

**VILLAGE OF SHERIDAN, ILLINOIS**  
**ANNUAL FINANCIAL REPORT**  
**MARCH 31, 2022**

VILLAGE OF SHERIDAN, ILLINOIS

Table of Contents

---

---

	PAGE
<b>INDEPENDENT AUDITORS' REPORT</b> .....	1-3
<b>MANAGEMENT'S DISCUSSION &amp; ANALYSIS (UNAUDITED)</b> .....	4-9
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>Government-wide Financial Statements:</b>	
Statement of Net Position – (Statement A) .....	10
Statement of Activities – (Statement B) .....	11
<b>Fund Financial Statements:</b>	
Balance Sheet – Governmental Funds (Statement C) .....	12
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds (Statement D) .....	13-14
<b>NOTES TO BASIC FINANCIAL STATEMENTS</b> .....	15-31
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
<b>General Fund:</b>	
Balance Sheet (Schedule A-1) .....	32
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule A-2) .....	33-34
<b>Major Special Revenue Funds:</b>	
<b>Police Fund:</b>	
Balance Sheet (Schedule B-1) .....	35
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule B-2) .....	36-37
<b>Streets Fund:</b>	
Balance Sheet (Schedule B-3) .....	38
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule B-4) .....	39

**VILLAGE OF SHERIDAN, ILLINOIS**

**Table of Contents**

---

---

	PAGE
<b>REQUIRED SUPPLEMENTARY INFORMATION - Continued</b>	
<b>Motor Fuel Tax Fund:</b>	
Balance Sheet (Schedule B-5).....	40
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule B-6).....	40
<b>Sewer Fund:</b>	
Balance Sheet (Schedule B-7).....	41
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule B-8).....	41
<b>American Rescue Plan Act Fund:</b>	
Balance Sheet (Schedule B-9).....	42
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule B-10) .....	42
<b>Illinois Municipal Retirement Fund:</b>	
Multi-year Schedule of Changes in Net Position Liability and Related Ratios (Schedule B-11).....	43
Multi-year Schedule of Contributions (Schedule B-12).....	44
<b>NOTES TO REQUIRED SUPPLEMENTARY INFORMATION .....</b>	<b>45</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>Capital Project Fund:</b>	
Balance Sheet (Schedule C-1).....	46
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Schedule C-2) .....	46
Non-Major Governmental Funds - Combining Balance Sheet (Schedule D-1).....	47
Non-Major Governmental Funds - Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Schedule D-2).....	48

**VILLAGE OF SHERIDAN, ILLINOIS**

**Table of Contents**

---

---

	PAGE
<b>SUPPLEMENTARY INFORMATION - Continued</b>	
<b>Zoning and Building Fund:</b>	
Balance Sheet (Schedule D-3).....	49
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule D-4) .....	49
<b>Cemetery Fund:</b>	
Balance Sheet (Schedule D-5).....	50
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule D-6) .....	50
<b>Parks Fund:</b>	
Balance Sheet (Schedule D-7).....	51
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule D-8) .....	51
<b>Street Equipment Reserve Fund:</b>	
Balance Sheet (Schedule D-9).....	52
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule D-10) .....	52
<b>Police Vehicle Reserve Fund:</b>	
Balance Sheet (Schedule D-11).....	53
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule D-12) .....	53
<b>DARE Fund:</b>	
Balance Sheet (Schedule D-13).....	54
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule D-14) .....	54

**VILLAGE OF SHERIDAN, ILLINOIS**

**Table of Contents**

---

---

	PAGE
<b>SUPPLEMENTARY INFORMATION – Continued</b>	
<b>Veterans Memorial Park Fund:</b>	
Balance Sheet (Schedule D-15).....	55
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule D-16) .....	55
<b>Special Sewer Reserve Fund:</b>	
Balance Sheet (Schedule D-17).....	56
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule D-18) .....	56
<b>Component Units:</b>	
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (Schedule E-1) .....	57
<b>SUPPLEMENTAL INFORMATION</b>	
Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections (Schedule 1).....	58
<b>OTHER REPORTS</b>	
Independent Auditors' Report on Internal Control over Financial Reporting and on Other Matters Based on an Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i> .....	59-60
Schedule of Findings .....	61

***INDEPENDENT AUDITORS' REPORT***



116 E. Washington Street  
Suite One  
Morris, Illinois 60450

Phone: (815) 942-3306  
Fax: (815) 942-9430  
www.mackcpas.com

TAWNYA R. MACK, CPA  
LAURI POPE, CPA

CATE MOULTON, CPA  
CHRIS CHRISTENSEN

CERTIFIED PUBLIC ACCOUNTANTS

## Independent Auditors' Report

To the Honorable Mayor and  
Village Board of Trustees  
Village of Sheridan, Illinois

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

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Sheridan, Illinois, as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Sheridan, Illinois, as of March 31, 2022, and the respective changes in financial position for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of Sheridan, 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.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States and 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 error or fraud.

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 Sheridan, 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.

## **Auditors' Responsibility for the Audit of the Financial Statements**

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

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

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

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Village of Sheridan, Illinois' basic financial statements. The supplementary information, including the combining and individual fund financial statements and the required supplementary information 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 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 other in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.



## **Supplemental Information**

Management is responsible for the supplemental information included in the annual report. The supplemental information comprises the schedule of assessed valuations, tax rates, tax extensions and tax collections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the supplemental 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 supplemental information exists, we are required to describe it in our report.

## **Report on Summarized Comparative Information**

We previously audited Village of Sheridan, Illinois' March 31, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 12, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated July 11, 2022, on our consideration of the Village of Sheridan, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Sheridan, Illinois' internal control over financial reporting and compliance.

*Mack & Associates, P.C.*

Mack & Associates, P.C.  
Certified Public Accountants

Morris, Illinois  
July 11, 2022

## VILLAGE OF SHERIDAN, ILLINOIS

### Management's Discussion and Analysis - Unaudited For the Year Ended March 31, 2022

---

The Village of Sheridan, Illinois' (the "Village") management's discussion and analysis (MD&A) is intended to assist the reader in focusing on significant financial issues, provide an overview of the Village's financial activities, identify changes in the Village's financial position (its ability to meet future financial demands and conditions), identify any material deviations from the governmental unit's financial plan (budget), and identify individual fund issues or concerns.

This discussion and analysis of the Village of Sheridan's financial performance provides an overview of the Village's financial activities for the fiscal year ended March 31, 2022. Please read it in conjunction with the Village's financial statements, which begin on page 10.

#### **Governmental Financial Highlights:**

- The Village's governmental assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$4,602,673 (net position). Of this amount, \$1,686,283 (unrestricted net position) may be used to meet the Village's ongoing obligations.
- The Village's total governmental net position increased by \$464,859 during fiscal year 2022 as reported in the Statement of Activities.
- The Village's major governmental revenues consisted of \$73,038 in property tax revenues, \$186,927 in grant revenue, \$863,704 in other state taxes (sales, income, use, replacement, motor fuel, utility, telecommunication, and video gaming), and \$57,605 in charges for services.
- As of March 31, 2022, the Village's General Fund ended the year with a fund balance of \$420,835, the Police Fund ended the year with a fund balance of \$209,122, the Streets Fund ended the year with a fund balance of \$184,788, the Capital Project Fund ended the year with a fund balance of \$364,361, the Motor Fuel Tax Fund ended the year with a fund balance of \$446,892, the Sewer Fund ended the year with a fund balance of \$172,081, the American Rescue Plan Act Fund ended the year with a fund balance of \$171,467, and overall the Village ended the year with a fund balance of \$2,290,368.

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

This Management's Discussion and Analysis is intended to serve as an introduction to the Village of Sheridan's basic financial statements. The Village of Sheridan's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains other supplemental information in addition to the basic financial statements.

#### **Government-wide financial statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Village of Sheridan's finances, in a manner similar to a private-sector business, using the accrual basis of accounting. The government-wide financial statements can be found on pages 10-11 of this report.

The Statement of Net Position presents the Village of Sheridan's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Sheridan is improving or deteriorating. The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported when earned/incurred.

The governmental activities of the Village of Sheridan include general government, public safety, streets and lighting, and parks and recreation.

# VILLAGE OF SHERIDAN, ILLINOIS

## Management's Discussion and Analysis - Unaudited For the Year Ended March 31, 2022

---

---

### **Fund Financial Statements**

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Sheridan, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### ***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 current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. The governmental fund financial statements are reported using the accrual basis of accounting.

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 financial decisions. Both the governmental funds balance sheet and the governmental funds 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 fifteen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for major governmental funds (the General Fund, Police Fund, Streets Fund, Capital Project Fund, Motor Fuel Tax Fund, Sewer Fund, and the American Rescue Plan Act Fund). The governmental fund financial statements can be found on pages 12-14 of this report.

### **Notes to Basic 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 15-31 of this report.

### **Required Supplementary Information**

This information addresses the Village's pension and budgetary comparison schedules. The Village adopts an annual estimate of appropriations for its General Fund and Special Revenue Fund. A budgetary comparison schedule has been provided for the Village's major governmental funds to demonstrate compliance with this appropriated budget. Required supplementary information can be found on pages 32-44 of this report.

### **Supplementary Information**

The combining and individual non-major fund financial statements on pages 47-56 and component unit combining schedule on page 57, and schedule of assessed valuations, tax rates, extensions and collections is presented on page 58 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Although not required, the Village has elected to report the balance sheet for each fund with the corresponding income statement for ease of reading.

# VILLAGE OF SHERIDAN, ILLINOIS

## Management's Discussion and Analysis - Unaudited For the Year Ended March 31, 2022

---

---

### **Government-wide Financial Analysis**

Program revenues are generated from charges for services (which includes sewer, miscellaneous licenses, permits, and fees). General revenues were generated from local property taxes, other taxes (consisting of income tax, sales tax, use tax, motor fuel tax, replacement tax, utility taxes, video gaming tax, and excise tax), investment interest, donations, reimbursements and miscellaneous sources.

### **Financial Analysis of the Village's Major Funds**

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, unrestricted fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. An emphasis is placed on the Village's major governmental funds.

#### *Budgetary Highlights*

The Village's budget is prepared according to Illinois law and is based on accounting for certain transactions on a cash basis of accounting. A budget to actual schedule is provided as required supplementary information for all major funds.

The Village's General Fund expenditures were under appropriations by \$6,528. All major Village funds operated within the confines of the Board approved Budget & Appropriations Ordinance.

