

VILLAGE OF MALTA, ILLINOIS

FINANCIAL STATEMENTS

April 30, 2023

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Independent Auditor's Report

Honorable Village Mayor and Village Board
Village of Malta
Malta, Illinois

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Village of Malta, Illinois (the "Village"), as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Village of Malta, Illinois, as of April 30, 2023, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Other Information

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

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

JOHNSON CPA LLC

Dixon, Illinois
October 28, 2024

JOHNSON CPA, LLC
Certified Public Accountants & Consultants

**Independent Accountant's Report on Compliance
With State of Illinois Public Act 85-1142**

Honorable Village Mayor and Village Board
Village of Malta
Malta, Illinois

We have examined management's assertion that the Village of Malta, Illinois (the "Village") complied with the provisions of subsection (q) of 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended April 30, 2022. The Village's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the Village's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the management's assertion about compliance with the statutory requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about where management's assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depends on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the Village's compliance with the specified requirements.

Our examination disclosed no material noncompliance with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) applicable to the Village during the year ended April 30, 2023 for the Tax Increment Financing (TIF) District Fund.

In our opinion, management's assertion that the Village of Malta, Illinois complied, in all material respects, with the provisions of subsection (q) of Section 11-74.43 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended April 30, 2023.

This report is intended solely for the information and use of management, the Village Mayor and Village Board, each governmental entity within the Project Area, the Illinois State Comptroller and others within the State of Illinois and is not intended to be and should not be used by anyone other than these specified parties.

JOHNSON CPA LLC

Dixon, Illinois
October 28, 2024

BASIC FINANCIAL STATEMENTS

VILLAGE OF MALTA, ILLINOIS
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
April 30, 2023

	Governmental Activities	Business-Type Activities	Total
<i>Assets and Deferred Outflows of Resources</i>			
Current assets:			
Cash and cash equivalents	\$ 734,419	\$ 420,689	\$ 1,155,108
Investments	1,194,052	441,949	1,636,001
Total current assets	<u>1,928,471</u>	<u>862,638</u>	<u>2,791,109</u>
Noncurrent assets:			
Land and non-depreciable assets	809,085	22,301	831,386
Depreciable property and equipment, net of accumulated depreciation	998,156	376,708	1,374,864
Total noncurrent assets	<u>1,807,241</u>	<u>399,009</u>	<u>2,206,250</u>
Total assets	<u>3,735,712</u>	<u>1,261,647</u>	<u>4,997,359</u>
Deferred outflows of resources:			
None	-	-	-
Total assets and deferred outflows of resources	<u>3,735,712</u>	<u>1,261,647</u>	<u>4,997,359</u>
<i>Liabilities, Deferred Inflows of Resources, and Net Position</i>			
Current liabilities:			
None	-	-	-
Total liabilities	-	-	-
Deferred inflows of resources:			
None	-	-	-
Net position:			
Net investment in capital assets	1,807,241	399,009	2,206,250
Restricted	863,636	-	863,636
Unrestricted	1,064,835	862,638	1,927,473
Total net position	<u>3,735,712</u>	<u>1,261,647</u>	<u>4,997,359</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 3,735,712</u>	<u>\$ 1,261,647</u>	<u>\$ 4,997,359</u>

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

VILLAGE OF MALTA, ILLINOIS
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
Year Ended April 30, 2023

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 205,884	\$ -	\$ -	\$ -
Public safety	75,473	-	-	-
Highways and streets	232,672	-	59,571	-
Culture and recreation	7,299	-	-	-
Transfer - intergovernmental development agreement	339,274	-	-	-
Total governmental activities	<u>860,602</u>	<u>-</u>	<u>59,571</u>	<u>-</u>
Business-type activities:				
Water and garbage	<u>238,809</u>	<u>335,429</u>		<u>100,000</u>
Total primary government	<u>1,099,411</u>	<u>335,429</u>	<u>59,571</u>	<u>100,000</u>

Net (Expenses) Revenues and Changes in Net Position			
	Governmental Activities	Business-Type Activities	Total
	\$ (205,884)	\$ -	\$ (205,884)
	(75,473)	-	(75,473)
	(173,101)	-	(173,101)
	(7,299)	-	(7,299)
	-	-	-
	(339,274)	-	(339,274)
	(801,031)	-	(801,031)
		196,620	196,620
	(801,031)	196,620	(604,411)
General revenues:			
Taxes			
Property	556,078	964	557,042
Replacement	7,863	-	7,863
Sales	56,667	-	56,667
Utility	65,497	-	65,497
Income	184,685	-	184,685
Use	46,543	-	46,543
Gaming	16,266	-	16,266
Cannabis use	1,800	-	1,800
Licenses and fees	9,994	-	9,994
Fines and forfeits	574	-	574
Investment income	16,869	4,296	21,165
Miscellaneous	82,714	-	82,714
Total general revenues	<u>1,045,550</u>	<u>5,260</u>	<u>1,050,810</u>
Change in net position	244,519	201,880	446,399
Net position - beginning	<u>3,491,193</u>	<u>1,059,767</u>	<u>4,550,960</u>
Net position - ending	<u>\$ 3,735,712</u>	<u>\$ 1,261,647</u>	<u>\$ 4,997,359</u>

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

VILLAGE OF MALTA, ILLINOIS
BALANCE SHEET - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
April 30, 2023

	General Fund	Tax Increment Finance Fund	Motor Fuel Tax Fund	Nonmajor Governmental Funds	Total Governmental Funds
<i>Assets and Deferred</i>					
<i>Outflows of Resources</i>					
Current assets:					
Cash and cash equivalents	\$ 122,443	\$ 260,866	\$ 247,762	\$ 103,348	\$ 734,419
Investments	942,392	-	251,660	-	1,194,052
Total assets	1,064,835	260,866	499,422	103,348	1,928,471
Deferred outflows of resources:					
None	-	-	-	-	-
Total assets and deferred outflows of resources	\$ 1,064,835	\$ 260,866	\$ 499,422	\$ 103,348	\$ 1,928,471
<i>Liabilities, Deferred Inflows of Resources, and Fund Balances</i>					
Liabilities:					
None	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred inflows of resources:					
None	-	-	-	-	-
Fund balances:					
Restricted	-	260,866	499,422	103,348	863,636
Unassigned	1,064,835	-	-	-	1,064,835
Total fund balances	1,064,835	260,866	499,422	103,348	1,928,471
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,064,835	\$ 260,866	\$ 499,422	\$ 103,348	\$ 1,928,471

