



VILLAGE OF PECATONICA, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended April 30, 2024

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, 2024 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, 2024 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.

Emphasis of Matter - 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.

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 report dated February 12, 2025, 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 CPA LLC

Naperville, Illinois
February 12, 2025

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Mayor
and Trustees of the Village Board
and Management
Village of Pecatonica
Pecatonica, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the 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 (Village) as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated February 12, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

Village of Pecatonica's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Village of Pecatonica, Illinois' response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Village of Pecatonica, Illinois' responses were not subjected to the other auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on the responses.

Purpose of this Report

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

Sikich CPA LLC

Naperville, Illinois
February 12, 2025

MATERIAL WEAKNESS

We consider the following to be material weakness in internal control:

1. Segregation of Duties

A fundamental element of internal control is the segregation of certain key duties. In general, the principal incompatible duties to be segregated include:

- Custody of assets, in particular cash
- Authorization or approval of related transaction affecting those assets
- Recording or reporting of related transactions
- Execution of the transaction or transaction activity

An essential feature of segregation of duties within an organization is that no one employee or group of employees has exclusive control over any transaction or group of transactions.

We noted specific lack of segregation of duties listed below. This list would not be considered to be all inclusive as we did not perform a review of all control structures throughout the Village.

The Village Clerk has the ability to generate bills, receive payments, deposit payments, and modify customer accounts.

In all cases, we recommend the Village reassign duties or increase approval processes in order to more fully segregate conflicting duties.

We recommend the Village review software access for all employees and ensure access incompatible with job duties are addressed and compensating controls, such as additional review processes, are implemented in instances when software access cannot practically be limited.

Management Response

Up until now the only job description and delegation of duties for the Clerk and Treasurer are contained in our Code of Ordinances. These descriptions and delegation of duties were adopted many decades ago and have never been updated. We have begun an audit of the job description and delegation of duties of the Clerk, Assistant Clerk, and Treasurer to better define their roles in the running of the Village. A final compilation of those job descriptions and delegation of duties will be codified in the Village Code of Ordinances.

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

BASIC FINANCIAL STATEMENTS

VILLAGE OF PECATONICA, ILLINOIS

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

April 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 1,967,760	\$ 1,816,928	\$ 3,784,688
Restricted cash and cash equivalents	-	206,090	206,090
Internal activity	(249,079)	249,079	-
Capital assets not being depreciated	584,957	3,177,463	3,762,420
Capital assets being depreciated (net of accumulated depreciation)	3,890,532	13,357,267	17,247,799
Total assets	6,194,170	18,806,827	25,000,997
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized loss on refunding	-	6,371	6,371
Total deferred outflows of resources	-	6,371	6,371
Total assets and deferred outflows of resources	6,194,170	18,813,198	25,007,368
LIABILITIES			
Retainage payable	-	92,323	92,323
Meter deposits	-	50,621	50,621
Noncurrent liabilities			
Due within one year	116,194	367,578	483,772
Due in more than one year	3,689,919	7,528,997	11,218,916
Total liabilities	3,806,113	8,039,519	11,845,632
NET POSITION			
Net investment in capital assets	669,376	8,495,625	9,165,001
Restricted			
Police protection	2,161	-	2,161
IMRF	14,761	-	14,761
Social Security	8,976	-	8,976
Streets	205,053	-	205,053
Economic development	183,984	-	183,984
Debt service	-	206,090	206,090
Unrestricted	1,303,746	2,071,964	3,375,710
TOTAL NET POSITION	\$ 2,388,057	\$ 10,773,679	\$ 13,161,736

See accompanying notes to financial statements.

VILLAGE OF PECATONICA, ILLINOIS

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Year Ended April 30, 2024

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 427,564	\$ 206,378	\$ -	\$ -
Streets	228,363	11,460	91,701	-
Public safety	371,883	22,839	-	-
Economic development	174,485	-	-	-
Interest and fiscal charges	92,649	-	-	-
Total governmental activities	1,294,944	240,677	91,701	-
Business-Type Activities				
Water	572,962	815,725	-	473,743
Sewer	647,309	705,372	-	-
Total business-type activities	1,220,271	1,521,097	-	473,743
TOTAL PRIMARY GOVERNMENT	\$ 2,515,215	\$ 1,761,774	\$ 91,701	\$ 473,743

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
	Governmental Activities	Business-Type Activities	Total
	\$ (221,186)	\$ -	\$ (221,186)
	(125,202)	-	(125,202)
	(349,044)	-	(349,044)
	(174,485)	-	(174,485)
	(92,649)	-	(92,649)
	(962,566)	-	(962,566)
	-	716,506	716,506
	-	58,063	58,063
	-	774,569	774,569
	(962,566)	774,569	(187,997)
General Revenues			
Taxes			
Property	260,266	-	260,266
Sales	232,588	-	232,588
Utility taxes	123,066	-	123,066
Other taxes	285,890	-	285,890
Intergovernmental			
Income taxes	342,164	-	342,164
Replacement	19,177	-	19,177
Investment income	88,967	71,470	160,437
Miscellaneous	3,758	11,271	15,029
Total	1,355,876	82,741	1,438,617
CHANGE IN NET POSITION	393,310	857,310	1,250,620
NET POSITION, MAY 1	1,994,747	9,916,369	11,911,116
NET POSITION, APRIL 30	\$ 2,388,057	\$ 10,773,679	\$ 13,161,736

See accompanying notes to financial statements.

VILLAGE OF PECATONICA, ILLINOIS

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

April 30, 2024

	General	Motor Fuel Tax	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 666,240	\$ 205,053	\$ 76,756	\$ 1,019,711	\$ 1,967,760
Advance to other funds	140,732	-	-	-	140,732
TOTAL ASSETS	\$ 806,972	\$ 205,053	\$ 76,756	\$ 1,019,711	\$ 2,108,492
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Advances from other funds	\$ -	\$ -	\$ -	\$ 389,811	\$ 389,811
Total liabilities	-	-	-	389,811	389,811
FUND BALANCES					
Nonspendable	140,732	-	-	-	140,732
Restricted					
Police protection	-	-	-	2,161	2,161
IMRF	-	-	-	14,761	14,761
Social Security	-	-	-	8,976	8,976
Streets	-	205,053	-	-	205,053
Economic development	-	-	-	183,984	183,984
Unrestricted					
Assigned					
Capital outlay	-	-	-	809,829	809,829
Debt service	-	-	76,756	-	76,756
Subsequent year's budget	338,488	-	-	-	338,488
Unassigned (deficit)	327,752	-	-	(389,811)	(62,059)
Total fund balances	806,972	205,053	76,756	629,900	1,718,681
TOTAL LIABILITIES AND FUND BALANCES	\$ 806,972	\$ 205,053	\$ 76,756	\$ 1,019,711	\$ 2,108,492

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, 2024

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 1,718,681
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	4,475,489
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Bonds payable	(3,305,000)
Loans payable	<u>(501,113)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 2,388,057</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, 2024

