



**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED APRIL 30, 2025**

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Annual Financial Report**  
**For the Year Ended April 30, 2025**

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**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Annual Financial Report**  
**For the Year Ended April 30, 2025**

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## **INDEPENDENT AUDITOR'S REPORT**

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor  
Members of the Board of Trustees  
Village of Hainesville, Illinois

### Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Hainesville, Illinois, as of April 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Motor Fuel Tax Fund (major Special Revenue 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. 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.

### Correction of an Error

As described in Note 12 to the financial statements, certain errors were identified in the Village's prior year financial statements and an adjustment has been made to leases receivable, deferred inflows of resources from leases, and net position/fund balance as of May 1, 2024, to correct the error. Our opinion is not modified with respect to this matter.

### Adoption of New Accounting Standards

The Village adopted Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences, effective May 1, 2024. This statement updated the recognition and measurement guidance for compensated absences and amends certain previously required disclosures. The impact of the adoption was not material to the financial statements and primarily resulted in modifications to existing disclosures as disclosed in Note 1.

## **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages MD&A 1 - 10) and the Multiyear Schedules of Changes in the Village's Net Pension Liability (Asset) and Related Ratios (pages 41 - 42) and Village Contributions (page 43), 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 accompanying financial information listed as combining and individual fund financial statements and schedules on pages 44 - 52 in the accompanying table of contents, 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules as listed in the accompanying table of contents is 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 report. The other information comprises the comparative tax data on pages 53 - 54 in the accompanying 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.

*Selden Fox, Ltd.*

November 21, 2025

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



## VILLAGE OF HAINESVILLE, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS

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The Village of Hainesville, Illinois', (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 2024 within this discussion and analysis have been restated for the effects of error corrections related to leases as discussed in Note 12.

### 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 \$17,789,898 (*net position*). Of this amount, \$4,105,998 (*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 \$39,874. The net position increase was mainly due to some projects the Village had planned to proceed with during this fiscal year being held off on as well as other projects that were less than the budgeted cost. By having these reduced expenses, less money was spent during this fiscal year.
- As of the close of the current fiscal year, the Village's governmental funds reported combined fund balances of \$4,271,702. Of this amount, \$1,825,481 is available for spending at the Village's discretion (*unassigned fund balance*). This represented over 81% of total General Fund expenditures during the current year.
- During fiscal year 2025, the Village's IMRF plan net pension liability decreased by \$34,911 to an ending balance of \$86,841.

### 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'd)**

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### **Government-Wide Financial Statements**

The government-wide financial statements (see pages 4 - 7) 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 pages 4 - 5) 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 pages 6 - 7) 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 8 - 15) 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 16 - 18) 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 10 and 13). 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'd)**

**FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE**

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
<b>Assets:</b>						
Current and other assets	\$ 5,417,670	\$ 5,266,465	\$ 387,900	\$ 438,094	\$ 5,805,570	\$ 5,704,559
Capital assets	5,725,987	5,727,057	7,567,188	7,698,703	13,293,175	13,425,760
<b>Total assets</b>	<b>11,143,657</b>	<b>10,993,522</b>	<b>7,955,088</b>	<b>8,136,797</b>	<b>19,098,745</b>	<b>19,130,319</b>
Deferred outflows of resources	43,492	107,859	20,158	2,545	63,650	110,404
<b>Liabilities:</b>						
Current liabilities	97,981	118,717	65,472	85,801	163,453	204,518
Other liabilities	59,338	118,946	55,177	32,866	114,515	151,812
<b>Total liabilities</b>	<b>157,319</b>	<b>237,663</b>	<b>120,649</b>	<b>118,667</b>	<b>277,968</b>	<b>356,330</b>
Deferred inflows	1,088,540	1,134,365	5,989	4	1,094,529	1,134,369
<b>Net position:</b>						
Net investment in capital assets	5,725,987	5,727,057	7,567,188	7,698,703	13,293,175	13,425,760
Restricted for maintenance of roadways and special service	390,725	427,398	-	-	390,725	427,398
Unrestricted	3,824,578	3,574,898	281,420	321,968	4,105,998	3,896,866
<b>Total net position</b>	<b>\$ 9,941,290</b>	<b>\$ 9,729,353</b>	<b>\$ 7,848,608</b>	<b>\$ 8,020,671</b>	<b>\$ 17,789,898</b>	<b>\$ 17,750,024</b>

For more detailed information, see the Statement of Net Position (pages 4 - 5).

The largest portion of the Village's net position (76%) 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. 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 second largest portion (22%) is unrestricted net position. The remaining net position (2%) is restricted for maintenance of roadways and capital projects.

**VILLAGE OF HAINESVILLE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (cont'd)**

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**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 \$39,874 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 \$211,937 and the business-type activities net position decreasing by \$172,063.

The balance of unrestricted net position for the Village as a whole at April 30, 2025, was \$4,105,998, which 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.

The most significant change in the assets, deferred outflows, liabilities and deferred inflows of the governmental activities for fiscal year 2025 was the result of an increase in its lease receivable balance and the related deferred inflows of resources due to the correction of an error as discussed in Note 12. The Village's lease receivable and related deferred inflows of resources from the leases were understated in the prior year as a result of not properly remeasuring the receivable in accordance with GASB Statement No. 87, *Leases*. After accounting for the correction of the error, the total lease receivable balance is \$592,578 and the balance of deferred inflows of resources from leases is \$543,780 at April 30, 2025.

For the business-type activities, the most significant change in the Statement of Net Position is a net reduction in capital assets due to annual depreciation expense of approximately \$195,000 exceeding capital asset additions of approximately \$63,000.

# VILLAGE OF HAINESVILLE, ILLINOIS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (cont'd)

### Changes in Net Position

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

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
<b>Revenues:</b>						
Program revenue:						
Charges for services	\$ 160,019	\$ 200,827	\$ 1,244,408	\$ 1,231,607	\$ 1,404,427	\$ 1,432,434
Operating and capital grants and contributions	176,410	525,349	-	-	176,410	525,349
General revenues:						
Property taxes	534,464	521,598	-	-	534,464	521,598
Utility taxes	118,719	114,875	-	-	118,719	114,875
Telecommunication taxes	24,695	26,156	-	-	24,695	26,156
Income taxes	632,380	590,127	-	-	632,380	590,127
Sales and use taxes	653,521	642,775	-	-	653,521	642,775
Other taxes	415	626	-	-	415	626
Miscellaneous	15,934	-	-	-	15,934	-
Investment income	223,461	207,304	1,536	468	224,997	207,772
<b>Total revenues</b>	<b>2,540,018</b>	<b>2,829,637</b>	<b>1,245,944</b>	<b>1,232,075</b>	<b>3,785,962</b>	<b>4,061,712</b>
<b>Expenses:</b>						
General government	753,869	511,022	-	-	753,869	511,022
Public safety	892,952	881,927	-	-	892,952	881,927
Public works	885,160	1,426,322	-	-	885,160	1,426,322
Interest on long-term debt	-	708	-	-	-	708
Water and sewer	-	-	1,033,183	683,167	1,033,183	683,167
Streets and sanitation	-	-	180,924	174,863	180,924	174,863
<b>Total expenses</b>	<b>2,531,981</b>	<b>2,819,979</b>	<b>1,214,107</b>	<b>858,030</b>	<b>3,746,088</b>	<b>3,678,009</b>
<b>Change in net position before transfers</b>	<b>8,037</b>	<b>9,658</b>	<b>31,837</b>	<b>374,045</b>	<b>39,874</b>	<b>383,703</b>
Transfers	203,900	203,900	(203,900)	(203,900)	-	-
<b>Change in net position</b>	<b>211,937</b>	<b>213,558</b>	<b>(172,063)</b>	<b>170,145</b>	<b>39,874</b>	<b>383,703</b>
Net position, beginning of year, as restated	9,729,353	9,515,795	8,020,671	7,850,526	17,750,024	17,366,321
<b>Net position, end of year</b>	<b>\$ 9,941,290</b>	<b>\$ 9,729,353</b>	<b>\$ 7,848,608</b>	<b>\$ 8,020,671</b>	<b>\$ 17,789,898</b>	<b>\$ 17,750,024</b>

**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’d)**

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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'd)**

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**Current Year Impacts**

*Governmental Activities*

**Revenue:**

For the fiscal year ended April 30, 2025, revenues from governmental activities totaled \$2,540,018. Sales and use tax revenues are the Village's largest revenue source, coming in at \$653,521, followed by state income tax of \$632,380 and property tax receipts of \$534,464. Telecommunication and utility taxes are \$24,695 and \$118,719, respectively. The balances are generally consistent with the prior year, with the largest change being an increase in income taxes of approximately \$42,000.