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

VILLAGE OF MALTA, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET - MODIFIED CASH BASIS
TO THE STATEMENT OF NET POSITION - MODIFIED CASH BASIS
April 30, 2023

Total governmental fund balances (page 7) \$1,928,471

Amounts reported for governmental activities in the Statement of Net Position - Modified Cash Basis are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$2,867,083 and the accumulated depreciation is \$1,059,842.

1,807,241

Total net position - governmental activities (page 5) \$3,735,712

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

VILLAGE OF MALTA, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
Year Ended April 30, 2023

	General Fund	Tax Increment Finance Fund	Motor Fuel Tax Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Local taxes	\$ 61,661	\$ 431,337	\$ -	\$ 63,080	\$ 556,078
Intergovernmental	379,321	-	59,571	-	438,892
Licenses, permits, and fees	9,994	-	-	-	9,994
Fines and forfeits	574	-	-	-	574
Other	97,644	-	1,939	-	99,583
Total revenues	<u>549,194</u>	<u>431,337</u>	<u>61,510</u>	<u>63,080</u>	<u>1,105,121</u>
Expenditures:					
Current:					
General government	142,591	15,268	-	41,204	199,063
Public safety	67,195	-	-	-	67,195
Highways and streets	141,294	-	-	-	141,294
Transfer - intergovernmental development agreement	-	339,274	-	-	339,274
Capital outlay	241,864	-	58,831	-	300,695
Total expenditures	<u>592,944</u>	<u>354,542</u>	<u>58,831</u>	<u>41,204</u>	<u>1,047,521</u>
Change in net revenue	<u>(43,750)</u>	<u>76,795</u>	<u>2,679</u>	<u>21,876</u>	<u>57,600</u>
Other financing sources (uses):					
Transfers from other funds	-	-	-	5,316	5,316
Transfers to other funds	(5,316)	-	-	-	(5,316)
Total other financing sources (uses)	<u>(5,316)</u>	<u>-</u>	<u>-</u>	<u>5,316</u>	<u>-</u>
Change in fund balances	<u>(49,066)</u>	<u>76,795</u>	<u>2,679</u>	<u>27,192</u>	<u>57,600</u>
Fund balances, beginning of year	<u>1,113,901</u>	<u>184,071</u>	<u>496,743</u>	<u>76,156</u>	<u>1,870,871</u>
Fund balances, end of year	<u>\$ 1,064,835</u>	<u>\$ 260,866</u>	<u>\$ 499,422</u>	<u>\$ 103,348</u>	<u>\$ 1,928,471</u>

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

**VILLAGE OF MALTA, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS - MODIFIED CASH BASIS
TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
Year Ended April 30, 2023**

Net change in fund balances - total governmental funds (page 9) \$ 57,600

***Amounts reported for governmental activities in the Statement of Activities -
Modified Cash Basis are different because:***

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities - Modified Cash Basis, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which depreciation expense (\$113,776) is exceeded by capitalized fixed assets (\$300,695).

186,919

Change in net position of governmental activities (page 6) \$ 244,519

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

VILLAGE OF MALTA, ILLINOIS
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
PROPRIETARY FUNDS
April 30, 2023

	<u>Water and Wastewater Fund</u>
<i>Assets and Deferred Outflows of Resources</i>	
Current assets:	
Cash and cash equivalents	\$ 420,689
Investments - certificates of deposit	441,949
Total current assets	<u>862,638</u>
Noncurrent assets:	
Land and non-depreciable assets	22,301
Depreciable property and equipment, net of accumulated depreciation	376,708
Total noncurrent assets	<u>399,009</u>
Total assets	<u>1,261,647</u>
Deferred outflows of resources:	
None	<u>-</u>
Total assets and deferred outflows of resources	<u>1,261,647</u>
 <i>Liabilities, Deferred Inflows of Resources, and Net Position</i>	
Current liabilities:	
None	<u>-</u>
Total current liabilities	<u>-</u>
Total liabilities	<u>-</u>
Deferred inflows of resources:	
None	<u>-</u>
Net position:	
Net investment in capital assets	399,009
Unrestricted	862,638
Total net position	<u>1,261,647</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 1,261,647</u>

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

**VILLAGE OF MALTA, ILLINOIS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - MODIFIED CASH BASIS
PROPRIETARY FUNDS
Year Ended April 30, 2023**

	Water and Wastewater Fund
Operating revenues:	
Charges for services	\$ 335,429
Property taxes - garbage	964
Total operating revenues	336,393
Operating expenses:	
Personnel services	53,894
Contractual services	111,538
Supplies	16,394
Garbage disposal	9,000
Depreciation	47,983
Total operating expenses	238,809
Operating income	97,584
Nonoperating revenues (expenses):	
Intergovernmental - donation	100,000
Interest income	4,296
Total nonoperating revenues (expenses):	104,296
Change in net position	201,880
Total net position, beginning of year	1,059,767
Total net position, end of year	\$ 1,261,647

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

VILLAGE OF MALTA, ILLINOIS
STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
PROPRIETARY FUNDS
Year Ended April 30, 2023

