



**VILLAGE OF LAKE VILLA  
LAKE COUNTY, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED APRIL 30, 2025**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Village of Lake Villa  
Lake Villa, Illinois

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the 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 Lake Villa

as of and for the year ended April 30, 2025, 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 accompanying financial statements 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 Lake Villa as of April 30, 2025, and the respective changes in financial position - modified cash basis and, where applicable, cash flows - modified cash basis 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Village of Lake Villa 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 the 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.

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 one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 Village of Lake Villa'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 Village of Lake Villa'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.

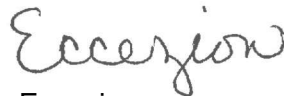
### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2025 on our consideration of Village of Lake Villa's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Village of Lake Villa's internal control over financial reporting and compliance.



Eccezion  
Strategic Business Solutions

McHenry, Illinois  
September 10, 2025



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

To the Board of Trustees  
Village of Lake Villa  
Lake Villa, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of

Village of Lake Villa

as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise Village of Lake Villa's basic financial statements, and have issued our report thereon dated September 10, 2025.

**Report on Internal Control Over Financial Reporting**

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

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

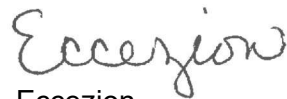
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## ***Report on Compliance and Other Matters***

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

### **Purpose of this Report**

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



Eccezion  
Strategic Business Solutions

McHenry, Illinois  
September 10, 2025



## SUPPLEMENTARY INFORMATION

# **VILLAGE OF LAKE VILLA**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of Village of Lake Villa (Village), we offer readers of the Village's statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2025.

### **FINANCIAL HIGHLIGHTS**

- The assets of the Village exceeded its liabilities at April 30, 2025 by \$41,865,576 (net position). Of this amount, \$13,611,857 (unrestricted net position) may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net position increased by \$590,985.
- At April 30, 2025, the Village's governmental funds reported combined ending fund balances of \$10,528,200, an increase of \$276,604 in comparison with the prior year. Of this total amount, \$4,471,391 is available for spending at the Village's discretion (unassigned fund balance).
- At April 30, 2025, the unassigned fund balance for the General Fund was \$4,730,439, or 79% of total General Fund expenditures.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements** - The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business.

The Statement of Net Position – Modified Cash Basis presents information on all of the Village's assets and liabilities arising from cash transactions, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The Statement of Activities – Modified Cash Basis presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported on the cash basis as soon as cash is received or disbursed, regardless of when the underlying event giving rise to the change occurs.

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include General Government, Police, Streets, Building and Grounds, Mansion, Fleet and Parks. The business-type activities of the Village include water and sewer operations, and garbage collection.

**Fund financial statements** - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental, proprietary, and fiduciary funds.

**Governmental funds** - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund Statement of Assets, Liabilities, and Fund Balance – Modified Cash Basis and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances – Modified Cash Basis provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains fifteen individual governmental funds. Information is presented separately in the governmental fund Statement of Assets, Liabilities, and Fund Balance – Modified Cash Basis and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances – Modified Cash Basis for the General Fund, Motor Fuel Tax Fund and Capital Projects Fund which are considered to be major funds. Data from the other twelve funds are combined into a single, aggregated presentation.

**Proprietary funds** - The Village maintains one type of proprietary fund (enterprise fund). Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sewer operations and garbage payments.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer operations, which is considered to be a major fund of the Village and the garbage fund, which is also a major fund.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs.

**Notes to the financial statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information** - In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the Village's progress in meeting its obligation to provide as fully adequate as possible services to all of its residents.

The Village adopts an annual budget for all of its funds. A budgetary comparison statement has been provided for the General, Motor Fuel Tax, and General Capital Funds to demonstrate compliance with this budget.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$41,865,576 at April 30, 2025.

By far, the largest portion of the Village's net assets (63%) reflects its investment in capital assets (e.g., land, construction in progress, buildings and improvements, land improvements, furniture and office equipment, vehicles and equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Village of Lake Villa's Net Position					
	Governmental Activities		Business-Type Activities		Total	
	4/30/2025	4/30/2024	4/30/2025	4/30/2024	4/30/2025	4/30/2024
<b>Assets</b>						
Current and Other Assets	\$ 11,306,815	\$ 11,128,831	\$ 5,124,945	\$ 4,611,245	\$ 16,431,760	\$ 15,740,076
Capital Assets	11,078,340	11,265,685	20,060,645	20,500,540	31,138,985	31,766,225
<b>Total Assets</b>	<b>\$ 22,385,155</b>	<b>\$ 22,394,516</b>	<b>\$ 25,185,590</b>	<b>\$ 25,111,785</b>	<b>\$ 47,570,745</b>	<b>\$ 47,506,301</b>
<b>Liabilities</b>						
Long-Term Liabilities Outstanding	\$ 418,366	\$ 492,890	\$ 4,365,845	\$ 4,888,183	\$ 4,784,211	\$ 5,381,073
Other Liabilities	23,688	21,605	211,493	37,365	235,181	58,970
<b>Total Liabilities</b>	<b>\$ 442,054</b>	<b>\$ 514,495</b>	<b>\$ 4,577,338</b>	<b>\$ 4,925,548</b>	<b>\$ 5,019,392</b>	<b>\$ 5,440,043</b>
Deferred Inflow s of Resources	\$ 685,777	\$ 791,667	\$ -	\$ -	\$ 685,777	\$ 791,667
<b>Net Position</b>						
Net Investment in Capital Assets	\$ 10,659,974	\$ 10,772,795	\$ 15,694,800	\$ 15,612,357	\$ 26,354,774	\$ 26,385,152
Restricted	1,898,945	1,812,502	-	-	1,898,945	1,812,502
Unrestricted	8,698,405	8,503,057	4,913,452	4,573,880	13,611,857	13,076,937
<b>Total Net Position</b>	<b>\$ 21,257,324</b>	<b>\$ 21,088,354</b>	<b>\$ 20,608,252</b>	<b>\$ 20,186,237</b>	<b>\$ 41,865,576</b>	<b>\$ 41,274,591</b>

An additional portion of the Village's net position (4.54%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$13,611,857) may be used to meet the Village's ongoing obligations to citizens and creditors.

At April 30, 2025, the Village is able to report positive balances in all three categories of net position. The same situation held true for the prior fiscal year.

The Village's total net position increased by \$590,985, during the year ended April 30, 2025.

	Village of Lake Villa's Change in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	4/30/2025	4/30/2024	4/30/2025	4/30/2024	4/30/2025	4/30/2024
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 900,796	\$ 692,961	\$ 4,679,768	\$ 4,177,713	\$ 5,580,564	\$ 4,870,674
Operating Grants and Contributions	422,580	414,146	-	-	422,580	414,146
General Revenues						
Property Taxes	2,831,255	2,657,010	-	-	2,831,255	2,657,010
Utilities Tax	468,142	463,658	-	-	468,142	463,658
Sales Tax	1,417,117	1,350,147	-	-	1,417,117	1,350,147
Other Taxes	2,163,469	2,128,848	-	-	2,163,469	2,128,848
Unrestricted Investment Earnings	353,018	210,500	126,962	86,547	479,980	297,047
Gain on Asset Disposal	11,241	29,475	-	-	11,241	29,475
Gain/(Loss) on Investments	-	572	-	-	-	572
Other General Revenue	243,679	349,153	101,940	74,786	345,619	423,939
<b>Total Revenues</b>	<b>\$ 8,811,297</b>	<b>\$ 8,296,470</b>	<b>\$ 4,908,670</b>	<b>\$ 4,339,046</b>	<b>\$ 13,719,967</b>	<b>\$ 12,635,516</b>

Expenses						
General Government	\$ 2,407,103	\$ 1,882,131	\$ -	\$ -	\$ 2,407,103	\$ 1,882,131
Police	3,705,391	3,471,340	-	-	3,705,391	3,471,340
Streets	1,592,685	1,416,537	-	-	1,592,685	1,416,537
Building and Grounds	330,013	321,055	-	-	330,013	321,055
Fleet	67,947	71,362	-	-	67,947	71,362
Mansion	74,716	62,960	-	-	74,716	62,960
Debt Service	12,168	15,292	-	-	12,168	15,292
Garbage	-	-	946,300	683,888	946,300	683,888
Water and Sewer	-	-	3,992,659	3,397,993	3,992,659	3,397,993
Total Expenses	\$ 8,190,023	\$ 7,240,677	\$ 4,938,959	\$ 4,081,881	\$ 13,128,982	\$ 11,322,558
Increase/(Decrease) before Transfers	\$ 621,274	\$ 1,055,793	\$ (30,289)	\$ 257,165	\$ 590,985	\$ 1,312,958
Transfers	(452,304)	(83,951)	452,304	83,951	-	-
Increase/(Decrease) in Net Position	\$ 168,970	\$ 971,842	\$ 422,015	\$ 341,116	\$ 590,985	\$ 1,312,958
Net Position - Beginning of Year	21,088,354	20,111,389	20,186,237	19,845,121	41,274,591	39,956,510
Net Position Adjustment	-	5,123	-	-	-	5,123
Net Position - End of Year	\$ 21,257,324	\$ 21,088,354	\$ 20,608,252	\$ 20,186,237	\$ 41,865,576	\$ 41,274,591

**Governmental Activities** – Governmental activities increased the Village’s net position by \$168,970.

**Business-Type Activities** – Business-type activities increased the Village’s net position by \$422,015.

## FINANCIAL ANALYSIS OF THE VILLAGE’S FUNDS

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds** - The focus of the Village’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Village’s net resources available for spending at the end of the fiscal year.

At April 30, 2025, the Village’s governmental funds reported combined ending fund balances of \$10,528,200 an increase of \$276,604 in comparison with the prior year. Of this total amount, \$4,471,391 constitutes unassigned fund balance, which is available for spending at the Village’s discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been restricted, committed, or assigned for specific purposes.

### *General Fund*

The General Fund is the chief operating fund of the Village. The focus of the Village’s General Fund is to provide information on the revenues and expenditures of the funds that the Village receives from its general tax levies and from other unrestricted sources such as personal property replacement tax, grants, interest on bank deposits, and associated expenditures.

At April 30, 2025, unassigned fund balance of the General Fund was \$4,730,439, while total fund balance was \$4,758,901, an increase of \$107,515 in comparison with the prior year. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 79.4% of total General Fund expenditures, while total fund balance represents 79.9% of that same amount.

### *Motor Fuel Tax Fund*

The net change in fund balance was a decrease of \$109,243 resulting in an ending fund balance of \$1,360,750.

## *General Capital Projects Fund*

The net change in fund balance was a increase of \$19,999 resulting in an ending balance of \$3,296,573.

**Proprietary funds** - The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer Fund at April 30, 2025 amounted to \$4,747,126. The total increase in net position for the Water and Sewer Fund was \$455,607 which is the excess of revenues over expenditures for providing water and sewer services.

The Garbage Fund had an unrestricted net position balance at April 30, 2024 of \$166,326. The Village bills customers for garbage service on their water and sewer bills at a rate established by an approved ordinance. The current provider, Waste Management, bills the Village monthly for service provided. The Garbage Fund had \$33,592 in excess expenses over revenues for fiscal year 2025.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The Village did not amend its budget for the fiscal year ended April 30, 2025.

Significant differences between the budget and actual revenues and expenditures are summarized as follows:

- The difference between the estimated revenues and the actual revenues was \$563,637 (favorable) due primarily to more than expected local taxes, court fines, and investment income.
- The difference between the estimated expenditures and the actual expenditures was \$228,203 (favorable) and there wasn't one account that was the primary reason for this difference.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets** - The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2025 amounts to \$31,138,985 (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, buildings and improvements, land improvements, furniture and office equipment, vehicles and equipment, Right-of-Use assets and infrastructure. The total decrease in the Village's investment in capital assets for the current fiscal year was 1.97%.