	General	Motor Fuel Tax	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES COLLECTED					
Taxes	\$ 677,518	\$ -	\$ -	\$ 224,292	\$ 901,810
Licenses and permits	24,816	-	-	-	24,816
Fines and fees	25,853	-	-	350	26,203
Intergovernmental	361,341	91,701	-	-	453,042
Charges for services	189,658	-	-	-	189,658
Investment income	38,230	10,858	1,316	38,563	88,967
Miscellaneous	2,492	-	-	1,266	3,758
Total revenues collected	1,319,908	102,559	1,316	264,471	1,688,254
EXPENDITURES PAID					
Current					
General government	375,582	-	-	-	375,582
Streets	158,055	100,347	-	15,423	273,825
Public safety	366,782	-	-	-	366,782
Economic development	-	-	-	30,300	30,300
Capital outlay	38,269	144,185	-	8,291	190,745
Debt service					
Principal	-	-	87,700	126,469	214,169
Interest	-	-	85,412	7,237	92,649
Total expenditures paid	938,688	244,532	173,112	187,720	1,544,052
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	381,220	(141,973)	(171,796)	76,751	144,202
OTHER FINANCING SOURCES (USES)					
Transfers in	50,499	-	173,376	429,000	652,875
Transfers (out)	(523,800)	-	-	(129,075)	(652,875)
Loans issued	-	-	-	100,000	100,000
Total other financing sources (uses)	(473,301)	-	173,376	399,925	100,000
NET CHANGE IN FUND BALANCES	(92,081)	(141,973)	1,580	476,676	244,202
FUND BALANCES, MAY 1	899,053	347,026	75,176	153,224	1,474,479
FUND BALANCES, APRIL 30	\$ 806,972	\$ 205,053	\$ 76,756	\$ 629,900	\$ 1,718,681

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, 2024

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

\$ 244,202

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 186,407

Depreciation expense on capital assets is reported as an expense in the
statement of activities (151,468)

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 (100,000)

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 214,169

CHANGE IN NET POSITION OF THE GOVERNMENTAL ACTIVITIES

\$ 393,310

See accompanying notes to financial statements.

VILLAGE OF PECATONICA, ILLINOIS

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

April 30, 2024

	Water	Sewer	Total
CURRENT ASSETS			
Cash and cash equivalents	\$ 1,135,273	\$ 681,655	\$ 1,816,928
Restricted cash	206,090	-	206,090
Grant receivable	56,578	-	56,578
Total current assets	1,397,941	681,655	2,079,596
NONCURRENT ASSETS			
Advances to other funds	118,449	130,630	249,079
Capital assets not being depreciated	3,177,463	-	3,177,463
Capital assets being depreciated	7,569,467	11,096,816	18,666,283
Less accumulated depreciation	(1,746,975)	(3,562,041)	(5,309,016)
Total noncurrent assets	9,118,404	7,665,405	16,783,809
Total assets	10,516,345	8,347,060	18,863,405
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized loss on refunding	6,371	-	6,371
Total deferred outflows of resources	6,371	-	6,371
Total assets and deferred outflows of resources	10,522,716	8,347,060	18,869,776
CURRENT LIABILITIES			
Accounts payable	56,578	-	56,578
Retainage payable	92,323	-	92,323
Meter deposits	50,621	-	50,621
Current portion of long-term debt	114,048	253,530	367,578
Total current liabilities	313,570	253,530	567,100
NONCURRENT LIABILITIES			
Long-term debt, net of current portion	6,134,609	1,394,388	7,528,997
Total liabilities	6,448,179	1,647,918	8,096,097
NET POSITION			
Net investment in capital assets	2,608,768	5,886,857	8,495,625
Restricted for debt service	206,090	-	206,090
Unrestricted	1,259,679	812,285	2,071,964
TOTAL NET POSITION	\$ 4,074,537	\$ 6,699,142	\$ 10,773,679

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, 2024

	Water	Sewer	Total
OPERATING REVENUES COLLECTED			
Water and sewer service	\$ 815,725	\$ 705,372	\$ 1,521,097
Total operating revenues collected	815,725	705,372	1,521,097
OPERATING EXPENSES PAID			
Water department	359,079	-	359,079
Sewer department	-	341,739	341,739
Depreciation	207,726	305,570	513,296
Total operating expenses paid	566,805	647,309	1,214,114
OPERATING INCOME	248,920	58,063	306,983
NON-OPERATING REVENUES (EXPENSES)			
Investment income	44,523	26,947	71,470
Miscellaneous revenue	10,195	1,076	11,271
Interest expense	(6,157)	-	(6,157)
Total non-operating revenues (expenses)	48,561	28,023	76,584
INCOME BEFORE CAPITAL GRANTS AND CONTRIBUTIONS	297,481	86,086	383,567
CAPITAL GRANTS AND CONTRIBUTIONS			
Capital grants and contributions	473,743	-	473,743
Total capital grants and contributions	473,743	-	473,743
CHANGE IN NET POSITION	771,224	86,086	857,310
NET POSITION, MAY 1	3,303,313	6,613,056	9,916,369
NET POSITION, APRIL 30	\$ 4,074,537	\$ 6,699,142	\$ 10,773,679

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, 2024

	Water	Sewer	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 814,444	\$ 705,372	\$ 1,519,816
Receipts from miscellaneous income	10,195	1,076	11,271
Payments to personnel	(159,351)	(134,139)	(293,490)
Payments to suppliers	(199,728)	(207,600)	(407,328)
Net cash from operating activities	465,560	364,709	830,269
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
None	-	-	-
Net cash from noncapital financing activities	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(918,298)	-	(918,298)
Proceeds of long-term debt	885,105	-	885,105
Principal payments on long-term debt	(96,088)	(253,530)	(349,618)
Interest paid on long-term debt	(6,157)	-	(6,157)
Net cash from capital and related financing activities	(135,438)	(253,530)	(388,968)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	44,523	26,951	71,474
Net cash from investing activities	44,523	26,951	71,474
NET INCREASE IN CASH AND CASH EQUIVALENTS	374,645	138,130	512,775
CASH AND CASH EQUIVALENTS, MAY 1	966,718	543,525	1,510,243
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 1,341,363	\$ 681,655	\$ 2,023,018
CASH AND CASH EQUIVALENTS, APRIL 30			
Cash and cash equivalents	\$ 1,135,273	\$ 681,655	\$ 1,816,928
Restricted cash	206,090	-	206,090
TOTAL CASH AND CASH EQUIVALENTS, APRIL 30	\$ 1,341,363	\$ 681,655	\$ 2,023,018

(This statement is continued on the following page.)

VILLAGE OF PECATONICA, ILLINOIS

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

April 30, 2024

	Water	Sewer	Total
RECONCILIATION OF OPERATING INCOME			
TO NET CASH FROM OPERATING ACTIVITIES			
Operating income	\$ 248,920	\$ 58,063	\$ 306,983
Miscellaneous income	10,195	1,076	11,271
Adjustments to reconcile net operating income to net cash from operating activities			
Meter deposits	(1,281)	-	(1,281)
Depreciation expense	207,726	305,570	513,296
NET CASH FROM OPERATING ACTIVITIES	\$ 465,560	\$ 364,709	\$ 830,269
NONCASH TRANSACTIONS			
Capital asset additions in accounts payable and retainage	\$ 148,901	\$ -	\$ 148,901
Grant receivable	56,578	-	56,578
IEPA loan payable	(56,578)	-	(56,578)
Loan forgiveness	473,743	-	473,743
TOTAL NONCASH TRANSACTIONS	\$ 622,644	\$ -	\$ 622,644

See accompanying notes to financial statements.

