



C. J. SCHLOSSER
& COMPANY, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF MASCOUTAH, ILLINOIS

FINANCIAL STATEMENTS AND
AND SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED
APRIL 30, 2024

233 East Center Drive, P.O. Box 416
Alton, Illinois 62002
(618) 465-7717 Fax (618) 465-7710

80 Edwardsville Professional Park
Edwardsville, Illinois 62025
(618) 656-2146 Fax (618) 656-2147



CITY OF MASCOUTAH, ILLINOIS

TABLE OF CONTENTS
APRIL 30, 2024

	<u>Page</u>
Independent Auditor's Report	1 - 3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	4
Statement of Activities	5
Fund Financial Statements:	
Balance Sheet – Governmental Funds	6
Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Position	7
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	9
Statement of Net Position – Proprietary Funds	10
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	11
Statement of Cash Flows – Proprietary Funds	12
Statement of Fiduciary Net Position – Fiduciary Fund	13
Statement of Changes in Fiduciary Net Position – Fiduciary Fund	14
Notes to Financial Statements	15 - 43
Required Supplementary Information:	
Budgetary Comparison Schedule (Cash Basis):	
General Fund	44
TIF 2B Fund	45
TIF 3 Fund	46
Schedules of Changes in Net Pension Liability and Related Ratios	47 - 49
Schedules of Contributions	50 - 52
Schedule of Investment Returns	53

CITY OF MASCOUTAH, ILLINOIS

TABLE OF CONTENTS (CONTINUED)
APRIL 30, 2024

	<u>Page</u>
Other Supplementary Information:	
Combining Fund Financial Statements:	
Combining Balance Sheet – Nonmajor Governmental Funds	54
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds	55
Combining Balance Sheet – Nonmajor Special Revenue Governmental Funds	56
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Special Revenue Governmental Funds	57
Schedule of Tax Rates, Extensions and Collections	58
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 <i>Government Auditing Standards</i>	59 - 60
Independent Auditor's Report on Compliance with Tax Increment Financing Act	61

INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council
City of Mascoutah, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mascoutah, Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mascoutah, Illinois, as of April 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Mascoutah, Illinois, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The City has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining nonmajor fund financial statements, the schedule of tax rates, extensions and collections, and the Independent Auditor's Report on Compliance with Tax Increment Financing Act are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the

United States of America. In our opinion, the combining nonmajor fund financial statements, the schedule of tax rates, extensions and collections, and the Independent Auditor's Report on Compliance with Tax Increment Financing Act are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2024 on our consideration of the City of Mascoutah, Illinois' 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 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 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 City of Mascoutah, Illinois' internal control over financial reporting and compliance.

C. J. Schlosser & Company, L.L.C.

Certified Public Accountants
Alton, Illinois
November 11, 2024

CITY OF MASCOUTAH, ILLINOIS

STATEMENT OF NET POSITION
APRIL 30, 2024

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 7,749,243	\$ 6,191,311	\$ 13,940,554
Investments	85,699	-	85,699
Receivables (Net of allowance for uncollectible):			
Property Tax	4,764,000	-	4,764,000
Intergovernmental	755,505	-	755,505
Accounts	90,119	1,806,073	1,896,192
Interest/Other	419,071	61,107	480,178
Internal Balances	(2,528,768)	2,528,768	-
Restricted Assets - Cash and Investments	366,383	193,248	559,631
Capital Assets:			
Land	863,657	307,313	1,170,970
Land Improvements	1,832,114	-	1,832,114
Buildings and Improvements	5,987,690	25,619,143	31,606,833
Equipment	3,015,853	893,449	3,909,302
Vehicles	4,139,913	1,739,734	5,879,647
Infrastructure	27,814,220	56,962,930	84,777,150
Accumulated Depreciation	<u>(16,991,855)</u>	<u>(25,617,620)</u>	<u>(42,609,475)</u>
Net Capital Assets	<u>26,661,592</u>	<u>59,904,949</u>	<u>86,566,541</u>
Total Assets	<u>38,362,844</u>	<u>70,685,456</u>	<u>109,048,300</u>
<u>Deferred Outflows of Resources</u>			
Future Pension Expense	<u>2,587,487</u>	<u>634,535</u>	<u>3,222,022</u>
	2,587,487	634,535	3,222,022
<u>Liabilities</u>			
Accounts Payable	167,524	444,285	611,809
Accrued Payroll and Benefits	250,102	101,416	351,518
Accrued Interest Payable	25,032	260,986	286,018
Liabilities Payable from Restricted Assets:			
Customer Deposits	-	193,248	193,248
Noncurrent Liabilities:			
Due Within One Year	2,594,528	1,204,792	3,799,320
Due in More Than One Year	<u>7,532,784</u>	<u>22,090,536</u>	<u>29,623,320</u>
Total Liabilities	<u>10,569,970</u>	<u>24,295,263</u>	<u>34,865,233</u>
<u>Deferred Inflows of Resources</u>			
Future Pension Expense	1,486,400	231,297	1,717,697
Deferred Property Tax	4,764,000	-	4,764,000
Unearned Revenue	-	129,647	129,647
	<u>6,250,400</u>	<u>360,944</u>	<u>6,611,344</u>
<u>Net Position</u>			
Net Investment in Capital Assets	23,428,966	37,438,978	60,867,944
Restricted for:			
Debt Service	281,422	-	281,422
Other Purposes	3,238,055	-	3,238,055
Unrestricted	<u>(2,818,482)</u>	<u>9,224,806</u>	<u>6,406,324</u>
Total Net Position	<u>\$ 24,129,961</u>	<u>\$ 46,663,784</u>	<u>\$ 70,793,745</u>

The notes to the financial statements are an integral part of this statement

CITY OF MASCOUTAH, ILLINOIS

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2024

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs							
Governmental Activities:							
General Government	\$ 533,245	\$ 381,363	\$ -	\$ -	\$ (151,882)		\$ (151,882)
Public Safety	2,690,703	28,110	-	-	(2,662,593)		(2,662,593)
Streets and Highways	1,775,567	-	-	-	(1,775,567)		(1,775,567)
Health and Welfare	1,031,343	568,541	-	-	(462,802)		(462,802)
Development	123,226	-	-	-	(123,226)		(123,226)
Cultural and Recreational	1,094,683	196,722	30,317	-	(867,644)		(867,644)
Interest on Long-term Debt	132,488	-	-	-	(132,488)		(132,488)
Total Governmental Activities (see Note 1)	<u>7,381,255</u>	<u>1,174,736</u>	<u>30,317</u>	<u>-</u>	<u>(6,176,202)</u>		<u>(6,176,202)</u>
Business-type Activities:							
Waterworks and Sewerage	3,774,470	4,559,397	-	-		\$ 784,927	784,927
Electric Light	9,163,748	9,749,268	-	20,341		605,861	605,861
Total Business-type Activities	<u>12,938,218</u>	<u>14,308,665</u>	<u>-</u>	<u>20,341</u>		<u>1,390,788</u>	<u>1,390,788</u>
Total Government	<u>\$ 20,319,473</u>	<u>\$ 15,483,401</u>	<u>\$ 30,317</u>	<u>\$ 20,341</u>	<u>(6,176,202)</u>	<u>1,390,788</u>	<u>(4,785,414)</u>
General Revenues:							
Property Tax, Levied for General Purposes					4,173,610	-	4,173,610
Sales and Use Tax					1,587,641	-	1,587,641
Income Tax					1,456,845	-	1,456,845
Corporate Personal Property Tax					52,002	-	52,002
Motor Fuel Tax					419,598	-	419,598
Excise Tax					71,529	-	71,529
Hotel Tax					94,199	-	94,199
Gaming Taxes					247,416	-	247,416
Utility Tax					410,232	-	410,232
Franchise Fees					108,368	-	108,368
Investment Earnings					110,156	41,422	151,578
Miscellaneous					5,700,440	-	5,700,440
Transfers					210,789	(210,789)	-
Total General Revenues and Transfers					<u>14,642,825</u>	<u>(169,367)</u>	<u>14,473,458</u>
Change in Net Position					<u>8,466,623</u>	<u>1,221,421</u>	<u>9,688,044</u>
Net Position - Beginning					<u>15,663,338</u>	<u>45,442,363</u>	<u>61,105,701</u>
Net Position - Ending					<u>\$ 24,129,961</u>	<u>\$ 46,663,784</u>	<u>\$ 70,793,745</u>

The notes to the financial statements are an integral part of this statement

CITY OF MASCOUTAH, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS
APRIL 30, 2024

	General Fund	TIF 2B Fund	TIF 3 Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>					
Cash and Cash Equivalents	\$ 3,588,852	\$ 287,943	\$ 344,985	\$ 3,527,463	\$ 7,749,243
Investments	85,699	-	-	-	85,699
Receivables (Net, where applicable, of allowances for uncollectible):					
Property Tax	614,000	-	2,347,000	1,803,000	4,764,000
Intergovernmental	624,944	-	-	130,561	755,505
Other	93,652	-	313,166	102,372	509,190
Due From Other Funds	3,650,000	-	-	26,961	3,676,961
Restricted Cash and Investments	-	-	-	366,383	366,383
Total Assets	<u>\$ 8,657,147</u>	<u>\$ 287,943</u>	<u>\$ 3,005,151</u>	<u>\$ 5,956,740</u>	<u>\$ 17,906,981</u>
 <u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u>					
Liabilities:					
Accrued Payroll and Benefits	\$ 65,247	\$ -	\$ -	\$ 31,490	\$ 96,737
Accounts Payable	20,400	88,448	7,292	51,384	167,524
Due to Other Funds	20,654	-	5,500,000	685,075	6,205,729
Total Liabilities	<u>106,301</u>	<u>88,448</u>	<u>5,507,292</u>	<u>767,949</u>	<u>6,469,990</u>
Deferred Inflows of Resources:					
Deferred Property Tax	614,000	-	2,347,000	1,803,000	4,764,000
Unavailable Intergovernmental Revenue	115,939	-	-	33,861	149,800
Total Deferred Inflows of Resources	<u>729,939</u>	<u>-</u>	<u>2,347,000</u>	<u>1,836,861</u>	<u>4,913,800</u>
Fund Balances:					
Nonspendable	-	-	-	387,037	387,037
Restricted For:					
Debt Service	-	-	-	281,422	281,422
Revenue Restrictions	-	199,495	-	3,038,560	3,238,055
Unassigned	7,820,907	-	(4,849,141)	(355,089)	2,616,677
Total Fund Balances	<u>7,820,907</u>	<u>199,495</u>	<u>(4,849,141)</u>	<u>3,351,930</u>	<u>6,523,191</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,657,147</u>	<u>\$ 287,943</u>	<u>\$ 3,005,151</u>	<u>\$ 5,956,740</u>	<u>\$ 17,906,981</u>

The notes to the financial statements are an integral part of this statement

CITY OF MASCOUTAH, ILLINOIS

RECONCILIATION OF THE BALANCE SHEET OF THE
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
APRIL 30, 2024

Amounts reported for governmental fund balances are different because:

Fund balances - total governmental funds	\$ 6,523,191
Capital assets used in governmental activities are not financial resources and, therefore, are not reported on the balance sheet of the governmental funds.	26,661,592
Some receivables are not available to pay current-period expenditures and, therefore, are deferred in the governmental funds balance sheet, but recognized as revenue as economic financial resources.	149,800
Accrued interest payable on the long-term debt is not reported as a liability on the balance sheet of the governmental funds.	(25,032)
Accrued compensated absences are not reported as a liability on the balance sheet of the governmental funds.	(639,426)
Long-term debt (e.g., bonds, leases) is not reported as a liability on the balance sheet of the governmental funds.	(3,232,626)
Net pension liabilities and the related future pension expense are not reported on the balance sheet of the governmental funds.	<u>(5,307,538)</u>
Net position of governmental activities	<u>\$ 24,129,961</u>

