

VILLAGE OF MACKINAW
Tazewell County, Illinois

Annual Financial Report

For the Fiscal Year Ended April 30, 2025

VILLAGE OF MACKINAW

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED APRIL 30, 2025

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VILLAGE OF MACKINAW

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED APRIL 30, 2025

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VILLAGE OF MACKINAW

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS



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INDEPENDENT AUDITOR'S REPORT

President and Board of Trustees
Village of Mackinaw
Tazewell County, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Mackinaw, Illinois ("Village"), as of and for the year ended April 30, 2025, and the related notes, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Village of Mackinaw, Illinois, as of April 30, 2025, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village, 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 these 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 Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 36 through 42, the Illinois Municipal Retirement Fund Multiyear Schedule of Changes in Net Pension Liability and Related Ratios on page 43, the Illinois Municipal Retirement Fund Multiyear Schedule of Employer Contributions and related notes on pages 44 and 45, and management's discussion and analysis be presented to supplement the basic financial statements. Such information, 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. Management has omitted the management's discussion and analysis information, and our opinion on the financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Village of Mackinaw, Illinois' basic financial statements. The budgetary comparison information on pages 36 through 42 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The budgetary comparison information is the responsibility of management and is derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We have applied certain limited procedures to the required supplementary information on pages 43 through 45 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.

Ginoli & Company Ltd

GINOLI & COMPANY LTD
Certified Public Accountants

Peoria, Illinois
February 10, 2026

VILLAGE OF MACKINAW

BASIC FINANCIAL STATEMENTS

VILLAGE OF MACKINAW
STATEMENT OF NET POSITION
APRIL 30, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 2,816,585	\$ 1,895,258	\$ 4,711,843
Certificates of Deposit	-	473,054	473,054
Receivables	596,827	93,147	689,974
Lease Receivable	10,096	-	10,096
Prepaid Expenses	55,186	21,300	76,486
Internal Balances	(6,935)	6,935	-
Total Current Assets	<u>\$ 3,471,759</u>	<u>\$ 2,489,694</u>	<u>\$ 5,961,453</u>
Non-Current Assets:			
Lease Receivable	\$ 421,275	\$ -	\$ 421,275
Capital Assets	3,096,169	8,608,531	11,704,700
Less: Accumulated Depreciation	(1,200,923)	(5,622,850)	(6,823,773)
Total Non-Current Assets	<u>\$ 2,316,521</u>	<u>\$ 2,985,681</u>	<u>\$ 5,302,202</u>
Total Assets	<u>\$ 5,788,280</u>	<u>\$ 5,475,375</u>	<u>\$ 11,263,655</u>
Deferred Outflows of Resources - IMRF	<u>\$ 294,691</u>	<u>\$ -</u>	<u>\$ 294,691</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 6,082,971</u>	<u>\$ 5,475,375</u>	<u>\$ 11,558,346</u>
LIABILITIES :			
Current Liabilities:			
Accounts Payable	\$ 46,553	\$ 4,538	\$ 51,091
Accrued Expenses	64,325	47,052	111,377
Subscription Payable - Current Portion	6,923	-	6,923
Lease Liability - Current Portion	927	1,852	2,779
Total Current Liabilities	<u>\$ 118,728</u>	<u>\$ 53,442</u>	<u>\$ 172,170</u>
Non-Current Liabilities:			
Subscription Payable - Non-Current Portion	\$ 22,684	\$ -	\$ 22,684
Net Pension Liability - IMRF	557,276	-	557,276
Lease Liability - Non-Current Portion	28,760	57,522	86,282
Total Non-Current Liabilities	<u>\$ 608,720</u>	<u>\$ 57,522</u>	<u>\$ 666,242</u>
Total Liabilities	<u>\$ 727,448</u>	<u>\$ 110,964</u>	<u>\$ 838,412</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows Related to Lease Receivable	\$ 431,371	\$ -	\$ 431,371
Deferred Amounts Related to IMRF	100,750	-	100,750
Unavailable Property Taxes	385,543	-	385,543
Total Deferred Inflows of Resources	<u>\$ 917,664</u>	<u>\$ -</u>	<u>\$ 917,664</u>
NET POSITION:			
Investment in Capital Assets, Net of Related Debt	\$ 1,865,559	\$ 2,926,307	\$ 4,791,866
Restricted For:			
Motor Fuel Tax	161,791	-	161,791
Business District Taxes	822,619	-	822,619
Unrestricted Net Position	<u>1,587,890</u>	<u>2,438,104</u>	<u>4,025,994</u>
Total Net Position	<u><u>\$ 4,437,859</u></u>	<u><u>\$ 5,364,411</u></u>	<u><u>\$ 9,802,270</u></u>

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

VILLAGE OF MACKINAW
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2025

	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
FUNCTIONS/PROGRAMS:							
Governmental Activities:							
General Government	\$ 807,096	\$ 195,301	\$ 310	\$ -	\$ (611,485)	\$ -	\$ (611,485)
Public Safety	507,841	64,731	11,383	-	(431,727)	-	(431,727)
Highways and Streets	347,786	-	-	-	(347,786)	-	(347,786)
Beautification and Recreation	79,324	-	-	-	(79,324)	-	(79,324)
Total Governmental Activities	<u>\$ 1,742,047</u>	<u>\$ 260,032</u>	<u>\$ 11,693</u>	<u>\$ -</u>	<u>\$ (1,470,322)</u>	<u>\$ -</u>	<u>\$ (1,470,322)</u>
Business-Type Activities:							
Water	\$ 727,568	\$ 803,933	\$ -	\$ -	\$ 76,365	\$ 76,365	\$ 76,365
Sewer	326,545	269,911	-	-	(56,634)	-	(56,634)
Total Business-Type Activities	<u>\$ 1,054,113</u>	<u>\$ 1,073,844</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,731</u>	<u>\$ 19,731</u>
Total	<u>\$ 2,796,160</u>	<u>\$ 1,333,876</u>	<u>\$ 11,693</u>	<u>\$ -</u>	<u>\$ (1,470,322)</u>	<u>\$ 19,731</u>	<u>\$ (1,450,591)</u>
GENERAL REVENUES:							
Taxes:							
Property				\$ 369,707	\$ -	\$ 369,707	
Business District				182,510	-	182,510	
Utility Taxes				136,486	-	136,486	
Income Taxes				333,935	-	333,935	
Sales Taxes				319,882	-	319,882	
Use Taxes				56,352		56,352	
Motor Fuel				84,928	-	84,928	
Replacement				14,791	-	14,791	
Video Gaming				31,153	-	31,153	
Net Gain on Disposition of Property				7,249	19,074	26,323	
American Rescue Plan Contribution Recognized				-	137,868	137,868	
Cell Tower Lease				8,762	-	8,762	
Miscellaneous				10,856	-	10,856	
Interest Income				86,210	56,794	143,004	
Total General Revenues and Transfers				<u>\$ 1,642,821</u>	<u>\$ 213,736</u>	<u>\$ 1,856,557</u>	
Change in Net Position				\$ 172,499	\$ 233,467	\$ 405,966	
Net Position - Beginning of Year				<u>4,265,360</u>	<u>5,130,944</u>	<u>9,396,304</u>	
Net Position - End of Year				<u>\$ 4,437,859</u>	<u>\$ 5,364,411</u>	<u>\$ 9,802,270</u>	

