

**VILLAGE OF LILY LAKE
KANE COUNTY, ILLINOIS**

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2023

VILLAGE OF LILY LAKE

TABLE OF CONTENTS

April 30, 2023

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Principal Officials.....	i
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT.....	1-3
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Basic Financial Statements	
Statement of Net Position - Modified Cash Basis.....	4
Statement of Activities - Modified Cash Basis.....	5
Fund Financial Statements	
Governmental Funds	
Balance Sheet - Modified Cash Basis.....	6
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position - Modified Cash Basis.....	7
Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis.....	8
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities - Modified Cash Basis.....	9
Notes to Financial Statements.....	10-18

VILLAGE OF LILY LAKE

TABLE OF CONTENTS (Continued)

April 30, 2023

	<u>Page(s)</u>
FINANCIAL SECTION (Continued)	
SUPPLEMENTAL DATA	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Modified Cash Basis	
General Fund.....	19
Motor Fuel Tax Fund.....	20
Special Service Area 2 Fund.....	21
Special Service Area 3 Fund.....	22
Special Service Area 4 Fund.....	23
Schedule of Detailed Expenditures - Budget and Actual - Modified Cash Basis General Fund.....	24-27
Notes to Supplemental Data.....	28

VILLAGE OF LILY LAKE

PRINCIPAL OFFICIALS

April 30, 2023

Village President

Rick Overstreet

Trustees

Pam Conn
Mary Rose Damisch
Tim Dell
Kelly Diehl
Michael Florian
Travis Parry

Treasurer

Lisa Engberg

Clerk

Jesse Heffernan

INDEPENDENT AUDITOR'S REPORT

The Honorable Village President
Members of the Board of Trustees
Village of Lily Lake

Opinions

We have audited accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Lily Lake, as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Village of Lily Lake's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Lily Lake as of April 30, 2023 and the respective changes in financial position 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 of Lily Lake, 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 opinion.

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 of Lily Lake's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but 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 of Lily Lake'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 of Lily Lake's ability to continue as a going concern for a reasonable period of time

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required

supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Lily Lake's basic financial statements. The combining and individual fund financial statements and the financial information listed as schedules and supplemental data in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements, the schedules, and supplemental data are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Karrin LLC

Downers Grove, Illinois
March 13, 2024

VILLAGE OF LILY LAKE
STATEMENT OF NET POSITION
MODIFIED CASH BASIS

As of April 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 1,204,661
Capital assets not being depreciated	279,887
Capital assets net of accumulated depreciation	<u>689,635</u>
Total assets	<u>2,174,183</u>
LIABILITIES	
Developer deposits	10,000
Deferred revenue	<u>32,721</u>
Total liabilities	<u>42,721</u>
NET POSITION	
Invested in capital assets	969,522
Restricted	
Highways and streets	143,902
Special service areas	304,796
Unrestricted	<u>713,241</u>
Total net position	<u>\$ 2,131,461</u>

See accompanying notes to financial statements.

VILLAGE OF LILY LAKE

**STATEMENT OF ACTIVITIES
MODIFIED CASH BASIS**

For the Year Ended April 30, 2023

	Program Revenues				Net (Expense) Revenue and Change in Net Position Primary Government
Functions/Programs	Expenses	Charges for Services	Operating Grants	Capital Grants	Governmental Activities
Primary Government					
General government	\$ 146,208	\$ 74,113	\$ -	\$ -	\$ (72,095)
Highways and streets	101,133	-	-	-	(101,133)
Public works	271,429	-	-	-	(271,429)
Total	\$ 518,770	\$ 74,113	\$ -	\$ -	(444,657)
		General Revenues			
		Taxes			
					386,089
					41,263
					89,688
					69,847
					64,805
					2,292
					653,984
					209,327
					1,922,134
					\$ 2,131,461

See accompanying notes to financial statements.