VILLAGE OF PECATONICA, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2024

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 Motor Fuel Tax Fund is used to account for the activities related to street maintenance and construction.

The Debt Service Fund is used to account for the Village's principal and interest payments related to general government debt issued.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- e. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified 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.

- 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.

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, 2024.

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, 2024.

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 the 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.

Restricted cash and net position consist of the following:

Series 2016 bond and interest sinking fund	<u>\$ 206,090</u>
TOTAL RESTRICTED	<u>\$ 206,090</u>

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

4. CAPITAL ASSETS

The capital asset activity for the year ended April 30, 2024 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 425,256	\$ -	\$ -	\$ 425,256
Construction in progress	47,368	159,701	47,368	159,701
Total capital assets not being depreciated	472,624	159,701	47,368	584,957
Capital assets being depreciated				
Infrastructure	3,902,779	-	-	3,902,779
Building and improvements	371,796	-	-	371,796
Equipment and vehicles	685,047	74,074	30,696	728,425
Total capital assets being depreciated	4,959,622	74,074	30,696	5,003,000
Less accumulated depreciation for				
Infrastructure	307,000	82,876	-	389,876
Building and improvements	154,440	13,054	-	167,494
Equipment and vehicles	530,256	55,538	30,696	555,098
Total accumulated depreciation	991,696	151,468	30,696	1,112,468
Capital assets being depreciated, net	3,967,926	(77,394)	-	3,890,532
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 4,440,550	\$ 82,307	\$ 47,368	\$ 4,475,489
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 17,993	\$ -	\$ -	\$ 17,993
Construction in progress	2,367,942	976,358	184,830	3,159,470
Total capital assets not being depreciated	2,385,935	976,358	184,830	3,177,463
Capital assets being depreciated				
Infrastructure	7,797,428	184,830	-	7,982,258
Buildings and improvements	9,749,161	-	-	9,749,161
Equipment and vehicles	934,864	-	-	934,864
Total capital assets being depreciated	18,481,453	184,830	-	18,666,283
Less accumulated depreciation for				
Infrastructure	1,108,889	172,414	-	1,281,303
Buildings and improvements	3,263,340	261,958	-	3,525,298
Equipment and vehicles	423,491	78,924	-	502,415
Total accumulated depreciation	4,795,720	513,296	-	5,309,016
Capital assets being depreciated, net	13,685,733	(328,466)	-	13,357,267
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 16,071,668	\$ 647,892	\$ 184,830	\$ 16,534,730

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	\$ 13,713
Streets	114,239
Public safety	<u>23,516</u>

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

\$ 151,468

5. LONG-TERM DEBT

Long-term debt activity for the year ended April 30, 2024 for governmental activities was as follows:

	Balances May 1	Additions	Reductions	Balances April 30	Due in One Year
Loan payable (direct placement)	\$ 202,582	\$ -	\$ 126,469	\$ 76,113	\$ 27,594
General Obligation Bonds (Alternate Revenue Source), Series 2021A	1,852,500	-	47,900	1,804,600	48,400
General Obligation Bonds (Alternate Revenue Source), Series 2021B	1,540,200	-	39,800	1,500,400	40,200
Loan payable (direct placement) - County*	<u>325,000</u>	<u>100,000</u>	<u>-</u>	<u>425,000</u>	<u>-</u>
TOTAL LONG-TERM DEBT	<u>\$ 3,920,282</u>	<u>\$ 100,000</u>	<u>\$ 214,169</u>	<u>\$ 3,806,113</u>	<u>\$ 116,194</u>

*The loan payable was not fully disbursed at April 30, 2024 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 \$425,000 was received as of April 30, 2024. 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, 2024 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	\$ 1,901,448	\$ -	\$ 253,530	\$ 1,647,918	\$ 253,530
IEPA - L175087*	5,676,476	56,578	-	5,733,054	-
IEPA - L175996	-	885,105	479,831	405,274	19,048
General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016	185,000	-	90,000	95,000	95,000
Unamortized bond premium	17,883	-	2,554	15,329	-
TOTAL LONG-TERM DEBT	\$ 7,780,807	\$ 941,683	\$ 825,915	\$ 7,896,575	\$ 367,578

On December 21, 2022, 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 a water tower. The note bears interest at 0.93%. The term of the loan is 20 years with semiannual repayments ranging from \$6,762 to \$11,386 on April 1 and October 1. In addition, during fiscal year 2024, in accordance with the loan agreement, the Village was awarded \$473,743 in loan forgiveness.

*The IEPA - L175087 loan was not fully disbursed at April 30, 2024 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.

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

5. LONG-TERM DEBT (Continued)

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%.

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, 2024 are as follows:

Year Ending April 30,	IEPA Loan Payable			General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 272,578	\$ 3,725	\$ 276,303	\$ 95,000	\$ 3,325	\$ 98,325
2026	272,755	3,548	276,303	-	-	-
2027	272,934	3,369	276,303	-	-	-
2028	273,115	3,188	276,303	-	-	-
2029	273,298	3,005	276,303	-	-	-
2030-2034	481,910	12,225	494,135	-	-	-
2035-2039	106,466	7,398	113,864	-	-	-
2040-2044	100,136	2,342	102,478	-	-	-
TOTAL	\$ 2,053,192	\$ 38,800	\$ 2,091,992	\$ 95,000	\$ 3,325	\$ 98,325

Year Ending April 30,	Loan Payable (Direct Placement)			General Obligation Bonds (Alternate Revenue Source), Series 2021A		
	Principal	Interest	Total	Principal	Interest	Total
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	19,872	3,967	23,839	49,500	45,038	94,538
2028	-	-	-	50,200	44,395	94,595
2029	-	-	-	50,900	43,692	94,592
2030-2034	-	-	-	267,400	205,467	472,867
2035-2039	-	-	-	296,400	176,248	472,648
2040-2044	-	-	-	337,000	135,708	472,708
2045-2049	-	-	-	390,300	82,568	472,868
2050-2052	-	-	-	265,600	18,080	283,680
TOTAL	\$ 76,113	\$ 15,138	\$ 91,251	\$ 1,804,600	\$ 842,979	\$ 2,647,579

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
2025	\$ 40,200	\$ 38,378	\$ 78,578
2026	40,700	37,936	78,636
2027	41,200	37,447	78,647
2028	41,700	36,912	78,612
2029	42,300	36,328	78,628
2030-2034	222,200	170,841	393,041
2035-2039	246,500	146,556	393,056
2040-2044	280,300	112,839	393,139
2045-2049	324,500	68,643	393,143
2050-2052	220,800	15,033	235,833
TOTAL	\$ 1,500,400	\$ 700,913	\$ 2,201,313

The amount of pledge remaining as of April 30, 2024 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	\$ 98,325	2/1/2025	\$ 1,546,261	\$ 96,475
General Obligation Bonds (Alternate Revenue Source), Series 2021A	Sales and Use Taxes	2,647,580	12/1/2051	427,858	94,537
General Obligation Bonds (Alternate Revenue Source), Series 2021B	Sales and Use Taxes	2,201,311	12/1/2051	427,858	78,576

The Village is subject to a debt limitation of 8.625% of its assessed valuation of \$36,675,473. As of April 30, 2024, the Village had \$3,163,260 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, 2024:

	Transfers Out	Transfers In
General Fund	\$ 523,800	\$ 50,499
Debt Service Fund	-	173,376
Nonmajor Governmental Funds	129,075	429,000
TOTAL	\$ 652,875	\$ 652,875

The purposes of the significant interfund transfers are as follows:

- \$173,376 from the General Fund was transferred to the Debt Service Fund for debt and interest payments. This transfer will not be repaid.
- \$429,000 from the General Fund and nonmajor governmental funds was transferred to the Nonmajor Governmental Funds (Police Capital, Public Works, and Street, Road, and Bridge Funds) for capital projects. This transfer will not be repaid.