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

VILLAGE OF MACKINAW
BALANCE SHEET
GOVERNMENTAL FUNDS
APRIL 30, 2025

	General Fund	Economic Development Fund	Motor Fuel Tax Fund	Total
ASSETS:				
Cash and Cash Equivalents	\$ 2,414,513	\$ 247,072	\$ 155,000	\$ 2,816,585
Receivables	590,036	-	6,791	596,827
Lease Receivable	431,371	-	-	431,371
Prepaid Expenses	55,186	-	-	55,186
Due From Other Funds	11,683	-	-	11,683
 Total Assets	 \$ 3,502,789	 \$ 247,072	 \$ 161,791	 \$ 3,911,652
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:				
LIABILITIES:				
Accounts Payable	\$ 46,553	\$ -	\$ -	\$ 46,553
Accrued Expenses	64,325	-	-	64,325
Due to Other Funds	18,618	-	-	18,618
Total Liabilities	<u>\$ 129,496</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 129,496</u>
 DEFERRED INFLOWS OF RESOURCES:				
Deferred Inflows Related to Lease Receivable	\$ 431,371	\$ -	\$ -	\$ 431,371
Unavailable Property Taxes	<u>385,543</u>	<u>-</u>	<u>-</u>	<u>385,543</u>
Total Deferred Inflows of Resources	<u>\$ 816,914</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 816,914</u>
 FUND BALANCES:				
Nonspendable	\$ 55,186	\$ -	\$ -	\$ 55,186
Restricted	822,619	-	161,791	984,410
Committed	-	-	-	-
Assigned	275,340	247,072	-	522,412
Unassigned	<u>1,403,234</u>	<u>-</u>	<u>-</u>	<u>1,403,234</u>
 Total Fund Balances	 <u>\$ 2,556,379</u>	 <u>\$ 247,072</u>	 <u>\$ 161,791</u>	 <u>\$ 2,965,242</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
	<u>\$ 3,502,789</u>	<u>\$ 247,072</u>	<u>\$ 161,791</u>	<u>\$ 3,911,652</u>

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

VILLAGE OF MACKINAW
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
April 30, 2025

Total Governmental Fund Balances \$ 2,965,242

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in government activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.

Capital Asset Cost	\$ 3,096,169
Accumulated Depreciation	<u>(1,200,923)</u>
	1,895,246

Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the governmental funds.

Lease Liability - Current Portion	\$ (927)
Lease Liability - Non-Current Portion	(28,760)
Subscription Payable - Current Portion	(6,923)
Subscription Payable - Non-Current Portion	(22,684) (59,294)

The net pension liability and the related deferred outflows and inflows of resources reported in the Statement of Net Position, do not require the use of current financial resources and therefore are not reported in governmental funds.

Net Pension Liability - IMRF	\$ (557,276)
Deferred Outflows of Resources - IMRF	294,691
Deferred Inflows of Resources - IMRF	(100,750) (363,335)
Net Position of Governmental Activities	\$ 4,437,859

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

VILLAGE OF MACKINAW
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED APRIL 30, 2025

	General Fund	Police/ESDA Fund	Recreation Fund	Street & Bridge Fund	Economic Development Fund	Motor Fuel Tax Fund	Total Governmental Funds
REVENUES:							
Property Taxes	\$ 369,707	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 369,707
Business District Taxes	182,510						182,510
Utility Taxes	136,486						136,486
Intergovernmental	756,113					84,928	841,041
Police Protection	45,466						45,466
Fines	19,265						19,265
Donations/Grants	11,693						11,693
Interest Income	77,127				5,212	3,871	86,210
Garbage Service Income	150,939						150,939
Recycling	28,756						28,756
Licenses and Permits	6,586						6,586
Franchise Fees	9,020						9,020
Cell Tower Lease	8,762						8,762
Miscellaneous	9,121					1,735	10,856
Total Revenues	\$ 1,811,551	\$ -	\$ -	\$ -	\$ 5,212	\$ 90,534	\$ 1,907,297
EXPENDITURES:							
Current							
General Government	\$ 536,414	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 536,414
Public Safety	479,944	-	-	-	-	-	479,944
Highways and Streets	184,029	-	-	-	-	117,427	301,456
Beautification and Recreation	74,816	-	-	-	-	-	74,816
Capital Outlay	928,798	-	-	-	-	-	928,798
Total Expenditures	\$ 2,204,001	\$ -	\$ -	\$ -	\$ -	\$ 117,427	\$ 2,321,428
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (392,450)	\$ -	\$ -	\$ -	\$ 5,212	\$ (26,893)	\$ (414,131)
OTHER FINANCING SOURCES (USES):							
Net Proceeds from the Sale of Property	\$ 12,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,500
Subscription Based Information Asset Financing	46,462	-	-	-	-	-	46,462
Total Other Financing Sources (Uses)	\$ 58,962	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,962
Net Change in Fund Balances	\$ (333,488)	\$ -	\$ -	\$ -	\$ 5,212	\$ (26,893)	\$ (355,169)
Fund Balance - Beginning of Year, as previously presented	2,941,559	8,937	-	(60,629)	241,860	188,684	3,320,411
Change within the Financial Reporting Entity (combining fund)	(51,692)	(8,937)	-	60,629	-	-	-
Fund Balance - Beginning of Year (as adjusted)	2,889,867	-	-	-	241,860	188,684	3,320,411
Fund Balance - End of Year	\$ 2,556,379	\$ -	\$ -	\$ -	\$ 247,072	\$ 161,791	\$ 2,965,242

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

VILLAGE OF MACKINAW
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, 2025

Net Change in Fund Balances - Governmental Funds \$ (355,169)

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

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 as depreciation or amortization expense.

Capital Outlay	\$ 928,798
Depreciation and Amortization Expense	<u>(144,745)</u>
	784,053

Proceeds from the sale of capital assets provide current financial resources to the governmental funds. However, on the Statement of Activities, proceeds are netted against the remaining capitalized cost.

Net Proceeds from the Sale of Property	\$ (12,500)
Gain on Sale of Property	<u>7,249</u>
	(5,251)

The entering into of a subscription based information technology agreement provides current financial resources to governmental funds, but gives rise to a subscription liability on the Statement of Net Position.

Subscription Based Asset Financing	(46,462)
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Repayment of principal on non-current liabilities uses current financial resources of the governmental funds without affecting net position. The Statement of Activities does not reflect the repayment of principal as an expense.

Repayment of Lease Liability Principal	\$ 873
Repayment of Subscription Based Information Asset Financing	<u>16,855</u>
	17,728

Certain expenses reported in the Statement of Activities do not require the use of current financial resources, and therefore are not reported as expenditures in the governmental funds:

(Increase) Decrease in Net Pension Liability - IMRF	\$ (201,101)
(Decrease) Increase in Deferred Outflows of Resources - IMRF	<u>(59,547)</u>
(Increase) Decrease in Deferred Inflows of Resources - IMRF	<u>38,248</u>
	(222,400)

Change in Net Position of Governmental Activities \$ 172,499

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

VILLAGE OF MACKINAW
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
APRIL 30, 2025