**VILLAGE OF LILY LAKE
GOVERNMENTAL FUNDS**

**BALANCE SHEET
MODIFIED CASH BASIS**

April 30, 2023

	General	Motor Fuel Tax	Service Area 2	Service Area 3	Service Area 4	Total
ASSETS						
Assets						
Cash and investments	\$ 723,212	\$ 176,623	\$ 124,286	\$ 52,257	\$ 128,283	\$ 1,204,661
Due from other funds	<u>30</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30</u>
Total assets	<u>\$ 723,242</u>	<u>\$ 176,623</u>	<u>\$ 124,286</u>	<u>\$ 52,257</u>	<u>\$ 128,283</u>	<u>\$ 1,204,691</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities						
Developer deposits	10,000	-	-	-	-	10,000
Deferred revenue	-	32,721	-	-	-	32,721
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30</u>	<u>30</u>
Total liabilities	<u>10,000</u>	<u>32,721</u>	<u>-</u>	<u>-</u>	<u>30</u>	<u>42,751</u>
Fund balances						
Restricted						
Highways and streets	-	143,902	-	-	-	143,902
Special service areas	-	-	124,286	52,257	128,253	304,796
Unrestricted						
Unassigned	<u>713,241</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>713,241</u>
Total fund balances	<u>713,241</u>	<u>143,902</u>	<u>124,286</u>	<u>52,257</u>	<u>128,253</u>	<u>1,161,939</u>
Total liabilities and fund balances	<u>\$ 723,242</u>	<u>\$ 176,623</u>	<u>\$ 124,286</u>	<u>\$ 52,257</u>	<u>\$ 128,283</u>	<u>\$ 1,204,691</u>

See accompanying notes to financial statements.

VILLAGE OF LILY LAKE

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

April 30, 2023

Fund balances of governmental funds	\$ 1,161,939
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	<u>969,522</u>
Net position of governmental activities	<u>\$ 2,131,461</u>

See accompanying notes to financial statements.

VILLAGE OF LILY LAKE
GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS

For the year ended April 30, 2023

	General	Motor Fuel Tax	Service Area 2	Service Area 3	Service Area 4	Total
Revenues						
Taxes	\$ 386,089	\$ 41,263	\$ -	\$ -	\$ -	\$ 427,352
Charges for services	-	-	33,887	12,303	27,923	74,113
Licenses and permits	64,805	-	-	-	-	64,805
Fines and fees	89,688	-	-	-	-	89,688
Intergovernmental	69,847	-	-	-	-	69,847
Investment income	2,292	-	-	-	-	2,292
Total revenues	<u>612,721</u>	<u>41,263</u>	<u>33,887</u>	<u>12,303</u>	<u>27,923</u>	<u>728,097</u>
Expenditures						
Current						
General government	120,297	-	-	-	-	120,297
Highways and streets	-	-	14,016	2,690	9,425	26,131
Public works	<u>236,626</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>236,626</u>
Total expenditures	<u>356,923</u>	<u>-</u>	<u>14,016</u>	<u>2,690</u>	<u>9,425</u>	<u>383,054</u>
Net change in fund balances	<u>255,798</u>	<u>41,263</u>	<u>19,871</u>	<u>9,613</u>	<u>18,498</u>	<u>345,043</u>
Fund balances - May 1	<u>457,443</u>	<u>102,639</u>	<u>104,415</u>	<u>42,644</u>	<u>109,755</u>	<u>816,896</u>
Fund balances - April 30	<u>\$ 713,241</u>	<u>\$ 143,902</u>	<u>\$ 124,286</u>	<u>\$ 52,257</u>	<u>\$ 128,253</u>	<u>\$ 1,161,939</u>

See accompanying notes to financial statements.

VILLAGE OF LILY LAKE

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2023

Net change in fund balances - governmental funds	\$ 345,043
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	<u>135,716</u>
Change in net position of governmental activities	<u>\$ 209,327</u>

See accompanying notes to financial statements.

