



VILLAGE OF PECATONICA, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended April 30, 2022

SIKICH.COM

VILLAGE OF PECATONICA, ILLINOIS
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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Board of Trustees
Village of Pecatonica, Illinois

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Pecatonica, Illinois (the Village) as of and for the year ended April 30, 2022 and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Pecatonica, Illinois as of April 30, 2022 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under these 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 Village 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.

Basis of Accounting

We draw attention to Note 1e of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1e; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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 Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal controls 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 Village'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 Village'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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in related 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 supplemental data, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a reported dated September 29, 2022, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
September 29, 2022

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

BASIC FINANCIAL STATEMENTS

VILLAGE OF PECATONICA, ILLINOIS

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

April 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 3,023,561	\$ 837,367	\$ 3,860,928
Restricted cash and cash equivalents	-	196,054	196,054
Grant receivable	-	218,407	218,407
Internal activity	(328,885)	328,885	-
Capital assets not being depreciated	2,119,556	5,820,182	7,939,738
Capital assets being depreciated (net of accumulated depreciation)	647,485	9,303,064	9,950,549
Total assets	5,461,717	16,703,959	22,165,676
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized loss on refunding	-	8,495	8,495
Total deferred outflows of resources	-	8,495	8,495
Total assets and deferred outflows of resources	5,461,717	16,712,454	22,174,171
LIABILITIES			
Accounts payable	-	215,856	215,856
Retainage payable	-	307,437	307,437
Meter deposits	-	53,422	53,422
Unearned revenue	68,736	-	68,736
Noncurrent liabilities			
Due within one year	112,603	343,530	456,133
Due in more than one year	3,819,833	6,559,606	10,379,439
Total liabilities	4,001,172	7,479,851	11,481,023
NET POSITION			
Net investment in capital assets	274,926	8,228,605	8,503,531
Restricted			
Police protection	1,539	-	1,539
IMRF	18,537	-	18,537
Social Security	16,495	-	16,495
Streets	280,155	-	280,155
Debt service	-	196,054	196,054
Unrestricted	868,893	807,944	1,676,837
TOTAL NET POSITION	\$ 1,460,545	\$ 9,232,603	\$ 10,693,148

See accompanying notes to financial statements.

VILLAGE OF PECATONICA, ILLINOIS

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended April 30, 2022

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 422,917	\$ 195,488	\$ -	\$ -
Streets	281,670	11,105	-	-
Public safety	418,562	20,005	-	-
Public works	20,364	-	87,368	48,220
Economic development	198,093	-	-	-
Interest and fiscal charges	111,990	-	-	-
Total governmental activities	1,453,596	226,598	87,368	48,220
Business-Type Activities				
Water	549,495	599,377	-	400,000
Sewer	692,291	688,526	-	-
Total business-type activities	1,241,786	1,287,903	-	400,000
TOTAL PRIMARY GOVERNMENT	\$ 2,695,382	\$ 1,514,501	\$ 87,368	\$ 448,220

	<div> <div>Net (Expense) Revenue and Changes in Net Position</div> <div>Primary Government</div> <div> <div>Governmental Activities</div> <div>Business-Type Activities</div> <div>Total</div> </div> </div>		
	\$ (227,429)	\$ -	\$ (227,429)
	(270,565)	-	(270,565)
	(398,557)	-	(398,557)
	115,224	-	115,224
	(198,093)	-	(198,093)
	(111,990)	-	(111,990)
	(1,091,410)	-	(1,091,410)
	-	449,882	449,882
	-	(3,765)	(3,765)
	-	446,117	446,117
	(1,091,410)	446,117	(645,293)
General Revenues			
Taxes			
Property	242,774	-	242,774
Sales	201,313	-	201,313
Utility taxes	133,465	-	133,465
Other taxes	218,890	-	218,890
Intergovernmental			
American Rescue Plan Act	72,740	-	72,740
Income taxes	309,515	-	309,515
Replacement	20,232	-	20,232
Investment income	33,333	5,947	39,280
Miscellaneous	9,803	80,415	90,218
Gain on disposal of capital assets	297,367	-	297,367
Transfers in (out)	(391,761)	391,761	-
Total	1,147,671	478,123	1,625,794
CHANGE IN NET POSITION	56,261	924,240	980,501
NET POSITION, MAY 1	1,404,284	8,308,363	9,712,647
NET POSITION, APRIL 30	\$ 1,460,545	\$ 9,232,603	\$ 10,693,148

VILLAGE OF PECATONICA, ILLINOIS

**STATEMENT OF ASSETS, LIABILITIES AND
FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS**

April 30, 2022

	General	Land Development	Street, Road and Bridge	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 652,662	\$ 223,466	\$ 1,442,563	\$ 704,870	\$ 3,023,561
Advance to other funds	143,792	-	-	-	143,792
TOTAL ASSETS	\$ 796,454	\$ 223,466	\$ 1,442,563	\$ 704,870	\$ 3,167,353
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Due to other funds	\$ 38,546	\$ -	\$ -	\$ -	\$ 38,546
Advances to other funds	-	434,131	-	-	434,131
Unearned revenue	68,736	-	-	-	68,736
Total liabilities	107,282	434,131	-	-	541,413
FUND BALANCES					
Nonspendable	143,792	-	-	-	143,792
Restricted					
Police protection	-	-	-	1,539	1,539
IMRF	-	-	-	18,537	18,537
Social Security	-	-	-	16,495	16,495
Streets	-	-	1,440,321	280,155	1,720,476
Unrestricted					
Assigned					
Capital outlay	-	-	2,242	315,846	318,088
Debt service	-	-	-	72,298	72,298
Subsequent year's budget	15,430	-	-	-	15,430
Unassigned (deficit)	529,950	(210,665)	-	-	319,285
Total fund balances (deficit)	689,172	(210,665)	1,442,563	704,870	2,625,940
TOTAL LIABILITIES AND FUND BALANCES	\$ 796,454	\$ 223,466	\$ 1,442,563	\$ 704,870	\$ 3,167,353

See accompanying notes to financial statements.

VILLAGE OF PECATONICA, ILLINOIS

**RECONCILIATION OF FUND BALANCES OF THE GOVERNMENTAL FUNDS
TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT
OF NET POSITION - MODIFIED CASH BASIS**

April 30, 2022

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 2,625,940
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, not reported in the fund	
Depreciable capital assets, net of accumulated depreciation	2,767,041
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Bonds payable	(3,479,700)
Loans payable	<u>(452,736)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 1,460,545</u></u>

See accompanying notes to financial statements.

VILLAGE OF PECATONICA, ILLINOIS

**STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2022

	General	Land Development	Street, Road and Bridge	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES COLLECTED					
Taxes	\$ 643,606	\$ -	\$ 29,294	\$ 143,774	\$ 816,674
Licenses and permits	27,413	-	-	-	27,413
Fines and fees	24,059	-	-	-	24,059
Intergovernmental	382,255	-	-	135,588	517,843
Charges for services	175,126	-	-	-	175,126
Investment income	1,012	193	30,975	1,153	33,333
Miscellaneous	7,493	-	-	2,310	9,803
Total revenues collected	1,260,964	193	60,269	282,825	1,604,251
EXPENDITURES PAID					
Current					
General government	354,343	-	-	4,948	359,291
Streets	148,896	-	125,339	68,832	343,067
Public safety	367,243	-	-	18,780	386,023
Public works	-	-	-	20,364	20,364
Economic development	-	97,896	-	12,969	110,865
Capital outlay	52,519	87,228	1,716,212	18,518	1,874,477
Debt service					
Principal	-	24,662	-	20,300	44,962
Interest	-	9,045	48,000	54,945	111,990
Total expenditures paid	923,001	218,831	1,889,551	219,656	3,251,039
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	337,963	(218,638)	(1,829,282)	63,169	(1,646,788)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	12,885	207,866	220,751
Transfers (out)	(259,273)	(353,239)	-	-	(612,512)
Bonds issued	-	-	1,600,000	-	1,600,000
Loans issued	-	225,000	-	-	225,000
Proceeds from sale of assets	17,363	280,004	-	-	297,367
Total other financing sources (uses)	(241,910)	151,765	1,612,885	207,866	1,730,606
NET CHANGE IN FUND BALANCES	96,053	(66,873)	(216,397)	271,035	83,818
FUND BALANCES (DEFICIT), MAY 1	593,119	(143,792)	1,658,960	433,835	2,542,122
FUND BALANCES (DEFICIT), APRIL 30	\$ 689,172	\$ (210,665)	\$ 1,442,563	\$ 704,870	\$ 2,625,940

See accompanying notes to financial statements.

