



Village of Hainesville, Illinois

Annual Financial Report

April 30, 2023



Village of Hainesville, Illinois
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April 30, 2023

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Financial Section

Independent Auditor's Report



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Independent Auditor's Report

The Honorable Mayor and
Members of the Village Board
Village of Hainesville
Hainesville, Illinois

Opinions

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

In our opinion, the accompanying financial statements referred to the above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information of the Village, as of April 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison information for the General Fund and Motor Fuel Tax Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in 2023, the Village adopted Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 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, we:

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

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

Required Supplementary Information

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

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 combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

FORVIS,LLP

Oakbrook Terrace, Illinois
January 30, 2024

Management's Discussion and Analysis

VILLAGE OF HAINESVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS

April 30, 2023

The Village of Hainesville’s (the “Village”) Management’s Discussion and Analysis (“MD&A”) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village’s financial activity, (3) identify changes in the Village’s financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the Management’s Discussion and Analysis is designed to focus on the current year’s activities, resulting changes and currently known facts, please read it in conjunction with the Village’s financial statements. Comparative amounts for 2021 within this discussion and analysis have not been restated for the effects of adoption of GASB Statement No. 87, *Leases*.

Financial Highlights

- The assets and deferred outflows of the Village exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$17,359,543 (*net position*). Of this amount, \$3,671,189 (*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 \$802,785. The net position increase was mainly due to the result of the additional revenues from the various State revenue streams, grants, and investment in water and sewer infrastructure.
- As of the close of the current fiscal year, the Village’s governmental funds reported combined fund balances of \$3,810,189. Of this amount, \$1,729,638 is available for spending at the Village’s discretion (*unassigned fund balance*). This represented over 92% of total General Fund expenditures during the current year.
- During fiscal year 2023, the Village’s IMRF plan moved from a pension asset position of \$35,266 to a net pension liability position of \$134,537.

USING THE FINANCIAL SECTION OF THE COMPREHENSIVE ANNUAL REPORT

The financial statements focus is on both the Village as a whole (government-wide) and on the major and nonmajor individual funds. The perspectives (government-wide, major fund and nonmajor funds) allow the user to address relevant questions, broaden the basis for comparison (year-to-year or government-to-government) and enhance the Village’s accountability.

VILLAGE OF HAINESVILLE, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)

Government-Wide Financial Statements

The government-wide financial statements (see pages 14 and 15) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Position (see page 14) is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see page 15) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The Governmental Activities reflect the Village's basic services, including public safety, public works and administration. Property taxes, shared state sales and income taxes, and local utility and franchise taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Water and Sewer) where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation familiar. The focus is on major funds, rather than fund types.

The Governmental Funds Statements (see pages 16 to 21) are presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the Budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

While the totals of the Proprietary Fund Financial Statements (see pages 22 to 24) are the same as the Business-type column on the Government-wide Financial Statement, the Governmental Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 17 and 19). The flow of current financial resources will reflect loan proceeds and interfund transfers as other financing sources as well as capital expenditures and loan principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the Government-wide Statements).

**VILLAGE OF HAINESVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONT.)**

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current and Other Assets	\$ 4,806,558	\$ 4,209,154	\$ 343,863	\$ 739,623	\$ 5,150,421	\$ 4,948,777
Capital Assets	5,776,364	5,882,671	7,629,613	6,755,446	13,405,977	12,638,117
Total Assets	10,582,922	10,091,825	7,973,476	7,495,069	18,556,398	17,586,894
Deferred Outflows of Resources	79,538	17,572	31,200	7,104	110,738	24,676
Liabilities						
Current Liabilities	206,298	118,869	83,081	333,169	289,379	452,038
Other Liabilities	96,632	-	70,374	37,066	167,006	37,066
Total Liabilities	302,930	118,869	153,455	370,235	456,385	489,104
Deferred Inflows of Resources	850,513	544,132	695	21,576	851,208	565,708
Net Position						
Net Investment in Capital Assets Restricted for Maintenance of Roadways and Special Service Area	5,776,364	5,882,671	7,629,613	6,755,446	13,405,977	12,638,117
Unrestricted	282,377	295,970	-	-	282,377	295,970
	3,450,276	3,267,755	220,913	354,916	3,671,189	3,622,671
Total Net Position	\$ 9,509,017	\$ 9,446,396	\$ 7,850,526	\$ 7,110,362	\$ 17,359,543	\$ 16,556,758

For more detailed information, see the Statement of Net Position (page 14).

The largest portion of the Village’s net position (77%) reflects an investment in capital assets (*e.g.*, land, buildings, equipment, improvements and construction in progress), less any depreciation and outstanding debt used to acquire those assets. The Village uses these capital assets to provide service to citizens; consequently, these assets are not available for spending. The second largest portion (21%) is unrestricted net position. 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. The remaining net position (2%) is restricted for maintenance of roadways and capital projects.

**VILLAGE OF HAINESVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital Assets – which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital Assets – which will reduce current assets and increase capital assets. There is a second impact, an increase in invested capital assets and an increase in related net debt, which will not change the invested in capital assets, net of debt.

Spending of Non-borrowed Current Assets on New Capital Assets – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase net investment in capital assets.

Principal Payment on Debt – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase net investment in capital assets.

Reduction of Capital Assets Through Depreciation – which will reduce capital assets and investment in capital assets, net of debt.

Current Year Impacts

The Village's \$802,785 current year increase in combined net position (which is the Village's bottom line) was the result of the governmental activities net position increasing by \$62,621 and the business-type activities net position increasing by \$740,164. The General Fund balance increased by \$280,681, which was due to unplanned increases of various State Tax Revenues, increased revenue with interest income as well as reducing expenditures on various services/projects during the year.

The Village decreased the Capital Projects Reserve balance during the year by \$81,181.

The Water and Sewer Capital Reserve Fund increased by \$36,646.

The Motor Fuel Tax Fund decrease was \$17,618 due to the continued road resurfacing within the village.

The balance of unrestricted net position, \$3,671,189, may be used to meet the Village's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Village reported positive balances in all categories of net position for the governmental and business-type activity accounts.

**VILLAGE OF HAINESVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONT.)**

Changes in Net Position

The following chart shows the revenue and expenses of the governmental and business-type activities.

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues:						
Charges for Services	\$ 310,192	\$ 301,787	\$ 1,283,471	\$ 1,177,961	\$ 1,593,663	\$ 1,479,748
Operating and Capital Grants and Contributions	232,122	241,839	484,053	-	716,175	241,839
General Revenues:						
Property Taxes	499,386	488,571	-	-	499,386	488,571
Utility Taxes	140,989	133,003	-	-	140,989	133,003
Telecommunication Taxes	25,945	27,874	-	-	25,945	27,874
Income Taxes	545,699	572,653	-	-	545,699	572,653
Sales and Use Taxes	651,862	615,738	-	-	651,862	615,738
Other Taxes	951	950	-	-	951	950
Investment Income	116,491	1,449	260	(112)	116,751	1,337
Capital Contribution	-	-	-	140,560	-	140,560
Total Revenues	<u>2,523,637</u>	<u>2,383,864</u>	<u>1,767,784</u>	<u>1,318,409</u>	<u>4,291,421</u>	<u>3,702,273</u>
Expenses						
General Government	544,595	494,011	-	-	544,595	494,011
Public Safety	872,692	871,453	-	-	872,692	871,453
Public Works	1,004,550	1,107,284	-	-	1,004,550	1,107,284
Water & Sewer	-	-	893,791	981,647	893,791	981,647
Streets & Sanitation	-	-	173,008	171,032	173,008	171,032
Total Expenses	<u>2,421,837</u>	<u>2,472,748</u>	<u>1,066,799</u>	<u>1,152,679</u>	<u>3,488,636</u>	<u>3,625,427</u>
Change in Net Position Before Transfers	101,800	(88,884)	700,985	165,730	802,785	76,846
Transfers	(39,179)	166,900	39,179	(166,900)	-	-
Change in Net Position	62,621	78,016	740,164	(1,170)	802,785	76,846
Net Position, Beginning	9,446,396	9,368,380	7,110,362	7,111,532	16,556,758	16,479,912
Net Position, Ending	<u>\$ 9,509,017</u>	<u>\$ 9,446,396</u>	<u>\$ 7,850,526</u>	<u>\$ 7,110,362</u>	<u>\$ 17,359,543</u>	<u>\$ 16,556,758</u>

Increase/Decrease in Village Approved Rates – While certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fees, building fees, etc.)

**VILLAGE OF HAINESVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONT.)**

There are eight basic impacts on revenues and expenses as reflected below.

Normal Impacts

Revenues:

Economic Condition – which can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales and utility tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in Village Board Approved Rates – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fee, building fees, etc.)

Changing Patterns in Intergovernmental and Grant Revenue – (both recurring and non-recurring) such as certain recurring revenues (state-shared revenue, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impacts on Investment Income – Market conditions may cause investment income to fluctuate.

Expenses:

Introduction of New Programs – Within the functional expenditure categories (Public Safety, Public Works, General Government, etc.), individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel – Changes in service demand may cause the Village to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent the most significant of the Village’s operating costs.

Salary Increases (annual adjustments/merit) – The ability to attract and retain (employees) resources requires the Village to strive to approach a competitive salary structure in the marketplace.

Inflation – While overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and repair parts. Some functions may experience commodity specific increases.

**VILLAGE OF HAINESVILLE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT.)**

Current Year Impacts

Governmental Activities

Revenue:

For the fiscal year ended April 30, 2023, revenues from the governmental activities totaled \$2,523,637. Sales and use tax revenues are the Village's largest revenue source, coming in at \$651,862, with state income tax of \$545,699 and property tax receipts of \$499,386. Telecommunication and utility taxes are \$25,945 and \$140,989, respectively.

