

VILLAGE OF MT. ZION, ILLINOIS
ANNUAL FINANCIAL REPORT
DECEMBER 31, 2024

VILLAGE OF MT. ZION, ILLINOIS

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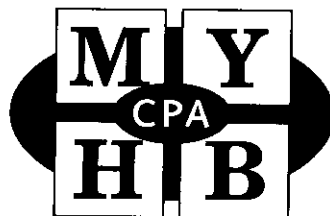
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VILLAGE OF MT. ZION, ILLINOIS

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Kevin J. Huffman, CPA
Kevin R. Buckley, CPA
Tracie L. England, CPA
Cody R. Buckley, CPA
Daniel J. McGuire, CPA - Retired
Robert J. Yuhas Jr., CPA, CFP - Retired



Members: American¹
Institute of Certified
Public Accountants &
Illinois CPA Society

McGuire, Yuhas, Huffman & Buckley, P.C.

Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

Mayor and Village Board
Village of Mt. Zion
Mt. Zion, 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 Mt. Zion, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Village of Mt. Zion's 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 modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Mt. Zion, as of December 31, 2024, and the respective changes in modified cash basis financial position, and where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1A.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of Mt. Zion 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 1A 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 opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1A, and for 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of Mt. Zion'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 of Mt. Zion'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.

Mayor and Village Board
Village of Mt. Zion
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Supplementary Information

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

Other Matters

Other Information

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

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

McGuire, Yuhas, Huffman & Buckley, P.C.

McGuire, Yuhas, Huffman & Buckley, P.C.
Decatur, Illinois
June 16, 2025

VILLAGE OF MT. ZION, ILLINOIS

STATEMENT OF NET POSITION
MODIFIED CASH BASIS

December 31, 2024

	Primary Government		
	Governmental Activities	Business- type Activities	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 4,013,782	\$ 879,865	\$ 4,893,647
Certificates of Deposit	1,340,828	-	1,340,828
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	-	201,324	201,324
Total Current Assets	5,354,610	1,081,189	6,435,799
Non-Current Assets			
Land and Easements	1,071,082	217,438	1,288,520
Property, Plant and Equipment	26,906,045	12,922,372	39,828,417
Less: Accumulated Depreciation	(14,031,688)	(5,778,078)	(19,809,766)
Net Land, Property, Plant and Equipment	13,945,439	7,361,732	21,307,171
Intangible Asset			
Sewer System Annexation Cost (Net of Accumulated Amortization of \$1,148,311)	-	21,942	21,942
Total Non-Current Assets	13,945,439	7,383,674	21,329,113
Total Assets	19,300,049	8,464,863	27,764,912
LIABILITIES			
Current Liabilities			
Notes Payable - current	15,393	113,508	128,901
Bonds Payable - current	512,661	-	512,661
Property Tax Liability	2,035	-	2,035
Total Current Liabilities	530,089	113,508	643,597
Non-Current Liabilities			
Notes Payable - non-current	15,817	1,657,430	1,673,247
Bonds Payable - non-current	1,931,585	-	1,931,585
Total Non-Current Liabilities	1,947,402	1,657,430	3,604,832
Total Liabilities	2,477,491	1,770,938	4,248,429
NET POSITION			
Net Investment in Capital Assets	11,469,983	5,612,736	17,082,719
Restricted for:			
Police	28,493	-	28,493
Special Tax, TIF and Business			
District Projects and Agreements	846,674	-	846,674
MFT - Street and Alley Maintenance	881,730	-	881,730
Capital Projects	125,136	-	125,136
Debt Service	36,191	-	36,191
Audit	37,421	-	37,421
Social Security Tax	87,968	-	87,968
Liability Insurance	51,647	-	51,647
IMRF	196,330	-	196,330
School Crossing Guard	22,050	-	22,050
Unemployment Compensation	56,433	-	56,433
Unrestricted	2,982,502	1,081,189	4,063,691
Total Net Position	\$ 16,822,558	\$ 6,693,925	\$ 23,516,483

Notes to Financial Statements are an integral part of this statement.

VILLAGE OF MT. ZION, ILLINOIS

STATEMENT OF ACTIVITIES
MODIFIED CASH BASIS

For the Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Capital Grants and Contributions	Net (Expense) Revenue
Governmental Activities				
Current				
General Government				
Administration	\$ 699,057	\$ 228,434	\$ 14,045	\$ (456,578)
Planning and Zoning	88,346	-	-	(88,346)
Public Safety	1,502,203	85,256	-	(1,416,947)
Streets & Alleys	1,057,932	-	-	(1,057,932)
Culture & Recreation				
Parks	487,945	53,284	52,170	(382,491)
Convention Center	189,584	70,726	-	(118,858)
Debt Service	76,054	-	-	(76,054)
Capital Outlay	323,025	-	-	(323,025)
Total Governmental Activities	4,424,146	437,700	66,215	(3,920,231)
Business-type Activities				
Water	1,871,742	1,902,362	-	30,620
Sanitary Sewer	692,950	747,037	-	54,087
Total Business-type Activities	2,564,692	2,649,399	-	84,707
Total Governmental and Business-type Activities	<u>\$ 6,988,838</u>	<u>\$ 3,087,099</u>	<u>\$ 66,215</u>	<u>\$ (3,835,524)</u>
Changes in Net Position				
Net (Expense) Revenue	\$ (3,920,231)	\$ 84,707	\$ (3,835,524)	
General Revenues				
Property Tax	1,913,920	-	1,913,920	
Utility Tax	172,913	-	172,913	
Telecommunications Tax	25,537	-	25,537	
Income Tax	1,022,148	-	1,022,148	
Replacement Tax	54,007	-	54,007	
Sales and Use Tax	778,226	-	778,226	
Games Tax	112,314	-	112,314	
Reimbursements	109,208	-	109,208	
Investment Income/(Loss)	214,222	32,595	246,817	
Motor Fuel Tax	268,436	-	268,436	
Gain/(Loss) on Disposal of Capital Assets	3,482	-	3,482	
Operating Transfers	(177,317)	177,317	-	
Total General Revenues, Losses and Transfers	4,497,096	209,912	4,707,008	
Change in Net Position	576,865	294,619	871,484	
Net Position, January 1	16,245,693	6,399,306	22,644,999	
Net Position, December 31	<u>\$ 16,822,558</u>	<u>\$ 6,693,925</u>	<u>\$ 23,516,483</u>	

Notes to Financial Statements are an integral part of this statement.

VILLAGE OF MT. ZION, ILLINOIS
 STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES - GOVERNMENTAL FUNDS
 MODIFIED CASH BASIS

December 31, 2024

	General	Business District Tax Allocation Fund	Capital Projects Funds Motor Fuel Tax	Capital Project Fund	Nonmajor Governmental Funds	Totals
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ 1,628,627	\$ 367,065	\$ 881,730	\$ 125,136	\$ 1,011,224	\$ 4,013,782
Certificates of Deposit	1,340,828	-	-	-	-	1,340,828
Total Assets	<u>\$ 2,969,455</u>	<u>\$ 367,065</u>	<u>\$ 881,730</u>	<u>\$ 125,136</u>	<u>\$ 1,011,224</u>	<u>\$ 5,354,610</u>
LIABILITIES AND FUND BALANCES						
Current Liabilities						
Property Tax Liability	\$ -	\$ 2,035	\$ -	\$ -	\$ -	\$ 2,035
Total Liabilities	<u>-</u>	<u>2,035</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,035</u>
Fund Balances						
Restricted	28,493	365,030	881,730	125,136	969,684	2,370,073
Assigned	-	-	-	-	41,540	41,540
Unassigned	2,940,962	-	-	-	-	2,940,962
Total Fund Balances	<u>2,969,455</u>	<u>365,030</u>	<u>881,730</u>	<u>125,136</u>	<u>1,011,224</u>	<u>5,352,575</u>
Total Liabilities and Fund Balances	<u>\$ 2,969,455</u>	<u>\$ 367,065</u>	<u>\$ 881,730</u>	<u>\$ 125,136</u>	<u>\$ 1,011,224</u>	<u>\$ 5,354,610</u>

Notes to Financial Statements are an integral part of this statement.

VILLAGE OF MT. ZION, ILLINOIS

RECONCILIATION OF THE STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
MODIFIED CASH BASIS

December 31, 2024

Total Fund Balances - Total Governmental Funds	\$ 5,352,575
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Amounts reported for governmental activities in the
Statement of Net Position are different because:

Capital Assets of \$27,977,127 net of accumulated
depreciation of (\$14,031,688), are not financial
resources and therefore, are not reported in the
funds.

13,945,439

Bonds and notes payable are not reported in the
governmental funds

(2,475,456)

Net Position of Governmental Activities

\$ 16,822,558

Notes to Financial Statements are an integral part of this statement.