	Water and Wastewater Fund
Cash Flows from Operating Activities:	
Cash received from customers and users	\$ 336,393
Cash paid to suppliers	(136,932)
Cash paid to employees	(53,894)
	145,567
Cash Flows from Non-Capital Financing Activities:	
Receipt of other intergovernmental donation	100,000
Internal activity - payments from (to) investment accounts	(3,997)
	96,003
Net cash from non-capital financing activities	96,003
Cash Flows from Capital and Related Financing Activities:	
Acquisition of capital assets	(110,660)
	(110,660)
Net cash from capital and related financing activities	(110,660)
Cash Flows from Investing Activities:	
Interest received	4,296
	4,296
Net cash from investing activities	4,296
Net increase (decrease) in cash and cash equivalents	135,206
Cash and cash equivalents, beginning of year	285,482
Cash and cash equivalents, end of year	\$ 420,688
Reconciliation of income from operations to net cash provided by operating activities:	
Income from operations	\$ 97,584
Adjustments to reconcile income from operations to net cash provided by operating activities -	
Depreciation	47,983
	47,983
Net cash provided by operating activities	\$ 145,567

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

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 1 Nature of Operations and Summary of Significant Accounting Policies

Reporting Entity

The Board of Commissioners is the basic level of government which has oversight responsibility and control over all activities related to the operation of the Village of Malta (the "Village"), the primary government unit. The Board receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the Board is not included in any other governmental "reporting entity" as defined by GASB pronouncements, since Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters. There are no component units to be included with the primary government.

The financial statements of the Village are presented on the modified cash basis of accounting. This modified cash basis differs from accounting principles generally accepted in the United States of America. Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The significant accounting principles and policies utilized by the Village are described below.

Summary of Significant Accounting Policies

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 Village. 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. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to citizens or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Earnings on investments which are not properly included among program revenues are reported instead as general revenue.

The government-wide financial statements are reported using the modified cash basis of accounting. Revenues are recorded when cash is received and expenses are recorded when cash is paid, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue when received.

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 1 Nature of Operations and Summary of Significant Accounting Policies (Continued)

Separate fund financial statements are provided for governmental funds and proprietary funds, which are described below. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Fund Accounting

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Village resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Village has the following fund types and related funds:

Governmental Fund Types

Governmental funds are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets and liabilities, the fund equity, is referred to as "fund balance". The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following comprise the Village's major governmental funds:

General Fund – The General Fund is the general operating fund of the Village. All general tax revenues and other revenues that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. Many of the more important activities of the Village, including operation of the Village's general service departments, street and highway maintenance, and public safety are accounted for in this fund.

Tax Increment Finance Fund – The Tax Increment Finance Fund is responsible for aiding the development of underdeveloped areas within the Village.

Motor Fuel Tax Fund – The Motor Fuel Tax Fund accounts for all the funds received from the State of Illinois from motor fuel taxes. Only state approved expenditures are permitted.

The other governmental funds of the Village are considered nonmajor and are as follows:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, fiduciary, or major capital projects) that are legally restricted to expenditures for specific purposes. The Village's nonmajor Special Revenue Funds are the Audit Fund, Insurance Fund, IMRF Fund, and the Social Security Fund.

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 1 Nature of Operations and Summary of Significant Accounting Policies (Continued)

Fund Accounting (Continued)

Proprietary Fund Types

Enterprise Funds – Enterprise Funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Water and Wastewater Fund is the major enterprise fund of the Village.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 Water and Wastewater Fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It related to the timing of the measurements made regardless of the measurement focus applied.

The government-wide financial statements and fund financial statements are reported using the modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund balance, revenues, and expenditures when they result from cash transactions with a provision for depreciation on capital assets. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States.

As a result of the use of the modified cash basis of accounting, certain assts and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses/expenditures (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in the financial statements.

If the Village utilized accounting principles generally accepted in the United States, the fund statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 1 Nature of Operations and Summary of Significant Accounting Policies (Continued)

Budgets and Budgetary Accounting

The Village budgets for the General, Special Revenue, and Enterprise Funds through an appropriation ordinance. The Village's appropriation ordinance is prepared on the basis of anticipated cash receipts and disbursements (cash basis). The ordinance was passed on July 13, 2022. For each fund, total fund expenditures may not legally exceed the appropriated expenditures. The ordinance lapses at the end of each fiscal year. The Village does not utilize an encumbrance system.

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

- a) Within the first quarter of each fiscal year, the Village adopts an appropriation ordinance by which corporate authorities appropriate such sums of money deemed necessary to defray all necessary expenses and liabilities of the Village.

Legal spending control for Village monies is at the fund level, but management control is exercised at budgetary line item levels within each fund.

- b) The Village may amend the ordinance anytime by a two-thirds vote of all Village Board members. The Board may make transfers between funds, but no appropriation may be reduced below an amount sufficient to cover such obligation.

Property Taxes

It is the Village's intention that property taxes generated from the 2021 property tax levy be used to finance the operating budget of the fiscal year ending April 30, 2023. Therefore, property tax revenues represent the receipts generated by the 2021 property tax levy.

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 2021 tax levy was passed by the Board on November 24, 2021. The 2022 property tax levy was passed on December 14, 2022. Property taxes attach as an enforceable lien on property as of January 1, and are generally payable in two installments in early June and September. The Village receives significant distributions of tax receipts within one month of these due dates.

Cash and Investments

For the purpose of reporting cash and investments, the Village considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Village considers certificates of deposit with a maturity of more than three months when purchased to be investments.

Common Bank Account

Separate bank accounts are not maintained for all Village funds; instead, certain funds maintain

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 1 Nature of Operations and Summary of Significant Accounting Policies (Continued)

balances in common checking and money market accounts, with the accounting records being maintained to show the portion of the common account balance attributable to each participating fund. Occasionally certain funds participating in the common bank accounts will incur overdrafts (deficits) in the account. The overdrafts result from expenditures which have been approved by the Village Board. A deficit in one fund limits the cash available for use by other funds in the same common account. As of April 30, 2023, there were no such overdrafts.

