General administration actual expenditures were under budget largely due to decreased information and technology expenditures of $122,383 and less capital outlay expenditure than budgeted of $163,986. In public safety, salaries and benefits were $380,034 under budget.

CONDENSED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL, YEAR ENDED APRIL 30, 2025

Fund	Budget	Actual	Actual to Budget Variance
General Fund			
Revenues	$ 3,487,137	$ 4,484,496	$ 997,359
Expenditures	5,093,951	4,496,180	(597,771)
Excess (Deficiency)	(1,606,814)	(11,684)	1,595,130
Other financing sources (uses)			
Lease proceeds	-	54,836	54,836
Transfer from (to) other funds	16,735	-	(16,735)
Net change in fund balance	$ (1,590,079)	$ 43,152	$ 1,633,231

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of April 30, 2025 was $5,938,179 (net of accumulated depreciation and amortization). This investment in capital assets includes land, infrastructure, buildings, and equipment, lease assets, etc.

	Capital Assets - Net of Depreciation and Amortization					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Land	$ 74,308	$ 74,308	$ -	$ -	$ 74,308	$ 74,308
Water system	-	-	-	265,000	-	265,000
Buildings	416,364	411,385	-	-	416,364	411,385
Equipment	523,405	622,921	1,027,336	1,054,341	1,550,741	1,677,262
Street lighting	-	-	-	-	-	-
Infrastructure	3,577,269	2,298,873	278,195	293,607	3,855,464	2,592,480
Lease assets - equipment	41,302	5,557	-	-	41,302	5,557
Total	$4,632,648	$3,413,044	$1,305,531	$1,612,948	$5,938,179	$5,025,992

This year's additions included the following:

Governmental Activities	$ 1,162,304
Business-type Activities	5,396
Total	$ 1,167,700

The City also recognized depreciation and amortization expense of $426,181 and $47,813 for governmental activities and business-type activities, respectively.

Debt Administration

Outstanding lease liability as of April 30, 2025, is as follows:

	Long-Term Debt Outstanding					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Lease liability	$ 38,792	$ 5,790	$ -	$ -	$ 38,792	$ 5,790
Total	$ 38,792	$ 5,790	$ -	$ -	$ 38,792	$ 5,790

Economic Factors Bearing on the City's Future

In today's climate, Illinois municipalities are being faced with significant economic barriers that hinder their growth and development. Specifically, for the City, the local challenges that it confronts include the following areas:

- **Noncompliance with Regulations** – With new federal and state regulations occurring routinely, the City is consistently encountered in complying with changing requirements, which can hinder access to state and federal funding.
- **Rising costs** – As rising prices have been accelerating, the City has been forced to maneuver the budgetary process and poses a potential lack of available financial resources.
- **Crime and Public Safety** – Crime rates will fluctuate while living in an urban area, so the City's challenge is to ensure our community feels more secure and leads to calls for a much stronger but costlier law enforcement measures.
- **Water Infrastructure Improvements** – As the City's water infrastructure continues to age, the concern is the ability to maintain this infrastructure with ongoing equipment failures and costly replacement charges.

Overall, these economic barriers are sizable challenges for the City. Addressing them is crucial for our continual growth and development for our residents, and overall improvement in the City's financial health.

Request for Information

This financial report is designed to provide a general overview of the City's finances, comply with finance related laws and regulations, provide transparency to the public, and demonstrate the City's commitment for financial accountability. Questions concerning any of the information provided in this report or requests for additional information should be directed to the City Treasurer, City of Hometown, 4331 Southwest Highway, Hometown, Illinois 60456.

BASIC FINANCIAL STATEMENTS

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

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Hometown Public Library
ASSETS				
Cash and cash equivalents	$ 1,869,045	$ 2,001,594	$ 3,870,639	$ 88,368
Receivables - net of allowances	1,756,891	312,715	2,069,606	44,579
Internal balances	(10,118)	10,118	-	-
Due from primary government	-	-	-	1,261
Prepaids	95,216	-	95,216	-
Capital assets not being depreciated	74,308	-	74,308	-
Capital assets, net of accumulated depreciation and amortization	4,558,340	1,305,531	5,863,871	11,651
Total Assets	8,343,682	3,629,958	11,973,640	145,859
DEFERRED OUTFLOWS OF RESOURCES				
Pension related	96,682	-	96,682	-
Total Deferred Outflows of Resources	96,682	-	96,682	-
Total Assets and Deferred Outflows of Resources	$ 8,440,364	$ 3,629,958	$ 12,070,322	$ 145,859
LIABILITIES				
Accounts payable	$ 54,772	$ 49,597	$ 104,369	$ -
Accrued salaries	78,349	3,492	81,841	2,189
Due to component unit	1,261	-	1,261	-
Deposits payable	104,936	42,155	147,091	-
Non current liabilities				
Due within one year	20,523	-	20,523	-
Due in more than one year	146,214	-	146,214	-
Total Liabilities	406,055	95,244	501,299	2,189
DEFERRED INFLOWS OF RESOURCES				
Grants	-	-	-	3,586
Property taxes	228,527	-	228,527	41,637
Lease	1,454,654	-	1,454,654	-
Pension related	9,662	-	9,662	-
Total Deferred Inflows of Resources	1,692,843	-	1,692,843	45,223
NET POSITION				
Net investment in capital assets	4,593,856	1,305,531	5,899,387	11,651
Restricted for				
Highway and streets	567,092	-	567,092	-
Unrestricted	1,180,518	2,229,183	3,409,701	86,796
Total Net Position	6,341,466	3,534,714	9,876,180	98,447
Total Liabilities, Deferred Inflows of Resource, and Net Position	$ 8,440,364	$ 3,629,958	$ 12,070,322	$ 145,859

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

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

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities				
General government	$ 1,198,607	$ 266,941	$ -	$ -
Public safety	1,960,141	522,570	-	24,453
Highway and streets	813,727	-	258,937	1,125,000
Culture and recreation	114,923	18,602	-	-
Interest and fiscal charges	248	-	-	-
Total governmental activities	4,087,646	808,113	258,937	1,149,453
Business-type activities				
Water operations and maintenance	1,628,247	1,657,281	-	-
Total business-type activities	1,628,247	1,657,281	-	-
Total Primary Government	$ 5,715,893	$ 2,465,394	$ 258,937	$ 1,149,453
Component Unit				
Hometown Public Library	$ 101,366	$ 2,188	$ 8,698	$ -

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

CITY OF HOMETOWN, ILLINOIS
STATEMENT OF ACTIVITIES (CONTINUED)
FOR THE YEAR ENDED APRIL 30, 2025

	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			
Functions/Programs	Governmental Activities	Business-type Activities	Total	Component Unit
Primary Government				
Governmental activities				
General government	$ (931,666)	$ -	$ (931,666)	$ -
Public safety	(1,413,118)	-	(1,413,118)	-
Highway and streets	570,210	-	570,210	-
Culture and recreation	(96,321)	-	(96,321)	-
Interest and fiscal charges	(248)	-	(248)	-
Total governmental activities	(1,871,143)	-	(1,871,143)	-
Business-type activities				
Water operations and maintenance	-	29,034	29,034	-
Total business-type activities	-	29,034	29,034	-
Total Primary Government	(1,871,143)	29,034	(1,842,109)	-
Component Unit				
Hometown Public Library	-	-	-	(90,480)
General Revenues				
Property taxes	493,074	-	493,074	85,384
Intergovernmental				
Income tax	774,514	-	774,514	-
Utility tax	154,956	-	154,956	-
Sales tax	433,771	-	433,771	-
Other	621,878	-	621,878	3,267
Interest	59,317	16,363	75,680	24
Miscellaneous	5,971	-	5,971	375
Total	2,543,481	16,363	2,559,844	89,050
Change in net position	672,338	45,397	717,735	(1,430)
Net position, beginning of year, as previously reported	6,016,326	3,754,317	9,770,643	-
Restatements	(347,198)	(265,000)	(612,198)	99,877
Net position, beginning of year, as restated	5,669,128	3,489,317	9,158,445	99,877
Net position, end of year	$ 6,341,466	$ 3,534,714	$ 9,876,180	$ 98,447