VILLAGE OF MT. ZION, ILLINOIS

STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
MODIFIED CASH BASIS

For the Year Ended December 31, 2024

	Capital Projects Funds					Totals
	General	Business District Tax Allocation Fund	Motor Fuel Tax	2024 Capital Project Fund	Nonmajor Governmental Funds	
Revenues Received						
Property Tax	\$ 668,594	\$ 332,818	\$ -	\$ -	\$ 912,508	\$ 1,913,920
Utility Tax	172,913	-	-	-	-	172,913
Telecommunications Tax	25,537	-	-	-	-	25,537
Licenses & Permits	86,515	-	-	-	-	86,515
Franchise Fees	103,239	-	-	-	-	103,239
Police Services	69,548	-	-	-	-	69,548
Income Tax	1,022,148	-	-	-	-	1,022,148
Replacement Tax	54,007	-	-	-	-	54,007
Sales and Use Tax	778,226	-	-	-	-	778,226
Games Tax	112,314	-	-	-	-	112,314
Grants	14,045	-	-	-	-	14,045
Fines, Fees & Miscellaneous	65,075	-	-	87	-	65,162
Donations	52,170	-	-	-	-	52,170
Rentals	113,236	-	-	-	-	113,236
Reimbursements	105,253	-	3,955	-	-	109,208
Investment Income/(Loss)	113,115	10,932	37,622	24,323	28,230	214,222
Motor Fuel Tax	-	-	268,436	-	-	268,436
Total Revenues Received	3,555,935	343,750	310,013	24,410	940,738	5,174,846
Expenditures Disbursed						
Current						
General Government						
Administration	216,701	16,208	-	-	405,344	638,253
Planning & Zoning	88,346	-	-	-	-	88,346
Public Safety	1,416,232	-	-	-	2,860	1,419,092
Streets & Alleys	411,348	-	-	-	-	411,348
Culture & Recreation						
Parks	308,151	-	-	-	-	308,151
Convention Center	150,941	-	-	-	-	150,941
Debt Service						
Principal	1,007	-	-	-	472,507	473,514
Interest and Fees	-	-	-	-	80,315	80,315
Capital Outlay	388,202	179,577	241,408	590,074	55,965	1,455,226
Total Expenditures Disbursed	2,980,928	195,785	241,408	590,074	1,016,991	5,025,186
Excess(Deficiency) of Revenues Received Over(Under) Expenditures Disbursed	575,007	147,965	68,605	(565,664)	(76,253)	149,660
Other Financing Sources(Uses)						
Proceeds from Bond Principle	-	-	-	690,800	-	690,800
Proceeds from Sale of Equipment	4,300	-	-	-	-	4,300
Operating Transfers In	2,275	-	-	-	294,010	296,285
Operating Transfers Out	(473,602)	-	-	-	-	(473,602)
Net Change in Fund Balances	107,980	147,965	68,605	125,136	217,757	667,443
Fund Balances, January 1	2,861,475	217,065	813,125	-	793,467	4,685,132
Fund Balances, December 31	\$ 2,969,455	\$ 365,030	\$ 881,730	\$ 125,136	\$ 1,011,224	\$ 5,352,575

Notes to Financial Statements are an integral part of this statement.

VILLAGE OF MT. ZION, ILLINOIS

RECONCILIATION OF THE STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
MODIFIED CASH BASIS

For the Year Ended December 31, 2024

Net Change in Fund Balances - Total Governmental Funds	\$	667,443
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Amounts reported for governmental activities in the
Statement of Activities are different because:

Governmental funds report capital outlays as
expenditures while governmental activities report
depreciation expense to allocate those expenditures
over the life of the assets:

Capital asset purchases capitalized		1,132,201
Depreciation expense		(1,008,936)
Proceeds from Sale of Equipment		(4,300)
Gain/(Loss) on Disposal of Capital Assets		3,482

The issuance of long-term debt provides current
financial resources to the governmental funds, while
the repayment of the principal of long-term debt
consumes the current financial resources of the
governmental funds. Neither transaction, however,
has any effect on net position.

Bond issuance proceeds		(690,800)
Bond and note principal repayments		473,514
Bond issue premium amortization		4,261

Change in Net Position of Governmental Activities	\$	576,865
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Notes to Financial Statements are an integral part of this statement.

VILLAGE OF MT. ZION, ILLINOIS

STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS
MODIFIED CASH BASIS

December 31, 2024

	Business-type Activities		
	Water	Sanitary Sewer	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 483,663	\$ 396,202	\$ 879,865
Due from Other Funds	3,340	-	3,340
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	145,797	55,527	201,324
Total Current Assets	632,800	451,729	1,084,529
Non-Current Assets			
Land and Easements	152,816	64,622	217,438
Property, Plant and Equipment	8,187,942	4,734,430	12,922,372
Less: Accumulated Depreciation	(3,010,700)	(2,767,378)	(5,778,078)
Net Land, Property Plant and Equipment	5,330,058	2,031,674	7,361,732
Intangible Asset			
Sewer System Annexation Cost (Net of Accumulated Amortization of \$1,148,311)	-	21,942	21,942
Total Non-current Assets	5,330,058	2,053,616	7,383,674
Total Assets	5,962,858	2,505,345	8,468,203
LIABILITIES			
Current Liabilities			
Water Plant Loan, current	113,508	-	113,508
Due to Other Funds	-	3,340	3,340
Non-Current Liabilities			
Water Plant Loan, non-current	1,657,430	-	1,657,430
Total Liabilities	1,770,938	3,340	1,774,278
NET POSITION			
Net Investment in Capital Assets	3,559,120	2,053,616	5,612,736
Restricted	-	-	-
Unrestricted	632,800	448,389	1,081,189
Total Net Position	\$ 4,191,920	\$ 2,502,005	\$ 6,693,925

Notes to Financial Statements are an integral part of this statement.

VILLAGE OF MT. ZION, ILLINOIS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS
MODIFIED CASH BASIS

For the Year Ended December 31, 2024

	Business-type Activities		
	Water	Sanitary Sewer	Total
Operating Revenues			
Charges for Services	\$ 1,786,666	\$ 700,860	\$ 2,487,526
Other Fees & Miscellaneous	115,696	46,177	161,873
Total Operating Revenues	1,902,362	747,037	2,649,399
Operating Expenses			
Personal Services			
Salaries	388,556	146,116	534,672
Benefits	120,001	48,191	168,192
Total Personal Services	508,557	194,307	702,864
Operations and Contractual Services			
Repairs & Maintenance	99,687	69,064	168,751
Engineering	21,900	-	21,900
Legal Services	776	-	776
Janitorial Services	5,980	5,980	11,960
Contractual Services	30,680	3,927	34,607
Postage	11,189	9,491	20,680
Telephone	3,127	2,415	5,542
Printing & Publications	2,413	1,266	3,679
Fees	22,463	6,004	28,467
Travel & Training	3,080	326	3,406
Dues & Subscriptions	2,346	-	2,346
Utilities	23,804	9,922	33,726
Water Purchases	890,533	-	890,533
Sewer Treatment Charges	-	265,689	265,689
Supplies & Equipment	8,040	2,166	10,206
Meters	12,960	10,724	23,684
Gasoline & Oil	8,949	8,949	17,898
Depreciation and Amortization	184,839	102,720	287,559
Total Operations and Contractual Services	1,332,766	498,643	1,831,409
Total Operating Expenses	1,841,323	692,950	2,534,273
Operating Income (Loss)	61,039	54,087	115,126
Non-Operating Revenues (Expenses)			
Investment Income (Loss)	20,999	11,596	32,595
Interest Expense	(30,419)	-	(30,419)
Operating Transfers In	-	177,317	177,317
Operating Transfers Out	-	-	-
Total Non-Operating Revenues (Expenses)	(9,420)	188,913	179,493
Change in Net Position	51,619	243,000	294,619
Total Net Position, January 1	4,140,301	2,259,005	6,399,306
Total Net Position, December 31	\$ 4,191,920	\$ 2,502,005	\$ 6,693,925

Notes to Financial Statements are an integral part of this statement.

VILLAGE OF MT. ZION, ILLINOIS

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
MODIFIED CASH BASIS

For the Year Ended December 31, 2024

	Business-type Activities		
	Water	Sanitary Sewer	Total
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 1,895,936	\$ 745,195	\$ 2,641,131
Payments to Suppliers	(1,267,928)	(444,114)	(1,712,042)
Payments to Employees	(388,556)	(146,116)	(534,672)
Net Cash Provided/(Used) by Operating Activities	239,452	154,965	394,417
Cash Flows from Non-capital Financing Activities			
Receipts/(Payments) on Interfund Loans	(3,340)	3,340	-
Transfers from/(to) the General Fund	-	177,317	177,317
Net Cash Provided/(Used) by Non-Capital Financing Activities	(3,340)	180,657	177,317
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(105,158)	(266,766)	(371,924)
Payments on Water Plant IEPA Loan	(142,088)	-	(142,088)
Net Cash Provided/(Used) by Capital and Related Financing Activities	(247,246)	(266,766)	(514,012)
Cash Flows from Investing Activities			
Investment Income /(Loss)	20,999	11,596	32,595
Net Cash Provided/(Used) by Investing Activities	20,999	11,596	32,595
Net Increase/(Decrease) in Cash in Bank	9,865	80,452	90,317
Cash and Cash Equivalents - January 1	473,798	315,750	789,548
Cash and Cash Equivalents - December 31	\$ 483,663	\$ 396,202	\$ 879,865
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities			
Operating Income	\$ 61,039	\$ 54,087	\$ 115,126
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities			
Depreciation and Amortization	184,839	102,720	287,559
Changes in Assets and Liabilities			
(Increase)/Decrease in Accounts Receivable	(6,426)	(1,842)	(8,268)
Total Adjustments	178,413	100,878	279,291
Net Cash Provided/(Used) by Operating Activities	\$ 239,452	\$ 154,965	\$ 394,417

Notes to Financial Statements are an integral part of this statement.