Expenses:

For the fiscal year ended April 30, 2023, expenses for governmental activities totaled \$2,421,837. The largest expense for the Village was in public works. Within this category a few of the projects that were completed during the fiscal year included road repaving; sidewalk repairs, and storm sewer maintenance.

Business-type Activities

Revenue:

For the fiscal year ended April 30, 2023, revenues from the business-type activities totaled \$1,767,784. The Village saw a revenue increase of \$449,375 from the prior fiscal year.

Expenses:

For the fiscal year ended April 30, 2023, expenses for business-type activities totaled \$1,066,799 including depreciation and amortization of \$169,715.

The Public Works Fund follows the same strict spending guidelines imposed on the Governmental Funds.

**VILLAGE OF HAINESVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONT.)**

FINANCIAL ANALYSIS OF THE VILLAGE’S FUNDS

Governmental Funds

At April 30, 2023, the governmental funds (as presented on the Balance Sheet on page 16) reported a combined fund balance of \$3,810,189. The General Fund balance increased by \$280,681. The General Fund balance increase was mainly due to the increased revenues from the various State Taxes. Fund balance of the Water and Sewer Capital Reserve Fund increased by \$36,646 to get to an ending fund balance of \$1,162,784 at year end. Fund balance of the Motor Fuel Tax Fund decreased by \$17,618 to get to an ending fund balance of \$243,013 at year end. Fund balance of the Capital Projects Reserve Fund decreased by \$81,181 to get to an ending fund balance of \$635,390 at year end.

General Fund Budgetary Highlights

The 2023 fiscal year budget, as originally approved by the Village Board, was not amended during the current year. The table below reflects the budgeted and actual revenue and expenditures for the General Fund.

	Original/Final Budget	Actual
Revenues		
Taxes	\$ 609,000	\$ 641,190
Intergovernmental	1,079,426	1,204,032
Other	672,875	400,841
Total	<u>2,361,301</u>	<u>2,246,063</u>
Expenditures		
General Government	545,103	465,162
Public Safety	880,168	872,692
Public Works	716,838	550,480
Total	<u>2,142,109</u>	<u>1,888,334</u>
Excess (Deficiency) of Revenues Over Expenditures	219,192	357,729
Transfers Out	<u>(457,048)</u>	<u>(77,048)</u>
Net Change in Fund Balance	<u>\$ (237,856)</u>	<u>\$ 280,681</u>

**VILLAGE OF HAINESVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONT.)**

The General Fund’s actual revenues were under budget by \$115,238 (4.9%), while actual expenditures were \$253,775 (11.8%) less than the budgeted amount. Intergovernmental revenues received were over budget by \$124,606 (11.5%), taxes were over by \$32,190 (5.3%). The General Fund budgeted expenditure variances were primarily due to projects coming in under budget or in some cases, the project was tabled until a future time.

Capital Assets

At the end of fiscal year 2023, the Village had a combined total of capital assets of \$13,405,977 invested in a broad range of capital assets including land, buildings, vehicles, water mains, storm sewers and sanitary sewer lines (see Table 4 below).

**Table 4: Schedule of Capital Assets, Net of Depreciation
April 30, 2023**

	Governmental Activities	Business-Type Activities	Total
Land	\$ 3,820,452	\$ 178,580	\$ 3,999,032
Construction in Progress	-	1,068,017	1,068,017
Buildings and Improvements	1,211,160	-	1,211,160
Land Improvements	127,255	-	127,255
Office Furniture and Equipment	4,514	-	4,514
Other Assets	174,461	242,825	417,286
Infrastructure	438,522	-	438,522
Water and Sewer System	-	4,619,923	4,619,923
Storm System	-	1,520,268	1,520,268
	<u>\$ 5,776,364</u>	<u>\$ 7,629,613</u>	<u>\$ 13,405,977</u>

**Table 5: Change in Capital Assets
Fiscal Year Ended April 30, 2023**

	Governmental Activities	Business-Type Activities	Total
Beginning Balance, Net	\$ 5,882,671	\$ 6,755,446	\$ 12,638,117
Additions	39,370	1,043,882	1,083,252
Depreciation Expense	(145,677)	(169,715)	(315,392)
Ending Balance	<u>\$ 5,776,364</u>	<u>\$ 7,629,613</u>	<u>\$ 13,405,977</u>

See Note 4 for additional information of the Village’s capital assets.

**VILLAGE OF HAINESVILLE, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONT.)**

Debt Outstanding

The Village has \$50,000 notes payable outstanding as of April 30, 2023. The balance of the notes payable were considered current and were paid in August 2023.

Additional information on the Village’s long-term obligation can be found in the Note 5 to the basic financial statements.

Economic Factors

During fiscal year 2023, the Village had increases in various Governmental revenues such as: property tax, State Tax Revenues and interest income. The Village maintained \$146,000 in certificate of deposit accounts for future infrastructure needs. Within the General Fund, the Village transferred \$77,048 into the Capital Projects Reserve Funds for future use. This amount is roughly 50% of the cell tower revenue. Within the business-type activities account, the Village continued the yearly transfer of the water rate increase surplus of funds into the Water and Sewer Capital Reserve for future infrastructure needs. This amount was \$203,900.

During this current and upcoming fiscal year, the Village will be continuing with improving the Village infrastructure which includes upgrades to the well houses; water pump repairs; redoing the Village Hall and public works parking lots. The Village does not currently see the need to increase revenues from the residents for water and sewer fees. State revenues have been showing growth and the outlook is that they will continue, adjustments to expenditures could be made should revenues decrease. The Village will continue to utilize reserve funds for infrastructure projects.

CONTACTING THE VILLAGE’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, investors and creditors with a general overview of the Village’s finances and to demonstrate the Village’s accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Kelly Hensley, Village Treasurer, Village of Hainesville, 100 North Hainesville Road, Hainesville, Illinois 60030.

Basic Financial Statements

Village of Hainesville, Illinois
Statement of Net Position
April 30, 2023

	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 3,556,828	\$ 168,089	\$ 3,724,917
Investments	146,142	-	146,142
Receivables			
Property taxes	506,571	-	506,571
Other taxes	187,806	-	187,806
Intergovernmental	40,598	-	40,598
Accrued interest	227	19	246
Customer accounts	18,119	175,755	193,874
Leases	96,795	-	96,795
Total current assets	<u>4,553,086</u>	<u>343,863</u>	<u>4,896,949</u>
Noncurrent Assets			
Capital Assets			
Capital assets not being depreciated	3,820,452	1,246,597	5,067,049
Other capital assets, net of depreciation	1,955,912	6,383,016	8,338,928
Total capital assets	<u>5,776,364</u>	<u>7,629,613</u>	<u>13,405,977</u>
Lease receivables	253,472	-	253,472
Total noncurrent assets	<u>6,029,836</u>	<u>7,629,613</u>	<u>13,659,449</u>
Total assets	<u>10,582,922</u>	<u>7,973,476</u>	<u>18,556,398</u>
Deferred Outflows of Resources			
Pensions	79,538	31,200	110,738
Liabilities			
Current Liabilities			
Accounts payable and accrued expenses	118,151	82,331	200,482
Unearned revenue	29,475	-	29,475
Compensated absences payable	8,672	750	9,422
Current portion of notes payable	50,000	-	50,000
Total current liabilities	<u>206,298</u>	<u>83,081</u>	<u>289,379</u>
Noncurrent Liabilities			
Net pension liability	96,632	37,905	134,537
Special customer credit	-	32,469	32,469
Total noncurrent liabilities	<u>96,632</u>	<u>70,374</u>	<u>167,006</u>
Total liabilities	<u>302,930</u>	<u>153,455</u>	<u>456,385</u>
Deferred Inflows of Resources			
Property taxes	506,571	-	506,571
Leases	342,172	-	342,172
Pensions	1,770	695	2,465
Total deferred inflows of resources	<u>850,513</u>	<u>695</u>	<u>851,208</u>
Net Position			
Net investment in capital assets	5,776,364	7,629,613	13,405,977
Restricted			
Maintenance of roadways	243,013	-	243,013
Maintenance of special service area	39,364	-	39,364
Unrestricted	3,450,276	220,913	3,671,189
Total net position	<u>\$ 9,509,017</u>	<u>\$ 7,850,526</u>	<u>\$ 17,359,543</u>

Village of Hainesville, Illinois
Statement of Activities
Year Ended April 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total
Governmental Activities							
General government	\$ 544,595	\$ 310,192	\$ -	\$ 39,427	\$ (194,976)	\$ -	\$ (194,976)
Public safety	872,692	-	5,520	-	(867,172)	-	(867,172)
Public works	1,004,550	-	146,666	40,509	(817,375)	-	(817,375)
Total governmental activities	<u>2,421,837</u>	<u>310,192</u>	<u>152,186</u>	<u>79,936</u>	<u>(1,879,523)</u>	<u>-</u>	<u>(1,879,523)</u>
Business-Type Activities							
Water and sewer	893,791	1,108,410	-	484,053	-	698,672	698,672
Streets and sanitation	173,008	175,061	-	-	-	2,053	2,053
Total business-type activities	<u>1,066,799</u>	<u>1,283,471</u>	<u>-</u>	<u>484,053</u>	<u>-</u>	<u>700,725</u>	<u>700,725</u>
Total	<u>\$ 3,488,636</u>	<u>\$ 1,593,663</u>	<u>\$ 152,186</u>	<u>\$ 563,989</u>	<u>(1,879,523)</u>	<u>700,725</u>	<u>(1,178,798)</u>
General Revenues							
Taxes							
Property					499,386	-	499,386
Utility					140,989	-	140,989
Telecommunication					25,945	-	25,945
Intergovernmental revenue							
Income tax					545,699	-	545,699
Sales and use taxes					651,862	-	651,862
Replacement tax					951	-	951
Unrestricted investment earnings (loss)					116,491	260	116,751
Transfers					(39,179)	39,179	-
Total general revenues and transfers					<u>1,942,144</u>	<u>39,439</u>	<u>1,981,583</u>
Change in Net Position					62,621	740,164	802,785
Net Position, Beginning of Year					<u>9,446,396</u>	<u>7,110,362</u>	<u>16,556,758</u>
Net Position, End of Year					<u>\$ 9,509,017</u>	<u>\$ 7,850,526</u>	<u>\$ 17,359,543</u>