Major capital asset events during the year ended April 30, 2025 included the following:

### Governmental Activities:

- Back Hoe Disposal - \$60,102
- 1995 Truck Disposal - \$43,166
- Grand Ave and Grass Lake Construction in Progress - \$75,333
- 2025 International Truck Addition- \$96,714
- 2025 Ford F-600 - \$76,310
- 2024 Dodge Durango Interceptor - \$59,227

### Business-Type Activities:

- Well No. 2 and 4 Disposal - \$100,000
- Water Tower B Lowering Addition - \$363,732

Village of Lake Villa's Capital Assets  
(net of depreciation & amortization)

	Governmental Activities		Business-Type Activities		Total	
	4/30/2025	4/30/2024	4/30/2025	4/30/2024	4/30/2025	4/30/2024
Land	\$ 4,130,775	\$ 4,130,775	\$ 81,774	\$ 81,774	\$ 4,212,549	\$ 4,212,549
Construction in Progress	130,313	54,980	-	-	130,313	54,980
Buildings and Improvements	1,895,168	1,988,239	2,458,582	2,527,670	4,353,750	4,515,909
Land Improvements	2,627,620	2,752,896	31,472	33,439	2,659,092	2,786,335
Furniture and Office Equipment	170,496	139,831	-	-	170,496	139,831
Vehicles and Equipment	807,711	754,261	160,076	38,389	967,787	792,650
Infrastructure	1,161,502	1,309,365	17,238,443	17,700,288	18,399,945	19,009,653
Right-of-Use Assets	154,755	135,338	90,298	118,980	245,053	254,318
Total	<u>\$ 11,078,340</u>	<u>\$ 11,265,685</u>	<u>\$ 20,060,645</u>	<u>\$ 20,500,540</u>	<u>\$ 31,138,985</u>	<u>\$ 31,766,225</u>

For more detail on the Village's Capital Assets, see Note 3 in the notes to the financial statements.

**Long Term Debt** - At April 30, 2025, the Village had \$4,784,211 in long-term debt.

Village of Lake Villa's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	4/30/2025	4/30/2024	4/30/2025	4/30/2024	4/30/2025	4/30/2024
GO Bonds 2019	\$ 262,128	\$ 357,632	\$ -	\$ -	\$ 262,128	\$ 357,632
GO Bonds	-	-	490,000	725,000	490,000	725,000
IEPA Loan 2017	-	-	2,883,696	3,096,321	2,883,696	3,096,321
IEPA Loan 5887	-	-	576,915	606,627	576,915	606,627
IEPA Loan 5888	-	-	323,611	340,817	323,611	340,817
Right-of-Use Liabilities	156,238	135,258	91,623	119,418	247,861	254,676
Total	<u>\$ 418,366</u>	<u>\$ 492,890</u>	<u>\$ 4,365,845</u>	<u>\$ 4,888,183</u>	<u>\$ 4,784,211</u>	<u>\$ 5,381,073</u>

For more detail on the Village's long-term debt, see Note 4 in the notes to the financial statements.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Village considered many factors when setting the fiscal year 2026 budget. Those factors included expected property tax revenues, income and utility tax revenues, projected expenses, necessary capital outlay and account fund balances.

The General Operating Fund 2025-2026 budgeted fund surplus of \$239 that includes the costs of providing services such as police protection, park maintenance, street maintenance, administrative services, and code compliance services.

The General Capital Fund receives revenue from video gaming, water tower leases, and a portion of sales, use and income tax. In addition, this fund will receive funds in excess of the General Operating Fund designated fund reserve. These funds are set apart from operational spending and reserved for one-time community improvements and major equipment replacements. The fiscal year 2025-2026 budget of \$1,292,820 includes the following projects as well as other equipment purchases and improvement projects:

Road Resurfacing Supplement	\$ 275,000
Grass Lake Road Pedestrian Path	\$ 185,000
Unit 5 – 1998 International 4900 Replacement (Split)	\$ 116,463
Building Repairs/Planning Studies/Contingency	\$ 81,706
Zoning Code Updates	\$ 70,000
Unit 277 – 2014 Dodge Charger Police Replacement	\$ 66,831

Unit 8 – 2002 International 4900 Replacement (Split)	\$ 62,513
Public Works/Police Department Vehicle Leases	\$ 48,378
Road Salt/Brine	\$ 45,000
Unit 21 – 2014 Dodge Ram Body Replacement	\$ 38,567
Tractor Replacement	\$ 38,000
Road Resurfacing Design/Engineering	\$ 35,000
Grand Avenue Pedestrian Path (Design Engineering)	\$ 26,589
Workstation Replacements	\$ 25,970
Public Works Facility Improvements	\$ 25,000
Anti-Ice Sprayer Attachment	\$ 25,000
Enterprise Resource Planning (ERP) System Upgrade	\$ 21,200
Phone System Upgrade/Replacement	\$ 16,000
Public Safety Squad Computer Replacements	\$ 15,750
Unit 6 – 1998 Stewart & Stevenson Upfit (Split)	\$ 15,000
Body Camera Replacements	\$ 14,442

The Water and Sewer Operating Fund 2025-2026 budgeted fund surplus of \$33,956 which includes operating costs of the water and sewer system.

The Water & Sewer Capital Fund receives revenue from one-time water and sewer connection fees generated from new building construction. In addition, this fund will receive funds in excess of the Water and Sewer Operating Fund designated fund reserve. These revenues are set apart from operational spending and reserved for one-time system improvements and replacements. The Water/Sewer Capital Fund 2025-2026 budget of \$1,179,775 includes the following system upgrades as well as other system repairs and improvements.

Water Meter Replacement Project	\$ 325,000
Burnett/Walden/Laurie Court Water Main (Phase 1)	\$ 270,000
Unit 22 – Crane Truck Replacement	\$ 210,000
Sanitary Sewer Manhole Repairs/I&I Repairs	\$ 100,000
Unit 15 – 2015 Ford F250 Replacement	\$ 80,000
Life Station #8 Rehabilitation/Pump Replacement	\$ 50,000
Unit 5 – 1998 International 4900 Replacement (Split)	\$ 38,821
Water/Sewer Vehicle Leases	\$ 30,202
Other Projects/Contingencies	\$ 25,000



IEPA Loan Application for Burnett Water Main (Phase 2)	\$	25,000
Water/Sewer Facility Tuckpointing	\$	21,916
Unit 8 – 2002 International 4900 Replacement (Split)	\$	20,837

The Metra Fund 2025-2026 budgeted surplus of \$16,297 includes operating costs for the Metra station and parking lot.

The Mansion Fund 2025-2026 budgeted deficit of \$7,741 includes operating and maintenance costs for the Lehmann Mansion.

The Motor Fuel Tax Fund 2025-2026 budgeted a deficit of \$320,000.

The Downtown Business District Fund 2025-2026 budgeted deficit of \$74,922.

#### REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the Village's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Village of Lake Villa, 65 Cedar Ave., Lake Villa, IL 60046.

## BASIC FINANCIAL STATEMENTS

VILLAGE OF LAKE VILLA  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
APRIL 30, 2025

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 10,551,677	\$ 5,124,945	\$ 15,676,622
Right-of-Use Lease Receivable	754,927	-	754,927
Capital Assets			
Land	4,130,775	81,774	4,212,549
Construction in Progress	130,313	-	130,313
Right-of-Use Assets, Net of Amortization	154,755	90,298	245,053
Other Capital Assets, Net of Depreciation	6,662,497	19,888,573	26,551,070
Total Assets	<u>\$ 22,385,155</u>	<u>\$ 25,185,590</u>	<u>\$ 47,570,745</u>
<b>LIABILITIES</b>			
Miscellaneous Payables	\$ -	\$ 653	\$ 653
Other Payables	9,465	-	9,465
Due to Fiduciary Funds	14,223	-	14,223
Due to Other Governments	-	210,840	210,840
Non-Current Liabilities			
Due Within One Year	136,141	504,037	640,178
Due in More Than One Year	282,225	3,861,808	4,144,033
Total Liabilities	<u>\$ 442,054</u>	<u>\$ 4,577,338</u>	<u>\$ 5,019,392</u>
Deferred Inflows of Resources			
Unavailable Revenue - Right-of-Use Leases - Lessor	\$ 685,777	\$ -	\$ 685,777
Total Deferred Inflows of Resources	<u>\$ 685,777</u>	<u>\$ -</u>	<u>\$ 685,777</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	\$ 10,659,974	\$ 15,694,800	\$ 26,354,774
Restricted for:			
Streets	1,360,750	-	1,360,750
Drug Enforcement	7,404	-	7,404
DUI	10,194	-	10,194
Unemployment	28,462	-	28,462
Downtown TIF	486,997	-	486,997
Park Ave TIF	5,138	-	5,138
Unrestricted / (Deficit)	8,698,405	4,913,452	13,611,857
Total Net Position	<u>\$ 21,257,324</u>	<u>\$ 20,608,252</u>	<u>\$ 41,865,576</u>

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

VILLAGE OF LAKE VILLA  
GOVERNMENT-WIDE FINANCIAL STATEMENTS  
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
YEAR ENDED APRIL 30, 2025

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities
Governmental Activities					
General Government	\$ 2,407,103	\$ 296,056	\$ -	\$ (2,111,047)	\$ -
Police	3,705,391	291,599	6,748	(3,407,044)	-
Streets	1,592,685	15,159	394,926	(1,182,600)	-
Building and Grounds	330,013	262,522	-	(67,491)	-
Fleet	67,947	-	-	(67,947)	-
Mansion	74,716	35,460	-	(39,256)	-
Celebration of Summer Fund	-	-	20,906	20,906	-
Interest and Fees on Long-Term Debt	12,168	-	-	(12,168)	-
	<u>\$ 8,190,023</u>	<u>\$ 900,796</u>	<u>\$ 422,580</u>	<u>\$ (6,866,647)</u>	<u>\$ -</u>
Business-Type Activities					
Garbage	\$ 946,300	\$ 893,750	\$ -	\$ -	\$ (52,550)
Water and Sewer	3,992,659	3,786,018	-	-	(206,641)
Total Business-Type Activities	<u>\$ 4,938,959</u>	<u>\$ 4,679,768</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (259,191)</u>
Total Primary Government	<u>\$ 13,128,982</u>	<u>\$ 5,580,564</u>	<u>\$ 422,580</u>	<u>\$ (6,866,647)</u>	<u>\$ (259,191)</u>
General Revenues					
Taxes					
Property Tax				\$ 2,831,255	\$ -
Utilities Tax				468,142	-
Intergovernmental					
State Sales Tax				1,417,117	-
State Income Tax				1,533,156	-
Other Taxes				630,313	-
Unrestricted Investment Earnings				353,018	126,962
Miscellaneous				243,679	43,719
Gain on Disposal of Capital Assets				11,241	-
Connection and Permit Fees				-	58,221
Transfers				(452,304)	452,304
Total General Revenues and Transfers				<u>\$ 7,035,617</u>	<u>\$ 681,206</u>
Change in Net Position				\$ 168,970	\$ 422,015
Net Position - Beginning of Year				21,088,354	20,186,237
Net Position - End of Year				<u>\$ 21,257,324</u>	<u>\$ 20,608,252</u>

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

VILLAGE OF LAKE VILLA  
FUND FINANCIAL STATEMENTS  
STATEMENT OF ASSETS, LIABILITIES, AND  
FUND BALANCE - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
AS OF APRIL 30, 2025

	General Fund	Motor Fuel Tax Fund	General Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and Investments	\$ 4,782,589	\$ 1,360,750	\$ 3,296,573	\$ 1,365,813	\$ 10,805,725
Other Receivables	-	-	-	211	211
<b>Total Assets</b>	<u>\$ 4,782,589</u>	<u>\$ 1,360,750</u>	<u>\$ 3,296,573</u>	<u>\$ 1,366,024</u>	<u>\$ 10,805,936</u>
<b>LIABILITIES</b>					
Cash Overdraft	\$ -	\$ -	\$ -	\$ 254,048	\$ 254,048
Other Payables	9,465	-	-	-	9,465
Due to Fiduciary Funds	14,223	-	-	-	14,223
<b>Total Liabilities</b>	<u>\$ 23,688</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 254,048</u>	<u>\$ 277,736</u>
<b>FUND BALANCES</b>					
Restricted					
Streets	\$ -	\$ 1,360,750	\$ -	\$ -	\$ 1,360,750
Drug Enforcement	-	-	-	7,404	7,404
DUI	-	-	-	10,194	10,194
Unemployment	28,462	-	-	-	28,462
Downtown TIF	-	-	-	486,997	486,997
Park Ave TIF	-	-	-	5,138	5,138
Assigned					
Metra	-	-	-	162,344	162,344
Insurance	-	-	-	49,575	49,575
Special Events	-	-	-	32,343	32,343
Parks	-	-	-	34,771	34,771
Capital Projects	-	-	3,296,573	-	3,296,573
Downtown TIF	-	-	-	80,822	80,822
Business District #1	-	-	-	501,436	501,436
Unassigned	4,730,439	-	-	(259,048)	4,471,391
<b>Total Fund Balances</b>	<u>\$ 4,758,901</u>	<u>\$ 1,360,750</u>	<u>\$ 3,296,573</u>	<u>\$ 1,111,976</u>	<u>\$ 10,528,200</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 4,782,589</u>	<u>\$ 1,360,750</u>	<u>\$ 3,296,573</u>	<u>\$ 1,366,024</u>	<u>\$ 10,805,936</u>

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

VILLAGE OF LAKE VILLA  
FUND FINANCIAL STATEMENTS  
RECONCILIATION OF THE STATEMENT OF ASSETS, LIABILITIES,  
AND FUND BALANCE - MODIFIED CASH BASIS  
TO THE STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
APRIL 30, 2025