Advance due from/to other funds at April 30, 2024 consist of the following:

	Advances to Other Funds	Advance from Other Funds
General Fund	\$ 140,732	\$ -
Water Fund	118,449	-
Sewer Fund	130,630	-
Nonmajor Governmental Fund	-	389,811
TOTAL	\$ 389,911	\$ 389,811

The purposes of the interfund balances are as follows:

- \$389,911 advance from the General Fund, Water Fund and Sewer Fund to the Nonmajor Governmental Fund (Land Development Fund) until the property is developed. The advance will be repaid over ten years.

The following fund reported a deficit fund balance as of April 30, 2024:

Land Development Fund	\$ 389,811
-----------------------	------------

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 statutes, 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, 2024.

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.

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

9. RETIREMENT PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2023 (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	<u>9</u>
TOTAL	<u><u>27</u></u>

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.

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 2024 was 6.01% of covered payroll.

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

9. RETIREMENT PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2023 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, 2023
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 108.0%) and Female (adjusted 106.4%) tables and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2021.

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, 2023	\$ 1,388,819	\$ 1,300,768	\$ 88,051
Changes for the period			
Service cost	39,932	-	39,932
Interest	99,807	-	99,807
Difference between expected and actual experience	(86,142)	-	(86,142)
Changes in assumptions	(2,829)	-	(2,829)
Employer contributions	-	29,913	(29,913)
Employee contributions	-	21,573	(21,573)
Net investment income	-	145,097	(145,097)
Benefit payments and refunds	(64,271)	(64,271)	-
Other (net transfer)	-	(112,138)	112,138
Net changes	(13,503)	20,174	(33,677)
BALANCES AT DECEMBER 31, 2023	\$ 1,375,316	\$ 1,320,942	\$ 54,374

There was a change in assumptions related to mortality rates.

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, 2024, the Village incurred pension expenditures of \$30,314.

At April 30, 2024, 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	\$ 6,083	\$ 67,530
Assumption changes	-	1,783
Net difference between projected and actual earnings on pension plan investments	72,600	-
Contributions subsequent to the measurement date	12,294	-
TOTAL	<u><u>\$ 90,977</u></u>	<u><u>\$ 69,313</u></u>

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:

\$12,294 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, 2025. 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>	
2025	\$ (30,103)
2026	551
2027	49,986
2028	(11,064)
2029	-
Thereafter	-
TOTAL	<u><u>\$ 9,370</u></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)	\$ 227,784	\$ 54,374	\$ (78,687)

10 SUBSEQUENT EVENTS

Subsequent to year end, the Village approved the final \$100,000 draw down on the Winnebago County loan payable. In addition, the Board of Trustees authorized borrowing funds from the State of Illinois Public Water Supply Loan Program.

**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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Taxes					
Property		\$ 208,592	\$ 208,592	\$ 210,148	\$ 1,556
Sales tax		238,000	238,000	232,588	(5,412)
Telecommunication tax		30,500	30,500	28,639	(1,861)
State use tax		85,000	85,000	79,834	(5,166)
Video gaming tax		-	-	-	-
Utility		135,500	135,500	123,066	(12,434)
Cannabis use tax		3,500	3,500	3,243	(257)
Total taxes		701,092	701,092	677,518	(23,574)
License and permits		26,460	26,460	24,816	(1,644)
Fines and fees					
Franchise fees		18,000	18,000	18,524	524
Police fines and fees		8,630	8,630	7,329	(1,301)
Total fines and fees		26,630	26,630	25,853	(777)
Intergovernmental					
State income tax		345,000	345,000	342,164	(2,836)
State replacement tax		25,000	25,000	19,177	(5,823)
Other grants		10,000	10,000	-	(10,000)
Total intergovernmental		380,000	380,000	361,341	(18,659)
Charges for services					
Garbage collection fees		169,113	169,113	166,738	(2,375)
Rental income		23,000	23,000	22,920	(80)
Total charges for services		192,113	192,113	189,658	(2,455)
Investment income		24,000	24,000	38,230	14,230
Other revenue					
Miscellaneous		4,965	4,965	2,492	(2,473)
Total other revenue		4,965	4,965	2,492	(2,473)
Total revenues collected		1,355,260	1,355,260	1,319,908	(35,352)
EXPENDITURES PAID					
Current					
General government					
Personnel		80,220	80,220	102,529	22,309
Unemployment		40	40	114	74
General insurance		6,959	6,959	6,729	(230)
Health insurance		11,618	11,618	16,628	5,010
Building repairs and maintenance		2,100	2,100	654	(1,446)
Equipment repairs and maintenance		3,000	3,000	716	(2,284)
Professional services		41,000	41,000	16,837	(24,163)
Other professional services		41,000	41,000	21,336	(19,664)
Postage		6,500	6,500	2,563	(3,937)

(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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
EXPENDITURES PAID (Continued)					
Current (Continued)					
General government (Continued)					
Phone and pagers		\$ 3,000	\$ 3,000	\$ 1,539	\$ (1,461)
Publishing/printed material		2,900	2,900	4,830	1,930
Community relations		50,000	50,000	1,032	(48,968)
Training		25,750	25,750	1,385	(24,365)
Dues		2,500	2,500	1,084	(1,416)
Utilities		2,500	2,500	1,078	(1,422)
Capital outlay		10,500	10,500	2,005	(8,495)
Technology and new equipment		16,000	16,000	17,022	1,022
Office supplies		9,950	9,950	3,850	(6,100)
Miscellaneous		12,700	12,700	11,720	(980)
Garbage pickup service		164,494	164,494	163,585	(909)
Bank fees		192	192	351	159
Total general government		492,923	492,923	377,587	(115,336)
Streets					
Personnel		92,204	92,204	86,481	(5,723)
Health insurance		12,252	12,252	14,127	1,875
Liability insurance		8,321	8,321	8,464	143
Building repairs and maintenance		1,000	1,000	512	(488)
Equipment repairs and maintenance		8,500	8,500	4,842	(3,658)
Vehicle maintenance		10,000	10,000	1,364	(8,636)
Street maintenance		1,500	1,500	614	(886)
Engineering		5,000	5,000	5,824	824
Legal		500	500	-	(500)
Medical services		250	250	-	(250)
Technology services		500	500	120	(380)
Contracted safety services		1,000	1,000	-	(1,000)
Other professional services		2,000	2,000	-	(2,000)
Janitor services		-	-	213	213
Phone and pagers		2,500	2,500	1,962	(538)
Training		2,000	2,000	-	(2,000)
Utilities		750	750	191	(559)
Publications		350	350	98	(252)
Dues		250	250	-	(250)
Mosquito control		27,200	27,200	16,220	(10,980)
Equipment supplies		3,500	3,500	4,796	1,296
Vehicle supplies		3,500	3,500	1,771	(1,729)
Building supplies		2,000	2,000	19	(1,981)
Snow supplies		500	500	-	(500)
Grounds supplies		1,000	1,000	622	(378)
Office supplies		3,250	3,250	1,692	(1,558)
Tree service		2,500	2,500	-	(2,500)
Safety clothing/supplies		500	500	447	(53)
Fuel		13,000	13,000	7,626	(5,374)
Miscellaneous		500	500	-	(500)
Rental/lease		2,500	2,500	50	(2,450)
Total streets		208,827	208,827	158,055	(50,772)