The notes to the financial statements are an integral part of this statement

CITY OF MASCOUATAH, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2024

	<u>General Fund</u>	<u>TIF 2B Fund</u>	<u>TIF 3 Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Property Tax	\$ 596,177	\$ 1,416,128	\$ 325,411	\$ 1,835,894	\$ 4,173,610
Utility Tax	410,232	-	-	-	410,232
Hotel Tax	94,199	-	-	-	94,199
Intergovernmental	3,200,023	-	-	629,134	3,829,157
Licenses, Permits and Fees	59,986	-	-	27,138	87,124
Charges for Services	427,145	-	-	748,734	1,175,879
Fines and Forfeitures	19,860	-	-	241	20,101
Investment Earnings	60,623	6,833	171	42,529	110,156
Contributions	-	-	-	7,908	7,908
Miscellaneous	5,789	-	5,676,989	17,662	5,700,440
Total Revenues	<u>4,874,034</u>	<u>1,422,961</u>	<u>6,002,571</u>	<u>3,309,240</u>	<u>15,608,806</u>
Expenditures:					
Current:					
General Government	365,828	-	-	1,197	367,025
Public Safety	2,281,091	-	-	110,410	2,391,501
Streets and Highways	663,961	-	-	513,098	1,177,059
Health and Welfare	-	-	-	985,216	985,216
Development	58,353	51,890	12,983	-	123,226
Cultural and Recreational	-	-	-	928,185	928,185
Capital Outlay	582,115	3,219,545	108,251	360,867	4,270,778
Debt Service:					
Principal	193,178	-	-	150,535	343,713
Interest and Charges	92,935	-	-	41,421	134,356
Total Expenditures	<u>4,237,461</u>	<u>3,271,435</u>	<u>121,234</u>	<u>3,090,929</u>	<u>10,721,059</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>636,573</u>	<u>(1,848,474)</u>	<u>5,881,337</u>	<u>218,311</u>	<u>4,887,747</u>
Other Financing Sources (Uses):					
Operating Transfers In	111,521	-	257,871	46,570	415,962
Operating Transfers Out	-	(47,082)	-	(158,091)	(205,173)
Total Other Financing Sources (Uses)	<u>111,521</u>	<u>(47,082)</u>	<u>257,871</u>	<u>(111,521)</u>	<u>210,789</u>
Net Change in Fund Balances	748,094	(1,895,556)	6,139,208	106,790	5,098,536
Fund Balance, Beginning of Year	<u>7,072,813</u>	<u>2,095,051</u>	<u>(10,988,349)</u>	<u>3,245,140</u>	<u>1,424,655</u>
Fund Balance, End of Year	<u>\$ 7,820,907</u>	<u>\$ 199,495</u>	<u>\$ (4,849,141)</u>	<u>\$ 3,351,930</u>	<u>\$ 6,523,191</u>

The notes to the financial statements are an integral part of this statement

CITY OF MASCOUTAH, ILLINOIS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2024

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

Net change in fund balances - total governmental funds \$ 5,098,536

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$4,270,778) exceeded depreciation expense (\$1,202,496) in the current year. 3,068,282

Accrued compensated absences are reported in the government-wide statement of activities and changes in net position, but do not require the use of current financial resources; therefore, accrued compensated absences are not reported as expenditures in governmental funds. This is the change in accrued compensated absences between years. (39,787)

Net pension liabilities and the related future pension expense are reported in the government-wide statement of activities and changes in net position, but do not require the use of current financial resources; therefore, these obligations are not reported as expenditures in governmental funds. This is the change in the net pension obligation between years. (34,272)

The issuance of long-term debt (e.g., bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of those differences in the treatment of long-term debt and related items. 343,713

Some intergovernmental revenues will not be collected for several months after the City's fiscal year end. They are not considered "available" revenues in the governmental funds. This is the change in deferred revenues between fiscal years. 28,283

Accrued interest expense on long-term debt is reported in the government-wide statement of activities and changes in net assets, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as expenditures in governmental funds. 1,868

Change in net position of governmental activities \$ 8,466,623

The notes to the financial statements are an integral part of this statement

CITY OF MASCOUTAH, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
APRIL 30, 2024

	<u>Waterworks and Sewerage</u>	<u>Electric Light</u>	<u>Total</u>		<u>Waterworks and Sewerage</u>	<u>Electric Light</u>	<u>Total</u>
	<u>Assets:</u>				<u>Liabilities:</u>		
Current Assets:				Current Liabilities:			
Cash	\$ 4,665,806	\$ 1,525,505	\$ 6,191,311	Accrued Payroll and Benefits	\$ 51,925	\$ 49,491	\$ 101,416
Receivables (Net, where applicable, of allowances for uncollectible):				Accounts Payable	34,256	410,029	444,285
Accounts	199,393	630,820	830,213	Accrued Interest	260,986	-	260,986
Unbilled Revenue	349,870	625,990	975,860	Notes/Leases Payable	557,601	342,191	899,792
Other	36,941	24,166	61,107	Bonds Payable	-	305,000	305,000
Due from Other Funds	13,975	2,514,793	2,528,768	Total Current Liabilities	904,768	1,106,711	2,011,479
Total Current Assets	5,265,985	5,321,274	10,587,259				
				Liabilities Payable from Restricted Assets:			
Noncurrent Assets:				Customer Deposits	42,635	150,613	193,248
Restricted Assets:							
Cash and Cash Equivalents:				Noncurrent Liabilities:			
Customer Deposits	42,635	150,613	193,248	Accrued Sick Leave	38,670	93,207	131,877
				Net Pension Liability	310,930	386,550	697,480
Capital Assets:				Notes/Leases Payable	14,230,597	6,040,582	20,271,179
Land	145,341	161,972	307,313	Bonds Payable	-	990,000	990,000
Buildings and Improvements	21,427,770	4,191,373	25,619,143	Total Noncurrent Liabilities	14,580,197	7,510,339	22,090,536
Equipment	415,995	477,454	893,449				
Vehicles	561,156	1,178,578	1,739,734	Total Liabilities	15,527,600	8,767,663	24,295,263
Distribution System	17,806,618	39,156,312	56,962,930				
Total	40,356,880	45,165,689	85,522,569	Deferred Inflows of Resources:			
Less - Accumulated Depreciation	(12,731,434)	(12,886,186)	(25,617,620)	Future Pension Expense	103,110	128,187	231,297
Net Capital Assets	27,625,446	32,279,503	59,904,949	Deferred Connection Fees	-	129,647	129,647
					103,110	257,834	360,944
Total Noncurrent Assets	27,668,081	32,430,116	60,098,197				
Total Assets	\$ 32,934,066	\$ 37,751,390	\$ 70,685,456	Net Position:			
				Net Investment in Capital Assets	12,837,248	24,601,730	37,438,978
Deferred Outflows of Resources:				Unrestricted	4,748,978	4,475,828	9,224,806
Future Pension Expense	\$ 282,870	\$ 351,665	\$ 634,535	Total Net Position	\$ 17,586,226	\$ 29,077,558	\$ 46,663,784
	\$ 282,870	\$ 351,665	\$ 634,535				

The notes to the financial statements are an integral part of this statement

CITY OF MASCOUHAH, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED APRIL 30, 2024

	<u>Business-Type Activities--Enterprise Funds</u>		
	<u>Waterworks and Sewerage</u>	<u>Electric Light</u>	<u>Total</u>
Operating Revenues:			
Charges for Services	\$ 4,559,397	\$ 9,749,268	\$ 14,308,665
Operating Expenses:			
Personal Services	1,050,995	1,331,377	2,382,372
Supplies	89,707	243,835	333,542
Contractual Services	1,188,198	5,981,419	7,169,617
Administrative Overhead	612,770	779,455	1,392,225
Depreciation	586,338	549,280	1,135,618
Total Operating Expenses	<u>3,528,008</u>	<u>8,885,366</u>	<u>12,413,374</u>
Operating Income	<u>1,031,389</u>	<u>863,902</u>	<u>1,895,291</u>
Nonoperating Revenues (Expenses):			
Investment Earnings	22,084	19,338	41,422
Interest and Fiscal Charges	<u>(246,462)</u>	<u>(278,382)</u>	<u>(524,844)</u>
Total Nonoperating Revenues (Expenses)	<u>(224,378)</u>	<u>(259,044)</u>	<u>(483,422)</u>
Income Before Contributions and Transfers	807,011	604,858	1,411,869
Capital Contributions	-	20,341	20,341
Transfers In (Out)	<u>47,082</u>	<u>(257,871)</u>	<u>(210,789)</u>
Change in Net Position	854,093	367,328	1,221,421
Net Position - Beginning of Year	<u>16,732,133</u>	<u>28,710,230</u>	<u>45,442,363</u>
Net Position - End of Year	<u>\$ 17,586,226</u>	<u>\$ 29,077,558</u>	<u>\$ 46,663,784</u>

The notes to the financial statements are an integral part of this statement

CITY OF MASCOUATAH, ILLINOIS

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED APRIL 30, 2024

	Business-Type Activities--Enterprise Funds		
	Waterworks and Sewerage	Electric Light	Total
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 4,493,284	\$ 9,388,359	\$ 13,881,643
Payments to Suppliers	(2,964,802)	(8,027,348)	(10,992,150)
Payments to Employees	(856,208)	(1,061,382)	(1,917,590)
Net Cash Provided by Operating Activities	672,274	299,629	971,903
Cash Flows from Noncapital Financing Activities:			
Payments from (to) Other Funds	33,107	4,584,433	4,617,540
Net Cash Provided by Noncapital Financing Activities	33,107	4,584,433	4,617,540
Cash Flows from Capital and Related Financing Activities:			
Principal Payments on Long-Term Debt	(166,727)	(623,057)	(789,784)
Net Proceeds from Debt	1,268,825	282,920	1,551,745
Interest Paid on Debt	(1,919)	(278,382)	(280,301)
Customer Deposits	3,747	12,212	15,959
Capital Contributions	-	20,341	20,341
Cash Payments for Capital Assets	(742,820)	(5,754,100)	(6,496,920)
Net Cash Provided (Used) by Capital Related Financing Activities	361,106	(6,340,066)	(5,978,960)
Cash Flows from Investing Activities:			
Interest Received	22,084	19,338	41,422
Net Cash Provided by Investing Activities	22,084	19,338	41,422
Net Change in Cash and Cash Equivalents	1,088,571	(1,436,666)	(348,095)
Cash and Cash Equivalents, Beginning of Year	3,619,870	3,112,784	6,732,654
Cash and Cash Equivalents, End of Year	\$ 4,708,441	\$ 1,676,118	\$ 6,384,559
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income	\$ 1,031,389	\$ 863,902	\$ 1,895,291
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation	586,338	549,280	1,135,618
Net Pension Obligation and Deferrals	(149,839)	(198,010)	(347,849)
(Increase) Decrease in Assets:			
Accounts Receivables	(59,673)	(143,288)	(202,961)
Unbilled Revenue	(6,440)	(59,230)	(65,670)
Increase (Decrease) in Liabilities:			
Accrued Payroll and Benefits	10,999	13,068	24,067
Accounts Payable	(740,500)	(567,702)	(1,308,202)
Deferred Fees	-	(158,391)	(158,391)
Net Cash Provided by Operating Activities	\$ 672,274	\$ 299,629	\$ 971,903
Reconciliation of Total Cash and Cash Equivalents			
Current Assets	\$ 4,665,806	\$ 1,525,505	\$ 6,191,311
Restricted Assets	42,635	150,613	193,248
Total Cash and Cash Investments	\$ 4,708,441	\$ 1,676,118	\$ 6,384,559

The notes to the financial statements are an integral part of this statement

CITY OF MASCOUTAH, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND - POLICE PENSION TRUST FUND
APRIL 30, 2024

<u>Assets</u>	
Cash and Cash Equivalents	\$ 189,807
Investments:	
Illinois Police Officer's Pension Investment Fund	7,244,940
Receivables (Net of Allowance for Doubtful Accounts):	
Property Tax	430,000
Interest	789
Total Assets	<u>7,865,536</u>
 <u>Liabilities</u>	
None	<u>-</u>
 <u>Net Position</u>	
Held in Trust For Pension Benefits and Other Purposes	<u>\$ 7,865,536</u>

The notes to the financial statements are an integral part of this statement

CITY OF MASCOUTAH, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND - POLICE PENSION TRUST FUND
FOR THE YEAR ENDED APRIL 30, 2024

Additions:	
Employer Contributions	\$ 421,440
Employee Contributions	110,063
Investment Earnings:	
Interest and Dividends	53,881
Unrealized/Realized Gain (Loss) on Investments	<u>575,271</u>
Total Investment Earnings	629,152
Less: Investment Expense	<u>5,997</u>
Net Investment Earnings	<u>623,155</u>
Total Additions	<u>1,154,658</u>
Deductions:	
Benefit Payments	529,290
Refunds of Contributions	4,816
Administrative Expenses	<u>6,450</u>
Total Deductions	<u>540,556</u>
Change in Net Position	614,102
Net Position - Beginning of Year	<u>7,251,434</u>
Net Position - End of Year	<u>\$ 7,865,536</u>

The notes to the financial statements are an integral part of this statement

CITY OF MASCOUTAH, ILLINOIS

NOTES TO FINANCIAL STATEMENTS APRIL 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Mascoutah (City) was incorporated in 1921. The City is a home rule unit of government and operates under a managerial council form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, culture and recreation (library and parks), health and welfare (ambulance service), electric and water distribution, sewage treatment, public improvements, planning and zoning and general administrative services.

