VILLAGE OF ISLAND LAKE, ILLINOIS

ANNUAL FINANCIAL REPORT

Year Ended April 30, 2025

VILLAGE OF ISLAND LAKE, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

To the Village President and
the Members of the Board of Trustees
of the Village of Island Lake, Illinois

Qualified and Unmodified Opinions

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

Qualified Opinions on Governmental Activities
In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of Governmental Activities of the Village of Island Lake, Illinois, as of April 30, 2025, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Business-type Activities, each major fund, and Aggregate Remaining Fund Information
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Island Lake, Illinois, as of April 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Police Pension Fund, which represent 100 percent, 100 percent, and 100 percent, respectively, of the assets, net position, and revenues of the aggregate remaining fund information as of April 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Village's Police Pension Fund, are based solely on the report of the other auditors.

Basis for Qualified and Unmodified 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 Island Lake, Illinois 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.

Matter Giving Rise to Qualified Opinions on Governmental Activities
Management did not obtain an actuarial valuation for OPEB obligations for the year ended April 30, 2025. GASB Statement No. 75 and subsequent GASB guidance effective through 2025 require actuarial measurement and specific disclosures and measurements for OPEB; because the required valuation was not performed, required disclosures and measurements are not presented in the accompanying financial statements.

Due to the significance of the matters described in the preceding paragraph, we were unable to obtain sufficient appropriate audit evidence to form an opinion on the amounts and disclosures related to OPEB in the financial statements. The possible effects on the financial statements of the matter described above could be material.

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 Island Lake, Illinois' 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 of Island 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 Island 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of changes in net pension liability and related ratios, schedules of pension contributions, and budgetary comparison information 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 Island Lake, Illinois' basic financial statements. The supplementary information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Proprietary Fund, Waterworks Fund – Statement of Expenditures – Appropriations and Actual 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 as listed in the table of contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

GW & Associates, P.C.
Hillside, Illinois
May 26, 2026

REQUIRED SUPPLEMENTARY INFORMATION

MANAGEMENT DISCUSSION AND ANALYSIS - UNAUDITED

VILLAGE OF ISLAND LAKE, ILLINOIS

Management's Discussion and Analysis - Unaudited
Year Ended April 30, 2025

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

FINANCIAL HIGHLIGHTS

- The assets of the Village exceeded its liabilities and deferred inflows at April 30, 2025 by $29,591,710 (Net Position). Of this amount, ($5,758,626) is unrestricted net position and may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net position decreased by $1,623,388.
- At April 30, 2025, the Village's governmental funds reported combined ending fund balances of $1,086,357, a decrease of $511,169 from the prior period.
- The Village's total governmental net capital assets decreased by $199,021 for the year ended April 30, 2025.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements

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

The Statement of Net Position presents information on all of the Village's assets, deferred outflows of resources and deferred inflows of resources, liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The Statement of Activities presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, streets & roads and culture & recreation. The business-type activities of the Village include water and sewer. The government-wide financial statements can be found on pages 13 and 14 of this report.

Fund financial statements

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

Governmental funds

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

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

The Village maintains various individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund. All funds are considered major with the General Fund being the Village's main major fund.

The basic governmental fund financial statements can be found on pages 15 through 17 of this report.

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

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

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village utilizes a fiduciary fund to

segregate police pension funds. The basic fiduciary fund financial statements can be found on pages 21 and 22 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23 through 60 of this report.

Other Information

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

The Village adopts an annual budget for all funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget. The budgetary comparison for the general fund can be found on pages 67 to 73 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets and deferred outflows exceeded liabilities and deferred inflows by $29,591,710 at April 30, 2025.

Of the Village's net position, $35,212,768 reflects its net investment in capital assets (e.g., land, construction in progress, buildings, systems and equipment); less any related outstanding debt used to acquire those assets. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Village's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($5,758,626) may be used to meet the Village's ongoing obligations to citizens and creditors.

At April 30, 2025, the Village is able to report positive balances in two categories of net position, both for the Village as a whole, as well as for its separate governmental and business-type activities. The Village's net position decreased by $1,623,388 during the year ended April 30, 2025.

Village of Island Lake - Net Position

	Governmental Activities		Business-Type Activities		Total	
	4/30/2024	4/30/2025	4/30/2024	4/30/2025	4/30/2024	4/30/2025
Current and Other Assets	$ 3,625,537	$ 3,157,839	$ 2,743,674	$ 3,150,256	$ 6,369,211	$ 6,308,095
Capital Assets	26,805,480	26,983,157	9,154,236	8,777,538	35,959,716	35,760,695
Net Total Assets	$ 30,431,017	$ 30,140,996	$ 11,897,910	$ 11,927,794	$ 42,328,927	$ 42,068,790
Deferred Outflows - IMRF	$ 1,651,601	$ 1,299,984	$ -	$ -	$ 1,651,601	$ 1,299,984
Current Liabilities	$ 468,272	$ 592,801	$ 44,264	$ 158,170	$ 512,536	$ 750,971
Noncurrent Liabilities	9,889,292	10,724,164	3,810	17,375	9,893,102	10,741,539
Total Liabilities	10,357,564	11,316,965	48,074	175,545	10,405,638	11,492,510
Deferred Inflows -						
IMRF	819,058	660,712	-	-	819,058	660,712
Property taxes	1,540,734	1,623,842	-	-	1,540,734	1,623,842
Total Deferred Inflows	2,359,792	2,284,554	-	-	2,359,792	2,284,554
Net Position						
Net investment in capital assets	26,673,853	26,435,230	9,154,236	8,777,538	35,828,089	35,212,768
Restricted	135,239	137,568	-	-	135,239	137,568
Unrestricted	(7,443,830)	(8,733,337)	2,695,600	2,974,711	(4,748,230)	(5,758,626)
Total Net Position	$ 19,365,262	$ 17,839,461	$ 11,849,836	$ 11,752,249	$ 31,215,098	$ 29,591,710

The decrease in current assets is a result of a decrease in cash from year-to-year, as well as an increase of the internal balance owed to business-type activities. All other receivables and prepaids remained similar. Current liabilities increased from year-to-year due to an increase in the ROU Lease liability as the Village added more vehicles to their fleet for police department activities and discarded older model vehicles. The Village also has notes payable in the current year. The Village's notes payable are a result of the Village purchasing equipment such as a John Deere 324p loader and a Vermeer chipper for continuing Village usage. The note payable liability is divided into a current (due within one year) and noncurrent (due in more than one year) portion. The increase in noncurrent liabilities are in part because of these equipment, and vehicle lease purchases discussed earlier. A significant portion of the noncurrent liabilities increase is because of compensated absences that have been recorded due to the implementation of GASB 101.

Village of Island Lake - Statement of Activities and Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	4/30/2024	4/30/2025	4/30/2024	4/30/2025	4/30/2024	4/30/2025
Program Revenues						
Charges for Services	$ 742,917	$ 526,964	$ 1,578,720	$ 1,586,725	$ 2,321,637	$ 2,113,689
Operating Grants & Contributions	410,407	565,191	-	-	410,407	565,191
General Revenues						
Property Tax	1,497,357	1,327,673	-	-	1,497,357	1,327,673
Other Tax	270,794	263,593	-	-	270,794	263,593
Utility Tax	342,823	355,644	-	-	342,823	355,644
Sales Tax	1,218,801	1,367,857	-	-	1,218,801	1,367,857
Income Tax	1,341,377	1,430,817	-	-	1,341,377	1,430,817
Other	109,428	115,249	5,660	4,150	115,088	119,399
Interest	10,367	5,544	464	-	10,831	5,544
Total Revenues	$ 5,944,271	$ 5,958,532	$ 1,584,844	$ 1,590,875	$ 7,529,115	$ 7,549,407
Expenses						
General Government	$ 1,114,847	$ 1,871,928	$ -	$ -	$ 1,114,847	$ 1,871,928
Public Safety	3,591,909	3,158,587	-	-	3,591,909	3,158,587
Streets & Roads	2,085,583	1,760,582	-	-	2,085,583	1,760,582
Culture & Recreation	399,591	687,710	-	-	399,591	687,710
Interest on Long-Term Debt	-	4,266	-	-	-	4,266
Proprietary Activities	-	-	1,730,285	1,689,722	1,730,285	1,689,722
Total Expenses	7,191,930	7,483,073	1,730,285	1,689,722	8,922,215	9,172,795
Capitalized connection fees	-	-	144,499	-	144,499	-
Transfers In (Out)	-	(1,260)	-	1,260	-	-
Increase (Decrease) in Net Position	(1,247,659)	(1,525,801)	(942)	(97,587)	(1,248,601)	(1,623,388)
Net Position - Beginning of Year	20,612,921	19,365,262	11,850,778	11,849,836	32,463,699	31,215,098
Net Position - End of Year	$ 19,365,262	$ 17,839,461	$ 11,849,836	$ 11,752,249	$ 31,215,098	$ 29,591,710

Governmental activities

Governmental activities decreased the Village's net position by $1,525,801.

Charges for services decreased from year-to-year because Licenses, fees, and permits are down, specifically Building permits and impact fees. Facility rental and other licenses are also down but not as significantly, they show a slight decrease in revenue in the current year. Operating grants and contributions increased in the current year due to a grant reimbursement received from the Converse Park renovation project that the Village engaged in.

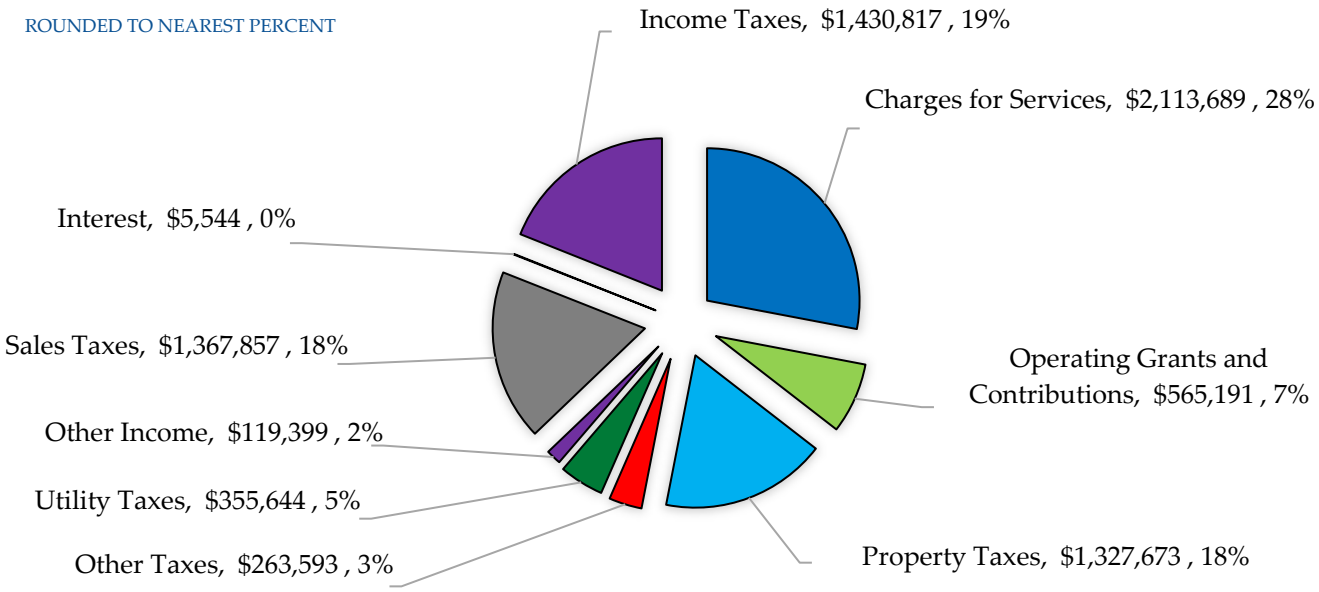
The General government expenses increased mainly because of: the increase in depreciation expense, increase in compensated absences liability, and because the police pension employer contribution was grouped in the admin department which is where the payment was budgeted and dusbursed. The prior year showed the contribution as an expense being made from public safety, not general government. This shift in the employer contribution being expensed out of general government and not public safety contributes to the increase in expenses in general government and decrease in public safety from year to year. Streets and road expenses decrease is due to the increase in capital additions attributed to that function. The increase in culture and recreation expenses are due to the expenses incurred by the Village for the Converse Park project, as well as an increase in spending for lake management.

Business-type activities

Business-type activities decreased the Village's net position by $97,587.