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

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

	General	Motor Fuel Tax	Nonmajor Governmental Fund	Total
ASSETS				
Cash and cash equivalents	$ 1,352,084	$ 516,888	$ 73	$ 1,869,045
Receivables				
Property taxes - net of allowances	240,356	-	-	240,356
Intergovernmental	312,792	25,566	-	338,358
Lease	1,178,177	-	-	1,178,177
Due from other funds	-	40,363	-	40,363
Prepaids	95,216	-	-	95,216
Total Assets	$ 3,178,625	$ 582,817	$ 73	$ 3,761,515
LIABILITIES				
Accounts payable	$ 39,594	$ 15,178	$ -	$ 54,772
Accrued salaries	77,802	547	-	78,349
Due to other funds	50,481	-	-	50,481
Due to component unit	1,261	-	-	1,261
Deposits payable	104,936	-	-	104,936
Total Liabilities	274,074	15,725	-	289,799
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent periods	225,809	-	-	225,809
Property taxes unavailable	14,885	-	-	14,885
Lease	1,454,654	-	-	1,454,654
Total Deferred Inflows of Resources	1,695,348	-	-	1,695,348
FUND BALANCES				
Nonspendable				
Prepaids	95,216	-	-	95,216
Restricted				
Highways and streets	-	567,092	-	567,092
Assigned				
Culture and recreation	9,171	-	73	9,244
Unassigned	1,104,816	-	-	1,104,816
Total Fund Balances	1,209,203	567,092	73	1,776,368
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 3,178,625	$ 582,817	$ 73	$ 3,761,515

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

CITY OF HOMETOWN, ILLINOIS

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
APRIL 30, 2025

Total fund balances of governmental funds	$	1,776,368
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 in the governmental funds.		4,632,648
Some of the City's governmental revenues will be collected after fiscal year-end but are not available soon enough to pay for the current period's expenditures and are therefore not recognized in the governmental funds.		12,167
Deferred outflows and inflows of resources related to pensions are not reported in the governmental funds:		
Deferred outflows and inflows - IMRF		87,020
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Lease liability		(38,792)
Net pension liabilities are not due and payable in the current period and are therefore not reported in the governmental funds:		
Net pension liability - IMRF		(127,945)
Net position of governmental activities	$	6,341,466

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

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

	General	Motor Fuel Tax	Nonmajor Governmental Fund	Total
REVENUES				
Taxes	$ 480,907	$ -	$ -	$ 480,907
Intergovernmental	3,134,572	258,937	-	3,393,509
Licenses and permits	203,921	-	-	203,921
Fines and forfeitures	569,577	-	-	569,577
Charges for services	34,615	-	-	34,615
Interest	54,945	4,372	-	59,317
Miscellaneous	5,959	-	12	5,971
Total Revenues	4,484,496	263,309	12	4,747,817
EXPENDITURES				
Current				
General government	1,168,901	-	-	1,168,901
Public safety	1,821,260	-	-	1,821,260
Highways and streets	324,790	211,069	-	535,859
Culture and recreation	41,760	-	172	41,932
Capital outlay	1,117,387	121,028	-	1,238,415
Debt service				
Principal	21,834	-	-	21,834
Interest and fiscal charges	248	-	-	248
Total Expenditures	4,496,180	332,097	172	4,828,449
Deficiency of revenues under expenditures	(11,684)	(68,788)	(160)	(80,632)
OTHER FINANCING SOURCES				
Issuance of lease	54,836	-	-	54,836
Total Other Financing Sources	54,836	-	-	54,836
Net change in fund balances	43,152	(68,788)	(160)	(25,796)
Fund balances at beginning of year, as previously reported	2,194,819	-	749,228	2,944,047
Adjustments and restatements	(1,028,768)	635,880	(748,995)	(1,141,883)
Fund balances at beginning of year, as adjusted and restated	1,166,051	635,880	233	1,802,164
Fund balances at end of year	$ 1,209,203	$ 567,092	$ 73	$ 1,776,368

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

CITY OF HOMETOWN, 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, 2025

Net change in fund balances - total governmental funds	$	(25,796)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets are allocated over their estimated useful lives and reported as depreciation and amortization expense:		
Capital outlay reported in governmental funds		1,162,304
Depreciation and amortization expense reported in the statement of activities		(426,181)
Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenue in the governmental funds. This is the amount by which unavailable revenues changed from the prior year.		12,167
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of the governmental funds:		
Issuance of lease		(54,836)
Principal payments		21,834
Certain expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures of the governmental funds:		
Change in net pension liability - IMRF		54,216
Change in deferred outflows and inflows - IMRF		(71,370)
Change in net position of governmental activities	$	672,338

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

CITY OF HOMETOWN, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUND
APRIL 30, 2025

	Water Operations and Maintenance
ASSETS	
Current assets	
Cash and cash equivalents	$ 2,001,594
Accounts receivable - net of allowances	312,715
Due from other funds	10,118
Total current assets	2,324,427
Noncurrent assets	
Capital assets	
Depreciable	2,010,416
Less: accumulated depreciation	(704,885)
Total noncurrent assets	1,305,531
Total Assets	$ 3,629,958
LIABILITIES	
Current Liabilities	
Accounts payable	$ 49,597
Accrued salaries	3,492
Deposits payable	42,155
Total Liabilities	95,244
NET POSITION	
Net investment in capital assets	1,305,531
Unrestricted	2,229,183
Total Net Position	3,534,714
Total Liabilities and Net Position	$ 3,629,958

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

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

	Water Operations and Maintenance
OPERATING REVENUES	
Charges for services	$ 1,657,281
Total Operating Revenues	1,657,281
OPERATING EXPENSES	
Operations	1,580,434
Depreciation	47,813
Total Operating Expenses	1,628,247
Operating income	29,034
NONOPERATING REVENUE	
Interest	16,363
Total Nonoperating Revenue	16,363
Change in net position	45,397
Net position, beginning of year, as previously reported	3,754,317
Adjustments and restatement	(265,000)
Net position, beginning of year, as restated	3,489,317
Net position at end of year	$ 3,534,714

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

CITY OF HOMETOWN, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED APRIL 30, 2025

	Water Operations and Maintenance
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	$ 1,688,582
Payment to suppliers	(1,475,073)
Payment to employees	(91,317)
Net Cash from Operating Activities	122,192
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES	
Interfund borrowings	(502,929)
Net Cash from Noncapital Financing Activities	(502,929)
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	(5,395)
Net Cash from Capital and Related Financing Activities	(5,395)
CASH FLOW FROM INVESTING ACTIVITIES	
Interest	16,363
Net Cash from Investing Activities	16,363
Change in cash and cash equivalents	(369,769)
Cash and cash equivalents at	
Beginning of year	2,371,363
End of year	$ 2,001,594
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES	
Operating income	$ 29,034
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation	47,813
Changes in asset and liabilities	
Change in accounts receivable	31,131
Change in accounts payable	11,374
Change in accrued salaries	2,670
Change in deposits payable	170
Net Cash from Operating Activities	$ 122,192

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Hometown, Illinois (City) is a home-rule municipality incorporated in 1953. The City is located in Cook County, approximately 15 miles south of downtown Chicago and covers an area of approximately 0.5 square miles. The City elects a Mayor, Treasurer, Clerk and ten Aldermen. All elected officials serve four-year terms. Services provided by the City include police protection, public improvements, water and sewer services, parks and recreation, and general administrative services.