(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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
EXPENDITURES PAID (Continued)					
Current (Continued)					
Public safety					
Personnel		\$ 301,220	\$ 301,220	\$ 246,324	\$ (54,896)
Health insurance		49,644	49,644	39,525	(10,119)
General insurance		21,640	21,640	21,624	(16)
Uniform allowance		5,000	5,000	3,540	(1,460)
Equipment repairs and maintenance		2,000	2,000	1,126	(874)
Vehicle and repairs		7,000	7,000	1,089	(5,911)
Building repairs and maintenance		1,550	1,550	145	(1,405)
Legal		3,500	3,500	2,017	(1,483)
Other professional services		33,000	33,000	28,432	(4,568)
Postage		700	700	853	153
Phone and pagers		7,000	7,000	6,527	(473)
Dues		500	500	465	(35)
Training		14,100	14,100	3,079	(11,021)
Equipment supplies		950	950	617	(333)
Office supplies		2,700	2,700	1,587	(1,113)
Fuel		15,000	15,000	9,354	(5,646)
Capital outlay		4,300	4,300	36,264	31,964
Utilities		750	750	478	(272)
Total public safety		470,554	470,554	403,046	(67,508)
Total expenditures paid	<u>\$ 2,757,731</u>	1,172,304	1,172,304	938,688	(233,616)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		182,956	182,956	381,220	198,264
OTHER FINANCING SOURCES (USES)					
Transfers in		116,600	116,600	50,499	(66,101)
Transfers (out)		(523,537)	(523,537)	(523,800)	(263)
Proceeds from sale of assets		750	750	-	(750)
Total other financing sources (uses)	<u>\$ -</u>	(406,187)	(406,187)	(473,301)	(67,114)
NET CHANGE IN FUND BALANCE		<u>\$ (223,231)</u>	<u>\$ (223,231)</u>	(92,081)	<u>\$ 131,150</u>
FUND BALANCE, MAY 1				899,053	
FUND BALANCE, APRIL 30				<u>\$ 806,972</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
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Motor fuel tax allotments		\$ 78,000	\$ 78,000	\$ 91,701	\$ 13,701
Investment income		750	750	10,858	10,108
Total revenues collected		78,750	78,750	102,559	23,809
EXPENDITURES PAID					
Current					
Streets					
Professional fees		-	-	15,516	15,516
Tree service		10,000	10,000	-	(10,000)
Street lighting		30,000	30,000	27,387	(2,613)
Snow and ice removal		35,000	35,000	25,442	(9,558)
Street maintenance		55,000	55,000	32,002	(22,998)
Capital outlay		-	-	144,185	144,185
Total expenditures paid	\$ 380,000	130,000	130,000	244,532	114,532
NET CHANGE IN FUND BALANCE		\$ (51,250)	\$ (51,250)	(141,973)	\$ (90,723)
FUND BALANCE, MAY 1				347,026	
FUND BALANCE, APRIL 30				\$ 205,053	

(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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Interest income		\$ 500	\$ 500	\$ 1,316	\$ 816
Total revenues collected		500	500	1,316	816
EXPENDITURES PAID					
Debt service					
Principal		87,700	87,700	87,700	-
Interest		85,413	85,413	85,412	(1)
Total expenditures paid	\$ 176,113	173,113	173,113	173,112	(1)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		(172,613)	(172,613)	(171,796)	817
OTHER FINANCING SOURCES (USES)					
Transfers in		173,113	173,113	173,376	263
Total other financing sources (uses)	\$ -	173,113	173,113	173,376	263
NET CHANGE IN FUND BALANCE		\$ 500	\$ 500	1,580	\$ 1,080
FUND BALANCE, MAY 1				75,176	
FUND BALANCE, APRIL 30				\$ 76,756	

(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, 2024

	Special Revenue			Capital Projects					Total Nonmajor	
	IMRF Retirement	Social Security	Police Confiscatory	Police Capital	Economic Development	Public Works	Business District	Street, Road, & Bridge	Land Development	Governmental Funds
ASSETS										
Cash and investments	\$ 14,761	\$ 8,976	\$ 2,161	\$ 35,267	\$ 113,563	\$ 248,083	\$ 183,984	\$ 412,916	\$ -	\$ 1,019,711
TOTAL ASSETS	\$ 14,761	\$ 8,976	\$ 2,161	\$ 35,267	\$ 113,563	\$ 248,083	\$ 183,984	\$ 412,916	\$ -	\$ 1,019,711
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Advances from other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 389,811	\$ 389,811
TOTAL LIABILITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 389,811	\$ 389,811
FUND BALANCES										
Restricted										
Police protection	\$ -	\$ -	\$ 2,161	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,161
IMRF	14,761	-	-	-	-	-	-	-	-	14,761
Social Security	-	8,976	-	-	-	-	-	-	-	8,976
Economic development	-	-	-	-	-	-	183,984	-	-	183,984
Unrestricted										
Assigned										
Capital outlay	-	-	-	35,267	113,563	248,083	-	412,916	-	809,829
Unassigned (deficit)	-	-	-	-	-	-	-	-	(389,811)	(389,811)
Total fund balances (deficit)	14,761	8,976	2,161	35,267	113,563	248,083	183,984	412,916	(389,811)	629,900
TOTAL LIABILITIES AND FUND BALANCES	\$ 14,761	\$ 8,976	\$ 2,161	\$ 35,267	\$ 113,563	\$ 248,083	\$ 183,984	\$ 412,916	\$ -	\$ 1,019,711