Total Fund Balances - Governmental Funds		\$ 10,528,200
Amounts reported for governmental activities in the Statement of Net Position - Modified Cash Basis are different because:		
Right-of-Use Lease amounts (as lessor) used in governmental activities are not current financial resources and therefore are not reported in the funds		
Right-of-Use Lease Receivable	\$ 754,927	
Right-of-Use Lease Deferred Revenue	<u>(685,777)</u>	
		69,150
Capital assets and Right-of-Use assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		
Capital Assets, net of accumulated depreciation	\$ 10,923,585	
Right-of-Use Assets, net of accumulated amortization	<u>154,755</u>	
		11,078,340
Some liabilities are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Note	\$ (262,128)	
Right-of-Use Lease Liability	<u>(156,238)</u>	
		<u>(418,366)</u>
Net Position of Governmental Activities		<u><u>\$ 21,257,324</u></u>

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

VILLAGE OF LAKE VILLA  
FUND FINANCIAL STATEMENTS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
MODIFIED CASH BASIS - GOVERNMENTAL FUNDS  
YEAR ENDED APRIL 30, 2025

	General Fund	Motor Fuel Tax Fund	General Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
<b>REVENUES</b>					
Local Taxes	\$ 2,215,356	\$ -	\$ -	\$ 615,899	\$ 2,831,255
Utilities Tax	468,142	-	-	-	468,142
Intergovernmental	2,997,442	394,926	381,057	202,087	3,975,512
Licenses and Permits	460,697	-	-	-	460,697
Fines	141,495	-	-	6,265	147,760
Grant Revenue	6,748	-	-	-	6,748
Other	507,007	41,943	153,554	202,251	904,755
<b>Total Revenues</b>	<b>\$ 6,796,887</b>	<b>\$ 436,869</b>	<b>\$ 534,611</b>	<b>\$ 1,026,502</b>	<b>\$ 8,794,869</b>
<b>EXPENDITURES</b>					
<b>CURRENT</b>					
General Government	\$ 1,083,642	\$ -	\$ -	\$ 596,272	\$ 1,679,914
Police	3,586,800	-	-	-	3,586,800
Streets	1,014,337	-	-	-	1,014,337
Building and Grounds	138,784	-	-	-	138,784
Fleet	67,947	-	-	-	67,947
Mansion	-	-	-	51,455	51,455
<b>CAPITAL OUTLAY</b>					
General Government	2,460	-	707,651	49,549	759,660
Police	57,938	-	-	5,475	63,413
Streets	6,666	546,112	-	26,692	579,470
Mansion	-	-	-	27,750	27,750
<b>DEBT SERVICE</b>					
Principal	-	-	-	95,505	95,505
Interest and Fees	-	-	-	12,167	12,167
<b>Total Expenditures</b>	<b>\$ 5,958,574</b>	<b>\$ 546,112</b>	<b>\$ 707,651</b>	<b>\$ 864,865</b>	<b>\$ 8,077,202</b>
<b>EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 838,313</b>	<b>\$ (109,243)</b>	<b>\$ (173,040)</b>	<b>\$ 161,637</b>	<b>\$ 717,667</b>
<b>OTHER FINANCING SOURCES/(USES)</b>					
Proceeds from Sale of Fixed Assets	\$ -	\$ -	\$ 11,241	\$ -	\$ 11,241
Transfers	(730,798)	-	181,798	96,696	(452,304)
	<b>\$ (730,798)</b>	<b>\$ -</b>	<b>\$ 193,039</b>	<b>\$ 96,696</b>	<b>\$ (441,063)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 107,515</b>	<b>\$ (109,243)</b>	<b>\$ 19,999</b>	<b>\$ 258,333</b>	<b>\$ 276,604</b>
<b>FUND BALANCES - MAY 1, 2024</b>	<b>4,651,386</b>	<b>1,469,993</b>	<b>3,276,574</b>	<b>853,643</b>	<b>10,251,596</b>
<b>FUND BALANCES - APRIL 30, 2025</b>	<b>\$ 4,758,901</b>	<b>\$ 1,360,750</b>	<b>\$ 3,296,573</b>	<b>\$ 1,111,976</b>	<b>\$ 10,528,200</b>

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

VILLAGE OF LAKE VILLA  
FUND FINANCIAL STATEMENTS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES - MODIFIED CASH BASIS TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
YEAR ENDED APRIL 30, 2025

Net Change in Fund Balances - Total Governmental Funds \$ 276,604

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

Governmental funds report capital outlays as expenditures. However, in the  
Statement of Activities - Modified Cash Basis the cost of those assets is allocated  
over their estimated useful lives and reported as depreciation expense. This is the  
amount by which capital outlay exceeds depreciation expense in the current period.

Depreciation Expense	\$ (651,867)	
Capital Outlays	<u>445,105</u>	
		(206,762)

Governmental funds report Right-of-Use Asset lease payments as expenditures.  
However, in the Statement of Activities - Modified Cash Basis the cost of those assets  
is allocated over the lease term and reported as amortization expense.

Right-of-Use Asset Amortization		(39,810)
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Some revenues reported on the Statement of Activities do not provide current  
financial resources and therefore are deferred in the governmental funds.

Right-of-Use Lease Revenue		105,890
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Repayment of long-term debt requires the use of current financial resources of  
governmental funds and is therefore shown as an expenditure in the Statement  
of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis,  
but the repayment reduces long-term liabilities in the Statement of Net Position -  
Modified Cash Basis and is therefore not reported in the Statement of Activities -  
Modified Cash Basis.

Repayment of Long-Term Debt & Leases		133,751
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Receipt of lease payments as a lessor, related to Right-of-Use leases, increases  
financial resources in the governmental funds, however, the principal amounts  
received reduce the lease receivable in the Statement of Net Position and is  
therefore not reported in the Statement of Activities

(100,703)

Change in Net Position of Governmental Activities		<u>\$ 168,970</u>
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The Notes to Financial Statements are an integral part of this statement.



VILLAGE OF LAKE VILLA  
STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
PROPRIETARY FUNDS  
APRIL 30, 2025

	Business-type Activities		
	Water and Sewer	Garbage	Total Enterprise Funds
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 4,958,619	\$ 166,326	\$ 5,124,945
	<u>\$ 4,958,619</u>	<u>\$ 166,326</u>	<u>\$ 5,124,945</u>
Non-Current Assets			
Capital Assets			
Land	\$ 81,774	\$ -	\$ 81,774
Other Capital Assets	3,785,095	-	3,785,095
Water and Sewer Systems	32,480,811	-	32,480,811
Right-Of-Use Asset	143,409	-	143,409
Less: Accumulated Depreciation & Amortization	(16,430,444)	-	(16,430,444)
	<u>\$ 20,060,645</u>	<u>\$ -</u>	<u>\$ 20,060,645</u>
Total Assets	<u>\$ 25,019,264</u>	<u>\$ 166,326</u>	<u>\$ 25,185,590</u>
<b>LIABILITIES</b>			
Current Liabilities			
Miscellaneous Payables	\$ 653	\$ -	\$ 653
Due to Other Governments	210,840	-	210,840
Bonds and Notes Payable - Current	475,529	-	475,529
Right-of-Use Liability - Current	28,508	-	28,508
	<u>\$ 715,530</u>	<u>\$ -</u>	<u>\$ 715,530</u>
Non-Current Liabilities			
Bonds and Notes Payable (Net of Current Portion Shown Above)	\$ 3,798,693	\$ -	\$ 3,798,693
Right-of-Use Liability (Net of Current Portion Shown Above)	63,115	-	63,115
	<u>\$ 3,861,808</u>	<u>\$ -</u>	<u>\$ 3,861,808</u>
Total Liabilities	<u>\$ 4,577,338</u>	<u>\$ -</u>	<u>\$ 4,577,338</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	\$ 15,694,800	\$ -	\$ 15,694,800
Unrestricted / (Deficit)	4,747,126	166,326	4,913,452
Total Net Position	<u>\$ 20,441,926</u>	<u>\$ 166,326</u>	<u>\$ 20,608,252</u>

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

VILLAGE OF LAKE VILLA  
FUND FINANCIAL STATEMENTS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
NET POSITION - MODIFIED CASH BASIS  
PROPRIETARY FUNDS  
YEAR ENDED APRIL 30, 2025

	Enterprise Fund		
	Water and Sewer	Garbage	Total Enterprise Funds
OPERATING REVENUES			
Charges for Services			
Water Customer Sales/Connection Fees	\$ 2,387,578	\$ -	\$ 2,387,578
Sewer Customer Sales/Connection Fees	1,396,740	-	1,396,740
Refuse and Recycling Collections	-	893,750	893,750
County Connection Fees	58,221	-	58,221
Inspection Fees	1,700	-	1,700
Miscellaneous Revenue	25,441	18,278	43,719
	<u>\$ 3,869,680</u>	<u>\$ 912,028</u>	<u>\$ 4,781,708</u>
OPERATING EXPENSES			
Water Department			
Personnel Expenses	\$ 335,503	\$ -	\$ 335,503
Contractor Expenses	138,904	-	138,904
Operating Expenses	1,257,412	-	1,257,412
Depreciation & Amortization	488,143	-	488,143
Sewer Department			
Personnel Expenses	335,487	-	335,487
Contractor Expenses	751,507	-	751,507
Operating Expenses	224,872	-	224,872
Depreciation & Amortization	366,283	-	366,283
Garbage Services			
Contractor Expenses	-	942,554	942,554
Operating Expenses	-	3,746	3,746
	<u>\$ 3,898,111</u>	<u>\$ 946,300</u>	<u>\$ 4,844,411</u>
OPERATING INCOME/(LOSS)	<u>\$ (28,431)</u>	<u>\$ (34,272)</u>	<u>\$ (62,703)</u>
NON-OPERATING REVENUE/(EXPENSE)			
Interest Income	\$ 126,282	\$ 680	\$ 126,962
Interest Expense	(94,548)	-	(94,548)
	<u>\$ 31,734</u>	<u>\$ 680</u>	<u>\$ 32,414</u>
INCOME/(LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>\$ 3,303</u>	<u>\$ (33,592)</u>	<u>\$ (30,289)</u>
TRANSFERS (TO)/FROM OTHER FUNDS			
Transfers	<u>452,304</u>	<u>-</u>	<u>452,304</u>
CHANGE IN NET POSITION	<u>\$ 455,607</u>	<u>\$ (33,592)</u>	<u>\$ 422,015</u>
NET POSITION - MAY 1, 2024	<u>19,986,319</u>	<u>199,918</u>	<u>20,186,237</u>
NET POSITION - APRIL 30, 2025	<u><u>\$ 20,441,926</u></u>	<u><u>\$ 166,326</u></u>	<u><u>\$ 20,608,252</u></u>

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

VILLAGE OF LAKE VILLA  
STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS  
PROPRIETARY FUNDS  
YEAR ENDED APRIL 30, 2025

	<u>Enterprise Funds</u> <u>Water and Sewer</u> <u>and Garbage</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers	\$ 4,781,708
Payments to Suppliers for Goods and Services	(3,144,791)
Payments to Employees for Services	(671,066)
Net Cash Provided/(Used) by Operating Activities	<u>\$ 965,851</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Transfers from Other Funds	\$ 452,304
Net Cash Provided/(Used) by Non-Capital Financing Activities	<u>\$ 452,304</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of Capital Assets	\$ (414,531)
Interest Paid on Capital Debt	(94,548)
Principal Paid on Capital Debt	(522,338)
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>\$ (1,031,417)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on Cash and Cash Equivalents and Investments	\$ 126,962
Net Cash Provided/(Used) by Investing Activities	<u>\$ 126,962</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	\$ 513,700
CASH AND INVESTMENTS BALANCE - MAY 1, 2024	<u>4,611,245</u>
CASH AND INVESTMENTS BALANCE - APRIL 30, 2025	<u><u>\$ 5,124,945</u></u>
RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	
Operating Income/(Loss)	\$ (62,703)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and Amortization Expense	854,426
Change in Assets and Liabilities:	
Miscellaneous Payables	(76)
Due to Other Governments	174,204
Net Cash Provided/(Used) by Operating Activities	<u><u>\$ 965,851</u></u>