The City is a home unit under the Home Rule provisions of the Illinois Compiled Statues (ILCS).

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

A. REPORTING ENTITY

The accompanying financial statements present the financial information of the City (the primary government) and its component units. The financial information of the following component units are included in the City's basic financial statements because of the significance of their operational or financial relationships with the City.

Hometown Public Library

The Hometown Public Library (Library) is responsible for providing library services to the City's residents. The Library is administered by a separate board appointed by the City's Mayor and confirmed by the City Council. The Library is fiscally dependent on the City as the Library tax levy must be approved by the City. The Library is presented as a discretely presented component unit of the City. The Library does not issue separate financial statements.

B. BASIS OF PRESENTATION

Government-Wide Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). As discussed earlier, the City has one discretely presented component unit. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's police, highway and street maintenance and reconstruction, building code enforcement, public improvements, parks and recreation, and general administrative services are classified as governmental activities. The City's water and sewer is classified as business-type activities.

In the government-wide statement of net position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual basis of accounting, economic resources measurement basis, which recognizes all assets and deferred outflows of resources as well as liabilities and deferred inflows of resources.

The government-wide statement of activities reports both the gross and net cost of each of the City's functions (general government, public safety, highways and streets, and culture and recreation) and business-type activities. The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges for services, etc.). The statement of activities reduces gross expenses, including depreciation and amortization, by related program revenues, which include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. BASIS OF PRESENTATION (CONTINUED)

Government-Wide Financial Statements (continued)

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, etc.). The City does not allocate indirect costs.

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

Fund Financial Statements

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 comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or proprietary categories. Nonmajor funds by category are summarized into a single column.

Governmental funds are used to account for all or most of the City's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds), and the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. The City does not report any fiduciary funds.

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The City reports the following major governmental funds:

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those accounted for in another fund. The General Fund is a major fund.

The Motor Fuel Tax Fund is used to account for motor fuel sales tax and allotments from the State of Illinois and the related street maintenance and reconstruction expenditures.

The City reports the following major proprietary fund:

The Water Operations and Maintenance Fund accounts for the provision of water and sewer services to the residents of the City.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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. On the government-wide statement of net position and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined 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, deferred outflows of resources, liabilities, and deferred inflows of resources are generally included on the governmental balance sheets. The governmental funds 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.

All proprietary funds utilize 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, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with their activities are reported. Proprietary equity is classified as net position.

<u>Basis of Accounting</u>

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type 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, deferred outflows of resources, liabilities, and deferred inflows of resources 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 soon enough thereafter to pay liabilities of the current period. The City considers collections within sixty days of year-end to be available. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized when due. In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

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. 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 sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are considered to be cash on hand, demand deposits, and all highly liquid investments with an original maturity of three months or less. For the purpose of the proprietary fund's statement of cash flows, cash and cash equivalents are considered to be cash on hand, demand deposits, and all highly liquid investments with an original maturity of three months or less.

E. INTERFUND RECEIVABLES, PAYABLES, AND ACTIVITY

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

F. 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 receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report utility charges as its major receivables.

G. PREPAIDS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. The cost of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

H. CAPITAL ASSETS

Capital assets purchased with an original cost of $2,500 are reported at historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The following estimated useful lives are used to compute depreciation and amortization on a straight-line basis:

Capital Asset Category	Estimated Useful Life
Buildings	15-40 years
Water and sewer systems	25-40 years
Infrastructure	20 years
Equipment	3-15 years
Improvements	15 years
Street lighting	25 years
Lease asset - equipment	3-15 years

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. COMPENSATED ABSENCES

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory time off, personal time off, and sick pay benefits, which are collectively referred to as compensated absences. Compensated absences are accrued when incurred in the government-wide financial statements.

In governmental funds, a liability for these amounts is reported only if they are due and payable as a result of employees who have terminated or retired.

All employees who have completed one year of continuous full-time employment are eligible for vacation benefits. Police officers who worked in a part-time capacity for the City are immediately eligible for vacation benefits upon full-time employment. The amount of vacation time earned is based on years of service. Vacation benefits are not accumulated and must be taken in the year in which they are earned.

Full time employees are eligible for six days of sick leave per year. Unused sick leave is not accumulated. Full time police officers earn two personal days per calendar year.

Library employees working at least 250 hours per year are eligible for vacation benefits. Unused vacation benefits may be paid out at a maximum of 50 percent of time accrued at the end of the fiscal year. Sick leave is earned and up to 30 days may be accumulated, however unused sick leave will not be paid upon termination. Full time employees received three personal days per fiscal year and part time employees receive two personal days per calendar year. There is no accumulation of personal leave.

In the fund financial statements, governmental funds report compensated absences as expenditures and as fund liabilities to the extent that the liabilities have matured (that is, become due for payment during the period). At April 30, 2025, the City's and Library's compensated absences liability was immaterial and is therefore not reported in the financial statements.

J. LONG-TERM LIABILITIES

In the government-wide and proprietary fund financial statements, long-term liabilities are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Premiums and discounts are amortized over the life of the related debt using the effective interest method. Debt is reported net of the applicable premium or discount. Debt issuance costs are reported as expenses at the time of issuance.

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

K. LEASES

LESSEE

At the commencement of a lease, the City measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made, less any lease incentives received, at or before commencement of the lease term, plus initial direct costs that are ancillary charges necessary to place the lease asset into service. The lease assets are generally amortized on a straight-line basis over the shorter of the lease term or the asset's useful life.

The City generally uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. LEASES (CONTINUED)

LESSOR

Lease receivables are measured at the present value of lease payments expected to be received during the lease term. Variable lease payments are recorded as an inflow of resources in the period to which those payments relate. A deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial measurement of the lease receivable. The deferred inflow of resources is recognized on a straight-line basis over the term of the lease.

L. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources until that time.

M. FUND BALANCE AND NET POSITION

In the government-wide and proprietary fund financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets, net of accumulated depreciation and amortization and reduced by the outstanding balances of any liabilities that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – 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 – All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted net position is available for use, it is the City's policy to use externally restricted resources first.

In the governmental funds, the components of fund balance include the following line items:

Nonspendable – Consists of amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – Consists of externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments as well as limitations imposed by law through constitutional provision or enabling legislation.

Committed – Consists of a self-imposed limitation set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level. For the City, the Mayor and City Council are the highest level of decision making, and formal resolutions by the City Council would be required to establish, modify or rescind a fund balance commitment.

Assigned – Consists of limitations resulting from intended use, where the intended use is established by the Mayor and City Council. It also includes all remaining amounts that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither classified as restricted or committed.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. FUND BALANCE AND NET POSITION (CONTINUED)

Unassigned – Consists of the total fund balance in the General Fund in excess of nonspendable, restricted, committed, and assigned fund balance. This also includes any negative fund balance in other funds.

It is the City's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e., committed, assigned, or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the City first utilizes any restricted amounts followed by unrestricted amounts.