VILLAGE OF SHERIDAN, ILLINOIS

Management’s Discussion and Analysis - Unaudited  
For the Year Ended March 31, 2022

**Discussion of Financial Statements (Current Year Compared to Prior Year):**

**Table 1  
Net Position**

	<b>Governmental Activities</b>		<b>% Change</b>
	<b>2022</b>	<b>2021</b>	<b>2022-2021</b>
<u>Assets:</u>			
Current and other assets	2,375,327	1,800,191	31.95%
Capital assets	2,298,031	2,411,301	-4.70%
Total assets	4,673,358	4,211,492	10.97%
<u>Deferred Inflows of Resources:</u>			
Deferred inflows for pension	82,927	-	N/A
<u>Liabilities:</u>			
Accounts payable	22,437	11,156	101.12%
Net pension liability	66,898	-	N/A
Total liabilities	89,335	11,156	700.78%
<u>Deferred Inflows of Resources:</u>			
Property taxes levied for subsequent years	62,522	62,522	0.00%
Deferred outflows for pension	1,755	-	N/A
Total deferred inflows of resources	64,277	62,522	2.81%
<u>Net Position:</u>			
Net investment in capital assets	2,298,031	2,411,301	-4.70%
Restricted	618,359	344,861	79.31%
Unrestricted	1,686,283	1,381,652	22.05%
Total net position	\$ 4,602,673	4,137,814	11.23%

**Condensed Financial Information:** (Statement of Net Position)

As shown above, the Village’s governmental net position increased by 11.23% during the current fiscal year. The Village completed several road and sidewalk repair projects. While completing these projects along with various street maintenance, the Village managed to operate at a slight profit during the 2022 fiscal year. The Village has \$1,686,283 in unrestricted net position to fund daily operations. In total, the Village’s increase in net position indicates the Village’s financial position slightly improved during the current fiscal year.

**VILLAGE OF SHERIDAN, ILLINOIS**

**Management’s Discussion and Analysis - Unaudited  
For the Year Ended March 31, 2022**

**Table 2  
Change in Net Position**

	<b>Governmental Activities</b>		<b>% Change</b>
	<b>2022</b>	<b>2021</b>	<b>2022-2021</b>
Revenues			
Program Revenues:			
Charges for services	\$ 57,605	58,998	-2.36%
Operating grants & contributions	186,927	118,756	57.40%
General Revenues:			
Property taxes	73,038	63,652	14.75%
Other taxes	1,042,576	924,821	12.73%
Other general revenues	13,252	56,884	-76.70%
Total revenues	<u>1,373,398</u>	<u>1,223,111</u>	<u>12.29%</u>
Program expenses			
General government	263,124	341,342	-22.91%
Transportation and public works	262,701	120,083	118.77%
Public safety	187,321	172,478	8.61%
Sewer	40,950	5,467	649.04%
Unallocated depreciation	154,443	165,869	-6.89%
Total expenses	<u>908,539</u>	<u>805,239</u>	<u>12.83%</u>
Change in net position	464,859	417,872	11.24%
Net position at beg. of the year	<u>4,137,814</u>	<u>3,719,942</u>	<u>11.23%</u>
Net position at end of year	<u>\$ 4,602,673</u>	<u>4,137,814</u>	<u>11.23%</u>

**Condensed Financial Information: (Statement of Activities)**

Governmental revenues increased by 12.29% (\$150,287) from 2021 to 2022. Governmental expenditures increased by 12.83% during the current fiscal year. Significant changes are related road maintenance and capital purchases mentioned on the previous page as well as ARPA grant revenue due to the COVID-19 pandemic.

# VILLAGE OF SHERIDAN, ILLINOIS

## Management's Discussion and Analysis - Unaudited For the Year Ended March 31, 2022

---

---

### Capital Asset and Long-term Debt Activity

#### *Capital Assets*

The Village's investment in capital assets for its governmental activities at year end totaled \$2,298,031 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and equipment. The capital asset additions totaled \$41,173 during the year, and \$154,443 of depreciation charges were expensed. See footnote 4 for details of capital assets.

	Governmental	
	Net Book Value of Capital Assets	
	2022	2021
Land	71,594	71,594
Buildings & Improvements	3,110,191	3,110,191
Vehicles & Equipment	643,788	624,576
Accumulated Depreciation	(1,527,542)	(1,395,060)
Total	<u>\$ 2,298,031</u>	<u>2,411,301</u>

#### *Debt Administration*

At March 31, 2022, the Village had no outstanding long-term debt obligations.

#### **Economic Factors**

Financial and budget planning is directly related to and supportive of the Village's budget plan and operational needs. The Village's financial outlook is influenced by factors such as the economy, employment rates, and commercial and residential growth.

#### **Request for Information**

This financial report is designed to provide our citizens, taxpayers, customers, and potential creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Village of Sheridan, Illinois  
115 N. Robinson Street  
Sheridan, Illinois 60551  
Phone: (815) 496-2251

## ***BASIC FINANCIAL STATEMENTS***



**Government-wide Financial Statement  
Statement of Net Position  
March 31, 2022**

	Primary Government		Component
	2022	2021	Units 2022
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$ 2,084,420	1,552,845	171,025
Due from State of Illinois	198,363	151,649	-
Accounts receivable	30,022	33,175	-
Property taxes receivable	62,522	62,522	-
Total current assets	<u>2,375,327</u>	<u>1,800,191</u>	<u>171,025</u>
Non-current assets:			
Capital Assets:			
Land	71,594	71,594	-
Building and Equipment	3,753,979	3,734,767	-
Accumulated Depreciation	<u>(1,527,542)</u>	<u>(1,395,060)</u>	-
Total non-current assets	<u>2,298,031</u>	<u>2,411,301</u>	-
Total assets	<u>4,673,358</u>	<u>4,211,492</u>	<u>171,025</u>
<u>Deferred outflows of resources</u>			
Deferred outflows for pension	<u>82,927</u>	-	-
Total deferred outflows of resources	<u>82,927</u>	-	-
<u>Liabilities</u>			
Current Liabilities:			
Accounts payable	22,437	11,156	-
Net pension liability	<u>66,898</u>	-	-
Total liabilities	<u>89,335</u>	<u>11,156</u>	-
<u>Deferred inflows of resources</u>			
Property taxes levied for subsequent years	62,522	62,522	-
Deferred inflows for pension	<u>1,755</u>	-	-
Total deferred inflows of resources	<u>64,277</u>	<u>62,522</u>	-
<u>Net Position</u>			
Net investment in capital assets	2,298,031	2,411,301	-
Restricted	618,359	344,861	171,025
Unrestricted	<u>1,686,283</u>	<u>1,381,652</u>	-
Total net position	<u>\$ 4,602,673</u>	<u>4,137,814</u>	<u>171,025</u>

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

**Government-wide Financial Statement  
Statement of Activities  
For the Year Ended March 31, 2022**

Program Activities	Expenditures	Program Revenues			Net (Expenditures) Revenue and Changes in Net Position		Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					2022	2021	
Governmental activities:							
Administrative	\$ 263,124	8,599	-	-	(254,525)	(330,884)	-
Transportation & Public Works	262,701	-	-	-	(262,701)	(120,083)	-
Public Safety	187,321	7,942	186,927	-	7,548	(48,986)	-
Sewer	40,950	41,064	-	-	114	38,337	-
Unallocated Depreciation	154,443	-	-	-	(154,443)	(165,869)	-
Total primary government	908,539	57,605	186,927	-	(664,007)	(627,485)	-
Component units:							
Social Services	13,001	-	3,725	-	-	-	(9,276)
Culture & Recreation	144	-	3,955	-	-	-	3,811
Total component units	\$ 13,145	-	7,680	-	-	-	(5,465)
General revenues:							
Taxes:							
	Property taxes				\$ 73,038	63,652	-
	Utility tax				68,290	63,683	-
	Sales tax				224,965	162,757	-
	Income tax				414,855	348,007	-
	Cannabis Tax				1,964	2,029	-
	Replacement tax				3,073	1,327	-
	Local use tax				104,296	129,008	-
	Interest Income				1,765	1,145	1,688
	Motor fuel tax				177,107	196,181	-
	Video gaming tax				46,261	20,684	-
	Miscellaneous				13,252	56,884	254
	Total general revenues				1,128,866	1,045,357	1,942
	Change in net position				464,859	417,872	(3,523)
	Net position, beginning of year				4,137,814	3,719,942	174,548
	Net position, end of year				\$ 4,602,673	4,137,814	171,025

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

**Balance Sheet - Governmental Funds  
March 31, 2022**

	Major Funds							Non-major Governmental Funds	Total Governmental Funds	
	General Fund	Police Fund	Streets Fund	Capital Project Fund	Motor Fuel Tax Fund	Sewer Fund	American Rescue Plan Act Fund		2022	2021
<b>Assets</b>										
Cash and cash equivalents	\$ 392,055	177,396	145,388	311,993	437,348	143,061	171,467	305,712	2,084,420	1,552,845
Due from State of Illinois	32,068	31,726	42,922	54,121	9,544	-	-	27,982	198,363	151,649
Accounts receivable	-	-	-	-	-	30,022	-	-	30,022	33,175
Property taxes receivable	53,657	7,819	1,046	-	-	-	-	-	62,522	62,522
<b>Total assets</b>	<b>\$ 477,780</b>	<b>216,941</b>	<b>189,356</b>	<b>366,114</b>	<b>446,892</b>	<b>173,083</b>	<b>171,467</b>	<b>333,694</b>	<b>2,375,327</b>	<b>1,800,191</b>
<b>Liabilities</b>										
Accounts payable	\$ 3,288	-	3,522	1,753	-	1,002	-	12,872	22,437	11,156
<b>Total liabilities</b>	<b>3,288</b>	<b>-</b>	<b>3,522</b>	<b>1,753</b>	<b>-</b>	<b>1,002</b>	<b>-</b>	<b>12,872</b>	<b>22,437</b>	<b>11,156</b>
<b>Deferred inflows of resources</b>										
Property taxes levied for subsequent years	53,657	7,819	1,046	-	-	-	-	-	62,522	62,522
<b>Total deferred inflows</b>	<b>53,657</b>	<b>7,819</b>	<b>1,046</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62,522</b>	<b>62,522</b>
<b>Fund Balances</b>										
Unassigned	420,835	-	-	-	-	-	-	-	420,835	379,339
Assigned	-	209,122	184,788	364,361	-	172,081	-	320,822	1,251,174	1,002,313
Restricted	-	-	-	-	446,892	-	171,467	-	618,359	344,861
<b>Total fund balances</b>	<b>420,835</b>	<b>209,122</b>	<b>184,788</b>	<b>364,361</b>	<b>446,892</b>	<b>172,081</b>	<b>171,467</b>	<b>320,822</b>	<b>2,290,368</b>	<b>1,726,513</b>
<b>Total liabilities, deferred inflows, and fund balances</b>	<b>\$ 477,780</b>	<b>216,941</b>	<b>189,356</b>	<b>366,114</b>	<b>446,892</b>	<b>173,083</b>	<b>171,467</b>	<b>333,694</b>	<b>2,375,327</b>	<b>1,800,191</b>
<b>Reconciliation to Statement of Net Position:</b>										
Total fund balances, government funds									2,290,368	1,726,513
Amounts reported for governmental activities in the Statement of Net Position are different because:										
Capital assets used in governmental activities of \$3,825,573 (net of accumulated depreciation of \$1,527,542) are not financial resources and, therefore, are not reported in the funds.									2,298,031	2,411,301
Long-term liabilities, including net pension liability and deferred outflows/inflows of resources, are not due and payable in the current period and, therefore, are not reported in the funds:										
Net pension liability									(66,898)	-
Net deferred pension outflows (inflows)									81,172	-
<b>Net position of governmental activities</b>									<b>\$ 4,602,673</b>	<b>4,137,814</b>