	Water Fund	Sewer Fund	Total Proprietary Funds
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 1,565,343	\$ 329,915	\$ 1,895,258
Certificates of Deposit	473,054	-	473,054
Receivables	67,798	25,349	93,147
Prepaid Expenses	10,650	10,650	21,300
Due From Other Funds	18,618	-	18,618
Total Current Assets	<u>\$ 2,135,463</u>	<u>\$ 365,914</u>	<u>\$ 2,501,377</u>
NON-CURRENT ASSETS:			
Capital Assets:			
Land	\$ 40,789	\$ -	\$ 40,789
Buildings and Equipment	6,752,126	1,815,616	8,567,742
Total	<u>\$ 6,792,915</u>	<u>\$ 1,815,616</u>	<u>\$ 8,608,531</u>
Less Accumulated Depreciation	(4,802,149)	(820,701)	(5,622,850)
Total Noncurrent Assets	<u>\$ 1,990,766</u>	<u>\$ 994,915</u>	<u>\$ 2,985,681</u>
Total Assets	<u><u>\$ 4,126,229</u></u>	<u><u>\$ 1,360,829</u></u>	<u><u>\$ 5,487,058</u></u>
LIABILITIES AND NET POSITION:			
Current Liabilities:			
Accounts Payable	\$ 4,538	\$ -	\$ 4,538
Accrued Expenses	32,276	14,776	47,052
Lease Liability - Current Portion	926	926	1,852
Due to Other Funds	7,655	4,028	11,683
Total Current Liabilities	<u>\$ 45,395</u>	<u>\$ 19,730</u>	<u>\$ 65,125</u>
Non-Current Liabilities:			
Lease Liability - Non-Current Portion	\$ 28,761	\$ 28,761	\$ 57,522
Total Liabilities	<u><u>\$ 74,156</u></u>	<u><u>\$ 48,491</u></u>	<u><u>\$ 122,647</u></u>
NET POSITION:			
Investment in Capital Assets, Net of Related Debt	\$ 1,961,079	\$ 965,228	\$ 2,926,307
Unrestricted	2,090,994	347,110	2,438,104
Total Net Position	<u>\$ 4,052,073</u>	<u>\$ 1,312,338</u>	<u>\$ 5,364,411</u>
Total Liabilities and Net Position	<u><u>\$ 4,126,229</u></u>	<u><u>\$ 1,360,829</u></u>	<u><u>\$ 5,487,058</u></u>

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

VILLAGE OF MACKINAW
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED APRIL 30, 2025

	Water Fund	Sewer Fund	Total Proprietary Funds
OPERATING REVENUES:			
Water and Sewer Revenue	\$ 803,933	\$ 269,911	<u>\$ 1,073,844</u>
OPERATING EXPENSES:			
Personal Services	\$ 217,537	137,113	\$ 354,650
Contractual Services	148,009	94,748	242,757
Supplies and Materials	121,710	18,383	140,093
Depreciation and Amortization Expense	240,312	76,301	316,613
Total Operating Expenses	<u>\$ 727,568</u>	<u>\$ 326,545</u>	<u>\$ 1,054,113</u>
Operating Loss	\$ 76,365	\$ (56,634)	\$ 19,731
NON-OPERATING REVENUES:			
American Rescue Plan Contribution Recognized	\$ 137,868	\$ -	\$ 137,868
Gain on Disposition of Equipment	10,000	9,074	19,074
Interest Income	48,341	8,453	56,794
Total Non-Operating Revenues	<u>\$ 196,209</u>	<u>\$ 17,527</u>	<u>\$ 213,736</u>
Net Income (Loss) Before Transfers	\$ 272,574	\$ (39,107)	\$ 233,467
Transfers From (To) Other Funds	-	-	-
Change in Net Position	\$ 272,574	\$ (39,107)	\$ 233,467
Net Position - Beginning of Year	<u>3,779,499</u>	<u>1,351,445</u>	<u>5,130,944</u>
Net Position - End of Year	<u>\$ 4,052,073</u>	<u>\$ 1,312,338</u>	<u>\$ 5,364,411</u>

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

VILLAGE OF MACKINAW
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED APRIL 30, 2025

	Water Fund	Sewer Fund	Total Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers	\$ 796,203	\$ 266,783	\$ 1,062,986
Payments to/on behalf of employees	(213,027)	(134,973)	(348,000)
Payments to suppliers for goods/services	(287,800)	(121,156)	(408,956)
Net Cash Provided (Used) by Operating Activities	<u>\$ 295,376</u>	<u>\$ 10,654</u>	<u>\$ 306,030</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Net Advances from (to) Other Funds	\$ (50)	\$ (882)	\$ (932)
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>\$ (50)</u>	<u>\$ (882)</u>	<u>\$ (932)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of Capital Assets	\$ (61,719)	\$ (50,467)	\$ (112,186)
Principal Payments on Lease Liability	(873)	(873)	(1,746)
Proceeds from Sale of Equipment	10,000	10,000	20,000
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>\$ (52,592)</u>	<u>\$ (41,340)</u>	<u>\$ (93,932)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Income	\$ 48,341	\$ 8,453	\$ 56,794
Net Reinvestments in Certificates of Deposit	(20,568)	-	(20,568)
Net Cash Provided (Used) by Investing Activities	<u>\$ 27,773</u>	<u>\$ 8,453</u>	<u>\$ 36,226</u>
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 270,507	\$ (23,115)	\$ 247,392
Cash and Cash Equivalents - Beginning of Year	<u>1,294,836</u>	<u>353,030</u>	<u>1,647,866</u>
Cash and Cash Equivalents - End of Year	<u>\$ 1,565,343</u>	<u>\$ 329,915</u>	<u>\$ 1,895,258</u>
Reconciliation of Operating Loss to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ 76,365	\$ (56,634)	\$ 19,731
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	240,312	76,301	316,613
Accounts Receivable	(7,730)	(3,128)	(10,858)
Prepaid Expenses	(1,050)	(2,058)	(3,108)
Accounts Payable	(17,031)	(5,967)	(22,998)
Accrued Expenses	<u>4,510</u>	<u>2,140</u>	<u>6,650</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 295,376</u>	<u>\$ 10,654</u>	<u>\$ 306,030</u>

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

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Village of Mackinaw ("Village") is located in Tazewell County, Illinois and operates under a locally elected governing board of trustees and provides services to residents of the Village including: public safety, public works, recreation, sewer and water operations, and general development and maintenance.

The Village has developed criteria to determine whether outside agencies with activities which benefit the citizens of the Village should be included as component units within the Village's financial reporting entity. The criteria include, but are not limited to, whether the Village exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), scope of public service, and special financing relationships. Based on these criteria, the Village has no component units.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information on all of the Village's non-fiduciary activities. Governmental activities include programs supported primarily by taxes, grants and other revenues. Business-type activities are generally financed in whole or in part with fees charged to external customers.

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 and (2) grants and contributions used to meet operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Following the government-wide financial statements are separate financial statements for governmental funds and proprietary funds. Governmental funds are reported as separate columns in the fund financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are non-operating.

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

C. Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements: The government-wide financial statements, as well as the proprietary funds, use the economic resources measurement focus and the accrual basis of accounting. 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 for budgetary purposes. They are recorded as a receivable at the end of the fiscal year offset by a deferred inflow of resources, as the recognition of revenue is deferred until the year it is intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements: Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded as soon as they are both measurable and available. Revenues are considered to be measurable and available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes are collected after 60 days of year end and are accounted for the same in both the government-wide and governmental fund financial statements. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

The accounts of the Village are organized on the basis of funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues, and expenditures or expenses, as appropriate. Funds are organized into two major categories: governmental and proprietary. An emphasis is placed on major funds within the governmental and proprietary categories. All of the governmental funds are considered major by the Village.

Governmental Funds:

General Fund – The General Fund is the general operating fund of the Village. It is used to account for all financial resources not accounted for in another fund including general government services, police and public safety, recreation, and street and bridge maintenance.

Economic Development Fund – The Economic Development Fund is used to account for loans to Village businesses.

Motor Fuel Tax Fund – The Motor Fuel Tax Fund is used to account for motor fuel taxes received and associated expenditures authorized by the Illinois Department of Transportation. It is also used for Rebuild Illinois Funds received and associated expenditures.

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

C. Basis of Accounting and Financial Statement Presentation – continued

Proprietary Funds:

Water and Sewer Funds – The Water and Sewer Funds are used to account for revenues from user fees of the Village's water and sewer systems and for expenditures to operate the system.