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

VILLAGE OF LAKE VILLA  
STATEMENT OF FIDUCIARY NET POSITION - MODIFIED CASH BASIS  
FIDUCIARY FUNDS  
APRIL 30, 2025

	Police Pension Trust Fund	Custodial Fund
ASSETS		
Cash and Cash Equivalents	\$ 576,111	\$ 6,978
Investments		
IPOPIF Consolidated Pool	10,938,836	-
Certificates of Deposit	229,792	191,059
Due from Other Funds	14,223	-
Prepays	2,085	-
Total Assets	<u>\$ 11,761,047</u>	<u>\$ 198,037</u>
LIABILITIES		
Accounts Payable	\$ 775	\$ -
Total Liabilities	<u>\$ 775</u>	<u>\$ -</u>
NET POSITION		
Restricted - Held in Trust for Pension Benefits	\$ 11,760,272	\$ -
Restricted for Developers, Property Owners, and Others	-	198,037
Total Net Position	<u><u>\$ 11,760,272</u></u>	<u><u>\$ 198,037</u></u>

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

VILLAGE OF LAKE VILLA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -  
MODIFIED CASH BASIS  
FIDUCIARY FUNDS  
YEAR ENDED APRIL 30, 2025

	Police Pension Trust Fund	Custodial Fund
ADDITIONS		
Contributions		
Employer	\$ 829,759	\$ -
Plan Members	210,325	-
Developers, Property Owners, and Others	-	304,943
Total Contributions	<u>\$ 1,040,084</u>	<u>\$ 304,943</u>
Investment Income		
Interest and Dividends	\$ 119,533	\$ -
Net Increase/(Decrease) in Fair Value of Investments	791,318	-
Less: Investment Expense	(6,782)	-
Net Investment Income	<u>\$ 904,069</u>	<u>\$ -</u>
Total Additions	<u>\$ 1,944,153</u>	<u>\$ 304,943</u>
DEDUCTIONS		
Benefits	\$ 939,695	\$ -
Administrative Expenses	42,924	-
Payments on Behalf of Developers, Property Owners, and Others		107,826
Total Deductions	<u>\$ 982,619</u>	<u>\$ 107,826</u>
NET INCREASE/(DECREASE)	\$ 961,534	\$ 197,117
TRANSFERS (TO)/FROM OTHER FUNDS	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	\$ 961,534	\$ 197,117
NET POSITION - MAY 1, 2024	<u>10,798,738</u>	<u>920</u>
NET POSITION - APRIL 30, 2025	<u><u>\$ 11,760,272</u></u>	<u><u>\$ 198,037</u></u>

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

VILLAGE OF LAKE VILLA  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2025

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Village of Lake Villa's (Village) financial statements are prepared in accordance with the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies used by the Village are discussed below.

**A. *Reporting Entity***

The accompanying financial statements comply with the provisions of GASB statements, in that the financial statements include all organizations, activities, and functions that comprise the Village. Component units are legally separate entities for which the Village (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the Village's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the Village. Using these criteria, the Village has determined that the Police Pension Plan meets the above criteria. The Police Pension Plan is blended into the Village's primary government financial statements as a fiduciary fund although it remains a separate legal entity. In addition, the Village is not included as a component unit in any other governmental reporting entity as defined by GASB pronouncements.

**B. *Basic Financial Statements – Government-Wide Financial Statements***

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund (reporting the Village's major funds) financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's General Government, Police, Streets, Building and Grounds, Mansion, Fleet and Parks services are classified as governmental activities. The Village's water and sewer services and garbage fund are classified as business-type activities.

In the government-wide Statement of Net Position – Modified Cash Basis, the governmental and business-type activities columns (a) are presented on a consolidated basis, and (b) are reported on a modified cash, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Village's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities – Modified Cash Basis reports both the gross and net cost of each of the Village's functions and business-type activities. The functions are also supported by general government revenues (property taxes, sales taxes, grants and contributions not restricted to specific activities, unrestricted investment earnings, etc.). The Statement of Activities – Modified Cash Basis reduces gross expenses (including depreciation) by related program revenues, operating, and capital grants. Program revenues must be directly associated with the function (General Government, Police, Streets, Building and Grounds, Mansion, Fleet, and Parks). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenues (property taxes, sales taxes, grants and contributions not restricted to specific activities, unrestricted investment earnings, etc.).

## NOTES TO FINANCIAL STATEMENTS (Continued)

The Village does not allocate indirect costs.

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

### *C. Basic Financial Statements – Fund Financial Statements*

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures of all governmental funds) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus (the Motor Fuel Tax fund was added for this purpose).

The following fund types are used by the Village:

#### *1. Governmental Funds*

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position based on the current financial resource measurement focus (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

General Fund – The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The Motor Fuel Tax Fund includes revenues from motor fuel tax and other state road grants along with the related expenditures.

Capital Projects Funds – Capital Projects Funds are used to account for financial resources that are restricted, committed, or assigned to expenditures for the acquisition or construction of major capital facilities.

Debt Service Fund - Debt Service Funds are funds with cash reserved that is to be used to pay for the interest and principal payments on certain types of debt. The General Obligation Bond Series 2019 Fund is the Village's non-major debt service fund and includes re-payment of the debt that was issued during 2019, along with related expenditures.

The activities reported in these funds are reported as governmental activities in the government-wide financial statements.

#### *2. Proprietary Fund Types*

The proprietary fund utilizes an "economic resource" measurement focus. The object is determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The Village reports the following proprietary fund types:

Enterprise Funds – Enterprise Funds are used to account for operations for which a fee is charged to external users for goods or services and the activity is financed with debt that is solely secured by a pledge of the net revenues. The activities reported in these funds are reported as business-type activities

## NOTES TO FINANCIAL STATEMENTS (Continued)

in the government-wide financial statements. The Enterprise Funds include the Water and Sewer Fund and the Garbage Fund.

### 3. *Fiduciary Fund Types*

Fiduciary Funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

The custodial fund accounts for assets held by the Village as an agent for developers involved with construction in the Village. This fund is custodial in nature and does not involve measurement of the results of operations. Any remaining amounts are restricted for future costs associated with construction within the Village.

The Village's fiduciary funds are presented in the fiduciary fund financial statements by type (pension and custodial). Since by definition these assets are being held for the benefit of a third party (pension participants and developers) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

### D. *Basis of Accounting*

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

In the government-wide Statement of Net Position - Modified Cash Basis and Statement of Activities - Modified Cash Basis and the fund financial statements, governmental activities and business-type activities are presented using the modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for depreciation in the government-wide statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of the modified cash basis of accounting, certain assets 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 (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the Village utilized accounting principles generally accepted in the United States of America, the fund financial 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.

### E. *Cash and Cash Equivalents and Investments*

Separate bank accounts are not maintained for all Village funds. Instead, the funds maintain their cash balances in common bank accounts, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

Occasionally certain of the funds participating in the common bank account will incur overdrafts (deficits) in the account. Such overdrafts in effect constitute cash borrowed from other Village funds. Non-major funds had cash overdrafts totaling \$254,048 at April 30, 2025. Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.



## NOTES TO FINANCIAL STATEMENTS (Continued)

Investments are reported cost. Gains and losses on the sale of investments are recognized upon realization.

### F. *Restricted Cash and Cash Equivalents*

Certain enterprise fund resources can be classified as restricted cash and cash equivalents on the Balance Sheet because their use is limited by applicable bond covenants.

### G. *Interfund Activity*

Interfund activity is reported either as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses.

Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

### H. *Capital Assets*

Capital assets purchased or acquired with an original cost of \$5,000 or more (\$25,000 or more for buildings and infrastructure) are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date of donation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20 - 60 years
Land Improvements	20 - 50 years
Furniture and Office Equipment	5 - 25 years
Vehicles and Equipment	5 - 15 years
Water and Sewerage Infrastructure	30 - 50 years
Other Infrastructure	10 - 15 years

GASB Statement No. 34 requires the Village to report and depreciate new infrastructure assets acquired on or after May 1, 2004. Infrastructure assets include roads, sidewalks, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Village. Neither their historical cost nor related depreciation has historically been reported in the financial statements.

### I. *Deferred Outflows and Inflows of Resources*

In addition to assets and liabilities, the Balance Sheets and Statements of Net Position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resource until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resource until that time.

### J. *Compensated Absences*

Under the cash basis of accounting, the Village does not accrue accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. Vacations and the associated employee-related costs are recorded when paid.

## NOTES TO FINANCIAL STATEMENTS (Continued)

### K. *Long-Term Obligations*

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities and proprietary fund Statement of Net Position – Modified Cash Basis. Bond premiums and discounts are deferred and amortized over the life of the bonds on a straight-line basis. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as debt service expenditures in the year incurred.

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

### L. *Government-Wide Net Position*

Government-wide net position is divided into three components:

1. *Net Investment in Capital Assets* – consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. *Restricted Net Position* – consists of net position that is restricted by the Village's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
3. *Unrestricted Net Position* – all other net positions are reported in this category.

### M. *Governmental Fund Balances*

Governmental fund balances are divided between nonspendable and spendable.

Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact.

The spendable fund balances are arranged in a hierarchy based on spending constraints.

1. *Restricted* – Restricted fund balances are restricted when constraints are placed on the use by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.
2. *Committed* – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints of the Board of Trustees. Committed amounts cannot be used for any other purpose unless the Board of Trustees removes those constraints by taking the same type of action (e.g. legislation, resolution, ordinance). Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
3. *Assigned* – Assigned fund balances are amounts that are constrained by the Village's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by an appointed body (e.g. a budget or finance committee) or official to which the Board of Trustees has delegated the authority to assign, modify or rescind amounts to be used for specific purposes. The authority of the assigned fund balance has been retained by the Board of Trustees. Assigned fund balances also include (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted, or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are

## NOTES TO FINANCIAL STATEMENTS (Continued)

not restricted or committed in a special revenue fund are assigned for purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the Village itself. All assigned fund balances are the residual amounts of the fund.

4. *Unassigned* – Unassigned fund balance is the residual classification for the General Fund. This classification represents the General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

The Village permits funds to be expended in the following order: Restricted, Committed, Assigned, and Unassigned.

### N. *Property Tax Calendar and Revenues*

The Village's property tax is levied each calendar year on all taxable real property located in the Village's district on or before the last Tuesday in December. The 2024 levy was passed by the Board on December 2, 2024. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year they are for and are payable in two installments early in June and early in September of the following calendar year. The Village receives significant distributions of tax receipts approximately one month after these dates.

### O. *Lease and Subscription Based Information Technology Arrangements*

The Village recognizes right-of-use liabilities and right-of-use assets in the government-wide financial statements.

At the commencement of a lease or subscription-based IT arrangement, the Village initially measures the right-of-use liability at the present value of payments expected to be made during the agreement term. Subsequently, the right-of-use liability is reduced by the principal portion payments made. The right-of-use asset is initially measured as the initial amount of the right-of-use liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the right-of-use asset is amortized on a straight-line basis over the term of the lease. Key estimates and judgments related to leases or subscription-based IT arrangement include how the Village determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) payments.

The Village uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Village uses its estimated incremental borrowing rate as the discount rate for leases or subscription-based IT arrangements.

The term includes the noncallable period of the arrangement. Payments included in the measurement of the right-of-use liability are composed of fixed payments and purchase option prices that the Village is reasonably certain to exercise.

The Village monitors changes in circumstances that would require a remeasurement of its lease or subscription-based IT arrangement and will remeasure the right-of-use asset and liability if certain changes occur that are expected to significantly affect these amounts. Right-of-use assets are reported with Capital Assets and right-of-use liabilities are reported with Long-Term Liabilities on the Statement of Net Position.

### P. *Defining Operating Revenues and Expenses*

The Village's proprietary funds distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses of the Village's Water and Sewer and Garbage Funds consist of

## NOTES TO FINANCIAL STATEMENTS (Continued)

charges for services and the costs of providing those services, administrative expenses, and depreciation on capital assets. All other revenue and expenses are reported as nonoperating.

### *Q. Budgetary Information*

A proposed operating budget for the fiscal year commencing the following May 1 is submitted to the Board of Trustees. The operating budget includes proposed disbursements and the means of financing them. Public hearings are conducted to obtain taxpayer comments.

The budget is legally enacted through passage of an appropriation ordinance. The budget was passed on April 15, 2024. Budget amounts reflected on the Schedules of Revenues, Expenditures, and Changes in Fund Balance – Modified Cash Basis – Budget and Actual reflect the Village's internal working budget amounts which are lower than legal budget amounts. Therefore, all funds operated within legal budgets.

The Village Board is authorized to transfer budgeted amounts between departments within any fund.

## **NOTE 2 - DEPOSITS, INVESTMENTS, AND FAIR VALUE MEASUREMENTS**

### *Deposits with Financial Institutions*

The Village maintains a cash and investment pool that is available for use by all funds, except the pension trust fund. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments". The deposits and investments of the pension trust funds are held separately from those other funds.

*Custodial Credit Risk.* Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village has a policy that all deposits and investments in excess of any insurance shall be collateralized by pledged securities and the market value of the pledged securities shall equal or exceed the portion of deposit requiring collateralization. As of April 30, 2025, none of the Village Police Pension's bank balance was exposed to custodial credit risk.

