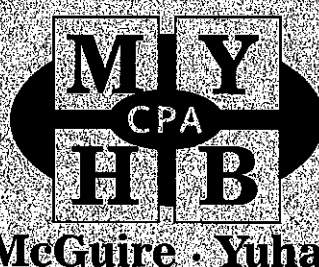


VILLAGE OF MT. ZION, ILLINOIS
ANNUAL FINANCIAL REPORT
DECEMBER 31, 2020



McGuire · Yuhas
Huffman · Buckley
Certified Public Accountants & Consultants

VILLAGE OF MT. ZION, ILLINOIS

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2020

VILLAGE OF MT. ZION, ILLINOIS

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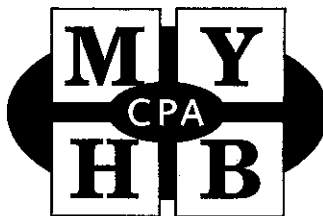
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INDEPENDENT AUDITOR'S REPORT

Mayor and Village Board
 Village of Mt. Zion
 Mt. Zion, Illinois

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information of the Village of Mt. Zion as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Village's financial statements as listed in the table of contents.

Management's Responsibility 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; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Mayor and Village Board
Village of Mt. Zion
Page Two

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, Illinois, as of December 31, 2020, 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 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 special purpose framework other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Mt. Zion, Illinois' financial statements. The schedules listed as "supplementary information" and "other information (unaudited)" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The schedules listed as "supplementary information" are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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" are fairly stated, in all material respects, in relation to the financial statements as a whole.

Mayor and Village Board
Village of Mt. Zion
Page Three

The schedules listed as "other information (unaudited)" in the table of contents have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2021 on our consideration of the Village of Mt. Zion's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Mt. Zion's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Mt. Zion's internal control over financial reporting and compliance.

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

McGuire, Yuhas, Huffman & Buckley, P.C.
Decatur, Illinois
October 19, 2021

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

Mayor and Village Board
 Village of Mt. Zion
 Mt. Zion, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Mt. Zion, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Village of Mt. Zion's financial statements and have issued our report thereon dated October 19, 2021.

Internal Control Over Financial Reporting

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

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

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

Mayor and Village Board
Village of Mt. Zion
Page Two

deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 20-01 and 20-02 that we consider to be significant deficiencies.

Compliance and Other Matters

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

Village of Mt. Zion's Response to Findings

Village of Mt. Zion's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Village of Mt. Zion's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

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

McGuire, Yuhas, Huffman & Buckley, P.C.
Decatur, Illinois
October 19, 2021

VILLAGE OF MT. ZION

SCHEDULE OF FINDINGS AND RESPONSES
Year Ended December 31, 2020**Finding 20-01**

Criteria: Maintain adequate internal controls, including segregation of duties, in order to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Condition: Lack of segregation of duties.

Cause: Due to the size of the organization, there is a limited number of accounting staff.

Effect: Could adversely affect the Village's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Recommendation: Segregation of duties needs to be increased whenever possible with the personnel available.

Response: The Village has segregated as many duties as possible given the small accounting staff.

Finding 20-02

Criteria: Compliance with required financial reporting and disclosures.

Condition: Lack of adequate internal control over financial reporting.

Cause: Due to the size of the organization, there is no staff with sufficient expertise to ensure compliance with all required financial reporting and disclosures.

Effect: Could adversely affect the Village's assurance that financial reporting including the preparation of financial statements, is in accordance with the modified cash basis of accounting.

Recommendation: Obtain necessary expertise.

Response: It is not cost effective to do so.

VILLAGE OF MT. ZION, ILLINOIS

STATEMENT OF NET POSITION
MODIFIED CASH BASIS

December 31, 2020

	Primary Government		
	Governmental Activities	Business- type Activities	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 2,403,207	\$ 873,003	\$ 3,276,210
Certificates of Deposit	631,998	-	631,998
Municipal Bonds	176,900	265,500	442,400
IMET Liquidated Trust Receivable	9,192	5,216	14,408
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	-	152,617	152,617
Total Current Assets	3,221,297	1,296,336	4,517,633
Non-Current Assets			
Land and Easements	972,023	217,438	1,189,461
Property, Plant and Equipment	22,546,134	11,146,815	33,692,949
Less: Accumulated Depreciation	(10,269,630)	(4,818,299)	(15,087,929)
Net Land, Property, Plant and Equipment	13,248,527	6,545,954	19,794,481
Intangible Asset			
Sewer System Annexation Cost (Net of Accumulated Amortization of \$1,031,286)	-	138,967	138,967
Total Non-Current Assets	13,248,527	6,684,921	19,933,448
Total Assets	16,469,824	7,981,257	24,451,081
LIABILITIES			
Current Liabilities			
Notes Payable - current	16,628	106,332	122,960
Bonds Payable - current	395,161	-	395,161
Total Current Liabilities	411,789	106,332	518,121
Non-Current Liabilities			
Notes Payable - non-current	82,531	2,100,545	2,183,076
Bonds Payable - non-current	3,050,331	-	3,050,331
Total Non-Current Liabilities	3,132,862	2,100,545	5,233,407
Total Liabilities	3,544,651	2,206,877	5,751,528
NET POSITION			
Net Investment in Capital Assets	9,703,876	4,478,044	14,181,920
Restricted for:			
Police	41,025	-	41,025
Street and Alley Maintenance	384,057	-	384,057
Audit	29,252	-	29,252
Social Security Tax	50,306	-	50,306
Liability Insurance	28,081	-	28,081
IMRF	74,523	-	74,523
School Crossing Guard	19,055	-	19,055
Unemployment Compensation	44,408	-	44,408
Capital Projects	474,308	-	474,308
Special Tax Capital Projects	149,246	-	149,246
Debt Service	19,365	-	19,365
Splash Pad Grant	187,100	-	187,100
Unrestricted	1,720,571	1,296,336	3,016,907
Total Net Position	\$ 12,925,173	\$ 5,774,380	\$ 18,699,553

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, 2020

Functions/Programs	Program Revenues			Net (Expense) Revenue
	Expenses	Charges for Services	Capital Grants and Contributions	
Governmental Activities				
Current				
General Government				
Administration	\$ 484,718	\$ 225,591	\$ -	\$ (259,127)
Planning and Zoning	66,475	-	-	(66,475)
Public Safety	1,095,304	75,338	-	(1,019,966)
Streets & Alleys	1,020,340	-	-	(1,020,340)
Culture & Recreation				
Parks	352,505	22,919	243,264	(86,322)
Convention Center	144,785	36,553	-	(108,232)
Debt Service	175,863	-	-	(175,863)
Capital Outlay	361,148	-	-	(361,148)
Total Governmental Activities	3,701,138	360,401	243,264	(3,097,473)
Business-type Activities				
Water	1,572,706	1,672,921	-	100,215
Sanitary Sewer	545,238	512,011	-	(33,227)
Total Business-type Activities	2,117,944	2,184,932	-	66,988
Total Governmental and Business-type Activities	\$ 5,819,082	\$ 2,545,333	\$ 243,264	\$ (3,030,485)
Changes in Net Position				
Net (Expense) Revenue	\$ (3,097,473)	\$ 66,988	\$ (3,030,485)	
General Revenues				
Property Tax	1,533,303	-	1,533,303	
Utility Tax	166,775	-	166,775	
Telecommunications Tax	45,054	-	45,054	
Income Tax	633,867	-	633,867	
Replacement Tax	30,864	-	30,864	
Sales and Use Tax	611,294	-	611,294	
Games Tax	36,878	-	36,878	
Reimbursements	66,143	-	66,143	
Interest	18,581	16,084	34,665	
Bond Subsidies	15,939	-	15,939	
Motor Fuel Tax	361,703	-	361,703	
Gain/(Loss) on Disposal of Capital Assets	20,293	-	20,293	
Operating Transfers	61,637	(61,637)	-	
Total General Revenues, Losses and Transfers	3,602,331	(45,553)	3,556,778	
Change in Net Position	504,858	21,435	526,293	
Net Position, January 1	12,420,315	5,752,945	18,173,260	
Net Position, December 31	\$ 12,925,173	\$ 5,774,380	\$ 18,699,553	