(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, 2024

	Special Revenue					Capital Projects				Total Nonmajor Governmental Funds
	IMRF Retirement	Social Security	Police Confiscatory	Police Capital	Economic Development	Public Works	Business District	Street, Road, & Bridge	Land Development	
REVENUES COLLECTED										
Property taxes	\$ 12,976	\$ 21,560	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,582	\$ -	\$ 50,118
Other taxes	-	-	-	-	58,738	-	115,436	-	-	174,174
Fines and fees	-	-	350	-	-	-	-	-	-	350
Investment income	1,062	1,101	56	1,349	4,759	11,542	6,060	12,491	143	38,563
Miscellaneous	-	-	690	-	576	-	-	-	-	1,266
Total revenues collected	14,038	22,661	1,096	1,349	64,073	11,542	121,496	28,073	143	264,471
EXPENDITURES PAID										
Current										
Streets	-	-	-	-	-	-	-	15,423	-	15,423
Economic development	-	-	-	-	25,400	-	-	-	4,900	30,300
Capital outlay	-	-	-	8,291	-	-	-	-	-	8,291
Debt service										
Principal	-	-	-	-	-	-	-	-	126,469	126,469
Interest	-	-	-	-	-	-	-	-	7,237	7,237
Total expenditures paid	-	-	-	8,291	25,400	-	-	15,423	138,606	187,720
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	14,038	22,661	1,096	(6,942)	38,673	11,542	121,496	12,650	(138,463)	76,751
OTHER FINANCING SOURCES (USES)										
Transfer (out)	(14,517)	(26,456)	-	-	(9,526)	-	(78,576)	-	-	(129,075)
Transfers in	-	-	-	18,000	-	36,000	-	375,000	-	429,000
Loan proceeds	-	-	-	-	-	-	-	-	100,000	100,000
Total other financing sources (uses)	(14,517)	(26,456)	-	18,000	(9,526)	36,000	(78,576)	375,000	100,000	399,925
NET CHANGE IN FUND BALANCES	(479)	(3,795)	1,096	11,058	29,147	47,542	42,920	387,650	(38,463)	476,676
FUND BALANCES (DEFICIT), MAY 1	15,240	12,771	1,065	24,209	84,416	200,541	141,064	25,266	(351,348)	153,224
FUND BALANCES (DEFICIT), APRIL 30	\$ 14,761	\$ 8,976	\$ 2,161	\$ 35,267	\$ 113,563	\$ 248,083	\$ 183,984	\$ 412,916	\$ (389,811)	\$ 629,900

(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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Property taxes		\$ 15,160	\$ 12,900	\$ 12,976	\$ 76
Investment income		-	-	1,062	1,062
Total revenues collected		15,160	12,900	14,038	1,138
EXPENDITURES PAID					
Current					
General government					
IMRF		2,696	-	-	-
Total general government		2,696	-	-	-
Streets					
IMRF		2,696	-	-	-
Public safety					
IMRF		7,682	-	-	-
Public works					
IMRF		9,152	-	-	-
Total expenditures paid	\$ 24,660	22,226	-	-	-
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		(7,066)	12,900	14,038	1,138
OTHER FINANCING SOURCES (USES)					
Transfers (out)		-	(21,660)	(14,517)	7,143
Total other financing sources (uses)	\$ -	-	(21,660)	(14,517)	7,143
NET CHANGE IN FUND BALANCE		\$ (7,066)	\$ (8,760)	(479)	\$ 8,281
FUND BALANCE, MAY 1				15,240	
FUND BALANCE, APRIL 30				\$ 14,761	

(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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Property taxes		\$ 21,450	\$ 21,450	\$ 21,560	\$ 110
Investment income		-	-	1,101	1,101
Total revenues collected		21,450	21,450	22,661	1,211
EXPENDITURES PAID					
None		-	-	-	-
Total expenditures paid	\$ 34,440	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		21,450	21,450	22,661	1,211
OTHER FINANCING SOURCES (USES)					
Transfers (out)		(29,940)	(29,940)	(26,456)	3,484
Total other financing sources (uses)	\$ -	(29,940)	(29,940)	(26,456)	3,484
NET CHANGE IN FUND BALANCE		\$ (8,490)	\$ (8,490)	(3,795)	\$ 4,695
FUND BALANCE, MAY 1				12,771	
FUND BALANCE, APRIL 30				\$ 8,976	

(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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Fines and fees		\$ 1,250	\$ 1,250	\$ 350	\$ (900)
Investment income		25	25	56	31
Miscellaneous		500	500	690	190
Total revenues collected		1,775	1,775	1,096	(679)
EXPENDITURES PAID					
Current					
Public safety					
Miscellaneous		1,700	1,700	-	(1,700)
Total expenditures paid	\$ 1,700	1,700	1,700	-	(1,700)
NET CHANGE IN FUND BALANCE	\$ 75	\$ 75		1,096	\$ 1,021
FUND BALANCE, MAY 1				1,065	
FUND BALANCE, APRIL 30				\$ 2,161	

(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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Investment income		\$ 700	\$ 700	\$ 1,349	\$ 649
Total revenues collected		700	700	1,349	649
EXPENDITURES PAID					
Capital outlay		-	-	8,291	8,291
Total expenditures paid	\$ -	-	-	8,291	8,291
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		700	700	(6,942)	(7,642)
OTHER FINANCING SOURCES (USES)					
Transfers in		18,000	18,000	18,000	-
Sale of capital assets		500	500	-	(500)
Total other financing sources (uses)	\$ -	18,500	18,500	18,000	(500)
NET CHANGE IN FUND BALANCE		\$ 19,200	\$ 19,200	11,058	\$ (8,142)
FUND BALANCE, MAY 1				24,209	
FUND BALANCE, APRIL 30				\$ 35,267	

(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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Other taxes		\$ 52,000	\$ 52,000	\$ 58,738	\$ 6,738
Investment income		150	150	4,759	4,609
Miscellaneous		1,850	1,850	576	(1,274)
Total revenues collected		54,000	54,000	64,073	10,073
EXPENDITURES PAID					
Current					
Economic development					
Personnel		-	-	1,242	1,242
Public/community relations		10,500	10,500	13,153	2,653
Printing		-	-	540	540
Technology services		2,500	2,500	-	(2,500)
Gasoline		-	-	1,256	1,256
Miscellaneous		28,500	28,500	9,209	(19,291)
Total expenditures paid	\$ 531,261	41,500	41,500	25,400	(16,100)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		12,500	12,500	38,673	26,173
OTHER FINANCING SOURCES (USES)					
Transfers (out)		(10,000)	(10,000)	(9,526)	474
Total other financing sources (uses)	\$ -	(10,000)	(10,000)	(9,526)	474
NET CHANGE IN FUND BALANCE		\$ 2,500	\$ 2,500	29,147	\$ 26,647
FUND BALANCE, MAY 1				84,416	
FUND BALANCE, APRIL 30				\$ 113,563	