### *Investments*

The Village is allowed to invest in securities as authorized by the Illinois Compiled Statutes, Chapter 30, Act 235/Articles 2 and 6.

### *Police Pension*

The Police Pension Fund holds all investments within the Illinois Police Officer's Pension Investment Fund (IPOPIF). IPOPIF was created to Public Act 101-0610 and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds as defined in 40 ILCS 5/22B-105. Participation in IPOPIF by Illinois suburban and downstate police pensions funds is mandatory and investments were contributed to the IPOPIF Investment Fund during the current fiscal year. IPOPIF has the authority to investment trust fund assets in any type of security subject to the requirements and restrictions set forth in the Illinois Pension Code and is not restricted by the Pension Code sections that pertained exclusively to the Article 3 participating police pension funds.

As of April 30, 2025, the Village had the following investments, maturities and fair value measurements:

## NOTES TO FINANCIAL STATEMENTS (Continued)

### Village

Types of investments	Credit Quality/ Ratings	Segmented Time Distribution	Amount	Fair Value Measurement Using		Net Asset Value (NAV)
				Level 1	Level 2	
Debt Securities:						
Illinois Funds Investment Pool	AAAmm	less than 1 year	\$ 9,585,731	\$ -	\$ -	\$ 9,585,731
Gov't Agencies	AA+	1 to 5 years	1,027,845	-	1,027,845	-
Allspring Gov't Money Market	AAAmm	less than 1 year	295	-	-	295
Certificates of Deposit	Not Rated	less than 1 year	2,454,478	-	2,454,478	-
Certificates of Deposit	Not Rated	1 year to 5 years	1,184,710	-	1,184,710	-
Total Debt Securities			\$ 14,253,059	\$ -	\$ 4,667,033	\$ 9,586,026

### Police Pension

Types of investments	Credit Quality/ Ratings	Segmented Time Distribution	Amount	Fair Value Measurement Using		Net Asset Value (NAV)
				Level 1	Level 2	
Debt Securities:						
IPOPIF Investment Pool	Not Rated	less than 1 year	\$ 10,938,836	\$ -	\$ -	\$ 10,938,836
Certificates of Deposit	Not Rated	less than 1 year	229,792	-	229,792	-
Illinois Funds Investment Pool	AAAmm	less than 1 year	308,818	-	-	308,818
Total Debt Securities			\$ 11,477,446	\$ -	\$ 229,792	\$ 11,247,654

The Village and Police Pension Fund categorize its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; debt securities and certificates of deposit classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices; Level 3 inputs are significant unobservable inputs.

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities and certificates of deposit classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The investments in the Illinois Fund Investment Pool and Allspring Government Money Market are measured at net asset value per share. Illinois Funds is not registered with the Securities and Exchange Commission (SEC) but operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940.

The Police Pension Fund's pooled investment in IPOPIF, as noted in the table above, is valued at Net Asset Value per share. The pooled investments consist of the investments as noted in the target allocated table available at [www.ipopif.org](http://www.ipopif.org) under Governing Documents, Policies, Investment Policy Statement. Investments in IPOPIF are value at IPOPIF's share price, which is the amount it would cost to buy the shares in the investment pool.

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy does not address interest rate risk. However, the Village's investment services management invests al funds within the investment procedure manual developed by the Board.

**Credit Risk.** State law limits investments based on credit risk. The Village's investment policy states that that the Village cannot directly invest in securities maturing more than ten years from the date of purchase.

# NOTES TO FINANCIAL STATEMENTS (Continued)

## NOTE 3 - CAPITAL ASSETS

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

	Balance May 1, 2024	Increases	Decreases	Balance April 30, 2025
<b>Governmental Activities:</b>				
Capital Assets not being depreciated:				
Land	\$ 4,130,775	\$ -	\$ -	\$ 4,130,775
Construction in Progress	54,980	75,333	-	130,313
Total Capital Assets not being depreciated	\$ 4,185,755	\$ 75,333	\$ -	\$ 4,261,088
Other Capital Assets:				
Buildings and Improvements	\$ 4,456,366	\$ 17,750	\$ -	\$ 4,474,116
Land Improvements	4,011,231	6,400	-	4,017,631
Furniture and Office Equipment	718,952	67,746	79,801	706,897
Vehicles and Equipment	2,729,565	263,776	183,466	2,809,875
Infrastructure	4,430,837	14,100	-	4,444,937
Total Other Capital Assets at Historical Cost	\$ 16,346,951	\$ 369,772	\$ 263,267	\$ 16,453,456
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ 2,468,127	\$ 110,821	\$ -	\$ 2,578,948
Land Improvements	1,258,335	131,676	-	1,390,011
Furniture and Office Equipment	579,121	37,081	79,801	536,401
Vehicles and Equipment	1,975,304	210,326	183,466	2,002,164
Infrastructure	3,121,472	161,963	-	3,283,435
Total Accumulated Depreciation	\$ 9,402,359	\$ 651,867	\$ 263,267	\$ 9,790,959
Other Capital Assets, Net	\$ 6,944,592	\$ (282,095)	\$ -	\$ 6,662,497
Governmental Activities Capital Assets, net	\$ 11,130,347	\$ (206,762)	\$ -	\$ 10,923,585
Right-of-Use Assets:				
Vehicles and Equipment	\$ 154,796	\$ 59,227	\$ -	\$ 214,023
Total Right-of-Use Assets	\$ 154,796	\$ 59,227	\$ -	\$ 214,023
Less Accumulated Amortization:				
Vehicles and Equipment	\$ 19,458	\$ 39,810	\$ -	\$ 59,268
Total Accumulated Amortization	\$ 19,458	\$ 39,810	\$ -	\$ 59,268
Total Right-of-Use Assets, Net	\$ 135,338	\$ 19,417	\$ -	\$ 154,755
Total Capital and Right-of-Use Assets, Net	\$ 11,265,685	\$ (187,345)	\$ -	\$ 11,078,340
<b>Business-Type Activities:</b>				
Capital Assets not being depreciated:				
Land	\$ 81,774	\$ -	\$ -	\$ 81,774
Construction in Progress	-	-	-	-
Total Capital Assets not being depreciated	\$ 81,774	\$ -	\$ -	\$ 81,774
Other Capital Assets:				
Buildings	\$ 3,428,720	\$ -	\$ -	\$ 3,428,720
Land Improvements	55,320	-	-	55,320
Equipment	94,190	29,916	-	124,106
Vehicles and Equipment	176,949	-	-	176,949
Infrastructure	32,196,196	384,615	100,000	32,480,811
Total Other Capital Assets at Historical Cost	\$ 35,951,375	\$ 414,531	\$ 100,000	\$ 36,265,906
Less Accumulated Depreciation for:				
Buildings	\$ 901,050	\$ 69,088	\$ -	\$ 970,138
Land Improvements	21,881	1,967	-	23,848
Equipment	71,501	2,916	-	74,417
Vehicles and Equipment	161,249	5,313	100,000	66,562
Infrastructure	14,495,908	746,460	-	15,242,368
Total Accumulated Depreciation	\$ 15,651,589	\$ 825,744	\$ 100,000	\$ 16,377,333
Other Capital Assets, Net	\$ 20,299,786	\$ (411,213)	\$ -	\$ 19,888,573
Business-Type Activities Capital Assets, net	\$ 20,381,560	\$ (411,213)	\$ -	\$ 19,970,347

## NOTES TO FINANCIAL STATEMENTS (Continued)

	Balance May 1, 2024	Increases	Decreases	Balance April 30, 2025
Right-of-Use Assets:				
Vehicles and Equipment	\$ 143,409	\$ -	\$ -	\$ 143,409
Total Right-of-Use Assets	\$ 143,409	\$ -	\$ -	\$ 143,409
Less Accumulated Amortization:				
Vehicles and Equipment	\$ 24,429	\$ 28,682	\$ -	\$ 53,111
Total Accumulated Amortization	\$ 24,429	\$ 28,682	\$ -	\$ 53,111
Total Right-of-Use Assets, Net	\$ 118,980	\$ (28,682)	\$ -	\$ 90,298
Total Capital and Right-of-Use Assets, Net	\$ 20,500,540	\$ (439,895)	\$ -	\$ 20,060,645

Depreciation and Amortization expense was charged to functions as follows:

### Governmental Activities:

General Government	\$ 103,965
Police	99,468
Streets	283,754
Building and Grounds	191,229
Mansion	13,261
Total Governmental Activities Depreciation & Amortization Expense	\$ 691,677

### Business-Type Activities:

Water Operations	\$ 488,143
Sewer Operations	366,283
Total Business-Type Activities Depreciation & Amortization Expense	\$ 854,426

## NOTE 4 - LONG-TERM LIABILITY ACTIVITY

Long-term liability activity for the year ended April 30, 2025 was as follows:

	Balance May 1, 2024	Additions	Retirements	Balance April 30, 2025	Amounts Due Within One Year
<b>Governmental Activities:</b>					
Long-Term Debt					
GO Bond 2019	\$ 357,632	\$ -	\$ 95,504	\$ 262,128	\$ 94,194
Right-of-Use Liabilities	135,258	59,227	38,247	156,238	41,947
Total Governmental Activities					
Long-Term Debt	\$ 492,890	\$ 59,227	\$ 133,751	\$ 418,366	\$ 136,141
<b>Business-Type Activities:</b>					
Long-Term Debt					
GO Bonds	\$ 725,000	\$ -	\$ 235,000	\$ 490,000	\$ 240,000
IEPA 2017 Loan	3,096,321	-	212,625	2,883,696	216,598
IEPA Loan #5887	606,627	-	29,712	576,915	30,042
IEPA Loan #5888	340,817	-	17,206	323,611	17,397
Right-of-Use Liabilities	119,418	-	27,795	91,623	28,508
Total Business-Type Activities					
Long-Term Debt	\$ 4,888,183	\$ -	\$ 522,338	\$ 4,365,845	\$ 504,037
Long-Term Liabilities	\$ 5,381,073	\$ 59,227	\$ 656,089	\$ 4,784,211	\$ 640,178

Long-term debt consisted of the following at April 30, 2025:

## NOTES TO FINANCIAL STATEMENTS (Continued)

	Date of Issuance	Maturity Date	Interest Rate	Face Amount	Carrying Amount
<b>Governmental Activities</b>					
GO Bond Series 2019	3/25/2019	3/25/2029	3.40%	\$ 900,000	\$ 262,128
Right-of-Use Liabilities	5/1/2023	12/13/2028	2.31%-2.74%	214,023	156,238
<b>Business-Type Activities:</b>					
GO Bonds	12/17/2014	12/15/2026	2.0% - 3.0%	2,550,000	490,000
IEPA Loan 2017	5/30/2017	12/17/2036	1.86%	4,472,954	2,883,696
IEPA Loan 5887	6/28/2022	8/17/2042	1.11%	642,874	576,915
IEPA Loan 5888	9/27/2022	3/27/2042	1.11%	366,271	323,611
Right-of-Use Liabilities	6/9/2023	7/7/2028	2.31%-2.74%	143,409	91,623

On December 17, 2014, The Village issued \$2,550,000 in General Refunding Bonds, Series 2015A to refund \$2,550,000 of an outstanding 2006 issue. The money was deposited in an irrevocable trust with an escrow agent in order to redeem the debt. The 2006 issues were callable on April 30, 2015, therefore there was no defeased debt outstanding related to these bonds. The refunding of the 2006 bond generated a net savings of \$441,425.

On March 25, 2019, The Village issued \$900,000 in General Refunding Bonds for the purpose of paying the costs of streetscape improvements and land acquisition for municipal parking for the Village and for the payment of the expenses incident there to, providing for the security for and payment of said note, and authorizing the issues of the note.

The Village has taken out several IEPA Loans for the purpose of paying for Water & Sewer Improvements.

See the following Leases footnote for detail on the Right-of-Use assets and liabilities, including future payment schedules.

At April 30, 2025 the annual debt service requirements to service long-term debt attributable to governmental activities are:

Year Ending April 30	Principal	Interest	Total
2026	\$ 94,194	\$ 13,479	\$ 107,673
2027	97,396	10,276	107,672
2028	70,538	6,965	77,503
2029	-	3,540	3,540
	<u>\$ 262,128</u>	<u>\$ 34,260</u>	<u>\$ 296,388</u>

Governmental activities debt is being liquidated by the GO Note Series 2019 Fund, which is a non-major fund.

At April 30, 2025 the annual debt service requirements to service long-term debt attributable to business-type activities are:

Year Ending April 30	Principal	Interest	Total
2026	\$ 504,037	\$ 77,199	\$ 581,236
2027	518,613	65,423	584,036
2028	273,270	53,266	326,536
2029	278,010	48,526	326,536
2030	282,744	43,702	326,446
2031-2035	1,489,606	143,076	1,632,682
2036-2040	797,185	23,991	821,176
2041-2043	130,757	2,069	132,826
	<u>\$ 4,274,222</u>	<u>\$ 457,252</u>	<u>\$ 4,731,474</u>

Business-type activities debt is being liquidated by the Water and Sewer Fund.