VILLAGE OF LILY LAKE

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Lily Lake (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)), except as described in Note 1.d. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

The Village is located in Kane County, Illinois and provides maintenance of highways and streets, public improvements, zoning, and general administrative services.

As required by GAAP, these financial statements present the Village and any component units, entities for which the Village is considered to be financially accountable. As of the date of this report, there were no entities that would be considered a component unit of the Village. Also, the Village is not considered a component unit of any other governmental entity.

b. Fund Accounting

The Village uses funds to report on its net position and the changes in its net position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following category: governmental.

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement restricted or committed revenue sources (special revenue funds), the acquisition or construction of general capital assets (capital projects funds) and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the government not accounted for in some other fund.

VILLAGE OF LILY LAKE

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

b. Fund Accounting (Cont.)

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the entity. When these assets are held under the terms of a formal trust agreement, a pension trust fund is used. The Village has no fiduciary funds.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated 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 Village has no business-type activities).

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

Separate financial statements are provided for governmental funds. Major governmental funds are reported as separate columns in the fund financial statements.

VILLAGE OF LILY LAKE

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

c. Government-Wide and Fund Financial Statements (Cont.)

The Village reports the following major governmental funds:

General Fund - is the Village's primary operating fund and accounts for all financial resources of the Village not accounted for in other funds.

Motor Fuel Tax Fund – accounts for the revenues received from motor fuel taxes and expenditures for maintenance of roads.

Special Service Areas 2, 3, and 4 – accounts for the collections of assessments and expenditures for the repairs/resurfacing of roads in the special service areas.

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements and the governmental fund financial statements are reported using the current financial resources measurement focus and the modified cash basis of accounting, which is not in accordance with GAAP but is an "other comprehensive basis of accounting." Under the modified cash basis, revenues and additions are recorded when received and expenditures/expenses and deductions are recorded when paid, adjusted for modifications that have substantial support in accounting principles generally accepted in the United States of America. Certain assets and liabilities arising from cash transactions are recorded in the government-wide financial statements. Thus, capital assets and related accumulated depreciation and depreciation expense, and long-term debt are recognized.

The Village reports unearned revenue on its financial statements, if applicable. Unearned revenues arise when resources are received by the Village before it has legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, or when the Village has a legal claim to the resources by meeting all eligibility requirements, the liability for unearned revenue is removed from the financial statements and revenue is recognized.

VILLAGE OF LILY LAKE

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

e. Cash and Investments

Investments of the Village's operating funds with maturities of one year or more from the date of purchase, other than nonnegotiable certificates of deposit, are stated at fair value based on quoted market prices. Investments with maturities of one year or less from the date of purchase and nonnegotiable certificates of deposit are stated at cost or amortized cost. All other investments which do not consider market rates are stated at cost.

f. Interfund Receivable and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of the interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

g. Capital Assets

Capital assets are recorded as expenditures at the time of purchase. Capital assets, which include property, plant, equipment, intangible assets and infrastructure assets, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

VILLAGE OF LILY LAKE

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

g. Capital Assets (Cont.)

<u>Assets</u>	<u>Years</u>
Building and building improvements	20
Roads	20
Drainage project	20
Park equipment	10

h. Long-Term Obligations

In the government-wide financial statements, general long-term debt and other long-term obligations, if any, are reported as liabilities in the statement of net position.

i. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include resolutions and ordinances approved by the Board. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance rests with the Village Board. Any residual fund balance is reported as unassigned.

The Village has no flow of funds assumption, and therefore applies the flow of funds methodology of GASB Statement No. 54 which prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

VILLAGE OF LILY LAKE

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

i. Fund Balance/Net Position (Cont.)

The Village has not established fund balance reserve policies for any of its governmental funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net position has not been restricted by enabling legislation adopted by the Village. Investment in capital assets represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

j. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. PROPERTY TAX CALENDAR

The Village does not levy property taxes.