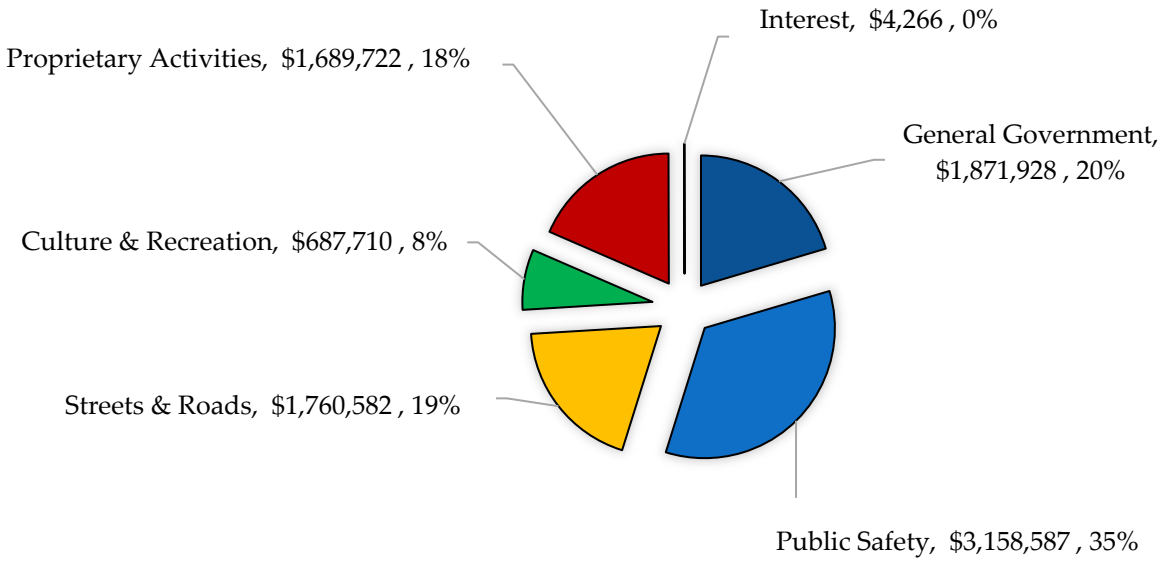
2025 REVENUES

ROUNDED TO NEAREST PERCENT



2025 EXPENSES

ROUNDED TO NEAREST PERCENT



FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

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

Governmental funds

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

At April 30, 2025, the Village's governmental funds reported combined ending fund balances of $1,086,357, a decrease of $511,169 in comparison with the prior period. A portion of the fund balance is assigned or restricted to indicate that it is not available for new spending because it has already been allocated for specific purposes.

The General Fund is the chief operating fund of the Village. At April 30, 2025, the fund balance of the General Fund was $1,571,880. This represents a decrease of $529,826 compared to the prior period.

General Fund Budgetary Highlights

There were no differences between the original budget and the final budget. There were no changes in the total amount of the budget. The Village's estimated expenditures were more than the actual expenditures by $297,887.

CAPITAL ASSETS

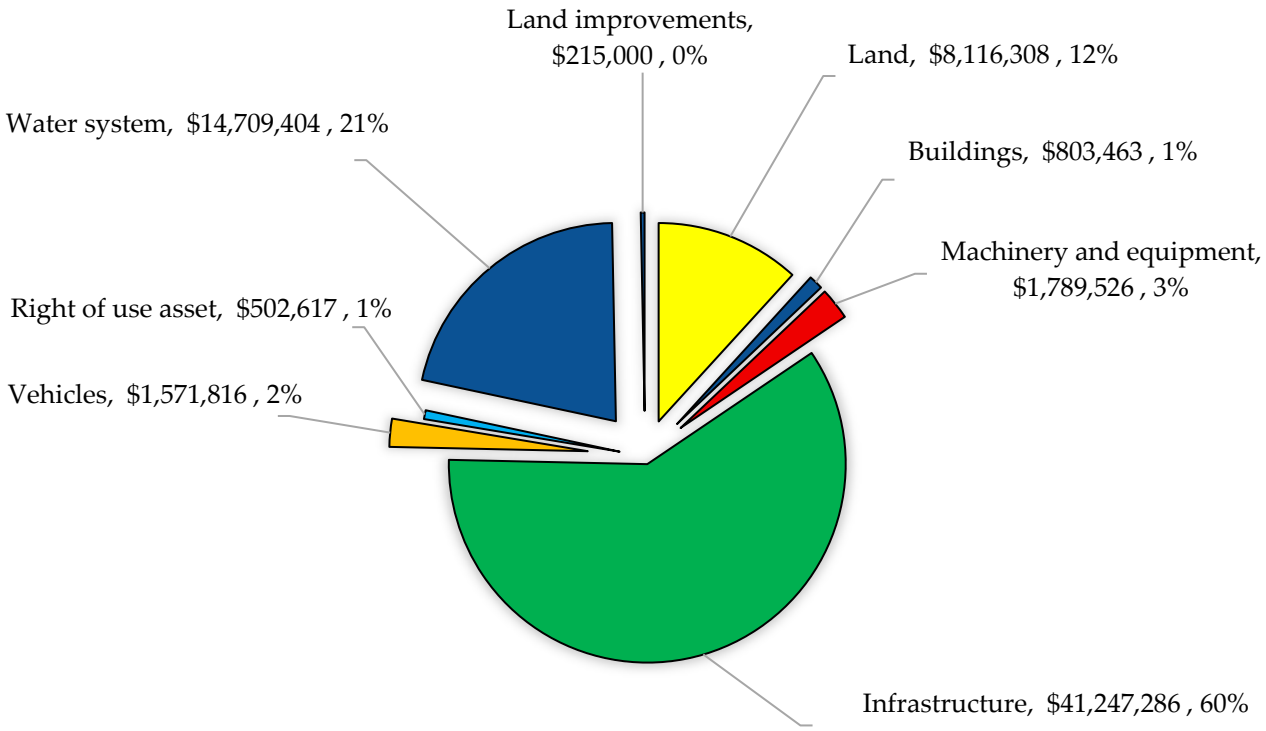
The Village's capital assets for its governmental and business-type activities as of April 30, 2025 amounts to $35,760,695 (net of accumulated depreciation/amortization). This investment in capital assets includes land, construction in progress, buildings, improvements, infrastructure, systems, and equipment.

Village of Island Lake Capital Assets

	Governmental Activities		Business Type Activities		Total	
	4/30/2024	4/30/2025	4/30/2024	4/30/2025	4/30/2024	4/30/2025
Land	$ 8,116,308	$ 8,116,308	$ -	$ -	$ 8,116,308	$ 8,116,308
Land improvements	215,000	215,000	-	-	215,000	215,000
Buildings	803,463	803,463	-	-	803,463	803,463
Machinery and equipment	841,411	1,183,728	598,700	605,798	1,440,111	1,789,526
Vehicles	1,292,036	1,292,036	279,780	279,780	1,571,816	1,571,816
Right of use asset	164,322	502,617	-	-	164,322	502,617
Infrastructure	40,877,642	41,247,287	-	-	40,877,642	41,247,287
Water system	-	-	14,709,404	14,709,404	14,709,404	14,709,404
Total Capital Assets	52,310,182	53,360,439	15,587,884	15,594,982	67,898,066	68,955,421
Accumulated Depreciation/amortization	25,504,702	26,377,282	6,433,648	6,817,444	31,938,350	33,194,726
Total Net Capital Assets	$ 26,805,480	$ 26,983,157	$ 9,154,236	$ 8,777,538	$ 35,959,716	$ 35,760,695

During the year, Machinery and Equipment saw a large increase due to the purchase of a new chipper, wheel loader, and playground equipment. The Right of use asset also increased due to an adjustment of the leased vehicles to include additional vehicles that the Village added to its fleet. Infrastructure increased because of the road project the Village performed during the year. Business-Type activities increased by a small amount because of a purchase of a new trailer.
Additional information on the Village's capital assets can be found in note 3 on pages 38-39.

CAPITAL ASSETS (AT COST)



LONG-TERM LIABILITIES

Additional information on the Village's capital assets can be found in Note 3 on page 40.

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities:					
Net pension liability	$9,661,644	$ 279,344	$ -	$ 9,940,988	$ -
Compensated absences	149,940	312,992	-	462,932	-
ROU lease payable	131,627	211,558	-	343,185	105,936
Notes payable	-	217,254	12,512	204,742	39,225
	$9,943,211	$1,021,148	$ 12,512	$10,951,847	$ 145,161
Business-Type Activities:					
Compensated absences	$ 3,810	$ 13,565	$ -	$ 17,375	$ 17,375
	$ 3,810	$ 13,565	$ -	$ 17,375	$ 17,375

ECONOMIC FACTORS

Description of Current or Expected Conditions

Currently, management is not aware of any other significant changes in conditions that could have a significant effect on the financial position or results of activities of the Village in the near future. However, management continues to monitor items that may impact future receipts, especially noting a potential decline in state funds as well as losses due to the tax cap.

Requests for Information

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Village of Island Lake, 3720 Greenleaf Avenue, Island Lake, IL 60042.

BASIC FINANCIAL STATEMENTS

VILLAGE OF ISLAND LAKE

Government-wide - Statement of Net Position

April 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash and equivalents, at cost	$ 975,140	$ 2,814,894	$ 3,790,034
Property tax receivable	1,623,842	-	1,623,842
Receivables - net of allowances	675,559	217,689	893,248
Prepaids	971	-	971
Internal balances	(117,673)	117,673	-
Total Current Assets	3,157,839	3,150,256	6,308,095
Noncurrent Assets			
Capital assets not being depreciated	8,116,308	-	8,116,308
Capital assets, being depreciated/amortized	18,866,849	8,777,538	27,644,387
Total Noncurrent Assets	26,983,157	8,777,538	35,760,695
Total Assets	30,140,996	11,927,794	42,068,790
Deferred Pension Outflows	1,299,984	-	1,299,984
Liabilities			
Current Liabilities			
Accounts payable	61,377	131,247	192,624
Accrued payroll	106,009	10,615	116,624
Deposits payable	256,052	16,308	272,360
Due to other governments	24,202	-	24,202
Notes payable within one year	39,225	-	39,225
Lease liability - current portion	105,936	-	105,936
Total Current Liabilities	592,801	158,170	750,971
Noncurrent Liabilities			
Notes payable due in more than one year	165,517	-	165,517
Net pension liability	9,858,466	-	9,858,466
Compensated absences	462,932	17,375	480,307
Lease liability- noncurrent portion	237,249	-	237,249
Total Noncurrent Liabilities	10,724,164	17,375	10,741,539
Total Liabilities	11,316,965	175,545	11,492,510
Deferred Inflows - Pensions	660,712	-	660,712
Deferred Inflows - Property Taxes	1,623,842	-	1,623,842
Total Deferred Inflows	2,284,554	-	2,284,554
Net Position			
Net investment in capital assets	26,435,230	8,777,538	35,212,768
Restricted	137,568	-	137,568
Unrestricted	(8,733,337)	2,974,711	(5,758,626)
Total Net Position	$ 17,839,461	$ 11,752,249	$ 29,591,710

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

VILLAGE OF ISLAND LAKE

Government-wide - Statement of Activities

For the Year Ended April 30, 2025

Governmental Activities	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenue (Expense) and Changes: Governmental Activities	Net Revenue (Expense) and Changes: Business-Type Activities	Net Revenue (Expense) and Changes: Totals
General government	$ 1,871,928	$ 282,875	$ 162,325	$ -	$ (1,426,728)	$ -	$ (1,426,728)
Public safety	3,158,587	143,968	39,115	-	(2,975,504)	-	(2,975,504)
Culture and recreation	687,710	100,121	-	-	(587,589)	-	(587,589)
Highways and streets	1,760,582	-	363,751	-	(1,396,831)	-	(1,396,831)
Interest on long-term debt	4,266	-	-	-	(4,266)	-	(4,266)
Total Governmental Activities	7,483,073	526,964	565,191	-	(6,390,918)	-	(6,390,918)
Business-Type Activities							
Waterworks	1,689,722	1,568,359	-	-	-	(121,363)	(121,363)
Total Business-Type Activities	1,689,722	1,568,359	-	-	-	(121,363)	(121,363)
Total Primary Government	$ 9,172,795	$ 2,095,323	$ 565,191	$ -	(6,390,918)	(121,363)	(6,512,281)
General Revenues:							
Taxes							
Property taxes					1,327,673	-	1,327,673
Utility taxes					355,644	-	355,644
Other taxes					263,593	-	263,593
Sales taxes					1,367,857	-	1,367,857
Income taxes					1,430,817	-	1,430,817
Interest income					5,544	-	5,544
Miscellaneous income					115,249	4,150	119,399
Total General Revenues Before Transfers					4,866,377	4,150	4,870,527
Transfers in/(out)					(1,260)	1,260	-
Connection Fees Capitalized					-	18,366	18,366
Changes in Net Position					(1,525,801)	(97,587)	(1,623,388)
Net Position, Beginning of Year					19,365,262	11,849,836	31,215,098
Total Net Position, End of Year					$ 17,839,461	$ 11,752,249	$ 29,591,710