Use of Estimates

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

Note 2 Cash and Investments

The Village's cash and investments at year end and throughout the year consisted of interest-bearing demand deposit accounts, money market accounts, and certificates of deposit. The Village classifies these items between cash and investments on the Statement of Assets, Liabilities, and Fund Balances according to liquidity and intended use.

Cash and investments as of April 30, 2023 are classified in the Statement of Net Position for the Village as follows:

	Carrying Amount
Cash in bank	\$1,155,108
Investments	1,636,001
	<u>\$2,791,109</u>

Deposits

At April 30, 2023, the carrying amount of the Village's deposits totaled \$2,791,109; the bank balance totaled \$2,791,109. Of the total deposits, \$482,442 was covered by federal depository insurance. In addition, \$2,308,667 was covered by collateral held by the pledging financial institution's trust department. No deposits were uninsured or uncollateralized. The Village had no foreign currency risk for deposits at year end.

Certificates of deposit are considered deposits for note disclosure purposes. Therefore, for the purpose of this note disclosure, the Village has no investments to disclose.

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 3 Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$1,000 (amounts not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. 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. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

<u>Asset class</u>	<u>Years</u>
Equipment	7
Vehicles under 13,000 gross weight	5
Vehicles over 13,000 gross weight	7
Other improvements	10
Buildings	40
Road improvements	10
Infrastructure	40

The governmental activities capital asset activity for the year ended April 30, 2023 is as follows:

<u>Governmental Activities</u>	<u>Balance April 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance April 30, 2023</u>
Capital assets not being depreciated:				
Land	\$750,322	\$ 58,763	\$ -	\$ 809,085
Capital assets, being depreciated:	1,816,066	241,932	-	2,057,998
Less accumulated depreciation	946,066	113,776	-	1,059,842
Net capital assets being depreciated	870,000	128,156	-	998,156
Governmental activities capital assets, net	\$1,620,322	\$186,919	\$ -	\$ 1,807,241

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 3 Capital Assets (Continued)

The business-type activities capital asset activity for the year ended April 30, 2023 is as follows:

Business-Type Activities	Balance April 30, 2022	Additions	Deletions	Balance April 30, 2023
Capital assets not being depreciated:				
Land	\$ 22,301	\$ -	\$ -	\$ 22,301
Capital assets, being depreciated:	1,280,275	110,660	-	1,390,935
Less accumulated depreciation	966,244	47,983	-	1,014,227
Net capital assets being depreciated	314,031	62,677	-	376,708
Business-type activities capital assets, net	\$ 336,332	\$ 62,677	\$ -	\$ 399,009

Depreciation expense was charged to the functions as follows:

Governmental activities

General government	\$ 6,821
Highway and streets	91,378
Public safety	8,278
<u>Culture and recreation</u>	<u>7,299</u>

Total depreciation expense - governmental activities \$113,776

Business-Type activities

Water Department	\$ 38,853
<u>Wastewater Department</u>	<u>9,130</u>

Total depreciation expense - business-type activities \$ 47,983

Note 4 Municipal Retirement Fund

Due to the Village preparing its financial statements on the modified cash basis of accounting, pension liabilities and deferred inflows and outflows referred to throughout the note disclosure are not recognized in the actual financial statements.

Plan Description – The employer’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 employer’s plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF’s pension benefits is provided in the “Benefits Provided” section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 4 Municipal Retirement Fund (Continued)

statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits provided

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

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

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 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
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by the Benefit Terms

At the December 31st, 2022 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	2
Inactive employees entitled to but not yet receiving benefits	2
<u>Active employees</u>	<u>2</u>
 <u>Total</u>	 <u>6</u>

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 4 Municipal Retirement Fund (Continued)

Contributions

As set by statute, the employer'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 employer's annual contribution rate for calendar year 2022 was 9.78%. For the fiscal year ended April 30, 2023, the employer contributed \$9,503 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 up 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, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2022:

- 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 2020 valuation according to an experience study of the period 2017 to 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.
- 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, 2022:

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 4 Municipal Retirement Fund (Continued)

Actuarial assumptions (Continued)

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	35.5%	6.50%
International Equity	18.0%	7.60%
Fixed Income	25.5%	4.90%
Real Estate	10.5%	6.20%
Alternative Investments	9.5%	6.25-9.90%
Cash Equivalents	<u>1.0%</u>	4.00%
 Total	 <u>100.0%</u>	

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:

1. The long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.05%, and the resulting single discount rate is 7.25%.

Due to the Village preparing its financial statements on the modified cash basis of accounting, pension liabilities and deferred inflows and outflows referred to throughout the note disclosure are not recognized in the actual financial statements.

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 4 Municipal Retirement Fund (Continued)

	Total Pension Liability	Increase (Decrease) in Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance January 1, 2022	\$493,360	\$531,585	\$(38,225)
Service costs	9,452	-	9,452
Interest on total pension liability	35,554	-	35,554
Difference between expected and actual experience	13,372	-	13,372
Changes in assumptions	-	-	-
Employer contributions	-	9,503	(9,503)
Employer contributions	-	4,373	(4,373)
Net investment income	-	(53,722)	53,722
Benefit payments-net of refunds	(15,379)	(15,379)	-
Administrative expense	-	-	-
Other changes (Net Transfer)	-	2,542	(2,542)
Net changes	42,999	(52,683)	95,682
Balances as of December 31, 2022	\$536,359	\$478,902	\$ 57,457

Changes in Net Pension Liability/(Asset)

Sensitivity of the Village's proportionate share of the new pension liability to changes in the discount rate - The following presents the Village's proportionate share of the new pension liability calculated using the discounted rate of 7.25 percent, as well as what the Village's proportionate share of the new pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Single Discount Rate (7.25%)	1% Increase (8.25%)
Total Pension Liability	\$599,874	\$536,359	\$485,262
Plan Fiduciary Net Position	478,902	478,902	478,902
Net Pension Liability (Asset)	\$120,972	\$ 57,457	\$ 6,360

Pension plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF financial report which is publicly available at <http://imrf.org>.