Village of Hainesville, Illinois
Governmental Funds Balance Sheet
April 30, 2023

	General Fund	Motor Fuel Tax	Water and Sewer Capital Reserve	Capital Projects Reserve	Nonmajor Governmental Fund Special Service Area Fund	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 1,442,740	\$ 230,415	\$ 1,180,881	\$ 663,047	\$ 39,745	\$ 3,556,828
Investments	146,142	-	-	-	-	146,142
Receivables						
Property taxes	481,371	-	-	-	25,200	506,571
Other taxes	187,806	-	-	-	-	187,806
Intergovernmental	28,000	12,598	-	-	-	40,598
Accrued interest	227	-	-	-	-	227
Permits	18,119	-	-	-	-	18,119
Lease	350,267	-	-	-	-	350,267
	<u>\$ 2,654,672</u>	<u>\$ 243,013</u>	<u>\$ 1,180,881</u>	<u>\$ 663,047</u>	<u>\$ 64,945</u>	<u>\$ 4,806,558</u>
Total assets						
	<u>\$ 2,654,672</u>	<u>\$ 243,013</u>	<u>\$ 1,180,881</u>	<u>\$ 663,047</u>	<u>\$ 64,945</u>	<u>\$ 4,806,558</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ 59,571	\$ -	\$ 18,097	\$ 27,657	\$ 381	\$ 105,706
Accrued payroll	12,445	-	-	-	-	12,445
Unearned revenue	29,475	-	-	-	-	29,475
Total liabilities	<u>101,491</u>	<u>-</u>	<u>18,097</u>	<u>27,657</u>	<u>381</u>	<u>147,626</u>
Deferred Inflows of Resources						
Unavailable property tax revenue	481,371	-	-	-	25,200	506,571
Lease related	342,172	-	-	-	-	342,172
Total deferred inflows of resources	<u>823,543</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,200</u>	<u>848,743</u>
Fund Balances						
Restricted						
Maintenance of roadways	-	243,013	-	-	-	243,013
Maintenance of special service area	-	-	-	-	39,364	39,364
Committed for capital purposes	-	-	1,162,784	635,390	-	1,798,174
Unassigned	1,729,638	-	-	-	-	1,729,638
Total fund balances	<u>1,729,638</u>	<u>243,013</u>	<u>1,162,784</u>	<u>635,390</u>	<u>39,364</u>	<u>3,810,189</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,654,672</u>	<u>\$ 243,013</u>	<u>\$ 1,180,881</u>	<u>\$ 663,047</u>	<u>\$ 64,945</u>	<u>\$ 4,806,558</u>

Village of Hainesville, Illinois
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
Year Ended April 30, 2023

Total Fund Balance - Governmental Funds \$ 3,810,189

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

Assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. These activities consists of

Capital assets 5,776,364

Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings, and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position.

77,768

Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds. These activities consist of

Compensated absences payable (8,672)
Notes payable (50,000)
Net pension liability (96,632)

Net Position of Governmental Activities \$ 9,509,017

Village of Hainesville, Illinois
Governmental Funds Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended April 30, 2023

	General Fund	Motor Fuel Tax	Water and Sewer Capital Reserve	Capital Projects Reserve	Nonmajor Governmental Fund Special Service Area Fund	Total Governmental Funds
Revenues						
Taxes	\$ 641,190	\$ -	\$ -	\$ -	\$ 25,130	\$ 666,320
Intergovernmental	1,204,032	146,666	-	-	-	1,350,698
Grant income	-	40,509	-	-	-	40,509
Fees, licenses and permits	263,926	-	-	-	-	263,926
Investment income	51,222	6,307	38,224	19,422	1,316	116,491
Miscellaneous	85,693	-	-	-	-	85,693
Total revenues	<u>2,246,063</u>	<u>193,482</u>	<u>38,224</u>	<u>19,422</u>	<u>26,446</u>	<u>2,523,637</u>
Expenditures						
Current						
General government	465,162	-	-	-	22,421	487,583
Public safety	872,692	-	-	-	-	872,692
Public works	550,480	211,100	12,399	172,834	-	946,813
Total current expenditures	<u>1,888,334</u>	<u>211,100</u>	<u>12,399</u>	<u>172,834</u>	<u>22,421</u>	<u>2,307,088</u>
Capital outlay						
	-	-	-	4,817	-	4,817
Total expenditures	<u>1,888,334</u>	<u>211,100</u>	<u>12,399</u>	<u>177,651</u>	<u>22,421</u>	<u>2,311,905</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>357,729</u>	<u>(17,618)</u>	<u>25,825</u>	<u>(158,229)</u>	<u>4,025</u>	<u>211,732</u>
Other Financing Sources (Uses)						
Proceeds from notes payable	-	-	50,000	-	-	50,000
Transfers in	-	-	453,900	77,048	-	530,948
Transfers out	(77,048)	-	(493,079)	-	-	(570,127)
Total other financing sources (uses)	<u>(77,048)</u>	<u>-</u>	<u>10,821</u>	<u>77,048</u>	<u>-</u>	<u>10,821</u>
Net Change in Fund Balance	280,681	(17,618)	36,646	(81,181)	4,025	222,553
Fund Balance, Beginning of Year	<u>1,448,957</u>	<u>260,631</u>	<u>1,126,138</u>	<u>716,571</u>	<u>35,339</u>	<u>3,587,636</u>
Fund Balance, End of Year	<u>\$ 1,729,638</u>	<u>\$ 243,013</u>	<u>\$ 1,162,784</u>	<u>\$ 635,390</u>	<u>\$ 39,364</u>	<u>\$ 3,810,189</u>

Village of Hainesville, Illinois
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
Year Ended April 30, 2023

Net Change in Fund Balances - Total Governmental Funds	\$	222,553
<p>Amounts reported for governmental activities in the statement of activities are different because</p>		
Capital outlays are reported as expenditures in the governmental funds, but assets acquired are reported in the statement of net position.		39,370
Depreciation is not considered an expenditure in the governmental funds.		(145,677)
Issuance of notes payable that provides current financial resources in the governmental fund, however has no effect on net position		(50,000)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of</p>		
Change in deferred outflows related to pensions		61,966
Change in compensated absences		4,552
Change in deferred inflows related to pensions		51,603
Change in net pension liability		(121,746)
		(121,746)
Change in Net Position of Governmental Activities	\$	62,621

Village of Hainesville, Illinois
General Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
Year Ended April 30, 2023

	Original and Final Budget	Actual	Variance From Final Budget Over (Under)
Revenues			
Taxes	\$ 609,000	\$ 641,190	\$ 32,190
Intergovernmental	1,079,426	1,204,032	124,606
Fees, licenses and permits	271,795	263,926	(7,869)
Interest income	880	51,222	50,342
Miscellaneous	400,200	85,693	(314,507)
Total revenues	<u>2,361,301</u>	<u>2,246,063</u>	<u>(115,238)</u>
Expenditures			
General government			
Personnel	270,400	244,618	(25,782)
Contractual services	197,073	138,965	(58,108)
Commodities	29,843	32,766	2,923
Capital outlay	47,787	48,813	1,026
Total general government	<u>545,103</u>	<u>465,162</u>	<u>(79,941)</u>
Public safety			
Police protection			
Contractual services	880,168	872,692	(7,476)
Public works			
Personnel	166,380	116,544	(49,836)
Contractual services	359,940	321,853	(38,087)
Commodities	123,018	69,247	(53,771)
Capital outlay	67,500	42,836	(24,664)
Total public works	<u>716,838</u>	<u>550,480</u>	<u>(166,358)</u>
Total expenditures	<u>2,142,109</u>	<u>1,888,334</u>	<u>(253,775)</u>
Excess of Revenues Over Expenditures	219,192	357,729	138,537
Other Financing Uses			
Transfers out	(457,048)	(77,048)	380,000
Net Change in Fund Balance	<u>\$ (237,856)</u>	280,681	<u>\$ 518,537</u>
Fund Balance, Beginning of Year		<u>1,448,957</u>	
Fund Balance, End of Year		<u>\$ 1,729,638</u>	

Village of Hainesville, Illinois
Motor Fuel Tax Fund (Major Fund)
Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
Year Ended April 30, 2023

	Original and Final Budget	Actual	Variance From Final Budget Over (Under)
Revenues			
Motor fuel tax	\$ 146,095	\$ 146,666	\$ 571
Grant income	81,018	40,509	(40,509)
Investment income	80	6,307	6,227
Total revenues	227,193	193,482	(33,711)
Expenditures			
Maintenance	250,000	211,100	(38,900)
Change in Fund Balance	\$ (22,807)	(17,618)	\$ 5,189
Fund Balance, Beginning of Year		260,631	
Fund Balance, End of Year		\$ 243,013	

Village of Hainesville, Illinois
Public Works Fund
Proprietary Fund Statement of Net Position
April 30, 2023