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

VILLAGE OF ISLAND LAKE

Governmental Fund Types - Combined Balance Sheet

April 30, 2025

Assets	General Fund	Garbage Fund	Recreation Fund	Motor Fuel Tax	Total
Cash and cash equivalents	$ 388,524	$ -	$ -	$ 586,616	$ 975,140
Property taxes receivable, current levy	1,623,842	-	-	-	1,623,842
Other receivables	596,586	78,973	-	-	675,559
Prepaids	-	-	971	-	971
Due from other funds	1,004,341	-	-	-	1,004,341
Total Assets	3,613,293	78,973	971	586,616	4,279,853
Liabilities					
Accounts payable and accruals	34,946	-	10,055	16,376	61,377
Accrued payroll	102,371	-	3,638	-	106,009
Deposits held	256,052	-	-	-	256,052
Due to other funds	-	117,673	978	1,003,363	1,122,014
Due to other governments	24,202	-	-	-	24,202
Total Liabilities	417,571	117,673	14,671	1,019,739	1,569,654
Deferred Inflows - Property Taxes	1,623,842	-	-	-	1,623,842
Fund Balance					
Nonspendable	-	-	971	-	971
Restricted	137,568	-	-	-	137,568
Unassigned	1,434,312	(38,700)	(14,671)	(433,123)	947,818
Total Fund Balance	1,571,880	(38,700)	(13,700)	(433,123)	1,086,357
Total Liabilities, Deferred Inflows, and Fund Balance	$ 3,613,293	$ 78,973	$ 971	$ 586,616	$ 4,279,853

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

VILLAGE OF ISLAND LAKE

Governmental Fund Type - Combined Statement of Revenue, Expenditures and Changes in Fund Balance

For the Year Ended April 30, 2025

	General Fund	Garbage Fund	Recreation Fund	Motor Fuel Tax Fund	Total
Revenue					
Property taxes	$ 1,327,673	$ -	$ -	$ -	$ 1,327,673
Intergovernmental revenue	3,062,267	-	-	363,751	3,426,018
Utility taxes	355,644	-	-	-	355,644
Licenses, fees, permits, taxes	281,475	-	1,400	-	282,875
Fines	143,968	-	-	-	143,968
Summer camp	-	-	11,480	-	11,480
Club fees	-	-	88,641	-	88,641
Grants and donations	199,088	-	2,352	-	201,440
Miscellaneous and other income	29,204	542	85,503	-	115,249
Loan proceeds	217,254	-	-	-	217,254
Interest income	5,544	-	-	-	5,544
Total Revenue	5,622,117	542	189,376	363,751	6,175,786
Expenditures					
Current					
General government	1,663,843	-	-	-	1,663,843
Public safety	2,512,964	-	-	-	2,512,964
Culture and recreation	470,914	-	216,796	-	687,710
Highway and streets	810,698	-	-	109,922	920,620
Capital Outlay					
Capital expenditures	485,486	-	-	398,294	883,780
Debt Service					
Debt service - principal	12,512	-	-	-	12,512
Debt service - interest	4,266	-	-	-	4,266
Total Expenditures	5,960,683	-	216,796	508,216	6,685,695
Excess/(Deficiency) of Revenues Over Expenditures	(338,566)	542	(27,420)	(144,465)	(509,909)
Other Financing Sources (Uses)					
Operating transfers in/(out)	(191,260)	-	190,000	-	(1,260)
Net Change in Fund Balance	(529,826)	542	162,580	(144,465)	(511,169)
Fund Balance					
Fund Balance, beginning of year	2,101,706	(39,242)	(176,280)	(288,658)	1,597,526
Fund Balance, end of year	$ 1,571,880	$ (38,700)	$ (13,700)	$ (433,123)	$ 1,086,357

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

VILLAGE OF ISLAND LAKE

Reconciliation of the Governmental Fund Balance to the Statement of Net Position and the Statement of Activities

For the Year Ended April 30, 2025

Reconciliation of the Governmental Fund Balance to the Statement of Net Position

Total Fund Balances - Total Governmental Funds	$	1,086,357
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Amount net of depreciation/amortization		26,983,157
Pension liabilities and deferred inflows/outflows are not reported in funds		(9,682,126)
Long term debt is not recorded in the fund statement but is included as a liability in the Statement of Net Position		(547,927)
Total Net Position - Governmental Activities	$	17,839,461

Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities

Net Change in Fund Balance - Governmental Funds	$	(511,169)
Governmental funds report capital outlays and leases as expenditures; however for the Statement of Activities the amounts are capitalized and depreciated/amortizated over their useful life. (amount shown is net of depreciation)		(245,530)
Governmental funds report the payment of debt as an expenditure; however the Statement of Activities records the payment as a reduction in the debt liability.		12,512
Governmental funds report loan proceeds as other financing source revenue, however the Statement of Activities records the proceeds as an increase in debt liability.		(217,254)
Governmental funds do not record GASB 87 Right-of-use lease assets/liabilities: however the Statement of Activities records the expense of leases.		211,649
Governmental funds do not record GASB 68 pension liabilities: however the Statement of Activities records the expense of pensions.		(463,017)
Governmental funds do not accrue for compensated absences but the expenses are accrued for in the Statement of Activities.		(312,992)
Changes in Net Position - Governmental Activities	$	(1,525,801)

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

VILLAGE OF ISLAND LAKE

Proprietary Fund Type - Waterworks Fund

Statement of Net Position

April 30, 2025

	Waterworks Fund
Assets	
Cash and cash equivalents	$ 2,814,894
Accounts receivable, net of allowance	217,689
Capital assets, net of depreciation	8,777,538
Due from other funds	117,673
Total Assets	11,927,794
Liabilities	
Accounts payable and accruals	131,247
Accrued payroll	10,615
Compensated absences - noncurrent	17,375
Water deposits	16,308
Total Liabilities	175,545
Net Position	
Net investment in capital assets	8,777,538
Unrestricted	2,974,711
Total Net Position	11,752,249
Total Liabilities and Net Position	$ 11,927,794

VILLAGE OF ISLAND LAKE

Proprietary Fund Type - Waterworks Fund Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended April 30, 2025

	Waterworks Fund
Revenues	
Water usage charges	$ 1,535,958
Water meters	850
Inspection fees	340
Late fees and discounts	31,211
Total Revenues	1,568,359
Expenses	
Administrative	526,456
Contractual	548,640
Commodities	230,830
Total Expenses	1,305,926
Operating Income (Loss) Before Depreciation/Amortization	262,433
Less: Depreciation and Amortization	383,796
Operating Income (Loss)	(121,363)
Non-Operating Income (Expense)	
Miscellaneous and other income	4,150
Total Non-operating Income/(Expense)	4,150
Net Income (Loss) Before Transfers	(117,213)
Operating Transfers	1,260
Capitalized connection fees	18,366
Net Position, Beginning of Year	11,849,836
Total Net Position	$ 11,752,249

VILLAGE OF ISLAND LAKE

Proprietary Fund Type - Waterworks Fund
Statement of Cash Flows
For the Year Ended April 30, 2025

Cash Flows from Operating Activities		
Cash received from customers and users	$	1,568,359
Cash paid to suppliers		(764,922)
Cash paid for personnel		(526,456)
Net Cash Provided by Operating Activities		276,981
Cash Flows from Noncapital Financing Activities		
Other income		4,150
Transfers to General Fund		1,260
Net Cash Provided by Noncapital Financing Activities		5,410
Cash Flows from Capital & Financing Activities		
Contributed connection fees		18,366
Capital asset additions		(7,098)
Net Cash Provided by Capital & Financing Activities		11,268
Net Increase/(Decrease) in Cash		293,659
Cash, beginning of year		2,521,235
Cash, end of year	$	2,814,894
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Net operating income (loss) for the year	$	(121,363)
Depreciation/amortization		383,796
(Increase) decrease in accounts receivable		(39,149)
Increase (decrease) in accounts payable		111,877
Increase (decrease) in accrued payroll		1,742
Increase (decrease) in deposits		287
Increase (decrease) compensated absences		13,565
Increase (decrease) in due to other funds		(73,774)
Net Cash Provided by Operating Activities	$	276,981

Cash payments for interest made during the year were $0.

VILLAGE OF ISLAND LAKE

Fiduciary Fund Type - Police Pension Fund

Statement of Net Position

April 30, 2025

Assets	
Cash and Cash Equivalents	$ 260,754
Investments Held in the Illinois Police Officers' Pension Investment Fund	3,919,443
Total Assets	4,180,197
Net Position	
Held in Trust for Pension Benefits	$ 4,180,197

VILLAGE OF ISLAND LAKE

Fiduciary Fund Type - Police Pension Fund

Statement of Changes in Net Position

For the Year Ended April 30, 2025

Additions		
Contributions - employer	$	696,910
Contributions - plan members		247,352
Total Contributions		944,262
Investment Income		
Interest earned		20,592
Net change in fair value		310,973
Total Investment Income		331,565
Less: Investment Expenses		(2,372)
Net Investment Income		329,193
Total Additions		1,273,455
Deductions		
Benefits and Refunds:		
Benefits		682,221
Professional services		38,499
Total Deductions		720,720
Change in Net Position		552,735
Net Position Held in Trust for Pension Benefits		
Net Position, Beginning of Year		3,627,462
Net Position, End of Year	$	4,180,197

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Island Lake, Illinois, (Village) is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police safety, highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, waterworks services and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY –

The Village's financial reporting entity comprises the following:

Primary Government Village –

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61,- "The Financial Reporting Omnibus - an Amendment of GASB Statement No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

Police Pension Employees Retirement System –

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL STATEMENT PRESENTATION –

Government-Wide Statements –

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's public safety, highway and street maintenance and reconstruction, culture and recreation, and general administrative services are classified as governmental activities. The Village's waterworks services are classified as business-type activities.

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, culture and recreation, etc.) The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges for services, etc.).

The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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 contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, interest income, etc.).

The Village allocates indirect costs to the proprietary funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations but are paid through the General Fund.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements –

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds, if any, by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

- Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

GOVERNMENTAL FUNDS -

The focus of the governmental funds measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

General fund –

The general operating fund of the Village is used to account for all financial resources except those required to be accounted for in another fund. The general fund is a major fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Special revenue funds –

The special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains three major special revenue funds. The Garbage Fund is used to account for restricted revenues and expenditures related to the disposal of residential solid waste. The Recreation Fund is used to account for revenues and expenditures related to the establishment and maintenance of recreational programs. The Motor Fuel Tax Fund is used to account for restricted funds received from the State of Illinois Motor Fuel Tax to be used for operating and maintaining local streets and roads.

Proprietary Funds –

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary fund of the Village:

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains one major enterprise fund, the Waterworks Fund, which is used to account for revenues and expenses related to the operation of the waterworks utilities.

Fiduciary Funds –

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

Pension trust funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to be used for disability and retirement annuity payments to employees covered by the plan.

Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING -

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined on the following pages.

Measurement Focus –

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

Basis of Accounting –

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in the period for which they were intended to finance in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary and pension trust funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds, are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

ASSETS, LIABILITIES, AND NET POSITION OR EQUITY -

Cash and Cash equivalents –

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of proprietary funds "Statement of Cash Flows", cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Receivables –

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report waterworks charges as their major receivables.

Interfund Receivables, Payables and Activity –

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Prepaids –

Prepaids are valued at cost, which approximates market. The cost of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

Capital Assets –

Capital assets purchased or acquired with an original cost of $5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets,

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

traffic signals and signs are capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets is the same as those used for the general capital assets. Donated capital assets are capitalized at acquisition value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Land improvements	10 Years
Buildings	50 Years
Machinery and equipment	5-20 Years
Vehicles	5-10 Years
Infrastructure	50 Years
Water Plant	40-70 Years

Compensated Absences –

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 101, a liability is recorded for rights to receive sick pay benefits and estimated by employee contract to be paid out or estimated amount of usage.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations –

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

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

Unearned Revenues–

Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Fund Equity –

In the 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 of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets –

Consists of net assets with constraints placed on the 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 legislations.