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, 2020

	General	2020 Bond Repayment Fund	Capital Projects Funds			Nonmajor Governmental Funds	Totals
			Special Tax Allocation	Motor Fuel Tax			
ASSETS							
Current Assets							
Cash and Cash Equivalents	\$ 1,066,896	\$ 16,847	\$ 149,246	\$ 384,057	\$ 786,161	\$ 2,403,207	
Certificates of Deposit	631,998	-	-	-	-	631,998	
Municipal Bonds	176,900	-	-	-	-	176,900	
IMET Liquidated Trust Receivable	5,653	-	-	-	3,539	9,192	
Due from Other Funds	14,469	-	-	-	-	14,469	
Total Assets	\$ 1,895,916	\$ 16,847	\$ 149,246	\$ 384,057	\$ 789,700	\$ 3,235,766	

LIABILITIES AND FUND BALANCES							
Current Liabilities							
Due to Other Funds	\$ -	\$ -	\$ -	\$ -	\$ 14,469	\$ 14,469	
Total Liabilities	-	-	-	-	14,469	14,469	
Fund Balances							
Restricted	228,125	-	149,246	384,057	739,298	1,500,726	
Assigned	-	16,847	-	-	50,402	67,249	
Unassigned	1,667,791	-	-	-	(14,469)	1,653,322	
Total Fund Balances	1,895,916	16,847	149,246	384,057	775,231	3,221,297	
Total Liabilities and Fund Balances	\$ 1,895,916	\$ 16,847	\$ 149,246	\$ 384,057	\$ 789,700	\$ 3,235,766	

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, 2020

Total Fund Balances - Total Governmental Funds	\$ 3,221,297
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Amounts reported for governmental activities in the
 Statement of Net Position are different because:

Capital Assets of \$23,518,157 net of accumulated
 depreciation of (\$10,269,630), are not financial
 resources and therefore, are not reported in the
 funds.

13,248,527

Bonds and notes payable are not reported in the
 governmental funds

(3,544,651)

Net Position of Governmental Activities	\$ <u>12,925,173</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 FUND BALANCES - GOVERNMENTAL FUNDS
 MODIFIED CASH BASIS

For the Year Ended December 31, 2020

	General	Capital Projects Funds				Totals
		2020 Bond Repayment Fund	Special Tax Allocation	Motor Fuel Tax	Nonmajor Governmental Funds	
Revenues Received						
Property Tax	\$ 590,252	\$ -	\$ 546,492	\$ -	\$ 396,559	\$ 1,533,303
Utility Tax	166,775	-	-	-	-	166,775
Telecommunications Tax	45,054	-	-	-	-	45,054
Licenses & Permits	50,572	-	-	-	-	50,572
Franchise Fees	137,071	-	-	-	-	137,071
Police Services	58,351	-	-	-	-	58,351
Income Tax	633,867	-	-	-	-	633,867
Replacement Tax	30,864	-	-	-	-	30,864
Sales and Use Tax	611,294	-	-	-	-	611,294
Games Tax	36,878	-	-	-	-	36,878
Grants	240,879	-	-	-	-	240,879
Fines, Fees & Miscellaneous	57,294	-	-	-	-	57,294
Donations	2,385	-	-	-	-	2,385
Rentals	57,113	-	-	-	-	57,113
Reimbursements	64,571	-	-	1,572	-	66,143
Interest	15,942	-	138	512	1,989	18,581
Bond Subsidies	-	15,939	-	-	-	15,939
Motor Fuel Tax	-	-	-	361,703	-	361,703
Total Revenues Received	2,799,162	15,939	546,630	363,787	398,548	4,124,066
Expenditures Disbursed						
Current						
General Government	184,100	-	-	-	256,225	440,325
Administration	66,475	-	-	-	-	66,475
Planning & Zoning	1,059,776	-	-	-	1,560	1,061,336
Public Safety	283,660	-	18,282	15,647	-	317,589
Streets & Alleys	210,905	-	-	-	-	210,905
Culture & Recreation	107,786	-	-	-	-	107,786
Parks	2,785	-	-	-	-	2,785
Convention Center	1,307	-	-	-	-	1,307
Debt Service	257,871	-	-	-	-	257,871
Principal	1,715,000	-	-	-	416,860	2,131,860
Interest and Fees	96,790	-	-	-	48,037	144,827
Capital Outlay	306,565	-	306,565	350,648	81,092	996,176
Total Expenditures Disbursed	2,174,665	1,811,790	324,847	366,295	803,764	5,481,361
Excess (Deficiency) of Revenues Received Over (Under) Expenditures Disbursed	624,497	(1,795,851)	221,783	(2,508)	(405,216)	(1,357,295)
Other Financing Sources (Uses)						
Proceeds from Sale of Equipment	25,440	-	-	-	-	25,440
Proceeds from Debt Issuance	87,880	1,585,000	-	-	-	1,672,880
Operating Transfers In	65,837	211,061	-	-	277,051	553,949
Operating Transfers Out	(377,165)	-	(115,147)	-	-	(492,312)
Net Change in Fund Balances	426,489	210	106,636	(2,508)	(128,165)	402,662
Fund Balances, January 1	1,469,427	16,637	42,610	386,565	903,396	2,818,635
Fund Balances, December 31	\$ 1,895,916	\$ 16,847	\$ 149,246	\$ 384,057	\$ 775,231	\$ 3,221,297

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, 2020

Net Change in Fund Balances - Total Governmental Funds \$ 402,662

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	635,028
Depreciation expense	(959,711)
Proceeds from Sale of Equipment	(25,440)
Gain/(Loss) on Disposal of Capital Assets	20,293

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.

Debt principal issuance	(1,672,880)
Debt issuance fees	(34,000)
Bond and note principal repayments	2,134,645
Bond issue premium amortization	4,261

Change in Net Position of Governmental Activities \$ 504,858

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, 2020

	Business-type Activities		
	Water	Sanitary Sewer	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 752,454	\$ 120,549	\$ 873,003
Municipal Bonds	265,500	-	265,500
IMET Liquidated Trust Receivable	5,178	38	5,216
Accounts Receivable (Net of Allowance for Uncollectible Accounts)	117,529	35,088	152,617
Total Current Assets	1,140,661	155,675	1,296,336
Non-Current Assets			
Land and Easements	152,816	64,622	217,438
Property, Plant and Equipment	7,471,970	3,674,845	11,146,815
Less: Accumulated Depreciation	(2,348,225)	(2,470,074)	(4,818,299)
Net Land, Property Plant and Equipment	5,276,561	1,269,393	6,545,954
Intangible Asset			
Sewer System Annexation Cost (Net of Accumulated Amortization of \$1,031,286)	-	138,967	138,967
Total Non-current Assets	5,276,561	1,408,360	6,684,921
Total Assets	6,417,222	1,564,035	7,981,257
LIABILITIES			
Current Liabilities			
Water Plant Loan, current	106,332	-	106,332
Non-Current Liabilities			
Water Plant Loan, non-current	2,100,545	-	2,100,545
Total Liabilities	2,206,877	-	2,206,877
NET POSITION			
Net Investment in Capital Assets	3,069,684	1,408,360	4,478,044
Restricted	-	-	-
Unrestricted	1,140,661	155,675	1,296,336
Total Net Position	\$ 4,210,345	\$ 1,564,035	\$ 5,774,380