N. ADOPTION OF NEW ACCOUNTING STANDARDS

Adoption of GASB Statement No. 100

As of May 1, 2024, the City adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. The implementation of this standard requires additional presentation and disclosure for accounting changes and error corrections. The financial statements have been updated to conform to the presentation requirements related to the error corrections and accounting changes in the financial statements for the year ended April 30, 2025.

Adoption of GASB Statement No. 101

As of May 1, 2024, the City adopted GASB Statement No. 101, *Compensated Absences*. The provisions of this standard modernize the types of leave that are considered a compensated absence and provides guidance for a consistent recognition and measurement of the compensated absence liability. the implementation of this standard has no impact on the financial statements for the year ended April 30, 2025.

NOTE 2. DEPOSITS

Cash and cash equivalents as of April 30, 2025 was comprised of the following:

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Hometown Public Library
Cash on hand	$ 450	$ 20	$ 470	$ -
Deposits with financial institutions	1,868,595	2,001,574	3,870,169	88,368
Total cash and cash equivalents	$ 1,869,045	$ 2,001,594	$ 3,870,639	$ 88,368

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. As of April 30, 2025, approximately $772,000 of the City's deposits with financial institutions were not FDIC insured or collateralized by pledged securities in the City's name.

NOTE 3. PROPERTY TAXES, RECEIVABLES AND ALLOWANCE FOR UNCOLLECTIBLES

Property Taxes

The City levies property tax each calendar year on all taxable real property located in the City. The City must file its tax levy ordinance on or before the last Tuesday in December of each year. The tax levy ordinance was passed by the City Council on December 10, 2024. Details of the property tax calendar are as follows:

	Property Tax Calendar		
Lien date	January 1, 2024	January 1, 2023	January 1, 2022
Levy date	December 10, 2024	December 12, 2023	December 13, 2022
1st installment due date	March 1, 2025 FY 2025 revenue	March 1, 2024 FY 2024 revenue	March 1, 2023 FY 2023 revenue
2nd installment due date	September 1, 2025 FY 2026 revenue	September 1, 2024 FY 2025 revenue	September 1, 2023 FY 2024 revenue

The first installment is an estimated bill and is 55 percent of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill.

Based upon collection histories, the City has provided an allowance for uncollectible property taxes of 5 percent of the current year's levy. Allowances for uncollectible property taxes receivable at April 30, 2025 are as follows:

	Primary Government	Component Unit
	General Fund	Hometown Public Library
Property taxes receivable	$ 259,553	$ 48,673
Allowance for uncollectibles	(19,197)	(4,094)
Receivable - net	$ 240,356	$ 44,579

Enterprise Fund Receivable

Trade account receivable, consisting of amounts due from residents for water and sewer, are recorded net of uncollectible amounts, as determined by management. As of April 30, 2025 management determined that no allowance was necessary due to history of collections.

NOTE 4. LEASE RECEIVABLE

In June 2016, the City entered into a lease with SBA Monarch Towers III, LLC. Under the lease, Monarch pays the City for the right to place a cell tower antenna on City property for a term of 99 years.

In October 2017, the City entered into a lease with APC Towers II, LLC. Under the lease, APC pays the City $2,100 monthly, subject to a 2% annual escalation, for the right to place a cell tower antenna on City property for a term of 5 years. The agreement automatically renews for 5 year periods for a total term of 99 years.

During the year ended April 30, 2025, the City recognized $16,013 of lease revenue and $46,722 of interest revenue.

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2025, was as follows:

	Restated Beginning Balance	Increases	Decreases	Ending Balance
Primary government - City of Hometown				
Governmental activities				
Capital assets not being depreciated or amortized				
Land	$ 74,308	$ -	$ -	$ 74,308
Total capital assets not being depreciated or amortized	74,308	-	-	74,308
Capital assets being depreciated or amortized				
Buildings and improvements	1,145,225	22,783	-	1,168,008
Equipment	1,764,684	80,777	31,195	1,814,266
Street lighting	331,935	-	-	331,935
Infrastructure	4,413,561	1,000,958	-	5,414,519
Lease assets - equipment	11,114	57,786	-	68,900
Total capital assets being depreciated or amortized	7,666,519	1,162,304	31,195	8,797,628
Less accumulated depreciation or amortization				
Buildings and improvements	724,487	27,157	-	751,644
Equipment	1,165,744	156,312	31,195	1,290,861
Street lighting	331,935	-	-	331,935
Infrastructure	1,616,579	220,671	-	1,837,250
Lease assets - equipment	5,557	22,041	-	27,598
Total accumulated depreciation or amortization	3,844,302	426,181	31,195	4,239,288
Total capital assets being depreciated or amortized, net	3,822,217	736,123	-	4,558,340
Governmental activities capital assets, net	$ 3,896,525	$ 736,123	$ -	$ 4,632,648

NOTE 5. CAPITAL ASSETS (CONTINUED)

	Restated Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital assets being depreciated				
Buildings	$ 14,495	$ -	$ -	$ 14,495
Equipment	1,209,974	5,396	-	1,215,370
Water and sewer system	780,551	-	-	780,551
Total capital assets being depreciated	2,005,020	5,396	-	2,010,416
Less accumulated depreciation for				
Buildings	14,495	-	-	14,495
Equipment	155,633	32,401	-	188,034
Water and sewer system	486,944	15,412	-	502,356
Total accumulated depreciation	657,072	47,813	-	704,885
Business-type activities capital assets, net	$ 1,347,948	$ (42,417)	$ -	$ 1,305,531

	Restated Beginning Balance	Increases	Decreases	Ending Balance
Component unit - Hometown Public Library				
Capital assets being depreciated				
Buildings and improvements	$ 81,310	$ -	$ -	$ 81,310
Equipment	4,969	-	-	4,969
Total capital assets being depreciated	86,279	-	-	86,279
Less accumulated depreciation				
Buildings and improvements	66,682	2,977	-	69,659
Equipment	4,969	-	-	4,969
Total accumulated depreciation	71,651	2,977	-	74,628
Hometown Public Library capital assets, net	$ 14,628	$ (2,977)	$ -	$ 11,651

NOTE 5. CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense was charged to functions/programs as follows:

Primary government - City of Hometown		
Governmental activities:		
General government	$	12,002
Public safety		106,061
Highway and streets		235,127
Culture and recreation		72,991
Total governmental activities	$	426,181
Business-type activities:		
Water operations	$	47,813
Component unit - Hometown Public Library		
Culture and recreation	$	2,977

NOTE 6. LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities during the year ended April 30, 2024:

	Beginning Balance	Additions	Retirements	Ending Balance	Due within one year
Governmental Activities					
Lease liability	$ 5,790	$ 54,836	$ 21,834	$ 38,792	$ 20,523
Net pension liability - IMRF	182,161	261,284	315,500	127,945	-
Total governmental activities	$ 187,951	$ 316,120	$ 337,334	$ 166,737	$ 20,523

For governmental activities, payments on the leases and net pension liability are generally made by the General Fund.

Lease Liability

The City has entered into lease agreements to lease office and police equipment and recognizes a lease liability and related lease asset. The first agreement is for office equipment and has a five-year term ending in April 2026, with monthly payments of $257. The second agreement is for police equipment and has a three-year term ending in June 2026, with fixed annual payments of $19,000.