Unrestricted net assets –

All other net assets that do not meet the definition of "restricted" or "net investment in capital assets."

NOTE 2 – STEWARDSHIP, ACCOUNTABILITY AND BUDGETARY COMPLIANCE

All budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, special revenue (except Garbage), and the enterprise funds. All annual appropriations lapse at fiscal year end.

During the first quarter of each year, the Finance Committee of the Board of Trustees, working in conjunction with the Village Treasurer, drafts an appropriation ordinance to be adopted by the Village Board. The ordinance also specifies the objects and purposes for which these appropriations are made and the amount appropriated for each.

Prior to adoption of the appropriation ordinance, the Village makes the proposed ordinance conveniently available for public inspection and holds at least one hearing subsequent to published notice. Subsequent to the public hearing and before final action is taken on the appropriation ordinance, the Village Board may revise, alter, increase, or decrease the items contained therein.

Final action to adopt the appropriation for the year ended the following April 30th, is taken by the Board before December 31st.

The Board may subsequently transfer appropriation amounts to other appropriations. Furthermore, under certain conditions, it may pass a supplemental appropriation; however, a supplemental appropriation was not passed during the fiscal year.

Expenditures may not legally exceed budgeted appropriations at the fund level.

Budgetary Compliance -

The Village's budgetary comparison schedules are presented using the appropriations ordinance of the Village, the legal spending limit of the Village is outlined in the Appropriation Ordinance. The following funds have expenditures/expenses in relation to the relative appropriation ordinance as listed below.

NOTE 2 – STEWARDSHIP, ACCOUNTABILITY AND BUDGETARY COMPLIANCE (CONTINUED)

Fund	Final Appropriation	Actual Expenditures
General	$ 6,258,570	$ 5,960,683
Recreation	192,197	216,796
Motor Fuel Tax	448,000	508,216
Waterworks	1,318,347	1,689,722

NOTE 3 – DETAIL NOTES ON ALL FUNDS, DEPOSITS AND INVESTMENTS

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

Permitted Deposits and Investments - Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, mortgages, veteran's loans, life insurance company contracts, money market mutual funds and common and preferred stocks.

The deposits and investments of the Police Pension Fund are held separately from those of the Village. The Illinois Police Officers' Pension Investment Fund (IPOPIF) investment policy was originally adopted by the Board of Trustees on December 17, 2021. IPOPIF has the authority to invest trust fund assets in any type of security subject to the requirements and restrictions set forth in the Illinois Pension Code and is not restricted by the Pension Code sections that pertain exclusively to the Article 3 participating police pension funds. IPOPIF shall be subject to the provisions of the Illinois Pension Code including, but not limited to, utilization of emerging investment managers and utilization of businesses owned by minorities, women and persons with disabilities.

IPOPIF is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public

NOTE 3 – DETAIL NOTES ON ALL FUNDS, DEPOSITS AND INVESTMENTS (CONTINUED)

Act 101-0610 and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds as defined in 40 ILCS 5/22B-105. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory.

Investments of the plan are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual comprehensive report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2025. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, IL 61602 or at www.ipopif.org.

The Net Asset Value (NAV) of the plan's pooled investment in IPOPIF was $3,919,443 at April 30, 2025. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at April 30, 2025. The plan may redeem shares with a seven-calendar-day notice. IPOPIF may, at its sole discretion, and based on circumstances, process redemption requests with fewer than a seven-calendar-day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

For the year ended April 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 8.81%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE INTEREST RATE RISK, CREDIT RISK, CUSTODIAL CREDIT RISK AND CONCENTRATION RISK

Deposits –

The carrying amount of the Village's deposits for governmental and business type activities totaled $3,790,034 and the bank balances totaled $4,154,777 at April 30, 2025. The Village has $500,000 covered by FDIC insurance, $3,460,866 collateralized, $7,355 uncollateralized and $186,556 of these balances is invested in the Illinois Funds at April 30, 2025.

NOTE 3 – DETAIL NOTES ON ALL FUNDS, DEPOSITS AND INVESTMENTS (CONTINUED)

Interest Rate Risk –

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy states that safety of principal is the foremost object of the Village. The policy additionally states that the investments of the Village shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. At April 30, 2025, the Village does not have any other investments outstanding other than the investment in the Illinois Funds, which has an average maturity of less than one year.

Credit Risk –

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in instruments authorized under State Statute, the Village's investment policy does not further limit investment instrument choices. At April 30, 2025, the Village's investment in the Illinois Funds is rated AAAmmf byFitch.

Custodial Credit Risk –

In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. For an investment, this 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 that are in the possession of an outside party. The Village's investment policy states that all funds on deposit in banks are to be at a collateralization level of 102% of market value of principal and accrued interest. At year-end, the Village's investment in the Illinois Funds is non-categorizable for custodial credit risk.

Concentration Credit Risk –

This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that the Village shall diversify investments by security type and institution. At year-end, the Village's investment in the Illinois Funds do not represent more than 5% of the total cash and investment portfolio.

Cash equivalents-

At year-end, the carrying amount of the Pension Fund cash equivalents totaled $260,754.

NOTE 3 – DETAIL NOTES ON ALL FUNDS, DEPOSITS AND INVESTMENTS (CONTINUED)

POLICE PENSION FUND - INTEREST RATE RISK, CREDIT RISK, CUSTODIAL CREDIT RISK AND CONCENTRATION RISK

Police Pension Fund Investments –

At year-end, the Pension Fund has the following investments and maturities:

		Investment Maturities (in Years)			
	Fair Value	Less Than 1	1 to 5	6 to 10	More than 10
Illinois Police Officers' Pension Investment Fund	$ 3,919,443	$ 3,919,443	$ -	$ -	$ -
	$ 3,919,443	$ 3,919,443	$ -	$ -	$ -

The Fund retains all of its available cash with two financial institutions. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund.

Interest Rate Risk –

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Fund's investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

Credit Risk –

The Fund limits its exposure to credit risk, the risk that the issuers of a debt security will not pay its par value upon maturity, by primarily investing in money market mutual funds. The Fund's investment policy stresses the safety of principal, but does not specifically address credit risk. As of April 30, 2025, the money market mutual funds were not rated.

NOTE 3 – DETAIL NOTES ON ALL FUNDS, DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk –

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. Flow-through FDIC insurance is available for the Fund's deposits with financial institutions. The Fund's investment policy requires pledging of collateral for its deposits in excess of federal depository insurance.

Property Taxes –

The Village's property tax is levied on January 1 of each year on all taxable real property located in the Village. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments in June and in September of the following calendar year. The Village receives significant distribution of tax receipts approximately one month after these dates. The revenue for the current fiscal year is from the 2023 levy. The 2024 levy was passed by the board on November 14th, 2024.

NOTE 3 – DETAIL NOTES ON ALL FUNDS, DEPOSITS AND INVESTMENTS (CONTINUED)

CAPITAL ASSETS –

Governmental Activities –

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable capital assets				
Land	$ 8,116,308	$ -	$ -	$ 8,116,308
Depreciable capital assets				
Land improvements	215,000	-	-	215,000
Buildings	803,463	-	-	803,463
Machinery and equipment	841,411	342,317	-	1,183,728
Vehicles	1,292,036	-	-	1,292,036
Right of use asset	164,322	423,207	84,912	502,617
Infrastructure	40,877,642	369,645	-	41,247,287
	44,193,874	1,135,169	84,912	45,244,131
Less: accumulated depreciation/amortization				
Land improvements	215,000	-	-	215,000
Buildings	477,488	20,133	-	497,621
Machinery and equipment	674,191	30,750	-	704,941
Vehicles	1,286,469	4,236	-	1,290,705
Right of use asset	148,191	104,300	84,912	167,579
Infrastructure	22,703,363	798,073	-	23,501,436
	25,504,702	957,492	84,912	26,377,282
Total net depreciable capital assets	18,689,172	177,677	-	18,866,849
Total net capital assets	$ 26,805,480	$ 177,677	$ -	$ 26,983,157

Depreciation/amortization expense was charged to governmental activities as follows:

General Government	$ 48,967
Public Safety	97,212
Highways and Streets	811,313
Governmental Depreciation/Amortization	$ 957,492

NOTE 3 – DETAIL NOTES ON ALL FUNDS, DEPOSITS AND INVESTMENTS (CONTINUED)

Business-Type Activities –

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Depreciable capital assets				
Machinery and equipment	$ 598,700	$ 7,098	$ -	$ 605,798
Vehicles	279,780	-	-	279,780
Water System/Infrastructure	14,709,404	-	-	14,709,404
	15,587,884	7,098	-	15,594,982
Less: accumulated depreciation				
Machinery and equipment	269,127	29,896	-	299,023
Vehicles	218,961	7,543	-	226,504
Water System/Infrastructure	5,945,560	346,357	-	6,291,917
	6,433,648	383,796	-	6,817,444
Total net capital assets	$ 9,154,236	$ (376,698)	$ -	$ 8,777,538

Depreciation expense of $383,796 was charged to the waterworks business-type activities.

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances –

Interfund balances for the year consisted of the following:

Receivable Fund	Payable Fund	Amount
General	Motor Fuel Tax	$ 1,003,363
General	Recreation	$ 978
Waterworks	Garbage	$ 117,673

NOTE 3 – DETAIL NOTES ON ALL FUNDS, DEPOSITS AND INVESTMENTS (CONTINUED)

Interfund Balances –

The Village has made internal transfers between funds/accounts in the current year and they are as follows:

Fund/ Account	Transfer Out	Fund/ Account	Transfer In
General	190,000	Recreation	190,000
General	1,260	Waterworks	1,260

All transfers from the General Fund and to other funds were for operating purposes.

LONG- TERM DEBT -

Notes Payable –

The Village issues notes payable to provide funds for the acquisition of capital equipment and facilities. Notes payable currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Note Payable of 2024 for the purchase of a John Deere 324P front loader, due in monthly installments of $3,190.48 including interest at 5.94% through December 3, 2029	General	$ -	$ 165,259	$ 9,504	$ 155,755
Note Payable of 2024 for the purchase of a Vermeer chipper, due in monthly installments of $1,003.81 including interest at 5.94% through December 3, 2029	General	$ -	$ 51,995	$ 3,008	$ 48,987
Totals		$ -	$ 217,254	$ 12,512	$ 204,742

Schedule of Outstanding Notes Payable

Fiscal Year Ended due	John Deere 324P wheel loader		Vermeer Chipper		Totals	
	Interest	Principal	Interest	Principal	Interest	Principal
April 30, 2026	$ 8,448	$ 29,837	$ 2,658	$ 9,388	$ 11,106	$ 39,225
April 30, 2027	6,626	31,660	2,085	9,961	8,711	41,621
April 30, 2028	4,693	33,593	1,476	10,569	6,169	44,162
April 30, 2029	2,641	35,645	831	11,215	3,472	46,860
April 30, 2030	505	25,020	176	7,854	681	32,874
Total	$ 22,913	$ 155,755	$ 7,226	$ 48,987	$ 30,139	$ 204,742

NOTE 3 – DETAIL NOTES ON ALL FUNDS, DEPOSITS AND INVESTMENTS (CONTINUED)

Long-Term Liability Activity – Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities:					
Net pension liability	$ 9,661,644	$ 279,344	$ -	$ 9,940,988	$ -
Compensated absences	149,940	312,992	-	462,932	-
ROU lease payable	131,627	211,558	-	343,185	105,936
Notes payable	-	217,254	12,512	204,742	39,225
	$ 9,943,211	$ 1,021,148	$ 12,512	$ 10,951,847	$ 145,161
Business-Type Activities:					
Compensated absences	$ 3,810	$ 13,565	$ -	$ 17,375	$ 17,375
	$ 3,810	$ 13,565	$ -	$ 17,375	$ 17,375

The General Fund makes payments on the net pension liability. Payments on the notes payable are made by the General Fund. For the governmental activities, compensated absences are generally liquidated by the General Fund. Also, for business-type activities, compensated absences are liquidated by the Waterworks Fund.