**Expenses:**

For the fiscal year ended April 30, 2025, expenses for governmental activities totaled \$2,531,981. The largest expense for the Village was in public safety, related to the Village's police contract with the Village of Grayslake as discussed in Note 11. While general government expenses increased significantly over the prior year, with the majority coming from maintenance of the Village Hall parking lot during fiscal year 2025, public works expenses decreased by approximately \$540,000. The decrease in public works was largely due to street maintenance that was funded by a grant in the prior year and therefore did not occur in fiscal year 2025.

*Business-type Activities*

**Revenue:**

For the fiscal year ended April 30, 2025, revenues from the business-type activities totaled \$1,245,944. This was in line with the prior year balance of \$1,232,075.

**Expenses:**

For the fiscal year ended April 30, 2025, expenses for business-type activities totaled \$1,214,107, up from the prior year balance of \$858,030. The bulk of the increase came from increased contractual service costs.

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'd)**

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**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS**

**Governmental Funds**

At April 30, 2025, the governmental funds (as presented on the Balance Sheet on pages 8 - 9) reported a combined fund balance of \$4,271,702.

The General Fund's fund balance decreased by \$51,591, to \$1,825,481. The entire balance is unassigned. This decrease in this fund was mainly due to having the Village Hall Parking lot replaced as well as developing the open space in front of the Public Works building.

The Motor Fuel Tax Fund decreased by \$34,600. The ending fund balance of \$338,815 is restricted for future maintenance of roadways. The decrease is primarily due to the road work that was performed in this fiscal year, which was more than the revenue received in the year. This is normal as the Village uses MFT reserves to pay for any shortage.

The Water and Sewer Capital Reserve Fund increased by \$262,854 to an ending balance of \$1,372,589. The increase was primarily the result of the yearly budgeted transfer from the Enterprise Fund to this fund for future use. This fund earns interest as well.

The Village increased the Capital Projects Reserve fund balance during the year by \$69,880 to an ending fund balance of \$682,907. The increase in this fund balance is due to the budgeted transfer from the General Fund to this fund for future use. This fund earns interest as well.

**General Fund Budgetary Highlights**

The 2025 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
<b>Revenues:</b>		
Taxes	\$ 662,500	\$ 652,756
Intergovernmental	1,332,168	1,291,816
Other	237,124	299,422
<b>Total revenues</b>	<u>2,231,792</u>	<u>2,243,994</u>
<b>Expenditures:</b>		
General government	862,894	669,783
Public safety	892,952	892,952
Public works	1,068,413	694,850
<b>Total expenses</b>	<u>2,824,259</u>	<u>2,257,585</u>
<b>Excess (deficiency of revenues over expenditures)</b>	(592,467)	(13,591)
Transfers out	(38,000)	(38,000)
<b>Net change in fund balance</b>	<u>\$ (630,467)</u>	<u>\$ (51,591)</u>



**VILLAGE OF HAINESVILLE, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (cont'd)**

The General Fund's actual revenues were over budget by \$12,202 (less than 1%), while actual expenditures were \$566,674 (20%) less than the budgeted amount. The General Fund budgeted expenditure variances were primarily due to projects within the Public Works department that either did not take place during this fiscal year or came in lower than was estimated.

**Capital Assets**

At the end of fiscal year 2025, the Village had a combined total of capital assets of \$13,293,175 invested in a broad range of capital assets including land, buildings, vehicles, water mains, storm sewers and sanitary sewer lines (see Table below).

**Schedule of Capital Assets, Net of Depreciation**  
**April 30, 2025**

	Governmental Activities	Business-type Activities	Total
Land	\$ 3,820,452	\$ 178,580	<b>\$ 3,999,032</b>
Construction in progress	-	178,435	<b>178,435</b>
Buildings and improvements	1,163,090	-	<b>1,163,090</b>
Land improvements	218,023	-	<b>218,023</b>
Office furniture and equipment	-	-	-
Other assets	195,558	252,250	<b>447,808</b>
Infrastructure	328,864	-	<b>328,864</b>
Water and sewer system	-	5,506,711	<b>5,506,711</b>
Storm system	-	1,451,212	<b>1,451,212</b>
	<u>\$ 5,725,987</u>	<u>\$ 7,567,188</u>	<u><b>\$ 13,293,175</b></u>

**Schedule of Changes in Capital Assets**  
**For the Fiscal Year Ended April 30, 2025**

	Governmental Activities	Business-type Activities	Total
Beginning balance, net	\$ 5,727,057	\$ 7,698,703	<b>\$ 13,425,760</b>
Additions	126,082	63,245	<b>189,327</b>
Depreciation expense	<u>(127,152)</u>	<u>(194,760)</u>	<u><b>(321,912)</b></u>
Ending balance	<u>\$ 5,725,987</u>	<u>\$ 7,567,188</u>	<u><b>\$ 13,293,175</b></u>

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

## **VILLAGE OF HAINESVILLE, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (cont'd)**

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### **Debt Outstanding**

The Village has no bonds or notes payable outstanding as of April 30, 2025.

Additional information on the Village's long-term obligations (from compensated absences) can be found in the Note 5 to the basic financial statements.

### **Economic Factors**

During fiscal year 2025, the Village was able to complete a few large infrastructure projects such as the replacement of the village hall and water tower parking lots; created a beautifully landscaped open space area in front of the Public Works building for residents to enjoy; improved the accessibility to the Cranberry Lake walking path by adding steps and fencing; and continued infrastructure improvements and maintenance at the villages lift stations and well houses. These improvements continue to improve the infrastructure throughout the village while using current revenues and supplementing with reserve funds to help fund these improvements.

The Village continued to see an increase in various Governmental revenues such as State Income and Sales Tax Revenues and interest income. During this fiscal year, the Village redeemed the \$150,000 certificate of deposit account and placed these funds into the Village's money market account as rates were higher in the money market account. The Village continues to perform the yearly budgeted transfers of funds to go into the Water and Sewer Capital Reserve Fund and Capital Projects Reserve Fund for future use.

During this upcoming fiscal year 2026, the Village will continue improving the Village's infrastructure which includes maintenance and repairs to the well house; upgrading Village IT software to provide more security; continue to replace/repair curbs and sidewalks; and maintain stormwater areas. There will not be any road resurfacing during this fiscal year as a larger road program will commence in fiscal year 2027. A focus during this fiscal year will be final engineering and the construction of the village's 4th well. This well will assist with providing water for residents and businesses should an existing Village well need maintenance and repairs. 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, 2025**

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$ 4,049,112	\$ 212,488	\$ 4,261,600
Receivables			
Property taxes	531,839	-	531,839
Other taxes	4,498	-	4,498
Intergovernmental	223,056	-	223,056
Customer accounts	16,587	175,412	191,999
Leases	51,860	-	51,860
	<u>4,876,952</u>	<u>387,900</u>	<u>5,264,852</u>
Total current assets			
<b>Noncurrent Assets</b>			
Capital Assets			
Capital assets not being depreciated	3,820,452	357,015	4,177,467
Other capital assets, net of depreciation	1,905,535	7,210,173	9,115,708
	<u>5,725,987</u>	<u>7,567,188</u>	<u>13,293,175</u>
Total capital assets			
Lease receivables	540,718	-	540,718
	<u>6,266,705</u>	<u>7,567,188</u>	<u>13,833,893</u>
Total noncurrent assets			
Total assets	<u>11,143,657</u>	<u>7,955,088</u>	<u>19,098,745</u>
<b>Deferred Outflows of Resources</b>			
Pensions	43,492	20,158	63,650
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable and other accrued expenses	51,230	64,475	115,705
Unearned revenue	19,119	-	19,119
Compensated absences payable	27,632	47	27,679
Water deposits	-	950	950
	<u>97,981</u>	<u>65,472</u>	<u>163,453</u>
Total current liabilities			
<b>Noncurrent Liabilities</b>			
Net pension liability	59,338	27,503	86,841
Special customer credit	-	27,674	27,674
	<u>59,338</u>	<u>55,177</u>	<u>114,515</u>
Total noncurrent liabilities			
Total liabilities	<u>157,319</u>	<u>120,649</u>	<u>277,968</u>