Assets

Current Assets

Cash and cash equivalents	\$ 168,089
Accrued interest receivable	19
Accounts receivable	175,755
Total current assets	343,863

Noncurrent Assets

Capital assets not being depreciated	1,246,597
Other capital assets at cost	9,604,973
Less accumulated depreciation	(3,221,957)
Total noncurrent assets	7,629,613

Total assets	7,973,476
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Deferred Outflows of Resources

Outflows related to pensions	31,200
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Liabilities

Current Liabilities

Accounts payable	81,231
Water deposits	1,100
Compensated absences payable	750
Total current liabilities	83,081

Noncurrent Liabilities

Net pension liability	37,905
Special customer credit	32,469
Total noncurrent liabilities	70,374

Total liabilities	153,455
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Deferred Inflows of Resources

Inflows related to pensions	695
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Net Position

Net investment in capital assets	7,629,613
Unrestricted	220,913
Total net position	\$ 7,850,526

Village of Hainesville, Illinois
Public Works Fund
Proprietary Fund Statement of Revenues, Expenses
and Changes in Net Position
Year Ended April 30, 2023

Operating Revenues		
Charges for services		\$ 1,283,471
Operating Expenses		
Operations		897,084
Depreciation		169,715
Total operating expenses		<u>1,066,799</u>
Operating Income		<u>216,672</u>
Nonoperating Income		
Investment income		260
Grant income		484,053
Total nonoperating expenses		<u>484,313</u>
Income Before Transfers and Contributions		700,985
Transfers in		493,079
Transfers Out		<u>(453,900)</u>
Change in Net Position		740,164
Net Position, Beginning of Year		<u>7,110,362</u>
Net Position, End of Year		<u><u>\$ 7,850,526</u></u>

Village of Hainesville, Illinois
Public Works Fund
Proprietary Fund Statement of Cash Flows
Year Ended April 30, 2023

Operating Activities	
Cash received from customers	\$ 1,269,021
Cash payments to suppliers for services	(816,874)
Cash payments to employees for services	(151,941)
Net cash provided by operating activities	300,206
Investing Activities	
Earnings on investments	260
Noncapital Financing Activities	
Transfers out to other funds	(453,900)
Transfers in from other funds	493,079
Net cash provided by noncapital financing activities	39,179
Capital and Related Financing Activities	
Purchase of capital assets	(977,132)
Grant proceeds	242,026
Net cash used in capital and related financing activities	(735,106)
Net Change in Cash and Cash Equivalents	(395,461)
Cash and Cash Equivalents, Beginning of Year	563,550
Cash and Cash Equivalents, End of Year	\$ 168,089
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating income	\$ 216,672
Items not requiring cash	
Depreciation	169,715
Changes in	
Accrued interest receivable	(19)
Accounts receivable	(9,834)
Deferred outflows of resources	(24,096)
Accounts payable	(8,761)
Compensated absences payable	750
Water deposits	(50)
Special customer credit	(4,597)
Net pension liability	48,057
Deferred inflows of resources	(20,881)
Net cash provided by operating activities	\$ 366,956

Village of Hainesville, Illinois

Notes to Basic Financial Statements

April 30, 2023

Note 1: Summary of Significant Accounting Policies

The Village of Hainesville, Illinois (Village) was organized in 1847 and operates under a President-Trustee form of government. The Village provides the following services as authorized by its governing board: police, streets and sanitation, water and sewer, public improvements, community development and general and administrative services. Police services were contracted to the Village of Grayslake in July 2010.

The accounting and reporting policies of the Village included in the accompanying financial statements conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to state and local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements is described below.

Reporting Entity

The reporting entity includes the governing board and all related organizations for which the Village is financially accountable.

The Village has developed criteria to determine whether outside agencies should be included within its financial reporting entity. The criteria includes, but is not limited to, whether the Village appoints a majority of the organization's Governing Board and is able to control the operation, and whether financial benefits are received or financial burdens imposed.

The Village has determined that no other outside agency meets the above criteria; therefore, no other agency has been included as a component unit in the Village's financial statements.

Basis of Presentation

The Village's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements, which provide a more detailed level of financial information. The government-wide focus is more on the sustainability of the Village as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the Village as a whole. In the government-wide statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The government-wide statement of activities reflects both the direct expenses and net cost of each function of the Village's governmental activities and business-type

Village of Hainesville, Illinois

Notes to Basic Financial Statements

April 30, 2023

activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Village, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the Village.

Fund Financial Statements

The financial transactions of the Village are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as nonmajor funds. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements

The government-wide financial statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or noncurrent) are included on the statements of net position, and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

The Village has reported three categories of program revenues in the statement of activities: (1) charges for services, (2) program-specific operating grants and contributions and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the Village's general revenues. For identifying the function to which program revenue pertains, the determining factor for charges for services is in which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Village of Hainesville, Illinois

Notes to Basic Financial Statements

April 30, 2023

Eliminations have been made in the statement of net position to remove the “grossing-up” effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables and advances. Similarly, operating transfers between funds have been eliminated in the statement of activities.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue resulting from exchange transactions in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Taxpayer-assessed taxes, gross receipts and sales taxes are considered “measurable” when in the hands of intermediary collecting governments and are recognized as revenue at that time. The Village considers all revenues available if they are collected within 60 days after year end. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain. All other revenue items are considered measurable and available only when cash is received by the Village. Expenditures are recorded on an accrual basis except for expenditures for insurance and similar services extending over more than one accounting period, which are accounted for as expenditures in the period covered.

Nonexchange transactions, in which the Village receives value without directly giving equal in return, include income, sales and property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements in which the Village must provide local resources to be used for a specified purpose, and expenditure requirements in which the resources are provided to the Village on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

All proprietary funds are accounted for on a flow of economic resources measurement focus and are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Proprietary funds separate all activity into two categories: operating and nonoperating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Nonoperating revenues and expenses entail all other activity not included in operating revenues and expenses. Nonoperating revenues and expenses include capital and noncapital financing activities and investing activities.

Differences occur from the manner in which the governmental activities and the government-wide financial statements are prepared due to the inclusion of capital asset and long-term debt activity. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Village of Hainesville, Illinois

Notes to Basic Financial Statements

April 30, 2023

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Village's governmental funds:

The Village reports the following major governmental funds:

The **General Fund** is the general operating fund of the Village. It is used to account for the revenues and expenditures used in providing services in the Village except those required to be accounted for in other funds.

The **Motor Fuel Tax Fund** is used to account for proceeds of State Motor Fuel Tax distributions and related costs which are to be used solely for street and highway construction and maintenance.

The **Water and Sewer Capital Reserve Fund** is used to account for costs which are solely for capital expenditures for the proprietary unit. Funding is provided by transfers from the General and Public Works Funds.

The **Capital Projects Reserve Fund** is used to account for costs which are solely for capital expenditures for general governmental purposes. Funding is provided by transfers from the General Fund.

The Village reports a nonmajor governmental fund:

The **Special Service Area Fund** is used to account for proceeds from the collection of property taxes and related costs which are to be used solely for the maintenance of the Cranberry Lake area.

Proprietary Fund

Proprietary funds are used to account for the ongoing operations and activities, which are similar to those often found in the private sector. The measurement focus is upon determination of net income.

The Village's proprietary fund is classified as an enterprise fund, and is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the Village Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Village of Hainesville, Illinois
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The Village reports a major proprietary fund:

The **Public Works Fund** is used to account for activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration. This fund includes sanitation and water and sewer services to residents.

Capital Assets

Capital outlays are recorded as expenditures in the fund financial statements of the governmental funds and as assets in the government-wide financial statements to the extent the Village's capitalization threshold of \$10,000 is met. Depreciation is recorded on general capital assets in the government-wide statements using the straight-line method and the following estimated useful lives:

Buildings and building improvements	50 years
Machinery and equipment	5 - 25 years
Furniture and fixtures	7 - 20 years
Land improvements	20 - 30 years
Water and sewer system	65 years
Infrastructure	15 - 30 years

To the extent the Village's capitalization policy of \$10,000 is met, capital outlays of the proprietary funds are recorded as capital assets and depreciated in both the fund financial statements and the government-wide financial statements. The Village uses the same threshold capitalization policy for leases as capital assets.

All capital assets are valued at historical cost or estimated historical cost if actual cost was not available. Contributed capital assets are recorded at acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized.

Cash and Investments

Investments held by the Village which are short-term, highly liquid investments having a remaining maturity of one year or less at the date of purchase are reported by the Village at amortized cost. All other investments are reported at fair value. Gains or losses on the sale of investments are recognized upon realization. Unrealized gains and losses are recognized for those investments valued at fair value. The investment with the State Treasurer's Illinois Funds is at fair value, which is the same value as the pool shares. The State Statute requires the State Treasurer's Illinois Funds to comply with the *Illinois Public Funds Investment Act* (30 ILCS 235).

Village of Hainesville, Illinois

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The Village will invest in accordance with the guidelines provided in the Illinois Compiled Statutes, Chapter 30, Section 235/2 and Chapter 5, Section 220/15. Appropriate investments include:

1. Interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits that are direct obligations of any bank that is insured by the Federal Deposit Insurance Corporation (FDIC)
2. Bonds, notes, certificates of indebtedness, treasury bills or other securities guaranteed by the full faith and credit of the United States of America
3. Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies
4. Short-term obligations of United States corporations (commercial paper) with assets over \$500,000,000 if (a) such obligations are rated in the three highest classifications established by at least two standard rating services and mature not later than 180 days from the purchase date, (b) such purchases do not exceed 10% of the corporation's outstanding obligations and (c) such purchases do not exceed more than one-third of the Village's portfolio
5. Money market mutual funds registered under the *Investment Company Act of 1940*, provided that the portfolio of any such money market mutual fund is limited to obligations of the U.S. Government or its agencies
6. State of Illinois Funds

Investments in repurchase agreements and derivative securities are not permitted, per the Village's investment policy.