NOTE 3 – DETAIL NOTES ON ALL FUNDS, DEPOSITS AND INVESTMENTS (CONTINUED)

FUND BALANCE -

Investment in capital assets – net of related debt, was comprised of the following as of

April 30, 2025:

Governmental activities	
Capital assets - net of accumulated depreciation	$26,983,157
Less capital related debt:	
Notes payable	(204,742)
ROU lease payable	(343,185)
Net investment in capital assets	$26,435,230
Business-type activities	
Capital assets - net of accumulated depreciation	$ 8,777,538
Less: capital related debt	-
Net investment in capital assets	$ 8,777,538

Fund Balance Classifications -

The Village implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* for the fiscal year ended April 30, 2011. In the governmental funds financial statements, the Village first utilizes restricted resources to finance qualifying activities, then committed, assigned and unassigned fund balance. The classifications used in the governmental fund financials statements are as follows:

NONSPENDABLE - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The Village has not classified any items as being Nonspendable.

RESTRICTED - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Infrastructure Projects are restricted by State Statute and County laws and are legally segregated for funding of infrastructure improvements. This

NOTE 3 – DETAIL NOTES ON ALL FUNDS, DEPOSITS AND INVESTMENTS (CONTINUED)

classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

COMMITTED - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Village Board. These amounts cannot be used for any other purpose unless the Village Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

ASSIGNED - This classification includes amounts that are constrained by the Village's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Village Board or through the Village Board delegating this responsibility to the Village President through the budgetary process.

UNASSIGNED - This classification includes the residual fund balance for the General Fund and the amount established for minimum funding which represents the portion of the General Fund balance that has been established by the board to be used for debt service or in emergency situations.

Minimum Fund Balance Policy –

The Village's policy manual states that the General Fund should maintain a minimum unassigned fund balance equal to three months of budgeted operating expenditures, excluding transfers and capital expenditures. Fund balances in excess of said levels may be transferred to the capital projects fund at the discretion of the Board.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Garbage	Recreation	Motor Fuel Tax	Total
Fund Balances					
Nonspendable	$ -	$ -	$ 971	$ -	$ 971
Restricted					
Property tax levies:					
IMRF	137,568	-	-	-	137,568
Total Restricted	137,568	-	-	-	137,568
Unassigned	1,434,312	(38,700)	(14,671)	(433,123)	947,818
Total Fund Balances	$ 1,571,880	$ (38,700)	$ (13,700)	$ (433,123)	$ 1,086,357

NOTE 4 – RISK MANAGEMENT AND OTHER INFORMATION

RISK MANAGEMENT -

The McHenry County Municipal Risk Management Agency (MCMRMA) –

The McHenry County Municipal Risk Management Agency is a proprietary agency whose members are McHenry County, Illinois governments. MCMRMA manages and funds first party property losses, third party liability claims, workers' compensation claims, and Public Officials liability claims of its members.

Each member assumes the first $1,000 of each occurrence and has self-insurance retention at various amounts. Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers, a Chairman and a Treasurer.

The Village does not exercise any control over the activities of the Agency beyond its representation on the Board of Directors.

Initial contributions are determined in advance of each membership year based on the individual member's eligible revenue as defined in the bylaws of MCMRMA and assessment factors based on past member experience and the funding needs for the membership year. The Board of Directors may require that supplemental contributions be made by members to ensure adequate funds are available to meet the obligations applicable to the membership year.

Members have a contractual obligation to fund any deficit of MCMRMA attributable to a membership year during which they were a member.

CONTINGENT LIABILITIES -

Grants –

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

NOTE 5 – RETIREMENT PLANS

VILLAGE RETIREMENT PLANS –

The Village participates in multiple retirement plans. Illinois Municipal Retirement Fund (IMRF) consists of two plans, the Regular Plan (RP) and the Sheriff's Law Enforcement Plan (SLEP) for the Village. The Village also has a Police Pension Plan for its current members, which is included in the overall Village retirement set of plans.

PLAN DESCRIPTIONS, PROVISIONS AND FUNDING POLICIES – IMRF & SLEP

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

BENEFITS PROVIDED -

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

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

Employees hired ***on or after*** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits)

NOTE 5 – RETIREMENT PLANS (CONTINUED)

or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

As of December 31, 2024, the following employees were covered by the benefit terms:

	IMRF	IMRF - SLEP
Retirees and Beneficiaries currently receiving benefits	33	2
Inactive Plan Members entitled to but not yet receiving benefits	13	0
Active Plan Members	17	0
Total	63	2

CONTRIBUTIONS -

As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2024 was 10.59%. The Village's annual contribution rate for calendar year 2025 was 12.73%. For the year ended April 30, 2025, the Village contributed $124,271 to the plan. The Village's annual SLEP contribution rate for calendar year 2024 was 12.48%. For the year ended April 30, 2025, the Village contributed $0 to the SLEP 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.

NET PENSION LIABILITY -

The Village's net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

NOTE 5 – RETIREMENT PLANS (CONTINUED)

ACTUARIAL ASSUMPTIONS -

The following are the methods and assumptions used to determine total pension liability at December 31, 2024:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study from years 2020 to 2022.
- For non-disabled 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.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2024:

NOTE 5 – RETIREMENT PLANS (CONTINUED)

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	33.5%	4.35%
International Equity	18.0%	5.40%
Fixed Income	24.5%	5.20%
Real Estate	10.5%	6.40%
Alternative Investments	12.5%	4.85-6.25%
Cash Equivalents	1.0%	3.60%
Total	100%	

SINGLE DISCOUNT RATE -

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.08%, and the resulting single discount rate is 7.25%.

NOTE 5 – RETIREMENT PLANS (CONTINUED)

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE-

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

Sensitivity of Net Pension Liability/(Asset) to the Single discount rate Assumption - Regular Plan

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	$ 10,252,348	$ 9,406,233	$ 8,692,229
Plan Fiduciary Net Position	8,278,933	8,278,933	8,278,933
Net Pension Liability/(Asset)	$ 1,973,415	$ 1,127,300	$ 413,296

Sensitivity of Net Pension Liability/(Asset) to the Single discount rate Assumption - SLEP

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	$ 248,966	$ 232,554	$ 218,113
Plan Fiduciary Net Position	315,076	315,076	315,076
Net Pension Liability/(Asset)	$ (66,110)	$ (82,522)	$ (96,963)

NOTE 5 – RETIREMENT PLANS (CONTINUED)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Position Liability (a) - (b)
Balances Beginning at 5/01/24	$ 9,137,503	$ 8,083,933	$ 1,053,570
Changes for the year:			
Service Cost	$ 86,495	$ -	$ 86,495
Interest	639,070	-	639,070
Actuarial Experience	275,161	-	275,161
Assumptions Changes	-	-	-
Contributions - Employer	-	116,639	(116,639)
Contributions - Employee	-	49,563	(49,563)
Net Investment Income	-	833,585	(833,585)
Benefit Payments, Including Refunds	(731,996)	(731,996)	-
Administrative Expense	-	(72,791)	72,791
Net Changes	268,730	195,000	73,730
Balances Ending at 4/30/25	$ 9,406,233	$ 8,278,933	$ 1,127,300

Plan fiduciary net position as a percentage of the total pension liability	88.02%
Covered Valuation payroll	$ 1,101,397
Net pension liability as a percentage of covered valuation payroll	102.35%

NOTE 5 – RETIREMENT PLANS (CONTINUED)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Position Liability (a) - (b)
Balances Beginning at 5/01/24	$ 249,412	$ 322,336	$ (72,924)
Changes for the year:			
Service Cost	$ -	$ -	$ -
Interest	17,095	-	17,095
Actuarial Experience	-	-	-
Assumptions Changes	(6,709)	-	(6,709)
Plan Changes	-	-	-
Contributions - Employer	-	-	-
Contributions - Employee	-	-	-
Net Investment Income	-	34,249	(34,249)
Benefit Payments, Including Refunds	(27,244)	(27,244)	-
Administrative Expense	-	(14,265)	14,265
Net Changes	(16,858)	(7,260)	(9,598)
Balances Ending at 4/30/25	$ 232,554	$ 315,076	$ (82,522)

Plan fiduciary net position as a percentage of the total pension liability	135.49%
Covered Valuation payroll	$ -
Net pension liability as a percentage of covered valuation payroll	0.00%

NOTE 5 – RETIREMENT PLANS (CONTINUED)

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

For the period ended April 30, 2025, the Village recognized pension expense of $242,802. At April 30, 2025, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources -Regular Plan	Deferred Inflows of Resources -Regular Plan	Deferred Outflows of Resources - SLEP	Deferred Inflows of Resources - SLEP	Deferred Outflows of Resources - Total	Deferred Inflows of Resources - Total
Deferred Amounts to be Recognized in Pensions Expense in Future Periods						
Differences between expected and actual experience	$ 145,795	$ -	$ -	$ -	$ 145,795	$ -
Changes in assumptions	-	-	-	-	-	-
Net difference between projected and actual earnings on pension plan investments	218,142	-	8,224	-	226,366	-
Total Deferred Amounts to be recognized in pension expense in future periods	363,937	-	8,224	-	372,161	-
Pension Contributions Made Subsequent to the Measurement Date	46,727	-	-	-	46,727	-
Total Deferred Amounts Related to Pensions	$ 410,664	$ -	$ 8,224	$ -	$ 418,888	$ -

Pension contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending April 30,	Net Deferred Outflows of Resources - Regular Plan	Net Deferred Outflows of Resources - SLEP	Total
2026	$ 244,225	$ 4,037	$ 248,262
2027	290,062	12,070	302,132
2028	(116,221)	(5,407)	(121,628)
2029	(54,129)	(2,476)	(56,605)
2030	-	-	-
Thereafter	-	-	-
Total	$ 363,937	$ 8,224	$ 372,161

NOTE 5 – RETIREMENT PLANS (CONTINUED)

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2024 Contribution Rate* for both, Regular Plan and SLEP

Valuation Date:	
December 31, 2024	Actuarially determined contribution rates are calculated as of December 31 each
Notes	year, which are 12 months prior 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	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 19-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 14 years for most employers (five employers were financed over 15 years; one employer was financed over 16 years; two employers were financed over 17 years; one employer was financed over 20 years; three employers were financed over 23 years; four employers were financed over 24 years and one employer was financed over 25 years).
Asset Valuation Method	5-Year smoothed market; 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 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
Other Information:	
Notes	There were no benefit changes during the year

* Based on Valuation Assumptions used in the December 31, 2022 actuarial valuation

NOTE 5 – RETIREMENT PLANS (CONTINUED)

PLAN DESCRIPTION – POLICE PENSION PLAN

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 108 1/2 Article 3) and may be amended only by the Illinois legislature. The Village of Island Lake accounts for the plan as a pension trust fund. The Village's payroll for employees covered by the Police Pension Plan for the year ended April 30, 2025 was $1,352,371. Separate Police Pension Plan financial statements are available and can be obtained from the Village at 3720 Greenleaf Ave, Island Lake, IL.

The following is a summary of the Police Pension Plan as provided for in the Illinois State Statutes.

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 1/2 of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of $106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly benefit of a police officer hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lesser of 3% or 1/2 of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary.

NOTE 5 – RETIREMENT PLANS (CONTINUED)

Membership	
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	9
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	14
Active Plan Members	14
Total	37

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PLAN ASSET MATTERS-

Basis of accounting -- The financial statements are prepared using the accrual basis of accounting. Employees and employer contributions are recognized as revenues in the period in which employee services are performed.

Method used to value investments -- Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price.

SUMMARY OF SIGNIFICANT ACTUARIAL ASSUMPTIONS –

Discount Rate used for the Total Pension Liability	6.01%
Long-Term Expected Rate of Return on Plan Assets	6.50%
Inflation Rate Included	2.50%

The discount rate was updated from 5.92% to 6.01%.

The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments of 6.50% was blended with the index rate of 4.64% for tax-exempt general obligation municipal bonds rated AA or better at April 30, 2025, to arrive at a discounted rate of 6.01% used to determine the total pension liability.

The pooled investments consist of the investments as noted in the target allocation table available at www.ipopif.org.

NOTE 5 – RETIREMENT PLANS (CONTINUED)

The Fund's investment manager establishes the following target allocation across asset classes:

Asset Class	Target
US Large	23%
US Small	5%
International Developed	19%
International Developed Small	5%
Emerging Markets	6%
Private Equity (Direct)	7%
Bank Loans	3%
High Yeld Corp Credit	3%
Emerging Market Debt	3%
Private Credit	5%
US TIPS	3%
Real Estate/Infrastructure	8%
Cash	1%
Short-term Govt/Credit	3%
US Treasury	3%
Core Plus Fixed Income	3%
Total	100%

SENSITIVITY OF THE DISCOUNT RATE –

	1% Decrease 5.01%	Current Discount Rate 6.01%	1% Increase 7.01%
Employer Net Pension Liability	$ 10,813,077	$ 8,813,688	$ 7,195,870

NOTE 5 – RETIREMENT PLANS (CONTINUED)

The projection of cash flows used to determine the Discount Rate assumed that current Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate.