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

**Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended March 31, 2022**

	Major Funds								Total	
	General	Police	Streets	Capital	Motor Fuel	Sewer	American Rescue	Non-major	Governmental Funds	
	Fund	Fund	Fund	Project	Tax	Fund	Plan Act	Governmental	2022	2021
			Fund	Fund	Fund	Fund	Fund	Funds		
Revenues:										
Property taxes	\$ 51,350	9,374	12,314	-	-	-	-	-	73,038	63,652
Utility tax	8,858	11,180	15,834	20,432	-	1,844	-	10,142	68,290	63,683
Sales tax	29,245	35,918	51,741	69,116	-	5,586	-	33,359	224,965	162,757
Income tax	53,931	65,512	95,417	128,665	-	9,938	-	61,392	414,855	348,007
Replacement tax	399	501	707	926	-	81	-	459	3,073	1,327
Local use tax	13,559	16,781	23,988	31,828	-	2,654	-	15,486	104,296	129,008
Cannabis tax	276	323	327	683	-	44	-	311	1,964	2,029
Video gaming tax	46,261	-	-	-	-	-	-	-	46,261	20,684
Interest income	824	121	164	207	336	21	-	92	1,765	1,145
Motor fuel tax	-	-	-	-	177,107	-	-	-	177,107	196,181
Charges for services	-	-	-	-	-	41,064	-	-	41,064	43,804
Fines, fees, and forfeitures	-	6,867	-	-	-	-	-	-	6,867	4,149
Licenses and permits	822	1,075	1,455	1,834	-	190	-	4,298	9,674	11,045
Donations	-	-	-	-	-	-	-	140	140	270
Grants	-	20	-	-	15,300	-	171,467	-	186,787	118,486
Miscellaneous	718	6,020	36	-	-	500	-	5,978	13,252	56,884
Total revenues	206,243	153,692	201,983	253,691	192,743	61,922	171,467	131,657	1,373,398	1,223,111
Expenditures:										
Current:										
Administrative	164,319	-	45,783	-	-	-	-	54,338	264,440	242,770
Public safety	-	175,617	-	-	-	-	-	-	175,617	191,798
Transportation and public works	-	-	89,731	-	90,712	-	-	-	180,443	296,242
Sewer	-	-	-	-	-	40,950	-	-	40,950	5,467
Capital outlay	428	11,704	-	123,431	-	-	-	12,530	148,093	305,903
Total expenditures disbursed	164,747	187,321	135,514	123,431	90,712	40,950	-	66,868	809,543	1,042,180
Excess (deficiency) of revenues over (under) expenditures	41,496	(33,629)	66,469	130,260	102,031	20,972	171,467	64,789	563,855	180,931

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

**Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended March 31, 2022**

	Major Funds							Total		
	General Fund	Police Fund	Streets Fund	Capital Project Fund	Motor Fuel Fund	Sewer Fund	American Rescue Plan Act Fund	Non-major Governmental Funds	Governmental Funds	
									2022	2021
Other financing sources (uses):										
Transfers (to) from	\$ -	-	-	80,000	-	(80,000)	-	-	-	-
Total other financing sources (uses)	-	-	-	80,000	-	(80,000)	-	-	-	-
Net change in fund balance	41,496	(33,629)	66,469	210,260	102,031	(59,028)	171,467	64,789	563,855	180,931
Fund balance, beginning of year	379,339	242,751	118,319	154,101	344,861	231,109	-	256,033	1,726,513	1,545,582
Fund balances, ending of year	\$ 420,835	209,122	184,788	364,361	446,892	172,081	171,467	320,822	2,290,368	1,726,513

**Reconciliation to the Statement of Activities:**

Net Change in Fund Balances - total governmental funds \$ 563,855 180,931

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The change in fund balance must be increased by capital purchases and decreased by depreciation expense.

Purchase of capital assets	41,173	402,810
Depreciation	(154,443)	(165,869)

Certain expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Pension expense	14,274	-
Change in net position of governmental activities (Statement B)	\$ 464,859	417,872

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

***NOTES TO BASIC FINANCIAL STATEMENTS***

# VILLAGE OF SHERIDAN, ILLINOIS

## Notes to Basic Financial Statements For the Year Ended March 31, 2022

---

---

### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Village of Sheridan, Illinois is an Illinois unit of local government. The Village provides general governmental services to citizens.

The financial statements of the Village of Sheridan have been prepared using accounting principles generally accepted in the United States of America.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the Village's accounting policies are described below.

#### *A. Reporting Entity*

The Village Board is the basic level of government which has oversight responsibility and control over all activities related to the operation of the Village of Sheridan, the primary government unit. The Board receives funding from local, state and federal government sources and must comply with the requirements of these funding sources entities. However, the Board is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since Board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

The Village follows the provision of Governmental Accounting Standards Board Statement No. 39, "Determining Whether Certain Organizations Are Component Units – an amendment of Statement No. 14." As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate, tax-exempt entities and meet all of the following criteria:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

The Village is not aware of any entity which would exercise such oversight as to result in the Village being considered a component unit of the entity.

## VILLAGE OF SHERIDAN, ILLINOIS

### Notes to Basic Financial Statements For the Year Ended March 31, 2022

---

---

#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

##### A. *Reporting Entity - (Continued)*

The Village has two component units that meet the definition on the previous page:

1. Sheridan Cemetery Association was established by the Village of Sheridan to administer the cemetery owned by the Village. The Village Board can remove appointed members at will. The Association accounts for the receipts and disbursements of the Sheridan Cemetery and prepares a budget annually. The Association is presented as a discretely presented component unit in the accompanying financial statements, as the Association's governing body is not substantively the same as that of the Village of Sheridan.
2. Sheridan Historical Society was established by the Village of Sheridan to manage the historical museum owned by the Village. The Village Board can remove appointed members at will. The Society accounts for the receipts and disbursements of the Sheridan Historical Society and prepares a budget annually. The Society is presented as a discretely presented component unit in the accompanying financial statements, as the Society's governing body is not substantively the same as that of the Village of Sheridan.

Neither component unit has separately audited financial statements.

##### B. *Government-wide and Fund Financial Statements*

###### Government-wide Financial Statements:

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the Village. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. For the most part, the effect of the inter-fund activity has been removed from these statements. The Village has no business-type funds.

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

Earnings on investments not included among program revenues are reported instead as general revenues.

The government-wide financial statements are reported using accounting principles generally accepted in the United States of America. Revenues are recognized when they are realized and are earned, no matter when cash is received.



# VILLAGE OF SHERIDAN, ILLINOIS

## Notes to Basic Financial Statements For the Year Ended March 31, 2022

---

---

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

#### B. *Government-wide and Fund Financial Statements – (Continued)*

##### Fund Financial Statements:

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures, or expenses, as appropriate. Village resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Village has the following funds:

Governmental Fund Types - Governmental funds are those through which general governmental functions of the Village are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets and liabilities, the fund equity, is referred to as “fund balance.” The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following comprise the Village’s major governmental funds:

General Fund - The General Fund is the general operating fund of the Village. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund.

Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds to specific revenue sources (other than special assessments, expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes. The Village’s major special revenue funds are:

Police Fund – accounts for taxes restricted for payment of police service related expenditures.

Streets Fund – accounts for funds restricted for maintenance and upkeep of Village streets, sidewalks, and infrastructure.

Capital Project Fund – accounting for the accumulation of funds reserved for capital projects.

Motor Fuel Tax Fund - accounts for the motor fuel tax monies received from the State of Illinois, restricted for street and road project expenditures approved by the State of Illinois.

American Rescue Plan Act Fund – accounts for American Rescue Plan Act grant monies and related expenditures.

Sewer Fund – accounts for tax revenues reserved for repairs and maintenance of the sewer system within the Village.

# VILLAGE OF SHERIDAN, ILLINOIS

## Notes to Basic Financial Statements For the Year Ended March 31, 2022

---

---

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

#### C. *Measurement Focus and Basis of Accounting – (Continued)*

##### Measurement Focus

In the Government-wide Statement of Net Position and the Statement of Activities, the governmental activities are presented using the economic resources measurement focus.

In the fund financial statements, the governmental activities are presented using the “current financial resources” measurement focus.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses).

##### Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All of the funds are maintained during the year by the Village using the cash basis of accounting. At the end of the year, the financial statements are converted to the modified accrual basis of accounting through the posting of journal entries.

#### 1. Government-wide financial statements

The governmental activities in the government-wide financial statements are presented using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

#### 2. Governmental fund financial statements:

The governmental fund financial statements are presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Available” means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

# VILLAGE OF SHERIDAN, ILLINOIS

## Notes to Basic Financial Statements For the Year Ended March 31, 2022

---

---

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

#### *D. Assets, Liabilities, and Net Position*

##### Cash and Investments

Illinois statute authorizes the Village to invest in obligations of the U.S. Treasury, U.S. Agencies and banks and savings and loan associations covered by the federal depository insurance. The Village may also invest in commercial paper of U.S. corporations with assets exceeding \$500,000,000 provided that (a) the obligations are rated with the three highest classifications by at least two standards rating services and they mature within 180 days from the date of purchase, and (b) no more than 25% of any fund is invested in such obligation at any one time and (c) such purchases do not exceed 10% of the corporation's outstanding obligations.

Cash and cash equivalents, for reporting purposes, include bank accounts, petty cash and all short-term investments with a remaining maturity of three months or less when purchased, such as certificates of deposit. All amounts are stated at cost which approximates market.

##### Capital Assets and Long-term Liabilities

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheets.