(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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Investment income		\$ 900	\$ 900	\$ 11,542	\$ 10,642
Total revenues collected		900	900	11,542	10,642
EXPENDITURES PAID					
Capital outlay		45,000	45,000	-	(45,000)
Total expenditures paid	<u>\$ 95,000</u>	45,000	45,000	-	(45,000)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		(44,100)	(44,100)	11,542	55,642
OTHER FINANCING SOURCES (USES)					
Transfers in		36,000	36,000	36,000	-
Sale of capital assets		500	500	-	(500)
Total other financing sources (uses)	<u>\$ -</u>	36,500	36,500	36,000	(500)
NET CHANGE IN FUND BALANCE		<u>\$ (7,600)</u>	<u>\$ (7,600)</u>	47,542	<u>\$ 55,142</u>
FUND BALANCE, MAY 1				<u>200,541</u>	
FUND BALANCE, APRIL 30				<u>\$ 248,083</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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Business district tax		\$ 112,000	\$ 112,000	\$ 115,436	\$ 3,436
Interest income		250	250	6,060	5,810
Total revenues collected		112,250	112,250	121,496	9,246
EXPENDITURES PAID					
Current					
Economic development					
Professional fees		1,000	1,000	-	(1,000)
Debt service					
Principal		26,460	26,460	-	(26,460)
Interest		7,247	7,247	-	(7,247)
Total expenditures paid	\$ 119,283	34,707	34,707	-	(34,707)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		77,543	77,543	121,496	43,953
OTHER FINANCING SOURCES (USES)					
Transfers (out)		(78,576)	(78,576)	(78,576)	-
Total other financing sources (uses)	\$ -	(78,576)	(78,576)	(78,576)	-
NET CHANGE IN FUND BALANCE		\$ (1,033)	\$ (1,033)	42,920	\$ 43,953
FUND BALANCE, MAY 1				141,064	
FUND BALANCE, APRIL 30				\$ 183,984	

(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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Property taxes		\$ 15,551	\$ 15,551	\$ 15,582	\$ 31
Investment income		10	10	12,491	12,481
Total revenues collected		15,561	15,561	28,073	12,512
EXPENDITURES PAID					
Current					
Streets					
Engineering		25,000	25,000	-	(25,000)
Maintenance		-	-	15,423	15,423
Capital outlay		300,000	300,000	-	(300,000)
Total expenditures paid	<u>\$ 3,325,000</u>	325,000	325,000	15,423	(309,577)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		(309,439)	(309,439)	12,650	322,089
OTHER FINANCING SOURCES (USES)					
Transfer in		375,000	375,000	375,000	-
Total other financing sources (uses)	<u>\$ -</u>	375,000	375,000	375,000	-
NET CHANGE IN FUND BALANCE		<u>\$ 65,561</u>	<u>\$ 65,561</u>	387,650	<u>\$ 322,089</u>
FUND BALANCE, MAY 1				25,266	
FUND BALANCE, APRIL 30				<u>\$ 412,916</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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES COLLECTED					
Licenses and permits		\$ 250,000	\$ 250,000	\$ -	\$ (250,000)
Interest income		25	25	143	118
Total revenues collected		250,025	250,025	143	(249,882)
EXPENDITURES PAID					
Current					
Economic development					
Professional fees		500	500	-	(500)
Legal		2,000	2,000	-	(2,000)
Engineering service		35,000	35,000	4,900	(30,100)
Capital outlay		112,500	112,500	-	(112,500)
Debt service					
Principal		100,000	100,000	126,469	26,469
Interest		-	-	7,237	7,237
Total expenditures paid	\$ 531,261	250,000	250,000	138,606	(111,394)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID		25	25	(138,463)	(138,488)
OTHER FINANCING SOURCES (USES)					
Loan proceeds		100,000	100,000	100,000	-
Total other financing sources (uses)	\$ -	100,000	100,000	100,000	-
NET CHANGE IN FUND BALANCE		\$ 100,025	\$ 100,025	(38,463)	\$ (138,488)
FUND BALANCE (DEFICIT), MAY 1				(351,348)	
FUND BALANCE (DEFICIT), APRIL 30				\$ (389,811)	

(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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
OPERATING EXPENSES PAID					
Water department					
Liability insurance		\$ 8,744	\$ 8,744	\$ 11,671	\$ 2,927
Water personnel		173,887	173,887	159,351	(14,536)
Engineering fees		6,000	6,000	4,314	(1,686)
Professional services		52,100	52,100	24,323	(27,777)
Janitor service/supplies		500	500	213	(287)
Testing		3,000	3,000	3,787	787
Postage		4,000	4,000	1,825	(2,175)
Phone and pagers		4,750	4,750	3,111	(1,639)
Publishing		2,250	2,250	554	(1,696)
Dues/public relations		2,000	2,000	872	(1,128)
Utilities		53,250	53,250	34,677	(18,573)
Other expenses		4,750	4,750	2,118	(2,632)
Building repairs and maintenance		31,250	31,250	14,844	(16,406)
Equipment repairs and maintenance		16,000	16,000	37,491	21,491
Vehicle repairs and maintenance		12,000	12,000	1,821	(10,179)
Water meter/ERT purchase		12,000	12,000	6,554	(5,446)
Office expense		7,500	7,500	1,170	(6,330)
Chemical supplies		5,500	5,500	6,963	1,463
Safety supplies/clothing		3,000	3,000	429	(2,571)
Fuel		5,000	5,000	2,602	(2,398)
JULIE		750	750	194	(556)
Site repair		6,000	6,000	-	(6,000)
Non capitalized capital outlay		2,500	2,500	7,028	4,528
Health insurance		29,662	29,662	33,167	3,505
Depreciation		276,000	276,000	207,726	(68,274)
Total water department	\$ 4,742,321	722,393	722,393	566,805	(155,588)
TOTAL OPERATING EXPENSES					
PAID BUDGET BASIS	\$ 4,742,321	\$ 722,393	\$ 722,393	\$ 566,805	\$ (155,588)

(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, 2024

	Final Appropriation	Original Budget	Final Budget	Actual	Over (Under) Budget
OPERATING EXPENSES PAID					
Sewer department					
Sewer personnel		\$ 122,812	\$ 122,812	\$ 134,139	\$ 11,327
Maintenance service - building		48,000	48,000	2,236	(45,764)
Professional services		57,100	57,100	22,978	(34,122)
Janitor service/supplies		3,500	3,500	943	(2,557)
Testing		2,000	2,000	577	(1,423)
Postage		4,000	4,000	1,825	(2,175)
Publishing		2,500	2,500	936	(1,564)
Phone and pagers		4,750	4,750	3,930	(820)
Utilities		54,250	54,250	66,309	12,059
Other		17,250	16,500	-	(16,500)
Equipment repairs and maintenance		37,500	38,250	26,828	(11,422)
Vehicle repairs and maintenance		3,500	3,500	244	(3,256)
Sludge removal		10,000	10,000	11,056	1,056
Engineering service		5,000	5,000	1,014	(3,986)
Televising sewer lines		12,000	12,000	-	(12,000)
Office expense		19,000	19,000	11,319	(7,681)
Chemical supplies		13,000	13,000	8,807	(4,193)
Fuel		2,500	2,500	1,337	(1,163)
JULIE		500	500	194	(306)
Health insurance		21,139	21,139	25,208	4,069
General insurance		16,358	16,358	16,540	182
Liability insurance		2,958	2,958	2,948	(10)
Dues/subscriptions		2,500	2,500	1,400	(1,100)
Non capitalized capital outlay		1,500	1,500	971	(529)
Depreciation		291,240	291,240	305,570	14,330
Total sewer department	\$ 1,883,987	754,857	754,857	647,309	(107,548)
TOTAL OPERATING EXPENSES					
PAID BUDGET BASIS	\$ 1,883,987	\$ 754,857	\$ 754,857	\$ 647,309	\$ (107,548)

(See independent auditor's report.)