CHANGES IN NET PENSION LIABILITY -

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Position Liability (a) - (b)
Balances Beginning at 5/01/24	$ 12,235,536	$ 3,627,462	$ 8,608,074
Changes for the year:			
Service Cost	$ 320,254	$ -	$ 320,254
Interest	723,109	-	723,109
Actuarial Experience	447,038	-	447,038
Assumptions Changes	(163,163)	-	(163,163)
Contributions - Buy Back	113,332	-	113,332
Contributions - Employer	-	696,910	(696,910)
Contributions - Employee	-	134,020	(134,020)
Contributions - Buy Back	-	113,332	(113,332)
Net Investment Income	-	329,193	(329,193)
Benefit Payments, Including Refunds	(682,221)	(682,221)	-
Administrative Expense	-	(38,499)	38,499
Net Changes	758,349	552,735	205,614
Balances Ending at 4/30/25	$ 12,993,885	$ 4,180,197	$ 8,813,688

PENSION EXPENSE, DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES –

For the period ended April 30, 2025, the Village recognized pension expense of $1,033,764. The table below shows the cumulative amounts to be shown as deferred outflows and inflows of resources. Changes in total pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the pension fund. Differences in projected and actual earnings over the measurement period are recognized over a 5-year period. Amounts not yet recognized are summarized below.

NOTE 5 – RETIREMENT PLANS (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 479,342	$ 114,855
Changes in Assumptions	361,905	545,857
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	39,849	-
Total	$ 881,096	$ 660,712

Subsequent to the measurement date, the following amounts will be recognized in pension expense in the upcoming years:

Year Ended April, 30:	Net Deferred Outflows
2026	$ 264,174
2027	(41,680)
2028	(79,505)
2029	30,083
2030	47,312
Thereafter	-
Total	$ 220,384

RETIREMENT PLAN BALANCES

Below is aggregate information related to all of the pension plans in total reported by the Village as of and for the year ended April 30, 2025.

Total Retiement Plan Balances for the year Ended April 30, 2025

	IMRF	IMRF-SLEP	POLICE PENSION	Total
Total Pension Liability	$ 9,406,233	$ 232,554	$ 12,993,885	$ 22,632,672
Plan Fiduciary Net Position	8,278,933	315,076	4,180,197	12,774,206
Net Pension Liability	1,127,300	-	8,813,688	9,940,988
Net Pension Asset	-	82,522	-	82,522
Deferred Outflow	410,664	8,224	881,096	1,299,984
Deferred Inflow	-	-	660,712	660,712
Pension Expense	242,802	1,657	1,033,764	1,278,223

NOTE 6 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

As of these financial statements, the Village has adopted GASB Statement No. 65 and No. 68, which defined how certain financial statement elements are presented in the statement of financial position. The elements are classified as follows:

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. Accordingly, the item, deferred pension outflows, is reported only in the government-wide statement of net position.

Deferred outflows of resources ($1,299,984) reported are for pension related expenses to be recognized in the following year(s).

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Accordingly, the item, deferred inflow-property taxes, for $1,623,842 is reported in the governmental funds balance sheet and government-wide statement of net position. Deferred inflows of resources of $660,712 is reported in the government-wide statement of net position for pension related revenues to be recognized in the following year(s).

NOTE 7 – COMMITMENTS

LEASE:

The Village leases its police vehicle fleet under a lease agreement with Enterprise Fleet Management beginning in April 2020. The original term of each vehicle is 48 months, however new vehicles are added throughout the year as older vehicles are removed from service. Principal amounts for future payments are calculated to the net present value at 5% incremental borrowing rate over the life of the lease. The Right-of-Use (ROU) asset and lease liability have been included on the Statement of Net Position at the net present value of future lease payments within the current lease contract due to the implementation of GASB 87.

NOTE 7 – COMMITMENTS (CONTINUED)

Future minimum lease payments under the lease agreement are as follows:

Fiscal Year Ended Date	Principal	Interest	Total
4/30/2026	$ 105,936	$ 14,347	$ 120,283
4/30/2027	107,456	9,235	116,691
4/30/2027	111,565	3,864	115,429
4/30/2029	18,228	152	18,380
TOTALS	$ 343,185	$ 27,598	$ 370,783

NOTE 8 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued or available to be issued. There are no known subsequent events that have occurred as of the date of these financial statements that require inclusion into this report.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ISLAND LAKE, ILLINOIS

Schedule of Required Supplemental Information
Multi-year Schedule of Changes in Net IMRF Pension Liability and Related Ratios
Last 10 Calendar Years

(schedule to be built prospectively from 2015)

Calendar Year Ending	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	$ 86,495	$ 90,984	$ 101,032	$ 103,260	$ 122,809	$ 119,592	$ 109,470	$ 120,567	$ 112,915	$ 108,309
Interest on the Total Pension Liability	639,070	652,848	631,348	605,973	594,597	567,663	543,160	534,601	512,146	485,887
Benefit Changes	-	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	275,161	(227,212)	146,546	144,332	(62,361)	81,323	102,606	34,683	(18,651)	50,490
Assumption Changes	-	(18,221)	-	-	(36,773)	-	201,480	(216,699)	(22,906)	16,116
Benefit Payments and Refunds	(731,996)	(640,415)	(514,280)	(490,622)	(412,541)	(384,831)	(363,323)	(343,648)	(287,071)	(301,341)
Net Change in Total Pension Liability	268,730	(142,016)	364,646	362,943	205,731	383,747	593,393	129,504	296,433	359,461
Total Pension Liability - Beginning	9,137,503	9,279,519	8,914,873	8,551,930	8,346,199	7,962,452	7,369,059	7,239,555	6,943,122	6,583,661
Total Pension Liability - Ending (a)	$ 9,406,233	$ 9,137,503	$ 9,279,519	$ 8,914,873	$ 8,551,930	$ 8,346,199	$ 7,962,452	$ 7,369,059	$ 7,239,555	$ 6,943,122
Plan Fiduciary Net Position										
Employer Contributions	$ 116,639	$ 107,141	$ 134,540	$ 140,720	$ 135,101	$ 125,445	$ 139,865	$ 143,863	$ 148,895	$ 138,667
Employee Contributions	49,563	45,149	49,706	48,376	49,427	55,398	52,802	51,999	49,267	45,264
Pension Plan Net Investment Income	833,585	863,050	(1,266,778)	1,396,639	1,085,895	1,220,224	(366,499)	1,074,115	402,822	29,082
Benefit Payments and Refunds	(731,996)	(640,415)	(514,280)	(490,622)	(412,541)	(384,831)	(363,323)	(343,648)	(287,071)	(301,341)
Other	(72,791)	(314,217)	82,923	(45,886)	57,359	(66,091)	138,168	(102,210)	31,957	64,774
Net Change in Plan Fiduciary Net Position	195,000	60,708	(1,513,889)	1,049,227	915,241	950,145	(398,987)	824,119	345,870	(23,554)
Plan Fiduciary Net Position - Beginning	8,083,933	8,023,225	9,537,114	8,487,887	7,572,646	6,622,501	7,021,488	6,197,369	5,851,499	5,875,053
Plan Fiduciary Net Position - Ending (b)	$ 8,278,933	$ 8,083,933	$ 8,023,225	$ 9,537,114	$ 8,487,887	$ 7,572,646	$ 6,622,501	$ 7,021,488	$ 6,197,369	$ 5,851,499
Net Pension Liability/(Asset) - Ending (a) - (b)	$ 1,127,300	$ 1,053,570	$ 1,256,294	$ (622,241)	$ 64,043	$ 773,553	$ 1,339,951	$ 347,571	$ 1,042,186	$ 1,091,623
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	88.02%	88.47%	86.46%	106.98%	99.25%	90.73%	83.17%	95.28%	85.60%	84.28%
Covered Valuation Payroll	$ 1,101,397	$ 1,003,301	$ 1,104,579	$ 1,075,015	$ 1,098,376	$ 1,231,059	$ 1,173,370	$ 1,155,527	$ 1,094,814	$ 1,005,863
Net Pension Liability as a Percentage of Covered Valuation Payroll	102.35%	105.01%	113.74%	-57.88%	5.83%	62.84%	114.20%	30.08%	95.19%	108.53%

VILLAGE OF ISLAND LAKE, ILLINOIS

Schedule of Required Supplemental Information
Multi-year Schedule of IMRF Pension Contributions
Last 10 Fiscal Years
(schedule to be built prospectively from 2015)

Fiscal Year Ending April 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2016	$ 138,608	$ 138,667	$ (59)	$ 1,005,863	13.79%
2017	148,895	148,895	-	1,094,814	13.60%
2018	143,863	143,863	-	1,155,527	12.45%
2019	139,866	139,865	1	1,173,370	11.92%
2020	125,445	125,445	-	1,231,059	10.19%
2021	135,100	135,101	(1)	1,098,376	12.30%
2022	140,719	140,720	(1)	1,075,015	13.09%
2023	126,806	134,540	(7,734)	1,104,579	12.18%
2024	105,694	105,694	-	1,028,569	10.28%
2025	124,271	124,271	-	1,099,743	11.30%

VILLAGE OF ISLAND LAKE, ILLINOIS

Schedule of Required Supplemental Information
Multi-year Schedule of Changes in Net IMRF Pension Liability and Related Ratios - SLEP
Last 10 Calendar Years

(schedule to be built prospectively from 2015)

Calendar Year Ending	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Total Pension Liability										
Service Cost	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,185	$ 8,506	$ 15,898	$ 13,870
Interest on the Total Pension Liability	17,095	17,362	17,555	17,718	19,473	20,134	23,214	21,899	19,957	5,711
Benefit Changes	-	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	(6,709)	6,509	6,031	5,623	(11,064)	5,128	(38,214)	16,950	7,244	181,133
Assumption Changes	-	(653)	-	-	2,478	-	5,067	(8,855)	-	-
Benefit Payments and Refunds	(27,244)	(26,570)	(25,907)	(25,277)	(44,930)	(23,809)	(28,124)	(13,500)	(13,517)	(10,059)
Net Change in Total Pension Liability	(16,858)	(3,352)	(2,321)	(1,936)	(34,043)	1,453	(29,872)	25,000	29,582	190,655
Total Pension Liability - Beginning	249,412	252,764	255,085	257,021	291,064	289,611	319,483	294,483	264,901	74,246
Total Pension Liability - Ending (a)	$ 232,554	$ 249,412	$ 252,764	$ 255,085	$ 257,021	$ 291,064	$ 289,611	$ 319,483	$ 294,483	$ 264,901
Plan Fiduciary Net Position										
Employer Contributions	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,339	$ 14,669	$ 7,447	$ 4,247
Employee Contributions	-	-	-	-	-	-	6,380	6,762	6,571	4,914
Pension Plan Net Investment Income	34,249	35,938	(60,382)	64,073	48,890	60,871	(17,851)	45,286	16,943	733
Benefit Payments and Refunds	(27,244)	(26,570)	(25,907)	(25,277)	(44,930)	(23,809)	(28,124)	(13,500)	(13,517)	(10,059)
Other	(14,265)	11,893	4,410	3,129	(6,793)	3,653	13,598	4,212	512	95,495
Net Change in Plan Fiduciary Net Position	(7,260)	21,261	(81,879)	41,925	(2,833)	40,715	(14,658)	57,429	17,956	95,330
Plan Fiduciary Net Position - Beginning	322,336	301,075	382,954	341,029	343,862	303,147	317,805	260,376	242,420	147,090
Plan Fiduciary Net Position - Ending (b)	$ 315,076	$ 322,336	$ 301,075	$ 382,954	$ 341,029	$ 343,862	$ 303,147	$ 317,805	$ 260,376	$ 242,420
Net Pension Liability/(Asset) - Ending (a) - (b)	$ (82,522)	$ (72,924)	$ (48,311)	$ (127,869)	$ (84,008)	$ (52,798)	$ (13,536)	$ 1,678	$ 34,107	$ 22,481
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	135.49%	129.24%	119.11%	150.13%	132.69%	118.14%	104.67%	99.47%	88.42%	91.51%
Covered Valuation Payroll	$ -	$ -	$ -	$ -	$ -	$ -	$ 85,066	$ 90,161	$ 87,615	$ 65,526
Net Pension Liability as a Percentage of Covered Valuation Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-15.91%	1.86%	38.93%	34.31%