VILLAGE OF PECATONICA, ILLINOIS

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES
COLLECTED, EXPENDITURES PAID AND CHANGES IN FUND BALANCE TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES -
MODIFIED CASH BASIS**

For the Year Ended April 30, 2022

**NET CHANGE IN FUND BALANCES -
GOVERNMENTAL FUNDS**

\$ 83,818

Amounts reported for governmental activities in the statement of activities
are different because:

Governmental funds report capital outlay as expenditures; however, they
are capitalized and depreciated in the statement of activities 1,831,437

Depreciation expense on capital assets is reported as an expense in the
statement of activities (78,956)

The issuance of long-term debt is reported as an other financing source in
governmental funds but as an increase of principal outstanding in the
statement of activities (1,825,000)

The repayment of long-term debt is reported as an expenditure when due
in governmental funds but as a reduction of principal outstanding in the
statement of activities 44,962

CHANGE IN NET POSITION OF THE GOVERNMENTAL ACTIVITIES

\$ 56,261

See accompanying notes to financial statements.

VILLAGE OF PECATONICA, ILLINOIS

**STATEMENT OF NET POSITION - MODIFIED CASH BASIS
PROPRIETARY FUND**

April 30, 2022

	Water	Sewer	Total
CURRENT ASSETS			
Cash and cash equivalents	\$ 467,476	\$ 369,891	\$ 837,367
Restricted cash	196,054	-	196,054
Grant receivable	218,407	-	218,407
Due from other funds	38,546	-	38,546
Total current assets	920,483	369,891	1,290,374
NONCURRENT ASSETS			
Advances to other funds	136,205	154,134	290,339
Capital assets not being depreciated	5,553,782	266,400	5,820,182
Capital assets being depreciated	3,048,231	10,616,053	13,664,284
Less accumulated depreciation	(1,399,148)	(2,962,072)	(4,361,220)
Total noncurrent assets	7,339,070	8,074,515	15,413,585
Total assets	8,259,553	8,444,406	16,703,959
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized loss on refunding	8,495	-	8,495
Total deferred outflows of resources	8,495	-	8,495
Total assets and deferred outflows of resources	8,268,048	8,444,406	16,712,454
CURRENT LIABILITIES			
Accounts payable	215,856	-	215,856
Retainage payable	307,437	-	307,437
Meter deposits	53,422	-	53,422
Current portion of long-term debt	90,000	253,530	343,530
Total current liabilities	666,715	253,530	920,245
NONCURRENT LIABILITIES			
Long-term debt, net of current portion	4,658,158	1,901,448	6,559,606
Total liabilities	5,324,873	2,154,978	7,479,851
NET POSITION			
Net investment in capital assets	2,463,202	5,765,403	8,228,605
Restricted for debt service	196,054	-	196,054
Unrestricted	283,919	524,025	807,944
TOTAL NET POSITION	\$ 2,943,175	\$ 6,289,428	\$ 9,232,603

See accompanying notes to financial statements.

VILLAGE OF PECATONICA, ILLINOIS**STATEMENT OF REVENUES COLLECTED, EXPENSES PAID
AND CHANGES IN NET POSITION - MODIFIED CASH BASIS
PROPRIETARY FUND**

For the Year Ended April 30, 2022

	Water	Sewer	Total
OPERATING REVENUES COLLECTED			
Water and sewer service	\$ 599,377	\$ 688,526	\$ 1,287,903
Total operating revenues collected	599,377	688,526	1,287,903
OPERATING EXPENSES PAID			
Water department	425,087	-	425,087
Sewer department	-	319,056	319,056
Depreciation	112,800	281,963	394,763
Total operating expenses paid	537,887	601,019	1,138,906
OPERATING INCOME	61,490	87,507	148,997
NON-OPERATING REVENUES (EXPENSES)			
Investment income	5,216	731	5,947
Miscellaneous revenue	34,434	45,981	80,415
Interest expense	(11,608)	-	(11,608)
Loss on disposal of assets	-	(91,272)	(91,272)
Total non-operating revenues (expenses)	28,042	(44,560)	(16,518)
INCOME BEFORE TRANSFERS AND CAPITAL GRANTS AND CONTRIBUTIONS	89,532	42,947	132,479
TRANSFERS			
Transfer in	157,462	234,299	391,761
Total transfers	157,462	234,299	391,761
CAPITAL GRANTS AND CONTRIBUTIONS			
Capital grants and contributions	400,000	-	400,000
Total capital grants and contributions	400,000	-	400,000
CHANGE IN NET POSITION	646,994	277,246	924,240
NET POSITION, MAY 1	2,296,181	6,012,182	8,308,363
NET POSITION, APRIL 30	\$ 2,943,175	\$ 6,289,428	\$ 9,232,603

See accompanying notes to financial statements.

VILLAGE OF PECATONICA, ILLINOIS

STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS PROPRIETARY FUND

For the Year Ended April 30, 2022

	Water	Sewer	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 597,694	\$ 688,526	\$ 1,286,220
Receipts from miscellaneous income	34,434	45,981	80,415
Payments to personnel	(153,822)	(103,911)	(257,733)
Payments to suppliers	(271,265)	(215,145)	(486,410)
Net cash from operating activities	207,041	415,451	622,492
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Due from other funds	(38,546)	-	(38,546)
Advance to other fund	(136,205)	(154,134)	(290,339)
Transfers in	157,462	234,299	391,761
Net cash from noncapital financing activities	(17,289)	80,165	62,876
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(4,578,143)	(321,321)	(4,899,464)
Proceeds of long-term debt	4,632,822	-	4,632,822
Principal payments on long-term debt	(85,000)	(253,530)	(338,530)
Interest paid on long-term debt	(11,608)	-	(11,608)
Net cash from capital and related financing activities	(41,929)	(574,851)	(616,780)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	5,216	731	5,947
Net cash from investing activities	5,216	731	5,947
NET DECREASE IN CASH AND CASH EQUIVALENTS	153,039	(78,504)	74,535
CASH AND CASH EQUIVALENTS, MAY 1	510,491	448,395	958,886
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 663,530	\$ 369,891	\$ 1,033,421
CASH AND CASH EQUIVALENTS, APRIL 30			
Cash and cash equivalents	\$ 467,476	\$ 369,891	\$ 837,367
Restricted cash	196,054	-	196,054
TOTAL CASH AND CASH EQUIVALENTS, APRIL 30	\$ 663,530	\$ 369,891	\$ 1,033,421

(This statement is continued on the following page.)

VILLAGE OF PECATONICA, ILLINOIS

**STATEMENT OF CASH FLOWS -
MODIFIED CASH BASIS (Continued)
PROPRIETARY FUND**

April 30, 2022

	Water	Sewer	Total
<hr/>			
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES			
Operating income	\$ 61,490	\$ 87,507	\$ 148,997
Miscellaneous income	34,434	45,981	80,415
Adjustments to reconcile net operating income to net cash from operating activities			
Meter deposits	(1,683)	-	(1,683)
Depreciation expense	112,800	281,963	394,763
	<hr/>		
NET CASH FROM OPERATING ACTIVITIES	\$ 207,041	\$ 415,451	\$ 622,492
	<hr/> <hr/>		
NONCASH TRANSACTIONS			
Grant receivable	\$ 218,407	\$ -	\$ 218,407
IEPA loan payable	(218,407)	-	(218,407)
Capital asset additions in accounts payable and retainage	523,293	-	523,293
Loan forgiveness	400,000	-	400,000
Book value loss on disposal of capital asset	-	(91,272)	(91,272)
	<hr/>		
TOTAL NONCASH TRANSACTIONS	\$ 923,293	\$ (91,272)	\$ 832,021
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See accompanying notes to financial statements.

VILLAGE OF PECATONICA, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Pecatonica, Illinois (the Village) 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)) except as described in Note 1e. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Organization

The Village, located in Winnebago County, was incorporated on March 14, 1881 under the provisions of the State of Illinois. The Village operates under a Mayor and Board of Trustees form of government and provides services to the public such as police, sanitation, water and sewer systems, public works and general administrative services.

b. Report Entity

Based on the criteria of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 31*, there are no component units for which the Village is considered to be financially accountable for.

c. Fund Accounting

The Village uses funds to report on its financial position - modified cash basis and the changes in its financial position - modified cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain village functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental and proprietary. Governmental funds are used to account for all of the Village's general activities. The General Fund is the primary operating fund, accounting for all financial resources not accounted for in another fund. Special revenue funds account for revenue sources that are legally restricted or committed for specific purposes. Capital project funds account for funds committed, restricted or assigned for the acquisition or construction of capital assets. Debt service funds account for funds committed, restricted or assigned for the servicing of long-term debt. Permanent funds are used to account for the management of funds held in trust where the interest earnings can be used for governmental services. The Village has no permanent funds.

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Fund Accounting (Continued)

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 information. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds). The Village has no internal service funds.

d. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of the net position - modified cash basis and the statement of activities - modified cash basis) report information on all of the activities of the Village. The effect of interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

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

The Village reports the following major governmental funds:

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

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Government-Wide and Fund Financial Statements (Continued)

The Land Development Fund is used to facilitate the economic development of property the Village purchased to entice new organizations to build retail and light commercial establishments to add to the Village's tax and employment bases.

The Street, Road and Bridge Fund is used to account Village's general infrastructure improvements including street (re)construction, road (re)construction and bridge (re)construction.

The Village reports the following major enterprise funds:

The Water Fund accounts for the provision of water treatment and distribution to the residential and commercial users of the Village.