The reported fund balance (net position) is considered a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net position. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Depreciation is provided in amounts sufficient to relate costs of the depreciable assets to operations over their estimated service lives on the straight-line basis. A capitalization threshold of \$2,500 for individual equipment, \$10,000 for building and improvements, and \$50,000 for infrastructure (road, bridges, culverts, curbs, sidewalks, lighting, gutters and drainage systems) is used to report capital assets. The service lives by type of asset are as follows:

Buildings	40-50 years
Improvements, other than buildings	10-25 years
Machinery, furniture, and equipment	3-20 years

In the fund financial statements, capital assets arising from cash transactions acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

# VILLAGE OF SHERIDAN, ILLINOIS

## Notes to Basic Financial Statements For the Year Ended March 31, 2022

---

---

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

#### D. *Assets, Liabilities, and Net Position - (Continued)*

##### Net Position

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. 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 improvements of those assets. At March 31, 2022, net investment in capital assets consists of the following:

	<u>Governmental Activities</u>
Capital assets, at cost	\$ 3,825,573
Less: Accumulated depreciation	<u>(1,527,542)</u>
Net investment in capital assets	<u>\$ 2,298,031</u>

- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definitions of “restricted” or “net investment in capital assets.”

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

#### E. *Property Taxes*

The Village’s property tax levy must be adopted by the board by the last Tuesday of December. Property taxes are recognized as revenues when they are received. Property taxes receivable and deferred property tax revenue is recorded as deferred outflows and inflows to disclose the tax levy amount to be received in the subsequent year. Property taxes are levied and attach as an enforceable lien on property on January 1 and are payable in two installments due on June 1 and September 1 subsequent to the year of levy.

The 2020 property tax levy, in the amount of \$62,519, adjusted to \$62,522, was adopted on November 9, 2020 and was received by the Village in the current fiscal year. The 2021 tax levy, in the amount of \$62,519, adjusted to \$62,522, was adopted on November 8, 2021 and will be received by the Village in the subsequent fiscal year.

The Village reported the entire 2021 tax levy as deferred outflows as required by GAAP. If the Village would receive a portion of that property tax levy within the first 60 days of the subsequent fiscal year, revenue would be recognized as required.

## VILLAGE OF SHERIDAN, ILLINOIS

### Notes to Basic Financial Statements For the Year Ended March 31, 2022

---

---

#### NOTE 2: DEPOSITS & INVESTMENTS

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

Occasionally funds participating in the common bank account will incur overdrafts (deficits) in the account. The overdrafts result from expenditures which have been approved by the Board. Such overdrafts constitute inter-fund loans. As of March 31, 2022, the funds participating in the common bank account had the following cash balances:

Fund	Balance
General Fund	\$ 392,055
Police Fund	177,396
Streets Fund	145,388
Parks Fund	22,081
Zoning & Building Fund	54,214
Cemetery Fund	8,692
Sewer Fund	143,061
Sewer Special Reserve Fund	120,640
Street Equipment Reserve Fund	36,451
Police Vehicle Reserve Fund	59,185
American Rescue Plan Act Fund	171,467
Capital Project Fund	311,993
Total	<u>\$ 1,642,623</u>

The Village's deposits and certificates of deposits are required to be covered by federal depository insurance (FDIC) or by securities held by the pledging financial institution. The FDIC currently insures the first \$250,000 of the Village's deposits at each financial institution. Deposit balances over FDIC limits are collateralized with securities held by the pledging financial institution. At March 31, 2022, the bank balance of the Village's deposits was \$2,117,519 and the carrying amount was \$2,084,420. All of the Village's uninsured deposits were collateralized with securities held by the pledging financial institution.

#### *Custodial Credit Risk:*

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its deposits, investments, or collateral securities that are in the possession of another party. The Village does not have a deposit policy for custodial credit risk.

#### NOTE 3: PERSONAL PROPERTY REPLACEMENT TAX

The Village receives Personal Property Replacement Tax, which represents an additional State of Illinois income tax on corporations (certain utilities), trusts, partnerships, and Subchapter S corporations and a new tax on the invested capital of public utilities providing gas, communications, electrical and waste services.

**VILLAGE OF SHERIDAN, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended March 31, 2022**

**NOTE 4: CAPITAL ASSETS**

A summary of changes in capital assets follows:

	Beginning Balance	Increase	Decrease	Ending Balance
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 71,594	-	-	71,594
Total capital assets not being depreciated:	71,594	-	-	71,594
Capital assets being depreciated				
Machinery & equipment	624,576	41,173	(21,961)	643,788
Buildings & Improvements	3,110,191	-	-	3,110,191
Total capital assets being depreciated	3,734,767	41,173	(21,961)	3,753,979
Total capital assets, cost	3,806,361	41,173	(21,961)	3,825,573
Less accumulated depreciation for:				
Machinery & equipment	(510,163)	(36,015)	21,961	(524,217)
Buildings	(884,897)	(118,428)	-	(1,003,325)
Total accumulated depreciation	(1,395,060)	(154,443)	21,961	(1,527,542)
Governmental activities capital assets, net	\$ 2,411,301	(113,270)	-	2,298,031

Significant additions for the year ended March 31, 2022 included the following:

<b>Governmental Activities:</b>	
Sewer Trailer Jetter	\$23,896
Radios	12,532
Cameras	4,745

Depreciation is reported as an unallocated expense in the government-wide financial statements.

## VILLAGE OF SHERIDAN, ILLINOIS

### Notes to Basic Financial Statements For the Year Ended March 31, 2022

---

---

#### **NOTE 5: RISK MANAGEMENT**

The Village is exposed to various risks of loss including, but not limited to, general liability, property casualty, workers compensation and public official liability. To limit exposure to these risks, the Village has obtained liability insurance coverage from a commercial insurance company.

During the year ended March 31, 2022, there were no significant reductions in insurance coverage from the prior year. Also, there have been no settlement amounts which have exceeded insurance coverage in the past three years.

#### **NOTE 6: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)**

*Plan Description* – The Village’s defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Village’s plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. The pension plan is an agent multiple-employer plan. 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 Comprehensive Annual 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](http://www.imrf.org).

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

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 in the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

**VILLAGE OF SHERIDAN, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended March 31, 2022**

**NOTE 6: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF) – (Continued)**

*Benefits Provided – (Continued)*

Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of services, 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
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms – As of December 31, 2021, the following Village employees were covered by the benefit terms:

Retirees and Beneficiaries	-
Inactive, Non-retired Members	1
Active Members	5
Total	6

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 and actual Township contributions for calendar year 2021 and the fiscal year ended March 31, 2022 are summarized below. 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.

Plan member required contribution rate	4.50%
Village required contribution rate for 2021	13.33%
Village required contribution rate for 2022	7.66%
Village actual contributions for 2021	\$ 24,717
Village actual contributions for fiscal year 2022	\$ 21,186



## VILLAGE OF SHERIDAN, ILLINOIS

### Notes to Basic Financial Statements For the Year Ended March 31, 2022

---

---

#### NOTE 6: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF) – (Continued)

*Net Pension Liability* – The Village’s net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

At December 31, 2021, the Village had a net pension liability for the plan, determined as follows:

Total Pension Liability	\$	139,768
Plan Fiduciary Net Position		<u>72,870</u>
Net Pension Liability	\$	<u>66,898</u>

*Actuarial Assumptions* - The following are the methods and assumptions used to determine total pension liability at December 31, 2021:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was 5-year smoothed market; 20% corridor.
- The Inflation Rate was assumed to be 2.50%.
- Salary Increases were expected to be 3.35% to 14.25%, 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 2017 valuation according to an experience study from years 2014 to 2016.
- The IMRF-specific rates for Mortality (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For Active Members, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- 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, 2021:

# VILLAGE OF SHERIDAN, ILLINOIS

## Notes to Basic Financial Statements For the Year Ended March 31, 2022

---

---

### NOTE 6: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF) – (Continued)

#### Actuarial Assumptions – (Continued)

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	37%	5.00%
International Equity	18%	6.00%
Fixed Income	28%	1.30%
Real Estate	9%	6.20%
Alternative Investments	7%	2.85-6.95%
Cash Equivalents	<u>1%</u>	0.70%
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 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:

- The long-term expected rate of return on pension plan investments (during the period which the fiduciary net position is projected to be sufficient to pay benefits), and
- 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 2.00%, and the resulting single discount rate is 7.25%.

VILLAGE OF SHERIDAN, ILLINOIS

Notes to Basic Financial Statements  
For the Year Ended March 31, 2022

NOTE 6: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF) – (Continued)

*Changes in the Net Pension Liability*

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A)-(B)
Balances at December 31, 2020	\$ 76,748	26,148	50,600
Changes for the Year:			
Service Cost	18,893	-	18,893
Interest on the Total Pension Liability	6,249	-	6,249
Differences Between Expected and Actual Experience of the Total Pension Liability	37,878	-	37,878
Contributions - Employer	-	24,717	(24,717)
Contributions - Employees	-	20,048	(20,048)
Net Investment Income	-	3,837	(3,837)
Other (Net Transfer)	-	(1,880)	1,880
Net Changes	63,020	46,722	16,298
Balances at December 31, 2021	\$ 139,768	72,870	66,898

*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:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 162,552	139,768	122,310
Plan Fiduciary Net Position	72,870	72,870	72,870
Net Pension Liability (Asset)	\$ 89,682	66,898	49,440

**VILLAGE OF SHERIDAN, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended March 31, 2022**

**NOTE 6: ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF) – (Continued)**

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

For the year ended March 31, 2022, the Village recognized pension expense of \$14,274. At March 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 82,359	-
Net difference between projected and actual earnings on pension plan investments	568	310
Changes of assumptions	-	1,445
Total deferred amounts to be recognized in future periods	<u>\$ 82,927</u>	<u>1,755</u>

The amount reported as deferred outflows of resources related to pensions resulting from Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended March 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year Ended December 31,</u>	<u>Net Deferred Outflow of Resources</u>
2022	\$ 10,192
2023	10,192
2024	10,190
2025	10,000
2026	10,079
Thereafter	<u>30,519</u>
Total	<u>\$ 81,172</u>

**NOTE 7: CONTINGENCIES**

Litigation

The Village is not a defendant in any current litigation. With regards to other pending matters, the eventual outcome and the related liability, if any, is not determinable at this time.