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, 2020

	Business-type Activities		
	Water	Sanitary Sewer	Total
Operating Revenues			
Charges for Services	\$ 1,663,823	\$ 508,711	\$ 2,172,534
Other Fees & Miscellaneous	9,098	3,300	12,398
Total Operating Revenues	<u>1,672,921</u>	<u>512,011</u>	<u>2,184,932</u>
Operating Expenses			
Personal Services			
Salaries	282,188	108,943	391,131
Benefits	70,518	33,691	104,209
Total Personal Services	<u>352,706</u>	<u>142,634</u>	<u>495,340</u>
Operations and Contractual Services			
Repairs and Maintenance	153,831	23,878	177,709
Engineering	758	-	758
Legal	609	-	609
Janitorial Services	5,920	5,920	11,840
Postage	11,818	7,207	19,025
Telephone	2,579	1,872	4,451
Printing & Publications	795	453	1,248
Fees	18,129	7,100	25,229
Travel & Training	1,229	-	1,229
Dues & Subscriptions	967	-	967
Utilities	15,393	5,866	21,259
Water Purchases	760,740	-	760,740
Sewer Treatment Charges	-	222,677	222,677
Supplies & Equipment	16,249	525	16,774
Meters	17,446	14,559	32,005
Gasoline & Oil	6,251	6,251	12,502
Depreciation and Amortization	169,805	106,296	276,101
Total Operations and Contractual Services	<u>1,182,519</u>	<u>402,604</u>	<u>1,585,123</u>
Total Operating Expenses	<u>1,535,225</u>	<u>545,238</u>	<u>2,080,463</u>
Operating Income (Loss)	<u>137,696</u>	<u>(33,227)</u>	<u>104,469</u>
Non-Operating Revenues (Expenses)			
Interest Income	15,639	445	16,084
Interest Expense	(37,481)	-	(37,481)
Operating Transfers Out	(40,819)	(20,818)	(61,637)
Total Non-Operating Revenues (Expenses)	<u>(62,661)</u>	<u>(20,373)</u>	<u>(83,034)</u>
Change in Net Position	75,035	(53,600)	21,435
Total Net Position, January 1	<u>4,135,310</u>	<u>1,617,635</u>	<u>5,752,945</u>
Total Net Position, December 31	<u>\$ 4,210,345</u>	<u>\$ 1,564,035</u>	<u>\$ 5,774,380</u>

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, 2020

	Business-type Activities		
	Water	Sanitary Sewer	Total
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 1,687,239	\$ 516,988	\$ 2,204,227
Payments to Suppliers	(1,083,232)	(329,999)	(1,413,231)
Payments to Employees	(282,188)	(108,943)	(391,131)
Net Cash Provided/(Used) by Operating Activities	<u>321,819</u>	<u>78,046</u>	<u>399,865</u>
Cash Flows from Non-capital Financing Activities			
Receipts/(Payments) on Interfund Loans	5,657	-	5,657
Transfers from/(to) the General Fund	(40,819)	(20,818)	(61,637)
Net Cash Provided/(Used) by Non-Capital Financing Activities	<u>(35,162)</u>	<u>(20,818)</u>	<u>(55,980)</u>
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(55,721)	(34,810)	(90,531)
Payments on Water Plant IEPA Loan	(142,088)	-	(142,088)
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>(197,809)</u>	<u>(34,810)</u>	<u>(232,619)</u>
Cash Flows from Investing Activities			
Net (Purchases)/Redemptions of Municipal Bonds	80,500	-	80,500
Decrease of Certificates of Deposits	208,384	-	208,384
Interest Received	15,639	445	16,084
Net Cash Provided/(Used) by Investing Activities	<u>304,523</u>	<u>445</u>	<u>304,968</u>
Net Increase/(Decrease) in Cash in Bank	393,371	22,863	416,234
Cash and Cash Equivalents - January 1	359,083	97,686	456,769
Cash and Cash Equivalents - December 31	<u>\$ 752,454</u>	<u>\$ 120,549</u>	<u>\$ 873,003</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities			
Operating Income	\$ 137,696	\$ (33,227)	\$ 104,469
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities			
Depreciation and Amortization	169,805	106,296	276,101
Changes in Assets and Liabilities (Increase)/Decrease in Accounts Receivable	<u>14,318</u>	<u>4,977</u>	<u>19,295</u>
Total Adjustments	<u>184,123</u>	<u>111,273</u>	<u>295,396</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ 321,819</u>	<u>\$ 78,046</u>	<u>\$ 399,865</u>

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, 2020

	<u>Police Pension Fund</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 474,344
Mutual Funds	<u>517,079</u>
Total Current Assets	<u>991,423</u>
Non-Current Assets	
Certificates of Deposit	25,861
Municipal Bonds	<u>1,593,325</u>
Total Non-Current Assets	<u>1,619,186</u>
Total Assets	<u>2,610,609</u>
LIABILITIES	<u>-</u>
NET POSITION	
Restricted for Pension Benefits	<u>2,610,609</u>
Total Net Position	<u>\$ 2,610,609</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, 2020

	<u>Police Pension Fund</u>
Additions	
Property Tax	\$ 404,495
Member Contributions	57,668
Investment Earnings	
Interest	62,365
Dividends	6,188
Realized and Unrealized Gains(Losses)	<u>39,878</u>
Total Additions	<u>570,594</u>
Deductions	
Benefit Payments	94,821
Administrative Expenditures	<u>24,017</u>
Total Deductions	<u>118,838</u>
Change in Net Position	<u>451,756</u>
Total Net Position, January 1	<u>2,158,853</u>
Total Net Position, December 31	<u>\$ 2,610,609</u>

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

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

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.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(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.

The capital assets of the Water and Sewer funds have been recorded at cost since April 1, 1960. The costs of assets acquired prior to this date have not been included. 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. 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.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(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 special purpose framework other than GAAP, 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.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(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, intergovernment 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.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(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>
General Capital Projects Fund	Accounts for revenues collected, primarily bond proceeds, and expenditures paid for capital projects for the Village.
Tax Allocation Funds	Accounts for taxes collected and expenditures paid for the tax increment financing (T.I.F) and business development districts.
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.
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.
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, 2020

(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
2020 Bond Repayment Fund
Special Tax Allocation Fund
Motor Fuel Tax Fund
Water Fund
Sanitary Sewer Fund

Non-major Funds

Audit Fund
Social Security Fund
Liability Insurance Fund
IMRF Fund
School Crossing Guard Fund
Unemployment Compensation Fund
Business District Tax Allocation Fund
General Capital Projects Fund
Lease Purchase Fund
2009, 2016 and 2019 Bond Repayment Funds

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(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 16, 2019 and amended January 19, 2021.

For each fund, total fund expenditures disbursed may not legally exceed budgeted amounts. The appropriations lapse at the end of each fiscal year. Expenditures did not exceed budgeted amounts in any budgeted fund for the fiscal year ended December 31, 2020. The Village did not budget for the Business District Allocation Fund.

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.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(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, 2020:

2020 Assessed Valuation		\$120,985,163
		=====
Statutory Debt Limitation		
8.625% of Assessed Valuation		10,434,970
Outstanding Bonds *		
Series 2016B	1,350,000	
Series 2019	442,400	
Series 2020	1,619,000	
Outstanding Notes Payable	2,306,036	
Less:		
Alternate Revenue Bonds	(1,350,000)	4,367,436

Legal Debt Margin		\$ 6,067,534
		=====

* 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, 2020

(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, \$228,125 of the General Fund's fund balance is restricted for Police, KICK, Drug, and DUI Programs and Splash Pad Grant.

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, 2020.

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 \$67,249 of the Village's fund balances as follows as of December 31, 2020:

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(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	49,402
Series 2020 Bond Payments	16,847

	\$ 67,249
	=====

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, 2020, 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, 2020, 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, 2020

(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 2019 levy (collected in the period ending December 31, 2020) was adopted by the Village on December 16, 2019. The collection dates, by the county, for the 2019 levy were June 2020 and September 2020. 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, 2020, the accumulated vacation time amounted to \$42,798.