D. Cash and Cash Equivalents

The Village considers highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

E. Certificates of Deposit

The Village's certificates of deposit are recorded at cost, which approximates fair value.

F. Receivables

Receivables in the governmental funds result principally from taxes collected before the end of the fiscal year by other governmental entities and not remitted to the Village until after the fiscal year end. Property taxes levied to be used in the next fiscal year are also included in receivables. Receivables in the water and sewer funds consist of billings to residents for water and sewer use. An allowance for uncollectible accounts is not deemed necessary.

G. Inventories

Inventories of supplies are not of a materially substantial amount and are not reflected in these financial statements.

H. Prepaid Expenses

Certain payments to vendors for services that will benefit future accounting periods are recorded as prepaid expenses. An expense is reported in the year in which the services are consumed.

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

I. Capital Assets

Capital assets, which include land, buildings, improvements (other than buildings), and machinery and equipment are reported in the government-wide financial statements. Capital assets are reported at cost (or estimated historical cost) using a \$2,500 threshold for vehicles and equipment, \$10,000 for buildings and improvements, and \$50,000 for infrastructure.

Donated or annexed capital assets are recorded at estimated market value at the date of donation or annexation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Depreciation is recorded in the government-wide financial statements on a straight-line basis over estimated useful life of the assets, as determined by judgement and past history of similar assets, as follows:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	15-40 years
New Infrastructure	40-50 years
Road Improvements	10-25 years
Vehicles	5 years
Furniture, tools, and equipment	5-10 years

J. Interfund Balances

The Village utilizes a common checking account, for convenience purposes, to make expenditures. At the end of the fiscal year, any unreimbursed expenditures of a fund in excess of transfers from the General Fund (common checking account) are shown as an interfund loan to or from the General Fund. All interfund activity is eliminated in these financial statements except for payments for services and the net residual amounts due between governmental and business-type activities, which are presented as internal balances. On the governmental funds balance sheet, receivables and payables resulting from short term loans among the funds are classified as due from/to other funds. Transfers are reported as transfers in and transfers out on the statement of revenues, expenditures, and changes in fund balances.

K. Deferred Outflows and Inflows of Resources

Deferred outflows represent a consumption of net position that is applicable to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources represent future IMRF pension expense.

Deferred inflows of resources represent an acquisition of net position/fund balance that is applicable to future periods and will not be recognized as an inflow of resources (revenue/reduction of expense) until then. Deferred inflows of resources represent property taxes levied for the next fiscal year and recorded as a receivable as of the end of the fiscal year, future reduction in IMRF pension expense, and future lease revenue.

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

L. Fund Equity

The Village followed GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. Fund equity at the governmental fund financial reporting level is classified as “fund balance”. Fund equity for proprietary funds is classified as “net position”.

Governmental Fund Balances

Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Village is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (prepaid expenses or long-term amounts due) or (b) legally or contractually required to be maintained intact (such as an endowment fund).

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action (resolution or ordinance) of the Village Board of Trustees, the highest level of decision-making authority. Only the Village Board of Trustees may modify or rescind the commitment.

Assigned – Fund balances are reported as assigned when amounts are constrained by the Village’s intent to be used for specific purposes but are neither restricted nor committed. Only the Village Board of Trustees may assign fund balances. The assigned fund balance in the General Fund represents amounts the Board intends to use for various improvements, equipment/vehicle replacements, and property purchases.

Unassigned – Fund balances are reported as unassigned when the balances do not meet any of the above criterion. The Village reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

Fund Balance Flow Assumptions

When both restricted and unrestricted amounts of fund balance are available to use for expenditures incurred, it is the Village’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Village’s policy to use fund balance in the following order:

Committed
Assigned
Unassigned

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

M. Net Position

As noted previously, equity for government-wide and proprietary fund financial statements is classified as net position and displayed in three components:

1. Invested in capital assets, net of related debt – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisitions, construction, or improvement of those assets.
2. Restricted – Consists of net position with constraints placed on the use either by (a) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) enabling legislation. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. Restricted net position for Business District Taxes is the only net position restricted by enabling legislation.
3. Unrestricted net position – All other net position not included in the above two categories.

The Village applies restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted are available.

N. Compensated Absences

Village policy may allow employees to accumulate earned but unused vacation and sick day benefits. These accumulations are recorded as expenses and liabilities of the appropriate fund in the fiscal year earned.

O. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and notes. Actual results could differ from these estimates.

P. Changes within the Financial Reporting Entity

Beginning with fiscal year ending April 30, 2025, the Village started to report activity related to the former Police/ESDA, Recreation, and Street & Bridge funds in the General Fund since a majority of the expenditures in these funds were supported by transfers from the General Fund and to better match the underlying accounting system used by the Village. See the Statement of Revenues, Expenditures, and Changes in Fund Balance for the beginning of the fiscal year fund balances included in the General Fund.

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 2: DEPOSITS AND INVESTMENTS

Illinois statutes authorize the Village to invest in, among other things, demand deposit accounts (checking, money market) and time deposits (certificates of deposit) with qualified financial institutions. These are the only types of accounts the Village has at April 30, 2025. At April 30, 2025, the government-wide carrying amount of the Village's deposits totaled \$5,184,597, which excludes \$300 in petty cash funds that are included in Cash and Cash Equivalents on the Statement of Net Position.

Custodial Credit Risk – Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it or that the Village will not be able to recover collateral securities in the possession of an outside party. The Village's investment policy requires collateralization for account balances in excess of insured limits. Of the Village's deposits, \$748,397 was covered by FDIC insurance; \$1,362,998 was covered by securities held by the bank's agent, but not in the Village's name; and the remaining balance of \$3,073,202 was covered by an irrevocable letter of credit from the Federal Home Loan Bank of Chicago not to exceed \$3,750,000.

NOTE 3: PROPERTY TAXES

The Village's property tax is levied each year on all taxable real property located in the Village on or before the last Tuesday in December. The 2023 tax levy, which represents the taxes collected during the fiscal year ending April 30, 2025, was passed by the Village Board on December 11, 2023. Property taxes attach as an enforceable lien on property as of January 1 of the levy year and are payable in two installments in June and September of the year following the year of levy. The Village receives significant distributions of tax receipts approximately one month after these due dates.

NOTE 4: RECEIVABLES

	Governmental	Business-Type
Property Taxes	\$385,543	\$ -
Intergovernmental	182,792	- -
Charges for Services	17,445	- -
Utilities	11,047	- -
Water and Sewer Billings	- -	93,147
Totals	<u><u>\$596,827</u></u>	<u><u>\$93,147</u></u>

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 5: DUE TO/FROM OTHER GOVERNMENTAL FUNDS AND TRANSFERS

<u>Due to</u>	<u>Due from</u>	<u>Amount</u>
General Fund	Water Fund	\$ 7,655
General Fund	Sewer Fund	\$ 4,028
Water Fund	General Fund	\$18,618

The above balances are not expected to necessarily be repaid within the next fiscal year.

NOTE 6: GARBAGE DISPOSAL

In a prior fiscal year, the Village entered into an agreement with a waste disposal service for the collection of garbage from residents within the Village limits. The agreement is effective July 1, 2021 through June 30, 2026, and residents are billed monthly for this cost plus an additional \$3 administrative fee. The revenue and expenses associated with this are reported in the General Fund.

NOTE 7: INTERGOVERNMENTAL AGREEMENTS

The Village has entered into an agreement with Mackinaw Township to provide recreation services to residents of the Village and Township. The Township will reimburse the Village \$5,001 for office and maintenance expenses. This agreement is renewable each year.