# NOTES TO FINANCIAL STATEMENTS (Continued)

## NOTE 5 - LEASE ARRANGEMENTS

The Village, as lessee, has the following governmental activity leases:

Vendor	Contract Start	Contract End	Items	Initial Terms	Optional Terms	Initial Contract Value	Borrowing Rate (per year)	Monthly Payments	Number of Payments
Enterprise	10/17/2023	10/16/2028	Durango Interceptor	5 years	N/A	\$ 56,865	2.74%	\$ 1,013	60
Enterprise	12/14/2023	12/13/2028	Durango Interceptor	5 years	N/A	50,508	2.74%	900	60
Enterprise	5/1/2023	4/30/2028	Durango Interceptor	5 years	N/A	47,424	2.31%	836	60
Enterprise	8/2/2024	8/2/2029	Durango Interceptor	5 years	N/A	59,227	3.05%	1,063	60

A summary of lease asset activity during the year ended April 30, 2025 is as follows:

	Balance May 1, 2024	Additions	Deductions	Balance April 30, 2025
<b>Governmental Activities</b>				
Right-To-Use assets:				
Vehicles	\$ 154,796	\$ 59,227	\$ -	\$ 214,023
Total Right-To-Use Assets	\$ 154,796	\$ 59,227	\$ -	\$ 214,023
Less Accumulated Amortization:				
Vehicles	\$ 19,458	\$ 39,810	\$ -	\$ 59,268
Total Accumulated Amortization	\$ 19,458	\$ 39,810	\$ -	\$ 59,268
Total Right-To-Use Assets, Net	\$ 135,338	\$ 19,417	\$ -	\$ 154,755

Amortization expense was charged to function as follows:

<b>Governmental Activities</b>	
Police	\$ 39,810
Total Governmental Activities Amortization Expense	\$ 39,810

A summary of the changes in the lease liabilities during the year ended April 30, 2025 is as follows:

	Balance May 1, 2024	Additions	Deductions	Balance April 30, 2025	Amounts Due Within one Year
<b>Governmental Activities</b>					
Lease Liabilities	\$ 135,258	\$ 59,227	\$ 38,247	\$ 156,238	\$ 41,947
	\$ 135,258	\$ 59,227	\$ 38,247	\$ 156,238	\$ 41,947

At April 30, 2025 the annual lease and subsequent requirements are:

Year Ending April 30	Principal	Interest	Total
2026	\$ 41,947	\$ 3,789	\$ 45,736
2027	43,105	2,631	45,736
2028	44,294	1,441	45,735
2029	23,720	395	24,115
2030	3,172	16	3,188
	\$ 156,238	\$ 8,272	\$ 164,510

The Village, as lessee, has the following business-type activity leases:

## NOTES TO FINANCIAL STATEMENTS (Continued)

Vendor	Contract Start	Contract End	Items	Initial Terms	Optional Terms	Initial Contract Value	Borrowing Rate (per year)	Monthly Payments	Number of Payments
Enterprise	6/9/2023	6/8/2028	Transit 350 Cargo	5 years	N/A	\$ 67,351	2.31%	\$ 1,187	60
Enterprise	7/8/2023	7/7/2028	F-350	5 years	N/A	76,058	2.74%	1,355	60

A summary of lease asset activity during the year ended April 30, 2025, is as follows:

	Balance May 1, 2024	Additions	Deductions	Balance April 30, 2025
<b>Business-Type Activities</b>				
Right-To-Use assets:				
Vehicles	\$ 143,409	\$ -	\$ -	\$ 143,409
Total Right-To-Use Assets	\$ 143,409	\$ -	\$ -	\$ 143,409
Less Accumulated Amortization:				
Vehicles	\$ 24,429	\$ 28,682	\$ -	\$ 53,111
Total Accumulated Amortization	\$ 24,429	\$ 28,682	\$ -	\$ 53,111
Total Right-To-Use Assets, Net	\$ 118,980	\$ (28,682)	\$ -	\$ 90,298

Amortization expense was charged to functions as follows:

<b>Business Type Activities</b>	
Water	\$ 14,341
Sewer	14,341
Total Governmental Activities Amortization Expense	<u>\$ 28,682</u>

A summary of the changes in the lease liabilities during the year ended April 30, 2025 is as follows:

	Balance May 1, 2024	Additions	Deductions	Balance April 30, 2025	Amounts Due Within one Year
<b>Business-Type Activities</b>					
Lease Liabilities	\$ 119,418	\$ -	\$ 27,795	\$ 91,623	\$ 28,508
	<u>\$ 119,418</u>	<u>\$ -</u>	<u>\$ 27,795</u>	<u>\$ 91,623</u>	<u>\$ 28,508</u>

At April 30, 2025 the annual lease and subsequent requirements are:

Year Ending April 30	Principal	Interest	Total
2026	\$ 28,508	\$ 1,997	\$ 30,505
2027	29,240	1,265	30,505
2028	29,990	515	30,505
2029	3,885	12	3,897
	<u>\$ 91,623</u>	<u>\$ 3,789</u>	<u>\$ 95,412</u>

The Village, as lessor, has the following leases:

Leased Asset	Contract Start	Contract End	Items	Initial Terms	Optional Terms	Initial Contract Value	Contract Options	Borrowing Rate (per year)	Monthly Payments	Number of Payments
Lehmann Mansion	5/1/2022	4/30/2027	Mansion	5 years	N/A	\$ 200,000	N/A	5.00%	N/A	4 (Annual)
Water Tower	11/13/2018	11/13/2038	Water Tower	5 years	3 additional, 5 year terms	168,732	651,252	2.50%	varies	240
Water Tower	11/1/2008	10/31/2028	Water Tower	5 years	3 additional, 5 year terms	130,617	530,394	2.50%	varies	240

Lease revenue for the fiscal year ended April 30, 2025 was \$105,890.

Annual lease receipts required under the lease agreements are as follows:

## NOTES TO FINANCIAL STATEMENTS (Continued)

Year Ending April 30	Principal	Interest	Total
2026	\$ 106,404	\$ 20,508	\$ 126,912
2027	112,368	16,672	129,040
2028	68,593	12,628	81,221
2029	50,266	10,984	61,250
2030	30,586	10,087	40,673
2031-2035	181,440	37,710	219,150
2036-2040	205,270	11,969	217,239
	<u>\$ 754,927</u>	<u>\$ 120,558</u>	<u>\$ 875,485</u>

A summary of deferred inflows - leases activity during the year ended April 30, 2025 is as follows:

	Balance May 1, 2024	Additions	Prior Period Adjustment	Deductions	Balance April 30, 2025
<b>Governmental Activities</b>					
Deferred Inflow s - Leases	\$ 1,003,446	\$ -	\$ -	\$ -	\$ 1,003,446
Total Deferred Inflow s - Leases	<u>\$ 1,003,446</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,003,446</u>
Less earned revenue amounts:					
Deferred Inflow s - Leases	\$ 211,779	\$ 105,890	\$ -	\$ -	\$ 317,669
Total Revenue Earned	<u>\$ 211,779</u>	<u>\$ 105,890</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 317,669</u>
Total Deferred Inflow s - Leases, Net	<u>\$ 791,667</u>	<u>\$ (105,890)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 685,777</u>

Revenue was recognized within functions as follows:

<b>Governmental Activities</b>	
General Government	\$ 70,430
Mansion	35,460
Total Governmental Activities Lessor Revenue	<u>\$ 105,890</u>

## NOTE 6 - INTERFUND BALANCES AND TRANSFERS

Interfund balances at April 30, 2025 consisted of the following:

Due From	Due To	Amount
General Fund	Pension Fund	\$ 14,223
GO Note Series 2019 Fund	Business District #1	112,672

The interfund balance due to Pension resulted from the Village contribution for property taxes not being transferred prior to year-end offset by expenses paid by the Village on behalf of the Pension.

The interfund balance due from the GO Note Series 2019 Fund to the Business District #1 Fund was for bond issuance costs made.

Interfund transfers for the year ended April 30, 2025 were as follows:

Transfer From	Transfer To	Amount	Purpose
General Fund	Special Events Fund	\$ 40,000	To cover special events costs
General Fund	General Capital Fund	681,798	To fund capital projects
General Fund	Liability Insurance Fund	9,000	To cover insurance premiums
Metra Fund	Liability Insurance Fund	5,400	To cover insurance premiums
Mansion Fund	Liability Insurance Fund	5,400	To cover insurance premiums
General Capital Fund	Water/Sewer Capital Fund	500,000	To fund capital projects
Public Works Fleet Replacement Fund	Water and Sewer Capital Fund	6,304	To fund capital projects
Water and Sewer Fund	Liability Insurance Fund	54,000	To cover insurance premiums
Water and Sewer Capital Fund	Water and Sewer Fund	384,615	To fund capital projects

## NOTES TO FINANCIAL STATEMENTS (Continued)

### NOTE 7 - DEFICIT FUND BALANCES

The Mansion Fund and GO Note Series 2019 Fund had deficit fund balances of \$254,048 and \$5,000, respectively, as of April 30, 2025.

### NOTE 8 - PROPERTY TAXES

Property taxes recorded in these financial statements are from the 2023 tax levies. A summary of the assessed valuation, rates, and extensions for the years 2024, 2023, and 2022 follows:

TAX YEAR	2024		2023		2022	
ASSESSED VALUATION	\$296,137,663		\$263,615,421		\$247,016,349	
	RATES	EXTENSIONS	RATES	EXTENSIONS	RATES	EXTENSIONS
Corporate	0.129487	\$ 383,460	0.178500	\$ 470,554	0.185638	\$ 458,556
Police Protection	0.178208	527,741	0.316151	833,423	0.195313	482,455
Tort and Liability Insurance	0.083438	247,091	0.064985	171,310	0.068825	170,009
Municipal Retirement	0.020140	59,642	0.021833	57,555	0.022467	55,497
Audit	0.008518	25,225	0.000000	-	0.000000	-
Social Security	0.064964	192,383	0.070424	185,649	0.072470	179,013
Street and Bridge	0.049403	146,301	0.053184	140,201	0.038077	94,056
Police Pension	0.291415	862,990	0.189798	500,337	0.338084	835,123
PTAB/ Recapture	0.003892	11,526	0.004762	12,553	0.001704	4,209
	<u>0.829465</u>	<u>\$ 2,456,359</u>	<u>0.899637</u>	<u>\$ 2,371,582</u>	<u>0.922578</u>	<u>\$ 2,278,918</u>

### NOTE 9 - EXCESS OF EXPENDITURES OVER BUDGET

For the year ended April 30, 2025, the following funds have expenditures that exceeded the budget.

Fund	Actual	Budget	Excess of Actual Over Budget
Liability Insurance Fund	\$ 249,836	\$ 244,751	\$ 5,085
Mansion Fund	79,205	78,513	692
DUI Fund	5,475	5,000	475
Garbage Fund	946,300	803,853	142,447

### NOTE 10 - RETIREMENT FUND COMMITMENTS

#### A. Illinois Municipal Retirement Fund

##### Plan Description

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

NOTES TO FINANCIAL STATEMENTS (Continued)

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 ten 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 ten 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.

Employees Covered by Benefit Terms

All appointed employees of a participating employer who are employed in a position normally requiring 600 hours (1,000 hours for certain employees hired after 1981) or more of work in a year are required to participate. As of December 31, 2024, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	15
Inactive plan members entitled to but not yet receiving benefits	15
Active plan members	21
Total	<u>51</u>

Contributions

As set by statute, the Villages 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 rates for calendar year 2024 and 2025 were 4.21% and 5.03%, respectively. For the fiscal year ended April 30, 2025, the Village contributed \$62,841 to the plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF’s Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**B. Social Security**

Employees not qualifying for coverage under the Illinois Municipal Retirement Fund are considered “non-participating employees”. These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security. The Village paid the total required contribution for the current fiscal year.

NOTES TO FINANCIAL STATEMENTS (Continued)

C. *Police Pension*

Plan Administration

Full-time police sworn personnel of the Village are covered by The Police Pension Fund of the Village (Plan). Although this is a single-member pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 IL CS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Plan as a pension trust fund. No separate report is issued on this pension plan.

Plan Membership

As of April 30, 2024 plan participation consisted of:

Inactive plan members or beneficiaries currently receiving benefits	22
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	18
Total	<u>40</u>

Benefits Provided

The Plan provides retirement, disability, and death benefits to Plan members and their beneficiaries. Chapter 40-Pensions-Act 5/Article 3 of the Illinois Compiled Statutes assigns the authority to establish and amend the benefit provisions of the Plan to the Illinois legislature.