The annual debt service requirements to maturity for leases are as follows:

Fiscal Year	Lease Liability Principal	Lease Liability Interest
2026	$ 20,523	$ 1,559
2027	18,269	731
Total	$ 38,792	$ 2,290

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Due to and from other funds results from the time lag between the dates interfund goods or services are provided or reimbursable expenditures occur and when the payment between funds is made. The composition of interfund balances as of April 30, 2025, are as follows:

Receivable Fund	Payable Fund	Amount
Motor Fuel Tax	General	$ 40,363
Water Operations and Maintenance	General	10,118
		$ 50,481

NOTE 8. 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; natural disasters; and injuries to the City's employees. The City participates in the Illinois Municipal League Risk Management Association which includes general liability, public officials and employee liability, liquor, auto, property, inland marine, crime, worker's compensation, public official position bond, and information security protection. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

NOTE 9. COMMITMENTS AND CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time and the City expects such amounts, if any, to be immaterial.

NOTE 10. ILLINOIS MUNICIPAL RETIREMENT FUND

Plan Description

The City's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The City's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multiple-employer public employee retirement system. 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 ILCS and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date). The City does not have active or inactive members on the SLEP or ECO plans.

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent 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 percent of the original amount on January 1 every year after retirement.

NOTE 10. ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

Benefits Provided (continued)

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent 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 percent of the original pension amount; or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

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

Retirees and Beneficiaries currently receiving benefits	11
Inactive Plan Members entitled to but not yet receiving benefits	7
Active Plan Members	12
Total	30

Contributions

As set by ILCS, the District's Regular Plan Members are required to contribute 4.5 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's actuarially determined contribution rate for the calendar year 2024 was 6.85 percent. The District's actual contributions for the year ended April 30, 2025 were $56,806, 6.63 percent of covered-employee payroll. The District 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 ILCS.

Net Pension Liability

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

Actuarial Assumptions

The following are the assumptions used to determine total pension liability:

- The Inflation Rate was assumed to be 2.25 percent
- Salary Increases were expected to be 2.85 percent to 13.75 percent, including inflation.
- The Investment Rate of Return was assumed to be 7.25 percent.
- Projected Retirement Age was from the 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 from years 2020-2022.

NOTE 10. ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

Actuarial Assumptions (continued)

- Mortality:
  - For Non-Disabled Retirees, the Pub-2010, amount-weighted, below-median income, General, Retiree, Male (adjusted 108.0 percent) and Female (adjusted 106.4 percent) tables, and future mortality improvements projected using scale MP-2021 were used.
  - 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.

Long-term Expected Rate of Return

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, 2024:

		Projected Returns/Risk	
Asset Class	Portfolio Target Percentage	One Year Arithmetic	Ten Year Geometric
Equities	33.50%	5.70%	4.35%
International equities	18.00%	7.10%	5.40%
Fixed income	24.50%	5.30%	5.20%
Real estate	10.50%	7.30%	6.40%
Alternatives	12.50%		
Private equity		10.00%	6.25%
Hedge funds		N/A	N/A
Commodities		6.05%	4.85%
Cash equivalents	1.00%	3.60%	3.60%
Total	100.00%		

Discount Rate

A discount rate of 7.25 percent was used to measure the total pension liability. The projection of cash flow used to determine this 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. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 10. ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

Discount Rate (continued)

The discount rate reflects:

- The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
- The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25 percent, the municipal bond rate is 4.08 percent, and the resulting discount rate is 7.25 percent.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at beginning of year	$ 2,415,168	$ 2,233,007	$ 182,161
Changes for the year:			
Service cost	69,831	-	69,831
Interest on the total pension liability	172,913	-	172,913
Differences between expected and actual experience of the total pension liability	(5,920)	-	(5,920)
Contributions- employer	-	53,749	(53,749)
Contributions- employee	-	35,309	(35,309)
Net investment income	-	220,522	(220,522)
Benefit payments and refunds	(130,160)	(130,160)	-
Other (net transfer)	-	(18,540)	18,540
Net Changes	106,664	160,880	(54,216)
Balances at end of year	$ 2,521,832	$ 2,393,887	$ 127,945

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using a discount rate of 7.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percent lower or 1 percent higher:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability (Asset)	$ 385,205	$ 127,945	$ (75,835)

NOTE 10. ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

Pension Expense and Deferred Outflow and Inflows of Resources Related to Pensions

For the year ended April 30, 2025, the City recognized pension expense of $89,695. At April 30, 2025, the City reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 29,536	$ 4,281
Changes of assumptions	-	5,381
Net difference between projected and actual earnings on pension plan investments	48,354	-
Total deferred amounts to be recognized in pension expense in future periods	77,890	9,662
Pension contributions made subsequent to the measurement date	18,792	-
Total deferred amounts related to pensions	$ 96,682	$ 9,662

Deferred outflows of resources for pension contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending April 30, 2026.

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,	Amount
2026	$ 42,867
2027	66,150
2028	(28,630)
2029	(12,159)
2030	-
Thereafter	-
Total	$ 68,228

NOTE 11. ADJUSTMENTS AND RESTATEMENTS

The City adjusted and restated the fund balances and net position of several reporting units as summarized in the table below to reflect a change within the reporting entity occurring during the current fiscal year and to correct the effects of errors in previously issued financial statements:

	Reporting Units						
	Governmental Funds				Enterprise Fund		
	General	Motor Fuel Tax	Nonmajor Governmental	Governmental Activities	Water Operations and Maintenance	Business-type Activities	Discretely Presented Component Unit
Fund balances and net position as of May 1, 2024, as previously reported	$ 2,194,819	$ -	$ 749,228	$ 6,016,326	$ 3,754,317	$ 3,754,317	$ -
Adjustments:							
Change within the financial reporting entity[1]	-	635,880	(635,880)	-	-	-	-
Restatements:							
Hometown Public Library[2]	-	-	(113,115)	(127,743)	-	-	127,743
Lease receivables[3]	(311,204)	-	-	-	-	-	-
Property taxes[4]	(193,903)	-	-	(193,903)	-	-	(33,260)
Grants[5]	(523,661)	-	-	(523,661)	-	-	5,394
Unrecorded capital assets[6]	-	-	-	498,109	-	-	-
Undepreciated capital assets[7]	-	-	-	-	(265,000)	(265,000)	-
Fund balances and net position as of May 1, 2024, as adjusted and restated	$ 1,166,051	$ 635,880	$ 233	$ 5,669,128	$ 3,489,317	$ 3,489,317	$ 99,877

[1] The Motor Fuel Tax Fund was properly reported as a nonmajor fund for the year ended April 30, 2024, but meets the criteria to be reported as a major fund in the financial statements for the year ended April 30, 2025.

[2] The Hometown Public Library was reported as a blended component unit of the City for the year ended April 30, 2024. During the year ended April 30, 2025, the City determined that the Hometown Public Library should have been reported as a discretely presented component unit instead.

[3] The City did not report lease receivables and associated deferred inflows of resources in its General Fund as of April 30, 2024.

[4] Amounts reported for property taxes receivable, deferred inflows of resources, allowances for uncollectible accounts and revenue as of and for the year ended April 30, 2024 were in error.

[5] Amounts reported for grants receivable, deferred inflows of resources, revenues and expenditures as of and for the year ended April 30, 2024 were in error.

[6] Capital assets acquired via grant funding during the year ended April 30, 2024 were not reported as of April 30, 2024.