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Deferred Inflows of Resources</b>			
Property taxes	\$ 531,839	\$ -	\$ 531,839
Leases	543,780	-	543,780
Pensions	12,921	5,989	18,910
Total deferred inflows of resources	1,088,540	5,989	1,094,529
<b>Net Position</b>			
Net investment in capital assets	5,725,987	7,567,188	13,293,175
Restricted			
Maintenance of roadways	338,815	-	338,815
Maintenance of special service area	51,910	-	51,910
Unrestricted	3,824,578	281,420	4,105,998
<b>Total net position</b>	<b>\$ 9,941,290</b>	<b>\$ 7,848,608</b>	<b>\$ 17,789,898</b>

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Statement of Activities**  
**For the Year Ended April 30, 2025**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
General government	\$ 753,869	\$ 135,248	\$ 10,635	\$ -
Public safety	892,952	-	5,500	-
Public works	885,160	24,771	160,275	-
Total governmental activities	2,531,981	160,019	176,410	-
<b>Business-Type Activities</b>				
Water and sewer	1,033,183	1,057,199	-	-
Streets and sanitation	180,924	187,209	-	-
Total business-type activities	1,214,107	1,244,408	-	-
Total	\$ 3,746,088	\$ 1,404,427	\$ 176,410	\$ -

**General Revenues**

Taxes  
Property  
Utility  
Telecommunication  
Intergovernmental revenue  
Income tax  
Sales and use taxes  
Replacement tax  
Unrestricted investment earnings  
Miscellaneous

**Transfers**

Total general revenues and transfers

**Change in Net Position**

**Net Position, Beginning of Year, as restated**

**Net Position, End of Year**

<b>Net (Expense) Revenue and Changes in Net Position</b>		
<b>Primary Government</b>		
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (607,986)	\$ -	\$ (607,986)
(887,452)	-	(887,452)
(700,114)	-	(700,114)
(2,195,552)	-	(2,195,552)
-	24,016	24,016
-	6,285	6,285
-	30,301	30,301
(2,195,552)	30,301	(2,165,251)
534,464	-	534,464
118,719	-	118,719
24,695	-	24,695
632,380	-	632,380
653,521	-	653,521
415	-	415
223,461	1,536	224,997
15,934	-	15,934
203,900	(203,900)	-
2,407,489	(202,364)	2,205,125
211,937	(172,063)	39,874
9,729,353	8,020,671	17,750,024
\$ 9,941,290	\$ 7,848,608	\$ 17,789,898

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Governmental Funds**  
**Balance Sheet**  
**April 30, 2025**

	General Fund	Motor Fuel Tax	Water and Sewer Capital Reserve	Capital Projects Reserve
<b>Assets</b>				
Cash and cash equivalents	\$ 1,615,707	\$ 325,999	\$ 1,372,589	682,907
Receivables				
Property taxes	506,526	-	-	-
Other taxes	4,498	-	-	-
Intergovernmental	210,240	12,816	-	-
Permits	16,587	-	-	-
Lease	592,578	-	-	-
	<u>2,946,136</u>	<u>338,815</u>	<u>1,372,589</u>	<u>682,907</u>
Total assets	<u>\$ 2,946,136</u>	<u>\$ 338,815</u>	<u>\$ 1,372,589</u>	<u>\$ 682,907</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 44,455	\$ -	\$ -	\$ -
Accrued payroll and withholdings	6,775	-	-	-
Unearned revenue	19,119	-	-	-
	<u>70,349</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>70,349</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>				
Unavailable property tax revenue	506,526	-	-	-
Lease related	543,780	-	-	-
	<u>1,050,306</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>1,050,306</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>				
Restricted				
Maintenance of roadways	-	338,815	-	-
Maintenance of special service area	-	-	-	-
Committed for capital purposes	-	-	1,372,589	682,907
Unassigned	1,825,481	-	-	-
	<u>1,825,481</u>	<u>338,815</u>	<u>1,372,589</u>	<u>682,907</u>
Total fund balances	<u>1,825,481</u>	<u>338,815</u>	<u>1,372,589</u>	<u>682,907</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,946,136</u>	<u>\$ 338,815</u>	<u>\$ 1,372,589</u>	<u>\$ 682,907</u>



Nonmajor Governmental Fund	Total Governmental Funds
Special Service Area Fund	
\$ 51,910	\$ 4,049,112
25,313	531,839
-	4,498
-	223,056
-	16,587
-	592,578
\$ 77,223	\$ 5,417,670

\$ -	\$ 44,455
-	6,775
-	19,119
-	70,349

25,313	531,839
-	543,780
25,313	1,075,619

-	338,815
51,910	51,910
-	2,055,496
-	1,825,481
51,910	4,271,702

\$ 77,223	\$ 5,417,670
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**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Reconciliation of Governmental Funds Balance Sheet**  
**to the Statement of Net Position**

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<b>Total Fund Balance - Governmental Funds (page 9)</b>	<b>\$ 4,271,702</b>
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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	5,725,987
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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.

30,571
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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	(27,632)
Net pension liability	(59,338)
	<hr/>

<b>Net Position of Governmental Activities (page 7)</b>	<b><u>\$ 9,941,290</u></b>
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**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Governmental Funds**  
**Year Ended April 30, 2025**

	General Fund	Motor Fuel Tax	Water and Sewer Capital Reserve
<b>Revenues</b>			
Taxes	\$ 652,756	\$ -	\$ -
Intergovernmental	1,291,816	160,275	-
Fees, licenses and permits	160,019	-	-
Investment income	112,834	17,238	58,954
Miscellaneous	26,569	-	-
Total revenues	<u>2,243,994</u>	<u>177,513</u>	<u>58,954</u>
<b>Expenditures</b>			
Current			
General government	669,783	-	-
Public safety	892,952	-	-
Public works	694,850	212,113	-
Total current expenditures	<u>2,257,585</u>	<u>212,113</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(13,591)</u>	<u>(34,600)</u>	<u>58,954</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	-	203,900
Transfers out	(38,000)	-	-
Total other financing sources (uses)	<u>(38,000)</u>	<u>-</u>	<u>203,900</u>
<b>Net Change in Fund Balance</b>	(51,591)	(34,600)	262,854
<b>Fund Balance, Beginning of Year, as restated</b>	<u>1,877,072</u>	<u>373,415</u>	<u>1,109,735</u>
<b>Fund Balance, End of Year</b>	<u>\$ 1,825,481</u>	<u>\$ 338,815</u>	<u>\$ 1,372,589</u>

<b>Capital Projects Reserve</b>	<b>Nonmajor Governmental Fund Special Service Area Fund</b>	<b>Total Governmental Funds</b>
\$ -	\$ 25,122	\$ 677,878
-	-	1,452,091
-	-	160,019
31,880	2,555	223,461
-	-	26,569
<u>31,880</u>	<u>27,677</u>	<u>2,540,018</u>
-	-	669,783
-	-	892,952
-	29,750	936,713
<u>-</u>	<u>29,750</u>	<u>2,499,448</u>
<u>31,880</u>	<u>(2,073)</u>	<u>40,570</u>
38,000	-	241,900
-	-	(38,000)
<u>38,000</u>	<u>-</u>	<u>203,900</u>
69,880	(2,073)	244,470
<u>613,027</u>	<u>53,983</u>	<u>4,027,232</u>
<u>\$ 682,907</u>	<u>\$ 51,910</u>	<u>\$ 4,271,702</u>