In fiscal year 2021, the Village entered into an agreement with Deer Creek-Mackinaw CUSD 701 ("school district") to provide a School Resource Officer to the school district. The agreement automatically renews unless either party requests termination. The agreement provides that the school district pay an amount to cover wages, payroll taxes, and employee benefits for 104 school days, payable in two installments with the first being due in December and the second due the following June. The Village recognized \$40,466 in revenue in fiscal year 2025 under this agreement.

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 8: CAPITAL ASSET ACTIVITY

Capital asset activity for the year ended April 30, 2025 is as follows:

	<u>Balance</u>			<u>Balance</u>
	<u>May 1, 2024</u>	<u>Additions</u>	<u>Retirements</u>	<u>April 30, 2025</u>
Governmental Activities:				
Land	<u>\$ 53,240</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,240</u>
Capital Assets Subject to Depreciation:				
Buildings/Improvements	<u>\$ 669,680</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 669,680</u>
Infrastructure	<u>837,935</u>	<u>831,869</u>	<u>-</u>	<u>1,669,804</u>
Equipment	<u>293,537</u>	<u>50,467</u>	<u>12,977</u>	<u>331,027</u>
Subscription Based Assets	<u>-</u>	<u>46,462</u>	<u>-</u>	<u>46,462</u>
Leased Equipment	<u>39,980</u>	<u>-</u>	<u>-</u>	<u>39,980</u>
Vehicles	<u>293,976</u>	<u>-</u>	<u>8,000</u>	<u>285,976</u>
Total Capital Assets Subject to Depreciation	<u>\$ 2,135,108</u>	<u>\$ 928,798</u>	<u>\$ 20,977</u>	<u>\$ 3,042,929</u>
Less Accumulated Depreciation	<u><u>\$ (1,071,904)</u></u>	<u><u>\$ (144,745)</u></u>	<u><u>\$ (15,726)</u></u>	<u><u>\$ (1,200,923)</u></u>
Total Capital Assets Subject to Depreciation, Net	<u><u>\$ 1,063,204</u></u>	<u><u>\$ 784,053</u></u>	<u><u>\$ 5,251</u></u>	<u><u>\$ 1,842,006</u></u>
Governmental Activities				
Capital Assets, Net	<u><u>\$ 1,116,444</u></u>	<u><u>\$ 784,053</u></u>	<u><u>\$ 5,251</u></u>	<u><u>\$ 1,895,246</u></u>
Depreciation expense was charged to governmental activities as follows:				
General Government			<u>\$48,282</u>	
Public Safety			<u>44,752</u>	
Highways and Streets			<u>47,203</u>	
Beautification and Recreation			<u>4,508</u>	
Total Depreciation Expense-Governmental Activities			<u><u>\$144,745</u></u>	

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 8: CAPITAL ASSET ACTIVITY - continued

	<u>Balance</u>			<u>Balance</u>
	<u>May 1, 2024</u>	<u>Additions</u>	<u>Retirements</u>	<u>April 30, 2025</u>
Business-Type Activities:				
Land	<u>\$ 40,789</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,789</u>
Capital Assets Subject to Depreciation:				
Sewage Treatment Facilities	<u>\$ 1,522,465</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,522,465</u>
Water Facilities	<u>6,032,852</u>	<u>-</u>	<u>-</u>	<u>6,032,852</u>
Infrastructure	<u>188,469</u>	<u>11,252</u>	<u>-</u>	<u>199,721</u>
Leased Equipment	<u>79,960</u>	<u>-</u>	<u>-</u>	<u>79,960</u>
Machinery and Equipment	<u>665,764</u>	<u>100,934</u>	<u>33,954</u>	<u>732,743</u>
Total Capital Assets Subject to Depreciation	<u>\$ 8,489,510</u>	<u>\$ 112,186</u>	<u>\$ 33,954</u>	<u>\$ 8,567,742</u>
Less Accumulated Depreciation	<u>\$(5,339,266)</u>	<u>\$ (316,613)</u>	<u>\$ (33,029)</u>	<u>\$(5,622,850)</u>
Total Capital Assets Subject to Depreciation, Net	<u>\$ 3,150,244</u>	<u>\$ (204,427)</u>	<u>\$ 925</u>	<u>\$ 2,944,892</u>
Business-Type Activities				
Capital Assets, Net	<u>\$ 3,191,033</u>	<u>\$ (204,427)</u>	<u>\$ 925</u>	<u>\$ 2,985,681</u>

Depreciation expense was charged to business-type activities as follows:

Water	<u>\$240,312</u>
Sewer	<u>76,301</u>
Total Depreciation Expense-Business-Type Activities	<u>\$316,613</u>

NOTE 9: TAX ABATEMENTS

The Village negotiates sales tax abatements on an individual basis under provisions provided by Illinois Compiled Statutes. The Village has two sales tax abatement agreements as of April 30, 2024:

	<u>% of Sales</u>	<u>Amount</u>
	<u>Tax Rebated</u>	<u>Rebated</u>
Business #1	50%	\$10,456
Business #2	50%	5,585
Total Rebated		<u>\$16,041</u>

The purpose of these agreements is to assist businesses, and to provide economic development for the Village and the Village has not made any commitments as part of the above agreement other than to reduce taxes. The Village is not subject to any tax abatement agreements entered into by other government entities.

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 10: ILLINOIS MUNICIPAL RETIREMENT FUND

IMRF Plan Description

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

Benefits Provided

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

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

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

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

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 10: ILLINOIS MUNICIPAL RETIREMENT FUND – continued

Employees Covered by Benefit Terms

As of December 31, 2024, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	6
Inactive Plan Members entitled to but not yet receiving benefits	7
Active Plan Members	<u>10</u>
Total	23

Contributions

As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2024 was 10.56%. For the fiscal year ended April 30, 2025, the employer contributed \$69,045 to the plan. 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The Village's net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 10: ILLINOIS MUNICIPAL RETIREMENT FUND – continued

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2024:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.25%
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study of the period 2020-2022.
- For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021.
- For Disabled Retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- For Active Members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) 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 to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2024:

<u>Asset Class</u>	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	33.50%	4.35%
International Equity	18.00%	5.40%
Fixed Income	24.50%	5.20%
Real Estate	10.50%	6.40%
Alternative Investments	12.50%	4.85-6.25%
Cash Equivalents	<u>1.00%</u>	3.60%
Total	100.00%	

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 10: ILLINOIS MUNICIPAL RETIREMENT FUND – continued

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

- 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
- The 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 the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.08%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2023	\$ 2,139,353	\$ 1,783,178	\$ 356,175
Changes for the Year:			
Service Cost	\$ 63,562	\$ -	\$ 63,562
Interest on the Total Pension Liability	154,468	-	154,468
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual	-	-	-
Experience of the Total Pension Liability	93,372	-	93,372
Changes of Assumptions	-	-	-
Contributions - Employer	-	70,695	(70,695)
Contributions - Employee	-	30,125	(30,125)
Net Investment Income	-	169,460	(169,460)
Benefit Payments, Including Refunds			-
of Employee Contributions	(81,072)	(81,072)	-
Other (Net Transfer)	-	(159,979)	159,979
Net Changes	\$ 230,330	\$ 29,229	\$ 201,101
Balances at December 31, 2024	\$ 2,369,683	\$ 1,812,407	\$ 557,276

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 10: ILLINOIS MUNICIPAL RETIREMENT FUND – continued

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower 6.25%	Current Discount 7.25%	1% Higher 8.25%
Net Pension Liability	\$ 850,229	\$557,276	\$315,893