[7] Depreciation expense was not recognized associated with capital assets acquired in prior years and which should have been fully depreciated as of April 30, 2024.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF HOMETOWN, ILLINOIS
SCHEDULE OF CHANGES IN NET PENSION
LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST TEN MEASUREMENT PERIODS

	Measurement Period Ended December 31,				
	2024	2023	2022	2021	2020
TOTAL PENSION LIABILITY					
Service cost	$ 69,831	$ 63,671	$ 67,221	$ 60,204	$ 54,799
Interest	172,913	163,697	153,410	144,604	138,039
Differences between expected and actual experience	(5,920)	36,928	53,355	32,838	10,882
Changes in assumptions	-	(13,453)	-	-	(12,695)
Benefit payments, including refunds of employee contributions	(130,160)	(123,466)	(137,160)	(102,239)	(104,098)
Net change in total pension liability	106,664	127,377	136,826	135,407	86,927
Total pension liability - beginning	2,415,168	2,287,791	2,150,965	2,015,558	1,928,631
Total pension liability - ending (A)	$ 2,521,832	$ 2,415,168	$ 2,287,791	$ 2,150,965	$ 2,015,558
PLAN FIDUCIARY NET POSITION					
Contributions - employer	$ 53,749	$ 54,088	$ 55,032	$ 66,706	$ 56,483
Contributions - employee	35,309	35,952	36,601	32,243	27,360
Net investment income	220,522	222,250	(290,243)	336,695	254,892
Benefit payments, including refunds of employee contributions	(130,160)	(123,466)	(137,160)	(102,239)	(104,098)
Other	(18,540)	57,568	31,293	(4,923)	(6,838)
Net change in plan fiduciary net position	160,880	246,392	(304,477)	328,482	227,799
Plan fiduciary net position - beginning	2,233,007	1,986,615	2,291,092	1,962,610	1,734,811
Plan fiduciary net position - ending (B)	$ 2,393,887	$ 2,233,007	$ 1,986,615	$ 2,291,092	$ 1,962,610
NET PENSION LIABILITY (ASSET) - ENDING (A) - (B)	$ 127,945	$ 182,161	$ 301,176	$ (140,127)	$ 52,948
Plan fiduciary net position as a percent of the net pension liability	94.93%	92.46%	86.84%	106.51%	97.37%
Covered-employee payroll	$ 784,646	$ 798,936	$ 705,241	$ 716,508	$ 607,993
Net pension liability (asset) as a percent of covered-employee payroll	16.31%	22.80%	42.71%	-19.56%	8.71%

Changes in assumptions:

For 2015, changes are primarily from a change in the calculated discount rate from 7.49% in 2014 to 7.47% in 2015.

For 2016, changes are primarily from a change in the calculated discount rate from 7.47% in 2015 to 7.50% in 2016.

For 2017, changes are primarily from adopting an IMRF specific mortality tables with fully generational projection scale MP-2017 (base year 2015) developed from the RP-2014 mortality tables.

For 2018, the assumed investment rate of return was lowered from 7.50% to 7.25%.

For 2020, changes are primarily from adopting the Pub-2010, amount weighted, general mortality tables for retirees and active members.

For 2023, changes are primarily from updates to mortality tables and other demographic data based on the experience study covering the years 2020-2022.

CITY OF HOMETOWN, ILLINOIS
SCHEDULE OF CHANGES IN NET PENSION
LIABILITY AND RELATED RATIOS (CONTINUED)
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST TEN MEASUREMENT PERIODS

	Measurement Period Ended December 31,				
	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY					
Service cost	$ 51,879	$ 40,789	$ 49,653	$ 49,834	$ 49,345
Interest	127,138	117,016	129,342	145,451	135,713
Differences between expected and actual experience	68,167	66,955	(217,261)	(301,742)	70,552
Changes in assumptions	-	44,374	(43,727)	(10,560)	3,913
Benefit payments, including refunds of employee contributions	(92,469)	(70,070)	(85,786)	(140,848)	(107,131)
Net change in total pension liability	154,715	199,064	(167,779)	(257,865)	152,392
Total pension liability - beginning	1,773,916	1,574,852	1,742,631	2,000,496	1,848,104
Total pension liability - ending (A)	$ 1,928,631	$ 1,773,916	$ 1,574,852	$ 1,742,631	$ 2,000,496
PLAN FIDUCIARY NET POSITION					
Contributions - employer	$ 51,899	$ 80,209	$ 45,823	$ 53,902	$ 49,168
Contributions - employee	24,610	32,897	19,025	21,385	19,773
Net investment income	263,695	(73,554)	237,287	115,607	8,171
Benefit payments, including refunds of employee contributions	(92,469)	(70,070)	(85,786)	(140,848)	(107,131)
Other	35,807	33,262	(176,209)	(299,531)	34,615
Net change in plan fiduciary net position	283,542	2,744	40,140	(249,485)	4,596
Plan fiduciary net position - beginning	1,451,269	1,448,525	1,408,385	1,657,870	1,653,274
Plan fiduciary net position - ending (B)	$ 1,734,811	$ 1,451,269	$ 1,448,525	$ 1,408,385	$ 1,657,870
NET PENSION LIABILITY (ASSET) - ENDING (A) - (B)	$ 193,820	$ 322,647	$ 126,327	$ 334,246	$ 342,626
Plan fiduciary net position as a percent of the net pension liability	89.95%	81.81%	91.98%	80.82%	82.87%
Covered-employee payroll	$ 546,881	$ 490,740	$ 416,204	$ 469,116	$ 439,398
Net pension liability (asset) as a percent of covered-employee payroll	35.44%	65.75%	30.35%	71.25%	77.98%

CITY OF HOMETOWN, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
LAST TEN FISCAL YEARS

Fiscal year ended April 30,	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered-employee payroll
2025	$ 56,806	$ 56,806	$ -	$ 857,055	6.63%
2024	54,088	54,088	-	798,936	6.77%
2023	54,868	55,032	(164)	705,241	7.78%
2022	66,707	66,706	1	716,508	9.31%
2021	56,483	56,483	-	607,993	9.29%
2020	51,899	51,899	-	546,881	9.49%
2019	55,208	80,209	(25,001)	490,740	11.25%
2018	45,824	45,823	1	416,204	11.01%
2017	53,901	53,902	(1)	469,116	11.49%
2016	49,169	49,168	1	439,398	11.19%

Valuation Date:

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

Methods and Assumptions Used to Determine 2024 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll (closed)
Remaining Amortization Period:	19-year closed period.
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth	2.75%
Inflation:	2.25%
Salary Increases:	2.75% to 13.75%, including inflation
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
Mortality:	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes	There were no benefit changes during the year.

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

	Original and Final Budget	Actual	Variance with Budget Over (Under)
REVENUES			
Property taxes	$ 475,975	$ 480,907	$ 4,932
Intergovernmental	2,139,783	3,134,572	994,789
Licenses and permits	237,500	203,921	(33,579)
Fines and forfeitures	423,950	569,577	145,627
Charges for services	46,559	34,615	(11,944)
Interest	170	54,945	54,775
Miscellaneous	163,200	5,959	(157,241)
Total Revenues	3,487,137	4,484,496	997,359
EXPENDITURES			
Current			
General government	1,431,507	1,168,901	(262,606)
Public safety	2,003,991	1,821,260	(182,731)
Highway and streets	333,046	324,790	(8,256)
Culture and recreation	68,441	41,760	(26,681)
Capital outlay	1,256,966	1,117,387	(139,579)
Debt service			
Principal	-	21,834	21,834
Interest and fiscal charges	-	248	248
Total Expenditures	5,093,951	4,496,180	(597,771)
Deficiency of revenues under expenditures	(1,606,814)	(11,684)	1,595,130
OTHER FINANCIING SOURCES (USES)			
Transfer in	24,235	-	(24,235)
Transfer (out)	(7,500)	-	7,500
Issuance of lease	-	54,836	54,836
Total other financing sources (uses)	16,735	54,836	38,101
Net change in fund balance	$ (1,590,079)	43,152	$ 1,633,231
Fund balance at beginning of year, as previously reported		2,194,819	
Restatements		(1,028,768)	
Fund balances at beginning of year, as restated		1,166,051	
Fund balance at end of year		$ 1,209,203	

See independent auditor's report.