VILLAGE OF MT. ZION, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
MODIFIED CASH BASIS

December 31, 2024

	<u>Police Pension Fund</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 45,110
IPOPIF Investment Asset Pool	<u>4,168,276</u>
Total Current Assets	<u>4,213,386</u>
Total Assets	<u>4,213,386</u>
LIABILITIES	<u>-</u>
NET POSITION	
Restricted for Pension Benefits	<u>4,213,386</u>
Total Net Position	<u>\$ 4,213,386</u>

Notes to Financial Statements are an integral part of this statement.

VILLAGE OF MT. ZION, ILLINOIS

STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED,
AND CHANGES IN FIDUCIARY NET POSITION
MODIFIED CASH BASIS

For the Year Ended December 31, 2024

	<u>Police Pension Fund</u>
Additions	
Property Tax	\$ 170,901
Member Contributions	74,767
Investment Earnings	
Interest & Dividends	22,513
Realized and Unrealized Gains(Losses)	<u>331,157</u>
Total Additions	<u>599,338</u>
Deductions	
Benefit Payments	63,823
Administrative Expenditures	<u>27,753</u>
Total Deductions	<u>91,576</u>
Change in Net Position	<u>507,762</u>
Total Net Position, January 1	<u>3,705,624</u>
Total Net Position, December 31	\$ <u><u>4,213,386</u></u>

Notes to Financial Statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024

Note 1 Significant accounting policies followed by the Village are as follows -

A) Measurement Focus and Basis of Accounting -

The government-wide, business-type activities, proprietary fund, and fiduciary fund financial statements are prepared using the economic resources measurement focus, which measures both financial and capital resources. The governmental fund financial statements are prepared using the current financial resource measurement focus, which is based on the concept of fiscal accountability. Therefore, due to the differences in measurement focuses, the governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Basis of accounting refers to when revenues received and expenditures disbursed are recognized in the accounts and how they are reported on the financial statements. The Village maintains its accounting records for all funds on the modified cash basis of accounting. The government-wide financial statements are also prepared using the modified cash basis of accounting. Accordingly, revenues are recognized and recorded in the accounts when cash is received, except for the water & sewer fund in which revenue is recorded when services rendered are billed. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction, except for the water & sewer funds in which receivables for services rendered are recorded when billed. Liabilities of a fund, similarly, result from previous cash transactions.

Modified cash-basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions with the exception that the Village capitalizes assets and depreciates them over their useful lives, records revenue and receivables and related allowances for uncollectible accounts for the business-type activities when billings are prepared, and recognizes unrealized gains and losses on its investments. Accordingly, the statements do not present financial position or results of operations in accordance with generally accepted accounting principles.

Investments are comprised of savings accounts, certificates of deposit, money markets, mutual funds and municipal bonds, some of which are federally insured. All investments are carried at cost, which approximates market, except for mutual funds and municipal bonds, which are carried at market value. The Village board has legal authority to invest in certificates of deposit and other investments.

B) Capital Assets -

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

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

(Continued)

**Note 1 Significant accounting policies followed by the Village are as follows -
(Continued)****B) Capital Assets (Continued) -**Government-Wide Statements

In the government-wide financial statements, capital assets are accounted for as assets in the Statement of Net Position - Modified Cash Basis. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation.

The Village has not maintained records of its governmental activities' infrastructure assets placed in service prior to May 1, 2004. Accordingly, the amount presented in the Statement of Net Position - Modified Cash Basis for governmental activities' capital assets includes only infrastructure assets purchased after May 1, 2004. Management believes the depreciated amount of these assets is not material to the financial statements.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities - Modified Cash Basis, with accumulated depreciation reflected in the Statement of Net Position - Modified Cash Basis. Governmental activities' depreciation is charged within the administrative, public safety, streets and alleys, parks, and convention center functions in the Statement of Activities - Modified Cash Basis. Depreciation has been provided as outlined below:

The cost for maintenance will be expensed.

The following depreciation methods are established:

Waterworks and Sewer System	34-40 years, straight line
Infrastructure	20-40 years, straight line
Equipment and Machinery	5-10 years, straight line
Furniture and Office Equipment	5-10 years, straight line

Fund Financial Statements

In the fund financial statements, capital assets acquired for use in governmental fund operations are accounted for as expenditures of the governmental funds upon acquisition. Capital assets acquired for use in proprietary fund operations are accounted for the same as in the government-wide statements.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note 1 Significant accounting policies followed by the Village are as follows -
(Continued)

C) Reporting Entity -

In evaluating how to define the Village, for financial reporting purposes, management (Trustees) has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in generally accepted accounting principles. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the Village's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management (Trustees), the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service.

Application of this criterion involves considering whether the activity is conducted within the geographic boundaries of the Village and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships; regardless of whether the Village is able to exercise oversight responsibilities. Based upon the application of the criteria, the Mt. Zion Police Pension Fund has been identified as a component unit of the Village. The Pension Fund is fiscally dependent on the Village to levy taxes to fund its pension liabilities. The Pension Fund is reported as a fiduciary fund of the Village.

D) Basis of Presentation -

Although the Village presents its annual financial statements on the modified cash basis of accounting, a basis of accounting other than accounting principles generally accepted in the United States of America, the aspects of financial statement content and format, as prescribed by GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments have been implemented in the financial statements, effective for the year ended April 30, 2005 and after. This change had a material effect on the comparability of previous year financial statements to statements dated April 30, 2005 and after.

The following represents the Village's basis of financial statement presentation based on the GASB 34 format.

Government-Wide Financial Statements

The Statement of Net Position - Modified Cash Basis and Statement of Activities - Modified Cash Basis display information about the Village as a whole. They include all funds of the Village except for fiduciary funds.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(Continued)

**Note 1 Significant accounting policies followed by the Village are as follows -
(Continued)**

D) Basis of Presentation - (Continued)

The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to the external customers for goods or services.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is either the General Fund or if it meets the following criteria:

Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding element total for all funds of that category or type, and

Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 5 percent of the corresponding element total for all governmental and enterprise funds combined.

Governmental Funds

Governmental funds are those through which most governmental functions of the Village are financed. The acquisition, use and balances of the Village's expendable financial resources and the related liabilities (arising from cash transactions) are accounted for through governmental funds.

General Fund

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

Special Revenue Funds are used to account for cash received from specific sources. The expenditures in excess of the amounts received and accumulated fund balance for these special revenue funds become an obligation of the general fund.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note 1 Significant accounting policies followed by the Village are as follows -
(Continued)

D) Basis of Presentation - (Continued)

<u>Fund</u>	<u>Brief Description</u>
Business District Tax Allocation Fund	Accounts for sales tax increments restricted for the Village's Business District and the payment of eligible development costs.
Motor Fuel Tax Fund	Accounts for revenues collected from the motor fuel tax and expenditures associated with maintenance of the Village's streets and alleys.
2024 Capital Project Fund	Accounts for proceeds from issuance of 2024 Series General Obligation Bonds and expenditures for various capital improvement projects within the Village.
Audit Fund	Accounts for property taxes collected and expenditures paid for the Village's annual audit.
Social Security Fund	Accounts for property taxes collected and expenditures paid for the Village's payroll taxes.
Liability Insurance Fund	Accounts for property taxes collected and expenditures paid for the Village's liability insurance.
IMRF Fund	Accounts for property taxes collected and expenditures paid for retirement for the Village's employees.
School Crossing Guard Fund	Accounts for property taxes collected and expenditures paid for the salary of the school crossing guards.
Unemployment Compensation Fund	Accounts for property taxes collected and expenditures paid for unemployment insurance.
Rt. 121 T.I.F. District II	Accounts for property taxes collected and expenditures paid for the tax increment financing (T.I.F.) district.
Lease Purchase Fund	Accounts for property taxes collected and expenditures paid for the lease payments associated with asset acquisitions.
Bond Repayment Funds	Account for property taxes collected and expenditures paid for bond interest and principal payments.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

(Continued)

Note 1 Significant accounting policies followed by the Village are as follows -
(Continued)

D) Basis of Presentation - (Continued)

Proprietary Funds

Enterprise Funds

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fund

Brief Description

Water & Sanitary
Sewer Funds

Account for the activities of providing water and sanitation sewer services to the public.