For purposes of the statement of cash flows, the Village considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted net position – Consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position – All other net positions that do not meet the definitions of "restricted" "net investment in capital assets."

Village of Hainesville, Illinois

Notes to Basic Financial Statements

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When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Statements

Governmental fund balances are displayed as follows:

Restricted – Consists of fund balances with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Committed – Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority. Fund balance amounts are committed through a formal action (resolution) of the Village Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village that originally created the commitment.

Unassigned – Includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

Property Taxes

Property taxes for 2022 attach as an enforceable lien on January 1, 2022, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments on or about June 1, 2023 and September 1, 2023. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy to reflect actual collection experience. As the 2022 tax levy is used to fund operations of the 2023-2024 fiscal year, the revenue is reported as unavailable in the government-wide and fund financial statements at April 30, 2023, and is presented as deferred inflows of resources.

Accumulated Unpaid Compensated Absences

The Village reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. The entire compensated absences liability is reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

Village of Hainesville, Illinois
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Deferred Outflows/Inflows of Resources

The Village reports deferred outflows of resources on its statement of net position. Deferred outflows of resources represent a consumption of net position that applies to a future reporting period(s) and so will not be recognized as an outflow of resources (expense/expenditure/reduction of liability) until then. The Village has an item that qualifies for reporting in this category, the outflows related to pensions, which represents pension items that will be recognized in future periods.

The Village also reports deferred inflows of resources on its statement of net position. Deferred inflows of resources represent an acquisition of net position that applies to a future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has three items that qualify for reporting in this category, deferred inflows related to property taxes levied in 2022 to finance fiscal year 2023-2024 operations, deferred inflows related to pensions, which represents pension items that will be recognized in future periods, and deferred inflows related to leases, which represent lease items that will be recognized in future periods.

Taxes for which there is an enforceable legal claim as of April 30, 2023, but which were not considered available, have been recorded as deferred inflows of resources in the funds statements.

Use of Estimates

Management has made a number of estimates and assumptions relating to the reporting of assets, deferred outflows of resources, liabilities and deferred inflows of resources to prepare these financial statements in conformity with GAAP. Actual results could differ from those estimates.

Budgetary Data

The Board of Trustees follows these procedures in establishing the budgetary data reflected in the general purpose financial statements:

- (1) Within or before the first quarter of each fiscal year, the Board of Trustees adopts the annual budget and appropriation ordinance.
- (2) The budget document is available for public inspection for at least ten days prior to the Board of Trustees' public hearing and the passage of the annual budget and appropriation ordinance. The Board of Trustees is also required to hold at least one public hearing on the appropriation ordinance.
- (3) Subsequent to the enactment of the annual budget and appropriation ordinance, the Board of Trustees has the authority to make any necessary adjustments to the budget. There were no budget adjustments made during the year.

For each fund, total fund expenditures may not legally exceed the budgeted amounts. All appropriations lapse at the fiscal year end.

The budget was prepared on the modified accrual basis of accounting; the same basis used in the preparation of the Village's general purpose financial statements.

Village of Hainesville, Illinois
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Excess of Expenditures Over Budget/Deficit Fund Balance

There were no funds that had expenditures in excess of budget for the year ended April 30, 2023.

There were no funds that had a deficit in fund balance at April 30, 2023.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) agent multiple-employer defined benefit plan, and additions to/deductions from IMRF's fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Change in Accounting Principle

The Village adopted the provisions of GASB Statements No. 87, *Leases*, for the fiscal year ended April 30, 2023. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The adoption had no impact on beginning net position/fund balance.

Note 2: Cash and Investments

Cash

The carrying amount of cash was \$2,399,003 at April 30, 2023, while the bank balances were \$2,996,977. Bank balances were either insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000, or collateralized with securities of the U.S. Government or with letters of credit issued by the Federal Home Loan Bank held in the Village's name by financial institutions acting as the Village's agent.

Investments

Illinois Statutes authorize the Village to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and the Illinois Funds Investment Pool.

The Village has adopted an investment policy. That policy follows the state statute for allowable investments.

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The Illinois Funds Money Market Fund is an external investment pool developed and implemented in 1975 by the Illinois General Assembly under the jurisdiction of the Illinois State Treasurer, who has regulatory oversight for the pool. The Fund is not registered with the SEC but does operate in a manner consistent with Rule 2a-7 of the *Investment Company Act of 1940*. The fair value of the positions in the pool is the same as the value of the pool shares. At year end, the Village had \$1,325,914 in Illinois Funds earning a 4.871% return. Illinois Funds is not subject to custodial credit risk. The Fund issues a publicly available financial report. That report may be obtained by writing to the Office of the State Treasurer, Illinois Funds Administrative Office, 300 W. Jefferson Street, Springfield, Illinois 62702.

Interest rate risk is the risk that market interest rate changes will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investing is performed in accordance with investment policies adopted by the Village complying with state statutes. As of April 30, 2023, The Illinois Funds Money Market was rated AAAM by Standard & Poor's.

For investments, custodial risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities in the possession of an outside party. State law does not require collateralization of investments.

It is the policy of the Village to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in overconcentration in a security, maturity, issuer or class of securities. The Village accomplishes this through avoiding overconcentration in a specific issuer, business sector or fund, investing in securities with varying maturities and continuously investing a portion of the portfolio in readily available funds to ensure the appropriate liquidity is maintained.

As of April 30, 2023, the Village had the following investments:

Investment Type	Fair Value	Investment Maturities			
		Less Than One Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
Negotiable certificates of deposit	\$ 146,142	\$ 146,142	\$ -	\$ -	\$ -

Village of Hainesville, Illinois
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The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value of assets measured on a recurring basis at April 30, 2023, is as follows:

Investment Type	Investments Measured at Fair Value		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Negotiable certificates of deposit	\$ -	\$ 146,142	\$ -

Level 1 includes quoted prices in active markets for an identical asset or liability that a government can access at the measurement date.

Level 2 includes inputs other than quoted prices included with Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 includes unobservable inputs for an asset or liability.

Negotiable certificates of deposit are classified in Level 2 of the fair value hierarchy and are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors. Valuation estimates from service providers' internal models use observable inputs such as interest rates, yield curves, credit/risk spreads and default rates. Matrix pricing techniques value securities based on their relationship to benchmark quoted prices.

Note 3: Lease Receivables

The Village, as lessor, leases portions of its property to various third parties, the terms of which expire 2024 through 2027. The Village initially measures lease receivables at the present value of lease payments expected to be received during the lease terms, reduced by any provision for estimated uncollectible amounts. Payments increase annually based on terms of the agreements.

Revenue recognized under lease contracts during the year ended April 30, 2023, was \$161,889 which includes both lease revenue and interest.

Village of Hainesville, Illinois
Notes to Basic Financial Statements
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Note 4: Capital Assets

A summary of changes in the Village's capital assets for the period May 1, 2022 through April 30, 2023, is as follows:

Governmental Activities

	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets not being depreciated				
Land	\$ 3,820,359	\$ 93	\$ -	\$ 3,820,452
Capital assets being depreciated				
Buildings and building improvements	1,760,958	16,437	-	1,777,395
Land improvements	328,243	-	-	328,243
Office furniture and equipment	93,242	-	3,094	90,148
Police equipment	21,314	-	21,314	-
Other assets	354,434	22,840	-	377,274
Infrastructure	2,454,416	-	-	2,454,416
Total capital assets being depreciated	5,012,607	39,277	24,408	5,027,476
Less accumulated depreciation	2,950,295	145,677	24,408	3,071,564
Total capital assets being depreciated, net	2,062,312	(106,400)	-	1,955,912
Governmental activities, capital assets, net	\$ 5,882,671	\$ (106,307)	\$ -	\$ 5,776,364

Village of Hainesville, Illinois
Notes to Basic Financial Statements
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Business-Type Activities

	Beginning Balance	Additions/ Transfers	Disposals / Transfers	Ending Balance
Capital assets not being depreciated				
Land	\$ 178,580	\$ -	\$ -	\$ 178,580
Construction in progress	76,690	991,327	-	1,068,017
Total capital assets not being depreciated	<u>255,270</u>	<u>991,327</u>	<u>-</u>	<u>1,246,597</u>
Capital assets being depreciated				
Water and sewer system	6,936,892	-	-	6,936,892
Storm system	2,244,330	-	-	2,244,330
Other assets	371,194	52,555	-	423,749
Total capital assets being depreciated	<u>9,552,416</u>	<u>52,555</u>	<u>-</u>	<u>9,604,971</u>
Less accumulated depreciation	<u>3,052,240</u>	<u>169,715</u>	<u>-</u>	<u>3,221,955</u>
Total capital assets being depreciated, net	<u>6,500,176</u>	<u>(117,160)</u>	<u>-</u>	<u>6,383,016</u>
Business-type activities, capital assets, net	<u>\$ 6,755,446</u>	<u>\$ 874,167</u>	<u>\$ -</u>	<u>\$ 7,629,613</u>

Depreciation Expense

Depreciation expense for the Village's Governmental Activities was charged to governmental functions as follows:

General government	\$ 53,387
Public works	<u>92,290</u>
	<u>\$ 145,677</u>

Depreciation expense for the Village's Business-Type Activities was charged as follows:

Water & Sewer	<u>\$ 169,715</u>
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Village of Hainesville, Illinois
Notes to Basic Financial Statements
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Note 5: Long-Term Obligations

Long-term obligation activity for the year ended April 30, 2023, were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Note payable - well	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ 50,000
Compensated absences	13,224	8,672	13,224	8,672	8,672
	<u>\$ 13,224</u>	<u>\$ 8,672</u>	<u>\$ 13,224</u>	<u>\$ 8,672</u>	<u>\$ 8,672</u>
Business Activities					
Compensated absences	\$ -	\$ 750	\$ -	\$ 750	\$ 750

The compensated absences liability attributable to governmental activities will be liquidated primarily by the General Fund.