The Sewer Fund accounts for the storm drainage runoff service provided to the residential and commercial users of the Village.

e. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide and proprietary financial statements are reported using the economic resources measurement focus and using the modified cash basis of accounting which is a comprehensive basis of accounting other than GAAP. The Village reports capital assets and liabilities issued to acquire capital assets, not long-term operating liabilities. Revenues are recorded at the time of receipt by the Village. Expenses are recorded when the funds are disbursed. Depreciation of capital assets has also been shown on the government-wide financial statements. Payroll withholdings from employees and escrow deposits are reflected on the statement of net position and balance sheets as liabilities. Other liabilities are primarily credit balances in customer accounts.

Finally, debt payable and the unamortized loss on refunding related to capital assets are reflected as liabilities and deferred outflows of resources, respectively, on the statement of net position and proprietary fund balance sheet. Accordingly, the financial statements are not intended to present financial position and changes in financial position in conformity with GAAP.

Governmental fund financial statements are reported using the current financial resources measurement focus and the cash basis of accounting which is a comprehensive basis of accounting other than GAAP. Revenues are recorded at the time of receipt by the Village. Expenditures are recorded when the funds are disbursed. Accordingly, the financial statements are not intended to present financial position and changes in financial position in conformity with GAAP.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Property Taxes

The Village's property tax is levied each year on all taxable real property located in the Village and filed with the Winnebago County Clerk on or before the second Tuesday in December. Property taxes attach as an enforceable lien on property as of the January prior to levy passage. Generally, in April of the subsequent year, the County Clerk calculates the tax rates using the equalized assessed value of the township as determined by the Illinois Department of Revenue. These rates are then extended against the equalized assessed value of each parcel of property. The tax bills are then normally mailed by May 1 with payments due in two equal installments on June 1 and September 1. The Village receives significant distributions of tax receipts approximately one month after these due dates.

The Property Tax Extension Limitation Law imposes mandatory property tax limitations on the ability of tax districts in Illinois to raise revenue through unlimited property tax increases. The increase in property tax extensions is limited to the lesser of 5% or the percentage increase in the Consumer Price Index for all urban consumers. The amount of the limitation may be adjusted for new property added or annexed to the tax base or due to voter approved increases.

g. Cash, Cash Equivalents and Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For purposes of the statement of cash flows, proprietary funds consider cash and cash equivalents to include cash on hand, demand deposits, cash with fiscal agent, and short-term investments with original maturities of three months or less from the date of acquisition.

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets

Capital assets, which include building, building improvements, equipment, vehicles and infrastructure assets (e.g., building roads, bridges, storm water), are reported in the government-wide and enterprise fund financial statements. Capital assets are defined by the Village as assets with an initial, individual cost ranging from \$5,000 to \$50,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value as of the date of acquisition. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Assets	Years
Building and improvements	50
Equipment and vehicles	5-20
Infrastructure	50
Utility system	50

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

i. Long-Term Debt

Capital related long-term liabilities are reported in the government-wide and enterprise fund financial statements as liabilities. The governmental fund financial statements do not report long-term liabilities because they do not require the use of current financial resources. Bond premiums are deferred and amortized over the term of the bonds using the effective interest method in the government-wide financial statements but are recognized during the current period in the governmental fund financial statements. Bond issue costs are recognized during the current period as debt service expenditures in both the government-wide and governmental fund financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for specific purpose, externally imposed by outside entities or from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include resolutions and ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The Village Board of Trustees retains the authority to assign fund balance. Any residual fund balance in the General Fund is reported as unassigned. Any deficit fund balances of all other governmental funds are also reported as unassigned.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned funds and then unassigned funds.

In the government-wide financial statements, restricted net position are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets. All other net position that does not meet the definition of "restricted" or "net investment in capital assets" are classified as unrestricted net position. None of the Village's net position or fund balances were restricted as a result of enabling legislation.

k. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the Village has delayed the implementation of GASB Statement No. 87, *Leases*, to April 30, 2023.

2. CASH AND INVESTMENTS

The Village categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Village held no investments at fair value at April 30, 2022.

2. CASH AND INVESTMENTS (Continued)

The Village is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments insured by the Federal Deposit Insurance Corporation (FDIC), obligations or securities guaranteed by the United States of America, direct obligations of any bank as defined by the Illinois Banking Act, certain money market mutual funds and The Illinois Funds. The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, legality, safety of principal, liquidity and yield.

a. Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Village's deposits might not be recovered. The Village's deposits with financial institutions were covered either by FDIC or pledged collateral held by an independent third-party depository in the Village's name at April 30, 2022.

b. Investments

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk by diversifying its investments to the best of its ability based on the type of funds invested and the cash flow needs of those funds.

Interest rate risk is the risk that the market value of investments will fall due to changes in market interest rates. In accordance with its investment policy, the Village limits its exposure to interest rate risk by matching its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village does not directly invest in securities maturing more than five years from the date of purchase. Reserved funds and other funds with longer term investment horizons may be invested in securities exceeding two years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. CASH AND INVESTMENTS (Continued)

b. Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts and a written custodial agreement.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village's investment policy requires diversification of investments to avoid unreasonable risk. The investments shall be diversified by type of investment, number of institutions invested in and length of maturity.

3. RESTRICTED CASH

Certain resources of cash accounts are classified as restricted net position in the financial statements because their use is to be limited to and accumulated for future restricted purposes. The Waterworks and Sewerage Revenue Bonds issued during fiscal 2006 require the establishment of the following restricted accounts within the Enterprise Fund: Bond and Interest - to pay principal and interest on the outstanding bond and to create a reserve for repairs and maintenance on equipment as required by a bond covenant.

Restricted cash and net position consist of the following:

Series 2016 bond and interest sinking fund	<u>\$ 196,054</u>
TOTAL RESTRICTED	<u>\$ 196,054</u>

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

The capital asset activity for the year ended April 30, 2022 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 288,119	\$ -	\$ -	\$ 288,119
Construction in progress	-	1,831,437	-	1,831,437
Total capital assets not being depreciated	288,119	1,831,437	-	2,119,556
Capital assets being depreciated				
Infrastructure	492,523	-	-	492,523
Building and improvements	371,796	-	-	371,796
Equipment and vehicles	685,047	-	-	685,047
Total capital assets being depreciated	1,549,366	-	-	1,549,366
Less accumulated depreciation for				
Infrastructure	259,815	15,514	-	275,329
Building and improvements	128,332	13,054	-	141,386
Equipment and vehicles	434,778	50,388	-	485,166
Total accumulated depreciation	822,925	78,956	-	901,881
Capital assets being depreciated, net	726,441	(78,956)	-	647,485
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 1,014,560	\$ 1,752,481	\$ -	\$ 2,767,041
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 17,993	\$ -	\$ -	\$ 17,993
Construction in progress	2,726,386	3,226,218	150,415	5,802,189
Total capital assets not being depreciated	2,744,379	3,226,218	150,415	5,820,182
Capital assets being depreciated				
Infrastructure	2,925,579	54,680	-	2,980,259
Buildings and improvements	9,529,371	360,208	140,418	9,749,161
Equipment and vehicles	921,664	13,200	-	934,864
Total capital assets being depreciated	13,376,614	428,088	140,418	13,664,284
Less accumulated depreciation for				
Infrastructure	949,761	66,194	-	1,015,955
Buildings and improvements	2,800,575	249,952	49,146	3,001,381
Equipment and vehicles	265,267	78,617	-	343,884
Total accumulated depreciation	4,015,603	394,763	49,146	4,361,220
Capital assets being depreciated, net	9,361,011	33,325	91,272	9,303,064
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 12,105,390	\$ 3,259,543	\$ 241,687	\$ 15,123,246

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES

General government	\$ 11,106
Streets	53,829
Public safety	<u>14,021</u>

**TOTAL DEPRECIATION/AMORTIZATION EXPENSE -
GOVERNMENTAL ACTIVITIES**

\$ 78,956

5. LONG-TERM DEBT

Long-term debt activity for the year ended April 30, 2022 for governmental activities was as follows:

	Balances May 1	Additions	Reductions	Balances April 30	Due in One Year
Loan payable (direct placement)	\$ 252,398	\$ -	\$ 24,662	\$ 227,736	\$ 25,603
General Obligation Bonds (Alternate Revenue Source), Series 2021A	1,900,000	-	-	1,900,000	47,500
General Obligation Bonds (Alternate Revenue Source), Series 2021B	-	1,600,000	20,300	1,579,700	39,500
Loan payable (direct placement) - County*	-	225,000	-	225,000	-
TOTAL LONG-TERM DEBT	<u>\$ 2,152,398</u>	<u>\$ 1,825,000</u>	<u>\$ 44,962</u>	<u>\$ 3,932,436</u>	<u>\$ 112,603</u>

*The loan payable was not fully disbursed at April 30, 2022 and, therefore, a debt service to maturity schedule is not available at the time of report issuance.

During 2020, the Village entered into a loan agreement (direct placement) for land development. The loan proceeds were \$280,000 and the loan has interest rate of 3.75%. The term of the loan is for ten years with payments occurring on a monthly basis.