Fiduciary Funds - (Not included in government wide statements)

Pension Trust Funds

Pension Trust Funds are used to account for resources legally held in trust for use for payment of pension benefits and cannot be used at the Village's discretion or to support general operations.

Fund

Brief Description

Police Pension Fund

Accounts for property taxes collected and expenditures paid for pension benefits of qualified police officers.

Major and Non-major Funds

The funds are classified as major or non-major as follows:

Major Funds

General Fund
Motor Fuel Tax Fund
2024 Capital Project Fund
Water Fund
Sanitary Sewer Fund
Business District Tax
Allocation Fund

Non-major Funds

Audit Fund
Social Security Fund
Liability Insurance Fund
IMRF Fund
School Crossing Guard Fund
Unemployment Compensation Fund
Route 121 T.I.F. District II
Lease Purchase Fund
2009, 2019, 2020 and 2024
Bond Repayment Funds

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

(Continued)

**Note 1 Significant accounting policies followed by the Village are as follows -
(Continued)****E) Use of Estimates -**

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from estimates.

F) Priority for Use of Restricted and Unrestricted Assets -

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

G) Budgets and Appropriations -

The budget and appropriation ordinance for all fund types is prepared on the cash basis of accounting which is similar to the modified cash basis that is used in financial reporting. This allows for comparability between budgeted and actual amounts. The Village's budget and appropriation ordinance was passed on December 18, 2023 and amended on January 21, 2025 to increase Water Fund appropriations by \$14,720.

For each fund, total fund expenditures disbursed may not legally exceed budgeted amounts. The appropriations lapse at the end of each fiscal year. Expenditures in the Sewer Fund exceeded the budget by \$81,146; however, this was due to General Fund proceeds being used to purchase Sewer Fund infrastructure assets.

H) Non-current Liabilities -

The Village considers any liability not expected to be paid within one year to be a non-current liability. The liabilities shown on the Statement of Net Position - Modified Cash Basis and the Statement of Fund Net Position - Proprietary Funds - Modified Cash Basis are broken down between current and non-current liabilities.

I) Program Revenues -

In the Statement of Activities - Modified Cash Basis, revenues that are derived directly from each activity or from parties outside the Village's taxpayers are reported as program revenues. The Governmental Activities' program revenues include fines, police services, permits, donations, rental fees and event admissions. The Water and Sewer Funds' program revenues are the collection of water and sewer charges from customers who receive water and sewer services from the Village.

J) Operating and Nonoperating Revenues and Expenditures -

Proprietary fund statements classify revenues and expenditures as either operating or as nonoperating. The Village considers operating revenues and expenditures for proprietary funds to be those that result from providing services and producing and delivering goods and/or services.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

(Continued)

Note 1 Significant accounting policies followed by the Village are as follows - (Continued)**J) Operating and Nonoperating Revenues and Expenditures - (Continued)**

Revenues and expenditures related to capital and related financing, noncapital financing, or investing activities are considered to be nonoperating. All revenues of the proprietary funds are to be used to cover operations.

K) Internal and Interfund Balances and Activities -

If any interfund activity occurs or balances exist in the fund financial statements, they are eliminated or reclassified in the process of aggregating the financial information for the government-wide Statement of Net Position - Modified Cash Basis and Statement of Activities - Modified Cash Basis.

L) Cash and Cash Equivalents -

Cash and Cash Equivalents include all monies in banks and highly liquid investments. The carrying values of cash and cash equivalents approximates fair value because of the short maturities of those financial investments.

M) Legal Debt Margin -

The following outlines the legal debt margin of the Village of Mt. Zion as of December 31, 2024:

2024 Assessed Valuation		\$160,891,919
		=====
Statutory Debt Limitation		
8.625% of Assessed Valuation		13,876,928
Outstanding Bonds *		
Series 2016B	705,000	
Series 2020	1,223,300	
Series 2024	498,900	
Outstanding Notes Payable	1,802,148	
Less:		
Alternate Revenue Bonds	(705,000)	3,524,348
	-----	-----
Legal Debt Margin		\$ 10,352,580
		=====

* Note: excludes unamortized bond premiums

N) Fund Balance Reporting -

According to Government Accounting Standards, fund balances are to be classified into five major classifications; nonspendable, restricted,

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

(Continued)

Note 1 Significant accounting policies followed by the Village are as follows -
(Continued)

N) Fund Balance Reporting - (Continued)

committed, assigned, and unassigned. Below are definitions of each classification.

a. Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. Due to the modified cash basis nature of the Village, all such items are expended at the time of purchase, so there is nothing to report for this classification.

b. Restricted Fund Balance

The restricted fund balance classification refers to amounts that are (1) subject to outside restrictions, not controlled by the entity, such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation of the government itself. Special revenue, capital project and debt service funds have restricted balances for their respective specified purposes.

Additionally, \$28,493 of the General Fund's fund balance is restricted for Police, KICK, Drug, and DUI Programs.

c. Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (the Village Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

The Village Board commits fund balance by making motions or passing resolutions to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. The Village does not have any balances committed as of December 31, 2024.

d. Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. The Village Board has the authority to assign amounts to be used for specific purposes. The Village has assigned \$41,540 of the Village's fund balances as follows as of December 31, 2024:

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

(Continued)

Note 1 Significant accounting policies followed by the Village are as follows -
(Continued)

N) Fund Balance Reporting - (Continued)

d. Assigned Fund Balance (Continued)

Purpose	Amount
-----	-----
Audit	\$ 1,000
Series 2009 Bond Payments	23,693
Series 2020 Bond Payments	16,847

	\$ 41,540
	=====

e. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for General Fund amounts that have not been restricted, committed, or assigned to specific purposes.

f. Expenditures of Fund Balance

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified. As of December 31, 2024, no formal fund balance policy had been adopted by the Village.

O) Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position -

The Village follows GASB Statement No. 63 Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position which was effective for audits of periods beginning after November 15, 2011. A deferred outflow of resources represents the consumption of a government's net assets that is applicable to a future period. A deferred inflow of resources represents the acquisition of net assets that is applicable to a future reporting period. Deferred outflows of resources are reported in a separate section of the Statement of Net Position - Modified Cash Basis following assets. Deferred inflows of resources are reported in a separate section of the Statement of Net Position - Modified Cash Basis following liabilities. As of December 31, 2024, due to the Village reporting on the modified cash basis of accounting, the Village had not engaged in any transactions which qualified for reporting as a deferred outflow of resource or deferred inflow of resource.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

(Continued)

Note 1 Significant accounting policies followed by the Village are as follows - (Continued)**P) Accounts Receivable -**

Customer receivables related to water and sewer billings are recorded as receivables and revenues at their original invoice amount, after services have been rendered and corresponding bills have been prepared. Management periodically reviews the customer receivable accounts and accounts are written off as they become uncollectible or deemed uncollectible. Therefore, accounts receivable is recorded net of allowance for uncollectible accounts.

Note 2 Property Tax Calendar -

Property taxes attach as an enforceable lien on property as of January 1 of each year. The 2023 levy (collected in the period ending December 31, 2024) was adopted by the Village on December 18, 2023. The collection dates, by the county, for the 2023 levy were June 2024 and September 2024. The Village receives significant distributions of tax receipts approximately one month after these due dates.

Note 3 Accrued Vacation/Leave -

Due to the Village reporting on the modified cash basis of accounting no accrual has been made for employees vacation/leave earned but not taken.

Each employee is allowed to carry over a maximum of 40 hours of vacation time to a new fiscal year. Any unused vacation time in excess of 40 hours from the previous fiscal year is lost. As of December 31, 2024, the accumulated vacation time amounted to \$53,551.

Sick leave benefits provide for ordinary sick pay and are cumulative but do not vest with employees and, therefore, are not paid out at termination. Unvested accumulated sick leave of Village employees at December 31, 2024 amounted to \$393,592.

Note 4 Defined Benefit Pension Plan - IMRF**IMRF Plan Description**

The Village's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Village's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund (agent multiple-employer plan). A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

(Continued)

Note 4 Defined Benefit Pension Plan - IMRF - (Continued)**Benefits Provided**

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired **before** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired **on or after** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

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

Contributions

As set by statute, the Village's Regular Plan members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2024 was 3.34%. For the fiscal year ended December 31, 2024, the Village contributed \$33,588 to the plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note 4 Defined Benefit Pension Plan - IMRF - (Continued)

Net Pension Liability/Pension Expenditure

The Village's net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. No amount has been recorded on these financial statements due to the modified cash basis of accounting. Pension expenditures for the year reported in these modified cash basis financial statements totaled \$33,590.

Note 5 Post Employment Health Insurance -

Currently, retired employees of the Village can participate in the Village's health insurance plan. The retirees are responsible for 100% of the cost of their coverage. Due to the Village reporting on the modified cash basis, no accruals or adjustments have been made in relation to this other post-employment benefit.