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles for all funds except for the Motor Fuel Tax and Special Events Funds. These funds do not have legally adopted budgets. The annual appropriation ordinance was passed on July 23, 2024. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- The Treasurer meets with the Finance Committee and department heads to review revenue projections and budget proposals.
- The Treasurer submits to the City Council a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted by the City to obtain taxpayer comments.
- The budget is legally enacted on an annual basis through passage of an ordinance. The City Treasurer is authorized to transfer budgeted amounts between departments within funds with proper City Council approval.
- Formal budgetary integration is required as a management control device during the year for the General Fund.
- Budgetary authority lapses at year end.
- State law requires that "expenditures be made in conformity with appropriation/budget." As under the Budget Act, transfers between line items and departments may be made by administrative actions. Amounts to be transferred between funds would require City Council approval. However, if the City wants to raise the budget amount for any fund after it has been passed, state statue would require going through the budget appropriation public hearing process. The level of legal control is generally to be the fund budget in total.
- Budgeted amounts are as originally adopted.

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

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

	Original and Final Budget	Actual	Variance with Budget Over (Under)
REVENUES			
Property taxes	$ 475,975	$ 480,907	$ 4,932
Intergovernmental			
Illinois state replacement tax	34,500	15,095	(19,405)
State income tax	717,290	774,514	57,224
Motor fuel tax	8,000	-	(8,000)
Sales tax	498,743	433,771	(64,972)
Home rule cannabis tax	6,250	6,736	486
Cannabis tax	-	28,258	28,258
Telecommunication tax	26,400	40,029	13,629
Utility taxes	170,600	154,956	(15,644)
Emergency telephone system board	-	37,079	37,079
Video gaming tax	378,000	494,681	116,681
State and federal grants	300,000	1,149,453	849,453
Total intergovernmental	2,139,783	3,134,572	994,789
Licenses and permits			
Building permits	85,000	63,086	(21,914)
Business license	80,000	76,100	(3,900)
Animal license	7,500	6,330	(1,170)
Vehicle license	65,000	58,405	(6,595)
Total licenses and permits	237,500	203,921	(33,579)
Fines and forfeitures			
Local debt recovery	42,250	47,007	4,757
Local ordinance fines	5,000	6,090	1,090
Police fines	68,000	172,774	104,774
Police seizures sharing revenue	-	3,344	3,344
Red light camera	218,700	239,662	20,962
Tow fees	90,000	100,700	10,700
Total fines and forfeitures	423,950	569,577	145,627
Charges for services			
Senior bus	1,600	2,232	632
Cell tower	27,459	16,013	(11,446)
Hammond Hall rental	17,500	16,370	(1,130)
Total charges for services	46,559	34,615	(11,944)

See independent auditor's report.

CITY OF HOMETOWN, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED APRIL 30, 2025

	Original and Final Budget	Actual	Variance with Budget Over (Under)
REVENUES (CONTINUED)			
Interest	$ 170	$ 54,945	$ 54,775
Miscellaneous			
Other	163,200	5,959	(157,241)
Total miscellaneous	163,200	5,959	(157,241)
Total Revenues	3,487,137	4,484,496	997,359
EXPENDITURES			
General government			
General administration			
Salaries and benefits	221,388	203,455	(17,933)
Contractual services	459,250	276,759	(182,491)
Supplies and materials	64,500	64,478	(22)
Miscellaneous	34,000	9,197	(24,803)
Total general administration	779,138	553,889	(225,249)
Clerk-Collector			
Salaries and benefits	179,414	185,613	6,199
Contractual services	2,000	930	(1,070)
Supplies and materials	400	109	(291)
Total clerk-collector	181,814	186,652	4,838
Building			
Salaries and benefits	44,655	42,951	(1,704)
Contractual services	750	1,285	535
Supplies and materials	150	-	(150)
Total building	45,555	44,236	(1,319)
Municipal building			
Contractual services	44,500	28,302	(16,198)
Supplies and materials	15,500	14,803	(697)
Total municipal building	60,000	43,105	(16,895)

See independent auditor's report.

CITY OF HOMETOWN, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED APRIL 30, 2025

	Original and Final Budget	Actual	Variance with Budget Over (Under)
EXPENDITURES (CONTINUED)			
General government (Continued)			
Insurance department			
Contractual services	$ 145,000	$ 139,738	$ (5,262)
Total insurance department	145,000	139,738	(5,262)
Municipal retirement			
Salaries and benefits	220,000	201,281	(18,719)
Total municipal retirement	220,000	201,281	(18,719)
Total general government	1,431,507	1,168,901	(262,606)
Public safety			
Police department			
Salaries and benefits	1,599,106	1,219,072	(380,034)
Contractual services	296,400	503,396	206,996
Supplies and materials	33,000	22,526	(10,474)
Repairs and maintenance	45,000	46,821	1,821
Total police department	1,973,506	1,791,815	(181,691)
Public health department			
Salaries and benefits	23,185	14,692	(8,493)
Contractual services	6,800	14,753	7,953
Supplies and materials	500	-	(500)
Total public health department	30,485	29,445	(1,040)
Total public safety	2,003,991	1,821,260	(182,731)
Highways and streets			
Public works			
Salaries and benefits	215,546	232,074	16,528
Contractual services	46,000	16,579	(29,421)
Supplies and materials	38,500	38,535	35
Repairs and maintenance	33,000	37,602	4,602
Total public works	333,046	324,790	(8,256)
Total highway and streets	333,046	324,790	(8,256)

See independent auditor's report.

CITY OF HOMETOWN, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED APRIL 30, 2025

	Original and Final Budget	Actual	Variance with Budget Over (Under)
EXPENDITURES (CONTINUED)			
Culture and Recreation			
Parks and recreation			
Salaries and benefits	$ 16,391	$ 13,292	$ (3,099)
Contractual services	32,000	27,875	(4,125)
Supplies and materials	20,000	579	(19,421)
Miscellaneous	50	14	(36)
Total parks and recreation	68,441	41,760	(26,681)
Total culture and recreation	68,441	41,760	(26,681)
Capital outlay			
General administration	1,079,816	915,830	(163,986)
Clerk-collector	1,500	550	(950)
Building	150	-	(150)
Municipal building	30,000	22,783	(7,217)
Police department	130,000	171,383	41,383
Public works	11,500	6,841	(4,659)
Parks and recreation	4,000	-	(4,000)
Total capital outlay	1,256,966	1,117,387	(139,579)
Debt Service			
Principal	-	21,834	21,834
Interest and fiscal charges	-	248	248
Total debt service	-	22,082	22,082
Total Expenditures	5,093,951	4,496,180	(597,771)
Deficiency of revenues under expenditures	(1,606,814)	(11,684)	1,595,130

See independent auditor's report.