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 4 Municipal Retirement Fund (Continued)

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

For the year ended April 30, 2023, the Village recognized pension expense of \$16,875. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources, which are not recognized due to the modified cash basis of accounting:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ 7,641	\$ 2,085
Changes in assumptions	-	-
Net difference between projected and actual earnings	73,840	39,813
Total	\$81,481	\$41,898

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 December 31:

2023	\$ 2,641
2024	7,741
2025	10,741
2026	18,460
2027	-
Thereafter	-
Total	\$39,583

Note 5 Social Security

Employees not qualifying for coverage under the Illinois Municipal Retirement Fund are considered as “non-participating employees.” These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. The Village paid \$11,769, which was the total required contribution for the year ended April 30, 2023.

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 6 Legal Debt Margin

The following schedule illustrates the legal debt margin of the Village as of April 30, 2023:

<u>Assessed valuation - 2022</u>	<u>\$15,016,164</u>
Statutory debt limitation (8.625% of assessed valuation)	\$ 1,295,144
<u>Debt outstanding at April 30, 2023:</u>	<u>-</u>
<u>Legal debt margin</u>	<u>\$ 1,295,144</u>

Note 7 Risk Management

The Village is exposed to various risks of loss including, but not limited to, general liability, property casualty, workers compensation, and public official liability. To limit exposure to these risks, the Village participates in the Illinois Municipal League Risk Management Association. The Village is liable for a deductible up to \$500 a year for all years it participates in the plan. The Village's policy is to record any related expenditures in the year in which they are notified and pay the assessment. The Village is not aware of any additional assessments owed as of April 30, 2023.

During the year ended April 30, 2023, there were no significant reductions in coverage. Also, there have been no settlement amounts which have exceeded insurance coverage in the past three years.

Note 8 Fund Balance Reporting

Fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Below are definitions for how these balances are reported in the Village's financial statements. The Village has no nonspendable or committed fund balances as of April 30, 2023.

Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions not controlled by the entity such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The Village has several revenue sources received within different funds that are restricted for the following purposes:

Road Maintenance	\$ 499,422
Tax Increment Finance	260,866
Insurance	4,601
Social Security	46,343
<u>Municipal Retirement</u>	<u>52,404</u>
<u>Total Restricted</u>	<u>\$ 863,636</u>

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 8 Fund Balance Reporting (Continued)

Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund. This classification is also used to report deficit fund balances in all other funds.

Expenditures of Fund Balance

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, assigned balances next, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

Note 9 Net Position/Fund Balance

Net position reported on the government-wide Statement of Net Position at April 30, 2023 is as follows:

Governmental Activities:	
Net investment in capital assets	
<u>Capital assets, net of accumulated depreciation</u>	<u>\$1,807,241</u>
Restricted—	
<u>State statutes and enabling legislation</u>	<u>863,636</u>
<u>Unrestricted</u>	<u>1,064,835</u>
<u>Total governmental activities net position</u>	<u>\$3,735,712</u>
Business-Type Activities:	
Net investment in capital assets	
<u>Capital assets, net of accumulated depreciation</u>	<u>\$ 399,009</u>
<u>Unrestricted</u>	<u>862,638</u>
<u>Total business-type activities net position</u>	<u>\$1,261,647</u>

Note 10 Other Required Individual Fund Disclosures

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

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 10 Other Required Individual Fund Disclosures (Continued)

There were no interfund receivable and payable balances at April 30, 2023.

There were no deficit fund balances at April 30, 2023.

The only interfund transfer during the year was a \$5,316 transfer from the General Fund to the Audit Fund. This transfer was made to finance routine expenditures.

Note 11 Impact of Pending Accounting Principles

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, provides more guidance for accounting and financial reporting for availability payments arrangements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, defines a SBITA, establishes a right-to-use subscription asset and liability, provides the capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 99, *Omnibus 2022*, improves the consistency of the authoritative literature by addressing (1) practice issues that have been identified during implementation of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, enhances accounting and financial reporting for accounting changes in error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 101, *Compensated Absences*, better meets the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.

GASB Statement No. 102, *Certain Risk Disclosures*, will improve financial reporting by providing users of financial statements with better information with which to understand and anticipate certain risks to a government's financial condition. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.

GASB Statement No. 103, *Financial Reporting Model Improvements*, will improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Village of Malta, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 11 Impact of Pending Accounting Principles (Continued)

GASB Statement No. 104, Disclosure of Certain Capital Assets, will provide users of government financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

The Village is evaluating what impact these new standards will have on its financial statements.

OTHER INFORMATION

VILLAGE OF MALTA, ILLINOIS
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH APPROPRIATED AMOUNTS - MODIFIED CASH BASIS
GENERAL FUND
Year Ended April 30, 2023

	<u>Original and Final Appropriations</u>	<u>Actual</u>	<u>Variance Over (Under) Budget</u>
Revenues:			
Local taxes	\$ 91,688	\$ 61,661	\$ (30,027)
Intergovernmental	458,750	379,321	(79,429)
Licenses, permits, and fees	20,000	9,994	(10,006)
Fines and forfeits	1,250	574	(676)
Other	423,150	97,644	(325,506)
Total revenues	\$ 994,838	\$ 549,194	\$ (445,644)
Expenditures:			
General government	\$ 277,062	\$ 142,591	\$ (134,471)
Public safety	118,625	67,195	(51,430)
Highways and streets	360,438	141,294	(219,144)
Capital outlay	187,500	241,864	54,364
Total expenditures	\$ 943,625	\$ 592,944	\$ (350,681)

**VILLAGE OF MALTA, ILLINOIS
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH APPROPRIATED AMOUNTS - MODIFIED CASH BASIS
TAX INCREMENT FINANCE FUND
Year Ended April 30, 2023**