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2025, the Village recognized pension expense (income) of \$291,445. At April 30, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences Between Expected and Actual Experience	\$ 141,281	\$ 2,465
Changes in Assumptions	-	1,512
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	133,070	96,773
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	\$ 274,351	\$ 100,750
Pension Contributions Made Subsequent to the Measurement Date	20,340	-
Total Deferred Amounts Related to Pensions	\$ 294,691	\$ 100,750

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 10: ILLINOIS MUNICIPAL RETIREMENT FUND – continued

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending <u>December 31</u>	Net Deferred Outflows (Inflows) of Resources
2025	\$ 87,731
2026	89,361
2027	2,792
2028	(6,103)
Thereafter	<u>—</u>
Total	<u>\$ 173,781</u>

NOTE 11: LEASES

The Village entered into a new lease on December 12, 2022, for a new backhoe. The lease requires a down payment of \$25,000, 48 monthly payments of \$667 each, and a final balloon payment of \$85,000 on December 9, 2026. The lease carries a 5.95% interest rate as established by the leasing company. At the earlier of, the end of the lease term or 1,000 hours of use, the vendor has agreed to buy back the equipment for \$85,000. As of April 30, 2025, the total right-to-use lease asset is \$119,940 and accumulated amortization is \$69,964, allocated equally to the General, Water, and Sewer funds, which are the funds responsible for this obligation. Activity for the lease liability for the fiscal year ending April 30, 2025, and maturity schedule is as follows:

Lease Liability Activity	Governmental Activities		Business Type Activities			Total
	Street & Bridge	Water	Sewer			
Beg Balance May 1, 2024	\$ 30,560	\$ 30,560	\$ 30,560	\$ 30,560	\$ 30,560	\$ 91,680
Additions	-	-	-	-	-	-
Subtractions	(873)	(873)	(873)	(873)	(873)	(2,619)
End Balance April 30, 2025	<u>\$ 29,687</u>	<u>\$ 29,687</u>	<u>\$ 29,687</u>	<u>\$ 29,687</u>	<u>\$ 29,687</u>	<u>\$ 89,061</u>

Debt Service to Maturity Schedule For Fiscal Year Ending:	Governmental Activities		Business Type Activities		
	Principal	Interest	Principal	Interest	
April 30, 2026	\$ 927	\$ 1,741	\$ 1,852	\$ 3,483	
April 30, 2027	28,760	1,130	57,520	2,258	
Total	<u>\$ 29,687</u>	<u>\$ 2,871</u>	<u>\$ 59,372</u>	<u>\$ 5,741</u>	

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 11: LEASES – continued

In October of 2001, the Village entered into a lease agreement as the lessor to lease land for a cell tower with an initial term of 5 years and 4 automatic renewals for 5 years each. In April of 2023, the Village entered into a modified lease agreement extending the lease term for up to 6 more 5-year periods and increasing the monthly rent income to \$2,500 with 3% annual increases each anniversary date in October. It is reasonably estimated that the lessee will extend the lease term for 3 renewal periods of 5 years each. At the lease modification date in April of 2023, the present value of these payments using a 5% discount rate over the estimated lease term was \$447,868 and was recorded as a lease receivable offset by deferred inflows related to lease receivable. As payments are received, the lease receivable and related deferred inflow is reduced by the principal portion of the payment with the remaining portion being recorded as interest income. The Village received \$30,525 in lease payment for fiscal year ending April 30, 2025, of which \$21,812 was recorded as interest income and \$8,713 was recorded as a reduction to both the lease receivable and deferred inflows related to lease receivable.

NOTE 12: SUBSCRIPTION BASED TECHNOLOGY ASSETS

In June 2024, the Village entered into an agreement to acquire body cameras and related software for the police department. The agreement is for 60 months, requires an initial payment of \$16,855 and annual payments of averaging \$7,480 each over the next 4 years. In accordance with governmental accounting standards, the Village is recording a subscription-based asset and an offsetting subscription payable in the amount of \$46,462 based upon the present value of the payments using a discount rate of 5%, which is an appropriate discount rate for the Village. The subscription asset is being amortized on the straight-line basis over the 60 months of the agreement. Amortization expense and accumulated amortization recognized in and as of the fiscal year ending April 30, 2025, is \$7,744. The payments due under this agreement are as follows:

For Fiscal Year Ending:	Principal	Interest	Total
April 30, 2026	\$ 6,923	\$ 123	\$ 7,046
April 30, 2027	7,234	95	7,329
April 30, 2028	7,557	64	7,621
April 30, 2029	7,893	33	7,926
Total	\$ 29,607	\$ 315	\$ 29,922

NOTE13: COMMITMENTS AND CONTINGENCIES

The Village is subject to claims and investigations that arise out of the normal course of business and is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Commercial insurance is carried for all risks of loss, including worker's compensation and employee health and accident insurance. Settlements have not exceeded insurance coverage in each of the past three fiscal years.

continued

VILLAGE OF MACKINAW
NOTES TO FINANCIAL STATEMENTS

NOTE 14: SUBSEQUENT EVENTS

Subsequent events were evaluated through February 10, 2026, the date of the independent auditor's report. There were no subsequent events that required adjustment to or disclosure in the financial statements.

Concluded

VILLAGE OF MACKINAW

REQUIRED SUPPLEMENTAL INFORMATION

VILLAGE OF MACKINAW
REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULE-GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2025

	Budgeted Amounts		Actual Amounts	Over (Under)
	Original	Final		
REVENUES:				
Property Taxes	\$ 357,400	\$ 357,400	\$ 369,707	\$ 12,307
Business District Taxes	180,000	180,000	182,510	2,510
Utility Taxes	125,000	125,000	136,486	11,486
Sales Tax	290,000	290,000	319,882	29,882
Use Tax	65,000	65,000	56,352	(8,648)
Income Taxes	285,000	285,000	333,935	48,935
Replacement Tax	25,000	25,000	14,791	(10,209)
Video Gaming Tax	24,000	24,000	31,153	7,153
Donations/Grants	50,000	50,000	11,693	(38,307)
Interest Income	65,000	65,000	77,127	12,127
Garbage Service Income	148,000	148,000	150,939	2,939
Recycling	28,000	28,000	28,756	756
Licenses and Permits	6,000	6,000	6,586	586
Franchise Fees	4,500	4,500	9,020	4,520
Cell Tower Lease	30,000	30,000	8,762	(21,238)
Fines	25,000	25,000	19,265	(5,735)
Protection Revenue	-	-	45,466	45,466
Intergovernmental - Mackinaw Township	5,001	5,001	-	(5,001)
Miscellaneous	35,100	35,100	9,121	(25,979)
 Total Revenues	 \$1,748,001	 \$1,748,001	 \$ 1,811,551	 \$ 63,550

continued

VILLAGE OF MACKINAW
REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULE-GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2025