3. DEPOSITS AND INVESTMENTS

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes. These include 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 agreements 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 Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

VILLAGE OF LILY LAKE

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2023

3. DEPOSITS AND INVESTMENTS (Cont.)

The Village's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance. Additionally, the Village will not invest in any institution in which the Village's funds on deposit are in excess of 75% of the institution's capital stock and surplus. As of April 30, 2023, the Village had \$704,533 of deposits which were uninsured and uncollateralized.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and rate of return.

The Village maintains a cash and investment pool that is available for use by all funds.

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in securities issued by United States governmental agencies. Illinois Funds is rated AAA.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, the price for which the investment could be sold. At April 30, 2023 the Village did not have any investments with Illinois Funds.

VILLAGE OF LILY LAKE

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2023

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2023 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 279,887	\$ -	\$ -	\$ 279,887
Total capital assets not being depreciated	279,887	-	-	279,887
Capital assets being depreciated				
Village Hall	518,148	-	-	518,148
Construction in progress	322,115	-	-	322,115
Roads	5,120,866	-	-	5,120,866
Indian Creek Drainage Project	406,658	-	-	406,658
Park Equipment	223,329	-	-	223,329
Total capital assets being depreciated	6,591,116	-	-	6,591,116
Less accumulated depreciation				
Village Hall	492,237	25,911	-	518,148
Roads	4,807,803	75,002	-	4,882,805
Indian Creek Drainage Project	264,329	20,333	-	284,662
Park Equipment	201,396	14,470	-	215,866
Total accumulated depreciation	5,765,765	135,716	-	5,901,481
Net capital assets being depreciated	825,351	(135,716)	-	689,635
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS - NET	\$ 1,105,238	\$ (135,716)	\$ -	\$ 969,522

Depreciation expense was charged to functions of the primary government as follows:

GOVERNMENTAL ACTIVITIES	
General government	\$ 25,911
Highways and streets	75,002
Public works	34,803
Total	\$ 135,716

VILLAGE OF LILY LAKE

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2023

5. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

6. INTERFUND RECEIVABLES AND PAYABLES

	<u>Due From</u>	<u>Due To</u>
General	\$ 30	\$ -
Special Service Area 4	<u>-</u>	<u>30</u>
	<u>\$ 30</u>	<u>\$ 30</u>

7. REBUILD ILLINOIS

The Village was awarded \$65,433 of Rebuild Illinois funds to be used for road purposes allowable under motor fuel tax regulations. The Village received \$10,907 in fiscal April 30, 2023.

8. AMERICAN RESCUE PLAN ACT

The Village received \$69,607 in fiscal April 30, 2023

9. SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 13, 2024, which is the date the financial statements were available to be issued.

**VILLAGE OF LILY LAKE
GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2023

	Original and Final Budget	Actual
Revenues		
Taxes		
Property - road and bridge	\$ 45,000	\$ 46,932
Income	120,000	166,748
Sales	30,000	42,751
Use	35,000	42,023
Cannabis use	1,200	1,625
Utility	45,000	56,890
Telecom	6,000	6,483
Video gaming	28,000	22,637
Licenses and permits		
Administration fee	9,000	34,251
Culvert permits	1,500	900
Building inspection fees	25,000	12,856
Engineering fees	8,000	5,579
Building review deposit	10,000	7,969
Liquor licenses	3,250	3,250
Fines and fees		
Fines and penalties	3,000	39,075
Variance/special use	-	7,255
Variance/special use publications	-	154
Planning/engineering review	-	25,890
Cable television franchise	16,500	17,314
Investment income	250	2,292
Grant income	81,008	69,847
Miscellaneous	6,425	-
Total revenues	474,133	612,721
Expenditures		
General government	158,650	120,297
Public works	558,050	236,626
Total expenditures	716,700	356,923
Net Change in Fund Balance	\$ (242,567)	255,798
Fund Balance - May 1		457,443
Fund Balance - April 30		\$ 713,241

See independent auditors report.