**VILLAGE OF HAINESVILLE, ILLINOIS**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**Year Ended April 30, 2025**

	Original and Final Budget	Actual	Variance From Final Budget Over (Under)
<b>Revenues</b>			
Taxes	\$ 662,500	\$ 652,756	\$ (9,744)
Intergovernmental	1,332,168	1,291,816	(40,352)
Fees, licenses and permits	177,824	160,019	(17,805)
Interest income	43,600	112,834	69,234
Miscellaneous	15,700	26,569	10,869
Total revenues	<u>2,231,792</u>	<u>2,243,994</u>	<u>12,202</u>
<b>Expenditures</b>			
General government			
Personnel	249,400	231,550	(17,850)
Contractual services	193,807	205,455	11,648
Commodities	35,147	32,077	(3,070)
Other	59,540	23,838	(35,702)
Capital outlay	325,000	176,863	(148,137)
Total general government	<u>862,894</u>	<u>669,783</u>	<u>(193,111)</u>
Public safety			
Police protection			
Contractual services	892,952	892,952	-
Public works			
Personnel	166,740	142,354	(24,386)
Contractual services	482,971	303,340	(179,631)
Commodities	141,202	88,860	(52,342)
Capital outlay	277,500	160,296	(117,204)
Total public works	<u>1,068,413</u>	<u>694,850</u>	<u>(373,563)</u>
Total expenditures	<u>2,824,259</u>	<u>2,257,585</u>	<u>(566,674)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(592,467)	(13,591)	578,876
<b>Other Financing Uses</b>			
Transfers out	(38,000)	(38,000)	-
<b>Net Change in Fund Balance</b>	<u>\$ (630,467)</u>	<u>(51,591)</u>	<u>\$ 578,876</u>
<b>Fund Balance, Beginning of Year, as restated</b>		<u>1,877,072</u>	
<b>Fund Balance, End of Year</b>		<u>\$ 1,825,481</u>	

See Notes to Financial Statements

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Motor Fuel Tax Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**Year Ended April 30, 2025**

	Original and Final Budget	Actual	Variance From Final Budget Over (Under)
<b>Revenues</b>			
Motor fuel tax	\$ 154,714	\$ 160,275	\$ 5,561
Investment income	12,000	17,238	5,238
Total revenues	166,714	177,513	10,799
<b>Expenditures</b>			
Maintenance	260,500	212,113	(48,387)
<b>Change in Fund Balance</b>	\$ (93,786)	(34,600)	\$ 59,186
<b>Fund Balance, Beginning of Year</b>		373,415	
<b>Fund Balance, End of Year</b>		\$ 338,815	

See independent auditor's report.

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Proprietary Fund - Public Works Fund**  
**Statement of Net Position**  
**April 30, 2025**

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**Assets**

**Current Assets**

Cash and cash equivalents	\$ 212,488
Accounts receivable	175,412
Total current assets	<u>387,900</u>

**Noncurrent Assets**

Capital assets not being depreciated	357,015
Other capital assets at cost	10,821,650
Less accumulated depreciation	<u>(3,611,477)</u>
Total noncurrent assets	<u>7,567,188</u>
Total assets	<u>7,955,088</u>

**Deferred Outflows of Resources**

Outflows related to pensions	<u>20,158</u>
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**Liabilities**

**Current Liabilities**

Accounts payable	63,991
Accrued payroll and withholdings	484
Water deposits	950
Compensated absences payable	<u>47</u>
Total current liabilities	<u>65,472</u>

**Noncurrent Liabilities**

Net pension liability	27,503
Special customer credit	<u>27,674</u>
Total noncurrent liabilities	<u>55,177</u>
Total liabilities	<u>120,649</u>

**Deferred Inflows of Resources**

Inflows related to pensions	<u>5,989</u>
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**Net Position**

Net investment in capital assets	7,567,188
Unrestricted	<u>281,420</u>
Total net position	<u>\$ 7,848,608</u>

See Notes to Financial Statements



**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Proprietary Fund - Public Works Fund**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Year Ended April 30, 2025**

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<b>Operating Revenues</b>	
Charges for services	<u>\$ 1,244,408</u>
<b>Operating Expenses</b>	
Operations	1,019,347
Depreciation	<u>194,760</u>
Total operating expenses	<u>1,214,107</u>
<b>Operating Income</b>	<u>30,301</u>
<b>Nonoperating Income</b>	
Investment income	<u>1,536</u>
<b>Income Before Transfers and Contributions</b>	31,837
<b>Transfers Out</b>	<u>(203,900)</u>
<b>Change in Net Position</b>	(172,063)
<b>Net Position, Beginning of Year</b>	<u>8,020,671</u>
<b>Net Position, End of Year</b>	<u>\$ 7,848,608</u>

See Notes to Financial Statements

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Proprietary Fund - Public Works Fund**  
**Statement of Cash Flows**  
**Year Ended April 30, 2024**

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**Operating Activities**

Cash received from customers	\$ 1,240,667
Cash payments to suppliers for services	(909,912)
Cash payments to employees for services	<u>(116,695)</u>
Net cash provided by operating activities	<u>214,060</u>

**Investing Activities**

Earnings on investments	<u>1,536</u>
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**Noncapital Financing Activities**

Transfers out to other funds	<u>(203,900)</u>
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**Capital and Related Financing Activities**

Purchase of capital assets	<u>(63,245)</u>
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**Net Change in Cash and Cash Equivalents** (51,549)

**Cash and Cash Equivalents, Beginning of Year** 264,037

**Cash and Cash Equivalents, End of Year** \$ 212,488

**Reconciliation of Operating Income to Net Cash Provided  
by Operating Activities**

Operating income	\$ 30,301
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	194,760
Changes in	
Accounts receivable	(1,355)
Deferred outflows of resources	(17,613)
Accounts payable	(19,647)
Accrued payroll	(437)
Compensated absences payable	(145)
Water deposits	(100)
Special customer credit	(2,386)
Net pension liability	24,697
Deferred inflows of resources	<u>5,985</u>
Net cash provided by operating activities	<u>\$ 214,060</u>

## **Village of Hainesville, Illinois**

### **Notes to the Financial Statements**

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#### **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 activities.

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**Note 1 – Summary of Significant Accounting Policies (cont'd)**

***Government-wide Financial Statements (cont'd)***

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.

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**Note 1 – Summary of Significant Accounting Policies (cont'd)**

**Measurement Focus and Basis of Accounting (cont'd)**

***Government-wide Financial Statements (cont'd)***

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 the function which generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

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.

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**Note 1 – Summary of Significant Accounting Policies (cont'd)**

**Measurement Focus and Basis of Accounting (cont'd)**

***Fund Financial Statements (cont'd)***

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.

***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.

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**Note 1 – Summary of Significant Accounting Policies (cont'd)**

**Measurement Focus and Basis of Accounting (cont'd)**

***Governmental Funds (cont'd)***

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 Funds***

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.

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	15 – 50 years
Office furniture and equipment	5 – 25 years
Other assets	7 – 20 years
Land improvements	20 – 30 years
Water and sewer system/storm system	65 years
Infrastructure	15 – 30 years

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**Note 1 – Summary of Significant Accounting Policies (cont'd)**

**Measurement Focus and Basis of Accounting (cont'd)**

***Capital Assets (cont'd)***

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).

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.



**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**Note 1 – Summary of Significant Accounting Policies (cont'd)**

**Measurement Focus and Basis of Accounting (cont'd)**

***Cash and Investments (cont'd)***

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 Financial 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."

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 Financial 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.

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**Note 1 – Summary of Significant Accounting Policies (cont'd)**

**Measurement Focus and Basis of Accounting (cont'd)**

***Equity Classifications (cont'd)***

***Fund Financial Statements (cont'd)***

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 2024 attach as an enforceable lien on January 1, 2024, 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, 2025, and September 1, 2025. 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 2024 tax levy is used to fund operations of the 2025-2026 fiscal year, the revenue is reported as unavailable in the government-wide and fund financial statements at April 30, 2025, and is presented as deferred inflows of resources.