	<u>Original and Final Appropriations</u>	<u>Actual</u>	<u>Variance Over (Under) Budget</u>
Revenues:			
Property taxes	\$ 505,750	\$ 431,337	\$ (74,413)
Total revenues	<u>\$ 505,750</u>	<u>\$ 431,337</u>	<u>\$ (74,413)</u>
Expenditures:			
General government	\$ 175,000	\$ 15,268	\$ (159,732)
Transfer - intergovernmental development agreement	500,000	339,274	(160,726)
Total expenditures	<u>\$ 675,000</u>	<u>\$ 354,542</u>	<u>\$ (320,458)</u>

**VILLAGE OF MALTA, ILLINOIS
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH APPROPRIATED AMOUNTS - MODIFIED CASH BASIS
MOTOR FUEL TAX FUND
Year Ended April 30, 2023**

	<u>Original and Final Appropriations</u>	<u>Actual</u>	<u>Variance Over (Under) Budget</u>
Revenues:			
Motor fuel taxes	\$ -	\$ 59,571	\$ 59,571
Investment income	-	1,939	1,939
Total revenues	\$ -	\$ 61,510	\$ 61,510
Expenditures:			
Capital outlay	\$ -	\$ 58,831	\$ 58,831
Total expenditures	\$ -	\$ 58,831	\$ 58,831

VILLAGE OF MALTA, ILLINOIS
OTHER INFORMATION - ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)
MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST 10 CALENDAR YEARS
(schedule to be built prospectively from 2015)

	<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>	<u>2013</u>
Calendar year ending December 31,										
Total pension liability:										
Service cost	\$ 9,452	\$ 9,339	\$ 9,770	\$ 10,533	\$ 9,880	\$ 10,158	\$ 10,184	\$ 8,929	\$ -	-
Interest on the total pension liability	35,554	33,971	32,463	30,286	28,768	27,102	25,244	26,418	-	-
Benefit changes	-	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	13,372	(8,571)	(6,740)	1,259	(7,931)	5,982	(783)	(40,289)	-	-
Assumption changes	-	-	(2,563)	-	13,044	(11,214)	(4,522)	953	-	-
Benefit payments and refunds	(15,379)	(10,539)	(13,297)	(10,045)	(9,797)	(9,550)	(9,312)	(13,717)	-	-
Net change in total pension liability	42,999	24,200	19,633	32,033	33,964	22,478	20,811	(17,706)	-	-
Total pension liability - beginning	493,360	469,160	449,527	417,494	383,530	361,052	340,241	357,947	-	-
Total pension liability - ending (a)	\$ 536,359	\$ 493,360	\$ 469,160	\$ 449,527	\$ 417,494	\$ 383,530	\$ 361,052	\$ 340,241	\$ -	-
Plan fiduciary net position:										
Employer contributions	9,503	10,882	9,540	9,487	11,032	10,876	12,230	11,122	-	-
Employee contributions	4,373	4,193	4,156	4,365	4,618	4,540	4,465	4,220	-	-
Pension plan net investment income	(53,722)	71,838	53,732	58,917	(13,733)	49,011	18,762	1,491	-	-
Benefit payments and refunds	(15,379)	(10,539)	(13,297)	(10,045)	(9,797)	(9,550)	(9,312)	(13,717)	-	-
Other	2,542	(1,863)	1,092	(377)	3,607	(4,314)	437	(33,882)	-	-
Net change in plan fiduciary net position	(52,683)	74,511	55,223	62,347	(4,273)	50,563	26,582	(30,766)	-	-
Plan fiduciary net position - beginning	531,585	457,074	401,851	339,504	343,777	293,214	266,632	297,398	-	-
Plan fiduciary net position - ending (b)	\$ 478,902	\$ 531,585	\$ 457,074	\$ 401,851	\$ 339,504	\$ 343,777	\$ 293,214	\$ 266,632	\$ -	-
Net pension liability (asset) - Ending (a) - (b)	57,457	(38,225)	12,086	47,676	77,990	39,753	67,838	73,609	-	-
Plan fiduciary net position as a percentage of total pension liability	89.29%	107.75%	97.42%	89.39%	81.32%	89.63%	81.21%	78.37%	0.00%	-
Covered valuation payroll	97,170	93,171	92,351	97,000	102,627	100,887	96,104	93,781	-	-
Net pension liability as a percentage of covered valuation payroll	59.13%	-41.03%	13.09%	49.15%	75.99%	39.40%	70.59%	78.49%	0.00%	-

VILLAGE OF MALTA, ILLINOIS
MULTIYEAR SCHEDULE OF IMRF CONTRIBUTIONS - LAST 10 FISCAL YEARS
(UNAUDITED)

Fiscal Year Ending April 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2016	\$ 11,122	\$ 11,122	\$ -	\$ 93,781	11.86%
2017	11,859	12,230	(371)	96,104	12.73%
2018	10,876	10,876	-	100,887	10.78%
2019	11,032	11,032	-	102,627	10.75%
2020	9,487	9,487	-	97,000	9.78%
2021	9,540	9,540	-	92,351	10.33%
2022	10,882	10,882	-	93,703	11.61%
2023	9,503 *	9,503	-	97,170	9.78%

* Estimated based on contribution rate of 9.78% and covered valuation payroll of \$97,170.

Schedule to be built prospectively. The Village implemented GASB Statement No. 68 in the fiscal year ended April 30, 2016.