Note 6 Deposits and Investments -

The Village maintains multiple checking and other accounts to account for funds. Each Fund's portion of these accounts is displayed on the appropriate Statement of Assets, Liabilities and Fund Balances - Governmental Funds - Modified Cash Basis, on the Statement of Fund Net Position - Proprietary Funds - Modified Cash Basis, or on the Statement of Fiduciary Net Position - Modified Cash Basis. Investments are maintained separately for each fund. The Village is allowed to invest in securities authorized by State statute, section 2 and 6 of the Public Funds Investment Act (30 ILCS 235/2 and 6). The Village currently invests in money markets, certificates of deposits, CDARS, ICS, and mutual funds.

The Village invests in the Illinois Metropolitan Investment Fund (IMET) Convenience Fund which consists of monies invested by individual participants that are pooled together in a short-term money market instrument. These funds are collateralized via FDIC Insurance, the FHLB LOC Program, and pooled Government Securities at 110% of bank deposits.

The Village does not have policies regarding credit risk, custodial credit risk or concentration of credit risk.

Custodial credit risk for deposits and time deposits is the risk that in the event of a bank failure, the Village's deposits and time deposits may not be returned or the Village will not be able to recover collateral securities in the possession of an outside party. Demand deposits of \$58,301 at Prairie State Bank are fully insured by up to \$250,000 of federal insurance. Time deposits of \$227,337 at Prairie State Bank are also fully insured. Demand deposits and certificates of deposit of \$244,577 at First National Bank of Decatur are fully insured by up to \$250,000 of federal insurance. Time deposits and certificates of deposit of \$964,840 at First National Bank of Decatur are covered by \$250,000 of federal insurance with the remaining balance of \$714,840 fully collateralized with securities held by the pledging financial institution's trust department or as agents in favor of the Village as of December 31, 2024. Demand deposits of \$37,061 at Heartland Bank and Trust Company are fully insured by up to \$250,000 federal insurance. Time deposits of \$134,843 at Scott State Bank are fully insured by up to \$250,000 federal insurance.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note 6 Deposits and Investments - (Continued)

Time deposits of \$2,644 at Hickory Point Bank and Trust and \$45,110 at BMO Harris Bank, as well as Demand deposits of \$27 at Staley Credit Union are fully insured by up to \$250,000 federal insurance each. Investments considered cash and cash equivalents totaling \$4,192,931 with IMET are not insured but are collateralized by pooled securities. Time deposits of \$590,828 invested in various banks through Heartland Bank and Trust Company's certificate of deposit account registry (CDAR) and insured cash sweep (ICS) accounts, are fully insured.

The Village's Police Pension Fund investment portfolio at Illinois Police Officers' Pension Investment Fund is recorded at market value of \$4,168,276. The balance is made up of "units" of the Illinois Police Officers' Pension Investment Fund investment pool of which the Mt. Zion Police Pension Fund held 353,236.357 units valued at \$12.049894 each at fiscal year ended December 31, 2024.

As of December 31, 2024, the Village had the following balances of deposits, cash equivalents, and investments:

Types of Deposits/ Cash Equivalents/ Investments -----	Fair Value -----	Cost -----	Average Credit Quality Ratings (1) -----
Demand Deposits	\$ 339,966	\$ 339,966	N/A
N.O.W. and Money Markets	624,773	624,773	N/A
IMET Funds	4,192,931	4,192,931	N/A
CDARS and ICS	590,828	590,828	N/A
Certificates of Deposit	750,000	750,000	N/A
IPOPIF Investment Pool	4,168,276	3,505,629	N/A
Total	\$10,666,774 =====	\$10,004,127 =====	

(1) Ratings are provided where applicable to indicate associated credit risk. N/A indicates not applicable or rating not available.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Generally, the Village's investing activities are managed by the Village Administrator.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Village uses the specific identification method of managing interest rate risk.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note 6 Deposits and Investments - (Continued)

Concentration of credit risk is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. External investment pools are excluded when assessing concentration of credit risk.

Effective for the fiscal year ended December 31, 2017 the Village has implemented GASB No. 72 *Fair Value Measurement and Application* in the preparation of these financial statements. 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. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1: Quoted prices (unadjusted) in active markets for an identical asset or liability to which the government has access at the measurement date.
- Level 2: Inputs other than quoted prices included in Level 1, that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full-term of the assets or liabilities.
- Level 3: Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

There have been no significant changes in the valuation techniques during the fiscal year ended December 31, 2024. Where quoted market prices are available in an active market, securities are classified with Level 1 of the valuation hierarchy. If quoted prices are not available, then fair values are estimated using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. At December 31, 2024, the Villages mutual funds, municipal bonds and certificates of deposits are classified within the Level 1 hierarchy.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

(Continued)

Note 7 Risks -

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Village pays an annual premium for its general insurance coverage. Its general insurance coverage has an annual aggregate limit of \$8,000,000. The Village self-insures for unemployment compensation.

For the insured programs there have been no significant reductions in coverage. Settlement amounts have not exceeded insurance coverage for the current or prior three years.

Note 8 Other Required Individual Fund Disclosures -

Generally accepted accounting principles require disclosure, as part of the financial statements of certain information concerning individual funds including:

- A) Deficit fund balances of individual funds. No funds had deficit balances at December 31, 2024.
- B) Individual fund interfund receivable and payable balances. As of December 31, 2024, the Sewer Fund owes the Water Fund \$3,340 for Sewer revenue that was deposited to the Water Fund bank account.
- C) Interfund transfers. The General Fund transferred \$171,307 and \$124,978 to the 2009 Bond Repayment Fund and the 2020 Bond Repayment Fund, respectively, to cover the costs of bond principal and interest payments. The General Fund transferred \$177,317 to the Sewer Fund to cover capital expenditures. The 2019 Bond Repayment Fund transferred \$2,275 to the General Fund to close out the remaining cash balance in the fund after the bond was repaid.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

(Continued)

Note 9 Beneficial Interest in Community Foundation Account -

The Village entered into an agreement with the Community Foundation of Macon County to establish the "Mt. Zion Fletcher Park Fund". This is a fund held and wholly owned by the Community Foundation to support the construction and operation of Fletcher Park.

Distributions from the fund are made by the Community Foundation board, usually at the request of a donor or the Village. The ultimate control over the funds is maintained by the Community Foundation in its fiduciary capacity, and as such, the balance is not reported on the books of the Village. The initial deposit to start the fund at the Community Foundation was \$1,000 and at December 31, 2024, the balance in the account was \$81,598.

Note 10 Long-Term Debt Obligations - Governmental Activities -

Changes in long-term debt for the year ended December 31, 2024 are as follows:

	Beginning Balance	Issued	(Retired)	Ending Balance
	-----	-----	-----	-----
Notes Payable	\$ 47,024	\$ 0	\$ (15,814)	\$ 31,210
Bonds and Debt Certificates Payable	2,194,100	690,800	(457,700)	2,427,200
Unamortized Bond Issue Premium	21,307	0	(4,261)	17,046
	-----	-----	-----	-----
Totals	\$ 2,262,431	\$ 690,800	\$ (477,775)	\$ 2,475,456
	=====	=====	=====	=====

The total amount due within one year is \$523,793, not including current bond premium amortization. This includes \$15,393 of notes payable and \$508,400 of bonds and debt certificates payable.

Bonds and Debt Certificates

The Village issues general obligation and alternate revenue bonds and debt certificates to provide funds for the acquisition and construction of major capital facilities. These bonds have been issued for governmental activities only. Bonds outstanding at December 31, 2024 include the following:

2016B Alternate Revenue Refunding Bonds

\$1,830,000 alternate revenue refunding bonds issued on September 1, 2016, due in various annual installments ranging from \$25,000 to \$180,000 through December 1, 2028, plus interest at 1.83%. The bonds are being repaid with telecommunication tax receipts, franchise fees, and a portion of utility tax receipts. These bonds were issued to refund the 2009 Alternate Revenue Bonds.

\$705,000

NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note 10 Long-Term Debt Obligations - Governmental Activities - (Continued)

2020 General Obligation Refunding Bonds

\$1,619,000 general obligation debt certificate issued on October 1, 2020, due in various annual installments ranging from \$97,100 to \$122,200 through October 1, 2035, plus interest at 1.20% to 2.25%. The certificates are being repaid with property taxes received by the Village. These bonds were issued to refund the 2010B General Obligation Bonds.

1,223,300

2024 General Obligation Bonds

\$690,800 general obligation bonds issued on January 4, 2024, due in various annual installments ranging from \$191,900 to \$262,700 through December 1, 2026, plus interest at 4.5%. The bonds are being repaid with property taxes received by the Village. Principal repayment began during the year ending December 31, 2024.