On March 1, 2021, the Village issued \$1,900,000 General Obligation Bonds (Alternate Revenue Source), Series 2021A. Interest is payable semiannually on June 1 and December 1 at rates of 0.80% to 3.40%. Principal is payable annually on December 1, beginning December 1, 2022 through December 1, 2051. The bonds are being repaid by the Street, Road and Bridge Fund. The bonds were issued to provide resources to pay the costs of infrastructure improvements within the Village.

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

On June 1, 2021, the Village issued \$1,600,000 General Obligation Bonds (Alternate Revenue Source), Series 2021B. Interest is payable semiannually on June 1 and December 1 at rates of 0.80% to 3.40%. Principal is payable annually on December 1, beginning on December 1, 2021 through December 1, 2051. The bonds are being repaid by the Debt Service Fund. The bonds were issued to provide resources to pay the costs of infrastructure improvements within the Village.

During 2022, the Village entered into a loan agreement (direct placement) with Winnebago County for economic development. The loan proceeds will be received over five years totaling \$525,000, of which \$225,000 was received as of April 30, 2022. The loan is interest free. The term of the loan is for fifteen years with payments occurring on an annual basis once the \$525,000 is fully disbursed.

Long-term debt activity for the year ended April 30, 2022 for business-type activities and the Enterprise Fund was as follows:

	Balances May 1	Additions	Reductions	Balances April 30	Due in One Year
IEPA - L170933	\$ 2,408,508	\$ -	\$ 253,530	\$ 2,154,978	\$ 253,530
IEPA - L175087*	1,945,724	2,906,997	400,000	4,452,721	-
General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016	360,000	-	85,000	275,000	90,000
Unamortized bond premium	22,991	-	2,554	20,437	-
TOTAL LONG-TERM DEBT	\$ 4,737,223	\$ 2,906,997	\$ 741,084	\$ 6,903,136	\$ 343,530

*The IEPA - L175087 loan was not fully disbursed at April 30, 2022 and, therefore, a debt service to maturity schedule is not available at the time of report issuance. In addition, during fiscal year 2022, in accordance with the loan agreement, the Village was awarded \$400,000 in loan forgiveness.

On June 22, 2009, the Village entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Pollution Control Loan Program and American Recovery and Reinvestment Act of 2009 for wastewater treatment plant. The note is non-interest-bearing. The term of the loan is for 20 years with semiannual repayments of \$126,765 on January 1 and July 1.

In March 2016, the Village issued \$740,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016 with an average rate of 3.30% to advance refund \$727,400 of outstanding Illinois Finance Authority Waterworks and Sewerage Revenue Bonds, Series 2006 with an average rate of 3.44%.

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

Interest is payable semiannually on August 1 and February 1 at rates of 3.00% to 3.50%. Principal is payable annually on February 1, beginning February 1, 2017 through February 1, 2025. The bonds are being repaid by the Water and Sewer Funds. The bonds were issued to provide resources to purchase state and local government securities that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the statement of net position.

On December 10, 2020, the Village entered into a loan agreement with the Illinois Environmental Protection Agency Bureau of Water Pollution Control Loan Program for drinking water project. The note bears interest at 1.01%. The term of the loan is for 30 years with semiannual repayments on January 1 and July 1.

The annual debt service requirements to maturity, including principal and interest, for long-term debt as of April 30, 2022 are as follows:

Year Ending April 30,	IEPA - L170933			General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 253,530	\$ -	\$ 253,530	\$ 90,000	\$ 9,625	\$ 99,625
2024	253,530	-	253,530	90,000	6,475	96,475
2025	253,530	-	253,530	95,000	3,325	98,325
2026	253,530	-	253,530	-	-	-
2027	253,530	-	253,530	-	-	-
2028-2032	887,328	-	887,328	-	-	-
TOTAL	\$ 2,154,978	\$ -	\$ 2,154,978	\$ 275,000	\$ 19,425	\$ 294,425

Year Ending April 30,	Loan Payable (Direct Placement)			General Obligation Bonds (Alternate Revenue Source), Series 2021A		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 25,603	\$ 8,103	\$ 33,706	\$ 47,500	\$ 47,064	\$ 94,564
2024	26,580	7,126	33,706	47,900	46,637	94,537
2025	27,594	6,112	33,706	48,400	46,158	94,558
2026	28,647	5,059	33,706	48,900	45,625	94,525
2027	29,740	3,967	33,707	49,500	45,038	94,538
2028-2032	89,572	4,932	94,504	258,600	214,302	472,902
2033-2037	-	-	-	283,600	189,177	472,777
2038-2042	-	-	-	319,300	153,409	472,709
2043-2047	-	-	-	367,300	105,421	472,721
2048-2052	-	-	-	429,000	43,849	472,849
TOTAL	\$ 227,736	\$ 35,299	\$ 263,035	\$ 1,900,000	\$ 936,680	\$ 2,836,680

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

Year Ending April 30,	General Obligation Bonds (Alternate Revenue Source), Series 2021B		
	Principal	Interest	Total
2023	\$ 39,500	\$ 39,131	\$ 78,631
2024	39,800	38,776	78,576
2025	40,200	38,378	78,578
2026	40,700	37,936	78,636
2027	41,200	37,447	78,647
2028-2032	214,900	178,184	393,084
2033-2037	235,700	157,303	393,003
2038-2042	265,600	127,564	393,164
2043-2047	305,500	87,647	393,147
2048-2052	356,600	36,454	393,054
TOTAL	\$ 1,579,700	\$ 778,820	\$ 2,358,520

The amount of pledge remaining as of April 30, 2022 is as follows:

	Pledged Revenue Source	Pledge Remaining	Commitment End Date	Pledged Revenue Collected	Principal and Interest Paid
General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016	Revenues of the System	\$ 294,425	2/1/2025	\$ 1,287,903	\$ 97,600
General Obligation Bonds (Alternate Revenue Source), Series 2021A	Sales and Use Taxes	2,836,680	12/1/2051	337,567	35,298
General Obligation Bonds (Alternate Revenue Source), Series 2021B	Sales and Use Taxes	2,358,518	12/1/2051	337,567	39,947

The Village is subject to a debt limitation of 8.625% of its assessed valuation of \$30,625,272. As of April 30, 2022, the Village had \$2,641,430 of remaining legal debt margin.

6. RISK MANAGEMENT

The Village is exposed to various risks related to torts and employee health claims; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the Village carries commercial insurance. The amount of coverage has not decreased and amount of settlements have not exceeded insurance coverage for any of the last three years.

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. INTERFUND ACTIVITY

During the normal course of village operations, transfers between funds arise to reimburse individual funds for expenditures incurred for the benefit of other funds. The following operating transfers occurred during the fiscal year ended April 30, 2022:

	Transfers Out	Transfers In
General Fund	\$ 259,273	\$ -
Water Fund	-	157,462
Sewer Fund	-	234,299
Street, Road, and Bridge Fund	-	12,885
Land Development Fund	353,239	-
Nonmajor Governmental Funds	-	207,866
	<hr/>	<hr/>
TOTAL	\$ 612,512	\$ 612,512
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The purposes of the significant interfund transfers are as follows:

- \$147,465 from the General Fund was transferred to the Nonmajor Governmental Funds (Debt Service Fund) for debt and interest payments. This transfer will not be repaid.
- \$142,116 from the Land Development Fund was transferred to the Water Fund for water costs associated with the development of the property. This transfer will not be repaid.
- \$211,123 from the Land Development Fund was transferred to the Sewer Fund for sewer costs associated with the development of the property. This transfer will not be repaid.

Advance due from/to other funds at April 30, 2021 consist of the following:

	Advances to Other Funds	Advance from Other Funds
General Fund	\$ 143,792	\$ -
Water Fund	136,205	-
Sewer Fund	154,134	-
Land Development Fund	-	434,131
	<hr/>	<hr/>
TOTAL	\$ 434,131	\$ 434,131
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VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. INTERFUND ACTIVITY (Continued)

The purposes of the interfund balances are as follows:

- \$434,131 advance from the General Fund, Water Fund and Sewer Fund to the Land Development Fund until the property is developed. The advance will be repaid over ten years.

Due from/to other funds at April 30, 2022 consist of the following:

	Due From	Due To
General Fund	\$ -	\$ 38,546
Water Fund	38,546	-
TOTAL	\$ 38,546	\$ 38,546

The purposes of the interfund balances are as follows:

- \$38,546 due from the General Fund to the Water Fund to cover payments. The due from will be repaid in one year.

The following fund reported a deficit fund balance as of April 30, 2022:

Land Development Fund	\$ 210,665
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8. OTHER POSTEMPLOYMENT BENEFITS

The Village has evaluated its potential other postemployment benefits liability. The Village provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statues, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the Village are required to pay 100% of the current premium. However, no former employees have chosen to stay in the Village's health insurance plan. Additionally, the Village had no former employees for which the Village was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. As a result, the Village has determined that no material liability is required to be reported under GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. In addition, the total OPEB liability, deferred outflows of resources and deferred inflows of resources would not be reported on the Village's financial statements as the Village reports on the modified cash basis of accounting as discussed in Note 1e. Therefore, the Village has not recorded any postemployment benefit liability as of April 30, 2022.