***Compensated Absences***

The Village implemented GASB Statement 101, *Compensated Absences*, in 2025. Vested or accumulated vacation and sick leave that is due to employees who have retired or terminated by the end of the year is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation and sick leave of proprietary funds and governmental activities is recorded as an expense and liability of those funds as the benefits accrue to employees. The entire balance of vacation leave is recognized as a liability at year end. A liability is recognized for the portion of accumulating sick leave benefits that is estimated to be more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The impact of the adoption was not material to the financial statements and primarily resulted in modifications to existing disclosures.

***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 assets 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.

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**Note 1 – Summary of Significant Accounting Policies (cont'd)**

**Measurement Focus and Basis of Accounting (cont'd)**

***Deferred Outflows/Inflows of Resources (cont'd)***

The Village also reports deferred inflows of resources on its statement of net position. Deferred inflows of resources represent an acquisition of net assets 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 2024 to finance fiscal year 2025-2026 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, 2025, 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**  
**Notes to the Financial Statements (cont'd)**

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**Note 1 – Summary of Significant Accounting Policies (cont'd)**

**Measurement Focus and Basis of Accounting (cont'd)**

**Budgetary Data (cont'd)**

***Excess of Expenditures Over Budget/Deficit Fund Balance***

There were no funds with expenditures in excess of budget or deficit fund balances for the year ended April 30, 2025.

***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.

**Note 2 – Cash and Investments**

**Cash**

The carrying amount of cash was \$2,700,480 at April 30, 2025, while the bank balances were \$2,806,327. 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.

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

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**Note 2 – Cash and Investments (cont'd)**

**Investments (cont'd)**

the positions in the pool is the same as the value of the pool shares. At April 30, 2025, the Village had \$1,561,120 in Illinois Funds earning a 4.446% 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, 2025, 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.

**Note 3 – Lease Receivables**

The Village, as lessor, leases portions of its property to various third parties, the terms of which expire through 2033. 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, 2025, was \$98,068 which includes both lease revenue and interest.

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

**Note 4– Capital Assets**

A summary of changes in the Village’s capital assets for the period May 1, 2024 through April 30, 2025, is as follows:

***Governmental Activities***

	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land	\$ 3,820,452	\$ -	\$ -	\$ 3,820,452
Capital assets being depreciated:				
Buildings and building improvements	1,807,306	-	-	1,807,306
Land improvements	328,243	126,082	-	454,325
Office furniture and equipment	90,148	-	-	90,148
Other assets	433,127	-	-	433,127
Infrastructure	2,454,416	-	-	2,454,416
Total capital assets being depreciated	5,113,240	126,082	-	5,239,322
Less accumulated depreciation	3,206,635	127,152	-	3,333,787
Total capital assets being depreciated, net	1,906,605	(1,070)	-	1,905,535
<b>Governmental activities, capital assets, net</b>	<b>\$ 5,727,057</b>	<b>\$ (1,070)</b>	<b>\$ -</b>	<b>\$ 5,725,987</b>

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

**Note 4– Capital Assets (cont'd)**

***Business-type Activities***

	Beginning Balance	Additions/ Transfers	Retirements/ Transfers	Ending Balance
Capital assets not being depreciated:				
Land	\$ 178,580	\$ -	\$ -	\$ 178,580
Construction in progress	115,190	63,245	-	178,435
Total capital assets not being depreciated	293,770	63,245	-	357,015
Capital assets being depreciated:				
Water and sewer system	8,078,802	-	-	8,078,802
Storm system	2,244,330	-	-	2,244,330
Other assets	498,516	-	-	498,516
Total capital assets being depreciated	10,821,648	-	-	10,821,648
Less accumulated depreciation	3,416,715	194,760	-	3,611,475
Total capital assets being depreciated, net	7,404,933	(194,760)	-	7,210,173
<b>Business-type activities, capital assets, net</b>	<b>\$ 7,698,703</b>	<b>\$ (131,515)</b>	<b>\$ -</b>	<b>\$ 7,567,188</b>

***Depreciation Expense***

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

General government	\$ 61,605
Public works	65,547
	<u>\$ 127,152</u>

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

Water & Sewer	<u>\$ 194,760</u>
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**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

**Note 5 – Long-term Obligations**

Long-term obligation activity for the year ended April 30, 2025, were as follows:

Type of Obligation	Beginning Balances	Additions	Reductions	Ending Balances	Amounts Due Within One Year
Governmental activities:					
Compensated absences	\$ 13,699	\$ 13,933	\$ -	\$ 27,632	\$ 27,632
Business-type Activities:					
Compensated absences	\$ 192	\$ -	\$ 145	\$ 47	\$ 47

**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, for all common liability and property coverage as well as errors and omissions and employee fidelity coverages. Premiums have been displayed as expenditures in appropriate funds. For insured programs, there were no significant changes in insurance coverage from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

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 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.



**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**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 \$26,584.

**Note 9 – Interfund Transactions**

The following were interfund transfers during the year ended April 30, 2025:

Transfers Out	Transfers In	Amount
General Fund	Capital Projects Reserve Fund	\$ 38,000
Public Works Fund	Water & Sewer Capital Reserve Fund	203,900
		<u>\$ 241,900</u>

The Public Works Fund transfer of \$203,900 consists of the yearly transfer into the Water & Sewer Capital Reserve Fund to be used for future capital expenditures. The General Fund transfer of \$38,000 into the Capital Projects Reserve Fund was 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](http://www.imrf.org).

***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.

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**Note 10 – Defined Benefit Pension Plan (cont'd)**

***Benefits Provided (cont'd)***

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, 2024, the measurement date for the net pension liability, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	5
Terminated employees entitled to but not yet receiving benefits	6
Current employees	<u>6</u>
Total	<u>17</u>

***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 2025 and 2024 were 7.45% and 6.93%, respectively. For the year ended April 30, 2025, the Village contributed \$22,248 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.

***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:

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

**Note 10 – Defined Benefit Pension Plan (cont'd)**

***Investments (cont'd)***

Asset Class	Portfolio Target Allocation	Long-term Expected Real Rate of Return
Domestic equities	33.5%	4.35%
International equities	18.0%	5.40%
Fixed income	24.5%	5.20%
Real estate	10.5%	6.40%
Alternatives	12.5%	4.85 – 6.25%
Short-term	1.0%	3.60%
	100%	

***Net Pension Liability***

The Village's net pension liability at April 30, 2025, was measured as of December 31, 2024, 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, 2025, is \$86,841.

***Actuarial Assumptions***

The following are the methods and assumptions used to determine the net pension liability as of December 31, 2024:

Actuarial valuation date	December 31, 2024
Measurement date	December 31, 2024
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%
Asset valuation method	Market value of assets

Retirement age is based on Experienced-Based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study from years 2020 to 2022.

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP- 2021.

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

**Note 10 – Defined Benefit Pension Plan (cont'd)**

***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.

***Changes in Net Pension Liability***

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balances at 12/31/23	\$ 1,029,170	\$ 907,418	\$ 121,752
Changes for the year:			
Service cost	26,609	-	26,609
Interest	74,294	-	74,294
Differences between expected and actual experience	(27,087)	-	(27,087)
Changes in assumptions	-	-	-
Contributions - employer	-	22,401	(22,401)
Contributions - employee	-	14,795	(14,795)
Net investment income	-	84,194	(84,194)
Benefit payments, including refunds of employee contributions	(35,470)	(35,470)	-
Other changes	-	(12,663)	12,663
Net changes	38,346	73,257	(34,911)
<b>Balances at 12/31/24</b>	<b>\$ 1,067,516</b>	<b>\$ 980,675</b>	<b>\$ 86,841</b>

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

**Note 10 – Defined Benefit Pension Plan (cont'd)**

***Discount Rate Sensitivity***

The following presents the net pension liability of the Village, calculated using the discount rate of 7.25%, 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 higher or lower than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 223,708	\$ 86,841	\$ 26,038

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

For the year ended April 30, 2025, the Village recognized pension expense of \$53,514. At April 30, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	\$ 35,769	\$ 18,910	\$ 16,859
Changes in assumptions	157	-	157
Net difference between projected and actual earnings on pension plan investments	19,919	-	19,919
Subtotal	55,845	18,910	36,935
Contributions made subsequent to the measurement date	7,805	-	7,805
<b>Total</b>	<b>\$ 63,650</b>	<b>\$ 18,910</b>	<b>\$ 44,740</b>

Contributions subsequent to the December 31, 2024, measurement date through April 30, 2025, of \$7,805, included in deferred outflows of resources, will be reported as a reduction of the net pension liability at April 30, 2026.