VILLAGE OF LILY LAKE
MOTOR FUEL TAX FUND

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>
Revenues		
Taxes		
Motor fuel tax	\$ <u>35,000</u>	\$ <u>41,263</u>
Total revenues	<u>35,000</u>	<u>41,263</u>
Expenditures		
Capital improvements	<u>80,000</u>	<u>-</u>
Total expenditures	<u>80,000</u>	<u>-</u>
Net change in fund balance	<u>\$ (45,000)</u>	41,263
Fund balance - May 1		<u>102,639</u>
Fund balance - April 30		<u>\$ 143,902</u>

See independent auditors report.

VILLAGE OF LILY LAKE
SPECIAL SERVICE AREA 2 FUND

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2023

	Original and Final Budget	Actual
Revenues		
Charges for services		
SSA assessments	\$ 45,000	\$ 33,887
Total revenues	45,000	33,887
Expenditures - streets		
Administration		
Bank fees	50	-
Commodities		
Salt	3,200	1,748
Contractual services		
Engineering	1,000	-
Insurance - casualty	350	280
Legal	1,000	305
Maintenance	25,000	602
Snow removal	6,500	4,970
Streetlights/electricity	7,000	6,111
Reserves	10,000	-
Total expenditures	54,100	14,016
Net change in fund balance	\$ (9,100)	19,871
Fund Balance - May 1		104,415
Fund Balance -April 30		\$ 124,286

See independent auditors report.

VILLAGE OF LILY LAKE
SPECIAL SERVICE AREA 3 FUND

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2023

	Original and Final Budget	Actual
Revenues		
Charges for services		
SSA assessments	\$ 17,325	\$ 12,303
Total revenues	17,325	12,303
Expenditures - streets		
Administration		
Bank fees	50	-
Commodities		
Salt	1,700	607
Contractual services		
Engineering	1,000	-
Insurance - casualty	250	174
Legal	1,000	119
Maintenance	8,000	-
Snow removal	2,400	1,726
Streetlights/electricity	300	64
Reserves	6,000	-
Total expenditures	20,700	2,690
Net change in fund balance	\$ (3,375)	9,613
Fund Balance - May 1		42,644
Fund Balance - April 30		\$ 52,257

See independent auditors report.

VILLAGE OF LILY LAKE
SPECIAL SERVICE AREA 4 FUND

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2023

	Original and Final Budget	Actual
Revenues		
Charges for services		
SSA assessments	\$ 34,650	\$ 27,923
Total revenues	34,650	27,923
Expenditures - streets		
Administration		
Bank fees	50	-
Commodities		
Salt	2,600	1,398
Contractual services		
Engineering	1,000	-
Insurance - casualty	350	277
Legal	1,000	119
Maintenance	23,000	2,800
Snow removal	5,200	3,976
Streetlights/electricity	5,300	855
Reserves	4,000	-
Total expenditures	42,500	9,425
Net change in fund balance	\$ (7,850)	18,498
Fund Balance - May 1		109,755
Fund Balance - April 30		\$ 128,253

See independent auditors report.

VILLAGE OF LILY LAKE
GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
MODIFIED CASH BASIS

For the Year Ended April 30, 2023

	Original and Final Budget	Actual
Administration		
Personnel		
Appointed	\$ 13,500	\$ 7,940
Elected	7,800	7,170
Employee	58,500	46,004
Medicare - Village	800	683
Social security - Village	4,500	2,921
Employee taxes	-	201
Administration	300	-
	85,400	64,919
Contractual		
Legal - general	35,000	29,703
Accounting services	9,000	7,550
Printing	200	-
Insurance - liability	9,750	9,350
Code hearing officer	1,500	300
Miscellaneous	100	1,018
	55,550	47,921
Commodities		
Office supplies	2,500	1,818
Postage	1,000	207
	3,500	2,025
Other expenditures		
Subscriptions/website	1,000	581
Dues	1,200	1,318
Legal publications	500	726
General publications	500	389
Community relations	10,000	2,369
Training and education	500	28
Refund publications	150	-
Travel	200	-
Miscellaneous	150	21
	14,200	5,432
Total administration	158,650	120,297

See independent auditors report.