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT PLAN

The Village's defined benefit pension plan (the Plan), Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and schools in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and supplementary information for the Plan as a whole but not by individual employer. That report may be obtained at www.imrf.org.

Illinois Municipal Retirement Fund

Plan Administration

All employees in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2021 (most recent information available), IMRF membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	8
Inactive employees entitled to but not yet	
receiving benefits	10
Active employees	9
	<hr/>
TOTAL	27
	<hr/> <hr/>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT PLAN (Continued)

Illinois Municipal Retirement Fund (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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the fiscal year ended 2022 was 7.08% of covered payroll.

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2021
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Asset valuation method	Fair value

For nondisabled 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.

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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.

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2021	\$ 1,232,183	\$ 1,280,493	\$ (48,310)
Changes for the period			
Service cost	47,713	-	47,713
Interest	89,058	-	89,058
Difference between expected and actual experience	31,997	-	31,997
Changes in assumptions	-	-	-
Employer contributions	-	38,403	(38,403)
Employee contributions	-	23,480	(23,480)
Net investment income	-	218,188	(218,188)
Benefit payments and refunds	(55,312)	(55,312)	-
Other (net transfer)	-	9,732	(9,732)
Net changes	113,456	234,491	(121,035)
BALANCES AT DECEMBER 31, 2021	\$ 1,345,639	\$ 1,514,984	\$ (169,345)

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2022, the Village incurred pension expenditures of \$37,543.

At April 30, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 37,136	\$ -
Assumption changes	-	5,605
Net difference between projected and actual earnings on pension plan investments	-	168,864
Contributions subsequent to the measurement date	12,508	-
	<hr/>	<hr/>
TOTAL	\$ 49,644	\$ 174,469

For disclosure purposes, the amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF would be recognized in pension expense as follows:

\$12,508 reported as deferred outflows of resources related to pensions resulting from village contributions subsequent to the measurement date will be recognized as a reduction (increase) of the net pension liability (asset) in the year ending April 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	
2023	\$ (23,640)
2024	(53,484)
2025	(35,256)
2026	(24,953)
2027	-
Thereafter	-
	<hr/>
TOTAL	<u>\$ (137,333)</u>

VILLAGE OF PECATONICA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RETIREMENT PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

The net pension liability, deferred outflows of resources and deferred inflows of resources are not reported on the Village's financial statements as the Village reports on the modified cash basis of accounting as discussed in Note 1e.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 578	\$ (169,345)	\$ (300,800)

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF PECATONICA, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Taxes					
Property	\$	174,103	\$	172,179	\$ (1,924)
Sales tax		160,551		201,313	40,762
State replacement tax		7,897		20,231	12,334
Telecommunication tax		34,361		30,497	(3,864)
State use tax		97,247		82,553	(14,694)
Utility		120,419		133,465	13,046
Cannabis use tax		1,625		3,368	1,743
Total taxes		596,203		643,606	47,403
License and permits		28,451		27,413	(1,038)
Fines and fees					
Franchise fees		19,101		15,159	(3,942)
Police fines and fees		8,436		8,900	464
Total fines and fees		27,537		24,059	(3,478)
Intergovernmental					
State income tax		256,636		309,515	52,879
Other grants		-		72,740	(57,260)
Total intergovernmental		256,636		382,255	(4,381)
Charges for services					
Garbage collection fees		161,920		152,916	(9,004)
Rental income		22,000		22,210	210
Total charges for services		183,920		175,126	(8,794)
Investment income		349		1,012	663
Other revenue					
Miscellaneous		3,454		7,493	4,039
Total other revenue		3,454		7,493	4,039
Total revenues collected		1,096,550		1,260,964	34,414
EXPENDITURES PAID					
Current					
General government					
Personnel		54,628		59,428	4,800
Unemployment		36		37	1
General insurance		4,946		4,973	27
Health insurance		9,734		8,976	(758)
Building repairs and maintenance		2,100		3,582	1,482
Equipment repairs and maintenance		1,000		283	(717)
Professional services		40,250		33,913	(6,337)
Other professional services		24,000		27,667	2,867
Postage		750		2,926	2,176

(This schedule is continued on the following pages.)

VILLAGE OF PECATONICA, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
EXPENDITURES PAID (Continued)					
Current (Continued)					
General government (Continued)					
Phone and pagers		\$ 3,200	\$ 3,200	\$ 2,332	\$ (868)
Publishing/printed material		2,850	2,850	1,633	(1,217)
Community relations		17,000	17,000	14,232	(2,768)
Training		18,500	18,500	12,361	(6,139)
Dues		1,750	1,750	2,069	319
Utilities		1,350	1,350	1,644	294
Capital outlay		14,500	23,282	22,044	(1,238)
Technology and new equipment		9,000	9,150	10,860	1,710
Office supplies		5,350	6,847	5,824	(1,023)
Miscellaneous		12,750	12,750	10,769	(1,981)
Garbage pickup service		152,040	152,040	150,456	(1,584)
Bank fees		750	750	378	(372)
Total general government		376,484	387,713	376,387	(11,326)
Streets					
Personnel		77,888	81,417	62,600	(18,817)
Health insurance		16,199	16,199	14,741	(1,458)
Liability insurance		10,315	10,501	10,214	(287)
Building repairs and maintenance		1,000	1,000	139	(861)
Equipment repairs and maintenance		8,000	8,000	7,427	(573)
Vehicle maintenance		10,000	10,000	7,658	(2,342)
Engineering		6,000	6,000	6,343	343
Legal		500	500	-	(500)
Medical services		300	517	217	(300)
Technology services		1,000	1,000	-	(1,000)
Contracted safety services		3,000	3,000	-	(3,000)
Other professional services		2,500	2,500	640	(1,860)
Capital outlay		5,000	16,683	19,433	2,750
Phone and pagers		3,500	3,500	2,288	(1,212)
Training		1,000	1,000	-	(1,000)
Utilities		500	500	618	118
Publications		250	250	27	(223)
Dues		250	250	36	(214)
Mosquito control		18,540	18,540	18,540	-
Equipment supplies		2,500	2,500	4,971	2,471
Vehicle supplies		2,500	2,500	2,546	46
Building supplies		1,500	1,500	133	(1,367)
Snow supplies		1,000	1,000	-	(1,000)
Grounds supplies		500	500	367	(133)
Office supplies		2,250	2,250	1,175	(1,075)
Tree service		1,500	1,500	1,025	(475)
Safety clothing/supplies		500	500	322	(178)
Fuel		11,000	11,670	6,869	(4,801)
Rental/lease		1,000	1,000	-	(1,000)
Total streets		189,992	206,277	168,329	(37,948)

(This schedule is continued on the following page.)

VILLAGE OF PECATONICA, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
EXPENDITURES PAID (Continued)					
Current (Continued)					
Public safety					
Personnel		\$ 204,250	\$ 206,682	\$ 237,700	\$ 31,018
Liability/workers' compensation insurance		11,623	11,791	11,453	(338)
Health insurance		36,718	36,718	37,390	672
General insurance		13,116	13,116	14,446	1,330
Uniform allowance		2,000	2,000	3,285	1,285
Equipment repairs and maintenance		2,000	2,000	1,323	(677)
Vehicle and repairs		3,500	3,500	6,247	2,747
Building repairs and maintenance		3,200	3,200	3,558	358
Legal		3,500	3,500	2,601	(899)
Other professional services		30,700	30,700	23,113	(7,587)
Postage		500	500	429	(71)
Phone and pagers		8,000	8,000	7,028	(972)
Dues		600	600	565	(35)
Training		3,000	3,000	1,578	(1,422)
Equipment supplies		500	500	1,987	1,487
Office supplies		2,900	2,900	1,516	(1,384)
Fuel		10,000	10,000	12,317	2,317
Capital outlay		2,400	11,321	11,042	(279)
Utilities		300	300	707	407
Total public safety		338,807	350,328	378,285	27,957
Total expenditures paid	<u>\$ 2,249,133</u>	905,283	944,318	923,001	(21,317)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		191,267	282,232	337,963	55,731
OTHER FINANCING SOURCES (USES)					
Transfers (out)		135,000	(251,748)	(259,273)	(7,525)
Proceeds from sale of assets		2,000	19,704	17,363	(2,341)
Total other financing sources (uses)	<u>\$ -</u>	137,000	(232,044)	(241,910)	(9,866)
NET CHANGE IN FUND BALANCE		<u>\$ 328,267</u>	<u>\$ 50,188</u>	96,053	<u>\$ 45,865</u>
FUND BALANCE, MAY 1				593,119	
FUND BALANCE, APRIL 30				<u>\$ 689,172</u>	

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL
STREET, ROAD AND BRIDGE FUND**