Covered employees hired before January 1, 2011 attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, and 1% of such salary for each additional year of service over 30 years, to a maximum of 75% of such salary.

Covered employees hired on or after January 1, 2011 attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly benefit of a police officer hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lessor of 3% or ½ the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

Contributions

Employees are required by Illinois Compiled Statutes (ILCS) to contribute 9.91% of their base salary to the Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Plan. For the year ended April 30, 2025 the Village's contribution was \$829,759.

**NOTE 11 - POST-EMPLOYMENT BENEFIT COMMITMENTS – RETIREE INSURANCE PLAN**

*Plan Overview*

In addition to the retirement plans described in Note 10, the Village provides post-employment benefits other than pensions (“OPEB”) to employees who meet certain criteria. The Plan, a single employer defined benefit plan, provides the following coverage:

*Types of Coverage:*

PPO  
High PPO  
HDHP PPO

*Coverage Provisions:*  
*Retirees – Non-PSEBA*

Pre-65 Coverage:

Employees may continue Employer sponsored insurance in retirement. They are responsible for the full cost of coverage including coverage for any eligible spouse/dependent. Eligible Spouse/Dependent coverage may continue should Retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs. The Spouse/Dependent would be responsible for the full cost of coverage.

Post-65 Coverage:

Retirees may continue Employer sponsored insurance in retirement past Medicare eligibility. Eligible Spouse/Dependent coverage may continue should Retiree coverage terminate under COBRA provisions when an applicable qualifying event occurs. The Spouse/Dependent would be responsible for the full cost of coverage. Coverage is secondary to Medicare once eligible.

*Retirees-PSEBA*

Pre-65 Coverage:

Employees may continue Employer sponsored insurance in retirement. The Employer pays for the full cost of coverage for whichever basic group plan is elected, including the cost of coverage for any eligible spouse/dependent.

Eligible spouse coverage may continue after the death of the eligible employee, until and unless the spouse has remarried and/or become eligible for Medicare. The employer pays for the full cost of coverage for whichever basic group plan is elected if coverage continues. Upon a spouse's eligibility for Medicare, coverage may continue for the eligible spouse, with the Employer no longer paying any cost of coverage. Coverage is secondary to Medicare once eligible. Eligible dependent coverage may continue after the death of the eligible employee until the dependent reaches 18 years of age or until the end of the calendar year in which the dependent reaches 25 years of age, if the dependent continues to be dependent for support or the dependent is a student and is dependent for support. The employer pays for the full cost of coverage for whichever basic group plan is elected if coverage continues.

Post-65 Coverage:

Retirees may continue Employer sponsored insurance in retirement past Medicare eligibility. They are responsible for the full cost of coverage including coverage for any eligible spouse/dependent, with the Employer no longer paying any cost of coverage.

## NOTES TO FINANCIAL STATEMENTS (Continued)

Eligible spouse coverage may continue after the death of the eligible employee, until and unless the spouse has remarried and/or become eligible for Medicare. The employer pays for the full cost of coverage for whichever basic group plan is elected if coverage continues. Upon a spouse's eligibility for Medicare, coverage may continue for the eligible spouse, with the Employer no longer paying any cost of coverage. Coverage is secondary to Medicare once eligible.

Eligible dependent coverage may continue after the death of the eligible employee until the dependent reaches 18 years of age or until the end of the calendar year in which the dependent reaches 25 years of age, if the dependent continues to be dependent for support or the dependent is a student and is dependent for support. The employer pays for the full cost of coverage for whichever basic group plan is elected if coverage continues.

The Plan does not issue a stand-alone financial report.

### *Eligibility*

Employees of the Village are eligible for retiree health benefits as listed below:

#### Regular Plan Tier 1 (Enrolled in IMRF Prior to January 1, 2011)

- Age 55 with at least 8 years of service (Reduced Pension)
- Age 55 with at least 30 years of service (Reduced Pension)
- Age 55 with at least 35 years of service (Full Pension)
- Age 60 with at least 8 years of service (Full Pension)

#### Regular Plan Tier 2 (Enrolled in IMRF Prior to January 1, 2011)

- Age 62 with at least 10 years of service (Reduced Pension)
- Age 62 with at least 30 years of service (Reduced Pension)
- Age 62 with at least 35 years of service (Full Pension)
- Age 67 with at least 8 years of service (Full Pension)

### *Contribution*

The required contribution is based on projected pay-as-you-go financing requirements. Employees are not required to contribute to the plan. Retirement plan contributions are mainly related to the subsidy; however, one employee is now eligible for PSEBA benefits beginning in the current year. Total amounts paid were \$2,964.

## **NOTE 12 - RISK MANAGEMENT**

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

The Village is a member of the Illinois Municipal League Risk Management Association (IMLRMA), a joint risk management pool of local governmental units through which property, general liability, automobile liability, crime, excess property, excess liability, and boiler and machinery coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

The relationship between the Village and IMLRMA is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Village is contractually obligated to make all annual and supplementary contributions for IMLRMA, to report claims on a timely basis, cooperate with IMLRMA, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by IMLRMA. Members have a contractual obligation to fund any deficit of IMLRMA attributable to a membership year during which they were a member. IMLRMA is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Board of Directors. IMLRMA also provides its members with risk management services, including the defense of and settlement of claims, and establishes reasonable and necessary loss of reduction and prevention procedures to be followed by the members.



NOTES TO FINANCIAL STATEMENTS (Continued)

During the year ended April 30, 2025, there were no significant reductions in insurance coverage. Also, there have been no settlement amounts that have exceeded insurance coverage in each of the past three years. The Village is insured under a retrospectively rated policy for workers' compensation coverage. Whereas, the initial premium may be adjusted based on actual experience. Adjustments in premiums are recorded when paid or received. During the year ended April 30, 2025, there were no significant adjustments in premiums based on actual experience.

**NOTE 13 - JOINT VENTURE**

*A. Solid Waste Agency of Lake County*

The Village is a member of the Solid Waste Agency of Lake County (Agency). The Agency is a municipal corporation with 44 members whose purpose is to provide a solution to solid waste disposal problems. Upon approval by a majority of its members, the Agency may issue bonds for which the individual members would be financially liable. The Village's contract with the Agency provides that each member is liable for its proportionate share of annual operating and fixed costs. The Village's share of these costs is expected to be funded through fees paid by refuse haulers. In addition, the Village is obligated for any costs arising from defaults in payment obligations by other members.

The following represents a summary of the Agency's balance sheet at November 30, 2024 and the statement of revenues and expenses for the year then ended:

Assets	\$ 4,350,374
Deferred Outflow s Related to Pension	306,824
	<u>\$ 4,657,198</u>
Liabilities	\$ 39,184
Deferred Inflow s Related to Pension	470
Net Position	<u>4,617,544</u>
	<u>\$ 4,657,198</u>
Revenues	\$ 1,662,741
Expenses	<u>1,460,977</u>
Net Increase/(Decrease) in Net Position	<u>\$ 201,764</u>

Total payments for fiscal year 2025 made under these agreements for the Village of Lake Villa were \$3,746. Audited financial statements of the Agency may be obtained from the Village or the Agency's administrative office located in Gurnee, Illinois.

*B. Central Lake County Joint Action Water Agency*

The Village and twelve other members have entered into a joint agreement: to provide water to member municipalities on a wholesale basis; to plan, construct, acquire, develop, operate, maintain, or contract for facilities for receiving, sorting , and transmitting water from Lake Michigan for the principal use and mutual benefit of the municipalities and their water users; and to provide adequate supplies of such water on an economical and efficient basis for the municipalities.

A summary of financial condition (modified cash basis) of CLCJAWA at April 30, 2024 (most recent information available) is as follows:

## NOTES TO FINANCIAL STATEMENTS (Continued)

Assets	\$ 167,201,150
Deferred Outflow s of Resources	1,690,487
	<u>\$ 168,891,637</u>
Liabilities	\$ 68,370,255
Deferred Inflow s of Resources	334,751
Net Position	100,186,631
	<u>\$ 168,891,637</u>
Revenues	\$ 18,897,251
Expenses	16,255,532
Net Increase/(Decrease) in Net Position	<u>\$ 2,641,719</u>

Total payments for fiscal year 2025 made under these agreements for the Village of Lake Villa were \$633,287. Complete financial statements for Central Lake County Joint Action Water Agency can be obtained from the Administration Offices at 200 Rockland Rd., Lake Bluff, Illinois 60044.

### NOTE 14 - DEFERRED COMPENSATION PLAN

Employees of the Village may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments). The deferred compensation plan is available to all employees of the Village.

Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until after termination, retirement, death, or unforeseen emergency.

The deferred compensation plan is administered by an unrelated financial institution. The Village has an obligation of due care in selecting this third-party administrator; however, investment decisions are ultimately made by the individual employee.

### NOTE 15 - COMMITMENTS

At April 30, 2025, the Village was a member of various joint agreements. As a member, the Village assumes certain obligations with respect to the entities' liabilities. Further information on the more significant joint agreements are provided in Note 13.

The Village pays sewage usage fees and collection connection fees for and remits them to the County of Lake, Illinois (County), in accordance with an agreement for sewerage disposal dated August 23, 1991. During the fiscal year ended April 30, 2025 the Village remitted \$702,589 to the County under the terms of this agreement.

### NOTE 16 - LEGAL DEBT LIMITATION

The Illinois Compiled Statutes limits the amount of indebtedness to 8.625% of the most recent available equalized assessed valuation (EAV) of the Village.

2024 EAV	\$ 301,556,419
	8.625%
Debt Margin	<u>\$ 26,009,241</u>
Current Debt	418,366
Remaining Debt Margin	<u>\$ 25,590,875</u>

## NOTES TO FINANCIAL STATEMENTS (Continued)

### NOTE 17 - NET INVESTMENT IN CAPITAL ASSET CALCULATION

Net investment in capital asset calculation as of April 30, 2025 was as follows:

#### **Governmental Activities**

Capital Assets, Net of Accumulated Depreciation	\$	11,078,340
Less:		
Capital Related Debt		<u>(418,366)</u>
Investment in Capital Assets	\$	<u><u>10,659,974</u></u>

#### **Business-Type Activities**

Capital Assets, Net of Accumulated Depreciation	\$	20,060,645
Less:		
Capital Related Debt		<u>(4,365,845)</u>
Investment in Capital Assets	\$	<u><u>15,694,800</u></u>

## SUPPLEMENTARY INFORMATION

VILLAGE OF LAKE VILLA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED APRIL 30, 2025

	BUDGETED AMOUNTS		ACTUAL AMOUNTS
	ORIGINAL AND FINAL		
<b>REVENUES</b>			
Local Taxes			
Property Tax	\$ 1,354,295	\$	1,360,867
Property Tax - Police Pension	833,421		829,759
Property Tax - Road and Bridge	24,829		24,730
Intergovernmental			
Sales Tax	1,054,500		1,154,279
Local Use Tax	335,000		277,851
Telecommunication Tax	100,000		89,102
Utility Tax - Gas	150,000		175,326
Utility Tax - Electric	290,000		292,816
State Income Tax	1,235,000		1,457,195
State Replacement Tax	30,000		19,015
Licenses and Permits			
Building Permits	230,000		254,817
Business Registration Fees	5,500		6,900
Impact Fees	3,000		53,972
Liquor Licenses	19,850		18,825
Site Development Permits	5,000		7,705
Vehicle Licenses	95,000		98,153
Vending Licenses	16,500		20,325
Fines			
Court Fines	60,000		111,946
Parking and Other Fines	11,000		29,549
Other			
Cable Franchise Fees	150,000		127,206
Grant Revenue	-		6,748
Investment Income	45,000		187,765
Police Reports	1,500		1,591
School Resource Officer Fees	161,955		142,248
Zoning Books, Maps and Hearing Fees	1,500		3,350
Other Revenue	20,400		44,847
Total Revenues	<u>\$ 6,233,250</u>	<u>\$</u>	<u>6,796,887</u>
<b>EXPENDITURES</b>			
CURRENT			
General Government			
Personnel Salaries	\$ 436,038	\$	429,349
Employee Retirement	16,553		18,329
Health Insurance Premiums	56,063		55,278
Social Security Contribution	33,303		32,078
Training	18,634		14,470
Legal and Professional Fees	197,790		167,875
Computer Services	56,268		52,634
Maintenance	290,000		272,050
Printing and Publishing	31,000		21,866
Office Supplies	7,350		7,649
Credit Card Fees	2,500		3,035
Miscellaneous	9,000		9,029
	<u>\$ 1,154,499</u>	<u>\$</u>	<u>1,083,642</u>

See Accompanying Independent Auditor's Report

VILLAGE OF LAKE VILLA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED APRIL 30, 2025