# VILLAGE OF SHERIDAN, ILLINOIS

## Notes to Basic Financial Statements For the Year Ended March 31, 2022

---

---

### **NOTE 8: LEGAL DEBT MARGIN**

The following schedule illustrates the legal debt margin of the Village as of March 31, 2022:

Assessed valuation - 2021	<u>\$ 12,400,885</u>
Statutory debt limitation (8.625% of assessed valuation)	\$ 1,069,576
Debt outstanding at March 31, 2022:	<u>-</u>
Legal debt margin	<u>\$ 1,069,576</u>

### **NOTE 9: MOTOR FUEL TAX ALLOTMENTS**

Allotments to the Village are received from the State of Illinois each month. These allotments, however, may be expended only for specific projects that have been approved by the Department of Transportation, State of Illinois. The Village's Motor Fuel Tax Allotments are accounted for in a separate Motor Fuel Tax Fund.

### **NOTE 10: FUND BALANCE – GASB 54 PRESENTATION**

According to Government Accounting Standards, fund balances are to be classified into five major classifications: Non-spendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance.

#### *A. Non-spendable Fund Balance*

The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

# VILLAGE OF SHERIDAN, ILLINOIS

## Notes to Basic Financial Statements For the Year Ended March 31, 2022

---

---

### NOTE 10: FUND BALANCE – GASB 54 PRESENTATION – (Continued)

#### B. *Restricted Fund Balance*

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Restrictions may be imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Debt Service Funds are by definition restricted for these specified purposes. The Village has several different funds that also fall into these categories:

The Motor Fuel Tax Fund has a restricted fund balance in the amount of \$446,892 as of fiscal year end.

The American Rescue Plan Act Fund has a restricted fund balance in the amount of \$171,467.

Cash receipts and the related disbursements of the following restricted tax levies are accounted for in the General Fund. A portion of the General Fund's equity represents cumulative receipts over cumulative disbursements which is restricted for future expenditures for the following purposes.

	Beginning Balance	Levy	Expenditure	Restricted Balance
Audit	\$ -	8,338	8,350	-
Liability Insurance*	-	26,966	28,064	-
Total	<u>\$ -</u>	<u>35,304</u>	<u>36,414</u>	<u>-</u>

\*Liability insurance expenditures include \$28,064 in risk management expenditures.

#### C. *Committed Fund Balance*

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (the Village Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts. The Village had no committed balances as of March 31, 2022.

# VILLAGE OF SHERIDAN, ILLINOIS

## Notes to Basic Financial Statements For the Year Ended March 31, 2022

---

---

### NOTE 10: FUND BALANCE – GASB 54 PRESENTATION – (Continued)

#### *D. Assigned Fund Balance*

The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by (a) the Village Board itself or (b) the finance committee or by the Treasurer/Administrator when the Village Board has delegated the authority to assign amounts to be used for specific purposes. Annually, the Village Board approves the allocation of state tax revenues (income, sales, use, replacement and utility). The Board approves the percentage to be allocated to specific funds. As of March 31, 2022, the Village has the following assigned fund balances:

<u>Fund</u>	<u>Balance</u>
Police Fund	\$ 209,122
Streets Fund	184,788
Sewer Fund	172,081
Capital Project Fund	364,361
Zoning and Building Fund	54,406
Cemetery Fund	8,692
Parks Fund	23,947
Street Equipment Reserve Fund	40,184
Police Vehicle Reserve Fund	64,784
DARE Fund	3,858
Veterans Memorial Park Fund	591
Special Sewer Reserve Fund	<u>124,360</u>
Total	<u>\$ 1,251,174</u>

#### *E. Unassigned Fund Balance*

The unassigned fund balance classification is the residual classification for amounts in the General Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds.

#### *F. Expenditures of Fund Balance*

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

### NOTE 11: SUBSEQUENT EVENTS

Management evaluated subsequent events through July 11, 2022, the date the financial statements were available to be issued. No amounts were required to be recorded or disclosed in the financial statements as of March 31, 2022.

***REQUIRED SUPPLEMENTARY INFORMATION***



**Balance Sheet**  
**March 31, 2022**

---

---

<u>Assets</u>	
Cash	\$ 192,005
State Bank CD	200,050
Due from State of Illinois	32,068
Property taxes receivable	<u>53,657</u>
Total assets	<u><u>\$ 477,780</u></u>
 <u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>	
Liabilities:	
Accounts payable	<u>\$ 3,288</u>
Deferred Inflows of Resources:	
Property taxes levied for subsequent years	<u>53,657</u>
Fund Balance:	
Unassigned fund balance	<u>420,835</u>
Total liabilities, deferred inflows of resources, and fund balance	<u><u>\$ 477,780</u></u>

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)

	Original and Final Budget	Year Ended March 31,	
		2022	2021
Revenues:			
General property taxes	\$ 15,638	15,615	15,004
IMRF tax levy	532	431	514
Audit tax levy	8,350	8,338	6,002
Insurance tax levy	27,006	26,966	22,005
Municipal telephone & utility tax	7,991	8,858	8,278
Liquor licenses	325	822	332
Business & gaming licenses	160	-	-
State income taxes	39,305	53,931	45,240
Replacement taxes	153	399	173
Sales tax	24,416	29,245	21,159
Use tax	13,489	13,559	16,830
Cannabis tax	-	276	205
Interest income	1,000	824	140
Video gaming tax	20,000	46,261	20,684
Miscellaneous	400	718	1,658
Total revenues	158,765	206,243	158,224
Expenditures:			
Administrative:			
Salaries - Mayor and Trustees	14,400	14,450	9,700
Salary - Administrator	41,600	41,405	40,379
Salaries - Custodial & cleaning	1,000	950	840
Salary - Clerk	1,500	1,300	1,200
Salaries - Administrator overtime	200	-	-
Unused Vacation Days	1,000	599	446
Unemployment insurance	375	196	149
Social security	3,750	3,760	3,421
Medicare	900	880	800
IMRF	6,500	5,407	5,932
Contractual services:			
Maintenance service - building	2,200	1,611	2,057
Accounting service	8,350	8,350	7,875
Engineering	200	34	80
Legal service	25,000	22,992	18,407
LOCIS services	1,200	1,116	1,116
Internet service provider	1,500	1,672	1,528
Telephone	1,000	763	752
Publishing	250	994	607
Dues	1,200	763	761
Travel	4,000	999	3,302
Training	200	-	50
Utilities	4,000	3,471	3,255
NCICG local share	1,000	1,000	1,000
Risk management	29,500	28,064	27,257

VILLAGE OF SHERIDAN, ILLINOIS  
GENERAL FUND

SCHEDULE A-2  
(Continued)

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)

	Original and Final Budget	Year Ended March 31,	
		2022	2021
Expenditures (continued):			
Commodities:			
Postage	\$ 750	636	680
Office supplies	3,000	2,514	2,590
Miscellaneous/contingency	15,200	20,393	4,825
Capital outlay:			
Equipment	1,500	428	1,564
Total expenditures	<u>171,275</u>	<u>164,747</u>	<u>140,573</u>
Net change in fund balance	<u>\$ (12,510)</u>	41,496	17,651
Fund balance, beginning of year		<u>379,339</u>	<u>361,688</u>
Fund balance, end of year		<u>\$ 420,835</u>	<u>379,339</u>

Balance Sheet  
March 31, 2022

---

---

<u>Assets</u>		
Cash		\$ 177,396
Due from State of Illinois		31,726
Property taxes receivable		<u>7,819</u>
Total assets		<u>\$ 216,941</u>
 <u>Deferred Inflows of Resources and Fund Balance</u> 		
Deferred Inflows of Resources:		
Property taxes levied for subsequent years		<u>\$ 7,819</u>
Fund Balance:		
Assigned fund balance		<u>209,122</u>
Total deferred inflows and fund balance		<u>\$ 216,941</u>

VILLAGE OF SHERIDAN, ILLINOIS  
POLICE FUND

SCHEDULE B-2

Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)

	Original and Final Budget	Year Ended March 31,	
		2022	2021
Revenues:			
Police protection levy	\$ 7,818	7,807	7,502
IMRF tax levy	1,357	1,567	1,292
Utility tax	10,449	11,180	14,010
Liquor licenses	425	1,075	587
Income tax	51,399	65,512	73,614
Replacement tax	201	501	275
Sales tax	31,928	35,918	33,651
Use tax	17,640	16,781	27,952
Cannabis Tax	-	323	458
Court fines	2,000	6,517	3,338
Forfeits drug & DUI fines	300	350	811
Impound fee	300	-	-
Animal control	50	-	-
Training reimbursement	2,000	6,020	2,000
Interest income	250	121	159
Grant revenue	-	20	118,486
Miscellaneous income	500	-	-
Total revenues	126,617	153,692	284,135
Expenditures:			
Administrative:			
Full-Time Officer - Chief	67,020	66,859	64,961
Full-Time Officer	88,118	26,559	33,098
Part-Time Officers	35,000	16,887	26,323
Salaries - overtime	2,000	1,961	211
Unused Vacation Time	3,100	3,093	3,003
Full time officer holiday	1,000	-	-
Life insurance	2,000	1,662	1,662
Unemployment insurance	1,227	227	381
Social security	12,167	7,152	7,911
Medicare	2,845	1,673	1,850
IMRF	20,945	11,714	13,027
Uniform allowance	4,000	2,568	1,854
Contractual services:			
Maintenance Service - building	2,500	797	1,022
Maintenance Service - equipment	2,000	250	315
Maintenance service- vehicle	6,000	5,481	4,076
Engineering service	500	289	-
Legal service	5,000	7,035	4,076
Communications service	2,000	1,910	1,461
Regular phone & long distance	5,000	3,496	3,483
Cell phone	1,000	624	504
Dues	900	365	650
Training	16,000	314	9,214

VILLAGE OF SHERIDAN, ILLINOIS  
POLICE FUND

SCHEDULE B-2  
(continued)

Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)

	Original and Final Budget	Year Ended March 31,	
		2022	2021
Expenditures (continued):			
Commodities:			
Office supplies	\$ 2,500	1,458	1,586
Operating	7,000	4,750	5,776
Postage	50	-	-
Impound fee	800	-	-
Automotive fuel/oil	9,000	7,600	4,488
Animal control	100	-	-
Miscellaneous/contingency	1,000	893	866
Capital outlay:			
Equipment	21,000	11,704	8,990
Total expenditures	<u>321,772</u>	<u>187,321</u>	<u>200,788</u>
Net change in fund balance	<u>\$ (195,155)</u>	<u>(33,629)</u>	<u>83,347</u>
Fund balance, beginning of year		<u>242,751</u>	<u>159,404</u>
Fund balance, end of year		<u>\$ 209,122</u>	<u>242,751</u>

**Balance Sheet**  
**March 31, 2022**

---

---

<u>Assets</u>	
Cash	\$ 145,388
Due from State of Illinois	42,922
Property tax receivable	<u>1,046</u>
Total assets	<u>\$ 189,356</u>
 <u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u> 	
Liabilities:	
Accounts payable	<u>\$ 3,522</u>
Deferred Inflows of Resources:	
Property taxes levied for subsequent years	<u>1,046</u>
Fund Balance:	
Assigned fund balance	<u>184,788</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 189,356</u>

**Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)**

	Original and Final Budget	Year Ended March 31,	
		2022	2021
<b>Revenues:</b>			
Property taxes	\$ 10,700	11,692	10,588
IMRF tax levy	745	622	745
Utility tax	14,137	15,834	13,953
Liquor license	575	1,455	587
Income tax	69,540	95,417	73,029
Replacement tax	271	707	272
Sales tax	43,197	51,741	33,307
Use tax	23,865	23,988	27,620
Cannabis Tax	-	327	633
Interest income	280	164	159
Miscellaneous	100	36	-
Total revenues	<u>163,410</u>	<u>201,983</u>	<u>160,893</u>
<b>Expenditures:</b>			
<b>Administrative:</b>			
Regular salaries	64,000	38,554	40,351
Unemployment insurance	400	215	196
Social security	4,000	2,390	2,502
Medicare	1,000	559	585
IMRF	8,700	4,065	5,165
<b>Contractual services:</b>			
Maintenance service - building	6,000	1,999	2,293
Maintenance service - equipment	6,000	4,954	4,293
Maintenance service - vehicles	3,000	1,660	1,342
Maintenance service - streets	50,000	36,287	158,014
Engineering services	15,000	3,688	31,398
4201st St Road Fund	2,500	-	-
Legal services	3,000	373	770
Tree removal	20,000	17,000	8,500
Regular telephone	750	758	767
Cell phone	800	689	494
Utilities	3,700	1,604	1,518
Street lighting	7,500	3,177	2,869
<b>Commodities:</b>			
Operating supplies	500	-	-
Fuel and oil	5,000	3,661	3,662
De-icing/chloride	5,500	6,610	6,115
Miscellaneous/contingency	19,735	7,271	441
Total expenditures	<u>227,085</u>	<u>135,514</u>	<u>271,275</u>
Excess (deficiency) of revenues received over (under) expenditures disbursed	<u>(63,675)</u>	<u>66,469</u>	<u>(110,382)</u>
<b>Other financing sources (uses):</b>			
Transfer in (out)	-	-	(14,145)
Net change in fund balance	<u>\$ (63,675)</u>	<u>66,469</u>	<u>(124,527)</u>
Fund balance, beginning of year		<u>118,319</u>	<u>242,846</u>
Fund balance, end of year		<u>\$ 184,788</u>	<u>118,319</u>



**VILLAGE OF SHERIDAN, ILLINOIS  
MOTOR FUEL TAX FUND**

SCHEDULE B-5

**Balance Sheet  
March 31, 2022**

		<u>Assets</u>	
Cash			\$ 387,285
Investment CD			50,063
Due from State of Illinois			9,544
Total assets			<u>\$ 446,892</u>
		<u>Fund Balance</u>	
Restricted fund balance			<u>\$ 446,892</u>
Total fund balance			<u>\$ 446,892</u>

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)**

SCHEDULE B-6

	Original and Final Budget	Year Ended March 31,	
		2022	2021
Revenues:			
Motor fuel tax	\$ 126,000	177,107	196,181
Interest income	660	336	408
TARP Grant	-	15,300	-
Miscellaneous Income	200	-	-
Total revenues	<u>126,860</u>	<u>192,743</u>	<u>196,589</u>
Expenditures:			
Engineering service	30,000	-	-
Street improvements	400,000	90,610	73,766
Miscellaneous	1,000	102	-
Total expenditures	<u>431,000</u>	<u>90,712</u>	<u>73,766</u>
Net change in fund balance	<u>\$ (304,140)</u>	102,031	122,823
Fund balance, beginning of year		<u>344,861</u>	<u>222,038</u>
Fund balance, end of year		<u>\$ 446,892</u>	<u>344,861</u>

**VILLAGE OF SHERIDAN, ILLINOIS  
SEWER FUND**

SCHEDULE B-7

**Balance Sheet  
March 31, 2022**

<u>Assets</u>		
Cash		\$ 143,061
Accounts receivable		30,022
Total assets		<u>\$ 173,083</u>
<u>Liabilities &amp; Fund Balance</u>		
Liabilities:		
Accounts payable		\$ 1,002
Total liabilities		<u>1,002</u>
Fund balance:		
Assigned fund balance		<u>172,081</u>
Total liabilities & fund balance		<u>\$ 173,083</u>

**Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)**

SCHEDULE B-8

	Original and Final Budget	Year Ended March 31,	
		2022	2021
Revenues:			
Utility tax	\$ 3,688	1,844	4,051
Liquor license	150	190	153
Income tax	18,141	9,938	23,217
Replacement tax	71	81	92
Sales tax	11,269	5,586	11,141
Use tax	6,226	2,654	8,381
Cannabis tax	-	44	110
Interest income	15	21	42
Sewer maintenance fees	35,000	41,064	43,804
Miscellaneous Income	500	500	-
Total revenues	<u>75,060</u>	<u>61,922</u>	<u>90,991</u>
Expenditures:			
Maintenance service sewer	50,000	34,791	3,395
Engineering services	10,000	2,766	576
Legal services	3,000	755	569
Postage	600	562	495
Publications	100	-	-
Utilities	700	350	432
Miscellaneous	6,400	1,726	-
Total expenditures	<u>70,800</u>	<u>40,950</u>	<u>5,467</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,260</u>	<u>20,972</u>	<u>85,524</u>
Other financing sources (uses):			
Transfers in (out)	(80,000)	(80,000)	-
Change in net position	<u>\$ (75,740)</u>	<u>(59,028)</u>	<u>85,524</u>
Fund balance, beginning of year		<u>231,109</u>	<u>145,585</u>
Fund balance, end of year		<u>\$ 172,081</u>	<u>231,109</u>

**Balance Sheet**  
**March 31, 2022**

		<u>Assets</u>	
Cash			\$ 171,467
Total assets			<u>\$ 171,467</u>
		<u>Fund Balance</u>	
Fund balance:			
Restricted fund balance			\$ 171,467
Total fund balance			<u>\$ 171,467</u>

**Schedule of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget & Actual**  
**For the Year Ended March 31, 2022**  
**(With Comparative Figures for 2021)**

	<u>Original and Final Budget</u>	<u>Year Ended March 31,</u>	
		<u>2022</u>	<u>2021</u>
Revenues:			
ARPA grant	\$ -	171,467	-
Total revenues	<u>-</u>	<u>171,467</u>	<u>-</u>
Expenditures:			
Administrative	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>\$ -</u>	171,467	-
Fund balance, beginning of year		<u>-</u>	<u>-</u>
Fund balance, end of year		<u>\$ 171,467</u>	<u>-</u>

VILLAGE OF SHERIDAN

SCHEDULE B-11

Illinois Municipal Retirement Fund

Multi-year Schedule of Changes in Net Pension Liability and Related Ratios

Calendar Year Ending December 31,	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Total Pension Liability</b>										
Service Cost	\$ 18,893	16,999	-	-	-	-	-	-	-	-
Interest on the Total Pension Liability	6,249	616	-	-	-	-	-	-	-	-
Benefit Changes	-	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	37,878	60,948	-	-	-	-	-	-	-	-
Assumption Changes	-	(1,815)	-	-	-	-	-	-	-	-
Benefit Payments and Refunds	-	-	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	63,020	76,748	-	-	-	-	-	-	-	-
Total Pension Liability - Beginning	76,748	-	-	-	-	-	-	-	-	-
Total Pension Liability - Ending	<u>\$ 139,768</u>	<u>76,748</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Plan Fiduciary Net Position</b>										
Employer Contributions	\$ 24,717	17,876	-	-	-	-	-	-	-	-
Employee Contributions	20,048	9,070	-	-	-	-	-	-	-	-
Pension Plan Net Investment Income	3,837	-	-	-	-	-	-	-	-	-
Benefit Payments and Refunds	-	-	-	-	-	-	-	-	-	-
Other	(1,880)	(798)	-	-	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	46,722	26,148	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Beginning	26,148	-	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending	<u>\$ 72,870</u>	<u>26,148</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Pension Liability (Asset)</b>	<u>\$ 66,898</u>	<u>50,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	52.14%	34.07%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Covered Valuation Payroll</b>	\$ 185,423	134,109	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Net Pension Liability as a Percentage of the Covered Valuation Payroll</b>	36.08%	37.73%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

This schedule is intended to show information for ten years and additional years' information will be displayed as it becomes available.

**Illinois Municipal Retirement Fund  
Multi-year Schedule of Contributions**

Calendar Year Ending,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
12/31/2021	\$ 14,389	24,717	(10,328)	185,423	13.33%
12/31/2020	-	17,876	(17,876)	134,109	13.33%

**Notes to Schedule:**

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year,

Methods and Assumptions used to Determine 2021 Contribution Rate:

<i>Actuarial Cost Method</i>	Aggregate Entry Age Normal
<i>Amortization Method</i>	Level Percentage of Payroll, Closed
<i>Remaining Amortization Period</i>	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP, and ECO groups): 22-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 17 years for most employers (five employers were financed over 18 years; one employer was financed over 19 years; two employers were financed over 20 years; three employers were financed over 26 years; four employers were financed over 27 years; and one employer was financed over 28 years.
<i>Asset Valuation Method</i>	5-Year smoothed market; 20% corridor
<i>Wage Growth</i>	3.25%
<i>Price Inflation</i>	2.50%
<i>Salary Increases</i>	3.35% to 14.25% including inflation
<i>Investment Rate of Return</i>	7.25%
<i>Retirement Age</i>	Experience-based table of rates that are specific to the type of eligibility condition. Last
<i>Mortality</i>	For non-disabled retirees, an IMRF specific mortality table was used with fully

Other Information:

Notes There were no benefit changes during the year.  
This schedule is intended to show information for ten years and additional years'

***NOTES TO REQUIRED SUPPLEMENTARY INFORMATION***

# VILLAGE OF SHERIDAN, ILLINOIS

## Notes to Required Supplementary Information For the Year Ended March 31, 2022

### **NOTE 1: BUDGETARY PROCEDURES**

The Village follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The municipal budget officer compiles a budget containing estimates of revenues available to the Village for the fiscal year for which the budget is drafted, together with recommended expenditures for the Village and all the Village's departments, commissions and boards.
2. The annual budget is adopted by the Board of Trustees before the beginning of the fiscal year to which it applies.
3. Formal budgetary integration is employed as a management control device at the fund level during the year for the General Fund and Special Revenue Funds.
4. The Budget is adopted on a cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP). Budgetary amounts presented in this report are on this non-GAAP budgetary basis, which differs from the GAAP basis used in the Schedule of Revenues, Expenditures, and Changes in Fund Balance. The difference was determined to be immaterial, and no reconciliation has been included.
5. On May 10, 2021, the Village approved Ordinance No. 2021-16 adopting the annual budget for the fiscal year ending March 31, 2022. The budget was not amended.