Note Payable -Well

The Board approved to borrow \$750,000 for a well project. The Village drew \$50,000 as of April 30, 2023, with interest at 4.95% and matures April 2033. The Village paid the full balance of the loan on August 2023.

Note 6: Risk Management

The Village is currently participating in the Risk Management Association (IMLRMA), a public entity risk pool managed by the Illinois Municipal League. The Village pays an annual premium to IMLRMA for worker’s compensation insurance and for all common liability and property coverage. Premiums have been displayed as expenditures in appropriate funds.

Financial information of IMLRMA may be obtained from its administration office:

I.M.L./Risk Management
500 East Capital Avenue
P.O. Box 5180
Springfield, Illinois 62705

Note 7: Motor Fuel Tax Allotment

Under current procedures, the allotments of the Village are being received from the State of Illinois each month. These allotments, however, may be expended only for specific projects that have been

Village of Hainesville, Illinois
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approved by the Department of Transportation, State of Illinois. Accordingly, the fund balance of the Motor Fuel Tax Fund is reported as Restricted for Maintenance of Roadways.

Note 8: Intergovernmental Agreements

The Village has entered into an agreement with School District 46. It has agreed to abate and waive fees and charges associated with providing water service to the elementary school for \$170,000. As of the fiscal year end, the School District had a remaining credit balance of \$31,057.

Note 9: Interfund Transactions

The following were interfund transfers during the year ended April 30, 2023:

Transfers Out	Transfers In	Amount
Public Works Fund	Water & Sewer Capital Reserve Fund	\$ 453,900
Water & Sewer Capital Reserve Fund	Public Works Fund	493,079
General Fund	Capital Projects Reserve Fund	<u>77,048</u>
		<u><u>\$ 1,024,027</u></u>

The Public Works Fund transfer consists of the yearly \$453,900 transfer into the Water & Sewer Capital Reserve Fund to be used for future capital expenditures. The Water & Sewer Capital Reserve Fund transfer of \$493,079 to the Public Works was made to fund the capital projects of the Public Works Fund. The General Fund transfer of \$77,048 into the Capital Projects Reserve Fund was roughly 50% of the Village's cell tower revenue. This is a planned yearly transfer for the Capital Projects Reserve Fund.

Note 10: Defined Benefit Pension Plan

Plan Description

The Village's agent multiple-employer defined benefit pension plan for regular employees provides retirement and disability benefits, postemployment increases and death benefits to plan members and beneficiaries. The Village's plan is administered by the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Village of Hainesville, Illinois
Notes to Basic Financial Statements
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Benefits Provided

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

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 8 years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

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

Employees Covered by Benefit Terms

As of December 31, 2022, the measurement date for the net pension liability, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	3
Terminated employees entitled to but not yet receiving benefits	4
Current employees	6
	13
	13

Contributions

As set by statute, the Village’s 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 years 2023 and 2022 were 7.77% and 9.14%, respectively. For the year ended April 30, 2023, the Village contributed \$30,784 to the plan. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF’s Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Village of Hainesville, Illinois
Notes to Basic Financial Statements
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Investments

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equities	35.5%	6.50%
International equities	18.0%	7.60%
Fixed income	25.5%	4.90%
Alternatives	9.5%	6.25 -9.90%
Real estate	10.5%	6.20%
Short-term	1.0%	4.00%
	<u>100%</u>	

Net Pension Liability

The Village’s net pension liability at April 30, 2023, was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The net pension liability as of April 30, 2023, is \$134,537.

Actuarial Assumptions

The following are the methods and assumptions used to determine the net pension liability as of December 31, 2022:

Actuarial valuation date	December 31, 2022
Measurement date	December 31, 2022
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
Cost of living adjustments	2.50%
Asset valuation method	Market value of assets

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Retirement age is based on Experienced-Based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.

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

Discount Rate

A single discount rate (SDR) of 7.25% (same as prior year) was used to measure the total pension liability. The projection of cash flows used to determine the SDR assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Village of Hainesville, Illinois
Notes to Basic Financial Statements
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Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability(Asset) (a)-(b)
Balance, beginning of year	\$ 785,490	\$ 820,756	\$ (35,266)
Changes for the year			
Service cost	32,143	-	32,143
Interest	57,779	-	57,779
Differences between expected and actual experience	49,381	-	49,381
Contributions - employer	-	31,725	(31,725)
Contributions - employee	(9,217)	15,619	(24,836)
Net investment income	-	(81,681)	81,681
Benefit payments, including refunds of employees contributions	-	(9,217)	9,217
Other (net transfer)	-	3,837	(3,837)
Net changes	<u>130,086</u>	<u>(39,717)</u>	<u>169,803</u>
Balance, end of year	<u>\$ 915,576</u>	<u>\$ 781,039</u>	<u>\$ 134,537</u>

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below represents the net pension liability of the Village calculated using the discount rate of 7.25% (same as prior year) as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Village's net pension liability	\$ 257,259	\$ 134,537	\$ 33,815

Village of Hainesville, Illinois
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April 30, 2023

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

For the year ended April 30, 2023, the Village recognized pension expense of \$42,041. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	(a) Deferred Outflows of Resources	(b) Deferred Inflows of Resources
Differences between expected and actual experience	\$ 41,837	\$ 1,026
Changes of assumptions	-	1,439
Net difference between projected and actual earnings on pension plan investments	60,269	-
Pension contributions made subsequent to the measurement date	8,632	-
	<u>\$ 110,738</u>	<u>\$ 2,465</u>

Contributions subsequent to the December 31, 2022 measurement date through April 30, 2023, of \$8,632, included in deferred outflows of resources, will be reported as a reduction of the net pension liability at April 30, 2024.

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

Year Ending April 30,	Amount
2023	\$ 18,550
2024	24,666
2025	27,882
2026	28,543
	<u>\$ 99,641</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF Financial Report – Schedule of Changes in Fiduciary Net Position by Employer.

Village of Hainesville, Illinois
Notes to Basic Financial Statements
April 30, 2023

Note 11: Commitments and Contingencies

Village of Hainesville entered into a contract with the Village of Grayslake police in July 2010. Grayslake shall provide all police, law enforcement and public safety related services to Hainesville. A second contract was entered into for providing dispatch services. Both contracts were extended in January 2018. Hainesville agrees to pay Grayslake an annual fee for police and dispatch services through fiscal year 2024-2030. Future annual minimum payments as of April 30, 2023, are as follows:

Fiscal Year	Police Services	Dispatch Services	Total
2024	\$ 810,969	\$ 72,628	\$ 883,597
2025	821,106	73,535	894,641
2026	829,317	74,271	903,588
2027	837,610	75,014	912,624
2028	845,986	75,764	921,750
2029	854,446	76,521	930,967
2030	862,991	77,286	940,277
	\$ 5,862,425	\$ 525,019	\$ 6,387,444

Expense for the year ended April 30, 2023, was \$800,962 for police services and \$71,730 for dispatch services.

Note 12: Government Accounting Standards Board (GASB) Future Pronouncements

The GASB has issued the following statement, which will impact the Village:

GASB Statement No. 92, *Omnibus 2020*, addresses practice issues that have been identified during implementation and application of certain GASB statements. The statement addresses a variety of topics including issues related to leases, intra-entity transfers, fiduciary activities and fair value disclosures. GASB 92 is effective for reporting periods based on individual topics discussed therein. Earlier application is encouraged and is permitted by individual topic to the extent that all requirements associated with an individual topic are implemented simultaneously.

GASB Statement No. 96, *Subscription - Based Information Technology Arrangements*, provides guidance on governments are utilizing more cloud-based solutions for their information technology (IT) needs, and paying for the use of third-parties' IT software on a subscription basis. The accounting and financial reporting for what the GASB refers to as subscription-based information technology arrangements (SBITAs) has been inconsistent because of a lack of authoritative guidance. The standard is effective for reporting periods beginning after June 15, 2022, and all reporting periods thereafter, with early implementation encouraged. The statement would be

Village of Hainesville, Illinois
Notes to Basic Financial Statements
April 30, 2023

applied retroactively, using the facts and circumstances that exist at the beginning of the fiscal year of implementation.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, updates accounting and financial reporting requirements for accounting changes and error corrections to address current diversity in practice by amending GASB Statement No. 62. It defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. The standard clarifies that a change to or within the financial reporting entity results from: the addition or removal of a fund that results from movement of continuing operations within the primary government, including its blended component units; change in fund presentation as major or nonmajor; generally, the addition or removal of a component unit to or from the financial reporting entity; or a change in the presentation (blended or discretely presented) of a component unit. For each type of accounting change and error correction, the standard addresses accounting and reporting requirements, display, including display in the financial statements, note disclosures, and impact on required supplementary information (RSI) and supplementary information (SI). The standard is effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences under a unified model. It defines compensated absences and requires that liabilities be recognized in financial statements prepared using the economic resources measurement focus for leave that has not been used and leave that has been used but not yet paid or settled. A liability for compensated absences should be accounted for and reported on a basis consistent with governmental fund accounting principles for financial statements prepared using the current financial resources measurement focus. GASB Statement No. 101 also amends the disclosure requirements related to compensated absences. The standard is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter, with early application encouraged.