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

(a) The financial reporting entity

The City is a political subdivision of the State of Illinois. These financial statements present the government and its component units. Component units are legally separate entities for which the City is financially accountable. The City defines its reporting entity in accordance with Codification of Governmental Accounting and Financial Reporting Standards, Section 2100. Component units are organizations for which the City, as the primary government, is financially accountable. To be considered financially accountable, the organization must be fiscally dependent on the City or the City must appoint a majority of the board of the organization and either (1) be able to impose its will on the organization or (2) the relationship must have the potential for creating a financial benefit to or imposing a financial burden on the City. The City did not have any component units at April 30, 2024.

(b) Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

(c) Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental revenues, permits and fees associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized, when applicable, as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

The General Fund is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues, other revenues, and expenditures that are not restricted by law or contractual agreement to other funds are accounted for in this fund.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The TIF 2B Fund reports all revenue and expenses related to the respective TIF fund.

The TIF 3 Fund reports all revenue and expenses related to the respective TIF fund.

The government reports the following major proprietary funds:

The Waterworks and Sewerage Fund and the Electric Light Fund account for all activities related to the billing, administration, distribution and collection processes of the water, sewer and electric operations. The City operates the water and electric distribution systems as well as the sewage treatment plant, sewage pumping stations and collection systems.

Additionally, the government reports the following fund type:

The pension trust fund accounts for the activities of the police pension fund, which accumulates resources for pension benefit payments to qualified public safety employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are reimbursements between funds for direct costs applicable to the other fund. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of connection fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

(d) Assets, liabilities and net assets or equity

Deposits and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposits and short-term investments with original maturities of three months or less.

The City is authorized by state statute to invest in obligations of the United States of America, insured interest bearing accounts of banks, savings and loan

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

associations or credit unions, certain short-term obligations of corporations organized in the United States, money market mutual funds that invest in obligations of the United States of America or its agencies or are guaranteed by the full faith and credit of the United States of America. The cemetery trust fund is also allowed to invest limited percentages of their monies in mutual funds and equity securities.

All investments are recorded in all funds at fair value. Investment income is recognized as earned. Gains or losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

Receivables and payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

Unbilled water, sewer and electric service receivables are recorded at year-end. They are determined by taking cycle billings subsequent to April 30 and prorating the applicable number of days to the current fiscal year.

The City levied its property taxes on December 18, 2023 based upon the assessed valuation as of the previous January 1. Property taxes are due in two installments in the following year, usually in June and August, and are considered delinquent after the due dates. Property taxes for 2023 become an enforceable lien in January 2024. Because this tax levy will be used to pay for expenses budgeted in fiscal year 2025, this tax levy is shown as a receivable and as unearned revenue as of April 30, 2024 in the governmental funds statements and in the statement of activities. Tax revenues reflected in these financial statements are taxes collected on the 2022 levy.

Restricted assets

Governmental Activities

Cemetery Maintenance Trust – The reserve for cemetery maintenance was created to restrict the use of all resources contributed to or earned by the Cemetery Trust Fund. The restriction was mandated by a declaration of trust.

Business-Type Activities

Deposits – These accounts accumulate to provide funds to offset the existing liability for customer utility deposits.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Capital assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The government generally defines capital assets as assets with an individual cost of more than \$1,000 and an estimated useful life in excess of two years. Assets are recorded at historical cost when purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects when constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The City hired a valuation consulting firm to perform an initial valuation of the fixed assets of the City. This valuation was used as the historical basis for the value of the assets reported in the governmental type activities. Subsequent fixed asset additions are based on amounts as recorded by the City in the accounting records.

Property, plant, and equipment are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	10 - 40
Buildings and improvements	25 - 50
Infrastructure	25
Distribution systems	20 - 25
Vehicles	5 - 15
Office and other equipment	5 - 20

Compensated absences

The City allows employees to accumulate unused sick leave. Earned vacation time is required to be used within one year of accrual. Upon termination, accumulated sick and any accumulated vacation that has not been taken due to work-related assignments, will be paid to the employee.

Sick leave in excess of 300 hours is accumulated and tracked for IMRF applicable employees. Sick leave in excess of 320 hours for police officers is paid to the employee on or near December 1st. Employees may request to be paid for any and all sick leave at any time.

Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund

CITY OF MASCOUATAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

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

Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. These estimates and assumptions affect the reported amounts of assets and liabilities and the reported revenues and expenditures. Actual results could vary from estimates that were used.

Risk Management

The City is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions and natural disasters for which the City carries commercial insurance. The City has entered into an agreement with IMLRMA, an intergovernmental association formed pursuant to Article VII, Section 10 of the Illinois Constitution of 1970, to provide the City insurance coverage. There has been no significant reduction in coverage from the prior year.

Fund Balance

In the fund financial statements, the City classifies the fund balances based upon the following criteria:

Nonspendable - includes amounts that cannot be spent because they are either 1) not in spendable form, or 2) legally or contractually required to remain intact.

Restricted - balances with constraints that are either externally imposed by creditors or imposed by law through constitutional provisions or enabling legislation.

Committed - balances that are to be only used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. (City Council)

Assigned - balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned - the residual classification of the General Fund balance in addition to any negative fund balance in a special revenue fund.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The following details the description and amount of all constraints recorded by the City in the fund financial statements:

<u>Governmental Funds</u>	
Nonspendable:	
Cemetery Trust	\$ 387,037
Restricted:	
Debt Service	\$ 281,422
Ambulance Fund	1,165,643
TIF #2B	199,495
Business Districts	101,370
Public Library	469,067
Motor Fuel Tax	1,171,719
Retirement Fund	119,227
Special Service Area	11,534
	<u>\$ 3,519,477</u>

When expenditures are incurred for which the City has both restricted and unrestricted funds available, the City spends any restricted funds before using unrestricted sources. Likewise, the City uses committed, assigned and then unassigned balances, in that order, when spending amounts for which all three categories are available.

Budget Policy and Practices

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Manager submits to the City Council a proposed budget ordinance for the fiscal year commencing May 1.
2. A public hearing at the City Hall is conducted to obtain taxpayer comments.
3. Prior to May 1, the budget is legally enacted through the passage of an ordinance.
4. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds and Enterprise Funds.
5. Unexpended budgets for all the above annually budgeted funds lapse at the fiscal year end.
6. The budget is prepared on a cash basis of accounting.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

Governmental & Business-Type Activities

At April 30, 2024, the carrying amount of the City's deposits was \$14,585,284 and the bank balance was \$15,271,986. The deposits were comprised of interest checking accounts, savings accounts and certificates of deposit.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the City's name. As of April 30, 2024, the City had \$5,968 of deposits that exceeded FDIC coverage and were uncollateralized.

At April 30, 2024, the City had the following cash and investments:

	Weighted Average Maturity (Days)	Fair Value
Cash on Hand	N/A	\$ 600
Deposits as reported above	N/A	<u>14,585,284</u>
Total deposits and investments		<u>\$ 14,585,884</u>
As Reported in the Statement of Net Assets:		
Cash and Cash Equivalents		\$ 13,940,554
Investments		85,699
Cash and Cash Equivalents - Restricted		<u>559,631</u>
		<u>\$ 14,585,884</u>

Interest Rate Risk. The City's investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. As of April 30, 2024, the City did not have a credit risk.

Concentration of Credit Risk. As of April 30, 2024, the City did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2024, the City did not have foreign currency risk.

CITY OF MASCOUATAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Police Pension Fund

At April 30, 2024, the carrying amount and the bank balance of the Police Pension Fund’s deposits was \$189,807. The deposits are comprised of an interest checking account and a money market account.

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the Police Pension Fund’s deposits may not be returned to it. The Police Pension Fund requires that all deposits be fully covered by FDIC insurance or collateralized with investments held by the financial institution in the Police Pension Fund’s name.

As of April 30, 2024, the Police Pension Fund had the following investments:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value</u>
Illinois Police Officer's Pension Investment Fund	--	\$ 7,244,940
Deposits as reported above		<u>189,107</u>
Total deposits and investments		<u>\$ 7,434,047</u>

As of April 30, 2024, the Police Pension Fund has transferred a large percentage of the investment funds to the Illinois Police Officer’s Pension Investment Fund (IPOPIF) investment account. The IPOPIF is a pooled investment account maintained by the State of Illinois. The City’s portion of the balance held in this investment pool is \$7,244,940 as of April 30, 2024.

Interest Rate Risk. The Police Pension Fund’s investment policy limits investment maturities in order to maintain sufficient liquidity to reflect the cash flow needs of the fund type being invested. The policy also requires diversification of the investment portfolio via length of maturity as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. As of April 30, 2024, the Police Pension Fund did not have any investments subject to credit risk.

Concentration of Credit Risk. As of April 30, 2024, the Police Pension Fund did not have a concentration of credit risk.

Foreign Currency Risk. As of April 30, 2024, the Police Pension Fund did not have a foreign currency risk.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 3: RECEIVABLES

City receivables, as reported in the statement of net assets, including the applicable allowances for uncollectible accounts, are as follows as of April 30, 2024:

	General Fund	Other Major Funds	Enterprise Funds	Nonmajor Funds	Total
Receivables:					
Property Tax	\$ 614,000	\$ 2,347,000	\$ -	\$ 1,803,000	\$ 4,764,000
Intergovernmental	624,944	-	-	130,561	755,505
Accounts	-	-	2,038,079	381,754	2,419,833
Licenses/Fees/Other	<u>93,652</u>	<u>313,166</u>	<u>61,107</u>	<u>12,253</u>	<u>480,178</u>
Gross Receivables	1,332,596	2,660,166	2,099,186	2,327,568	8,419,516
Less: Allowance for uncollectible	<u>-</u>	<u>-</u>	<u>232,006</u>	<u>291,635</u>	<u>523,641</u>
Net Total Receivables	<u>\$ 1,332,596</u>	<u>\$ 2,660,166</u>	<u>\$ 1,867,180</u>	<u>\$ 2,035,933</u>	<u>\$ 7,895,875</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

NOTE 4: LONG-TERM DEBT

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. The City has the following outstanding general obligation bond issues:

General Obligation Bonds

General Obligation Bonds, Series 2008 due in annual installments of \$435,000 to \$520,000 through November 1, 2027; interest at 4.45% to 4.625%. The bonds and related interest are being retired by the Debt Service Fund and the Electric Light Fund. The amount of bonds outstanding as of April 30, 2024 is \$1,945,000.

The annual requirements to retire general obligation bonds as of April 30, 2024 are as follows:

Fiscal Year Ended April 30,	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 150,000	\$ 26,379	\$ 305,000	\$ 52,414
2026	160,000	19,365	315,000	38,385
2027	165,000	11,909	330,000	23,587
2028	<u>175,000</u>	<u>4,047</u>	<u>345,000</u>	<u>7,978</u>
	<u>\$ 650,000</u>	<u>\$ 61,700</u>	<u>\$ 1,295,000</u>	<u>\$ 122,364</u>

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Notes Payable

On April 24, 2009, the City entered into a loan agreement with the Illinois Environmental Protection Agency for \$3,188,881. The loan is being used to provide funding for the construction and rehabilitation of lift stations. The loan is to be paid in 39 semi-annual installments of \$60,782, including interest at 2.5 percent. The note and related interest are being retired by the Waterworks and Sewerage Fund. The outstanding balance as of April 30, 2024 is \$729,384.

On July 6, 2009, the City entered into a loan agreement with the Illinois Environmental Protection Agency for \$729,835. The loan is being used to provide funding for improvements and replacement of parts of the water distribution system. The loan is to be paid in 39 interest-free semi-annual installments of \$13,993. The note is being retired by the Waterworks and Sewerage Fund. The outstanding balance as of April 30, 2024 is \$167,914.

The City entered into a loan agreement with the Illinois Environmental Protection Agency for \$866,575 on August 28, 2011 to provide funding for sewer infrastructure improvements. The loan is to be repaid in 40 semi-annual installments including interest at 1.25 percent. The note is being retired by the Waterworks and Sewerage Fund. The outstanding balance as of April 30, 2024 is \$289,900.