**VILLAGE OF LILY LAKE
GENERAL FUND**

**SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>
Public Works		
Contractual services		
Engineering	\$ 40,000	\$ 16,976
Snow removal	37,000	22,235
Utility	1,500	-
Salt storage (rent)	600	-
Maintenance services	<u>105,000</u>	<u>75,332</u>
Total	<u>184,100</u>	<u>114,543</u>
Commodities		
Bulk salt	<u>15,000</u>	<u>7,819</u>
Other expenditures		
Training and education	<u>1,000</u>	<u>-</u>
Capital outlay		
Capital improvements	<u>200,000</u>	<u>19,631</u>
Total public works	<u>400,100</u>	<u>141,993</u>
Development		
Contractual services		
Building inspections	25,000	27,012
Engineering	18,500	25,603
Planning	8,000	6,869
Zoning	250	-
Refund building review	<u>250</u>	<u>307</u>
	<u>52,000</u>	<u>59,791</u>
Other expenditures		
Grants	100	-
Training and education	350	-
Bond/deposit refund	<u>5,000</u>	<u>9,797</u>
	<u>5,450</u>	<u>9,797</u>
Total development	<u>57,450</u>	<u>69,588</u>

See independent auditors report.

**VILLAGE OF LILY LAKE
GENERAL FUND**

**SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2023

	Original and Final Budget	Actual
Community Center		
Contractual services		
Equipment maintenance	\$ 500	\$ 5,148
Utilities/Telephone	4,000	5,625
Animal control	300	-
Building services	10,000	2,623
Lawn care	8,000	4,280
Landscape maintenance	4,000	900
Police protection	12,000	5,544
Janitorial services	1,200	853
Miscellaneous expenditures	<u>50</u>	<u>-</u>
	<u>40,050</u>	<u>24,973</u>
Capital improvements		
Furniture	5,000	-
Equipment	15,000	-
Landscaping and sign	500	-
Village Hall	<u>1,000</u>	<u>-</u>
	<u>21,500</u>	<u>-</u>
Total community center	<u>61,550</u>	<u>24,973</u>
Finance		
Other expenditures		
Bank fees	100	72
Training and education	<u>200</u>	<u>-</u>
Total finance	<u>300</u>	<u>72</u>
Contingencies	<u>20,000</u>	<u>-</u>

See independent auditors report.

**VILLAGE OF LILY LAKE
GENERAL FUND**

**SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
MODIFIED CASH BASIS**

For the Year Ended April 30, 2023

	Original and Final Budget	Actual
Simon Anderson Community Park		
Contractual services		
Equipment maintenance	\$ 2,000	\$ -
Landscaping maintenance and signs	4,000	-
Electricity	2,750	-
Waste services	<u>1,400</u>	<u>-</u>
	<u>10,150</u>	<u>-</u>
Capital improvements		
Equipment	5,000	-
Landscaping and sign	1,000	-
Structures	<u>2,500</u>	<u>-</u>
	<u>8,500</u>	<u>-</u>
Total Simon Anderson Community Park	<u>18,650</u>	<u>-</u>
Total expenditures	<u>\$ 716,700</u>	<u>\$ 356,923</u>

See independent auditors report.

VILLAGE OF LILY LAKE

NOTES TO SUPPLEMENTAL DATA

April 30, 2023

1. BUDGETS

An annual budget and appropriation ordinance (budget) is prepared. The budget is prepared by fund, function, and activity and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations.

The budget may be amended by the governing body.

The budget is adopted on a modified cash basis.

Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, no supplementary appropriations were necessary.

2. EXCESS OF EXPENDITURES OVER BUDGET

No fund had an excess of expenditures over budget.

See independent auditors report.