While not effective in the short term, the Village will begin assessing the potential impact on the financial statements of this standard and begin the process of communicating the impact with those charged with governance and other stakeholders, where appropriate.

Required Supplementary Information

Village of Hainesville, Illinois
Illinois Municipal Retirement Fund
Required Supplementary Information
Schedule of Changes in the Village's Net Pension Liability
and Related Ratios
April 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability								
Service cost	\$ 32,143	\$ 31,746	\$ 31,711	\$ 30,615	\$ 26,939	\$ 28,046	\$ 23,855	\$ 24,879
Interest	57,779	52,117	45,445	40,591	35,086	31,645	27,848	26,755
Differences between expected and actual experience	49,381	(965)	20,980	(4,183)	9,894	(1,451)	(2,540)	(27,622)
Changes of assumptions	-	-	(5,426)	-	18,891	(11,421)	(627)	(1,261)
Benefit payments including refunds of member contributions	(9,217)	(777)	(623)	(606)	(576)	(190)	(813)	(16,403)
Net change in total pension liability	130,086	82,121	92,087	66,417	90,234	46,629	47,723	6,348
Total pension liability - beginning	785,490	703,369	611,282	544,865	454,631	408,002	360,279	353,931
Total pension liability - ending	\$ 915,576	\$ 785,490	\$ 703,369	\$ 611,282	\$ 544,865	\$ 454,631	\$ 408,002	\$ 360,279
Plan fiduciary net position								
Contributions - Village	\$ 31,725	\$ 28,847	\$ 26,669	\$ 21,723	\$ 25,033	\$ 24,381	\$ 23,322	\$ 21,937
Contributions - members	15,619	15,482	12,960	11,806	11,506	11,058	18,972	9,802
Net investment income	(81,681)	104,252	74,880	77,668	(15,469)	56,127	20,286	1,529
Benefit payments including refunds of member contributions	(9,217)	(777)	(623)	(606)	(576)	(190)	(813)	(16,403)
Other (net transfer)	3,837	(5,509)	(591)	(2,975)	(529)	(2,447)	(1,171)	(26,884)
Net change in plan fiduciary net position	(39,717)	142,295	113,295	107,616	19,965	88,929	60,596	(10,019)
Plan net position - beginning	820,756	678,461	565,166	457,550	437,585	348,656	288,060	298,079
Plan net position - ending	781,039	820,756	678,461	565,166	457,550	437,585	348,656	288,060
Village's net pension liability(asset)	\$ 134,537	\$ (35,266)	\$ 24,908	\$ 46,116	\$ 87,315	\$ 17,046	\$ 59,346	\$ 72,219
Plan fiduciary net position as a percentage of the total pension liability	85.31%	104.49%	96.46%	92.46%	83.97%	96.25%	85.45%	79.95%
Covered payroll	\$ 347,098	\$ 303,649	\$ 288,006	\$ 262,360	\$ 255,710	\$ 245,563	\$ 216,344	\$ 217,831
Village's net pension liability(asset) as a percentage of covered payroll	38.76%	-11.61%	8.65%	17.58%	34.15%	6.94%	27.43%	33.15%

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in 2016.

Information in this schedule has been determined as of the Village's measurement date (December 31) of the net pension liability.

Village of Hainesville, Illinois
Illinois Municipal Retirement Fund
Required Supplementary Information
Schedule of Village Contributions
April 30, 2023

Year Ended	Actuarially Determined Contribution	Actual Contributions	Contribution Excess/ (Deficiency)	Covered Payroll	Actual Contribution as a Percentage of Covered-Employee Payroll
4/30/2023	\$ 30,784	\$ 30,784	\$ -	\$ 353,453	8.71%
4/30/2022	29,854	29,854	-	318,220	9.38%
4/30/2021	26,687	26,687	-	285,856	9.34%
4/30/2020	23,068	23,068	-	267,686	8.62%
4/30/2019	23,773	23,773	-	256,253	9.28%
4/30/2018	24,449	24,449	-	247,975	9.86%
4/30/2017	26,752	26,752	-	226,910	11.79%
4/30/2016	22,983	22,983	-	223,035	10.30%

Notes to the Required Supplementary Information

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

Methods and Assumptions Used to Determine 2022 Contribution Rates

Actuarial cost method	Aggregate entry age normal.
Amortization method	Level percentage of payroll, closed.
Remaining amortization period	21 years closed period.
Asset valuation method	5-year smoothed fair value; 20% corridor.
Wage growth	2.75%
Price inflation	2.25%
Salary increases	2.85% to 13.75%, including inflation.
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
Mortality	For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
Other	There were no benefit changes during the year.

Information above based on valuation assumptions used in the December 31, 2020 actuarial valuation; note two-year lag between valuation and rate setting.

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in 2016.

Information in this schedule has been determined as of the Village's most recent fiscal year-end.

**Combining and Individual Fund
Financial Statements and Schedules**

Governmental Fund Types

Village of Hainesville, Illinois
General Fund
Schedule of Revenues – Budget and Actual
Year Ended April 30, 2023

	Final Budget	Actual	Variance From Final Budget Over (Under)
Taxes			
Property	\$ 464,000	\$ 474,256	\$ 10,256
Utility	110,000	140,989	30,989
Telecommunication	35,000	25,945	(9,055)
Total taxes	<u>609,000</u>	<u>641,190</u>	<u>32,190</u>
Intergovernmental			
Income tax	469,136	545,699	76,563
Sales and use taxes	609,890	657,382	47,492
Personal property replacement tax	400	951	551
Total intergovernmental	<u>1,079,426</u>	<u>1,204,032</u>	<u>124,606</u>
Fees, Licenses and Permits			
Fines and forfeitures	600	-	(600)
Franchise fees	203,095	198,230	(4,865)
Other licenses	37,100	38,052	952
Building permits and inspections	31,000	27,644	(3,356)
Total fees, licenses and permits	<u>271,795</u>	<u>263,926</u>	<u>(7,869)</u>
Investment Income			
	<u>880</u>	<u>51,222</u>	<u>50,342</u>
Miscellaneous			
Contributions	15,000	11,427	(3,573)
Grants	380,000	28,000	(352,000)
Miscellaneous	5,200	46,266	41,066
Total miscellaneous	<u>400,200</u>	<u>85,693</u>	<u>(314,507)</u>
Total revenues	<u>\$ 2,361,301</u>	<u>\$ 2,246,063</u>	<u>\$ (115,238)</u>

Village of Hainesville, Illinois
General Fund
Schedule of Expenditures– Budget and Actual
Year Ended April 30, 2023

	Final Budget	Actual	Variance From Final Budget Over (Under)
General Government			
Personnel			
Wages	\$ 217,300	\$ 198,747	\$ (18,553)
Payroll taxes	19,000	16,196	(2,804)
Personnel benefits	15,600	15,019	(581)
Retirement benefits	18,500	14,656	(3,844)
Total personnel	<u>270,400</u>	<u>244,618</u>	<u>(25,782)</u>
Contractual services			
Maintenance	37,780	35,174	(2,606)
Professional services	130,990	75,330	(55,660)
Insurance	18,800	19,988	1,188
Professional development	1,756	2,959	1,203
Communication	7,747	5,514	(2,233)
Total contractual services	<u>197,073</u>	<u>138,965</u>	<u>(58,108)</u>
Commodities			
Office supplies and expenses	10,995	14,087	3,092
Computer services and supplies	15,728	15,411	(317)
Other	3,120	3,268	148
Total commodities	<u>29,843</u>	<u>32,766</u>	<u>2,923</u>
Total current expenditures	<u>497,316</u>	<u>416,349</u>	<u>(80,967)</u>
Capital outlay	15,759	19,437	3,678
Other	32,028	29,376	(2,652)
Total capital outlay	<u>47,787</u>	<u>48,813</u>	<u>1,026</u>
Total general government	<u>545,103</u>	<u>465,162</u>	<u>(79,941)</u>
Police protection			
Contractual services			
Dispatching	72,455	71,730	(725)
Police contract	807,713	800,962	(6,751)
Total contractual services	<u>880,168</u>	<u>872,692</u>	<u>(7,476)</u>
Total public safety	<u>880,168</u>	<u>872,692</u>	<u>(7,476)</u>

Village of Hainesville, Illinois
General Fund
Schedule of Expenditures– Budget and Actual
Year Ended April 30, 2023

	Final Budget	Actual	Variance From Final Budget Over (Under)
Public Works			
Street Division			
Personnel			
Wages	\$ 135,780	\$ 94,210	\$ (41,570)
Payroll taxes	18,000	12,985	(5,015)
Personnel benefits	3,600	3,600	-
Retirement benefits	9,000	5,749	(3,251)
Total personnel	<u>166,380</u>	<u>116,544</u>	<u>(49,836)</u>
Contractual services			
Maintenance	344,440	277,014	(67,426)
Engineering	15,500	44,839	29,339
Total contractual services	<u>359,940</u>	<u>321,853</u>	<u>(38,087)</u>
Commodities			
Street lighting	4,700	3,611	(1,089)
Equipment rental	37,500	17,621	(19,879)
Julie locates and messages	1,100	-	(1,100)
Maintenance supplies	36,400	31,430	(4,970)
Professional development	7,290	3,451	(3,839)
Office supplies	9,228	8,897	(331)
Other	26,800	4,237	(22,563)
Total commodities	<u>123,018</u>	<u>69,247</u>	<u>(53,771)</u>
Total current expenditures	649,338	507,644	(141,694)
Capital outlay			
Tree planting	<u>67,500</u>	<u>42,836</u>	<u>(24,664)</u>
Total public works	<u>716,838</u>	<u>550,480</u>	<u>(166,358)</u>
Total expenditures	<u>\$ 2,142,109</u>	<u>\$ 1,888,334</u>	<u>\$ (253,775)</u>