On November 5, 2009, the City entered into an amended loan agreement with Farmers & Merchants National Bank for \$330,348 to provide funding for special service area improvements. The loan is due to be repaid by a current payment of \$155,348 and 22 annual installments, including interest at 5.25 percent. The loan is secured by the property. Upon default on the loan, the entire balance and interest may be declared immediately due. The loan and related interest are being retired by the Special Service Area Fund. The outstanding balance as of April 30, 2024 is \$144,491.

On May 20, 2019, the City entered into a loan agreement with Citizens Community Bank for \$3,295,461 to provide funds to refinance an existing loan for infrastructure improvements. The loan is due on demand, or if no demand, in 19 quarterly installments of \$71,528, interest at 3.64 percent, with a balloon payment on May 20, 2024. The loan is unsecured. Upon default on the loan, the entire balance and interest may be declared immediately due. The loan and related interest are being retired by the General Fund. The outstanding balance as of April 30, 2024 is \$2,438,135.

On July 18, 2016, the City entered into a loan agreement with Citizens Community Bank to provide funds up to \$7,000,000 for the Electric Phase II infrastructure project. The loan and related interest are being retired based on the funded balance at the time quarterly payments are due with interest at 3.24 percent. Final payment is due on July 18, 2026. The loan is unsecured. Upon default on the loan, the entire balance and interest may be declared immediately due. The loan and related interest are being retired by the Electric Light Fund. The outstanding balance as of April 30, 2024 is \$6,382,774.

CITY OF MASCOUHAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

On June 23, 2021, the City entered into a loan agreement with the Illinois Environmental Protection Agency for \$13,601,000. The loan is being used to provide funding for the improvements of the wastewater system. This project is still in progress and the loan balance is the amount that has been drawn through April 30. The loan is to be paid in 40 semi-annual installments, including interest at 1.15 percent. The note and related interest will be retired by the Waterworks and Sewerage Fund. The outstanding balance as of April 30, 2024 is \$13,601,000.

The annual requirements to retire the loan agreements are as follows:

Fiscal Year Ended <u>April 30,</u>	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 2,444,528	\$ 29,771	\$ 899,792	\$ 602,940
2026	6,750	7,225	1,164,763	344,876
2027	7,104	6,871	6,506,187	191,676
2028	7,477	6,498	826,773	137,976
2029	7,853	6,122	834,620	130,131
2030-2034	45,979	23,896	3,618,720	530,453
2035-2039	59,390	10,485	3,555,161	329,884
2040-2044	3,545	161	3,764,955	120,092
	<u>\$ 2,582,626</u>	<u>\$ 91,029</u>	<u>\$ 21,170,971</u>	<u>\$ 2,388,028</u>

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

	Beginning Balance	Additions	Retired	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities:</u>					
General obligation bonds	\$ 795,000	\$ -	\$ 145,000	\$ 650,000	\$ 150,000
Notes from direct borrowings	2,781,339	-	198,713	2,582,626	2,444,528
Compensated absences	455,506	30,555	-	486,061	-
Net pension liability	5,626,780	781,845	-	6,408,625	-
Governmental activities long-term liabilities	<u>\$ 9,658,625</u>	<u>\$ 812,400</u>	<u>\$ 343,713</u>	<u>\$ 10,127,312</u>	<u>\$ 2,594,528</u>
<u>Business-type Activities:</u>					
General obligation bonds	\$ 1,585,000	\$ -	\$ 290,000	\$ 1,295,000	\$ 305,000
Notes from direct borrowings	20,119,011	1,551,745	499,785	21,170,971	899,792
Net pension liability	1,291,609	-	594,129	697,480	-
Compensated absences	132,542	-	665	131,877	-
Business-type activities long-term liabilities	<u>\$ 23,128,162</u>	<u>\$ 1,551,745</u>	<u>\$ 1,384,579</u>	<u>\$ 23,295,328</u>	<u>\$ 1,204,792</u>

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 5: CAPITAL ASSETS

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

	Beginning Balance	Additions/ Completions	Retirements/ Deletions	Ending Balance
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 863,657	\$ -	\$ -	\$ 863,657
Capital assets, being depreciated:				
Land improvements	1,578,526	253,588	-	1,832,114
Buildings and improvements	5,892,283	95,407	-	5,987,690
Equipment	2,923,001	92,852	-	3,015,853
Vehicles	4,013,256	126,657	-	4,139,913
Infrastructure	24,111,946	3,702,274	-	27,814,220
Total capital assets being depreciated	<u>38,519,012</u>	<u>4,270,778</u>	-	<u>42,789,790</u>
Less accumulated depreciation for:				
Land improvements	916,034	59,485	-	975,519
Buildings and improvements	3,819,523	171,622	-	3,991,145
Equipment	2,119,937	167,887	-	2,287,824
Vehicles	2,512,713	254,473	-	2,767,186
Infrastructure	6,421,152	549,029	-	6,970,181
Total accumulated depreciation	<u>15,789,359</u>	<u>1,202,496</u>	-	<u>16,991,855</u>
Total capital assets, being depreciated, net	<u>23,593,310</u>	<u>3,068,282</u>	-	<u>25,797,935</u>
Governmental activities capital assets, net	<u>\$ 23,593,310</u>	<u>\$ 3,068,282</u>	\$ -	<u>\$ 26,661,592</u>
<u>Business-type activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 307,313	\$ -	\$ -	\$ 307,313
Capital assets, being depreciated:				
Buildings and improvements	24,900,823	718,320	-	25,619,143
Distribution systems	51,184,330	5,778,600	-	56,962,930
Equipment	893,449	-	-	893,449
Vehicles	1,739,734	-	-	1,739,734
Total capital assets, being depreciated	<u>78,718,336</u>	<u>6,496,920</u>	-	<u>85,215,256</u>
Less accumulated depreciation for:				
Buildings and improvements	7,453,999	112,173	-	7,566,172
Distribution systems	15,104,873	25,018	-	15,129,891
Equipment	740,420	105,865	-	846,285
Vehicles	1,182,710	892,562	-	2,075,272
Total accumulated depreciation	<u>24,482,002</u>	<u>1,135,618</u>	-	<u>25,617,620</u>
Total capital assets, being depreciated, net	<u>54,236,334</u>	<u>5,361,302</u>	-	<u>59,597,636</u>
Business-type activities capital assets, net	<u>\$ 54,543,647</u>	<u>\$ 5,361,302</u>	\$ -	<u>\$ 59,904,949</u>

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Depreciation expense was charged as direct expense to functions of the City as follows:

Governmental activities:	
General government	\$ 123,975
Public safety	179,362
Streets and highways, including depreciation of general infrastructure assets	659,079
Health and welfare	199,474
Cultural and recreational	<u>40,606</u>
Total depreciation expense - governmental activities	<u>\$ 1,202,496</u>
Business-type activities:	
Electric, waterworks and sewerage	<u>\$ 1,135,618</u>

NOTE 6: INTERFUND RECEIVABLES AND PAYABLES

The following is a schedule of interfund receivables and payables for the year ending April 30, 2024.

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 3,650,000	\$ 20,654
TIF #1 Fund	-	131,100
TIF #3 Fund	-	5,500,000
Special Service Area Fund	-	13,975
Fire Fund	-	300,000
Playground & Recreation Fund	-	240,000
Debt Service Fund	6,307	-
Cemetery Trust Fund	20,654	-
Waterworks and Sewerage Fund	13,975	-
Electric Light Fund	<u>2,514,793</u>	<u>-</u>
Totals	<u>\$ 6,205,729</u>	<u>\$ 6,205,729</u>

NOTE 7: RETIREMENT AND PENSION FUND COMMITMENTS

1. Illinois Municipal Retirement Fund

Plan Description. The City's defined benefit pension plan for regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Funding Policy. As set by statute, members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2023 was 8.08 percent. The employer 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Covered Employees. The following types of employees comprise the membership of the plan.

Retirees and Beneficiaries	42
Inactive, non-Retired Members	19
Active Members	<u>51</u>
Total	<u>112</u>

Discount Rate. GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 3.77%; and the resulting single discount rate is 7.25%.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Actuarial Valuation Date	12/31/23
Measurement Date of the Net Pension Liability	12/31/23
Fiscal Year End	04/30/24

Development of the Single Discount Rate as of December 31, 2023	
Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate	3.77%
Last year ending December 31 in the 2024 to 2123 projection period for which projected benefit payments are fully funded	2123
Resulting Single Discount Rate based on the above development	7.25%
Single Discount Rate calculated using December 31, 2022 Measurement Date	7.25%

The Long-Term Municipal Bond Rate is based on the Fidelity Index's "20-Year Municipal GO AA Index" as of December 29, 2023.

Actuarial Assumptions. The following are the actuarial assumptions used in the calculation of the net pension liability.

Actuarial Cost Method	Entry Age Normal
Remaining Amortization Period	20 year closed period
	Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Net Pension Liability. The following is a summary of the Net Pension Liability as shown as a liability in the financial statements.

Total pension liability	
Service Cost	\$ 312,342
Interest on the Total Pension Liability	1,265,077
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	(177,446)
Changes of assumptions	(9,856)
Benefit payments, including refunds of employee contributions	<u>(820,602)</u>
Net change in total pension liability	\$ 569,515
Total pension liability - beginning	<u>17,703,468</u>
Total pension liability - ending	<u>\$ 18,272,983</u>
Plan fiduciary net position	
Contributions - employer	\$ 279,290
Contributions - employee	155,545
Net investment income	1,678,567
Benefit payments, including refunds of employee contributions	(820,602)
Other (Net Transfer)	<u>351,828</u>
Net change in plan fiduciary net position	\$ 1,644,628
Plan fiduciary net position - beginning	<u>15,318,246</u>
Plan fiduciary net position - ending	<u>\$ 16,962,874</u>
Net pension liability/(asset)	<u>\$ 1,310,109</u>
Plan fiduciary net position as a percentage of the total pension liability	92.83%
Covered valuation payroll	\$ 3,456,551
Net pension liability as a percentage of covered valuation payroll	37.90%

CITY OF MASCOUHAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	6.25%	7.25%	8.25%
Total Pension Liability	\$ 20,498,710	\$ 18,272,983	\$ 16,531,746
Plan Fiduciary Net Position	16,962,874	16,962,874	16,962,874
Net Pension Liability/(Asset)	<u>\$ 3,535,836</u>	<u>\$ 1,310,109</u>	<u>\$ (431,128)</u>

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 257,387	\$ 420,498
Changes in assumptions	-	13,958
Subsequent contributions	99,292	-
Net difference between projected and actual earnings on pension plan investments	835,198	-
Total	<u>\$ 1,191,877</u>	<u>\$ 434,456</u>

Year Ending December 31,	Net Deferred Outflows of Resources
2024	\$ (123,428)
2025	316,513
2026	620,255
2027	(145,439)
2028	(9,772)
	<u>\$ 658,129</u>

2. Sheriff's Law Enforcement Personnel (SLEP)

Plan Description. The City's defined benefit pension plan for certain City SLEP eligible employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. Membership in SLEP is based on several factors including the member's role at the employer and type of appointment. SLEP members include many Illinois county sheriffs and deputy sheriffs, correctional officers, forest preserve district rangers, airport police and police chiefs. The Plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Funding Policy. As set by statute, members are required to contribute 7.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The annual employer annual required contribution for calendar year 2023 was \$37,518. The employer 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Covered Employees. The following types of employees comprise the membership of the plan.

Retirees and Beneficiaries	1
Inactive, non-Retired Members	0
Active Members	<u>1</u>
Total	<u>2</u>

Discount Rate. GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 3.77%; and the resulting single discount rate is 7.25%.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Actuarial Valuation Date	12/31/23
Measurement Date of the Net Pension Liability	12/31/23
Fiscal Year End	04/30/24

Development of the Single Discount Rate as of December 31, 2022	
Long-Term Expected Rate of Investment Return	7.25%
Long-Term Municipal Bond Rate	3.77%
Last year ending December 31 in the 2024 to 2123 projection period for which projected benefit payments are fully funded	2123
Resulting Single Discount Rate based on the above development	7.25%
Single Discount Rate calculated using December 31, 2022 Measurement Date	7.25%

The Long-Term Municipal Bond Rate is based on the Fidelity Index's "20-Year Municipal GO AA Index" as of December 29, 2023.

Actuarial Assumptions. The following are the actuarial assumptions used in the calculation of the net pension liability.

Actuarial Cost Method	Entry Age Normal
Remaining Amortization Period	20 year closed period
	Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2022 valuation pursuant to an experience study of the period 2020-2022.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Net Pension Liability. The following is a summary of the Net Pension Liability as shown as a liability in the financial statements.