### **NOTE 2: BUDGETARY COMPARISONS – MAJOR FUNDS**

The following is an analysis of budget versus actual amounts for the Village's major funds for the year ended March 31, 2022:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Percent Variance</u>
General Fund	\$ 171,275	164,747	6,528	3.81%
Police Fund	321,772	187,321	134,451	41.78%
Streets Fund	227,085	135,514	91,571	40.32%
Capital Project Fund	339,500	123,431	216,069	63.64%
Motor Fuel Tax Fund	431,000	90,712	340,288	78.95%
American Rescue Plan Act Fund	-	-	-	N/A
Sewer Fund	70,800	40,950	29,850	42.16%

### **NOTE 3: EXPENDITURES IN EXCESS OF APPROPRIATIONS**

As seen in the above table, the Village's major fund expenditures were within budgetary limitations.

***SUPPLEMENTARY INFORMATION***



VILLAGE OF SHERIDAN, ILLINOIS  
CAPITAL PROJECT FUND

SCHEDULE C-1

Balance Sheet  
March 31, 2022

<u>Assets</u>	
Cash	\$ 311,993
Due from State of Illinois	54,121
Total assets	<u>\$ 366,114</u>
<u>Liabilities &amp; Fund Balance</u>	
Liabilities:	
Accounts payable	\$ 1,753
Fund Balance:	
Committed fund balance	364,361
Total fund balance	<u>\$ 366,114</u>

Statement of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)

SCHEDULE C-2

	Original and Final Budget	Year Ended March 31,	
		2022	2021
Revenues:			
Utility tax	\$ 17,825	20,432	12,622
Liquor licenses	725	1,834	485
Income tax	87,681	128,665	71,378
Replacement tax	342	926	275
Sales tax	54,466	69,116	34,019
Use tax	30,091	31,828	25,978
Cannabis tax	-	683	336
Interest income	50	207	131
Grants	15,300	-	-
Miscellaneous	-	-	51,132
Total revenues	<u>206,480</u>	<u>253,691</u>	<u>196,356</u>
Expenditures:			
Capital projects	<u>339,500</u>	<u>123,431</u>	<u>198,341</u>
Total expenditures	<u>339,500</u>	<u>123,431</u>	<u>198,341</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(133,020)</u>	<u>130,260</u>	<u>(1,985)</u>
Other financing sources (uses):			
Transfers in	<u>80,000</u>	<u>80,000</u>	<u>-</u>
Total other financing sources (uses)	<u>80,000</u>	<u>80,000</u>	<u>-</u>
Net change in fund balance	<u>\$ (53,020)</u>	210,260	(1,985)
Fund balance, beginning of year		<u>154,101</u>	<u>156,086</u>
Fund balance, end of year		<u>\$ 364,361</u>	<u>154,101</u>

Combining Balance Sheet  
March 31, 2022

	Special Revenue Funds							Total Non-Major Governmental Funds		
	Zoning and Building Fund	Cemetery Fund	Parks Fund	Street Equip. Reserve Fund	Police Vehicle Reserve Fund	DARE Fund	Veterans Memorial Park Fund	Special Sewer Reserve Fund	Year Ended March 31,	
									2022	2021
<u>Assets</u>										
Cash in bank	\$ 54,214	8,692	22,081	36,451	59,185	3,858	591	120,640	305,712	239,131
Due from State of Illinois	13,064	-	1,866	3,733	5,599	-	-	3,720	27,982	23,338
Total assets	<u>\$ 67,278</u>	<u>8,692</u>	<u>23,947</u>	<u>40,184</u>	<u>64,784</u>	<u>3,858</u>	<u>591</u>	<u>124,360</u>	<u>333,694</u>	<u>262,469</u>
<u>Liabilities</u>										
Accounts payable	\$ 12,872	-	-	-	-	-	-	-	12,872	6,436
<u>Fund balances</u>										
Assigned	54,406	8,692	23,947	40,184	64,784	3,858	591	124,360	320,822	256,033
Total liabilities & fund balances	<u>\$ 67,278</u>	<u>8,692</u>	<u>23,947</u>	<u>40,184</u>	<u>64,784</u>	<u>3,858</u>	<u>591</u>	<u>124,360</u>	<u>333,694</u>	<u>262,469</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended March 31, 2022

	Special Revenue Funds								Total Non-Major Governmental Funds	
	Zoning and Building Fund	Cemetery Fund	Parks Fund	Street Equip. Reserve Fund	Police Vehicle Reserve Fund	DARE Fund	Veterans Memorial Park Fund	Special Sewer Reserve Fund	Year Ended March 31,	
									2022	2021
Revenues:										
Replacement tax	\$ 216	-	27	62	92	-	-	62	459	240
Sales tax	15,748	-	1,862	4,500	6,749	-	-	4,500	33,359	29,480
Income tax	29,040	-	3,313	8,297	12,445	-	-	8,297	61,392	61,529
Use tax	7,301	-	885	2,086	3,128	-	-	2,086	15,486	22,247
Cannabis tax	149	-	15	42	63	-	-	42	311	287
Utility tax	4,769	-	614	1,363	2,046	-	-	1,350	10,142	10,769
Building and zoning	3,348	-	-	-	-	-	-	-	3,348	8,492
Liquor licenses	443	-	63	127	190	-	-	127	950	409
Interest income	50	-	7	14	21	-	-	-	92	106
Donations	-	-	-	-	-	-	140	-	140	270
Miscellaneous	38	-	-	-	5,940	-	-	-	5,978	2,094
Total revenues	61,102	-	6,786	16,491	30,674	-	140	16,464	131,657	135,923
Expenditures:										
General government	42,581	171	11,671	-	-	-	(100)	15	54,338	54,962
Capital outlay	-	-	-	-	12,530	-	-	-	12,530	97,008
Total expenditures	42,581	171	11,671	-	12,530	-	(100)	15	66,868	151,970
Excess (deficiency) of revenues over (under) expenditures	18,521	(171)	(4,885)	16,491	18,144	-	240	16,449	64,789	(16,047)
Other financing sources (uses):										
Transfers in (out)	-	-	-	-	-	-	-	-	-	14,145
Net change in fund balance	18,521	(171)	(4,885)	16,491	18,144	-	240	16,449	64,789	(1,902)
Fund balance, beginning of year	35,885	8,863	28,832	23,693	46,640	3,858	351	107,911	256,033	257,935
Fund balance end of year	\$ 54,406	8,692	23,947	40,184	64,784	3,858	591	124,360	320,822	256,033

**VILLAGE OF SHERIDAN, ILLINOIS  
ZONING AND BUILDING FUND**

SCHEDULE D-3

**Balance Sheet  
March 31, 2022**

<u>Assets</u>		
Cash		\$ 54,214
Due from State of Illinois		13,064
Total assets		<u>\$ 67,278</u>
<u>Liabilities and Fund Balance</u>		
Liabilities:		
Accounts payable		\$ 12,872
Total liabilities		<u>12,872</u>
Fund balance:		
Assigned fund balance		<u>54,406</u>
Total liabilities and fund balance		<u>\$ 67,278</u>

**Statement of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)**

SCHEDULE D-4

	Original and Final Budget	Year Ended March 31,	
		2022	2021
Revenues:			
Utility tax	\$ 4,303	4,769	4,690
IMRF tax levy	27	38	-
Liquor license	175	443	179
Building permits	2,000	3,348	7,892
Special Zoning Permits	1,000	-	-
Zoning permits	600	-	600
State income tax	21,164	29,040	26,697
Replacement tax	83	216	103
Sales tax	13,147	15,748	12,768
Use tax	7,263	7,301	9,676
Cannabis tax	-	149	127
Interest income	14	50	48
Miscellaneous	500	-	2,034
Total revenues	<u>50,276</u>	<u>61,102</u>	<u>64,814</u>
Expenditures:			
Salary - Clerk	1,500	200	400
Salaries - Zoning enforcement	2,400	2,400	2,400
Salaries - Zoning & planning	1,470	360	780
Salaries - Inspections	10,000	5,803	5,970
Special inspections	300	-	-
Payroll expenses	550	2	3
Professional services	50,000	32,834	37,176
Postage	200	-	-
Publishing	1,500	298	471
Water testing	3,000	596	596
Miscellaneous/contingency	1,100	88	11
Total expenditures	<u>72,020</u>	<u>42,581</u>	<u>47,807</u>
Net change in fund balance	<u>\$ (21,744)</u>	18,521	17,007
Fund balance, beginning of year		<u>35,885</u>	<u>18,878</u>
Fund balance, end of year		<u>\$ 54,406</u>	<u>35,885</u>

**Balance Sheet  
March 31, 2022**

<u>Assets</u>	
Cash	\$ 8,692
Total assets	<u>\$ 8,692</u>
 <u>Fund Balance</u>	
Assigned fund balance	\$ 8,692
Total fund balance	<u>\$ 8,692</u>

**Statement of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)**

SCHEDULE D-6

	Original and Final Budget	Year Ended March 31,	
		2022	2021
Revenues:			
Donations	\$ 100	-	-
Miscellaneous	100	-	-
Total revenues	<u>200</u>	<u>-</u>	<u>-</u>
Expenditures:			
Maintenance services	5,000	-	-
Grave decorations	200	-	-
Utilities	300	171	154
Office supplies	50	-	-
Miscellaneous	100	-	-
Total expenditures	<u>5,650</u>	<u>171</u>	<u>154</u>
Net change in fund balance	<u>\$ (5,450)</u>	(171)	(154)
Fund balance, beginning of year		<u>8,863</u>	<u>9,017</u>
Fund balance, end of year		<u>\$ 8,692</u>	<u>8,863</u>

VILLAGE OF SHERIDAN, ILLINOIS  
PARKS FUND

SCHEDULE D-7

Balance Sheet  
March 31, 2022

<u>Assets</u>		
Cash		\$ 22,081
Due from State of Illinois		1,866
Total assets		<u>\$ 23,947</u>
<u>Fund Balance</u>		
Assigned fund balance		\$ 23,947
Total fund balance		<u>\$ 23,947</u>

Statement of Received, Disbursed  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)