498,900

Total Bond and Debt Certificates at December 31, 2024

\$2,427,200
=====

Notes Payable

On April 24, 2020, the Village borrowed \$87,880 from Prairie State Bank and Trust, Mt. Zion, Illinois for the acquisition of a dump truck. The funds have been borrowed for governmental activities only. The note is payable in five annual installments beginning April 2021 and maturing April 2026. The note has an interest rate of 3.12% and is secured by the dump truck. The note is repaid with property taxes received by the Village.

\$ 31,210

The Village entered into a 60 month agreement with Toshiba Financial Services to acquire a new office copier. The agreement calls for 60 payments of \$341 and a final payment of \$1. The agreement began in March 2019 and ended in March 2024.

0

Total Notes Payable at December 31, 2024

\$ 31,210
=====

NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note 10 Long-Term Debt Obligations - Governmental Activities - (Continued)

The annual requirements to amortize all debt outstanding as of December 31, 2024, are as follows:

Bonds and Debt Certificates Payable

Years ending Dec. 31,	Principal -----	Interest -----	Total -----
2025	\$ 508,400	\$ 64,547	\$ 572,947
2026	541,300	42,999	584,299
2027	285,200	26,369	311,569
2028	286,900	21,392	308,292
2029	108,600	16,334	124,934
2030-2034	574,600	50,236	624,836
2035	122,200	2,750	124,950
	-----	-----	-----
Total	2,427,200	224,627	2,651,827
Bond Premium	17,046	0	17,046
	-----	-----	-----
Total Bonds and Debt Service Requirement	\$2,444,246 =====	\$ 224,627 =====	\$2,668,873 =====

Notes Payable

Years ending Dec. 31,	Principal -----	Interest -----	Total -----
2025	\$ 15,393	\$ 971	\$ 16,364
2026	15,817	0	15,817
	-----	-----	-----
Total Notes Payable Service Requirement	\$ 31,210 =====	\$ 971 =====	\$ 32,181 =====

Debt service funds were created to account for the accumulation of resources for, and the payment of, principal and interest related to the bond issues. All monies deposited into the debt service funds are restricted or assigned for payment of bond principal and interest only.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note 11 Long-Term Debt Obligations - Business-Type Activities -

Changes in long-term debt for the year ended December 31, 2024 are as follows:

	Beginning Balance	Issued	(Retired)	Ending Balance
	-----	-----	-----	-----
Notes Payable	\$1,882,607	\$ 0	\$(111,669)	\$1,770,938
	-----	-----	-----	-----
Totals	\$1,882,607	\$ 0	\$(111,669)	\$1,770,938
	=====	=====	=====	=====

In June 2017, the IL EPA approved a loan to the Village in the amount of \$2,794,210 for the construction of an elevated water storage tank and a booster pump station. The preliminary loan agreement called for semi-annual payments of principal and interest at 1.64% for 20 years beginning November 1, 2019. The Village made draws on the loan as construction continued on the plant. Construction was completed and the loan was finalized in December 2018. The finalized loan agreement after all draws and accrued interest was for \$2,414,396, with semi-annual loan payments of \$71,044 scheduled for May 15 and November 15 of each year at 1.64% interest for 20 years beginning May 15, 2019 and maturing November 15, 2038. As of December 31, 2024, the balance on the loan was \$1,770,938.

The annual requirements to amortize outstanding notes payable of \$1,770,938 as of December 31, 2024, are as follows:

	Notes Payable		
	Principal	Interest	Total
Years ending Dec. 31,	-----	-----	-----
2025	\$ 113,508	\$ 28,580	\$ 142,088
2026	115,377	26,711	142,088
2027	117,277	24,811	142,088
2028	119,209	22,880	142,089
2029	121,172	20,917	142,089
2030-2034	636,453	73,987	710,440
2035-2038	547,942	20,413	568,355
	-----	-----	-----
Total Notes Payable			
Service Requirement	\$1,770,938	\$ 218,299	\$1,989,237
	=====	=====	=====

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

(Continued)

Note 12 Capital and Intangible Assets -

The breakdown of capital assets by type and the related accumulated depreciation for the Business-Type Activities is as follows:

	Beginning	Additions	Deletions	Ending
	-----	-----	-----	-----
Capital and Intangible Assets:				
Land and Easements	\$ 217,438			\$ 217,438
Buildings and System	11,566,655	\$ 361,178		11,927,833
Equipment	628,498	44,667		673,165
Sewer Annexation	1,170,253			1,170,253
Construction in Progress	355,295	252,816	\$ (286,737)	321,374
	-----	-----	-----	-----
Total	\$13,938,139	\$ 658,661	\$ (286,737)	14,310,063
	=====	=====	=====	-----
Accumulated Depreciation and Amortization:				
Buildings and System	\$ 5,014,482	\$ 232,679		5,247,161
Equipment	505,292	25,625		530,917
Annexation	1,119,056	29,255		1,148,311
	-----	-----	-----	-----
Total	\$ 6,638,830	\$ 287,559	\$ 0	6,926,389
	=====	=====	=====	-----
Ending Book Value				\$ 7,383,674
				=====

Total asset purchases of \$371,924 were made during the year ending December 31, 2024. An additional \$286,737 of building and system additions included in the table above are related to infrastructure projects that were previously construction in progress but have since been completed and placed into service. Land and easements and construction in progress are non-depreciating assets.

Total depreciation and amortization for all Business-Type Activities assets amounted to \$287,559, for the current period, of which \$184,839 and \$102,720 were charged to the Water and Sanitary Sewer functions, respectively.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note 12 Capital and Intangible Assets - (Continued)

The breakdown of capital assets by type and the related accumulated depreciation for the Governmental Activities is as follows:

	Beginning -----	Additions -----	Deletions -----	Ending -----
Capital Assets:				
Land	\$ 971,363	\$ 100,537	\$ (818)	\$ 1,071,082
Construction in Progress	86,008	64,804	(50,943)	99,869
Buildings	4,434,394	93,571		4,527,965
Equipment	1,992,964	141,140	(11,500)	2,122,604
Infrastructure	19,361,015	794,592		20,155,607
	-----	-----	-----	-----
Total	\$26,845,744	\$1,194,644	\$ (63,261)	27,977,127
	=====	=====	=====	-----
Accumulated Depreciation:				
Buildings	\$ 1,427,570	\$ 139,009		1,566,579
Equipment	1,503,772	143,571		1,647,343
Infrastructure	10,091,410	726,356		10,817,766
	-----	-----	-----	-----
Total	\$13,022,752	\$1,008,936	\$ 0	14,031,688
	=====	=====	=====	-----
Ending Book Value				\$13,945,439
				=====

Total asset purchases of \$1,143,701 were made during the year ending December 31, 2024. An additional \$35,864 of buildings additions and \$15,079 of infrastructure additions included in the table above are related to fiberoptic and infrastructure projects that were previously construction in progress but have since been completed and placed into service. Land and construction in progress are non-depreciating assets.

Total depreciation for all Governmental Activities assets amounted to \$1,008,936, for the current period, of which \$60,804, \$83,111, \$646,584, \$179,794 and \$38,643 were charged to the Administration, Public Safety, Street and Alleys, Parks and Convention Center functions, respectively.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note 13 Business District -

On September 14, 2020, the Village approved an ordinance designating the Mt. Zion Business Development District Number 1 and imposing a retailer's occupation tax, a service occupation tax, and a hotel operators' occupation tax. These new taxes will pay for business district project costs as set forth in the business district development plan. During the fiscal year ended December 31, 2024, the Village expended \$195,785.

Note 14 Rt. 121 Tax Increment Financing (TIF) District II -

On January 19, 2021, the Village approved an ordinance designating the Rt. 121 Tax Increment Financing District II. This TIF District will be used to promote and protect the health, safety, morals, and welfare of the public, address blighted conditions as defined in the Act, and institute conservation measures that will remove and alleviate adverse conditions, encourage private investment, and restore/enhance the tax base of the overlapping taxing districts by undertaking public and private redevelopment projects within the specified Redevelopment Project Area.

Note 15 Mt. Zion Police Pension Fund -

Summary of Significant Accounting Policies: Reporting Entity, Measurement Focus and Basis of Accounting. The Mt. Zion Police Pension is a fiduciary fund of the Village of Mt. Zion, Illinois and is included in the Village's fiduciary fund financial statements. It does not issue a stand-alone financial report. The financial statements of the Plan are prepared using the economic resources measurement focus and the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Plan member contributions are recognized in the period they are withheld. The Village's contributions are recognized when they are received by the Plan. The Plan's investments are reported at fair value. Investments are maintained by the Illinois Police Officers' Pension Investment Fund and held at State Street Bank and Trust. The Fund may only make investments as allowed by Illinois Compiled Statutes (ILCS).

Plan Description: Administration. On July 18, 2011, the Village of Mt. Zion created and established a single-employer, defined benefit pension plan for the full-time officers to provide retirement, disability benefits, post retirement increases, and death benefits to plan members and beneficiaries in accordance with Article 3 of the Illinois Pension Code. It is governed by five trustees. The trustees are to be representative of at least one active duty officer and one eligible beneficiary. Currently, there are no beneficiaries who meet the eligibility requirements to serve as a trustee, so that position is filled by an additional current officer. The defined benefit provisions and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may only be amended by the Illinois legislature. Administrative costs are financed through investment earnings.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note 15 Mt. Zion Police Pension Fund - (Continued)

Plan Description: Membership.