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Property taxes		\$ 29,251	\$ 29,251	\$ 29,294	\$ 43
Intergovernmental					
Grant		1,750,000	1,750,000	-	(1,750,000)
Investment income		89	89	30,975	30,886
Total revenues collected		<u>1,779,340</u>	<u>1,779,340</u>	<u>60,269</u>	<u>(1,719,071)</u>
EXPENDITURES PAID					
Current					
Streets					
Salaries		-	-	471	471
Engineering		52,500	52,500	124,868	72,368
Capital outlay		4,935,000	4,935,000	1,716,212	(3,218,788)
Debt service					
Interest		103,098	103,098	48,000	(55,098)
Total expenditures paid	<u>\$ 5,290,598</u>	<u>5,090,598</u>	<u>5,090,598</u>	<u>1,889,551</u>	<u>(3,201,047)</u>
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID					
		<u>(3,311,258)</u>	<u>(3,311,258)</u>	<u>(1,829,282)</u>	<u>1,481,976</u>
OTHER FINANCING SOURCES (USES)					
Bonds issued		1,600,000	1,600,000	1,600,000	-
Transfers in		117,000	12,885	12,885	-
Total other financing sources (uses)	<u>\$ -</u>	<u>1,717,000</u>	<u>1,612,885</u>	<u>1,612,885</u>	<u>-</u>
NET CHANGE IN FUND BALANCE					
		<u>\$ (1,594,258)</u>	<u>\$ (1,698,373)</u>	<u>(216,397)</u>	<u>\$ 1,481,976</u>
FUND BALANCE, MAY 1				<u>1,658,960</u>	
FUND BALANCE, APRIL 30				<u>\$ 1,442,563</u>	

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL
LAND DEVELOPMENT FUND**

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Interest income		\$ -	\$ -	\$ 193	\$ 193
Total revenues collected		-	-	193	193
EXPENDITURES PAID					
Current					
Economic development					
General insurance		52	52	130	78
Professional fees		5,000	5,000	550	(4,450)
Bank fees		-	-	15	15
Utilities		500	500	72	(428)
Liability insurance		1,080	1,080	-	(1,080)
Legal		20,000	20,000	7,368	(12,632)
Professional services		20,000	20,000	53,853	33,853
Publishing		-	-	245	245
Engineering service		60,000	60,000	31,548	(28,452)
Miscellaneous		-	-	4,115	4,115
Capital outlay		250,000	250,000	87,228	(162,772)
Debt service					
Principal		23,610	23,610	24,662	1,052
Interest		10,096	10,096	9,045	(1,051)
Total expenditures paid	\$ 666,065	390,338	390,338	218,831	(171,507)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		(390,338)	(390,338)	(218,638)	171,700
OTHER FINANCING SOURCES (USES)					
Transfers (out)		(90,727)	(90,727)	(353,239)	(262,512)
Loan proceeds		-	-	225,000	225,000
Proceeds from sale of assets		500,000	500,000	280,004	(219,996)
Total other financing sources (uses)	\$ -	409,273	409,273	151,765	(257,508)
NET CHANGE IN FUND BALANCE	\$ 18,935	\$ 18,935		(66,873)	\$ (85,808)
FUND BALANCE (DEFICIT), MAY 1				(143,792)	
FUND BALANCE (DEFICIT), APRIL 30				\$ (210,665)	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF PECATONICA, ILLINOIS

COMBINING STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES -
MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2022

	Special Revenue				Capital Projects						Total Nonmajor Governmental Funds
	IMRF Retirement	Social Security	Motor Fuel Tax	Police Confiscatory	Police Capital	Economic Development	Public Works	Business District	Debt Service		
ASSETS											
Cash and investments	\$ 18,537	\$ 16,495	\$ 280,155	\$ 1,539	\$ 61,763	\$ 61,766	\$ 161,381	\$ 30,936	\$ 72,298	\$	704,870
TOTAL ASSETS	\$ 18,537	\$ 16,495	\$ 280,155	\$ 1,539	\$ 61,763	\$ 61,766	\$ 161,381	\$ 30,936	\$ 72,298	\$	704,870
LIABILITIES AND FUND BALANCES											
LIABILITIES											
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	-
TOTAL LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	-
FUND BALANCES											
Restricted											
Police protection	\$ -	\$ -	\$ -	\$ 1,539	\$ -	\$ -	\$ -	\$ -	\$ -	\$	1,539
IMRF	18,537	-	-	-	-	-	-	-	-		18,537
Social Security	-	16,495	-	-	-	-	-	-	-		16,495
Streets	-	-	280,155	-	-	-	-	-	-		280,155
Unrestricted											
Assigned											
Capital outlay	-	-	-	-	61,763	61,766	161,381	30,936	-		315,846
Debt service	-	-	-	-	-	-	-	-	72,298		72,298
Total fund balances	18,537	16,495	280,155	1,539	61,763	61,766	161,381	30,936	72,298		704,870
TOTAL LIABILITIES AND FUND BALANCES	\$ 18,537	\$ 16,495	\$ 280,155	\$ 1,539	\$ 61,763	\$ 61,766	\$ 161,381	\$ 30,936	\$ 72,298	\$	704,870

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

COMBINING STATEMENT OF REVENUES COLLECTED, EXPENDITURES PAID
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2022

	Special Revenue			Capital Projects						Total Nonmajor Governmental Funds
	IMRF Retirement	Social Security	Motor Fuel Tax	Police Confiscatory	Police Capital	Economic Development	Public Works	Business District	Debt Service	
REVENUES COLLECTED										
Property taxes	\$ 14,658	\$ 26,643	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,301
Other taxes	-	-	-	-	-	48,772	-	53,701	-	102,473
Intergovernmental	-	-	135,588	-	-	-	-	-	-	135,588
Investment income	49	42	509	3	89	88	283	12	78	1,153
Miscellaneous	-	-	-	400	-	1,910	-	-	-	2,310
Total revenues collected	14,707	26,685	136,097	403	89	50,770	283	53,713	78	282,825
EXPENDITURES PAID										
Current										
General government	2,233	2,715	-	-	-	-	-	-	-	4,948
Streets	2,233	2,715	63,884	-	-	-	-	-	-	68,832
Public safety	8,475	10,305	-	-	-	-	-	-	-	18,780
Public works	9,190	11,174	-	-	-	-	-	-	-	20,364
Economic development	-	-	-	-	-	12,969	-	-	-	12,969
Capital outlay	-	-	-	1,011	17,507	-	-	-	-	18,518
Debt service										
Principal	-	-	-	-	-	-	-	-	20,300	20,300
Interest	-	-	-	-	-	-	-	-	54,945	54,945
Total expenditures paid	22,131	26,909	63,884	1,011	17,507	12,969	-	-	75,245	219,656
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	(7,424)	(224)	72,213	(608)	(17,418)	37,801	283	53,713	(75,167)	63,169
OTHER FINANCING SOURCES (USES)										
Transfers in	439	456	-	-	29,506	-	30,000	-	147,465	207,866
Total other financing sources (uses)	439	456	-	-	29,506	-	30,000	-	147,465	207,866
NET CHANGE IN FUND BALANCES	(6,985)	232	72,213	(608)	12,088	37,801	30,283	53,713	72,298	271,035
FUND BALANCES (DEFICIT), MAY 1	25,522	16,263	207,942	2,147	49,675	23,965	131,098	(22,777)	-	433,835
FUND BALANCES, APRIL 30	\$ 18,537	\$ 16,495	\$ 280,155	\$ 1,539	\$ 61,763	\$ 61,766	\$ 161,381	\$ 30,936	\$ 72,298	\$ 704,870

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL
ILLINOIS MUNICIPAL RETIREMENT FUND**

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Property taxes		\$ 14,626	\$ 14,626	\$ 14,658	\$ 32
Investment income		41	40	49	9
Total revenues collected		<u>14,667</u>	<u>14,666</u>	<u>14,707</u>	<u>41</u>
EXPENDITURES PAID					
Current					
General government					
IMRF		2,327	2,372	2,233	(139)
Streets					
IMRF		2,327	2,372	2,233	(139)
Public safety					
IMRF		8,834	9,002	8,475	(527)
Public works					
IMRF		9,579	9,761	9,190	(571)
Total expenditures paid	<u>\$ 26,065</u>	<u>23,067</u>	<u>23,507</u>	<u>22,131</u>	<u>(1,376)</u>
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		<u>(8,400)</u>	<u>(8,841)</u>	<u>(7,424)</u>	<u>1,417</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		439	439	439	-
Total other financing sources (uses)	<u>\$ -</u>	<u>439</u>	<u>439</u>	<u>439</u>	<u>-</u>
NET CHANGE IN FUND BALANCE		<u>\$ (7,961)</u>	<u>\$ (8,402)</u>	<u>(6,985)</u>	<u>\$ 1,417</u>
FUND BALANCE, MAY 1				<u>25,522</u>	
FUND BALANCE, APRIL 30				<u>\$ 18,537</u>	