Total pension liability	
Service Cost	\$ 21,016
Interest on the Total Pension Liability	45,893
Changes of benefit terms	-
Difference between expected and actual experience of the Total Pension Liability	3,638
Changes of assumptions	(6,074)
Benefit payments, including refunds of employee contributions	<u>(38,702)</u>
Net change in total pension liability	\$ 25,771
Total pension liability - beginning	<u>641,844</u>
Total pension liability - ending	<u>\$ 667,615</u>
Plan fiduciary net position	
Contributions - employer	\$ 37,518
Contributions - employee	8,623
Net investment income	29,972
Benefit payments, including refunds of employee contributions	(38,702)
Other (Net Transfer)	<u>6,834</u>
Net change in plan fiduciary net position	\$ 44,245
Plan fiduciary net position - beginning	<u>235,264</u>
Plan fiduciary net position - ending	<u>\$ 279,509</u>
Net pension liability/(asset)	<u>\$ 388,106</u>
Plan fiduciary net position as a percentage of the total pension liability	41.87%
Covered valuation payroll	\$ 114,978
Net pension liability as a percentage of covered valuation payroll	337.55%

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	Current Single Discount		
	<u>1% Decrease</u>	<u>Rate Assumption</u>	<u>1% Increase</u>
	<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>
Total Pension Liability	\$ 738,446	\$ 667,615	\$ 606,870
Plan Fiduciary Net Position	279,509	279,509	279,509
Net Pension Liability/(Asset)	<u>\$ 458,937</u>	<u>\$ 388,106</u>	<u>\$ 327,361</u>

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 8,824	\$ 2,913
Changes in assumptions	179	4,339
Subsequent contributions	14,194	-
Net difference between projected and actual earnings on pension plan investments	34,469	-
Total	<u>\$ 57,666</u>	<u>\$ 7,252</u>

Year Ending <u>December 31,</u>	Net Deferred Outflows of Resources
2024	\$ 7,388
2025	12,822
2026	18,488
2027	(2,478)
2028	-
	<u>\$ 36,220</u>

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Police Pension

a) Plan Description

Plan Administration. The Board consists of two members appointed by the City, two active members of the police department elected by the membership, and one retired member of the police department elected by the membership.

Plan Membership as of April 30, 2024:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	12
Inactive Plan Member Entitled to Deferral of Benefits	2
Active Plan Members	<u>13</u>
Total	<u>27</u>

Benefits Provided.

The Plan provides retirement, termination, disability, and death benefits.

Normal Retirement:

Tier 1: Age 50 and 20 years of Credited Service. Tier 2: Age 55 with 10 years of Credited Service. Benefit: Tier 1: 50% of annual salary attached to rank on last day of service plus 2.5% of annual salary for each year over 20 years, up to a maximum of 75% of salary. The minimum monthly benefit is \$1,000 per month. Tier 2: 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service. The maximum benefit is 75% of average salary.

Cost of Living Adjustment:

Tier 1 Retirees: An annual increase equal to 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55. Tier 2: An annual increase each January 1 equal to 3.00 per year or one-half of the annual unadjusted percentage increase in the consumer price index-u for the twelve months ending with the September preceding each November 1, whichever is less, of the original pension after the attainment of age 60 or first anniversary of pension start date whichever is later.

Disability Benefit:

Eligibility: Total and permanent as determined by the Board of Trustees. Benefit: A maximum of: a.) 65% of salary attached to the rank held by the member on last day of service, and; b.) The monthly retirement pension that the member is entitled to receive if he or she retired immediately. For non-service connected disabilities, a benefit of 50% of salary attached to rank held by member on last day of service.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Pre-Retirement Death Benefit:

Service Incurred: 100% of salary attached to rank held by member on last day of service. Non-Service Incurred: A maximum of: a.) 50% of salary attached to the rank held by member on last day of service, and; b.) The monthly retirement pension earned by the deceased member at time of death, regardless of whether death occurs before or after age 50. For non-service deaths with less than 10 years of service, a refund of member contributions is provided.

Vesting (Termination):

Less than 10 years: Refund of Member Contributions.

10 or more years: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination times creditable service.

Contributions.

Employee: 9.91% of Salary. City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability over a period ending in 2040.

b) Investments

Investment Policy:

The long-term asset allocation is determined by the Illinois Police Officer's Pension Investment Fund and is as follows as of April 30, 2024:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
U.S. Large	23.00%	4.15%
U.S Small	5.00	4.54
International Developed	18.00	4.64
International Developed Small	5.00	-.25
Emerging Markets	7.00	5.31
Private Equity	7.00	7.15
Bank Loans	3.00	2.48
High Yield Corp Credit	3.00	2.48
Emerging Market Debt	3.00	2.82
Private Credit	5.00	4.37
TIPS	3.00	-.12
Real Estate/Infrastructure	8.00	4.00
Cash	1.00	-.27
Short-Term Gov't/Credit	3.00	.73
U.S. Treasury	3.00	-.60
Core Plus Fixed Income	<u>3.00</u>	.73
Total	<u>100.00%</u>	

CITY OF MASCOUATAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's fiduciary net position.

Rate of Return:

For the year ended April 30, 2024, the annual rate of return on pension plan investments, net of pension plan investment expense, was 8.59%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability of the Sponsor

The components of the net pension liability of the sponsor on April 30, 2024 were as follows:

Total Pension Liability	\$ 13,273,426
Plan Fiduciary Net Position	<u>(7,865,536)</u>
Net Pension Liability	<u>\$ 5,407,890</u>
Plan Fiduciary Net Position	
as a % of Total Pension Liability	59.26%

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of April 30, 2024 using the following actuarial assumptions.

Inflation	2.25%
Salary Increases	3.50%
Discount Rate used for the Net Pension Liability	5.65%
Retirement Mortality Rate: Follows the L&A 2020 Assumption Study for Police 2020	
Disabled Mortality Rate: Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants.	

The long-term expected rate of return on pension plan investments was determined using best estimate of future real rates of return (expected returns, net of pension plan investment expenses and inflation) and are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Discount Rate:

The discount rate used to measure the total pension liability was 5.65 percent. The projection of cash flows were used to determine the extent which the plan's future net position will be able to cover future benefit payments. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future projected benefit payments. To the extent future benefit payments are not covered by the plan's net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments.

Changes in Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balances as of May 01, 2023	\$ 11,378,021	\$ 7,251,434	\$ 4,126,587
Changes for a year			
Service Cost	325,187	-	325,187
Interest	702,296	-	702,296
Differences between expected and actual experience	596,001	-	596,001
Changes of assumptions	806,027	-	806,027
Changes of benefit terms	-	-	-
Contributions - employer	-	421,440	(421,440)
Contributions - employee	-	110,063	(110,063)
Net investment income	-	623,155	(623,155)
Benefit payments, including refunds	(534,106)	(534,106)	-
Administrative	-	(6,450)	6,450
Net Changes	<u>1,895,405</u>	<u>614,102</u>	<u>1,281,303</u>
Balances as of April 30, 2024	<u>\$ 13,273,426</u>	<u>\$ 7,865,536</u>	<u>\$ 5,407,890</u>

To report the sensitivity of the net pension liability to the selected discount rate, the following table displays the variation given a 1% increase or decrease.

	<u>Current Discount</u>		
	<u>1% Decrease</u>	<u>Rate</u>	<u>1% Increase</u>
	<u>4.65%</u>	<u>5.65%</u>	<u>6.65%</u>
Net Pension Liability	\$ 7,561,877	\$ 5,407,890	\$ 3,680,514

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses. For the year ended April 30, 2024, the City recognized a pension expense of \$829,795. The following tables display the amount of deferred inflows and outflows related to the net pension liability and the future periods that these deferrals will affect the financial statements.

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Difference between expected and actual experience	\$ 630,436	\$ 281,014
Changes in assumptions	1,106,472	994,975
Net difference between projected and actual earnings on pension plan investments	<u>235,571</u>	<u>-</u>
Total	<u>\$ 1,972,479</u>	<u>\$ 1,275,989</u>

Year Ending <u>April 30,</u>	Net Deferred Inflows of <u>Resources</u>
2025	\$ 166,878
2026	246,541
2027	79,221
2028	33,865
2029	102,493
Thereafter	<u>67,492</u>
	<u>\$ 696,490</u>

NOTE 8: SUBSEQUENT EVENTS

The City has evaluated events occurring after the financial statement date through November 11, 2024 in order to determine their potential for recognition or disclosure in the financial statements. The latter date is the same date the financial statements were available to be issued.

The City is aware of potential litigation related to old City transformers that were shipped to the Ward Transformer EPA Superfund Site in Raleigh, North Carolina. The transformers allegedly leaked contaminants into the soil at the Ward Site. There is a present action with which the City is not presently involved. However, the EPA has expressed an opinion that the City is liable for a proportionate share of the clean-up costs. As of April 30, 2024, the City is denying liability. The likelihood of an unfavorable outcome is 60% with a range of loss of \$200,000 to \$400,000.

There are no other asserted, unasserted or threatened litigation matters that are known at this time.

CITY OF MASCOUHAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 9: LEGAL DEBT MARGIN

The computation of legal debt margin at April 30, 2024 is as follows:

Total EAV - 2023	\$ 218,570,339
Bonded Debt Limit*	18,851,692
Bonded Indebtedness	<u>3,232,626</u>
Legal Debt Margin	<u>\$ 15,619,066</u>

* The bonded indebtedness of the City is limited by Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes to 8.625% of the assessed valuation of taxable tangible property.

NOTE 10: INTERFUND TRANSFERS

The following is a summary of interfund transfers for the year ended April 30, 2024:

General Fund Transfer From (To):	
IMRF Fund	\$ 111,521
TIF #3 Fund Transfer From (To):	
Electric Light Fund	257,871
TIF #2 Fund Transfer (To):	
Water and Sewer Fund	(47,082)
Ambulance Fund Transfer From:	
IMRF Fund	45,717
Fire Fund Transfer From:	
IMRF Fund	853
IMRF Fund Transfer (To):	
General Fund	(111,521)
Ambulance Fund	(45,717)
Fire Fund	(853)
Electric Light Fund Transfer From (To):	
TIF #3 Fund	(257,871)
Water and Sewer Fund Transfer From:	
TIF #2 Fund	<u>47,082</u>
	<u>\$ -</u>

The City makes various transfers to reimburse funds for expenses that are related to or shared by one fund and paid for by another fund. The transfers are primarily related to project payments and IMRF reimbursements.

CITY OF MASCOUTAH, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 11: REDEVELOPMENT AGREEMENTS

The City entered into a redevelopment agreement with Mascoutah Development LLC on November 21, 2016. The City has agreed to assist with the construction and related costs of the Legacy Place Living and Memory Care facility by providing redevelopment cost reimbursements. The reimbursements will be made using TIF funds. The City has agreed to reimburse 60% of the project's annual property taxes, after annual fees, up to a total amount of \$633,480 through December 31, 2032. For the year ended April 30, 2024, the City did not make any reimbursements to the developer. The remaining amount outstanding to be reimbursed in future years is \$331,980.

The City entered into a redevelopment agreement with St. Clair County for an Aeronautical Production Facility and Campus Development in October 2021. The City has agreed to assist with the payment of eligible development costs using TIF funds. The City has agreed to reimburse 60% of the project's annual TIF property taxes, after any payment for agreements with other taxing Districts. The amount of reimbursements are approved up to a total amount of eligible development costs not to exceed \$50,000,000. The initial payment will be based on the first year of assessment after substantial completion of the project with annual payments based on assessments through December 31, 2039, collected in 2040.