VILLAGE OF ISLAND LAKE, ILLINOIS

Schedule of Required Supplemental Information
Multi-year Schedule of IMRF Pension Contributions - SLEP
Last 10 Fiscal Years
(schedule to be built prospectively from 2015)

Fiscal Year Ending April 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2016	$ 4,305	$ 4,247	$ 58	$ 65,526	6.48%
2017	7,447	7,447	-	87,615	8.50%
2018	14,669	14,669	-	90,161	16.27%
2019	11,339	11,339	-	85,066	0.00%
2020	-	-	-	-	0.00%
2021	-	-	-	-	0.00%
2022	-	-	-	-	0.00%
2023	-	-	-	-	0.00%
2024	-	-	-	-	0.00%
2025	-	-	-	-	0.00%

VILLAGE OF ISLAND LAKE, ILLINOIS

Schedule of Required Supplemental Information
Multi-year Schedule of Changes in Net Police Pension Liability and Related Ratios
Last 10 Fiscal Years

(schedule to be built prospectively from 2015)

Fiscal Year Ending April 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	$320,254	$340,947	$326,371	$324,766	$284,151	$230,032	$225,345	$264,016	$230,454	$231,320
Interest on the Total Pension Liability	723,109	707,976	680,761	637,453	625,754	578,020	513,891	503,981	501,205	444,791
Benefit Changes	-	-	-	-	-	106,617	-	-	-	-
Difference between Expected and Actual Experience	447,038	(190,065)	16,636	136,139	(4,896)	281,040	574,074	106,397	(337,970)	141,823
Assumption Changes	(163,163)	(203,163)	337,164	(658,864)	1,159,940	(39,335)	335,923	(239,408)	356,975	370,848
Contributions - Buy Back	113,332									
Benefit Payments and Refunds	(682,221)	(557,974)	(487,473)	(508,761)	(506,453)	(507,780)	(431,114)	(432,210)	(410,205)	(355,519)
Net Change in Total Pension Liability	$758,349	$97,721	$873,459	($69,267)	1,558,496	648,594	1,218,119	202,776	340,459	833,263
Total Pension Liability - Beginning	$12,235,536	12,137,815	11,264,356	11,333,623	9,775,127	9,126,533	7,908,414	7,705,638	7,365,179	6,531,916
Total Pension Liability - Ending (a)	$12,993,885	$12,235,536	12,137,815	11,264,356	$11,333,623	$9,775,127	$9,126,533	$7,908,414	$7,705,638	$7,365,179
Plan Fiduciary Net Position										
Employer Contributions	696,910	543,929	221,343	218,845	193,532	194,946	200,671	243,401	278,353	249,889
Employee Contributions	134,020	119,984	125,661	122,462	112,868	110,937	90,382	83,915	90,071	131,357
Contributions - Buy Back	113,332									
Pension Plan Net Investment Income	329,193	290,886	27,527	(154,720)	544,265	65,246	188,268	170,037	212,493	12,427
Benefit Payments and Refunds	(682,221)	(557,974)	(487,473)	(508,761)	(506,453)	(507,780)	(431,114)	(432,210)	(410,205)	(355,519)
Other	(38,499)	(39,490)	(40,495)	(40,993)	(29,808)	(44,345)	(45,139)	(22,218)	(16,469)	(15,360)
Net Change in Plan Fiduciary Net Position	552,735	357,335	(153,437)	(363,167)	314,404	(180,996)	3,068	42,925	154,243	22,794
Plan Fiduciary Net Position - Beginning	3,627,462	3,270,127	3,423,564	$3,786,731	3,472,327	3,653,323	3,650,255	3,607,330	3,453,087	3,430,293
Plan Fiduciary Net Position - Ending (b)	4,180,197	3,627,462	3,270,127	3,423,564	$3,786,731	$3,472,327	$3,653,323	$3,650,255	$3,607,330	$3,453,087
Net Pension Liability/(Asset) - Ending (a) - (b)	8,813,688	8,608,074	8,867,688	7,840,792	7,546,892	6,302,800	5,473,210	4,258,159	4,098,308	3,912,092
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	32.17%	29.65%	26.94%	30.39%	33.41%	35.52%	40.03%	46.16%	46.81%	46.88%
Covered Valuation Payroll	$1,352,371	$1,210,737	$1,268,022	$1,235,742	$1,132,820	$1,218,506	$1,094,704	$890,386	$862,160	$887,619
Net Pension Liability as a Percentage of Covered Valuation Payroll	651.72%	710.98%	699.33%	634.50%	666.20%	517.26%	499.97%	478.24%	475.35%	440.74%

VILLAGE OF ISLAND LAKE, ILLINOIS

Schedule of Required Supplemental Information
Multi-year Schedule of Police Pension Contributions
Last 10 Fiscal Years
(schedule to be built prospectively from 2015)

Fiscal Year Ending April 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2016	$ 247,120	$ 249,889	$ (2,769)	$ 887,619	28.15%
2017	283,535	278,353	5,182	862,160	32.29%
2018	321,039	243,401	77,638	890,386	27.34%
2019	347,334	200,671	146,663	1,094,704	18.33%
2020	428,999	194,946	234,053	1,218,506	16.00%
2021	505,606	193,532	312,074	1,132,820	17.08%
2022	614,441	218,845	395,596	1,235,742	17.71%
2023	628,616	221,343	407,273	1,268,022	17.46%
2024	738,692	543,929	194,763	1,210,737	44.93%
2025	799,468	696,910	102,558	1,352,371	51.53%

Note: Actuarially determined contribution rates are calculated as of May 1 of the prior fiscal year.

VILLAGE OF ISLAND LAKE

General Fund - Statement of Revenues, Expenditures - Appropriations and Actual

For the Year Ended April 30, 2025

	Appropriations		Modified Accrual Basis
	Original	Final	
Revenue			
Property taxes	$ 1,284,509	$ 1,284,509	$ 1,327,673
Intergovernmental revenue	3,422,190	3,422,190	3,062,267
Utility taxes	460,000	460,000	355,644
Fines	158,500	158,500	143,968
Licenses, fees, permits, taxes	229,565	229,565	281,475
Grants and donations	224,605	224,605	199,088
Miscellaneous and other income	67,245	67,245	29,204
Interest income	6,000	6,000	5,544
Total Revenue	5,852,614	5,852,614	5,404,863
Expenditures			
Administrative			
Personnel			
Administrative salaries	284,873	284,873	246,541
Elected officials	44,550	44,550	35,625
Overtime	6,142	6,142	432
Zoning board of appeals	1,150	1,150	330
Retirement contribution	65,400	65,400	47,962
Part-time salaries	105,598	105,598	44,623
Total Personnel	507,713	507,713	375,513
Contractual Service			
Health and life insurance	29,639	29,639	26,474
Maintenance - equipment	3,000	3,000	3,656
Engineering services	37,000	37,000	39,883
Medical	300	300	-
Legal services	55,000	55,000	49,916
Data processing	55,350	55,350	70,861
Other professional services	55,000	55,000	57,862
Postage	13,000	13,000	7,026
Telephone	6,327	6,327	6,037
Publishing	750	750	319
Dues and subscriptions	4,000	4,000	6,046
Travel and meetings	500	500	345
Training	-	-	450
General insurance	-	-	170
Forms and printing	2,500	2,500	3,900
Bank charges	4,000	4,000	5,306
Total Contractual Services	266,366	266,366	278,251

continued

VILLAGE OF ISLAND LAKE

General Fund - Statement of Revenues, Expenditures - Appropriations and Actual

For the Year Ended April 30, 2025

	Appropriations		Modified Accrual Basis
	Original	Final	
Administrative (Continued)			
Commodities			
Office supplies	$ 5,000	$ 5,000	$ 3,287
Gasoline and oil	300	300	287
Operating supplies	10,000	10,000	8,514
Vehicle maintenance supplies	12,624	12,624	10,587
Total Commodities	27,924	27,924	22,675
Other Expenditures			
Community relations	7,000	7,000	6,054
Transfer for police pension	468,525	468,525	468,525
Miscellaneous expenses	100	100	-
Total Other Expenditures	475,625	475,625	474,579
Total Administrative Expenditures	1,277,628	1,277,628	1,151,018
Building/ Facilities and Grounds			
Personnel			
Salaries - personnel	20,800	20,800	20,218
Retirement contribution	1,592	1,592	1,592
Total Personnel	22,392	22,392	21,810
Contractual Services			
Maintenance - building	55,000	55,000	31,724
Maintenance - equipment	55,000	55,000	20,336
Maintenance - grounds	15,000	15,000	3,920
Uniforms	500	500	-
Tree removal	3,000	3,000	3,650
Sewer fees	2,000	2,000	1,748
Rentals	700	700	250
Total Contractual Services	131,200	131,200	61,628
Commodities			
Janitorial supplies	2,500	2,500	-
Building maintenance supplies	7,500	7,500	472
Total Commodities	10,000	10,000	472
Total Building and Grounds	163,592	163,592	83,910

continued

VILLAGE OF ISLAND LAKE

General Fund - Statement of Revenues, Expenditures - Appropriations and Actual

For the Year Ended April 30, 2025

	Appropriations		Modified Accrual Basis
	Original	Final	
Fire and Police Commission			
Contractual Services			
Fire and police commission salaries	$ 1,300	$ 1,300	$ 3,030
Other professional services	23,625	23,625	18,621
Training	1,800	1,800	994
Dues	800	800	800
Total Contractual Services	27,525	27,525	23,445
Total Fire and Police Commission	27,525	27,525	23,445
Emergency Management/ Civil Defense			
Communications	1,000	1,000	1,914
Dues	100	100	-
Small tools	600	600	-
Miscellaneous expense	500	500	2,933
Total Emergency Management	2,200	2,200	4,847
Total General Expenditures	1,470,945	1,470,945	1,263,220
Lake Management Committee			
Contractual Services			
Personnel services	3,600	3,600	810
Maintenance - equipment	-	-	1,276
Other professional services	14,100	14,100	18,760
Utilities	-	-	584
Fish management	3,200	3,200	1,955
Grant expenses	222,605	222,605	218,380
Signs & Poles	500	500	68
Training	2,000	2,000	1,362
Program expenses	1,000	1,000	468
Miscellaneous expense	600	600	-
Total Contractual Services	247,605	247,605	243,663
Commodities			
Operating supplies	500	500	2,115
Total Commodities	500	500	2,115

continued

VILLAGE OF ISLAND LAKE

General Fund - Statement of Revenues, Expenditures - Appropriations and Actual

For the Year Ended April 30, 2025

	Appropriations		Modified Accrual Basis
	Original	Final	
Lake Management Committee (Continued)			
Total Lake Management Committee	$ 248,105	$ 248,105	$ 245,778
Tort Immunity (Liability)			
Unemployment/liability insurance	353,718	353,718	244,940
Total Tort Immunity (Liability)	353,718	353,718	244,940
Audit			
Accounting services	24,000	24,000	23,500
Total Audit	24,000	24,000	23,500
Police Protection			
Personnel Services			
Employee salaries	1,795,008	1,795,008	1,622,079
Dispatch fees	167,549	167,549	167,549
Overtime	135,678	135,678	154,286
FTO and OIC pay	14,000	14,000	4,785
Sick-time, vacation buy back	5,000	5,000	2,917
Part-time salary	29,700	29,700	35,498
Health and life insurance	242,819	242,819	228,941
Retirement contribution	149,369	149,369	151,004
Total Personnel Services	2,539,123	2,539,123	2,367,059
Contractual Services			
Maintenance - equipment	5,000	5,000	3,247
Maintenance - vehicles	10,000	10,000	20,174
Legal services	65,000	65,000	60,938
Medical services	250	250	-
Data processing services	3,000	3,000	1,824
Other professional services	16,000	16,000	14,442
Postage	1,250	1,250	77
Telephone	13,522	13,522	11,246
Dues and subscriptions	34,000	34,000	32,267
Travel expenses	500	500	1,115
Training	30,000	30,000	25,048
Publications	350	350	298