CITY OF HOMETOWN, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED APRIL 30, 2025

	Original and Final Budget	Actual	Variance with Budget Over (Under)
OTHER FINANCING SOURCES (USES)			
Transfer in	$ 24,235	$ -	$ (24,235)
Transfer (out)	(7,500)	-	7,500
Issuance of lease	-	54,836	54,836
Total Other Financing Sources (Uses)	16,735	54,836	38,101
Net change in fund balance	$ (1,590,079)	43,152	$ 1,633,231
Fund balance at beginning of year, as previously reported		2,194,819	
Restatements		(1,028,768)	
Fund balances at beginning of year, as restated		1,166,051	
Fund balance at end of year		$ 1,209,203	

See independent auditor's report.

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

	Original and Final Budget	Actual	Variance with Budget Over (Under)
REVENUES			
Intergovernmental	$ -	$ 258,937	$ 258,937
Interest	-	4,372	4,372
Total Revenues	-	263,309	263,309
EXPENDITURES			
Current			
Highways and streets			
Contractual services	-	122,873	122,873
Repairs and maintenance	-	88,155	88,155
Miscellaneous	-	41	41
Capital outlay	-	121,028	121,028
Total Expenditures	-	332,097	332,097
Net change in fund balance	$ -	(68,788)	$ (68,788)
Fund balance at beginning of year		635,880	
Fund balance at end of year		$ 567,092	

See independent auditor's report.

NONMAJOR GOVERNMENTAL FUNDS

CITY OF HOMETOWN, ILLINOIS
BALANCE SHEET
NONMAJOR GOVERNMENTAL FUND
APRIL 30, 2025

	Special Events	Total
ASSETS		
Cash and cash equivalents	$ 73	$ 73
Total Assets	$ 73	$ 73
LIABILITIES	$ -	$ -
FUND BALANCES		
Assigned		
Culture and recreation	73	73
Total Fund Balances	73	73
Total Liabilities and Fund Balances	$ 73	$ 73

See independent auditor's report.

CITY OF HOMETOWN, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED APRIL 30, 2025

	Special Events	Moter Fuel Tax	Public Library	Total
REVENUES				
Miscellaneous	$ 12			$ 12
Total Revenues	12			12
EXPENDITURES				
Current				
Culture and recreation	172			172
Total Expenditures	172			172
Net changes in fund balances	(160)			(160)
Fund balances at beginning of year, as previously reported	233	635,880	113,115	749,228
Adjustments and restatements	-	(635,880)	(113,115)	(748,995)
Fund balances at beginning of year, as restated and restated	233	-	-	233
Fund balance at end of year	$ 73			$ 73

See independent auditor's report.

CITY OF HOMETOWN, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
SPECIAL EVENTS FUND
FOR THE YEAR ENDED APRIL 30, 2025

	Original and Final Budget	Actual	Variance with Budget Over (Under)
REVENUES			
Miscellaneous	$ -	$ 12	$ 12
Total Revenues	-	12	12
EXPENDITURES			
Current			
Culture and recreation			
Supplies and materials	-	172	172
Total Expenditures	-	172	172
Net change in fund balance	$ -	(160)	$ (160)
Fund balance at beginning of year		233	
Fund balance at end of year		$ 73	

See independent auditor's report.

CITY OF HOMETOWN, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL
WATER OPERATIONS AND MAINTENANCE FUND
FOR THE YEAR ENDED APRIL 30, 2025

	Original and Final Budget	Actual	Variance with Budget Over (Under)
OPERATING REVENUES			
Charges for services	$ 1,620,000	$ 1,657,281	$ 37,281
Miscellaneous	500	-	(500)
Total Operating Revenues	1,620,500	1,657,281	36,781
OPERATING EXPENSES			
Operations			
Salaries and benefits	82,915	93,987	11,072
Contractual services	215,585	131,115	(84,470)
Supplies and materials	63,250	66,511	3,261
Repairs and maintenance	61,000	57,452	(3,548)
Water purchases	1,200,000	1,231,369	31,369
Depreciation	-	47,813	47,813
Total Operating Expenses	1,622,750	1,628,247	5,497
Operating Income (Loss)	(2,250)	29,034	31,284
NONOPERATING REVENUE			
Interest	2,250	16,363	14,113
Total Nonoperating Revenue	2,250	16,363	14,113
Change in net position	$ -	45,397	$ 45,397
Net position at beginning of year, as previously reported		3,754,317	
Restatement		(265,000)	
Net position at beginning of year, as restated		3,489,317	
Net position at end of year		$ 3,534,714	

See independent auditor's report.

CITY OF HOMETOWN, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
COMPONENT UNIT
HOMETOWN PUBLIC LIBRARY GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2025

	Original and Final Budget	Actual	Variance with Budget Over (Under)
REVENUES			
Property taxes	$ 86,758	$ 82,951	$ (3,807)
Illinois state replacement tax	5,000	3,267	(1,733)
Fines	1,250	2,188	938
Grants	4,000	8,698	4,698
Interest	30	24	(6)
Miscellaneous	1,462	375	(1,087)
Total Revenues	98,500	97,503	(997)
EXPENDITURES			
Current			
Culture and recreation			
Salaries and benefits	65,000	54,624	(10,376)
Contractual services	6,000	3,871	(2,129)
Supplies and materials	17,400	21,777	4,377
Repairs and materials	-	164	164
Other	3,000	16,287	13,287
Capital outlay	7,100	1,666	(5,434)
Total Expenditures	98,500	98,389	(111)
Net change in fund balance	$ -	(886)	$ (886)
Fund balance at beginning of year, as previously reported		113,115	
Restatements		(27,866)	
Fund balance at beginning of year, as restated		85,249	
Fund balance at end of year		$ 84,363	

See independent auditor's report.

CITY OF HOMETOWN, ILLINOIS
ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR-END FINANCIAL REPORT
FOR THE YEAR ENDED APRIL 30, 2025

CSFA #	Program Name	State	Federal	Total
420-00-1758	Construction and/or Renovation to Buildings, Additions or Structures	$ 200,000	$ -	$ 200,000
420-00-1758	Site Improvements	200,000	-	200,000
402-03-2567	ARP for Supportive Services under Title IIIB	-	1,414	1,414
N/A	Fiscal Year Project Next Generation (Technology and You!)	-	1,977	1,977
N/A	Community Development Block Grant	-	300,000	300,000
	Total expenditures	$ 400,000	$ 303,391	$ 703,391

See independent auditor's report.

OTHER INFORMATION

CITY OF HOMETOWN, ILLINOIS
SCHEDULE OF VALUATIONS, RATES AND EXTENSIONS
FOR TAX LEVIES
FOR THE YEAR ENDED APRIL 30, 2025

Tax Levy Year	Assessed Valuation	Extended Tax Rate
2024	$ 68,525,263	0.841896
2023	69,731,399	0.810500
2022	46,286,214	1.155700
2021	46,292,767	1.154700
2020	50,913,215	1.019300
2019	46,891,364	1.038400
2018	47,592,101	1.003800
2017	43,432,446	0.945500
2016	43,305,525	1.052900
2015	41,295,198	1.094900

The 2024 gross tax levy is analyzed below:

	Rate	Percent	Amount
General:			
Corporate	0.265190	31.50	$ 181,722
Municipal retirement	0.149460	17.75	102,418
Police protection	0.021427	2.55	14,683
Playground and recreation	0.038285	4.55	26,235
Auditing	0.030821	3.66	21,120
Liability insurance	0.152053	18.06	104,195
Crossing guards	0.006255	0.74	4,286
Total general	0.663491	78.81	454,659
Street and bridge			
Street and bridge	0.028796	3.42	19,733
Street and lighting	0.022192	2.64	15,207
Total street and bridge	0.050988	6.06	34,940
Library	0.127417	15.13	87,313
Total	0.841896	100.00	$ 576,912

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