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

**Note 10 – Defined Benefit Pension Plan (cont'd)**

***Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (cont'd)***

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:

<u>Year Ending April 30,</u>	
2026	\$ 23,350
2027	24,011
2028	(6,667)
2029	(3,759)
	<u>\$ 36,935</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.

**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 2025-2030. Future annual minimum payments as of April 30, 2025, are as follows:

<u>Year Ending April 30,</u>	<u>Police Services</u>	<u>Dispatch Services</u>	<u>Total</u>
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
	<u>\$ 4,230,350</u>	<u>\$ 378,856</u>	<u>\$ 4,609,206</u>

Expense for the year ended April 30, 2025, was \$821,106 for police services and \$73,535 for dispatch services.

The Village began the design engineering phase for its Well #4 project in fiscal year 2025. In April 2025, the Board approved a contract for the construction of Well #4 for approximately \$1,440,000. Then in May 2025, the Board approved a contract for the construction engineering phase for \$48,000. The project is unlikely to be completed in fiscal year 2026 and additional contracts may be needed as the project advances. However, none have been executed yet as of the date of this report.

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

**Note 12 – Correction of an Error**

During fiscal year 2025, the Village determined that its lease receivables should have been remeasured in a prior fiscal year due to amendments in its cell tower lease agreements. As a result, the lease receivable balance at April 30, 2024, was understated by \$386,431 and related deferred inflows of resources from leases were understated by \$370,461. In addition, the interest related to leases for the year ended April 30, 2024, as well as the change in net position for the year ended April 30, 2024, was understated by \$9,192.

The effects of correcting the error in the Governmental Activities opinion unit, as well as the General Fund are summarized below:

	Governmental Activities			General Fund		
	As Previously Reported	Error Correction	As Restated	As Previously Reported	Error Correction	As Restated
Leases Receivable	\$ 253,472	\$ 386,431	\$ 639,903	\$ 253,472	\$ 386,431	\$ 639,903
Deferred Inflows of Resources - Leases	239,295	370,461	609,756	239,295	370,461	609,756
Interest Income	198,112	9,192	207,304	86,592	9,192	95,784
Net position/fund balance May 1, 2023	9,509,017	6,778	9,515,795	1,729,638	6,778	1,736,416
Net position/fund balance April 30, 2024	9,713,383	15,970	9,729,353	1,861,102	15,970	1,877,072

**Note 13 – Government Accounting Standards Board (GASB) Future Pronouncements**

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

GASB Statement 102, *Certain Risk Disclosures*, requires governments to disclose information about certain concentrations or constraints that could affect services provided or the ability to meet obligations as they come due. Governments should start planning for compliance by identifying potential constraints and concentrations, assessing risks related to these factors, developing processes to evaluate and monitor disclosure criteria, and preparing to gather and present the required information in financial statement notes. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 103, *Financial Reporting Model Improvements*, improves the financial reporting model by standardizing the presentation for various matters within governmental financial statements. The purpose is to eliminate diversity in practice and improve comparability. Impacted areas include management's discussion and analysis, unusual or infrequent items, the definitions and presentation of operating and nonoperating revenues and expenses in enterprise funds, presentation of major component units, presentation of budgetary comparison information, and financial trends information within the statistical section of separately issued financial reports. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. Changes are required to be made retroactively to the earliest period presented.

**Village of Hainesville, Illinois**  
**Notes to the Financial Statements (cont'd)**

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**Note 13 – Government Accounting Standards Board (GASB) Future Pronouncements (cont'd)**

GASB Statement No. 104, *Disclosure of Certain Capital Assets*, requires certain types of capital assets to be disclosed separately in the capital assets note disclosures. Lease assets recognized in accordance with Statement No. 87, *Leases*, intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, and intangible assets other than those three types are required to be disclosed separately by major class. Additional disclosures for capital assets held for sale are also required. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. The requirements of this Statement should be applied retroactively to all periods presented in the basic financial statements, if practicable.

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 - Regular Plan  
Required Supplementary Information  
Schedule of Changes in the Village's Net Pension Liability (Asset) and Related Ratios  
April 30, 2025

	2025	2024	2023	2022
Total pension liability				
Service cost	\$ 26,609	\$ 31,746	\$ 32,143	\$ 31,746
Interest	74,294	66,343	57,779	52,117
Differences between expected and actual experience	(27,087)	47,957	49,381	(965)
Changes of assumptions	-	293	-	-
Benefit payments including refunds of member contributions	(35,470)	(32,745)	(9,217)	(777)
Net change in total pension liability	38,346	113,594	130,086	82,121
Total pension liability - beginning	1,029,170	915,576	785,490	703,369
Total pension liability - ending	\$ 1,067,516	\$ 1,029,170	\$ 915,576	\$ 785,490
Plan fiduciary net position				
Contributions - Village	\$ 22,401	\$ 27,389	\$ 31,725	\$ 28,847
Contributions - members	14,795	15,862	15,619	15,482
Net investment income	84,194	77,378	(81,681)	104,252
Benefit payments including refunds of member contributions	(35,470)	(32,745)	(9,217)	(777)
Other (net transfer)	(12,663)	38,495	3,837	(5,509)
Net change in plan fiduciary net position	73,257	126,379	(39,717)	142,295
Plan net position - beginning	907,418	781,039	820,756	678,461
Plan net position - ending	980,675	907,418	781,039	820,756
Village's net pension liability(asset)	\$ 86,841	\$ 121,752	\$ 134,537	\$ (35,266)
Plan fiduciary net position as a percentage of the total pension liability	91.87%	88.17%	85.31%	104.49%
Covered payroll	\$ 323,231	\$ 352,505	\$ 347,098	\$ 303,649
Village's net pension liability(asset) as a percentage of covered payroll	26.87%	34.54%	38.76%	-11.61%

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

See independent auditor's report.

2021	2020	2019	2018	2017	2016
\$ 31,711	\$ 30,615	\$ 26,939	\$ 28,046	\$ 23,855	\$ 24,879
45,445	40,591	35,086	31,645	27,848	26,755
20,980	(4,183)	9,894	(1,451)	(2,540)	(27,622)
(5,426)	-	18,891	(11,421)	(627)	(1,261)
(623)	(606)	(576)	(190)	(813)	(16,403)
92,087	66,417	90,234	46,629	47,723	6,348
611,282	544,865	454,631	408,002	360,279	353,931
\$ 703,369	\$ 611,282	\$ 544,865	\$ 454,631	\$ 408,002	\$ 360,279
\$ 26,669	\$ 21,723	\$ 25,033	\$ 24,381	\$ 23,322	\$ 21,937
12,960	11,806	11,506	11,058	18,972	9,802
74,880	77,668	(15,469)	56,127	20,286	1,529
(623)	(606)	(576)	(190)	(813)	(16,403)
(591)	(2,975)	(529)	(2,447)	(1,171)	(26,884)
113,295	107,616	19,965	88,929	60,596	(10,019)
565,166	457,550	437,585	348,656	288,060	298,079
678,461	565,166	457,550	437,585	348,656	288,060
\$ 24,908	\$ 46,116	\$ 87,315	\$ 17,046	\$ 59,346	\$ 72,219
96.46%	92.46%	83.97%	96.25%	85.45%	79.95%
\$ 288,006	\$ 262,360	\$ 255,710	\$ 245,563	\$ 216,344	\$ 217,831
8.65%	17.58%	34.15%	6.94%	27.43%	33.15%

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Illinois Municipal Retirement Fund - Regular Plan**  
**Required Supplementary Information**  
**Schedule of Village Contributions**  
**April 30, 2025**

<b>Year Ended</b>	<b>Actuarially Determined Contribution</b>	<b>Actual Contributions</b>	<b>Contribution Excess/ (Deficiency)</b>	<b>Covered Payroll</b>	<b>Actual Contribution as a Percentage of Covered-Employee Payroll</b>
<b>4/30/2025</b>	<b>\$ 22,248</b>	<b>\$ 22,248</b>	<b>\$ -</b>	<b>\$ 313,177</b>	<b>7.10%</b>
4/30/2024	26,049	26,049	-	346,623	7.52%
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 2024 Contribution Rates**

Actuarial cost method	Aggregate entry-age normal.
Amortization method	Level percentage of payroll, closed.
Remaining amortization period	19 years closed period.
Asset valuation method	5-year smoothed fair value; 20% corridor.
Wage growth	2.75%
Price inflation	2.25%
Salary increases	2.75% to 13.75%, including inflation.
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study of the period 2017 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, 2022 actuarial valuation; note two-year lag between valuation and rate setting.