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, 2020 amounted to \$294,940.

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, 2020

(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 2020 was 10.73%. For the fiscal year ended December 31, 2020, the Village contributed \$79,917 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.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(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, 2020. 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 \$79,917.

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, municipal bonds, 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% on 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 \$2,193 at Prairie State Bank are fully insured. Time deposits of \$986,587 at Prairie State Bank are covered by federal insurance up to \$250,000. The remaining balance of \$736,587 is collateralized with securities held by the pledging financial institution's trust department or as agents in favor of the Village up to \$727,373, and \$9,214 is unsecured. Demand deposits of \$36,696 at First National Bank of Decatur are fully insured. Time deposits of \$881,135 at First National Bank of Decatur are covered by federal insurance up to \$250,000. The remaining balance of \$631,135 is collateralized with securities held by the pledging financial institution's trust department or as agents in favor of the Village. Demand deposits of \$186,445 at Town and Country Bank are fully insured. Time deposits of \$621,137 at Scott State

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 6 Deposits and Investments - (Continued)

Bank are covered by federal insurance up to \$250,000. The remaining balance of \$371,137 is collateralized with securities held by the pledging financial institution's trust department or as agents in favor of the Village. Demand and time deposits of \$187,293 at Staley Credit Union are fully insured through American Share Insurance (ASI) and Excess Share Insurance (ESI). Investments totaling \$431,173 with IMET are not insured, but are collateralized by pooled securities. Time deposits of \$631,998 invested in various banks through T&C and HPB&T certificate of deposit account registry (CDAR) and insured cash sweep (ICS) accounts are fully insured.

The Village's General and Water Fund have invested in municipal bonds totaling \$176,900 and \$265,500, respectively. These bonds were issued by the Village of Mt. Zion, Illinois, and were repurchased by the Village itself, during the year ended December 31, 2020. These amounts represent the Village's investment in municipal bonds.

The Village's Police Pension Fund investment portfolio at Town and Country is recorded at market value of \$2,587,527. Of the total, \$451,263 is invested in a money market fund insured by FDIC up to \$250,000, \$25,861 is invested in FDIC insured certificates of deposits, \$517,079 is invested in mutual funds, and \$1,593,326 is invested in municipal bonds. The mutual funds and municipal bonds are unsecured.

As of December 31, 2020, 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	\$ 412,627	\$ 412,627	N/A
N.O.W. and Money Markets	2,940,122	2,940,122	N/A
IMET Funds	431,173	431,173	N/A
Mutual Funds	517,079	454,853	N/A
Municipal Bonds	2,035,726	1,976,561	AA, A, Other
Certificates of Deposit	25,861	24,953	N/A
CDARS and ICS	631,998	631,998	N/A
	-----	-----	
Total	\$6,994,586	\$6,872,287	
	=====	=====	

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

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 6 Deposits and Investments - (Continued)

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.

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, 2020. 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

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 6 Deposits and Investments - (Continued)

cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. At December 31, 2020, the Villages mutual funds, municipal bonds and certificates of deposits are classified within the Level 1 hierarchy.

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 \$7,000,000. 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, 2020.
- B) Individual fund interfund receivable and payable balances. The Business District Tax Allocation Fund owed the General Fund \$14,469 at December 31, 2020. This interfund loan was needed since the Business District Tax Allocation Fund did not yet have a revenue source to fund its setup costs. The balance is expected to be repaid within one year.
- C) Interfund transfers. The Water Fund and Sewer Fund transferred \$40,819 and \$20,818 respectively to the General Fund for reimbursement of expenses paid by the General Fund, as part of the budgeted activity for the year. The General Fund transferred \$166,104 and \$211,061 to the 2009 Bond Repayment Fund and the 2020 Bond Repayment Fund, respectively, to cover the costs of bond principal and interest payments. The Special Tax Allocation Fund transferred \$115,147 to the 2009 Bond Repayment Fund to cover the costs of the bond principal and interest payments. The 2016 Bond Repayment Fund was closed after making its final bond payment and transferred its residual balance of \$4,200 to the General Fund.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(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, 2020, the balance in the account was \$78,513.

Note 10 Long-Term Debt Obligations - Governmental Activities -

Changes in long-term debt for the year ended December 31, 2020 are as follows:

	Beginning Balance	Issued	(Retired)	Ending Balance
	-----	-----	-----	-----
Notes Payable	\$ 28,825	\$ 87,880	\$ (17,546)	\$ 99,159
Bonds and Debt Certificates Payable	3,909,500	1,619,000	(2,117,100)	3,411,400
Unamortized Bond Issue Premium	38,353	0	(4,261)	34,092
	-----	-----	-----	-----
Totals	\$ 3,976,678	\$1,706,880	\$ (2,138,907)	\$ 3,544,651
	=====	=====	=====	=====

The total amount due within one year is \$407,528, not including current bond premium amortization. This includes \$16,628 of notes payable and \$390,900 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, 2020 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 to be 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.

\$1,350,000

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(Continued)

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

2019 General Obligation Bonds

\$576,500 general obligation bonds issued on December 23, 2019, due in various annual installments ranging from \$134,100 to \$158,800 through December 1, 2023, plus interest at 3.25%. The bonds are to be repaid with property taxes received by the Village.

442,400

2020 General Obligation Refunding Bonds

\$1,619,000 general obligation debt certificates 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 to be repaid with property taxes received by the Village. Principal payments are scheduled to begin during the year ending December 31, 2021. These bonds were issued to refund the 2010B General Obligation Bonds.

1,619,000

Total Bond and Debt Certificates at December 31, 2020

\$3,411,400

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 of \$16,287 including interest at 3.12%, matures on April 24, 2026 with a final payment of \$15,794, and is secured by the dump truck. The note will be repaid with property taxes received by the Village. The first installment is due April 24, 2021.

\$ 87,880

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 will end in March 2024. The effective interest rate is 10.2%. The payments are being made by the General Fund. However, since the Water and Sanitary Sewer Funds make use of the copier, they are reimbursing the General Fund for their portion of the cost, and these transfers are included in the disclosure in Note 8C.

11,279

Total Notes Payable at December 31, 2020

\$ 99,159

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(Continued)

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

The annual requirements to amortize all debt outstanding as of December 31, 2020, are as follows:

Bonds and Debt Certificates Payable

Years ending Dec. 31,	Principal	Interest	Total
	-----	-----	-----
2021	\$ 390,900	\$ 66,949	\$ 457,849
2022	403,100	58,436	461,536
2023	423,300	49,573	472,873
2024	265,800	40,099	305,899
2025	272,200	35,719	307,919
2026-2030	1,069,800	109,705	1,179,505
2031-2035	586,300	38,553	624,853
	-----	-----	-----
Total	3,411,400	399,034	3,810,434
	-----	-----	-----
Bond Premium	34,092	0	34,092
	-----	-----	-----
Total Bonds and Debt Service Requirement	\$3,445,492	\$ 399,034	\$3,844,526
	=====	=====	=====

Notes Payable

Years ending Dec. 31,	Principal	Interest	Total
	-----	-----	-----
2021	\$ 16,628	\$ 3,751	\$ 20,379
2022	17,380	2,999	20,379
2023	18,181	2,198	20,379
2024	15,860	1,451	17,311
2025	15,316	971	16,287
2026-2030	15,794		15,794
	-----	-----	-----
Total Notes Payable Service Requirement	\$ 99,159	\$ 11,370	\$ 110,529
	=====	=====	=====

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.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(Continued)

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

Changes in long-term debt for the year ended December 31, 2020 are as follows:

	Beginning Balance	Issued	(Retired)	Ending Balance
	-----	-----	-----	-----
Notes Payable	\$2,311,484	\$ 0	\$(104,607)	\$2,206,877
Totals	\$2,311,484	\$ 0	\$(104,607)	\$2,206,877
	=====	=====	=====	=====

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, 2020, the balance on the loan was \$2,206,877.