VILLAGE OF MALTA, ILLINOIS
COMBINING SCHEDULE OF ASSETS, LIABILITIES, AND FUND BALANCES - MODIFIED CASH BASIS
NONMAJOR SPECIAL REVENUE FUNDS
April 30, 2023

	<u>Special Revenue Funds</u>				Total Nonmajor Special Revenue Funds
	Audit Fund	Insurance Fund	Social Security Fund	IMRF Fund	
<i>Assets and Deferred Outflows of Resources</i>					
Current assets:					
Cash and cash equivalents	\$ -	\$ 4,601	\$ 46,343	\$ 52,404	\$ 103,348
Internal balances	-	-	-	-	-
Total current assets	-	4,601	46,343	52,404	103,348
Deferred outflows of resources:					
None	-	-	-	-	-
Total assets and deferred outflows of resources	\$ -	\$ 4,601	\$ 46,343	\$ 52,404	\$ 103,348
<i>Liabilities, Deferred Inflows of Resources, and Fund Balances</i>					
Liabilities:					
Due to other governments	\$ -	\$ -	\$ -	\$ -	\$ -
Total current liabilities	-	-	-	-	-
Deferred inflows of resources:					
None	-	-	-	-	-
Fund balances:					
Restricted	-	4,601	46,343	52,404	103,348
Unassigned	-	-	-	-	-
Total fund balances	-	4,601	46,343	52,404	103,348
Total liabilities, deferred inflows of resources, and fund balances	\$ -	\$ 4,601	\$ 46,343	\$ 52,404	\$ 103,348

VILLAGE OF MALTA, ILLINOIS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - MODIFIED CASH BASIS
NONMAJOR SPECIAL REVENUE FUNDS
Year Ended April 30, 2023

	<u>Special Revenue Funds</u>				Total Nonmajor Special Revenue Funds
	Audit Fund	Insurance Fund	Social Security Fund	IMRF Fund	
Revenues:					
Local taxes					
Property taxes	\$ 8,186	\$ 26,002	\$ 14,446	\$ 14,446	\$ 63,080
Expenditures:					
General government	13,000	28,204	-	-	41,204
Excess (deficiency) of revenues over expenditures	(4,814)	(2,202)	14,446	14,446	21,876
Other financing sources (uses)					
Transfers from other funds	5,316	-	-	-	5,316
Change in fund balances	502	(2,202)	14,446	14,446	27,192
Fund balances, beginning of year	(502)	6,803	31,897	37,958	76,156
Fund balances, end of year	\$ -	\$ 4,601	\$ 46,343	\$ 52,404	\$ 103,348

VILLAGE OF MALTA, ILLINOIS
SCHEDULE OF REVENUES - MODIFIED CASH BASIS
GENERAL FUND
Year Ended April 30, 2023

Local taxes:	
Property taxes	<u>\$ 61,661</u>
Intergovernmental:	
Sales tax	56,667
Use tax	46,543
Utility tax	65,497
Income tax	184,685
Replacement tax	7,863
Video gaming tax	16,266
Cannabis use tax	1,800
	<u>379,321</u>
Licenses, permits, and fees:	
Licenses	3,140
Building permits	6,854
	<u>9,994</u>
Fines and forfeits	<u>574</u>
Other:	
Interest	14,930
Other revenues	82,714
	<u>97,644</u>
Total revenues	<u><u>\$ 549,194</u></u>

**VILLAGE OF MALTA, ILLINOIS
SCHEDULE OF EXPENDITURES COMPARED
WITH APPROPRIATED AMOUNTS - MODIFIED CASH BASIS
GENERAL FUND
Year Ended April 30, 2023**

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Over (Under) Budget</u>
General government:			
Village administration	\$ 277,062	\$ 142,591	\$ (134,471)
Public safety:			
Law enforcement	118,625	67,195	(51,430)
Highways and streets:			
Streets	360,438	141,294	(219,144)
Capital outlay:			
Capital improvements	187,500	241,864	54,364
Total expenditures	<u>\$ 943,625</u>	<u>\$ 592,944</u>	<u>\$ (350,681)</u>

VILLAGE OF MALTA, ILLINOIS
SCHEDULE OF EXPENDITURES COMPARED
WITH APPROPRIATED AMOUNTS - MODIFIED CASH BASIS
GENERAL FUND
Year Ended April 30, 2023

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Over (Under)</u> <u>Budget</u>
General government:			
Village administration:			
Salaries:			
Elected officials	\$ 20,000	\$ 12,424	\$ (7,576)
Employees	62,500	42,891	(19,609)
Employee benefits	19,688	13,006	(6,682)
Health insurance	14,375	11,478	(2,897)
Computer maintenance agreement	2,500	5,090	2,590
Building maintenance	2,500	-	(2,500)
Equipment maintenance	1,250	-	(1,250)
Maintenance - other	3,750	1,920	(1,830)
Engineering services	1,250	-	(1,250)
Legal services	15,000	9,291	(5,709)
Other professional services	103,750	29,135	(74,615)
Postage	313	100	(213)
Telephone	3,000	2,575	(425)
Printing	625	445	(180)
Communications	1,250	389	(861)
Travel and training	313	51	(262)
Building maintenance supplies	1,875	222	(1,653)
Office supplies	1,875	1,046	(829)
Operating supplies	2,500	2,651	151
Other expenditures	18,748	9,877	(8,871)
	<hr/>	<hr/>	<hr/>
Total general government	\$ 277,062	\$ 142,591	\$ (134,471)

**VILLAGE OF MALTA, ILLINOIS
SCHEDULE OF EXPENDITURES COMPARED
WITH APPROPRIATED AMOUNTS - MODIFIED CASH BASIS
GENERAL FUND
Year Ended April 30, 2023**

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Over (Under) Budget</u>
Public safety:			
Law enforcement:			
Salaries	\$ 68,750	\$ 38,478	\$ (30,272)
Uniforms	3,125	716	(2,409)
Equipment maintenance	1,563	2,150	587
Vehicle maintenance	6,250	972	(5,278)
Professional services	25,000	14,808	(10,192)
Postage	125	-	(125)
Telephone	7,500	3,661	(3,839)
Training	625	672	47
Utilities	1,250	-	(1,250)
Office supplies	312	-	(312)
Operating supplies	1,000	3,055	2,055
Vehicle fuel and oil	3,125	2,683	(442)
	<hr/>	<hr/>	<hr/>
Total public safety	\$ 118,625	\$ 67,195	\$ (51,430)

VILLAGE OF MALTA, ILLINOIS
SCHEDULE OF EXPENDITURES COMPARED
WITH APPROPRIATED AMOUNTS - MODIFIED CASH BASIS
GENERAL FUND
Year Ended April 30, 2023