	Budgeted Amounts		Actual Amounts	Over (Under)		
	Original	Final				
EXPENDITURES:						
Current:						
General Government:						
Salaries - President, Trustees, Employees	\$ 82,000	\$ 82,000	\$ 72,350	\$ (9,650)		
FICA - Village Portion	50,000	50,000	57,939	7,939		
IMRF - Village Portion	45,000	45,000	50,660	5,660		
Employee Insurance	100,000	100,000	74,346	(25,654)		
Unemployment Compensation	10,000	10,000	1,741	(8,259)		
Liability Insurance	14,167	14,167	15,795	1,628		
Legal Fees	17,000	17,000	11,429	(5,571)		
Office Expense	19,500	19,500	5,857	(13,643)		
Telephone	5,000	5,000	6,140	1,140		
Utilities	9,800	9,800	7,361	(2,439)		
Publications and Printing	2,000	2,000	250	(1,750)		
Repairs and Maintenance	29,000	29,000	3,490	(25,510)		
Postage and Shipping	1,500	1,500	415	(1,085)		
Dues	1,000	1,000	560	(440)		
Sales Tax Rebates	20,000	20,000	16,041	(3,959)		
Animal Control	2,500	2,500	2,569	69		
Garbage Disposal and Landfill Charges	136,200	136,200	134,065	(2,135)		
Software and Support	14,000	14,000	4,289	(9,711)		
Internet Website Maintenance	3,200	3,200	1,045	(2,155)		
Training	2,000	2,000	-	(2,000)		
Travel and Lodging	2,000	2,000	-	(2,000)		
Recycling Program	50,000	50,000	35,757	(14,243)		
Audit and Accounting	9,000	9,000	12,150	3,150		
Donations/Grant Expenditures	-	-	500	500		
Developer Rebates	15,000	15,000	9,455	(5,545)		
Downtown Business District Expenses	170,000	170,000	5,955	(164,045)		
Industrial Park Business District Expense	200,000	200,000	(3,388)	(203,388)		
First Street Business District Expenses	400,000	400,000	-	(400,000)		
Miscellaneous and Contingency	10,500	10,500	9,643	(857)		
Total General Government	<u>\$ 1,420,367</u>	<u>\$ 1,420,367</u>	<u>\$ 536,414</u>	<u>\$ (883,953)</u>		

continued

VILLAGE OF MACKINAW
REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULE-GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2025

	Budgeted Amounts		Actual Amounts	Over (Under)
	Original	Final		
EXPENDITURES (CONTINUED):				
Current:				
Public Safety:				
Salaries	\$ 300,000	\$ 300,000	\$ 299,977	\$ (23)
Employee Insurance	3,750	3,750	2,375	(1,375)
Uniform Allowance	10,000	10,000	3,766	(6,234)
Liability Insurance	14,167	14,167	15,796	1,629
Legal Fees	5,000	5,000	6,546	1,546
Training and Education	2,500	2,500	835	(1,665)
Donations/Grant Expenditures	7,500	7,500	156	(7,344)
Office Expense	12,000	12,000	5,290	(6,710)
Telephone	7,750	7,750	5,013	(2,737)
Utilities	6,750	6,750	5,601	(1,149)
Publications and Printing	1,250	1,250	588	(662)
Repairs and Maintenance	27,200	27,200	14,992	(12,208)
Postage and Shipping	500	500	238	(262)
Dues	1,500	1,500	1,170	(330)
Software and Support	9,000	9,000	7,144	(1,856)
Travel and Lodging	2,500	2,500	-	(2,500)
Central Dispatch Service	40,000	40,000	21,892	(18,108)
Fuel	14,000	14,000	9,358	(4,642)
Small Equipment and Supplies	3,000	3,000	26,241	23,241
ESDA Expense	51,467	51,467	32,896	(18,571)
Miscellaneous and Contingency	3,850	3,850	3,215	(635)
Payments on Subscription Based Information Asset	17,000	17,000	16,855	(145)
Total Public Safety	\$ 540,684	\$ 540,684	\$ 479,944	\$ (60,740)
Highways and Streets:				
Salaries	\$ 95,000	\$ 95,000	\$ 99,379	\$ 4,379
Employee Insurance	2,500	2,500	811	(1,689)
Liability Insurance	14,167	14,167	14,764	597
Street Lighting	32,000	32,000	23,289	(8,711)
Office Expense	3,000	3,000	130	(2,870)
Telephone	2,000	2,000	746	(1,254)
Utilities	6,000	6,000	2,078	(3,922)
Prop. and Equipment Repairs and Maintenance	25,000	25,000	9,281	(15,719)
Software and Support	3,500	3,500	816	(2,684)
Rentals (Includes Interest on Lease Liab)	7,332	7,332	2,820	(4,512)
Snow Removal	12,000	12,000	4,981	(7,019)
Fuel	8,000	8,000	5,757	(2,243)
Highway and Street Maintenance	410,000	410,000	14,863	(395,137)
Small Tools and Equipment	6,000	6,000	2,653	(3,347)
Miscellaneous and Contingency	9,000	9,000	788	(8,212)
Debt Service on Lease Liability	2,668	2,668	873	(1,795)
Total Highways and Streets	\$ 638,167	\$ 638,167	\$ 184,029	\$ (454,138)

continued

VILLAGE OF MACKINAW
REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULE-GENERAL FUND
FOR THE YEAR ENDED APRIL 30, 2025

	Budgeted Amounts		Actual Amounts	Over (Under)
	Original	Final		
EXPENDITURES (CONTINUED):				
Current:				
Beautification and Recreation:				
Community Center	\$ 78,900	\$ 78,900	\$ 18,647	\$ (60,253)
Recreation	36,000	36,000	15,956	(20,044)
Beautification	12,100	12,100	9,197	(2,903)
Park Maintenance	156,000	156,000	24,255	(131,745)
Sidewalk Repairs and Construction	70,000	70,000	6,761	(63,239)
Total Beautification and Recreation	<u>\$ 353,000</u>	<u>\$ 353,000</u>	<u>\$ 74,816</u>	<u>\$ (278,184)</u>
Capital Outlay	<u>1,085,500</u>	<u>1,085,500</u>	<u>928,798</u>	<u>(156,702)</u>
Total Expenditures	<u>\$ 4,037,718</u>	<u>\$ 4,037,718</u>	<u>\$ 2,204,001</u>	<u>\$ (1,833,717)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (2,289,717)</u>	<u>\$ (2,289,717)</u>	<u>\$ (392,450)</u>	<u>\$ 1,897,267</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from Disposal of Assets	\$ -	\$ -	\$ 12,500	\$ 12,500
Subscription Based Information Asset Financing	-	-	46,462	46,462
Total Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,962</u>	<u>\$ 58,962</u>
Net Change in Fund Balance	<u>\$ (2,289,717)</u>	<u>\$ (2,289,717)</u>	<u>\$ (333,488)</u>	<u>\$ 1,909,767</u>
Fund Balance - Beginning of Year (as adjusted)			<u>2,889,867</u>	
Fund Balance - End of Year			<u>\$ 2,556,379</u>	

Concluded

VILLAGE OF MACKINAW
REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULE-ECONOMIC DEVELOPMENT FUND
FOR THE YEAR ENDED APRIL 30, 2025

	Budgeted Amounts		Actual	
	Original	Final	Amounts	(Under)
REVENUES:				
Interest Income	\$ -	\$ -	\$ 5,212	\$ 5,212
Total Revenues	\$ -	\$ -	\$ 5,212	\$ 5,212
EXPENDITURES:				
Current:				
Business loans	\$ 100,000	\$ 100,000	\$ -	\$ (100,000)
Capital Outlay	11,000	11,000	-	(11,000)
Total Expenditures	\$ 111,000	\$ 111,000	\$ -	\$ (111,000)
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>\$(111,000)</u>	<u>\$(111,000)</u>	<u>\$ 5,212</u>	<u>\$ 116,212</u>
OTHER FINANCING SOURCES:				
Business Loan Principal Repayments	-	-	-	-
Net Change in Fund Balance	<u>\$(111,000)</u>	<u>\$(111,000)</u>	<u>\$ 5,212</u>	<u>\$ 116,212</u>
Fund Balance - Beginning of Year			<u>241,860</u>	
Fund Balance - End of Year			<u>\$ 247,072</u>	

VILLAGE OF MACKINAW
REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULE-MOTOR FUEL TAX FUND
FOR THE YEAR ENDED APRIL 30, 2025