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL
SOCIAL SECURITY FUND

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Property taxes		\$ 26,618	\$ 26,618	\$ 26,643	\$ 25
Investment income		34	34	42	8
Total revenues collected		26,652	26,652	26,685	33
EXPENDITURES PAID					
Current					
General government					
Social Security		2,069	2,106	2,200	94
Medicare		484	493	515	22
Total general government		2,553	2,599	2,715	116
Streets					
Social Security		2,069	2,106	2,200	94
Medicare		484	493	515	22
Total streets		2,553	2,599	2,715	116
Public safety					
Social Security		7,854	7,996	8,352	356
Medicare		1,837	1,870	1,953	83
Total public safety		9,691	9,866	10,305	439
Public works					
Social Security		8,517	8,670	9,056	386
Medicare		1,992	2,027	2,118	91
Total public works		10,509	10,697	11,174	477
Total expenditures paid	\$ 28,853	25,306	25,761	26,909	1,148
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		1,346	891	(224)	(1,115)
OTHER FINANCING SOURCES (USES)					
Transfers in		456	456	456	-
Total other financing sources (uses)	\$ -	456	456	456	-
NET CHANGE IN FUND BALANCE	\$ 1,802	\$ 1,347		232	\$ (1,115)
FUND BALANCE, MAY 1				16,263	
FUND BALANCE, APRIL 30				\$ 16,495	

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Motor fuel tax allotments		\$ 127,010	\$ 127,010	\$ 87,368	\$ (39,642)
Rebuild Illinois		-	-	48,220	48,220
Investment income		114	114	509	395
Total revenues collected		127,124	127,124	136,097	8,973
EXPENDITURES PAID					
Current					
Streets					
Tree service		7,500	7,500	9,860	2,360
Street lighting		30,000	30,000	21,933	(8,067)
Snow and ice removal		30,000	30,000	25,435	(4,565)
Street maintenance		30,000	30,000	6,656	(23,344)
Total expenditures paid	\$ 152,500	97,500	97,500	63,884	(33,616)
NET CHANGE IN FUND BALANCE		\$ 29,624	\$ 29,624	72,213	\$ 42,589
FUND BALANCE, MAY 1				207,942	
FUND BALANCE, APRIL 30				\$ 280,155	

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL
POLICE CONFISCATORY FUND**

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Investment income		\$ 4	\$ 4	\$ 3	\$ (1)
Miscellaneous		1,000	1,000	400	(600)
Total revenues collected		1,004	1,004	403	(601)
EXPENDITURES PAID					
Capital outlay		2,000	2,000	1,011	(989)
Total expenditures paid	<u>\$ 2,000</u>	2,000	2,000	1,011	(989)
NET CHANGE IN FUND BALANCE		<u>\$ (996)</u>	<u>\$ (996)</u>	(608)	<u>\$ 388</u>
FUND BALANCE, MAY 1				<u>2,147</u>	
FUND BALANCE, APRIL 30				<u>\$ 1,539</u>	

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL
POLICE CAPITAL FUND**

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Investment income		\$ 56	\$ 56	\$ 89	\$ 33
Total revenues collected		56	56	89	33
EXPENDITURES PAID					
Capital outlay		-	23,000	17,507	(5,493)
Total expenditures paid	\$ 23,000	-	23,000	17,507	(5,493)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		56	(22,944)	(17,418)	5,526
OTHER FINANCING SOURCES (USES)					
Transfers in		12,000	35,000	29,506	(5,494)
Total other financing sources (uses)	\$ -	12,000	35,000	29,506	(5,494)
NET CHANGE IN FUND BALANCE		\$ 12,056	\$ 12,056	12,088	\$ 32
FUND BALANCE, MAY 1				49,675	
FUND BALANCE, APRIL 30				\$ 61,763	

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT FUND**

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Other taxes		\$ 32,000	\$ 32,000	\$ 48,772	\$ 16,772
Investment income		50	50	88	38
Miscellaneous		-	-	1,910	1,910
Total revenues collected		32,050	32,050	50,770	18,720
EXPENDITURES PAID					
Current					
Economic development					
Public/community relations		20,000	20,000	11,078	(8,922)
Printing		1,000	1,000	50	(950)
Technology services		-	-	1,190	1,190
Miscellaneous		7,500	7,500	651	(6,849)
Total expenditures paid	<u>\$ 38,500</u>	28,500	28,500	12,969	(15,531)
NET CHANGE IN FUND BALANCE		<u>\$ 3,550</u>	<u>\$ 3,550</u>	37,801	<u>\$ 34,251</u>
FUND BALANCE, MAY 1				<u>23,965</u>	
FUND BALANCE, APRIL 30				<u>\$ 61,766</u>	

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL
PUBLIC WORKS FUND

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Investment income		\$ 74	\$ 74	\$ 283	\$ 209
Total revenues collected		74	74	283	209
EXPENDITURES PAID					
None		-	-	-	-
Total expenditures paid	<u>\$ 50,000</u>	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		74	74	283	209
OTHER FINANCING SOURCES (USES)					
Transfers in		30,000	30,000	30,000	-
Total other financing sources (uses)	<u>\$ -</u>	30,000	30,000	30,000	-
NET CHANGE IN FUND BALANCE		<u>\$ 30,074</u>	<u>\$ 30,074</u>	30,283	<u>\$ 209</u>
FUND BALANCE, MAY 1				131,098	
FUND BALANCE, APRIL 30				<u>\$ 161,381</u>	

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL
BUSINESS DISTRICT FUND**

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Business district tax		\$ 100,000	\$ 100,000	\$ 53,701	\$ (46,299)
Interest income		100	100	12	(88)
Total revenues collected		100,100	100,100	53,713	(46,387)
EXPENDITURES PAID					
Current					
Economic development					
Professional fees		5,000	5,000	-	(5,000)
Total expenditures paid	<u>\$ 37,780</u>	5,000	5,000	-	(5,000)
NET CHANGE IN FUND BALANCE		<u>\$ 95,100</u>	<u>\$ 95,100</u>	53,713	<u>\$ (41,387)</u>
FUND BALANCE (DEFICIT), MAY 1				(22,777)	
FUND BALANCE, APRIL 30				<u>\$ 30,936</u>	

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

**SCHEDULE OF REVENUES COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL
DEBT SERVICE FUND**

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Interest income		\$ -	\$ -	\$ 78	\$ 78
Total revenues collected		-	-	78	78
EXPENDITURES PAID					
Debt service					
Principal		-	20,300	20,300	-
Interest		-	54,945	54,945	-
Total expenditures paid	<u>\$ -</u>	-	75,245	75,245	-
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		-	(75,245)	(75,167)	78
OTHER FINANCING SOURCES (USES)					
Transfers in		-	147,465	147,465	-
Total other financing sources (uses)	<u>\$ -</u>	-	147,465	147,465	-
NET CHANGE IN FUND BALANCE		<u>\$ -</u>	<u>\$ 72,220</u>	72,298	<u>\$ 78</u>
FUND BALANCE, MAY 1				-	
FUND BALANCE, APRIL 30				<u>\$ 72,298</u>	

(See independent auditor's report.)

ENTERPRISE FUND

VILLAGE OF PECATONICA, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES PAID - MODIFIED CASH BASIS-
BUDGET AND ACTUAL
WATER FUND**

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
OPERATING EXPENSES PAID					
Water department					
Liability insurance		\$ 6,054	\$ 6,054	\$ 12,306	\$ 6,252
Water personnel		136,517	138,146	153,822	15,676
Engineering fees		7,500	7,500	4,500	(3,000)
Professional services		37,500	37,500	40,500	3,000
Janitor service/supplies		1,000	1,000	-	(1,000)
Testing		3,500	3,500	3,928	428
Postage		4,400	4,400	1,887	(2,513)
Phone and pagers		5,000	5,000	4,512	(488)
Publishing		2,300	2,300	471	(1,829)
Dues/public relations		3,500	3,500	1,750	(1,750)
Utilities		30,000	30,000	29,225	(775)
Other expenses		4,500	4,500	2,528	(1,972)
Building repairs and maintenance		19,250	19,250	11,360	(7,890)
Equipment repairs and maintenance		17,000	17,000	10,882	(6,118)
Vehicle repairs and maintenance		10,000	10,000	6,519	(3,481)
Water meter/ERT purchase		2,000	2,000	2,278	278
Office expense		4,250	4,467	2,739	(1,728)
Chemical supplies		2,500	2,500	4,078	1,578
Safety supplies/clothing		3,000	3,000	33	(2,967)
Fuel		3,000	3,000	3,799	799
JULIE		500	500	330	(170)
Site repair		5,000	11,600	5,791	(5,809)
Non capitalized capital outlay		24,500	31,400	98,169	66,769
Health insurance		26,260	26,260	23,680	(2,580)
Depreciation		105,000	105,000	112,800	7,800
Total water department	\$ 7,466,948	464,031	479,377	537,887	58,510
TOTAL OPERATING EXPENSES					
PAID BUDGET BASIS	\$ 7,466,948	\$ 464,031	\$ 479,377	537,887	\$ 58,510