CITY OF MASCOUTAH, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CASH BASIS) - GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2024

	Budgeted Amounts		Actual (Budget Basis)
	Original	Final	
Receipts:			
Property Tax	\$ 617,150	\$ 617,150	\$ 596,177
Utility Tax	405,437	405,437	409,728
Hotel Tax	110,000	110,000	94,284
Intergovernmental	3,111,998	3,111,998	3,106,745
Licenses and Permits	170,050	170,050	73,864
Charges for Services	516,974	516,974	462,627
Fines and Forfeitures	26,500	26,500	19,860
Investment Earnings	20,400	20,400	57,288
Miscellaneous	14,700	14,700	25,171
Total Receipts	4,993,209	4,993,209	4,845,744
Disbursements			
Current:			
General Government	566,632	566,632	371,542
Public Safety	2,420,305	2,420,305	2,258,862
Streets and Highways	744,650	744,650	642,492
Development	51,200	51,200	58,353
Debt Service	286,120	286,120	286,113
Capital Outlay	826,730	826,730	611,746
Total Disbursements	4,895,637	4,895,637	4,229,108
Excess of Receipts Over Disbursements	97,572	97,572	616,636
Other Financing Sources:			
Transfers In	116,100	116,100	109,890
Excess of Receipts and Other Financing Sources Over Disbursements	\$ 213,672	\$ 213,672	726,526
Change for reporting on modified accrual basis:			
Change in intergovernmental revenue on modified accrual basis			41,930
Change in utility tax revenue on modified accrual basis			504
Change in other receivables on modified accrual basis			(85)
Change in accrued salaries on modified accrual basis			(13,727)
Change in franchise fee revenue on modified accrual basis			(3,749)
Change in accounts payable on modified accrual basis			(705)
Change in transfer amount from other funds			(2,600)
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			\$ 748,094

CITY OF MASCOUTAH, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CASH BASIS)
TIF 2B FUND
FOR THE YEAR ENDED APRIL 30, 2024

	<u>Budgeted Amounts</u>		Actual
	<u>Original</u>	<u>Budget</u>	(Budget Basis)
Receipts:			
Property Tax	\$ 1,281,888	\$ 1,281,888	\$ 1,416,128
Investment Earnings	<u>4,500</u>	<u>4,500</u>	<u>6,833</u>
Total Receipts	<u>1,286,388</u>	<u>1,286,388</u>	<u>1,422,961</u>
Disbursements:			
Development	625,500	625,500	98,748
Project Costs	3,325,000	<u>3,325,000</u>	<u>3,139,541</u>
Total Disbursements	<u>3,950,500</u>	<u>3,950,500</u>	<u>3,238,289</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ (2,664,112)</u>	<u>\$ (2,664,112)</u>	(1,815,328)
Change for reporting on modified accrual basis:			
Change in other receivables on modified accrual basis			-
Change in accounts payable on modified accrual basis			<u>(80,228)</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ (1,895,556)</u>

CITY OF MASCOUTAH, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CASH BASIS)
TIF 3 FUND
FOR THE YEAR ENDED APRIL 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual (Budget Basis)</u>
	<u>Original</u>	<u>Budget</u>	
Receipts:			
Property Tax	\$ 297,805	\$ 297,805	\$ 325,411
Investment Earnings	25	25	171
Miscellaneous Income	<u>4,000,000</u>	<u>4,000,000</u>	<u>5,676,989</u>
Total Receipts	<u>4,297,830</u>	<u>4,297,830</u>	<u>6,002,571</u>
Disbursements:			
Debt Payment	75,000	75,000	-
Project Costs	<u>1,025,000</u>	<u>1,025,000</u>	<u>266,903</u>
Total Disbursements	<u>1,100,000</u>	<u>1,100,000</u>	<u>266,903</u>
Excess (Deficiency) of Receipts Over Disbursements	<u>\$ 3,197,830</u>	<u>\$ 3,197,830</u>	<u>5,735,668</u>
Change for reporting on modified accrual basis:			
Change in accounts payable on modified accrual basis			<u>403,540</u>
As reported on the Statement of Revenues, Expenditures and Changes in Fund Balance			<u>\$ 6,139,208</u>

CITY OF MASCOUTAH, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND
APRIL 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:										
Service cost	\$ 325,187	\$ 438,189	\$ 349,606	\$ 381,090	\$ 356,528	\$ 301,154	\$ 293,029	\$ 277,332	\$ 285,669	\$ 275,565
Interest	702,296	626,054	599,049	588,336	536,830	504,059	475,167	458,220	382,767	361,003
Changes in benefit terms	-	(16,529)	-	-	87,726	-	-	-	-	-
Differences between expected and actual	596,001	71,296	(421,389)	101,209	(75,070)	182,761	15,516	(1,072)	(54,619)	-
Changes in assumptions	806,027	(881,505)	353,198	(725,812)	379,169	372,399	141,261	(273,999)	643,200	-
Benefit payments, including refunds	(534,106)	(502,347)	(419,705)	(360,054)	(357,290)	(313,479)	(195,198)	(126,928)	(114,379)	(109,971)
Net change in total pension liability	1,895,405	(264,842)	460,759	(15,231)	927,893	1,046,894	729,775	333,553	1,142,638	526,597
Total pension liability - beginning	<u>11,378,021</u>	<u>11,642,863</u>	<u>11,182,104</u>	<u>11,197,335</u>	<u>10,269,442</u>	<u>9,222,548</u>	<u>8,492,773</u>	<u>8,159,220</u>	<u>7,016,582</u>	<u>6,489,985</u>
Total pension liability - ending	<u>\$ 13,273,426</u>	<u>\$ 11,378,021</u>	<u>\$ 11,642,863</u>	<u>\$ 11,182,104</u>	<u>\$ 11,197,335</u>	<u>\$ 10,269,442</u>	<u>\$ 9,222,548</u>	<u>\$ 8,492,773</u>	<u>\$ 8,159,220</u>	<u>\$ 7,016,582</u>
Plan Fiduciary Net Position										
Contributions - employer	421,440	408,009	385,907	368,527	273,655	257,139	241,884	266,669	264,929	261,621
Contributions - employee	110,063	106,575	394,774	100,925	91,902	80,736	76,508	83,497	82,182	76,899
Net investment income	623,155	89,071	(397,201)	1,114,715	185,193	264,701	252,385	274,754	(67,680)	206,177
Benefit payments, including refunds	(534,106)	(502,347)	(419,705)	(360,054)	(357,290)	(313,479)	(195,198)	(126,928)	(114,379)	(109,971)
Administrative	(6,450)	(8,391)	(8,922)	(9,934)	(8,623)	(20,154)	(9,240)	(7,649)	(8,215)	(8,844)
Net change in plan fiduciary net position	614,102	92,917	(45,147)	1,214,179	184,837	268,943	366,339	490,343	156,837	425,882
Plan fiduciary net position - beginning	<u>7,251,434</u>	<u>7,158,517</u>	<u>7,203,664</u>	<u>5,989,485</u>	<u>5,804,648</u>	<u>5,535,705</u>	<u>5,169,366</u>	<u>4,679,023</u>	<u>4,522,186</u>	<u>4,096,304</u>
Plan fiduciary net position - ending	<u>\$ 7,865,536</u>	<u>\$ 7,251,434</u>	<u>\$ 7,158,517</u>	<u>\$ 7,203,664</u>	<u>\$ 5,989,485</u>	<u>\$ 5,804,648</u>	<u>\$ 5,535,705</u>	<u>\$ 5,169,366</u>	<u>\$ 4,679,023</u>	<u>\$ 4,522,186</u>
Net Pension Liability	<u>\$ 5,407,890</u>	<u>\$ 4,126,587</u>	<u>\$ 4,484,346</u>	<u>\$ 3,978,440</u>	<u>\$ 5,207,850</u>	<u>\$ 4,464,794</u>	<u>\$ 3,686,843</u>	<u>\$ 3,323,407</u>	<u>\$ 3,480,197</u>	<u>\$ 2,494,396</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>59.26%</u>	<u>63.73%</u>	<u>61.48%</u>	<u>64.42%</u>	<u>53.49%</u>	<u>56.52%</u>	<u>60.02%</u>	<u>60.87%</u>	<u>57.35%</u>	<u>64.45%</u>
Covered-employee Payroll	<u>\$ 1,252,111</u>	<u>\$ 1,268,611</u>	<u>\$ 1,217,054</u>	<u>\$ 976,579</u>	<u>\$ 876,013</u>	<u>\$ 983,630</u>	<u>\$ 952,669</u>	<u>\$ 999,389</u>	<u>\$ 950,533</u>	<u>\$ 936,302</u>
Net position liability as a percentage of covered-employee payroll	<u>431.90%</u>	<u>325.28%</u>	<u>368.46%</u>	<u>407.39%</u>	<u>594.49%</u>	<u>453.91%</u>	<u>387.00%</u>	<u>332.54%</u>	<u>366.13%</u>	<u>266.41%</u>

CITY OF MASCOUTAH, ILLINOIS

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
APRIL 30, 2024**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:									
Service Cost	\$ 312,342	\$ 298,568	\$ -	\$ 299,836	\$ 293,822	\$ 266,560	\$ 296,048	\$ 270,111	\$ 265,973
Interest	1,265,077	1,184,183	1,023,688	1,083,646	1,010,399	959,817	952,097	902,425	861,516
Difference between expected and actual experience	(177,446)	426,371	1,793,336	(1,328,046)	333,566	51,129	(182,655)	(18,355)	(98,315)
Assumption changes	(9,856)	-	-	(28,646)	-	403,974	(418,430)	(34,082)	16,114
Benefit payments, including refunds	<u>(820,602)</u>	<u>(779,850)</u>	<u>(725,338)</u>	<u>(682,411)</u>	<u>(578,579)</u>	<u>(533,686)</u>	<u>(525,063)</u>	<u>(480,822)</u>	<u>(489,338)</u>
Net change in total pension liability	569,515	1,129,272	2,091,686	(655,621)	1,059,208	1,147,794	121,997	639,277	555,950
Total pension liability - beginning	<u>17,703,468</u>	<u>16,574,196</u>	<u>14,482,510</u>	<u>15,138,131</u>	<u>14,078,923</u>	<u>12,931,129</u>	<u>12,809,132</u>	<u>12,169,855</u>	<u>11,613,905</u>
Total pension liability - ending	<u>\$ 18,272,983</u>	<u>\$ 17,703,468</u>	<u>\$ 16,574,196</u>	<u>\$ 14,482,510</u>	<u>\$ 15,138,131</u>	<u>\$ 14,078,923</u>	<u>\$ 12,931,129</u>	<u>\$ 12,809,132</u>	<u>\$ 12,169,855</u>
Plan Fiduciary Net Position									
Contributions - employer	279,290	244,366	372,182	278,154	267,217	325,428	313,655	316,257	295,019
Contributions - employee	155,545	154,662	151,334	118,195	129,438	121,709	114,760	121,635	109,357
Net investment income	1,678,567	(2,146,843)	2,567,227	1,929,857	2,131,438	(597,247)	1,867,371	716,818	52,925
Benefit payments, including refunds	(820,602)	(779,850)	(725,338)	(682,411)	(578,579)	(533,686)	(525,063)	(480,822)	(489,338)
Other	<u>351,828</u>	<u>35,675</u>	<u>(188,630)</u>	<u>53,552</u>	<u>58,084</u>	<u>136,298</u>	<u>(134,468)</u>	<u>(308,642)</u>	<u>(120,996)</u>
Net change in plan fiduciary net position	1,644,628	(2,491,990)	2,176,775	1,697,347	2,007,598	(547,498)	1,636,255	365,246	(153,033)
Plan fiduciary net position - beginning	<u>15,318,246</u>	<u>17,810,236</u>	<u>15,633,461</u>	<u>13,936,114</u>	<u>11,928,516</u>	<u>12,476,014</u>	<u>10,839,759</u>	<u>10,474,513</u>	<u>10,627,546</u>
Plan fiduciary net position - ending	<u>\$ 16,962,874</u>	<u>\$ 15,318,246</u>	<u>\$ 17,810,236</u>	<u>\$ 15,633,461</u>	<u>\$ 13,936,114</u>	<u>\$ 11,928,516</u>	<u>\$ 12,476,014</u>	<u>\$ 10,839,759</u>	<u>\$ 10,474,513</u>
Net Pension Liability	<u>\$ 1,310,109</u>	<u>\$ 2,385,222</u>	<u>\$ (1,236,040)</u>	<u>\$ (1,150,951)</u>	<u>\$ 1,202,017</u>	<u>\$ 2,150,407</u>	<u>\$ 455,115</u>	<u>\$ 1,969,373</u>	<u>\$ 1,695,342</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>92.83%</u>	<u>86.53%</u>	<u>107.46%</u>	<u>107.95%</u>	<u>92.06%</u>	<u>84.73%</u>	<u>96.48%</u>	<u>84.63%</u>	<u>86.07%</u>
Covered Valuation Payroll	<u>\$ 3,456,551</u>	<u>\$ 3,436,935</u>	<u>\$ 3,145,618</u>	<u>\$ 2,626,569</u>	<u>\$ 2,876,401</u>	<u>\$ 2,704,646</u>	<u>\$ 2,550,221</u>	<u>\$ 2,693,845</u>	<u>\$ 2,430,144</u>
Net position liability as a percentage of covered valuation payroll	<u>37.90%</u>	<u>69.40%</u>	<u>-39.29%</u>	<u>-43.82%</u>	<u>41.79%</u>	<u>79.51%</u>	<u>17.85%</u>	<u>73.11%</u>	<u>69.76%</u>