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Over (Under)</u> <u>Budget</u>
Highways and streets:			
Streets:			
Salaries	\$ 100,938	\$ 61,613	\$ (39,325)
Health insurance	14,375	8,575	(5,800)
Building maintenance	6,250	456	(5,794)
Equipment maintenance	6,250	5,831	(419)
Street maintenance	137,500	5,089	(132,411)
Vehicle maintenance	6,250	1,153	(5,097)
Maintenance - other	2,500	2,417	(83)
Engineering services	625	-	(625)
Legal services	625	-	(625)
Mosquito control	11,250	6,294	(4,956)
Other professional services	6,875	2,116	(4,759)
Communications	2,000	607	(1,393)
Garage utilities	6,250	3,392	(2,858)
Street lighting	18,750	12,596	(6,154)
Building supplies	1,875	319	(1,556)
Equipment supplies	2,500	978	(1,522)
Vehicle supplies	1,875	27	(1,848)
Street supplies	7,500	3,827	(3,673)
Other supplies	14,375	18,739	4,364
Snow salt and sand	5,000	-	(5,000)
Office supplies	625	-	(625)
Fuel and oil	6,250	7,265	1,015
	<hr/>	<hr/>	<hr/>
Total highways and streets	\$ 360,438	\$ 141,294	\$ (219,144)
	<hr/>	<hr/>	<hr/>
Capital outlay:			
Capital improvements	\$ 187,500	\$ 241,864	\$ 54,364
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Total general fund	\$ 943,625	\$ 592,944	\$ (350,681)
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**VILLAGE OF MALTA, ILLINOIS
SCHEDULE OF EXPENDITURES COMPARED
WITH APPROPRIATED AMOUNTS - MODIFIED CASH BASIS
SPECIAL REVENUE FUNDS
Year Ended April 30, 2023**

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Over (Under) Budget</u>
<i>IMRF Fund</i>			
General government:			
Retirement	\$ -	\$ -	\$ -
<i>Audit Fund</i>			
General government:			
Accounting services	\$ 15,000	\$ 13,000	\$ (2,000)
<i>Insurance Fund</i>			
General government:			
General insurance	\$ 37,500	\$ 28,204	\$ (9,296)
<i>Social Security Fund</i>			
General government:			
Payroll taxes	\$ 19,500	\$ -	\$ (19,500)
<i>Tax Increment Finance Fund</i>			
General government:			
Other professional services	\$ 218,750	\$ 15,267	\$ (203,483)
Pledge Bond 2006 PS	625,000	339,274	(285,726)
	\$ 843,750	\$ 354,541	\$ (489,209)

VILLAGE OF MALTA, ILLINOIS
SCHEDULE OF EXPENDITURES COMPARED
WITH APPROPRIATED AMOUNTS - MODIFIED CASH BASIS
WATER AND WASTEWATER FUND
Year Ended April 30, 2023

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Over (Under)</u> <u>Budget</u>
Water Department:			
Personnel:			
Salaries	\$ 55,563	\$ 22,289	\$ (33,274)
Insurance	8,750	2,519	(6,231)
	<hr/>	<hr/>	<hr/>
	64,313	24,808	(39,505)
Contractual services:			
Software maintenance	1,875	-	(1,875)
Utility system maintenance	6,250	19,252	13,002
Maintenance - other	18,750	11,818	(6,932)
Engineering	1,250	-	(1,250)
Legal services	625	-	(625)
Other professional services	10,000	11,552	1,552
Postage	875	710	(165)
Phone	2,250	2,132	(118)
Publishing and printing	500	-	(500)
Dues	625	363	(262)
Travel	250	-	(250)
Training	625	-	(625)
Utilities	22,500	20,431	(2,069)
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	66,375	66,258	(117)
Commodities:			
Supplies - utility system	6,250	248	(6,002)
Office supplies	625	517	(108)
Operating supplies	6,250	5,345	(905)
Small tools	625	163	(462)
Auto fuel and oil	1,875	1,881	6
Chemicals	7,500	5,819	(1,681)
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	23,125	13,973	(9,152)
Capital expenditures:			
Capital improvements and impact	80,000	2,575	(77,425)
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Total Water Department	\$ 233,813	\$ 107,614	\$ (126,199)
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**VILLAGE OF MALTA, ILLINOIS
SCHEDULE OF EXPENDITURES COMPARED
WITH APPROPRIATED AMOUNTS - MODIFIED CASH BASIS
WATER AND WASTEWATER FUND
Year Ended April 30, 2023**

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Over (Under) Budget</u>
Wastewater Department:			
Personnel:			
Salaries	\$ 64,313	\$ 28,669	\$ (35,644)
Insurance	8,750	417	(8,333)
	73,063	29,086	(43,977)
Contractual services:			
Software maintenance	1,875	-	(1,875)
Utility system maintenance	3,750	447	(3,303)
Maintenance - other	15,625	8,596	(7,029)
Other professional services	20,000	14,192	(5,808)
Postage	875	1,158	283
Phone	2,250	1,227	(1,023)
Publishing and printing	250	-	(250)
Dues	312	-	(312)
Utilities	28,750	19,660	(9,090)
	73,687	45,280	(28,407)
Commodities:			
Building supplies	625	150	(475)
Supplies - utility system	3,125	-	(3,125)
Supplies - other	6,250	-	(6,250)
Office supplies	625	-	(625)
Operating supplies	1,875	502	(1,373)
Auto fuel and oil	1,875	1,769	(106)
Chemicals	625	-	(625)
	15,000	2,421	(12,579)
Capital expenditures:			
Capital improvements and impact	125,000	108,085	(16,915)
Total Wastewater Department	\$ 286,750	\$ 184,872	\$ (101,878)
Garbage services:			
Garbage disposal	\$ 161,250	\$ 9,000	\$ (152,250)