The annual requirements to amortize outstanding notes payable of \$2,206,877 as of December 31, 2020, are as follows:

Years ending Dec. 31,	Notes Payable		
	Principal	Interest	Total
	-----	-----	-----
2021	\$ 106,332	\$ 35,759	\$ 142,091
2022	108,080	34,008	142,088
2023	109,860	32,228	142,088
2024	111,669	30,419	142,088
2025	113,508	28,580	142,088
2026-2030	596,202	114,240	710,442
2031-2035	646,934	63,507	710,441
2036-2040	414,292	11,972	426,264
	-----	-----	-----
Total Notes Payable			
Service Requirement	\$2,206,877	\$ 350,713	\$2,557,590
	=====	=====	=====

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(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	10,444,069	23,569		10,467,638
Equipment	612,215	10,199		622,414
Sewer Annexation	1,170,253			1,170,253
Construction in Progress	0	56,763		56,763
	-----	-----	-----	-----
Total	\$12,443,975	\$ 90,531	\$ 0	12,534,506
	=====	=====	=====	-----
Accumulated Depreciation and Amortization:				
Buildings and System	\$ 4,143,252	\$ 229,072	\$	4,372,324
Equipment	428,203	17,772		445,975
Annexation	1,002,029	29,257		1,031,286
	-----	-----	-----	-----
Total	\$ 5,573,484	\$ 276,101	\$ (0)	5,849,585
	=====	=====	=====	-----
Ending Book Value				\$ 6,684,921
				=====

Land and Easements and Construction in Progress are non-depreciating assets.

Total depreciation and amortization for all Business-Type Activities assets amounted to \$276,101, for the current period, of which \$169,805 and \$106,296 were charged to the Water and Sanitary Sewer functions, respectively.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(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	\$ 972,023	\$	\$	\$ 972,023
Construction in Progress	286,550	141,520		428,070
Buildings	3,524,377	11,000		3,535,377
Equipment	1,539,825	199,169	(28,450)	1,710,544
Infrastructure	16,588,804	283,339		16,872,143
	-----	-----	-----	-----
Total	\$22,911,579	\$ 635,028	\$(28,450)	23,518,157
	=====	=====	=====	-----
Accumulated Depreciation:				
Buildings	\$ 984,897	\$ 83,404	\$	1,068,301
Equipment	1,151,898	107,082	(23,302)	1,235,678
Infrastructure	7,196,426	769,225		7,965,651
	-----	-----	-----	-----
Total	\$ 9,333,221	\$ 959,711	\$(23,302)	10,269,630
	=====	=====	=====	-----
Ending Book Value				\$13,248,527
				=====

Total depreciation for all Governmental Activities assets amounted to \$959,711, for the current period, of which \$44,393, \$33,968, \$702,751, \$141,600 and \$36,999 were charged to the Administration, Public Safety, Street and Alleys, Parks and Convention Center functions, respectively.

Land and Construction in Progress are non-depreciating assets.

VILLAGE OF MT. ZION, ILLINOIS4

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 13 Tax Increment Allocation Redevelopment Agreement Note -

This note is an obligation issued pursuant to the Tax Increment Allocation Redevelopment Act (Section 5/11-74.4-1 et seq. of Chapter 65 of the Illinois Compiled Statutes, the "TIF Act"), as supplemented and amended (the "Act"), and under the redevelopment agreement and the principal of and interest on this note are payable, if at all, and not otherwise, solely and only from available revenues in connection with a specified part (the part/phase of the development property) of the redevelopment project area, established under the act, and as provided in and subject to the limitations provided in the redevelopment agreement pursuant to which the Village of Mt. Zion has issued this note. The term "available revenues" means incremental property taxes under Section 11-74.4-8 of the TIF Act in the percentage (90%) specified in the redevelopment agreement, derived solely and only from the part/phase of the development property, less certain surplus and not otherwise.

The redevelopment revenue note dated May 16, 2012 had a total original outstanding balance of \$660,682 at an interest rate of 4.5%. The note was created to reimburse Lewis Property Development LLC for outstanding eligible project costs related to the Mt. Zion Gustin and Nelson Tax Increment Redevelopment Project Area. The Village is required to make payments based on available revenues until either the note is paid off, or until the TIF agreement expires at December 31, 2022, whichever comes first.

During the eight months ended December 31, 2016, additional eligible expenses subject to reimbursement as part of this note were identified. Expenditures of \$541,364 were identified from a requisition report dated December 18, 2012. Accumulated interest since December 18, 2012 of \$79,491 has been calculated and added on to the December 31, 2016 balance. Additionally, expenses of \$265,220 were submitted by the developer on September 22, 2016.

During the fiscal year ended December 31, 2020, payments made from TIF revenue towards this obligation totaled \$265,621 (\$243,042 of principal and \$22,579 of interest). This resulted in a balance on this note of \$261,476 at December 31, 2020.

Note 14 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, 2020, the Village expended \$14,469 in preliminary costs, all of which were paid by the General Fund. The Business District Tax Allocation Fund has been established in these financial statements and will reimburse the General Fund these costs once tax revenues are received by the Fund.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(Continued)

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 special purpose framework other than GAAP. 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 checking, money market and certificates of deposits are reported at cost, which approximates fair value. The Plan's investments in municipal bonds and mutual funds are reported at fair value. Deposit and investment accounts are maintained at Prairie State Bank and Trust and Town and Country Bank. 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.

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	4
Active Plan Members	<u>10</u>
Total members	<u>15</u>

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(Continued)

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

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 preceding calendar year. Surviving spouse's benefits are 66 $\frac{2}{3}$ % of the Employee's benefit at the time of death.

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 2020 Village contribution to the plan was \$404,495 and was entirely met by the current tax levy.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 16 Illinois Metropolitan Investment Fund (IMET) Convenience Fund Contingency -

On September 29, 2014 IMET was notified that a Repurchase Agreement it had purchased had been fraudulently represented as being secured by guarantees from the United States Department of Agriculture (USDA). IMET later learned that documentation related to the USDA had been falsified and the proceeds from the transaction had been misappropriated. As a result, on September 30, 2014, IMET placed the Village's share (2.8% of its total account or \$32,429) of the underlying fraudulent investment into a liquidating trust which is not available to the Village until recoveries can be achieved. As of December 31, 2020, IMET has estimated recoveries from seized assets and other sources to be \$18,193 (56.1% of the \$32,429 original value of its share in the liquidating trust). Therefore, the Village estimates it will realize a loss on its liquidating trust assets of \$14,236. Due to reporting on the modified cash basis, the Village has not accrued this loss in its financial statements. IMET continues to pursue all matters of recovery of the investment; however, there can be no assurance that the loss will be the estimated amount of \$14,236. As of December 31, 2020, recoveries totaling \$18,042 (55.6% of the original value) had been distributed to the Village from the Liquidating Trust.

Note 17 Construction, Other Commitments and Subsequent Events -

The Village has been awarded a \$374,200 Open Space Land Acquisition and Development (OSLAD) grant for the construction of a new splash pad in Fletcher Park. The total project cost is estimated at \$748,400. The Village had received \$187,100 prior to December 31, 2020, and that amount is classified as restricted until the project is completed. The project commenced May 5, 2021 and is expected to be completed by July 18, 2021, the date stipulated per terms of the OSLAD grant. The Village will match the OSLAD grant with \$374,200 of its own funds acquired through donations, CIP funds, and general obligation bond proceeds.

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, 2020, future property tax abatement agreements have a maximum payout of \$4,139,000.

On January 19, 2021, the Village passed ordinances related to the redevelopment plan, project area, and tax increment allocation financing to establish the Mt. Zion Route 121 Tax Increment Financing (TIF) District II. Then, on September 20, 2021, a redevelopment agreement was signed with a developer providing reimbursements of up to \$3,600,000 in project costs.