Village of Hainesville, Illinois
Water and Sewer Capital Reserve Fund (Major Fund)
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Year Ended April 30, 2023

	Final Budget	Actual	Variance From Final Budget Over (Under)
Revenue			
Investment income	\$ 500	\$ 38,224	\$ 37,724
Expenditures			
Capital outlay	60,000	-	(60,000)
Street maintenance	1,140,000	12,399	(1,127,601)
Other	40,000	-	(40,000)
Total expenditures	<u>1,240,000</u>	<u>12,399</u>	<u>(1,227,601)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,239,500)</u>	<u>25,825</u>	<u>1,265,325</u>
Other Financing Sources			
Proceeds from notes payable	-	50,000	50,000
Transfer Out	-	(493,079)	(493,079)
Transfers In	695,946	453,900	(242,046)
Total other financing sources	<u>695,946</u>	<u>10,821</u>	<u>(685,125)</u>
Change in Fund Balance	<u>\$ (543,554)</u>	<u>36,646</u>	<u>\$ 580,200</u>
Fund Balance, Beginning of Year		<u>1,126,138</u>	
Fund Balance, End of Year		<u>\$ 1,162,784</u>	

Village of Hainesville, Illinois
Capital Projects Reserve Fund (Major fund)
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Year Ended April 30, 2023

	Final Budget	Actual	Variance From Final Budget Over (Under)
Revenues			
Investment income	\$ 300	\$ 19,422	\$ 19,122
Expenditures			
Capital outlay	37,100	4,817	(32,283)
Street maintenance	172,400	172,834	434
Total expenditures	209,500	177,651	(31,849)
Excess (Deficiency) of Revenues Over Expenditures	(209,200)	(158,229)	50,971
Transfers In	457,048	77,048	(380,000)
Change in Fund Balance	\$ 247,848	(81,181)	\$ (329,029)
Fund Balance, Beginning of Year		716,571	
Fund Balance, End of Year		\$ 635,390	

Village of Hainesville, Illinois
Special Service Area Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual
Year Ended April 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Over (Under)</u>
Revenues			
Property taxes - SSA	\$ 25,200	\$ 25,130	\$ (70)
Investment income	20	1,316	1,296
Total revenues	<u>25,220</u>	<u>26,446</u>	<u>1,226</u>
Expenditures			
Maintenance	<u>23,315</u>	<u>22,421</u>	<u>(894)</u>
Change in Fund Balance	<u>\$ 1,905</u>	4,025	<u>\$ 2,120</u>
Fund Balance, Beginning of Year		<u>35,339</u>	
Fund Balance, End of Year		<u>\$ 39,364</u>	

Proprietary Fund Types

Village of Hainesville, Illinois
Public Works Funds
Combining Schedule of Revenues, Expenses
and Changes in Net Position (GAAP and Budgetary Basis)
Year Ended April 30, 2023

	<u>Sanitation</u>	<u>Water & Sewer</u>	<u>Total</u>
Operating Revenues			
Charges for services	\$ 175,061	\$ 1,108,410	\$ 1,283,471
Operating Expenses			
Personnel service	-	155,021	155,021
Contractual services	173,008	601,657	774,665
Commodities	-	34,148	34,148
Total operating expenses	<u>173,008</u>	<u>790,826</u>	<u>963,834</u>
Operating Income	<u>2,053</u>	<u>317,584</u>	<u>319,637</u>
Nonoperating Income			
Investment income	-	260	260
Grant income	-	484,053	484,053
Total nonoperating income	<u>-</u>	<u>484,313</u>	<u>484,313</u>
Income Before Contributions and Transfers	2,053	801,897	803,950
Transfers In	-	493,079	493,079
Transfers Out	<u>-</u>	<u>(453,900)</u>	<u>(453,900)</u>
Change in Net Position - Budgetary Basis	<u>\$ 2,053</u>	<u>\$ 841,076</u>	<u>\$ 843,129</u>
Reconciliation of Budget Basis Change in Net Position to GAAP Basis Change in Net Position			
Change in net position - budgetary basis	\$ 2,053	\$ 841,076	\$ 843,129
Additions to capital assets	-	66,750	66,750
Less depreciation expense	<u>-</u>	<u>(169,715)</u>	<u>(169,715)</u>
Change in net position - GAAP basis	<u>\$ 2,053</u>	<u>\$ 738,111</u>	740,164
Net Position			
Beginning			<u>7,110,362</u>
Ending			<u>\$ 7,850,526</u>

Village of Hainesville, Illinois

Sanitation Fund

Schedule of Revenues and Expenses – Budget and Actual (Budgetary Basis)

Year Ended April 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance From Final Budget Over (Under)</u>
Operating Revenues			
Charges for services			
Garbage charges	\$ 171,200	\$ 175,061	\$ 3,861
Operating Expenses			
Contractual services			
Dues	1,650	1,650	-
Garbage contract	172,000	171,358	(642)
Contingency	28,248	-	(28,248)
Total contractual services	<u>201,898</u>	<u>173,008</u>	<u>(28,890)</u>
 Total operating expenses	 <u>201,898</u>	 <u>173,008</u>	 <u>(28,890)</u>
 Operating Income (Loss)	 <u>\$ (30,698)</u>	 <u>\$ 2,053</u>	 <u>\$ 32,751</u>

Village of Hainesville, Illinois

Water & Sewer Fund

Schedule of Revenues and Expenses – Budget and Actual (Budgetary Basis)

Year Ended April 30, 2023

	Final Budget	Actual	Variance From Final Budget Over (Under)
Operating Revenues			
Charges for services			
Water sales	\$ 607,000	\$ 609,409	\$ 2,409
Sewer charges	453,250	419,505	(33,745)
Miscellaneous	58,840	79,496	20,656
	1,119,090	1,108,410	(10,680)
Operating Expenses Excluding Depreciation			
Personnel			
Wages	141,520	122,889	(18,631)
Payroll taxes	13,000	10,257	(2,743)
Personnel benefits	10,800	8,417	(2,383)
Retirement benefits	12,500	13,458	958
Total personnel	177,820	155,021	(22,799)
Contractual services			
Accounting services	12,000	11,970	(30)
Engineering services	118,000	79,478	(38,522)
Legal services	500	4,298	3,798
Insurance	12,750	13,710	960
Water and lift station services	60,416	51,239	(9,177)
Maintenance services	86,995	45,591	(41,404)
Water disposal	397,150	361,033	(36,117)
Electric services	25,200	21,198	(4,002)
Water billing services	22,184	12,950	(9,234)
Professional development	875	190	(685)
Total contractual services	736,070	601,657	(134,413)
Commodities			
Maintenance supplies	10,000	7,240	(2,760)
Miscellaneous office expenses	6,000	5,942	(58)
Communication	2,650	2,694	44
Office supplies	7,550	5,866	(1,684)
Computer software and support	12,483	11,908	(575)
Other	410	498	88
Total commodities	39,093	34,148	(4,945)
Total current expenses	952,983	790,826	(162,157)
Operating Income	\$ 166,107	\$ 317,584	\$ 151,477

Supplemental Information

Village of Hainesville, Illinois
Comparative Tax Data
Last Ten Levy Years
(Unaudited)

Tax Levy Year	2022	2021	2020	2019	2018	2017
Assessed Valuation	<u>\$ 83,312,072</u>	<u>\$ 78,481,815</u>	<u>\$ 75,608,266</u>	<u>\$ 73,768,285</u>	<u>\$ 66,085,738</u>	<u>\$ 62,445,359</u>
Tax Rates						
Corporate	0.162	0.170	0.171	0.167	0.169	0.171
Police protection	0.414	0.423	0.437	0.441	0.496	0.519
PTAB	<u>0.002</u>	<u>0.002</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total tax rates	<u>0.578</u>	<u>0.595</u>	<u>0.608</u>	<u>0.608</u>	<u>0.665</u>	<u>0.690</u>
Tax Extensions						
Corporate	\$ 135,001	\$ 133,726	\$ 129,001	\$ 123,099	\$ 111,880	\$ 106,500
Police protection	345,000	331,834	330,091	325,617	328,000	324,254
PTAB	1,370	1,703	-	-	-	-
SSA	<u>25,200</u>	<u>25,200</u>	<u>25,200</u>	<u>25,200</u>	<u>25,200</u>	<u>21,000</u>
Total tax extensions	<u>\$ 506,571</u>	<u>\$ 492,463</u>	<u>\$ 484,292</u>	<u>\$ 473,916</u>	<u>\$ 465,080</u>	<u>\$ 451,754</u>
Collections	\$ -	\$ 493,724	\$ 485,611	\$ 475,571	\$ 467,639	\$ 451,475
Collection Rate	0.00% *	100.26% *	100.27% *	100.35% *	100.55% *	99.94%

*Includes immaterial amounts of collections from previous years' levies

2016	2015	2014	2013
<u>\$ 57,969,180</u>	<u>\$ 53,070,606</u>	<u>\$ 52,811,974</u>	<u>\$ 55,735,833</u>
0.179	0.188	0.189	0.216
0.549	0.600	0.600	0.600
-	-	-	-
<u>0.728</u>	<u>0.788</u>	<u>0.789</u>	<u>0.816</u>
\$ 103,794	\$ 100,000	\$ 100,000	\$ 120,389
318,000	318,424	316,871	334,415
-	-	-	-
<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	<u>20,461</u>
<u>\$ 442,794</u>	<u>\$ 439,424</u>	<u>\$ 437,871</u>	<u>\$ 475,265</u>
\$ 438,701	\$ 437,604	\$ 436,801	\$ 474,338
99.08%	99.59%	99.76%	99.80%