VILLAGE OF PECATONICA, ILLINOIS

NOTES TO SUPPLEMENTARY INFORMATION

April 30, 2024

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 APPROPRIATION AND/OR BUDGET IN INDIVIDUAL FUNDS

The following fund had expenditures in excess of appropriation and/or budget:

Fund	Appropriation	Budget	Actual
Police Capital Fund	\$ -	\$ -	\$ 8,291
Motor Fuel Tax Fund	380,000	130,000	244,532

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 Nine Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023
TOTAL PENSION LIABILITY									
Service cost	\$ 35,825	\$ 35,672	\$ 36,930	\$ 33,372	\$ 42,765	\$ 48,080	\$ 47,713	\$ 53,880	\$ 39,932
Interest	57,855	59,233	62,424	67,348	76,035	82,434	89,058	96,954	99,807
Changes of benefit terms	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(29,330)	(10,122)	43,358	66,487	22,165	28,173	31,997	(37,099)	(86,142)
Changes of assumptions	-	-	(29,548)	31,159	-	(12,681)	-	-	(2,829)
Benefit payments, including refunds of member contributions	(50,057)	(41,739)	(43,996)	(47,463)	(57,100)	(53,614)	(55,312)	(70,555)	(64,271)
Net change in total pension liability	14,293	43,044	69,168	150,903	83,865	92,392	113,456	43,180	(13,503)
Total pension liability - beginning	778,518	792,811	835,855	905,023	1,055,926	1,139,791	1,232,183	1,345,639	1,388,819
TOTAL PENSION LIABILITY - ENDING	\$ 792,811	\$ 835,855	\$ 905,023	\$ 1,055,926	\$ 1,139,791	\$ 1,232,183	\$ 1,345,639	\$ 1,388,819	\$ 1,375,316
PLAN FIDUCIARY NET POSITION									
Contributions - employer	\$ 25,966	\$ 21,802	\$ 23,780	\$ 28,948	\$ 26,166	\$ 35,495	\$ 38,403	\$ 35,459	\$ 29,913
Contributions - member	14,885	14,344	26,985	17,747	19,958	21,702	23,480	24,251	21,573
Net investment income	4,056	53,747	152,549	(59,901)	183,990	162,621	218,188	(196,068)	145,097
Benefit payments, including refunds of member contributions	(50,057)	(41,739)	(43,996)	(47,463)	(57,100)	(53,614)	(55,312)	(70,555)	(64,271)
Other	(36,043)	1,814	(15,100)	28,902	(2,230)	6,444	9,732	(7,303)	(112,138)
Net change in plan fiduciary net position	(41,193)	49,968	144,218	(31,767)	170,784	172,648	234,491	(214,216)	20,174
Plan fiduciary net position - beginning	815,835	774,642	824,610	968,828	937,061	1,107,845	1,280,493	1,514,984	1,300,768
PLAN FIDUCIARY NET POSITION - ENDING	\$ 774,642	\$ 824,610	\$ 968,828	\$ 937,061	\$ 1,107,845	\$ 1,280,493	\$ 1,514,984	\$ 1,300,768	\$ 1,320,942
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 18,169	\$ 11,245	\$ (63,805)	\$ 118,865	\$ 31,946	\$ (48,310)	\$ (169,345)	\$ 88,051	\$ 54,374

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023
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%	93.66%	96.05%
Covered payroll	\$ 330,777	\$ 318,750	\$ 324,864	\$ 394,380	\$ 443,496	\$ 482,273	\$ 521,777	\$ 538,902	\$ 479,386
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%)	16.34%	11.34%

Changes in assumptions related to mortality rates were made in 2023.

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 Nine Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially determined contribution	\$ 23,355	\$ 22,630	\$ 23,996	\$ 29,216	\$ 30,479	\$ 36,554	\$ 37,543	\$ 32,522	\$ 30,314
Contributions in relation to the actuarially determined contribution	23,355	22,630	23,996	29,216	30,479	36,554	37,543	32,522	30,314
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 309,771	\$ 323,791	\$ 328,270	\$ 495,186	\$ 475,201	\$ 496,653	\$ 530,236	\$ 502,174	\$ 504,517
Contributions as a percentage of covered payroll	7.54%	6.99%	7.31%	5.90%	6.41%	7.36%	7.08%	6.48%	6.01%

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 20 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 2.75% to 13.75% compounded annually and wage growth of 2.75% compounded

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 Ten Levy Years

	Tax Year 2023		Tax Year 2022		Tax Year 2021		Tax Year 2020	
ASSESSED VALUATIONS	\$	36,675,473	\$	33,149,152	\$	30,625,272	\$	29,352,108
	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount
PROPERTY TAX RATES AND EXTENSIONS								
Village	0.4200	\$ 154,037	0.4345	\$ 144,033	0.4318	\$ 132,240	0.4375	\$ 128,415
Police protection	0.1222	44,817	0.1307	43,326	0.1173	35,923	0.0937	27,503
Street and bridge	-	-	-	-	0.0351	10,749	0.0483	14,177
IMRF	0.0352	12,910	0.0390	12,928	0.0495	15,160	0.0499	14,647
Social Security	0.0587	21,529	0.0648	21,481	0.0693	21,223	0.0907	26,622
Sewage disposal	-	-	-	-	-	-	-	-
Audit	0.0137	5,025	0.0130	4,309	0.0129	3,951	0.0160	4,696
Revenue recapture	0.0016	587	0.0021	696	0.0007	214	-	-
Workers' compensation	0.0464	17,017	0.0513	17,006	0.0386	11,821	0.0379	11,124
Unemployment insurance	-	-	-	-	0.0010	306	0.0010	294
	0.6978	\$ 255,922	0.7354	\$ 243,779	0.7562	\$ 231,587	0.7750	\$ 227,478

Data Sources

Office of the County Clerk
Office of the County Treasurer

Tax Year 2019		Tax Year 2018		Tax Year 2017		Tax Year 2016		Tax Year 2015		Tax Year 2014	
\$	27,531,193	\$	26,820,393	\$	26,265,203	\$	26,014,878	\$	25,868,724	\$	26,213,090
Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount
0.4357	\$ 119,953	0.4375	\$ 117,339	0.4375	\$ 114,910	0.0884	\$ 22,997	0.0826	\$ 21,368	0.0543	\$ 14,234
0.1057	29,100	0.1061	28,456	0.0406	10,664	0.0404	10,510	0.0406	10,503	0.0439	11,508
0.0452	12,444	0.0121	3,245	0.0620	16,284	-	-	-	-	0.0043	1,127
0.0598	16,464	0.0501	13,437	0.0709	18,622	0.0885	23,023	0.1160	30,008	0.1221	32,006
0.0698	19,217	0.0701	18,801	0.1150	30,205	0.1269	33,013	0.1238	32,025	0.1229	32,216
-	-	0.0041	1,100	-	-	0.0327	8,507	0.0290	7,502	0.0516	13,526
0.0210	5,782	0.0211	5,659	0.0082	2,154	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
0.0293	8,067	0.0101	2,709	0.0040	1,051	-	-	-	-	-	-
0.0025	688	-	-	-	-	-	-	-	-	-	-
0.7690	\$ 211,715	0.7112	\$ 190,746	0.7382	\$ 193,890	0.3769	\$ 98,050	0.3920	\$ 101,406	0.3991	\$ 104,617

(See independent auditor's report.)