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES PAID - MODIFIED CASH BASIS-
BUDGET AND ACTUAL
SEWER FUND**

For the Year Ended April 30, 2022

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
OPERATING EXPENSES PAID					
Sewer department					
Sewer personnel		\$ 116,045	\$ 117,226	\$ 103,911	\$ (13,315)
Maintenance service - building		44,500	44,500	7,060	(37,440)
Professional services		33,500	33,500	38,023	4,523
Janitor service/supplies		2,500	2,500	415	(2,085)
Testing		2,000	2,000	192	(1,808)
Postage		4,500	4,500	1,887	(2,613)
Publishing		1,750	1,750	850	(900)
Phone and pagers		4,500	4,500	3,984	(516)
Utilities		73,500	73,500	52,168	(21,332)
Bank fees		500	500	-	(500)
Other		7,250	7,467	1,775	(5,692)
Equipment repairs and maintenance		50,000	50,000	26,767	(23,233)
Vehicle repairs and maintenance		4,000	4,000	261	(3,739)
Sludge removal		10,000	10,000	5,956	(4,044)
Engineering service		8,000	8,000	4,500	(3,500)
Televising sewer lines		8,000	8,000	-	(8,000)
Office expense		20,300	20,300	11,670	(8,630)
Chemical supplies		5,500	5,500	8,621	3,121
Fuel		3,500	3,500	943	(2,557)
JULIE		250	250	330	80
Health insurance		21,715	21,715	20,365	(1,350)
General insurance		10,076	10,076	11,422	1,346
Liability insurance		2,154	2,154	2,217	63
Dues/subscriptions		1,000	1,000	3,285	2,285
Non capitalized capital outlay		67,500	76,078	12,454	(63,624)
Depreciation		271,000	271,000	281,963	10,963
Total sewer department	\$ 4,257,720	773,540	783,516	601,019	(182,497)
TOTAL OPERATING EXPENSES PAID BUDGET BASIS	\$ 4,257,720	\$ 773,540	\$ 783,516	\$ 601,019	\$ (182,497)

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

NOTES TO SUPPLEMENTARY INFORMATION

April 30, 2022

1. BUDGET

The Village follows these procedures in establishing the budget:

- a. The Board of Trustees appoints a committee to prepare the operating budget and a schedule of estimated revenues.
- b. The proposed budget is reviewed by the Board of Trustees and approved.
- c. The Board of Trustees is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total appropriation of any fund must be approved by the Board of Trustees as a supplemental appropriation ordinance.
- d. Budgets are adopted and formal budgetary integration is employed as a management control device during the year for all funds.
- e. Budgetary authority lapses at year end.
- f. State law requires that “expenditures be made in conformity with appropriations/budget.” As under the budget act, transfers between line items, departments and funds may be made by administrative action. The final budget reflects all amendments made. The level of legal control is at the fund level.

Budgeted and actual figures are presented on the modified cash basis of accounting which is a method of accounting other than GAAP.

2. EXCESS OF ACTUAL EXPENDITURE/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following fund had expenditures in excess of appropriation:

Fund	Appropriation	Budget	Actual
Debt Service Fund	\$ -	\$ 75,245	\$ 75,245

SUPPLEMENTAL DATA (Unaudited)

VILLAGE OF PECATONICA, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Seven Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021
TOTAL PENSION LIABILITY							
Service cost	\$ 35,825	\$ 35,672	\$ 36,930	\$ 33,372	\$ 42,765	\$ 48,080	\$ 47,713
Interest	57,855	59,233	62,424	67,348	76,035	82,434	89,058
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	(29,330)	(10,122)	43,358	66,487	22,165	28,173	31,997
Changes of assumptions	-	-	(29,548)	31,159	-	(12,681)	-
Benefit payments, including refunds of member contributions	(50,057)	(41,739)	(43,996)	(47,463)	(57,100)	(53,614)	(55,312)
Net change in total pension liability	14,293	43,044	69,168	150,903	83,865	92,392	113,456
Total pension liability - beginning	778,518	792,811	835,855	905,023	1,055,926	1,139,791	1,232,183
TOTAL PENSION LIABILITY - ENDING	\$ 792,811	\$ 835,855	\$ 905,023	\$ 1,055,926	\$ 1,139,791	\$ 1,232,183	\$ 1,345,639
PLAN FIDUCIARY NET POSITION							
Contributions - employer	\$ 25,966	\$ 21,802	\$ 23,780	\$ 28,948	\$ 26,166	\$ 35,495	\$ 38,403
Contributions - member	14,885	14,344	26,985	17,747	19,958	21,702	23,480
Net investment income	4,056	53,747	152,549	(59,901)	183,990	162,621	218,188
Benefit payments, including refunds of member contributions	(50,057)	(41,739)	(43,996)	(47,463)	(57,100)	(53,614)	(55,312)
Other	(36,043)	1,814	(15,100)	28,902	(2,230)	6,444	9,732
Net change in plan fiduciary net position	(41,193)	49,968	144,218	(31,767)	170,784	172,648	234,491
Plan fiduciary net position - beginning	815,835	774,642	824,610	968,828	937,061	1,107,845	1,280,493
PLAN FIDUCIARY NET POSITION - ENDING	\$ 774,642	\$ 824,610	\$ 968,828	\$ 937,061	\$ 1,107,845	\$ 1,280,493	\$ 1,514,984
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 18,169	\$ 11,245	\$ (63,805)	\$ 118,865	\$ 31,946	\$ (48,310)	\$ (169,345)

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021
Plan fiduciary net position as a percentage of the total pension liability	97.71%	98.65%	107.05%	88.74%	97.20%	103.92%	112.58%
Covered payroll	\$ 330,777	\$ 318,750	\$ 324,864	\$ 394,380	\$ 443,496	\$ 482,273	\$ 521,777
Employer's net pension liability (asset) as a percentage of covered payroll	5.49%	3.53%	(19.64%)	30.14%	7.20%	(10.02%)	(32.46%)

Changes in assumptions related to inflation rates, salary increases, retirement age and mortality rates were made in 2020.

Changes in assumptions related to the discount rate were made in 2018.

Changes in assumptions related to inflation rates, salary rates and mortality rates were made in 2017.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Seven Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$ 23,355	\$ 22,630	\$ 23,996	\$ 29,216	\$ 30,479	\$ 36,554	\$ 37,543
Contributions in relation to the actuarially determined contribution	23,355	22,630	23,996	29,216	30,479	36,554	37,543
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 309,771	\$ 323,791	\$ 328,270	\$ 495,186	\$ 475,201	\$ 496,653	\$ 530,236
Contributions as a percentage of covered payroll	7.54%	6.99%	7.31%	5.90%	6.41%	7.36%	7.08%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 22 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually projected salary increases assumption of 3.35% to 14.25% compounded annually and wage growth of 3.25% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

SCHEDULE OF TAX DATA

Last Nine Levy Years

	Tax Year 2021		Tax Year 2020		Tax Year 2019		Tax Year 2018	
ASSESSED VALUATIONS	\$	30,625,272	\$	29,352,108	\$	27,531,193	\$	26,820,393
	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount
PROPERTY TAX RATES AND EXTENSIONS								
Village	0.4318	\$ 132,240	0.4375	\$ 128,415	0.4357	\$ 119,953	0.4375	\$ 117,339
Police protection	0.1173	35,923	0.0937	27,503	0.1057	29,100	0.1061	28,456
Street and bridge	0.0351	10,749	0.0483	14,177	0.0452	12,444	0.0121	3,245
IMRF	0.0495	15,160	0.0499	14,647	0.0598	16,464	0.0501	13,437
Social Security	0.0693	21,223	0.0907	26,622	0.0698	19,217	0.0701	18,801
Sewage disposal	-	-	-	-	-	-	0.0041	1,100
Audit	0.0129	3,951	0.0160	4,696	0.0210	5,782	0.0211	5,659
Revenue recapture	0.0007	214	-	-	-	-	-	-
Workers' compensation	0.0386	11,821	0.0379	11,124	0.0293	8,067	0.0101	2,709
Unemployment insurance	0.0010	306	0.0010	294	0.0025	688	-	-
	0.7562	\$ 231,587	0.7750	\$ 227,478	0.7690	\$ 211,715	0.7112	\$ 190,746

Data Sources

Office of the County Clerk
Office of the County Treasurer

Tax Year 2017		Tax Year 2016		Tax Year 2015		Tax Year 2014		Tax Year 2013	
\$	26,265,203	\$	26,014,878	\$	25,868,724	\$	26,213,090	\$	27,270,651
Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount
0.4375	\$ 114,910	0.0884	\$ 22,997	0.0826	\$ 21,368	0.0543	\$ 14,234	0.1143	\$ 31,170
0.0406	10,664	0.0404	10,510	0.0406	10,503	0.0439	11,508	0.0569	15,517
0.0620	16,284	-	-	-	-	0.0043	1,127	0.0244	6,654
0.0709	18,622	0.0885	23,023	0.1160	30,008	0.1221	32,006	0.0771	21,026
0.1150	30,205	0.1269	33,013	0.1238	32,025	0.1229	32,216	0.0734	20,017
-	-	0.0327	8,507	0.0290	7,502	0.0516	13,526	0.0587	16,008
0.0082	2,154	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
0.0040	1,051	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
0.7382	\$ 193,890	0.3769	\$ 98,050	0.3920	\$ 101,406	0.3991	\$ 104,617	0.4048	\$ 110,392

(See independent auditor's report.)