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

**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**General Fund**  
**Schedule of Revenues - Budget and Actual**  
**Year Ended April 30, 2025**

	Original and Final Budget	Actual	Variance From Final Budget Over (Under)
<b>Taxes</b>			
Property	\$ 507,500	\$ 509,342	\$ 1,842
Utility	130,000	118,719	(11,281)
Telecommunication	25,000	24,695	(305)
Total taxes	<u>662,500</u>	<u>652,756</u>	<u>(9,744)</u>
<b>Intergovernmental</b>			
Income tax	606,366	632,380	26,014
Sales and use taxes	725,102	659,021	(66,081)
Grants	-	-	-
Personal property replacement tax	700	415	(285)
Total intergovernmental	<u>1,332,168</u>	<u>1,291,816</u>	<u>(40,352)</u>
<b>Fees, Licenses and Permits</b>			
Fines and forfeitures	400	213	(187)
Franchise fees	116,786	96,591	(20,195)
Other licenses	39,638	38,444	(1,194)
Building permits and inspections	21,000	24,771	3,771
Total fees, licenses and permits	<u>177,824</u>	<u>160,019</u>	<u>(17,805)</u>
<b>Investment Income</b>	<u>43,600</u>	<u>112,834</u>	<u>69,234</u>
<b>Miscellaneous</b>			
Contributions	13,000	10,635	(2,365)
Miscellaneous	2,700	15,934	13,234
Total miscellaneous	<u>15,700</u>	<u>26,569</u>	<u>10,869</u>
Total revenues	<u>\$ 2,231,792</u>	<u>\$ 2,243,994</u>	<u>\$ 12,202</u>

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**General Fund**  
**Schedule of Expenditures - Budget and Actual**  
**Year Ended April 30, 2025**

	Original and Final Budget	Actual	Variance From Final Budget Over (Under)
<b>General Government</b>			
Personnel			
Wages	\$ 199,800	\$ 187,763	\$ (12,037)
Payroll taxes	19,000	16,257	(2,743)
Personnel benefits	15,600	15,600	-
Retirement benefits	15,000	11,930	(3,070)
Total personnel	<u>249,400</u>	<u>231,550</u>	<u>(17,850)</u>
Contractual services			
Maintenance	38,663	58,177	19,514
Professional services	124,942	121,556	(3,386)
Insurance	22,000	20,262	(1,738)
Dues and professional development	1,985	1,373	(612)
Communication	6,117	4,087	(2,030)
Other	100	-	(100)
Total contractual services	<u>193,807</u>	<u>205,455</u>	<u>11,648</u>
Commodities			
Office supplies and expenses	14,030	10,350	(3,680)
Computer services and supplies	18,397	18,803	406
Other	2,720	2,924	204
Total commodities	<u>35,147</u>	<u>32,077</u>	<u>(3,070)</u>
Miscellaneous			
Community relations and special events	42,440	20,705	(21,735)
Other	17,100	3,133	(13,967)
Total miscellaneous	<u>59,540</u>	<u>23,838</u>	<u>(35,702)</u>
Total current expenditures - general government	537,894	492,920	(44,974)
Capital outlay			
Village hall parking lot	<u>325,000</u>	<u>176,863</u>	<u>(148,137)</u>
Total general government	<u>862,894</u>	<u>669,783</u>	<u>(193,111)</u>
Police protection			
Contractual services			
Dispatching	73,535	73,535	-
Police contract	819,417	819,417	-
Total contractual services	<u>892,952</u>	<u>892,952</u>	<u>-</u>
Total public safety	<u>892,952</u>	<u>892,952</u>	<u>-</u>

(cont'd)

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**General Fund**  
**Schedule of Expenditures - Budget and Actual**  
**Year Ended April 30, 2025**

	Original and Final Budget	Actual	Variance From Final Budget Over (Under)
<b>Public Works</b>			
Street Division			
Personnel			
Wages	\$ 137,640	\$ 118,379	\$ (19,261)
Payroll taxes	12,000	9,463	(2,537)
Personnel benefits	9,600	10,500	900
Retirement benefits	7,500	4,012	(3,488)
Total personnel	<u>166,740</u>	<u>142,354</u>	<u>(24,386)</u>
Contractual services			
Maintenance	381,591	263,249	(118,342)
Engineering	99,500	38,566	(60,934)
Communications	1,680	1,525	(155)
Other	200	-	(200)
Total contractual services	<u>482,971</u>	<u>303,340</u>	<u>(179,631)</u>
Commodities			
Street lighting	4,700	4,467	(233)
Equipment rental	36,000	53,740	17,740
Julie locates and messages	1,250	640	(610)
Maintenance supplies	43,590	14,204	(29,386)
Dues and professional development	13,000	5,063	(7,937)
Office supplies	3,660	1,217	(2,443)
Computer services	6,142	6,852	710
Other	32,860	2,677	(30,183)
Total commodities	<u>141,202</u>	<u>88,860</u>	<u>(52,342)</u>
Total current expenditures - public works	<u>790,913</u>	<u>534,554</u>	<u>(256,359)</u>
Capital outlay			
Tree planting and removal	117,500	34,214	(83,286)
Public works building land improvements	160,000	126,082	(33,918)
Equipment	-	-	-
Total capital outlay	<u>277,500</u>	<u>160,296</u>	<u>(117,204)</u>
Total public works	<u>1,068,413</u>	<u>694,850</u>	<u>(373,563)</u>
Total expenditures	<u>\$ 2,824,259</u>	<u>\$ 2,257,585</u>	<u>\$ (566,674)</u>

See independent auditor's report.



**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Special Service Area Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**Year Ended April 30, 2025**

	Original and Final Budget	Actual	Variance From Final Budget Over (Under)
<b>Revenues</b>			
Property taxes - SSA	\$ 25,200	\$ 25,122	\$ (78)
Investment income	2,400	2,555	155
Total revenues	27,600	27,677	77
<b>Expenditures</b>			
Maintenance	64,750	29,750	(35,000)
<b>Change in Fund Balance</b>	<u>\$ (37,150)</u>	<u>(2,073)</u>	<u>\$ 35,077</u>
<b>Fund Balance, Beginning of Year</b>		<u>53,983</u>	
<b>Fund Balance, End of Year</b>		<u>\$ 51,910</u>	

See independent auditor's report.

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Capital Projects Reserve Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**Year Ended April 30, 2025**

	Original and Final Budget	Actual	Variance From Final Budget Over (Under)
<b>Revenues</b>			
Investment income	\$ 24,000	\$ 31,880	\$ 7,880
<b>Expenditures</b>			
Capital outlay	-	-	-
Street maintenance	-	-	-
Other	-	-	-
Total expenditures	-	-	-
<b>Excess of Revenues Over Expenditures</b>	24,000	31,880	7,880
<b>Transfers In</b>	38,000	38,000	-
<b>Change in Fund Balance</b>	\$ 62,000	69,880	\$ 7,880
<b>Fund Balance, Beginning of Year</b>		613,027	
<b>Fund Balance, End of Year</b>		\$ 682,907	

See independent auditor's report.