Membership in the plan consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1
Inactive Plan Member Entitled to but not yet Receiving Benefits	7
Active Plan Members	<u>11</u>
Total members	<u>19</u>

Plan Description: Benefits Provided.

The Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter. Surviving spouses receive 100% of final salary for fatalities resulting from an act of duty, or otherwise the greater of 50% of final salary or the employee's retirement benefit.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$ 106,800, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3.00%. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}$ % for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or $\frac{1}{2}$ of the change in the Consumer Price Index for the proceeding calendar year. Surviving spouse's benefits are 66 $\frac{2}{3}$ % of the Employee's benefit at the time of death.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024
(Continued)

Note 15 Mt. Zion Police Pension Fund - (Continued)

Plan Description: Contributions.

Employees are required by ILCS to contribute 9.91% of their base salary to the Fund. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amount necessary to finance the Fund, as actuarially determined by an enrolled actuary. The 2024 Village contribution to the plan was \$170,901 and was entirely met by the current tax levy.

Note 16 Construction, Other Commitments and Subsequent Events -

The Village has entered into various agreements to abate future taxes and reimburse development costs to encourage development within the Village. These agreements extend through 2046 and are dependent on developers presenting documentation of costs incurred. As of December 31, 2024, future amounts payable under these agreements have a maximum payout of \$6,634,930.

The Village has a lease agreement through fiscal year 2038 for cellular equipment to be placed on the Village's water tower. In 2022, the water tower that the equipment was originally placed on was demolished. As the lease agreement is binding, the Village was required to move this equipment to the new water tower. The cost to move the equipment was agreed to be \$208,962. On August 17, 2020, the Village agreed to abate \$208,962 of future rents in payment as reimbursement for the equipment move. The abatement began in April of 2022, and will last through July 2033, at which time the Village will begin to receive monthly rent payments again.

On March 20, 2023, a resolution was passed authorizing the approval of a contract with Entler Excavating Co. Inc, to begin work on the Eastside Sewer Relief Project for an estimated cost of \$964,736. The project, which began in 2023, will add new sewer mains and manholes to increase capacity in specified areas of the Village. Final expenses of approximately \$50,000 will be paid by the Sewer Fund in 2025 to complete this project.

On February 18, 2025, an ordinance was passed to approve an intergovernmental agreement between the Village of Mt. Zion and the City of Decatur's Urban Transit Network that incorporates the Village into Decatur's public transit system service area. The cost of the service is to be paid for with funding from the Illinois Department of Transportation and/or the Federal Transit Administration and any other state or federal grants available. Should the cost of providing services to the Village exceed what the City receives in funding for this project, the Village will pay the difference. As part of this agreement, the Village agrees to reimburse the City for the cost of adding a new ADA compliant vehicle that will be used to serve the Village. The Village will reimburse the City up to \$80,000, subject to a 2% annual increase, once every 5 years that the agreement is in place. The agreement automatically renews on one year terms each year until either party decides to terminate the agreement.

SUPPLEMENTARY INFORMATION

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2024

(Continued)

Note 16 Construction, Other Commitments and Subsequent Events -

On February 18, 2025, a resolution was passed to authorize a joint funding agreement with the Illinois Department of Transportation for the Harryland Trail Project. The estimated costs for the project are \$191,338 with 90% being paid by IDOT and 10% being paid by the Village using MFT funds.

In March of 2025, the Village began rehabilitation projects at Goodwin Park. Approximately \$122,000 has since been expended toward playground equipment upgrades and pavilion repairs.

On March 17, 2025, a resolution was passed appropriating \$667,250 of MFT funds for the South Lake Subdivision Rehab Project Phase 2. The project is expected to begin in late 2025.

In April of 2025, a new squad car was purchased for the police department for approximately \$57,000.

VILLAGE OF MT. ZION, ILLINOIS
GENERAL FUND

SCHEDULE OF EXPENDITURES DISBURSED - MODIFIED CASH BASIS
For the Year Ended December 31, 2024

General Government - Administration

Salaries	\$ 93,510	
Benefits	24,927	
Repairs & Maintenance	6,847	
Legal Services	18,518	
Janitorial Services	5,980	
Contractual Services	8,036	
Postage	710	
Telephone	1,744	
Printing & Publications	2,230	
Fees	17,839	
Travel & Training	4,950	
Dues & Subscriptions	3,239	
Utilities	8,134	
Supplies & Equipment	3,251	
Economic Development	11,312	
Special Projects	5,474	
Total General Government - Administration	<u>216,701</u>	\$ <u>216,701</u>

General Government - Planning & Zoning

Salaries	\$ 66,181	
Benefits	14,774	
Engineering	6,439	
Printing & Publications	725	
Fees	227	
Total General Government - Planning & Zoning	<u>88,346</u>	\$ <u>88,346</u>

(Continued on next page)

VILLAGE OF MT. ZION, ILLINOIS
GENERAL FUND

SCHEDULE OF EXPENDITURES DISBURSED - MODIFIED CASH BASIS
For the Year Ended December 31, 2024
(Continued)

Public Safety		
Salaries	\$ 886,154	
Benefits	335,358	
Repairs & Maintenance	15,420	
Legal Services	2,991	
Janitorial Services	9,945	
Contractual Services	19,775	
Postage	988	
Telephone	10,502	
Radio Communications	7,938	
Printing & Publications	1,912	
Fees	60,458	
Travel & Training	14,138	
Dues & Subscriptions	1,773	
Utilities	14,442	
Supplies & Equipment	12,801	
Miscellaneous	463	
Gasoline & Oil	21,174	
Total Public Safety		\$ <u>1,416,232</u>
Streets and Alleys		
Salaries	\$ 154,640	
Benefits	56,495	
Repairs & Maintenance	74,724	
Engineering	38,678	
Contractual Services	8,637	
Telephone	5,579	
Printing & Publications	366	
Fees	5,025	
Travel & Training	1,598	
Utilities	11,170	
Street Lighting	23,817	
Supplies & Equipment	21,349	
Miscellaneous	224	
Gasoline & Oil	9,046	
Total Streets and Alleys		\$ <u>411,348</u>

(Continued on next page)

VILLAGE OF MT. ZION, ILLINOIS
GENERAL FUND

SCHEDULE OF EXPENDITURES DISBURSED - MODIFIED CASH BASIS
For the Year Ended December 31, 2024
(Continued)

Culture & Recreation - Parks

Salaries	\$ 111,851	
Benefits	37,156	
Repairs & Maintenance	25,686	
Janitorial Services	20,307	
Contractual Services	6,439	
Fletcher Park Events	27,917	
Postage	533	
Telephone	8,444	
Printing & Publications	2,359	
Fees	5,354	
Travel & Training	1,117	
Dues & Subscriptions	365	
Utilities	23,179	
Supplies & Equipment	37,444	
Total Culture & Recreation - Parks		\$ <u>308,151</u>

Culture & Recreation - Convention Center

Salaries	\$ 51,021	
Benefits	20,879	
Repairs & Maintenance	16,756	
Janitorial Services	22,500	
Contractual Services	12,471	
Postage	533	
Telephone	1,744	
Printing & Publications	8,067	
Fees	4,996	
Utilities	6,105	
Supplies & Equipment	5,869	
Total Culture & Recreation - Convention Center		\$ <u>150,941</u>

Debt Service

Principal	\$ 1,007	
Interest	-	
Total Debt Service		\$ <u>1,007</u>

Capital Outlay

Administration	\$ 11,070	
Public Safety	120,976	
Streets & Alleys	201,648	
Parks	54,508	
Total Capital Outlay		\$ <u>388,202</u>

VILLAGE OF MT. ZION, ILLINOIS
COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - MODIFIED CASH BASIS
December 31, 2024

	ASSETS							Total Nonmajor Special Revenue Funds
	Audit Fund	Social Security Fund	Liability Insurance Fund	IMRF Fund	School Crossing Guard Fund	Unemployment Compensation Fund	Rt. 121 TIF District II	
Current Assets:								
Cash and Cash Equivalents	\$ 38,421	\$ 87,968	\$ 51,647	\$ 196,330	\$ 22,050	\$ 56,433	\$ 481,644	\$ 934,493
TOTAL ASSETS	\$ 38,421	\$ 87,968	\$ 51,647	\$ 196,330	\$ 22,050	\$ 56,433	\$ 481,644	\$ 934,493
LIABILITIES AND FUND BALANCES								
Current Liabilities:								
Fund Balance:								
Restricted	37,421	87,968	51,647	196,330	22,050	56,433	481,644	933,493
Assigned	1,000	-	-	-	-	-	-	1,000
Total Fund Balance	38,421	87,968	51,647	196,330	22,050	56,433	481,644	934,493
TOTAL LIABILITIES AND FUND BALANCES	\$ 38,421	\$ 87,968	\$ 51,647	\$ 196,330	\$ 22,050	\$ 56,433	\$ 481,644	\$ 934,493