The Village has a lease agreement for cellular equipment originally placed on its old water tower that it plans to demolish. However, the lease agreement is binding, and the Village must either continue to maintain the old water tower through the end of the lease (fiscal year 2038) or move this equipment to the new water tower. The cost to move the equipment was agreed to be \$209,196. On August 17, 2020, the Village agreed to abate \$209,196 of future rents in payment for the equipment movement. The abatement began immediately, and will last through December 15, 2031 at which time it will begin to receive monthly rent again.

VILLAGE OF MT. ZION, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

(Continued)

Note 17 Construction, Other Commitments and Subsequent Events - (Continued)

The Village began a reconstruction project for Broadway Street on August 3, 2020. The project is estimated to be completed by August 31, 2021. The total cost to the Village of the project with engineering is estimated at \$1,784,740.

On August 18, 2021, the Village Board voted to accept a grant totaling \$788,000 from the Coronavirus Local Fiscal Recovery Fund. These funds will be used to provide broadband expansion and sanitary sewer improvements.

On September 20, 2021, the Board accepted a bid for a roadway rehabilitation project in the amount of \$301,000.

SUPPLEMENTARY INFORMATION

VILLAGE OF MT. ZION, ILLINOIS
GENERAL FUND

SCHEDULE OF EXPENDITURES DISBURSED - MODIFIED CASH BASIS
For the Year Ended December 31, 2020

General Government - Administration

Salaries	\$	57,903	
Benefits		9,652	
Repairs & Maintenance		4,319	
Legal Services		13,360	
Janitorial Services		8,390	
Postage		681	
Telephone		1,581	
Printing & Publications		2,973	
Fees		23,006	
Travel & Training		1,667	
Dues & Subscriptions		3,085	
Utilities		4,717	
Supplies & Equipment		3,291	
Miscellaneous		62	
Economic Development		12,138	
Special Projects		<u>37,275</u>	
Total General Government - Administration			\$ <u>184,100</u>

General Government - Planning & Zoning

Salaries	\$	51,348	
Benefits		8,589	
Engineering		5,812	
Printing & Publications		97	
Fees		629	
Dues & Subscriptions		<u>0</u>	
Total General Government - Planning & Zoning			\$ <u>66,475</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, 2020
(Continued)

Public Safety		
Salaries	\$ 662,628	
Benefits	260,007	
Repairs & Maintenance	15,799	
Legal Services	9,439	
Janitorial Services	7,448	
Contractual Services	1,558	
Postage	1,148	
Telephone	6,322	
Radio Communications	7,084	
Printing & Publications	934	
Fees	50,599	
Travel & Training	5,412	
Dues & Subscriptions	1,340	
Utilities	11,587	
Supplies & Equipment	6,565	
Miscellaneous	870	
Gasoline & Oil	11,036	
Total Public Safety		\$ <u>1,059,776</u>
Streets and Alleys		
Salaries	\$ 111,754	
Benefits	44,431	
Repairs & Maintenance	55,357	
Engineering	18,770	
Telephone	4,268	
Printing & Publications	152	
Fees	2,428	
Travel & Training	0	
Utilities	6,615	
Street Lighting	23,475	
Supplies & Equipment	9,921	
Miscellaneous	0	
Gasoline & Oil	6,489	
Total Streets and Alleys		\$ <u>283,660</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, 2020
(Continued)

Culture & Recreation - Parks		
Salaries	\$ 65,933	
Benefits	22,826	
Repairs & Maintenance	10,055	
Engineering	51,362	
Janitorial Services	13,360	
Contractual Services	7,448	
Fletcher Park Events	0	
Postage	555	
Telephone	3,102	
Printing & Publications	1,091	
Fees	8,676	
Travel & Training	380	
Dues & Subscriptions	244	
Utilities	17,406	
Supplies & Equipment	8,467	
Miscellaneous	0	
Total Culture & Recreation - Parks		\$ <u>210,905</u>
Culture & Recreation - Convention Center		
Salaries	\$ 44,461	
Benefits	14,774	
Repairs & Maintenance	10,223	
Janitorial Services	10,771	
Contractual Services	6,636	
Postage	555	
Telephone	2,663	
Printing & Publications	7,216	
Fees	4,240	
Utilities	3,305	
Supplies & Equipment	2,942	
Miscellaneous	0	
Total Culture & Recreation - Convention Center		\$ <u>107,786</u>
Debt Service		
Principal	\$ 2,785	
Interest	1,307	
Total Debt Service		\$ <u>4,092</u>
Capital Outlay		
Public Safety	\$ 70,264	
Streets & Alleys	134,632	
Parks	52,975	
Total Capital Outlay		\$ <u>257,871</u>

VILLAGE OF MT. ZION, ILLINOIS

COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - MODIFIED CASH BASIS
December 31, 2020

	Audit Fund	Social Security Fund	Liability Insurance Fund	IMRF Fund	School Crossing Guard Fund	Unemployment Compensation Fund	Business District Tax Allocation Fund	Total Nonmajor Special Revenue Funds
ASSETS								
Current Assets:								
Cash and Cash Equivalents	\$ 30,010	\$ 49,450	\$ 27,815	\$ 73,363	\$ 18,867	\$ 43,606	\$ -	\$ 243,111
IMET Liquidated Trust Receivable	242	856	266	1,160	188	802	-	3,514
TOTAL ASSETS	\$ 30,252	\$ 50,306	\$ 28,081	\$ 74,523	\$ 19,055	\$ 44,408	\$ -	\$ 246,625
LIABILITIES AND FUND BALANCES								
Current Liabilities:								
Due to General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,469	\$ 14,469
Fund Balance:								
Restricted	29,252	50,306	28,081	74,523	19,055	44,408	-	245,625
Assigned	1,000	-	-	-	-	-	-	1,000
Unassigned	-	-	-	-	-	-	(14,469)	(14,469)
Total Fund Balance	30,252	50,306	28,081	74,523	19,055	44,408	(14,469)	232,156
TOTAL LIABILITIES AND FUND BALANCES	\$ 30,252	\$ 50,306	\$ 28,081	\$ 74,523	\$ 19,055	\$ 44,408	\$ -	\$ 246,625

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, 2020

	Audit Fund	Social Security Fund	Liability Insurance Fund	IMRF Fund	School Crossing Guard Fund	Unemployment Compensation Fund	Business District Tax Allocation Fund	Total Nonmajor Special Revenue Funds
Revenues Received								
Property Tax	\$ 19,854	\$ 53,492	\$ 79,786	\$ 52,323	\$ 1,331	\$ 1,331	\$ -	\$ 208,117
Interest	122	219	115	272	95	215	-	1,038
Reimbursements	-	-	-	-	-	-	-	-
Total Revenues Received	19,976	53,711	79,901	52,595	1,426	1,546	-	209,155
Expenditures Disbursed								
Current								
General Government Administration								
Professional Fees	20,190	-	-	-	-	-	14,469	34,659
Social Security Taxes	-	62,897	-	-	-	-	-	62,897
Liability Insurance	-	-	78,752	-	-	-	-	78,752
IMRF Expense	-	-	-	79,917	-	-	-	79,917
Unemployment Insurance	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Salaries	-	-	-	-	1,560	-	-	1,560
Capital Outlay	-	-	-	-	-	-	-	-
Total Expenditures Disbursed	20,190	62,897	78,752	79,917	1,560	-	14,469	257,785
Excess of Revenues Received Over (Under) Expenditures Disbursed	(214)	(9,186)	1,149	(27,322)	(134)	1,546	(14,469)	(48,630)
Other Financing Sources (Uses)								
Operating Transfers In	-	-	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-	-	-
Net Change in Fund Balance	(214)	(9,186)	1,149	(27,322)	(134)	1,546	(14,469)	(48,630)
Fund Balances - January 1	30,466	59,492	26,932	101,845	19,189	42,862	-	280,786
Fund Balances - December 31	\$ 30,252	\$ 50,306	\$ 28,081	\$ 74,523	\$ 19,055	\$ 44,408	\$ (14,469)	\$ 232,156