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Water & Sewer Capital Reserve Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**Year Ended April 30, 2025**

	Original and Final Budget	Actual	Variance From Final Budget Over (Under)
<b>Revenue</b>			
Investment income	\$ 48,000	\$ 58,954	\$ 10,954
<b>Expenditures</b>			
Capital outlay	-	-	-
Street maintenance	-	-	-
Total expenditures	-	-	-
<b>Excess of Revenues Over Expenditures</b>	48,000	58,954	10,954
<b>Other Financing Sources</b>			
Transfers In	203,900	203,900	-
<b>Change in Fund Balance</b>	\$ 251,900	262,854	\$ 10,954
<b>Fund Balance, Beginning of Year</b>		1,109,735	
<b>Fund Balance, End of Year</b>		\$ 1,372,589	

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Public Works Funds**  
**Combining Schedule of Revenues, Expenses, and Changes in Net Position**  
**Year Ended April 30, 2025**

	<u>Sanitation</u>	<u>Water &amp; Sewer</u>	<u>Total</u>
<b>Operating Revenues</b>			
Charges for services	\$ 187,209	\$ 1,057,199	\$ 1,244,408
<b>Operating Expenses</b>			
Personnel service	-	129,182	129,182
Contractual services	180,924	738,780	919,704
Commodities	-	33,706	33,706
Total operating expenses	180,924	901,668	1,082,592
<b>Operating Income</b>	6,285	155,531	161,816
<b>Nonoperating Income</b>			
Investment income	-	1,536	1,536
<b>Income Before Contributions and Transfers</b>	6,285	157,067	163,352
<b>Other Financing Sources (Uses)</b>			
Capital Contributions	-	-	-
Transfers In	-	-	-
Transfers Out	-	(203,900)	(203,900)
<b>Change in Net Position - Budgetary Basis</b>	\$ 6,285	\$ (46,833)	\$ (40,548)
<b>Reconciliation of Budget Basis Change in Net Position to GAAP Basis Change in Net Position</b>			
Change in net position - budgetary basis	\$ 6,285	\$ (46,833)	\$ (40,548)
Additions to capital assets	-	63,245	63,245
Less depreciation expense	-	(194,760)	(194,760)
Change in net position - GAAP basis	\$ 6,285	\$ (178,348)	(172,063)
<b>Net Position</b>			
Beginning			8,020,671
Ending			\$ 7,848,608

See independent auditor's report.

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Public Works Fund - Sanitation**  
**Schedule of Revenues and Expenses - Budget and Actual**  
**Year Ended April 30, 2025**

	Original and Final Budget	Actual	Variance From Final Budget Over (Under)
<b>Operating Revenues</b>			
Charges for services			
Garbage charges	\$ 181,500	\$ 187,209	\$ 5,709
<b>Operating Expenses</b>			
Contractual services			
Dues	1,650	1,650	-
Garbage contract	180,020	179,274	(746)
Total contractual services	181,670	180,924	(746)
Total operating expenses	181,670	180,924	(746)
<b>Operating Income (Loss)</b>	\$ (170)	\$ 6,285	\$ 6,455

See independent auditor's report.

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Public Works Fund - Water & Sewer**  
**Schedule of Revenues and Expenses - Budget and Actual**  
**Year Ended April 30, 2025**

	Original and Final Budget	Actual	Variance From Final Budget Over (Under)
<b>Operating Revenues</b>			
Charges for services			
Water sales	\$ 616,700	\$ 607,546	\$ (9,154)
Sewer charges	432,400	428,548	(3,852)
Miscellaneous	20,300	21,105	805
	<u>1,069,400</u>	<u>1,057,199</u>	<u>(12,201)</u>
<b>Operating Expenses Excluding Depreciation</b>			
Personnel			
Wages	137,760	98,628	(39,132)
Payroll taxes	12,000	7,706	(4,294)
Personnel benefits	4,800	2,400	(2,400)
Retirement benefits	8,500	20,448	11,948
	<u>163,060</u>	<u>129,182</u>	<u>(33,878)</u>
Contractual services			
Accounting services	25,000	25,000	-
Engineering services	73,500	81,679	8,179
Legal services	1,000	885	(115)
Insurance	17,400	16,967	(433)
Water and lift station services	68,934	57,697	(11,237)
Maintenance services	106,590	127,978	21,388
Water disposal	396,600	371,740	(24,860)
Electric services	33,000	39,446	6,446
Payroll services	1,400	1,400	-
Other	16,500	15,988	(512)
	<u>739,924</u>	<u>738,780</u>	<u>(1,144)</u>
Commodities			
Maintenance supplies	21,750	10,299	(11,451)
Miscellaneous office expenses	6,600	5,926	(674)
Communication	2,310	1,896	(414)
Office supplies	5,890	3,201	(2,689)
Computer software and support	14,019	12,225	(1,794)
Dues and professional development	220	159	(61)
Other	30,250	-	(30,250)
	<u>81,039</u>	<u>33,706</u>	<u>(47,333)</u>
Total operating expenses excluding depreciation	<u>984,023</u>	<u>901,668</u>	<u>(82,355)</u>
<b>Operating Income</b>	<u>\$ 85,377</u>	<u>\$ 155,531</u>	<u>\$ 70,154</u>

See independent auditor's report.

**VILLAGE OF HAINESVILLE, ILLINOIS**  
**Comparative Tax Data**  
**Last Ten Levy Years**

<b>Tax Levy Year</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Assessed Valuation</b>	<b><u>\$96,562,309</u></b>	<b><u>\$88,103,851</u></b>	<b><u>\$83,312,072</u></b>	<b><u>\$78,481,815</u></b>	<b><u>\$75,608,266</u></b>
<b>Tax Rates</b>					
Corporate	<b>0.150</b>	0.159	0.162	0.170	0.171
Police protection	<b>0.373</b>	0.403	0.414	0.423	0.437
PTAB	<b><u>0.002</u></b>	<u>0.005</u>	<u>0.002</u>	<u>0.002</u>	<u>-</u>
Total tax rates	<b><u>0.525</u></b>	<u>0.567</u>	<u>0.578</u>	<u>0.595</u>	<u>0.608</u>
<b>Tax Extensions</b>					
Corporate	<b>\$ 145,001</b>	\$ 140,001	\$ 135,001	\$ 133,726	\$ 129,001
Police protection	<b>360,000</b>	355,000	345,000	331,834	330,091
PTAB	<b>1,524</b>	4,258	1,370	1,703	-
SSA	<b><u>25,313</u></b>	<u>25,200</u>	<u>25,200</u>	<u>25,200</u>	<u>25,200</u>
Total tax extensions	<b><u>\$ 531,838</u></b>	<u>\$ 524,459</u>	<u>\$ 506,571</u>	<u>\$ 492,463</u>	<u>\$ 484,292</u>
<b>Collections</b>	<b><u>\$ -</u></b>	<u>\$ 525,901</u>	<u>\$ 510,308</u>	<u>\$ 493,724</u>	<u>\$ 485,611</u>
<b>Collection Rate</b>	<b>0.00%</b>	100.27% *	100.74% *	100.26% *	100.27%

\*Includes immaterial amounts of collections from previous years' levies

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<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<u>\$73,768,285</u>	<u>\$66,085,738</u>	<u>\$62,445,359</u>	<u>\$57,969,180</u>	<u>\$53,070,606</u>
0.167	0.169	0.171	0.179	0.188
0.441	0.496	0.519	0.549	0.600
-	-	-	-	-
<u>0.608</u>	<u>0.665</u>	<u>0.690</u>	<u>0.728</u>	<u>0.788</u>
\$ 123,099	\$ 111,880	\$ 106,500	\$ 103,794	\$ 100,000
325,617	328,000	324,254	318,000	318,424
-	-	-	-	-
<u>25,200</u>	<u>25,200</u>	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>
<u>\$ 473,916</u>	<u>\$ 465,080</u>	<u>\$ 451,754</u>	<u>\$ 442,794</u>	<u>\$ 439,424</u>
<u>\$ 475,571</u>	<u>\$ 467,639</u>	<u>\$ 451,475</u>	<u>\$ 438,701</u>	<u>\$ 437,604</u>
100.35% *	100.55% *	99.94%	99.08%	99.59%