continued

VILLAGE OF ISLAND LAKE

General Fund - Statement of Revenues, Expenditures - Appropriations and Actual

For the Year Ended April 30, 2025

	Appropriations		Modified Accrual Basis
	Original	Final	
Police Protection			
Contractual Services (Continued)			
Forms and printing	$ 2,000	$ 2,000	$ 416
Armory	10,000	10,000	4,498
Evidence files	2,000	2,000	452
Total Contractual Services	192,872	192,872	176,042
Commodities			
Vehicle maintenance supplies	6,000	6,000	3,698
Office supplies	5,000	5,000	3,376
Operating supplies	6,000	6,000	4,556
Gasoline and oil	45,000	45,000	44,144
Uniforms	28,525	28,525	28,414
Animal control	500	500	-
Miscellaneous expense	9,425	9,425	8,387
Total Commodities	100,450	100,450	92,575
Capital Outlay			
Equipment	33,000	33,000	99,229
Vehicle lease	122,200	122,200	166,885
Total Capital Outlay	155,200	155,200	266,114
Total Police Protection	2,987,645	2,987,645	2,901,790
Street and Bridge			
Personnel Services			
Employee salaries	459,386	459,386	419,319
Overtime	14,900	14,900	17,988
Part-time salary	46,300	46,300	114,451
Health and life insurance	125,625	125,625	95,334
Retirement contribution	94,857	94,857	93,381
Total Personnel Services	741,068	741,068	740,473
Contractual Services			
Maintenance - equipment	16,500	16,500	5,237
Maintenance - vehicles	12,000	12,000	638
Maintenance - streets	14,000	14,000	12,150
Storm tracking	4,000	4,000	1,000
Telephone	6,939	6,939	7,199
Publishing	1,500	1,500	-

continued

VILLAGE OF ISLAND LAKE

General Fund - Statement of Revenues, Expenditures - Appropriations and Actual

For the Year Ended April 30, 2025

	Appropriations		Modified Accrual Basis
	Original	Final	
Street and Bridge			
Contractual Services (Continued)			
Dues and subscriptions	$ 500	$ 500	$ 100
Training	3,500	3,500	136
Utilities	100	100	-
Other professional services	30,000	30,000	4,398
Rental	8,500	8,500	-
Total Contractual Services	97,539	97,539	30,858
Commodities			
Street lighting	10,000	10,000	21,042
Refuse disposal	15,000	15,000	19,608
Vehicle maintenance supplies	25,000	25,000	5,694
Street maintenance supplies	12,000	12,000	1,894
Storm sewer supplies	5,000	5,000	3,353
Office supplies	750	750	755
Operating supplies	10,000	10,000	4,539
Small tools	5,000	5,000	1,850
Gasoline and oil	27,000	27,000	28,750
Signs and poles	4,000	4,000	2,122
Uniforms	5,000	5,000	4,641
Miscellaneous	800	800	38,500
	119,550	119,550	132,748
Debt Service			
Debt Service - principal	-	-	12,512
Debt Service - interest	-	-	4,266
Total Debt Service	-	-	16,778
Capital Outlay			
Equipment	20,500	20,500	219,372
Vehicles	12,500	12,500	-
Total Capital Outlay	33,000	33,000	219,372
Total Street and Bridge	991,157	991,157	1,140,229

continued

VILLAGE OF ISLAND LAKE

General Fund - Statement of Revenues, Expenditures - Appropriations and Actual

For the Year Ended April 30, 2025

	Appropriations		Modified Accrual Basis
	Original	Final	
Parks			
Contractual Services			
Personnel services	$ -	$ -	$ 1,076
Maintenance - building	12,000	12,000	6,701
Maintenance - equipment	40,000	40,000	16,626
Maintenance - grounds	18,000	18,000	10,800
Maintenance - other	71,000	71,000	240
Total Contractual Services	141,000	141,000	35,443
Commodities			
Maintenance - supplies	12,000	12,000	94,277
Operating supplies	20,500	20,500	8,022
Utilities	6,500	6,500	-
Signs and poles	3,000	3,000	3,484
Total Commodities	42,000	42,000	105,783
Total Parks	183,000	183,000	141,226
Total General Fund	6,258,570	6,258,570	5,960,683
Other Financing Sources (Uses)			
Transfers in (out)	-	-	(191,260)
Loan proceeds	-	-	217,254
Total Other Financing Sources (Uses)	-	-	25,994
Net Change in Fund Balance	$ (405,956)	$ (405,956)	(529,826)
Fund Balance			
Balance, Beginning of Year			2,101,706
Total Fund Balance, End of Year			$ 1,571,880

concluded

VILLAGE OF ISLAND LAKE

Recreation Fund - Statement of Revenues, Expenditures and Changes in Fund Balance - Appropriations and Actual

For the Year Ended April 30, 2025

Revenue	Appropriations Original	Appropriations Final	Modified Accrual Basis
Summer camp	$ -	$ -	$ 11,480
Club fees	95,000	95,000	88,641
Camp fees	-	-	1,400
Grants, donations and fundraisers	15,500	15,500	2,352
Miscellaneous and other income	95,000	95,000	85,503
Total Revenue	205,500	205,500	189,376
Expenditures			
Personnel Services			
General administrative salaries	81,721	81,721	81,874
IMRF	2,214	2,214	3,106
Social security tax	5,067	5,067	5,231
Medicare tax	1,185	1,185	1,224
Total Personnel Services	90,187	90,187	91,435
Contractual Services			
Maintenance - equipment	500	500	-
Telephone	910	910	755
Instructor fees	150	150	-
Oktoberfest	27,000	27,000	29,717
Lakefest	42,000	42,000	63,861
Fireworks	22,000	22,000	21,735
Concerts in the park	2,000	2,000	-

continued

VILLAGE OF ISLAND LAKE

Recreation Fund - Statement of Revenues, Expenditures and Changes in Fund Balance - Appropriations and Actual

For the Year Ended April 30, 2025

	Appropriations		Modified Accrual Basis
	Original	Final	
Contractual Services (concluded)			
Training	$ 200	$ 200	$ 450
Total Contractual Services	94,760	94,760	116,518
Commodities			
Recreation supplies	3,500	3,500	-
Office supplies	150	150	491
Operating supplies	2,000	2,000	3,208
Miscellaneous expenditures	1,600	1,600	5,144
Total Commodities	7,250	7,250	8,843
Total Expenditures	192,197	192,197	216,796
Other Financing Sources (Uses)			
Operating Transfer In/(Out)	-	-	190,000
Total Other Financing Sources (Uses)	-	-	190,000
Net Change in Fund Balance	$ 13,303	$ 13,303	162,580
Fund Balance			
Balance, Beginning of Year			(176,280)
Total Fund Balance, End of Year			$ (13,700)

concluded

VILLAGE OF ISLAND LAKE

Motor Fuel Tax Fund - Statement of Revenues, Expenditures and Changes in Fund Balance - Appropriations and Actual

For the Year Ended April 30, 2025

	Appropriations		Modified Accrual Basis
	Original	Final	
Revenue			
Allotments	$ 400,000	$ 400,000	$ 363,751
Total Revenue	400,000	400,000	363,751
Expenditures			
Maintenance streets	350,000	350,000	398,294
Street lighting	58,000	58,000	73,698
Bank charges	-	-	133
Materials and supplies	40,000	40,000	36,091
Total Expenditures	448,000	448,000	508,216
Net Change in Fund Balance	$ (48,000)	$ (48,000)	(144,465)
Fund Balance			
Balance, Beginning of Year			(288,658)
Total Fund Balance, End of Year			$ (433,123)

NOTES TO REQUIRED

SUPPLEMENTARY INFORMATION

VILLAGE OF ISLAND LAKE, ILLINOIS

Notes to Required Supplementary Information
Year Ended April 30, 2025

The accounting policies of the Village include the preparation of financial statements on the modified accrual basis of accounting. The Village also prepares its budget on the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. General capital asset acquisitions are reported as expenditures in the governmental funds. Proceeds from general long-term debt and acquisitions under leases are reported as other financing sources. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures relating to compensated absences, debt service expenditures, and claims and judgments are recognized only when payment is due.

- Budgets are adopted at the function level in the General Fund and total General Fund expenditures disbursed may not legally exceed the budgeted amount. Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year.

- The Village procedures in establishing the budgetary data reflected in the General Fund Financial Statements are presented below:

- A public hearing is conducted at a public meeting to obtain taxpayers comments.

- The Village Treasurer, in consultation with the Board, is authorized to expense the un-expensed balance of any item or items of any general appropriation in making up any deficiency in any item or items of the same general appropriation.

- Formal budgetary integration is not employed as a management control device during the year for any fund.

- Budgetary comparisons presented in the accompanying financial statements are prepared on the modified accrual basis of accounting. All funds utilize the same basis of accounting for both budgetary purposes and actual results.

- Expenditures cannot legally exceed appropriations at the fund level. The appropriation was passed on July 24, 2024.

- All appropriations lapse at year-end.

SUPPLEMENTARY INFORMATION

VILLAGE OF ISLAND LAKE

Proprietrary Fund - Waterworks Fund - Statement of Expenses - Appropriations and Actual

For the Year Ended April 30, 2025

	Appropriations		Accrual
	Original	Final	Basis
Personnel Services			
Salaries	$ 282,257	$ 282,257	$ 335,272
Overtime	16,862	16,862	9,950
Sick-time	4,000	4,000	3,773
Health and life insurance	78,220	78,220	109,814
Social security	17,500	17,500	21,347
Medicare	4,093	4,093	4,993
IMRF	34,914	34,914	41,307
Total Personnel Services	437,846	437,846	526,456
Contractual Services			
Maintenance - building	10,000	10,000	148
Maintenance - equipment	180,000	180,000	7,866
Maintenance - vehicles	20,000	20,000	234
Maintenance - water distribution system	80,000	80,000	128,825
Maintenance - grounds	5,000	5,000	694
Engineering services	80,000	80,000	34,478
Data processing	18,450	18,450	3,700
Other professional services	65,000	65,000	100,924
Postage	5,000	5,000	7,364
Telephone	4,151	4,151	5,800
Dues and subscriptions	2,500	2,500	394
Training	3,500	3,500	798
Publishing	400	400	-
Utilities	100,000	100,000	145,150
Forms and printing	5,000	5,000	4,765
Bank charges	500	500	-
Liability insurance	-	-	107,500
Rentals	2,500	2,500	-
Total Contractual Services	582,001	582,001	548,640

continued

VILLAGE OF ISLAND LAKE

Proprietrary Fund - Waterworks Fund - Statement of Expenses - Appropriations and Actual

For the Year Ended April 30, 2025

	Appropriations		Accrual
	Original	Final	Basis
Expenditures (concluded)			
Commodities			
Vehicle maintenance supplies	$ 2,500	$ 2,500	$ 392
Water distribution supplies	20,000	20,000	6,340
Water meters	100,000	100,000	121,457
Building and grounds maintenance supplies	20,000	20,000	-
Office supplies	600	600	-
Operating supplies	2,000	2,000	1,355
Small tools and minor equipment	6,000	6,000	2,492
Gasoline and oil	8,000	8,000	9,139
Uniforms	4,000	4,000	1,429
Chemicals	85,000	85,000	88,226
Miscellaneous	400	400	-
Total Commodities	248,500	248,500	230,830
Capital Outlay			
Equipment	30,000	30,000	-
Vehicles	20,000	20,000	-
Depreciation	-	-	383,796
Total Capital Outlay	50,000	50,000	383,796
Total Waterworks Operating Fund	$ 1,318,347	$ 1,318,347	$ 1,689,722

concluded

OTHER INFORMATION

VILLAGE OF ISLAND LAKE

Property Tax Extensions

For the Year Ended April 30, 2025

	Property Tax Rates (per $100 of assessed valuation)								
Levy Year	2024			2023			2022		
County	Lake	McHenry	Total	Lake	McHenry	Total	Lake	McHenry	Total
Assessed Valuation	$ 95,787,130	$ 119,083,749	$ 214,870,879	$ 95,787,130	$ 119,083,749	$ 214,870,879	$ 95,787,130	$ 119,083,749	$ 214,870,879
Fund Extension									
General	$ 331,114	$ 424,337	$ 755,451	$ 314,056	$ 391,034	$ 705,090	$ 303,799	$ 372,165	$ 675,965
Social Security	76,393	97,764	174,157	72,473	94,790	167,263	69,677	89,636	159,313
Police Protection	78,940	101,024	179,964	74,890	97,951	172,841	72,001	92,625	164,626
Audit	8,914	11,407	20,321	8,457	11,061	19,518	8,130	10,459	18,590
Tort Immunity	56,025	71,698	127,723	53,150	69,515	122,665	51,099	65,735	116,834
IMRF	45,470	58,192	103,662	43,138	56,422	99,560	41,474	53,353	94,827
Street & Bridge	-	24,549	24,549	-	25,202	25,202	-	25,100	25,100
Police Pension	104,404	133,612	238,016	99,048	129,547	228,595	95,227	122,504	217,731
Total Funds	$ 701,260	$ 922,583	$ 1,623,843	$ 665,212	$ 875,522	$ 1,540,734	$ 641,408	$ 831,577	$ 1,472,985