VILLAGE OF MT. ZION, ILLINOIS

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

December 31, 2020

	Total Nonmajor	Debt Service Funds				Total Nonmajor Governmental Funds
		General Capital Projects	Lease Purchase Fund	2009 Bond Repayment Fund	2016 Bond Repayment Fund	
Current Assets:						
Cash and Cash Equivalents	\$ 243,111	\$ 474,308	\$ 18,505	\$ 49,402	\$ -	\$ 786,161
IMET Liquidated Trust Receivable	3,514	-	25	-	-	3,539
TOTAL ASSETS	\$ 246,625	\$ 474,308	\$ 18,530	\$ 49,402	\$ -	\$ 789,700
LIABILITIES AND FUND BALANCES						
Current Liabilities:						
Due to Other Funds	\$ 14,469	\$ -	\$ -	\$ -	\$ -	\$ 14,469
Total Current Liabilities:						
Fund Balance:						
Restricted	245,625	474,308	18,530	-	835	739,298
Assigned	1,000	0	-	49,402	-	50,402
Unassigned	(14,469)	-	-	-	-	(14,469)
Total Fund Balance	232,156	474,308	18,530	49,402	835	775,231
TOTAL LIABILITIES AND FUND BALANCES	\$ 246,625	\$ 474,308	\$ 18,530	\$ 49,402	\$ 835	\$ 789,700

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, 2020

	Total Nonmajor Special Revenue Funds	General Capital Projects	Debt Service Funds				2019 Bond Repayment Fund	Total Nonmajor Governmental Funds
			Lease Purchase Fund	2009 Bond Repayment Fund	2016 Bond Repayment Fund	2019 Bond Repayment Fund		
Revenues Received								
Property Tax	\$ 208,117	\$ -	\$ 18,246	\$ -	\$ 17,670	\$ 152,526	\$ 396,559	
Interest	1,038	-	12	939	-	-	1,989	
Total Revenues Received	209,155	-	18,258	939	17,670	152,526	398,548	
Expenditures Disbursed								
Current								
General Government								
Administration								
Audit Fees	34,659	-	-	-	-	-	34,659	
Social Security Taxes	62,897	-	-	-	-	-	62,897	
Liability Insurance	78,752	-	-	-	-	-	78,752	
IMRF Expense	79,917	-	-	-	-	-	79,917	
Public Safety								
Salaries	1,560	-	-	-	-	-	1,560	
Debt Service								
Principal	-	-	14,760	268,000	-	134,100	416,860	
Interest and Fees	-	-	747	29,689	-	17,591	48,027	
Capital Outlay								
	-	81,092	-	-	-	-	81,092	
Total Expenditures Disbursed	257,785	81,092	15,507	297,689	-	151,691	803,764	
Excess of Revenues Received Over (Under) Expenditures Disbursed	(48,630)	(81,092)	2,751	(296,750)	17,670	835	(405,216)	
Other Financing Sources (Uses)								
Operating Transfers In/(Out)	-	-	-	281,251	(4,200)	-	277,051	
Net Change in Fund Balance	(48,630)	(81,092)	2,751	(15,499)	13,470	835	(128,165)	
Fund Balances - January 1	280,786	555,400	15,779	64,901	(13,470)	-	903,396	
Fund Balances - December 31	\$ 232,156	\$ 474,308	\$ 18,530	\$ 49,402	\$ -	\$ 835	\$ 775,231	

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	CSFA #	Program Name	\$ State	\$ Federal	\$ Other	\$ Total
View	420-00-2433	Local Coronavirus Urgent Remediation Emergency (or Local CURE) & Economic Support Payments Grants Program	0	240,629	0	240,629
View	422-11-0970	Open Space Land Acquisition & Development	20,129	0	20,129	40,258
View	494-00-0967	High-Growth Cities Program	0	0	0	0
View	494-00-1000	Illinois Transportation Enhancements Program	20,280	0	0	20,280
View	494-00-1488	Motor Fuel Tax Program	366,318	0	0	366,318
View	494-00-2356	Local REBUILD ILLNOIS Bond Program	0	0	0	0
View		Other grant programs and activities		0	0	0

Totals: 406,727 240,629 7,070,787 7,718,144

View		All other costs not allocated			7,050,658	7,050,658
Totals:			406,727	240,629	7,070,787	7,718,144

Please note the following:

- The CYEFR may be per-populated with programs based on existing awards in the GATA system. These programs cannot be removed. If no spending occurred in a program leave the amounts at zero.
- Any grant expenditures not associated with funding received through the State of Illinois are to be entered in "Other grant programs and activities". The expenditures must be identified as federal (direct or pass-through) or other funding.
- All other expenditures not associated with state or federal dollars are to be entered in "All other costs not allocated".
- The grand total must account for all expenditures for the fiscal year and must tie to the audited financials.

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Agency	Department Of Commerce And Economic Opportunity (420)		
Program	Local Coronavirus Urgent Remediation Emergency (or Local CURE) & Economic Support Payments Grants Program (420-00-2433) <i>This program as added due to awards found in the CSFA. It cannot be removed.</i>		
Program Limitations	<input type="radio"/> Yes <input checked="" type="radio"/> No Identify Limitations (required if Yes) <input style="width: 100%; height: 20px;" type="text"/>		
Mandatory Match %	<input type="radio"/> Yes <input checked="" type="radio"/> No	Rate (required if Yes): <input style="width: 100%; height: 20px;" type="text"/>	
Indirect Cost Rate	<input style="width: 100%; height: 20px;" type="text" value="0.00%"/>		
Indirect Cost Rate Base	<input style="width: 100%; height: 20px;" type="text"/>		

Category	State Amount	Federal Amount	Match Amount	Total
Personal Services (Salaries and Wages)	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<input style="width: 100%; height: 20px;" type="text" value="187368.42"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	187,368.42
Fringe Benefits	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	0.00
Travel	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	0.00
Equipment	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<input style="width: 100%; height: 20px;" type="text" value="27808.00"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	27,808.00
Supplies	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<input style="width: 100%; height: 20px;" type="text" value="6127.61"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	6,127.61
Contractual Services	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<input style="width: 100%; height: 20px;" type="text" value="19140.00"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	19,140.00
Consultant (Professional Services)	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	0.00
Construction	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	0.00
Occupancy - Rent and Utilities	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	<input style="width: 100%; height: 20px;" type="text" value="0.00"/>	0.00

Category	State Amount	Federal Amount	Match Amount	Total
Research and Development	0.00	0.00	0.00	0.00
Telecommunications	0.00	184.97	0.00	184.97
Training and Education	0.00	0.00	0.00	0.00
Direct Administrative Costs	0.00	0.00	0.00	0.00
Miscellaneous Costs	0.00	0.00	0.00	0.00
Total Direct Expenses	0.00	240,629.00	0.00	240,629.00
Indirect Costs	0.00	0.00	0.00	0.00
Total Expenses	0.00	240,629.00	0.00	240,629.00

Cancel

Save

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Cancel

Save

Agency	Department Of Natural Resources (422)		
Program	Open Space Land Acquisition & Development (422-11-0970) <i>This program as added due to awards found in the CSFA. It cannot be removed.</i>		
Program Limitations	<input type="radio"/> Yes <input checked="" type="radio"/> No Identify Limitations (required if Yes) <div style="border: 1px solid black; height: 30px; width: 100%;"></div>		
Mandatory Match %	<input checked="" type="radio"/> Yes <input type="radio"/> No	Rate (required if Yes): <input style="width: 100px;" type="text" value="50"/>	
Indirect Cost Rate	<input style="width: 100px;" type="text" value="0.00"/> %		
Indirect Cost Rate Base	<input style="width: 100%; height: 20px;" type="text"/>		