VILLAGE OF MT. ZION, ILLINOIS

COMBINING SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - MODIFIED CASH BASIS
For the Year Ended December 31, 2024

	Audit Fund	Social Security Fund	Liability Insurance Fund	IMRF Fund	School Crossing Guard Fund	Unemployment Compensation Fund	Rt. 121 TIF District II	Total Nonmajor Special Revenue Funds
Revenues Received								
Property Tax	\$ 28,489	\$ 135,298	\$ 106,810	\$ 43,235	\$ 4,031	\$ 4,031	\$ 327,463	\$ 649,357
Investment Income/(Loss)	1,008	50	2,134	7,233	893	2,462	13,836	27,616
Total Revenues Received	29,497	135,348	108,944	50,468	4,924	6,493	341,299	676,973
Expenditures Disbursed								
Current								
General Government								
Administration	21,430	-	-	-	-	-	113,208	134,638
Professional Fees	-	-	-	-	-	-	-	87,083
Social Security Taxes	-	87,083	-	-	-	-	-	94,295
Liability Insurance	-	-	94,295	-	-	-	-	33,590
IMRF Expense	-	-	-	33,590	-	-	-	55,738
Redevelopment Agreements	-	-	-	-	-	-	55,738	-
Public Safety								
Salaries	-	-	-	-	2,860	-	-	2,860
Capital Outlay	-	-	-	-	-	-	55,965	55,965
Total Expenditures Disbursed	21,430	87,083	94,295	33,590	2,860	-	224,911	464,169
Excess of Revenues Received Over (Under) Expenditures Disbursed	8,067	48,265	14,649	16,878	2,064	6,493	116,388	212,804
Other Financing Sources(Uses)								
Operating Transfers	-	-	-	-	-	-	-	-
Net Change in Fund Balance	8,067	48,265	14,649	16,878	2,064	6,493	116,388	212,804
Fund Balances - January 1	30,354	39,703	36,998	179,452	19,986	49,940	365,256	721,689
Fund Balances - December 31	38,421	87,968	51,647	196,330	22,050	56,433	481,644	934,493

VILLAGE OF MT. ZION, ILLINOIS

COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - MODIFIED CASH BASIS
December 31, 2024

	Total Nonmajor	Debt Service Funds				Total
	Special Revenue Funds	Lease Purchase Fund	2009 Bond Repayment Fund	2019 Bond Repayment Fund	2020 Bond Repayment Fund	Nonmajor Governmental Funds
Current Assets:						
Cash and Cash Equivalents	\$ 934,493	\$ 20,186	\$ 23,693	\$ -	\$ 16,847	\$ 1,011,224
TOTAL ASSETS	\$ 934,493	\$ 20,186	\$ 23,693	\$ -	\$ 16,847	\$ 1,011,224
LIABILITIES AND FUND BALANCES						
Current Liabilities:						
Due to Other Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Current Liabilities:						
Fund Balance:						
Restricted	933,493	20,186	-	-	-	969,684
Assigned	1,000	-	23,693	-	16,847	41,540
Total Fund Balance	934,493	20,186	23,693	-	16,847	1,011,224
TOTAL LIABILITIES AND FUND BALANCES	\$ 934,493	\$ 20,186	\$ 23,693	\$ -	\$ 16,847	\$ 1,011,224

VILLAGE OF MT. ZION, ILLINOIS

COMBINING SCHEDULE OF REVENUES RECEIVED, EXPENDITURES DISBURSED AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - MODIFIED CASH BASIS
For the Year Ended December 31, 2024

	Total Nonmajor Special Revenue Funds	Lease Purchase Fund	2009 Bond Repayment Fund	2019 Bond Repayment Fund	2020 Bond Repayment Fund	2024 Bond Repayment Fund	Total Nonmajor Governmental Funds
Revenues Received							
Property Tax	\$ 649,357	\$ 16,510	\$ -	\$ -	\$ -	\$ 246,641	\$ 912,508
Investment Income/(Loss)	27,616	477	137	-	-	-	28,230
Total Revenues Received	676,973	16,987	137	-	-	246,641	940,738
Expenditures Disbursed							
Current							
General Government							
Administration							
Audit Fees	134,638	-	-	-	-	-	134,638
Social Security Taxes	87,083	-	-	-	-	-	87,083
Liability Insurance	94,295	-	-	-	-	-	94,295
IMRF Expense	33,590	-	-	-	-	-	33,590
Redevelopment Agreements	55,738	-	-	-	-	-	55,738
Public Safety							
Salaries	2,860	-	-	-	-	-	2,860
Debt Service							
Principal	-	14,807	165,000	-	100,800	191,900	472,507
Interest and Fees	-	1,480	15,921	-	24,178	38,736	80,315
Capital Outlay	55,965	-	-	-	-	-	55,965
Total Expenditures Disbursed	464,169	16,287	180,921	-	124,978	230,636	1,016,991
Excess of Revenues Received Over (Under) Expenditures Disbursed	212,804	700	(180,784)	-	(124,978)	16,005	(76,253)
Other Financing Sources (Uses)							
Operating Transfers In/(Out)	-	-	171,307	(2,275)	124,978	-	294,010
Net Change in Fund Balance	212,804	700	(9,477)	(2,275)	-	16,005	217,757
Fund Balances - January 1	721,689	19,486	33,170	2,275	16,847	-	793,467
Fund Balances - December 31	\$ 934,493	\$ 20,186	\$ 23,693	\$ -	\$ 16,847	\$ 16,005	\$ 1,011,224

OTHER INFORMATION (UNAUDITED)

VILLAGE OF MT. ZION, ILLINOIS

OTHER INFORMATION (UNAUDITED)
 COMPARISON OF BUDGET AND ACTUAL EXPENDITURES
 GOVERNMENTAL FUNDS - MODIFIED CASH BASIS

For the Year Ended December 31, 2024

	<u>Amended / Final Budget</u>	<u>Actual Expenditures (Incl. Budgeted Transfers)</u>	<u>Over/Under Budget</u>
General Fund			
General Corporate Purposes	\$ 3,877,734	\$ 3,454,530	\$ 423,204
Special Revenue Funds			
Audit Fund	29,000	21,430	7,570
Social Security Fund	138,000	87,083	50,917
Liability Insurance Fund	110,000	94,295	15,705
IMRF Fund	44,500	33,590	10,910
School Crossing Guard Fund	4,750	2,860	1,890
Unemployment Compensation Fund	25,000	0	25,000
Capital Projects Funds			
Motor Fuel Tax Fund	970,000	241,408	728,592
Business District Tax Allocation Fund	560,000	195,785	364,215
Rt 121 TIF District II	545,500	224,911	320,589
2024 Capital Project Fund	700,000	590,074	109,926
Debt Service Funds			
Lease Purchase Fund	16,500	16,287	213
2009 Bond Repayment Fund	182,000	180,921	1,079
2019 Bond Repayment Fund	0	0	0
2020 Bond Repayment Fund	125,000	124,978	22
2024 Bond Repayment Fund	232,700	230,636	2,064
Total Governmental Funds	<u>\$ 7,560,684</u>	<u>\$ 5,498,788</u>	<u>\$ 2,061,896</u>

VILLAGE OF MT. ZION, ILLINOIS

OTHER INFORMATION (UNAUDITED)
 COMPARISON OF BUDGET AND ACTUAL EXPENDITURES
 OTHER FUNDS - MODIFIED CASH BASIS

For the Year Ended December 31, 2024

	<u>Amended / Final Budget</u>	<u>Actual Expenditures (Incl. Capital Acquisitions)</u>	<u>Over/Under Budget</u>
Proprietary Funds			
Water Fund	\$ 1,902,720	\$ 1,792,061	\$ 110,659
Sewer Fund	775,850	856,996	-81,146 *
Fiduciary Fund			
Police Pension Fund	<u>202,400</u>	<u>91,576</u>	<u>110,824</u>
Total Other Funds	\$ <u>2,880,970</u>	\$ <u>2,740,633</u>	\$ <u>140,337</u>

* The \$81,146 of Sewer Fund expenditures that were over the budgeted amount were Sewer infrastructure assets purchased with funds paid out of the General Fund, then transferred to the Sewer Fund.

VILLAGE OF MT. ZION, ILLINOIS

OTHER INFORMATION (UNAUDITED)
 MT. ZION POLICE PENSION FUND
 SCHEDULE OF INVESTMENT RETURNS
 LAST TEN FISCAL PERIODS ENDED
 (SCHEDULE TO BE BUILT PROSPECTIVELY)

Annual Money-Weighted Rate of Return, Net of Investment Expense	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	8 Months Ended	Year Ended
	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	April 30, 2016
	9.59%	13.66%	-10.21%	2.40%	2.30%	2.68%	2.72%	1.84%	1.61%	1.47%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.