	BUDGETED AMOUNTS	
	ORIGINAL AND FINAL	ACTUAL AMOUNTS
EXPENDITURES (Continued)		
CURRENT (Continued)		
Police		
Personnel Salaries	\$ 2,237,491	\$ 2,189,540
Employee Retirement	836,458	833,091
Health Insurance Premiums	236,753	256,191
Physicals/Testing	10,600	10,015
Uniforms	46,000	30,516
Training	43,550	47,187
Range	17,000	14,742
Legal and Professional Fees	40,000	48,247
Dispatching	82,000	80,000
Radios	15,120	14,904
Computer Services	8,380	8,380
Police Commission	8,075	9,809
Printing	8,000	8,131
Office Supplies	18,000	10,289
Miscellaneous	28,822	25,758
	<u>\$ 3,636,249</u>	<u>\$ 3,586,800</u>
Streets		
Personnel Salaries	\$ 488,967	\$ 446,296
Health Insurance Premiums	97,877	102,672
Physicals/Testing	1,000	3,499
Uniforms	3,200	3,885
Training	4,690	3,748
Engineering	10,000	8,000
Street Sweeping	64,200	48,927
Maintenance	248,500	244,751
Electric	135,000	137,834
Supplies	17,000	14,725
	<u>\$ 1,070,434</u>	<u>\$ 1,014,337</u>
Building and Grounds		
Engineering and Inspector Fees	\$ 39,712	\$ 34,650
Maintenance	27,116	35,780
Utilities	2,412	-
Supplies	36,000	28,319
Cleaning	8,000	6,960
Telephone	34,700	33,075
	<u>\$ 147,940</u>	<u>\$ 138,784</u>
Fleet		
Personnel Salaries	\$ 72,673	\$ 56,786
Employee Retirement	8,656	6,200
Uniforms	500	300
Training	4,400	3,168
Tools	15,400	1,493
	<u>\$ 101,629</u>	<u>\$ 67,947</u>
CAPITAL OUTLAY		
General Government	\$ 2,000	\$ 2,460
Police	66,026	57,938
Streets	8,000	6,666
	<u>\$ 76,026</u>	<u>\$ 67,064</u>
Total Expenditures	<u>\$ 6,186,777</u>	<u>\$ 5,958,574</u>

See Accompanying Independent Auditor's Report

VILLAGE OF LAKE VILLA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED APRIL 30, 2025

	BUDGETED AMOUNTS <u>ORIGINAL AND FINAL</u>	<u>ACTUAL AMOUNTS</u>
Continued		
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 46,473	\$ 838,313
OTHER FINANCING SOURCES/(USES)		
Transfers	<u>(45,000)</u>	<u>(730,798)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,473</u>	\$ 107,515
FUND BALANCE - MAY 1, 2024		<u>4,651,386</u>
FUND BALANCE - APRIL 30, 2025		<u>\$ 4,758,901</u>

See Accompanying Independent Auditor's Report

VILLAGE OF LAKE VILLA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL  
MOTOR FUEL TAX FUND  
YEAR ENDED APRIL 30, 2025

	<u>BUDGETED AMOUNTS ORIGINAL AND FINAL</u>	<u>ACTUAL AMOUNTS</u>
REVENUES		
Intergovernmental		
State Motor Fuel Tax	\$ 345,000	\$ 394,926
Other		
Interest	5,000	41,943
Total Revenues	<u>\$ 350,000</u>	<u>\$ 436,869</u>
EXPENDITURES		
CAPITAL OUTLAY		
Maintenance - Streets	\$ 575,000	\$ 546,112
Total Expenditures	<u>\$ 575,000</u>	<u>\$ 546,112</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (225,000)	\$ (109,243)
OTHER FINANCING SOURCES/(USES)	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (225,000)</u>	\$ (109,243)
FUND BALANCE - MAY 1, 2024		<u>1,469,993</u>
FUND BALANCE - APRIL 30, 2025		<u>\$ 1,360,750</u>

See Accompanying Independent Auditor's Report



VILLAGE OF LAKE VILLA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - MODIFIED CASH BASIS - BUDGET AND ACTUAL  
GENERAL CAPITAL FUND - CAPITAL PROJECTS FUND  
YEAR ENDED APRIL 30, 2025

	<u>BUDGETED AMOUNTS ORIGINAL AND FINAL</u>	<u>ACTUAL AMOUNTS</u>
REVENUES		
Local Taxes		
Intergovernmental		
State Sales Tax	\$ 55,500	\$ 60,751
Local Use Taxes	17,250	15,311
State Income Tax	65,000	75,961
Video Gaming	215,000	229,034
Other		
Rent - Water Tower	38,326	38,929
Interest	-	87,006
Other Revenues	-	27,619
Total Revenues	<u>\$ 391,076</u>	<u>\$ 534,611</u>
EXPENDITURES		
CAPITAL OUTLAY		
General Government	\$ 968,233	\$ 707,651
	<u>\$ 968,233</u>	<u>\$ 707,651</u>
Total Expenditures	<u>\$ 968,233</u>	<u>\$ 707,651</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (577,157)</u>	<u>\$ (173,040)</u>
OTHER FINANCING SOURCES/(USES)		
Sale of Assets	\$ -	\$ 11,241
Transfers	500,000	181,798
	<u>\$ 500,000</u>	<u>\$ 193,039</u>
NET CHANGE IN FUND BALANCE	<u>\$ (77,157)</u>	\$ 19,999
FUND BALANCE - MAY 1, 2024		<u>3,276,574</u>
FUND BALANCE - APRIL 30, 2025		<u>\$ 3,296,573</u>

See Accompanying Independent Auditor's Report

VILLAGE OF LAKE VILLA  
COMBINING BALANCE SHEET - MODIFIED CASH BASIS  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED APRIL 30, 2025

	Special Revenue Funds										Capital Funds			Debt Service Fund
	Mansion Fund	Metra Fund	Liability Insurance Fund	Special Events Fund	Drug Seizure Fund	DUI Fund	Business District #1 Fund	Downtown TIF Fund	Park Ave TIF Fund	Public Works Fleet Replacement Fund	Park Capital Fund	GO Note Series 2019		
ASSETS														
Cash and Investments	\$ -	\$ 162,344	\$ 49,575	\$ 32,343	\$ 7,404	\$ 10,194	\$ 496,436	\$ 567,608	\$ 5,138	\$ -	\$ 34,771	\$ -	\$ 1,365,813	
Other Assets	-	-	-	-	-	-	-	211	-	-	-	-	211	
Due from Other Funds	-	-	-	-	-	-	5,000	-	-	-	-	-	5,000	
Total Assets	\$ -	\$ 162,344	\$ 49,575	\$ 32,343	\$ 7,404	\$ 10,194	\$ 501,436	\$ 567,819	\$ 5,138	\$ -	\$ 34,771	\$ -	\$ 1,371,024	
LIABILITIES														
Cash Overdraft	\$ 254,048	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 254,048	
Due to Other Funds	-	-	-	-	-	-	-	-	-	-	-	5,000	5,000	
Total Liabilities	\$ 254,048	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 259,048	
FUND BALANCE														
Restricted	\$ -	\$ -	\$ -	\$ -	\$ 7,404	\$ 10,194	\$ -	\$ 486,997	\$ 5,138	\$ -	\$ -	\$ -	\$ 509,733	
Assigned	-	162,344	49,575	32,343	-	-	501,436	80,822	-	-	34,771	-	861,291	
Unassigned	(254,048)	-	-	-	-	-	-	-	-	-	-	(5,000)	(259,048)	
Total Fund Balance	\$ (254,048)	\$ 162,344	\$ 49,575	\$ 32,343	\$ 7,404	\$ 10,194	\$ 501,436	\$ 567,819	\$ 5,138	\$ -	\$ 34,771	\$ (5,000)	\$ 1,111,976	
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 162,344	\$ 49,575	\$ 32,343	\$ 7,404	\$ 10,194	\$ 501,436	\$ 567,819	\$ 5,138	\$ -	\$ 34,771	\$ -	\$ 1,371,024	

See Accompanying Independent Auditor's Report

VILLAGE OF LAKE VILLA  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - MODIFIED CASH BASIS  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED APRIL 30, 2025

	Special Revenue Funds										Capital Funds			Debt Service Fund
											Public Works			
	Mansion Fund	Metra Fund	Liability Insurance Fund	Special Events Fund	Drug Seizure Fund	DUI Fund	Business District #1 Fund	Downtown TIF Fund	Park Ave TIF Fund	Fleet Replacement Fund	Park Capital Fund	GO Note Series 2019		
REVENUES													Total	
Local Taxes														
Property Taxes	\$ -	\$ -	\$ 170,558	\$ -	\$ -	\$ -	\$ -	\$ 402,562	42,779	\$ -	\$ -	\$ -	\$ 615,899	
Intergovernmental														
Sales Tax	-	-	-	-	-	-	202,087	-	-	-	-	-	202,087	
Fines														
DUI Fines	-	-	-	-	-	6,265	-	-	-	-	-	-	6,265	
Other														
Interest	-	3,754	-	-	-	219	14,830	15,957	540	-	1,004	-	36,304	
Rent	50,000	35,875	-	-	-	-	-	-	-	-	-	-	85,875	
Parking Fees	-	15,159	-	-	-	-	-	-	-	-	-	-	15,159	
Donations	-	-	-	20,906	-	-	-	-	-	-	-	-	20,906	
Other Revenue	22,227	-	-	19,646	2,134	-	-	-	-	-	-	-	44,007	
Total Revenues	\$ 72,227	\$ 54,788	\$ 170,558	\$ 40,552	\$ 2,134	\$ 6,484	\$ 216,917	\$ 418,519	\$ 43,319	\$ -	\$ 1,004	\$ -	\$ 1,026,502	
EXPENDITURES														
Current	\$ 51,455	\$ 21,443	\$ 249,836	\$ 54,192	\$ -	\$ -	\$ 1,506	\$ 228,917	\$ 40,378	\$ -	\$ -	\$ -	\$ 647,727	
Capital Outlay	27,750	-	-	-	-	5,475	49,549	-	-	-	26,692	-	109,466	
Debt Service	-	-	-	-	-	-	-	-	-	-	-	107,672	107,672	
Total Expenses	\$ 79,205	\$ 21,443	\$ 249,836	\$ 54,192	\$ -	\$ 5,475	\$ 51,055	\$ 228,917	\$ 40,378	\$ -	\$ 26,692	\$ 107,672	\$ 864,865	
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (6,978)	\$ 33,345	\$ (79,278)	\$ (13,640)	\$ 2,134	\$ 1,009	\$ 165,862	\$ 189,602	\$ 2,941	\$ -	\$ (25,688)	\$ (107,672)	\$ 161,637	
OTHER FINANCING SOURCES (USES)														
Transfers	\$ (5,400)	\$ (5,400)	\$ 73,800	\$ 40,000	\$ -	\$ -	\$ (107,672)	\$ -	\$ -	\$ (6,304)	\$ -	\$ 107,672	\$ 96,696	
Total Other Financing Sources/(Uses)	\$ (5,400)	\$ (5,400)	\$ 73,800	\$ 40,000	\$ -	\$ -	\$ (107,672)	\$ -	\$ -	\$ (6,304)	\$ -	\$ 107,672	\$ 96,696	
NET CHANGE IN FUND BALANCES	\$ (12,378)	\$ 27,945	\$ (5,478)	\$ 26,360	\$ 2,134	\$ 1,009	\$ 58,190	\$ 189,602	\$ 2,941	\$ (6,304)	\$ (25,688)	\$ -	\$ 258,333	
FUND BALANCES - MAY 1, 2024	(241,670)	134,399	55,053.00	5,983	5,270	9,185	443,246	378,217	2,197	6,304	60,459	(5,000)	853,643	
FUND BALANCES - APRIL 30, 2025	\$ (254,048)	\$ 162,344	\$ 49,575	\$ 32,343	\$ 7,404	\$ 10,194	\$ 501,436	\$ 567,819	\$ 5,138	\$ -	\$ 34,771	\$ (5,000)	\$ 1,111,976	

See Accompanying Independent Auditor's Report

VILLAGE OF LAKE VILLA  
NOTES TO SUPPLEMENTARY INFORMATION  
APRIL 30, 2025

**NOTE 1 - BUDGETS**

A proposed operating budget for the fiscal year commencing the following May 1 is submitted to the Board of Trustees. The operating budget includes proposed disbursements and the means of financing them. Public hearings are conducted to obtain taxpayer comments.

The budget is legally enacted through passage of an appropriation ordinance. The budget was passed on April 15, 2024. Budget amounts reflected on the Schedules of Revenues, Expenditures, and Changes in Fund Balance – Modified Cash Basis – Budget and Actual reflect the Village's internal working budget amounts which are lower than legal budget amounts. Therefore, all funds operated within legal budgets.