CITY OF MASCOUTAH, ILLINOIS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

SLEP FUND

APRIL 30, 2024

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:									
Service Cost	\$ 21,016	\$ 19,243	\$ -	\$ 18,597	\$ 17,852	\$ 16,153	\$ -	\$ -	\$ -
Interest	45,893	43,031	36,317	38,764	36,952	35,490	34,263	62,622	61,336
Difference between expected and actual experience	3,638	14,523	83,939	(48,433)	5,242	5,278	19,931	(437,196)	5,343
Assumption changes	(6,074)	-	-	2,951	-	13,198	(12,364)	(25,209)	(6,781)
Benefit payments, including refunds	<u>(38,702)</u>	<u>(37,728)</u>	<u>(36,802)</u>	<u>(35,881)</u>	<u>(34,952)</u>	<u>(34,016)</u>	<u>(33,090)</u>	<u>(37,758)</u>	<u>(63,014)</u>
Net change in total pension liability	25,771	39,069	83,454	(24,002)	25,094	36,103	8,740	(437,541)	(3,116)
Total pension liability - beginning	<u>641,844</u>	<u>602,775</u>	<u>519,321</u>	<u>543,323</u>	<u>518,229</u>	<u>482,126</u>	<u>473,386</u>	<u>910,927</u>	<u>914,043</u>
Total pension liability - ending	<u>\$ 667,615</u>	<u>\$ 641,844</u>	<u>\$ 602,775</u>	<u>\$ 519,321</u>	<u>\$ 543,323</u>	<u>\$ 518,229</u>	<u>\$ 482,126</u>	<u>\$ 473,386</u>	<u>\$ 910,927</u>
Plan Fiduciary Net Position									
Contributions - employer	37,518	14,435	37,753	32,273	31,907	12,976	17,077	45,381	45,891
Contributions - employee	8,623	8,710	8,487	7,157	7,525	7,329	5,700	-	-
Net investment income	29,972	(83,020)	56,576	39,942	46,241	(40,423)	45,837	37,131	2,645
Benefit payments, including refunds	(38,702)	(37,728)	(36,802)	(35,881)	(34,952)	(34,016)	(33,090)	(37,758)	(63,014)
Other	<u>6,834</u>	<u>1,226</u>	<u>(379)</u>	<u>5,251</u>	<u>1,166</u>	<u>13,804</u>	<u>(10,841)</u>	<u>(420,533)</u>	<u>33,795</u>
Net change in plan fiduciary net position	44,245	(96,377)	65,635	48,742	51,887	(40,330)	24,683	(375,779)	19,317
Plan fiduciary net position - beginning	<u>235,264</u>	<u>331,641</u>	<u>266,006</u>	<u>217,264</u>	<u>165,377</u>	<u>205,707</u>	<u>181,024</u>	<u>556,803</u>	<u>537,486</u>
Plan fiduciary net position - ending	<u>\$ 279,509</u>	<u>\$ 235,264</u>	<u>\$ 331,641</u>	<u>\$ 266,006</u>	<u>\$ 217,264</u>	<u>\$ 165,377</u>	<u>\$ 205,707</u>	<u>\$ 181,024</u>	<u>\$ 556,803</u>
Net Pension Liability	<u>\$ 388,106</u>	<u>\$ 406,580</u>	<u>\$ 271,134</u>	<u>\$ 253,315</u>	<u>\$ 326,059</u>	<u>\$ 352,852</u>	<u>\$ 276,419</u>	<u>\$ 292,362</u>	<u>\$ 354,124</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>41.87%</u>	<u>36.65%</u>	<u>55.02%</u>	<u>51.22%</u>	<u>39.99%</u>	<u>31.91%</u>	<u>42.67%</u>	<u>38.24%</u>	<u>61.12%</u>
Covered Valuation Payroll	<u>\$ 114,978</u>	<u>\$ 116,132</u>	<u>\$ 105,860</u>	<u>\$ 95,425</u>	<u>\$ 100,338</u>	<u>\$ 97,715</u>	<u>\$ 76,006</u>	<u>\$ -</u>	<u>\$ -</u>
Net position liability as a percentage of covered valuation payroll	<u>337.55%</u>	<u>350.10%</u>	<u>256.13%</u>	<u>265.46%</u>	<u>324.96%</u>	<u>361.10%</u>	<u>363.68%</u>	<u>0.00%</u>	<u>0.00%</u>

CITY OF MASCOUTAH, ILLINOIS

**SCHEDULE OF CONTRIBUTIONS
POLICE PENSION FUND
APRIL 30, 2024**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 358,622	\$ 387,887	\$ 370,579	\$ 326,232	\$ 258,193	\$ 243,092	\$ 267,716	\$ 268,325	\$ 263,248	\$ 268,829
Contributions in relation to actuarial determined contribution	<u>421,440</u>	<u>408,009</u>	<u>385,907</u>	<u>368,527</u>	<u>273,655</u>	<u>257,139</u>	<u>241,884</u>	<u>266,669</u>	<u>264,929</u>	<u>261,621</u>
Contribution deficiency (excess)	<u>\$ (62,818)</u>	<u>\$ (20,122)</u>	<u>\$ (15,328)</u>	<u>\$ (42,295)</u>	<u>\$ (15,462)</u>	<u>\$ (14,047)</u>	<u>\$ 25,832</u>	<u>\$ 1,656</u>	<u>\$ (1,681)</u>	<u>\$ 7,208</u>
 Covered-employee Payroll	 <u>1,252,111</u>	 <u>1,268,611</u>	 <u>1,217,054</u>	 <u>976,579</u>	 <u>876,013</u>	 <u>983,630</u>	 <u>952,669</u>	 <u>999,389</u>	 <u>950,533</u>	 <u>801,416</u>
 Contributions as a percentage of covered-employee payroll	 <u>33.66%</u>	 <u>32.16%</u>	 <u>31.71%</u>	 <u>37.74%</u>	 <u>31.24%</u>	 <u>26.14%</u>	 <u>25.39%</u>	 <u>26.68%</u>	 <u>27.87%</u>	 <u>32.64%</u>

Actuarial valuations are performed as of April 30 each year with the related contributions to be paid in the following year. Actuarial valuation date for above is April 30, 2022.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Projected Unit Credit
Amortization Method:	Level Percentage of Payroll
Remaining Amortization Period:	18 years
Asset Valuation Method:	5-Year Smoothed Fair Value
 Actuarial Assumptions:	
Investment Rate of Return	6.80%
Payroll Growth	3.00%
Inflation	2.50%

CITY OF MASCOUTAH, ILLINOIS

**SCHEDULE OF CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
APRIL 30, 2024**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 279,289	\$ 244,366	\$ 349,164	\$ 278,154	\$ 267,218	\$ 317,255	\$ 289,195	\$ 316,257	\$ 295,019
Contributions in relation to actuarial determined contribution	<u>279,290</u>	<u>244,366</u>	<u>372,182</u>	<u>278,154</u>	<u>267,217</u>	<u>325,428</u>	<u>313,655</u>	<u>316,257</u>	<u>295,019</u>
Contribution deficiency (excess)	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ (23,018)</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ (8,173)</u>	<u>\$ (24,460)</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered Valuation Payroll	 <u>3,456,551</u>	 <u>3,436,935</u>	 <u>3,145,618</u>	 <u>2,626,569</u>	 <u>2,876,401</u>	 <u>2,704,646</u>	 <u>2,550,221</u>	 <u>2,693,845</u>	 <u>2,430,144</u>
 Contributions as a percentage of covered valuation payroll	 <u>8.08%</u>	 <u>7.11%</u>	 <u>11.83%</u>	 <u>10.59%</u>	 <u>9.29%</u>	 <u>12.03%</u>	 <u>12.30%</u>	 <u>11.74%</u>	 <u>12.14%</u>

Actuarial valuation date for above is December 31, 2023.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	20 years
Asset Valuation Method:	5-Year smoothed market; 20% corridor
Actuarial Assumptions:	
Investment Rate of Return	7.25%
Wage Growth	2.75%
Price Inflation	2.25%

CITY OF MASCOUTAH, ILLINOIS

SCHEDULE OF CONTRIBUTIONS

SLEP FUND

APRIL 30, 2024

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarial Determined Contribution	\$ 37,517	\$ 14,435	\$ 35,283	\$ 32,273	\$ 31,907	\$ 12,977	\$ 10,154	\$ -	\$ -
Contributions in relation to actuarial determined contribution	<u>37,518</u>	<u>14,435</u>	<u>37,753</u>	<u>32,273</u>	<u>31,907</u>	<u>12,976</u>	<u>17,077</u>	<u>45,891</u>	<u>45,891</u>
Contribution deficiency (excess)	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ (2,470)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ (6,923)</u>	<u>\$ (45,891)</u>	<u>\$ (45,891)</u>
 Covered Valuation Payroll	 <u>114,978</u>	 <u>116,132</u>	 <u>105,860</u>	 <u>95,425</u>	 <u>100,338</u>	 <u>97,715</u>	 <u>76,006</u>	 <u>-</u>	 <u>-</u>
 Contributions as a percentage of covered valuation payroll	 <u>32.63%</u>	 <u>12.43%</u>	 <u>35.66%</u>	 <u>33.82%</u>	 <u>31.80%</u>	 <u>13.28%</u>	 <u>22.47%</u>	 <u>0.00%</u>	 <u>0.00%</u>

Actuarial valuation date for above is December 31, 2023.

The actuarial valuations presented are prepared using the following parameters:

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	20 years
Asset Valuation Method:	5-Year smoothed market; 20% corridor
 Actuarial Assumptions:	
Investment Rate of Return	7.25%
Wage Growth	2.75%
Price Inflation	2.25%

CITY OF MASCOUTAH, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND
APRIL 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual rate of return, net of investment expense	8.59%	1.24%	-5.51%	18.61%	3.19%	4.78%	4.88%	5.87%	-1.50%	5.41%

CITY OF MASCOUHAH, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
APRIL 30, 2024

	<u>Total Special Revenue</u>	<u>Debt Service</u>	<u>Permanent Fund Cemetery Trust</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Assets</u>				
Cash and Cash Equivalents	\$ 3,252,348	\$ 275,115	\$ -	\$ 3,527,463
Receivables (Net of Allowance for Doubtful Accounts):				
Property Tax	1,623,000	180,000	-	1,803,000
Intergovernmental	130,561	-	-	130,561
Other	102,372	-	-	102,372
Due from Other Funds	-	6,307	20,654	26,961
Restricted Cash and Investments	-	-	366,383	366,383
Total Assets	<u>\$ 5,108,281</u>	<u>\$ 461,422</u>	<u>\$ 387,037</u>	<u>\$ 5,956,740</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>				
Liabilities:				
Accrued Payroll and Benefits	\$ 31,490	\$ -	\$ -	\$ 31,490
Accounts Payable	51,384	-	-	51,384
Due to Other Funds	685,075	-	-	685,075
Total Liabilities	<u>767,949</u>	<u>-</u>	<u>-</u>	<u>767,949</u>
Deferred Inflows of Resources				
Deferred Property Tax	1,623,000	180,000	-	1,803,000
Unavailable Intergovernmental Revenue	33,861	-	-	33,861
Total Deferred Inflows of Resources	<u>1,656,861</u>	<u>180,000</u>	<u>-</u>	<u>1,836,861</u>
Fund Balances:				
Nonspendable	-	-	387,037	387,037
Restricted For:				
Debt Service	-	281,422	-	281,422
Revenue Restrictions	3,038,560	-	-	3,038,560
Unassigned	(355,089)	-	-	(355,089)
Total Fund Balances	<u>2,683,471</u>	<u>281,422</u>	<u>387,037</u>	<u>3,351,930</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 5,108,281</u>	<u>\$ 461,422</u>	<u>\$ 387,037</u>	<u>\$ 5,956,740</u>

CITY OF MASCOUTAH, ILLINOIS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2024