Category	State Amount	Federal Amount	Match Amount	Total
Personal Services (Salaries and Wages)	<input style="width: 100px;" type="text" value="2901.50"/>	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="2901.49"/>	5,802.99
Fringe Benefits	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="0.00"/>	0.00
Travel	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="0.00"/>	0.00
Equipment	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="0.00"/>	0.00
Supplies	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="0.00"/>	0.00
Contractual Services	<input style="width: 100px;" type="text" value="11354.75"/>	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="11354.74"/>	22,709.49
Consultant (Professional Services)	<input style="width: 100px;" type="text" value="5872.86"/>	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="5872.86"/>	11,745.72
Construction	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="0.00"/>	0.00
Occupancy - Rent and Utilities	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="0.00"/>	<input style="width: 100px;" type="text" value="0.00"/>	0.00

Category	State Amount	Federal Amount	Match Amount	Total
Research and Development	0.00	0.00	0.00	0.00
Telecommunications	0.00	0.00	0.00	0.00
Training and Education	0.00	0.00	0.00	0.00
Direct Administrative Costs	0.00	0.00	0.00	0.00
Miscellaneous Costs	0.00	0.00	0.00	0.00
Total Direct Expenses	20,129.11	0.00	20,129.09	40,258.20
Indirect Costs	0.00	0.00	0.00	0.00
Total Expenses	20,129.11	0.00	20,129.09	40,258.20

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Agency	Department Of Transportation (494)		
Program	Illinois Transportation Enhancements Program (494-00-1000) <i>This program as added due to awards found in the CSFA. It cannot be removed.</i>		
Program Limitations	<input type="radio"/> Yes <input checked="" type="radio"/> No Identify Limitations (required if Yes) <div style="border: 1px solid black; height: 30px; width: 100%;"></div>		
Mandatory Match %	<input type="radio"/> Yes <input checked="" type="radio"/> No	Rate (required if Yes): <div style="border: 1px solid black; width: 100%; height: 20px;"></div>	
Indirect Cost Rate	<div style="border: 1px solid black; padding: 2px;">0.00</div> %		
Indirect Cost Rate Base	<div style="border: 1px solid black; width: 100%; height: 20px;"></div>		

Category	State Amount	Federal Amount	Match Amount	Total
Personal Services (Salaries and Wages)	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00
Fringe Benefits	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00
Travel	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00
Equipment	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00
Supplies	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00
Contractual Services	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00
Consultant (Professional Services)	<div style="border: 1px solid black; padding: 2px;">20280.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	20,280.00
Construction	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00
Occupancy - Rent and Utilities	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00

Category	State Amount	Federal Amount	Match Amount	Total
Research and Development	0.00	0.00	0.00	0.00
Telecommunications	0.00	0.00	0.00	0.00
Training and Education	0.00	0.00	0.00	0.00
Direct Administrative Costs	0.00	0.00	0.00	0.00
Miscellaneous Costs	0.00	0.00	0.00	0.00
Total Direct Expenses	20,280.00	0.00	0.00	20,280.00
Indirect Costs	0.00	0.00	0.00	0.00
Total Expenses	20,280.00	0.00	0.00	20,280.00

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Agency	Department Of Transportation (494)		
Program	Motor Fuel Tax Program (494-00-1488) <i>This program as added due to awards found in the CSFA. It cannot be removed.</i>		
Program Limitations	<input type="radio"/> Yes <input checked="" type="radio"/> No Identify Limitations (required if Yes) <div style="border: 1px solid black; height: 20px; width: 100%;"></div>		
Mandatory Match %	<input type="radio"/> Yes <input checked="" type="radio"/> No	Rate (required if Yes): <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
Indirect Cost Rate	<div style="border: 1px solid black; padding: 2px;">0.00</div> %		
Indirect Cost Rate Base	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>		

Category	State Amount	Federal Amount	Match Amount	Total
Personal Services (Salaries and Wages)	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00
Fringe Benefits	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00
Travel	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00
Equipment	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00
Supplies	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00
Contractual Services	<div style="border: 1px solid black; padding: 2px;">350671.11</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	350,671.11
Consultant (Professional Services)	<div style="border: 1px solid black; padding: 2px;">15647.26</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	15,647.26
Construction	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00
Occupancy - Rent and Utilities	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	<div style="border: 1px solid black; padding: 2px;">0.00</div>	0.00

Category	State Amount	Federal Amount	Match Amount	Total
Research and Development	0.00	0.00	0.00	0.00
Telecommunications	0.00	0.00	0.00	0.00
Training and Education	0.00	0.00	0.00	0.00
Direct Administrative Costs	0.00	0.00	0.00	0.00
Miscellaneous Costs	0.00	0.00	0.00	0.00
State Letting (if not categorized elsewhere)	0.00	0.00	0.00	0.00
Jurisdictional Transfers (if not elsewhere)	0.00	0.00	0.00	0.00
Total Direct Expenses	366,318.37	0.00	0.00	366,318.37
Indirect Costs	0.00	0.00	0.00	0.00
Total Expenses	366,318.37	0.00	0.00	366,318.37

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Program All other costs not allocated

Category	Other Amount
Personal Services (Salaries and Wages)	0.00
Fringe Benefits	0.00
Travel	0.00
Equipment	0.00
Supplies	0.00
Contractual Services	0.00
Consultant (Professional Services)	0.00
Construction	0.00
Occupancy - Rent and Utilities	0.00
Research and Development	0.00
Telecommunications	0.00
Training and Education	0.00
Direct Administrative Costs	0.00
Miscellaneous Costs	7050658.00
Total Direct Expenses	7,050,658.00

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, 2020

	<u>Amended / Final Budget</u>	<u>Actual Expenditures (Incl. Budgeted Transfers)</u>	<u>Unexpended Balance</u>
General Fund			
General Corporate Purposes	\$ 3,464,753	\$ 2,551,830	\$ 912,923
Special Revenue Funds			
Audit Fund	27,000	20,190	6,810
Social Security Fund	80,000	62,897	17,103
Liability Insurance Fund	80,480	78,752	1,728
IMRF Fund	90,000	79,917	10,083
School Crossing Guard Fund	3,500	1,560	1,940
Unemployment Compensation Fund	20,000	0	20,000
Capital Projects Funds			
General Capital Projects Fund	578,000	81,092	496,908
Motor Fuel Tax Fund	792,000	366,295	425,705
Special Tax Allocation Fund	482,642	439,994	42,648
Debt Service Funds			
Lease Purchase Fund	16,287	15,507	780
2009 Bond Repayment Fund	298,000	297,689	311
2019 Bond Repayment Fund	151,691	151,691	0
2020 Bond Repayment Fund	227,000	226,790 *	210
Total Governmental Funds	<u>\$ 6,311,353</u>	<u>\$ 4,374,204</u>	<u>\$ 1,937,149</u>

* Note: excludes \$1,585,000 of 2010 bond principal paid through direct refinancing.

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, 2020

	<u>Amended / Final Budget</u>	<u>Actual Expenditures (Incl. Capital Acquisitions)</u>	<u>Unexpended Balance</u>
Proprietary Funds			
Water Fund	\$ 1,694,500	\$ 1,499,441	\$ 195,059
Sewer Fund	567,350	494,570	72,780
Fiduciary Fund			
Police Pension Fund	<u>123,400</u>	<u>118,838</u>	<u>4,562</u>
Total Other Funds	<u>\$ 2,385,250</u>	<u>\$ 2,112,849</u>	<u>\$ 272,401</u>

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)

	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	8 Months Ended December 31, 2016	Year Ended April 30, 2015
Annual Money-Weighted Rate of Return, Net of Investment Expense	2.30%	2.68%	2.72%	1.84%	1.61%	1.33%
					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.