	Budgeted Amounts	Actual	Over
	Original	Final	(Under)
REVENUES:			
Intergovernmental - Motor Fuel Taxes	\$ 85,000	\$ 85,000	\$ 84,928 \$ (72)
Interest Income	-	-	3,871 3,871
Miscellaneous	-	-	1,735 1,735
 Total Revenues	 \$ 85,000	 \$ 85,000	 \$ 90,534 \$ 5,534
EXPENDITURES:			
Current:			
Highways and Streets:			
Maintenance	\$ 235,000	\$ 235,000	\$ 117,427 \$ (117,573)
Capital Outlay	-	-	-
 Total Expenditures	 \$ 235,000	 \$ 235,000	 \$ 117,427 \$ (117,573)
 Excess (Deficiency) of Revenues	 \$ (150,000)	 \$ (150,000)	 \$ (26,893) \$ 123,107
OTHER FINANCING SOURCES (USES):			
Transfers from (to) Other Funds	\$ -	\$ -	\$ -
 Net Change in Fund Balance	 \$ (26,893)	 \$ 123,107	
 Fund Balance - Beginning of Year	 188,684		
 Fund Balance - End of Year	 \$ 161,791		

VILLAGE OF MACKINAW
NOTES TO BUDGETARY COMPARISON SCHEDULES

NOTE 1: APPROPRIATION ORDINANCE

The Village is allowed to enact an appropriation ordinance, in lieu of a formal budget. Ordinance #1057, the annual budget and appropriation ordinance, was adopted on June 10, 2024, for the fiscal year ending April 30, 2025.

The Village may not legally make expenditures from a Fund in excess of appropriations. For the fiscal year ending April 30, 2025, the Village made no expenditures in excess of appropriations. Appropriations are on essentially the same basis as these financial statements and expire at the end of the fiscal year.

VILLAGE OF MACKINAW
ILLINOIS MUNICIPAL RETIREMENT FUND
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Calendar Year Ended December 31,	Last 10 Calendar Years							
	2024	2023	2022	2021	2020	2019	2018	2017
Total Pension Liability								
Service Cost	\$ 63,562	\$ 50,918	\$ 45,256	\$ 37,958	\$ 41,703	\$ 39,231	\$ 40,002	\$ 41,023
Interest on Total Pension Liability	154,468	142,209	129,799	114,428	110,739	103,175	102,875	92,760
Benefit Changes	-	-	-	-	-	-	-	-
Difference Between Expected and Actual Experience of Total Pension Liability	93,372	47,121	62,962	121,258	(23,210)	22,565	(73,199)	91,378
Assumption Changes	-	(328)	-	-	(12,891)	-	43,238	(42,901)
Benefit Payments and Refunds	(81,072)	(73,222)	(66,131)	(64,429)	(62,736)	(61,026)	(61,149)	(32,629)
Net Change in Total Pension Liability	\$ 230,330	\$ 166,698	\$ 171,886	\$ 209,215	\$ 53,605	\$ 103,945	\$ 51,767	\$ 149,631
Total Pension Liability - Beginning	2,139,353	1,972,655	1,800,769	1,591,554	1,537,949	1,434,004	1,382,237	1,232,606
Total Pension Liability - Ending (A)	\$2,369,683	\$2,139,353	\$ 1,972,655	\$ 1,800,769	\$ 1,591,554	\$ 1,537,949	\$ 1,434,004	\$ 1,382,237
Plan Fiduciary Net Position								
Employer Contributions	\$ 70,695	\$ 68,489	\$ 52,644	\$ 51,725	\$ 51,415	\$ 44,811	\$ 41,131	\$ 52,936
Employee Contributions	30,125	28,250	23,548	18,621	18,348	17,581	16,250	17,676
Pension Plan Net Investment Income	169,460	168,592	(205,607)	249,874	184,958	205,888	(68,119)	155,164
Benefit Payments and Refunds	(81,072)	(73,222)	(66,131)	(64,429)	(62,736)	(61,026)	(61,149)	(32,629)
Other	(159,979)	38,890	270	(2,590)	9,413	1,599	(36,639)	(15,741)
Net Change in Plan Fiduciary Net Position	\$ 29,229	\$ 230,999	\$ (195,276)	\$ 253,201	\$ 201,398	\$ 208,853	\$ (108,526)	\$ 177,406
Plan Fiduciary Net Position - Beginning	1,783,178	1,552,179	1,747,455	1,494,254	1,292,856	1,084,003	1,192,529	1,015,123
Plan Fiduciary Net Position - Ending (B)	\$1,812,407	\$1,783,178	\$ 1,552,179	\$ 1,747,455	\$ 1,494,254	\$ 1,292,856	\$ 1,084,003	\$ 1,192,529
Net Pension Liability/(Asset) - Ending (A) - (B)	\$ 557,276	\$ 356,175	\$ 420,476	\$ 53,314	\$ 97,300	\$ 245,093	\$ 350,001	\$ 189,708
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	76.48%	83.35%	78.68%	97.04%	93.89%	84.06%	75.59%	86.28%
Covered Valuation Payroll	\$ 669,453	\$ 627,769	\$ 523,295	\$ 413,800	\$ 407,730	\$ 390,682	\$ 361,110	\$ 392,789
Net Pension Liability/(Asset) as a Percentage of Covered Valuation Payroll	83.24%	56.74%	80.35%	12.88%	23.86%	62.73%	96.92%	48.30%

Note to Schedule:

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

VILLAGE OF MACKINAW
ILLINOIS MUNICIPAL RETIREMENT FUND
MULTIYEAR SCHEDULE OF EMPLOYER CONTRIBUTIONS

<u>Calendar Year Ending December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a % of Covered Valuation Payroll</u>
2024	\$ 70,694	\$ 70,695	\$ (1)	\$ 669,453	10.56%
2023	\$ 68,490	\$ 68,489	\$ 1	\$ 627,769	10.91%
2022	\$ 52,643	\$ 52,644	\$ (1)	\$ 523,295	10.06%
2021	\$ 51,725	\$ 51,725	\$ -	\$ 413,800	12.50%
2020	\$ 51,415	\$ 51,415	\$ -	\$ 407,730	12.61%
2019	\$ 44,811	\$ 44,811	\$ -	\$ 390,682	11.47%
2018	\$ 41,130	\$ 41,131	\$ (1)	\$ 361,110	11.39%
2017	\$ 47,056	\$ 52,936	\$ (5,880)	\$ 392,789	13.48%
2016	\$ 41,208	\$ 41,207	\$ 1	\$ 352,807	11.68%
2015	\$ 39,420	\$ 40,745	\$ (1,325)	\$ 327,135	12.46%

VILLAGE OF MACKINAW
ILLINOIS MUNICIPAL RETIREMENT FUND
NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS

**Summary of Actuarial Methods and Assumptions
 Used in the Calculation of the 2024 Contribution Rate***

Valuation Date:

Notes

Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2024 Contribution Rates:

Actuarial Cost Method

Aggregate Entry Age Normal

Amortization Method

Level Percentage of Payroll, Closed

Remaining Amortization Period

Non-Taxing bodies: 10-year rolling period.

Taxing bodies (Regular, SLEP and ECO groups): 21-year closed period.

Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.

SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 14 years for most employers, with a number of employers financed over 15 - 25 years.

Asset Valuation Method

5-Year smoothed market; 20% corridor

Wage Growth

2.75%

Price Inflation

2.25%

Salary Increases

2.75% to 13.75% including inflation

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 2020 valuation pursuant to an experience study of the period 2017 - 2019.

Mortality

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other Information:

Notes

There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2022 actuarial valuation.