	Total Special Revenue	Debt Service	Permanent Fund Cemetery Trust	Total Nonmajor Governmental Funds
Revenues:				
Property Tax	\$ 1,658,525	\$ 177,369	\$ -	\$ 1,835,894
Intergovernmental	629,134	-	-	629,134
Licenses, Permits and Fees	27,138	-	-	27,138
Charges for Services	746,134	-	2,600	748,734
Fines and Forfeitures	241	-	-	241
Investment Income	26,191	2,921	13,417	42,529
Contributions	7,908	-	-	7,908
Miscellaneous	17,662	-	-	17,662
Total Revenues	<u>3,112,933</u>	<u>180,290</u>	<u>16,017</u>	<u>3,309,240</u>
Expenditures:				
Current:				
General Government	-	-	1,197	1,197
Public Safety	110,410	-	-	110,410
Streets and Highways	513,098	-	-	513,098
Cultural and Recreational	928,185	-	-	928,185
Capital Outlay	360,867	-	-	360,867
Debt Service:				
Principal	5,535	145,000	-	150,535
Interest and Fiscal Charges	8,440	32,981	-	41,421
Total Expenditures	<u>2,911,751</u>	<u>177,981</u>	<u>1,197</u>	<u>3,090,929</u>
Excess of Revenues Over Expenditures	201,182	2,309	14,820	218,311
Other Financing Sources (Uses):				
Transfers In	46,570	-	-	46,570
Transfers Out	<u>(158,091)</u>	<u>-</u>	<u>-</u>	<u>(158,091)</u>
Total Other Financing Sources (Uses)	<u>(111,521)</u>	<u>-</u>	<u>-</u>	<u>(111,521)</u>
Net Change in Fund Balances	89,661	2,309	14,820	106,790
Fund Balances, Beginning of Year	<u>2,593,810</u>	<u>279,113</u>	<u>372,217</u>	<u>3,245,140</u>
Fund Balances, End of Year	<u>\$ 2,683,471</u>	<u>\$ 281,422</u>	<u>\$ 387,037</u>	<u>\$ 3,351,930</u>

CITY OF MASCOUTAH, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
APRIL 30, 2024

	Fire	Ambulance	Playground & Recreation	Motor Fuel Tax	TIF #1	Mascoutah Business District	Main St. Business District	Public Library	Illinois Municipal Retirement	Special Service Area	Total
<u>Assets</u>											
Cash and Cash Equivalents	\$ 251,549	\$ 1,094,197	\$ 52,613	\$ 1,140,235	\$ 7	\$ 14,339	\$ 21,815	\$ 482,528	\$ 169,556	\$ 25,509	\$ 3,252,348
Receivables (Net of Allowance for Doubtful Accounts):											
Property Tax	175,000	400,000	381,000	-	-	-	-	482,000	185,000	-	1,623,000
Intergovernmental Accounts	-	-	-	31,484	-	23,870	75,207	-	-	-	130,561
	1,078	90,194	11,100	-	-	-	-	-	-	-	102,372
Total Assets	\$ 427,627	\$ 1,584,391	\$ 444,713	\$ 1,171,719	\$ 7	\$ 38,209	\$ 97,022	\$ 964,528	\$ 354,556	\$ 25,509	\$ 5,108,281
<u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u>											
<u>Liabilities:</u>											
Accrued Payroll and Benefits	\$ -	\$ 18,748	\$ 336	\$ -	\$ -	\$ -	\$ -	\$ 12,406	\$ -	\$ -	\$ 31,490
Accounts Payable	-	-	-	-	-	-	-	1,055	50,329	-	51,384
Due to Other Funds	300,000	-	240,000	-	131,100	-	-	-	-	13,975	685,075
Total Liabilities	300,000	18,748	240,336	-	131,100	-	-	13,461	50,329	13,975	767,949
<u>Deferred Inflows of Resources:</u>											
Deferred Property Tax	175,000	400,000	381,000	-	-	-	-	482,000	185,000	-	1,623,000
Unavailable Intergovernmental Revenue	-	-	-	-	-	8,566	25,295	-	-	-	33,861
Total Deferred Inflows of Resources	175,000	400,000	381,000	-	-	8,566	25,295	482,000	185,000	-	1,656,861
<u>Fund Balance (Deficit):</u>											
Restricted	-	1,165,643	-	1,171,719	-	29,643	71,727	469,067	119,227	11,534	3,038,560
Unassigned	(47,373)	-	(176,623)	-	(131,093)	-	-	-	-	-	(355,089)
Total Fund Balance (Deficit)	(47,373)	1,165,643	(176,623)	1,171,719	(131,093)	29,643	71,727	469,067	119,227	11,534	2,683,471
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 427,627	\$ 1,584,391	\$ 444,713	\$ 1,171,719	\$ 7	\$ 38,209	\$ 97,022	\$ 964,528	\$ 354,556	\$ 25,509	\$ 5,108,281

CITY OF MASCOUTAH, ILLINOIS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2024

	Fire	Ambulance	Playground & Recreation	Motor Fuel Tax	TIF #1	Mascoutah Business District	Main St. Business District	Public Library	Illinois Municipal Retirement	Special Service Area	Total
Revenues:											
Property Tax	\$ 165,506	\$ 545,805	\$ 304,541	\$ -	\$ -	\$ -	\$ -	\$ 449,724	\$ 174,329	\$ 18,620	\$ 1,658,525
Intergovernmental	-	-	-	419,598	-	103,889	71,727	33,920	-	-	629,134
Licenses, Permits and Fees	8,250	-	13,044	-	-	-	-	5,844	-	-	27,138
Charges for Services	-	568,541	175,588	-	-	-	-	2,005	-	-	746,134
Fines and Forfeitures	-	-	-	-	-	-	-	241	-	-	241
Investment Income	2,173	7,340	3,020	5,681	53	-	-	4,950	2,974	-	26,191
Contributions	-	-	-	-	-	-	-	7,908	-	-	7,908
Miscellaneous	-	-	1,000	-	-	-	-	16,662	-	-	17,662
Total Revenues	175,929	1,121,686	497,193	425,279	53	103,889	71,727	521,254	177,303	18,620	3,112,933
Expenditures:											
Current:											
Public Safety	110,410	-	-	-	-	-	-	-	-	-	110,410
Streets and Highways	-	-	-	513,098	-	-	-	-	-	-	513,098
Health & Welfare	-	985,216	-	-	-	-	-	-	-	-	985,216
Cultural and Recreational	-	-	426,368	-	-	-	-	501,817	-	-	928,185
Debt Service:											
Principal	-	-	-	-	-	-	-	-	-	5,535	5,535
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	8,440	8,440
Capital Outlay	-	-	219,423	141,444	-	-	-	-	-	-	360,867
Total Expenditures	110,410	985,216	645,791	654,542	-	-	-	501,817	-	13,975	2,911,751
Excess of Revenues Over Expenditures	65,519	136,470	(148,598)	(229,263)	53	103,889	71,727	19,437	177,303	4,645	201,182
Other Financing Sources (Uses):											
Transfers In	853	45,717	-	-	-	-	-	-	-	-	46,570
Transfers Out	-	-	-	-	-	-	-	-	(158,091)	-	(158,091)
Total Other Financing Sources (Uses)	853	45,717	-	-	-	-	-	-	(158,091)	-	(111,521)
Net Change in Fund Balances	66,372	182,187	(148,598)	(229,263)	53	103,889	71,727	19,437	19,212	4,645	89,661
Fund Balance (Deficit), Beginning of Year	(113,745)	983,456	(28,025)	1,400,982	(131,146)	(74,246)	-	449,630	100,015	6,889	2,593,810
Fund Balance (Deficit), End of Year	\$ (47,373)	\$ 1,165,643	\$ (176,623)	\$ 1,171,719	\$ (131,093)	\$ 29,643	\$ 71,727	\$ 469,067	\$ 119,227	\$ 11,534	\$ 2,683,471

CITY OF MASCOUTAH, ILLINOIS

**SCHEDULE OF TAX RATES, EXTENSIONS AND COLLECTIONS
APRIL 30, 2024**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Assessed Valuation	\$ 187,925,464	\$ 155,417,971	\$ 145,899,082	\$ 141,987,320	\$ 139,146,429	\$ 135,531,447	\$ 128,716,679	\$ 124,871,274	\$ 121,551,273	\$ 124,234,550
Tax Rates:										
General	\$ 0.2906	\$ 0.3489	\$ 0.3496	\$ 0.2624	\$ 0.3038	\$ 0.3120	\$ 0.3098	\$ 0.2891	\$ 0.3047	\$ 0.3904
Playground	0.2028	0.2002	0.1920	0.1948	0.1941	0.1865	0.1886	0.1841	0.1909	0.1771
Fire Protection	0.0932	0.1088	0.1125	0.1128	0.1189	0.1192	0.1197	0.1189	0.1251	0.1127
Ambulance	0.2129	0.2606	0.2762	0.3371	0.3525	0.3542	0.3605	0.3584	0.3075	0.2641
Police Pension	0.2289	0.2639	0.2674	0.2610	0.1977	0.1906	0.1889	0.2144	0.2189	0.2119
IMRF	0.0986	0.1146	0.1173	0.1177	0.1194	0.1203	0.1130	0.1106	0.1115	0.1019
Bond and Interest	0.0957	0.1166	0.1250	0.1291	0.1284	0.1319	0.1397	0.1446	0.1615	0.1620
Library	0.2566	0.2956	0.3002	0.2940	0.2868	0.2804	0.2867	0.2741	0.2888	0.2881
Total	\$ 1.4793	\$ 1.7092	\$ 1.7402	\$ 1.7089	\$ 1.7016	\$ 1.6951	\$ 1.7069	\$ 1.6942	\$ 1.7089	\$ 1.7082
Tax Extensions:										
General	\$ 546,111	\$ 542,253	\$ 510,063	\$ 372,575	\$ 422,727	\$ 422,858	\$ 398,764	\$ 361,003	\$ 370,367	\$ 485,012
Playground	381,113	311,147	280,126	276,591	270,083	252,766	242,760	229,888	232,041	220,019
Fire Protection	175,147	169,095	164,136	160,162	165,445	161,554	154,074	148,472	152,061	140,012
Ambulance	400,093	405,019	402,973	478,639	490,491	480,052	464,024	447,538	373,770	328,103
Police Pension	430,161	410,148	390,134	370,587	275,093	258,323	243,146	267,724	266,076	263,253
IMRF	185,295	178,109	171,140	167,119	166,141	163,044	145,450	138,108	135,530	126,595
Bond and Interest	179,845	181,217	182,374	183,306	178,664	178,766	179,817	180,564	196,305	201,260
Library	482,217	459,416	437,989	417,443	399,072	380,030	369,031	342,272	351,040	357,920
Total	\$ 2,779,982	\$ 2,656,404	\$ 2,538,935	\$ 2,426,422	\$ 2,367,716	\$ 2,297,393	\$ 2,197,066	\$ 2,115,569	\$ 2,077,190	\$ 2,122,174
Tax Collections	\$ -	\$ 2,664,390	\$ 2,523,336	\$ 2,402,211	\$ 2,345,476	\$ 2,281,529	\$ 2,185,941	\$ 2,108,020	\$ 2,065,972	2,111,440
Percentage Collected	<u>0.00%</u>	<u>100.30%</u>	<u>99.39%</u>	<u>99.00%</u>	<u>99.06%</u>	<u>99.31%</u>	<u>99.49%</u>	<u>99.64%</u>	<u>99.46%</u>	<u>99.49%</u>

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

To the Mayor and City Council
City of Mascoutah, 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 *Government 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 City of Mascoutah, Illinois as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Mascoutah, Illinois' basic financial statements, and have issued our report thereon dated November 11, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Mascoutah, Illinois' internal control over financial reporting (internal control) to determine the 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 City of Mascoutah, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Mascoutah, Illinois' 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 deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Mascoutah, Illinois' 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 determination of financial statement amounts. 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*.

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.

C. Q. Schuman & Company, LLC.

Certified Public Accountants
Alton, Illinois
November 11, 2024



C. J. SCHLOSSER
& COMPANY, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

David M. Bartosiak
Cindy A. Tefteller
Kevin J. Tepen

Trisha M. Shrewsberry
Kendra M. Sievers
Christopher D. Sobrino

**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE WITH TAX INCREMENT FINANCING ACT**

To the Mayor and City Council
City of Mascoutah, Illinois

We have audited, in accordance with accounting principles generally accepted in the United States of America, the accompanying financial statements of the City of Mascoutah, Illinois ("City"), which comprise the statement of net position as of April 30, 2024, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 11, 2024.

In connection with our audit, nothing came to our attention that caused us to believe that the City of Mascoutah, Illinois failed to comply with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act". In addition, nothing came to our attention that caused us to believe that, for the items not tested, the City of Mascoutah, Illinois was not in compliance with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act". However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City of Mascoutah, Illinois' noncompliance with the above referenced statute, insofar as they related to accounting matters

This report is intended solely for the information and use of the City of Mascoutah, Illinois and the Illinois Comptroller's Office and is not intended to be and should not be used by anyone other than those specified parties.

C. J. Schlosser & Company, L.L.C.

Certified Public Accountants
Alton, Illinois
November 11, 2024