SCHEDULE D-8

	Original and Final Budget	Year Ended March 31,	
		2022	2021
Revenues:			
Utility tax	\$ 615	614	1,274
Liquor license	25	63	51
Income tax	3,023	3,313	6,960
Replacement tax	12	27	28
Sales tax	1,878	1,862	3,255
Use tax	1,038	885	2,589
Cannabis tax	-	15	31
Interest income	20	7	13
Total revenues	<u>6,611</u>	<u>6,786</u>	<u>14,201</u>
Expenditures:			
Utilities	4,000	2,952	3,196
Operating supplies	200	-	-
Rentals	2,500	-	-
Community relations	200	-	-
Park improvement	5,000	2,948	1,628
Decoration	3,000	2,778	586
Mulch/playground equipment	5,000	2,598	1,591
Miscellaneous	2,000	395	-
Total expenditures	<u>21,900</u>	<u>11,671</u>	<u>7,001</u>
Net change in fund balance	<u>\$ (15,289)</u>	(4,885)	7,200
Fund balance, beginning of year		<u>28,832</u>	<u>21,632</u>
Fund balance, end of year		<u>\$ 23,947</u>	<u>28,832</u>

**VILLAGE OF SHERIDAN, ILLINOIS  
STREET EQUIPMENT RESERVE FUND**

SCHEDULE D-9

**Balance Sheet  
March 31, 2022**

		<u>Assets</u>	
Cash			\$ 36,451
Due from State of Illinois			3,733
Total assets			<u>\$ 40,184</u>
		<u>Fund Balance</u>	
Assigned fund balance			<u>\$ 40,184</u>
Total fund balance			<u>\$ 40,184</u>

**Statement of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)**

SCHEDULE D-10

	Original and Final Budget	Year Ended March 31,	
		2022	2021
<b>Revenues:</b>			
Utility tax	\$ 1,229	1,363	1,361
Liquor licenses	50	127	51
Income tax	6,047	8,297	7,837
Replacement tax	24	62	31
Sales tax	3,756	4,500	3,771
Use tax	2,075	2,086	2,819
Cannabis tax	-	42	37
Interest income	7	14	13
Miscellaneous	100	-	-
Total revenues	<u>13,288</u>	<u>16,491</u>	<u>15,920</u>
<b>Expenditures:</b>			
Equipment	12,000	-	65,898
Miscellaneous	1,200	-	2,800
Total expenditures	<u>13,200</u>	<u>-</u>	<u>68,698</u>
Excess (deficiency) of revenues over (under) expenditures	<u>88</u>	<u>16,491</u>	<u>(52,778)</u>
<b>Other financing sources (uses):</b>			
Transfers in (out)	-	-	14,145
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>14,145</u>
Net change in fund balance	<u>\$ 88</u>	16,491	(38,633)
Fund balance, beginning of year		<u>23,693</u>	<u>62,326</u>
Fund balance, end of year		<u>\$ 40,184</u>	<u>23,693</u>

**VILLAGE OF SHERIDAN, ILLINOIS  
POLICE VEHICLE RESERVE FUND**

SCHEDULE D-11

**Balance Sheet  
March 31, 2022**

<u>Assets</u>	
Cash	\$ 59,185
Due from State of Illinois	5,599
Total assets	<u>\$ 64,784</u>
<u>Fund Balance</u>	
Assigned fund balance	\$ 64,784
Total fund balance	<u>\$ 64,784</u>

**Statement of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)**

SCHEDULE D-12

	Original and Final Budget	Year Ended March 31,	
		2022	2021
<b>Revenues:</b>			
Utility tax	\$ 1,229	2,046	2,054
Liquor licenses	50	190	77
Income tax	6,047	12,445	11,901
Replacement tax	24	92	46
Sales tax	3,756	6,749	5,743
Use tax	2,075	3,128	4,246
Cannabis tax	-	63	79
LaSalle police vehicle fund	50	244	60
Interest income	14	21	20
Miscellaneous	250	5,696	-
Total revenues	<u>13,495</u>	<u>30,674</u>	<u>24,226</u>
<b>Expenditures:</b>			
Vehicle	20,000	12,530	28,310
Miscellaneous	2,000	-	-
Total expenditures	<u>22,000</u>	<u>12,530</u>	<u>28,310</u>
Net change in fund balance	<u>\$ (8,505)</u>	18,144	(4,084)
Fund balance, beginning of year		<u>46,640</u>	<u>50,724</u>
Fund balance, end of year		<u>\$ 64,784</u>	<u>46,640</u>



**Balance Sheet  
March 31, 2022**

<u>Assets</u>		
Cash		\$ 3,858
Total assets		<u>\$ 3,858</u>
<u>Fund Balance</u>		
Assigned fund balance		\$ 3,858
Total fund balance		<u>\$ 3,858</u>

**Statement of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)**

SCHEDULE D-14

	Original and Final Budget	Year Ended March 31,	
		2022	2021
Revenues:			
Donations	\$ 2,000	-	-
Total revenues	<u>2,000</u>	<u>-</u>	<u>-</u>
Expenditures:			
DARE Expenses	3,500	-	-
Community Relations	50	-	-
Total expenditures	<u>3,550</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (1,550)</u>	-	-
Fund balance, beginning of year		3,858	3,858
Fund balance, end of year		<u>\$ 3,858</u>	<u>3,858</u>

**Balance Sheet**  
**March 31, 2022**

		<u>Assets</u>	
Cash		\$	591
Total assets		\$	591
		<u>Fund Balance</u>	
Assigned fund balance		\$	591
Total fund balance		\$	591

**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance - Budget & Actual**  
**For the Year Ended March 31, 2022**  
**(With Comparative Figures for 2021)**

	Original and Final Budget	Year Ended March 31,	
		2022	2021
Revenues:			
Donations	\$ 1,500	140	270
Total revenues	1,500	140	270
Expenditures:			
Park improvements	1,500	(100)	-
Miscellaneous/contingency	80	-	-
Total expenditures	1,580	(100)	-
Net change in fund balance	\$ (80)	240	270
Fund balance, beginning of year		351	81
Fund balance, end of year		\$ 591	351

VILLAGE OF SHERIDAN, ILLINOIS  
SPECIAL SEWER RESERVE FUND

SCHEDULE D-17

Balance Sheet  
March 31, 2022

<u>Assets</u>	
Cash	\$ 120,640
Due from State of Illinois	3,720
Total assets	<u>\$ 124,360</u>
<u>Fund Balance</u>	
Assigned fund balance	\$ 124,360
Total fund balance	<u>\$ 124,360</u>

Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2022  
(With Comparative Figures for 2021)

SCHEDULE D-18

	Original and Final Budget	Year Ended March 31,	
		2022	2021
<b>Revenues:</b>			
Utility tax	\$ 1,229	1,350	1,390
Liquor licenses	50	127	51
Income tax	6,047	8,297	8,134
Replacement tax	24	62	32
Sales tax	3,756	4,500	3,943
Use tax	2,075	2,086	2,917
Cannabis tax	-	42	13
Interest income	10	-	12
Total revenues	<u>13,191</u>	<u>16,464</u>	<u>16,492</u>
<b>Expenditures:</b>			
Maintenance Road Work	50,000	-	-
Miscellaneous	5,000	15	-
Total expenditures	<u>55,000</u>	<u>15</u>	<u>-</u>
Net change in fund balance	<u>\$ (41,809)</u>	16,449	16,492
Fund balance, beginning of year		<u>107,911</u>	<u>91,419</u>
Fund balance, end of year		<u>\$ 124,360</u>	<u>107,911</u>

**Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balance  
 For the Year Ended March 31, 2022**

	Sheridan Cemetery Association	Sheridan Historical Society	Total Component Units
Revenues:			
Memberships	\$ -	820	820
Donations	1,775	3,135	4,910
Interest income	1,688	-	1,688
Lots sold	1,800	-	1,800
Miscellaneous	150	254	404
Total revenues	<u>5,413</u>	<u>4,209</u>	<u>9,622</u>
Expenditures:			
Caretaker	12,600	-	12,600
Miscellaneous	401	144	545
Total expenditures	<u>13,001</u>	<u>144</u>	<u>13,145</u>
Net change in fund balance	(7,588)	4,065	(3,523)
Fund balance, beginning of year	158,166	16,382	174,548
Fund balance, end of year	<u>\$ 150,578</u>	<u>20,447</u>	<u>171,025</u>

***SUPPLEMENTAL INFORMATION***

**Assessed Valuations, Tax Rates, Tax Extensions  
and Tax Collections**

	Maximum Rate	2017	2018	Tax Year 2019	2020	2021
Assessed valuations		\$ 10,220,202	10,931,589	11,397,190	11,927,919	12,400,885
Tax Rates:						
General	0.2500	0.1468	0.1372	0.1316	0.1311	0.1261
Police Protection	0.0750	0.0734	0.0686	0.0658	0.0656	0.0631
Audit	N/A	0.0587	0.0549	0.0527	0.0700	0.0673
Liability Insurance	N/A	0.2153	0.2241	0.1930	0.2264	0.2178
Street & Bridge	0.1000	0.0098	0.0092	0.0088	0.0088	0.0084
IMRF	N/A	-	-	0.0224	0.0223	0.0215
Totals		0.5039	0.4940	0.4743	0.5242	0.5042
Tax extensions:						
General		\$ 15,000	15,000	15,001	15,639	15,639
Police Protection		7,501	7,500	7,501	7,819	7,819
Audit		6,000	6,000	6,001	8,351	8,351
Liability Insurance		22,000	24,501	22,001	27,006	27,006
Street & Bridge		1,001	1,000	1,000	1,046	1,046
IMRF		-	-	2,551	2,661	2,661
Totals		\$ 51,502	54,002	54,055	62,522	62,522
Road & Bridge (from townships)		\$ 9,072	9,827	9,587	10,647	-
Tax collections		\$ 60,365	94,677	63,652	73,038	-

## ***OTHER REPORTS***



116 E. Washington Street  
Suite One  
Morris, Illinois 60450

Phone: (815) 942-3306  
Fax: (815) 942-9430  
www.mackcpas.com

TAWNYA R. MACK, CPA  
LAURI POPE, CPA

CATE MOULTON, CPA  
CHRIS CHRISTENSEN

CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditors' Report on Internal Control over Financial Reporting and  
on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with Government Auditing Standards**

To the Honorable Mayor and  
Village Board of Trustees  
Village of Sheridan, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Village of Sheridan, as of and for the year ended March 31, 2022, and the related notes to the financial statements, which collectively comprise Village of Sheridan's basic financial statements, and have issued our report thereon dated July 11, 2022.

**Internal Control over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance (2022-01).

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



### **Compliance and Other Matters**

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

We noted certain matters that we reported to management of Village of Sheridan in a separate letter dated July 11, 2022.

### **Purpose of this Report**

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

*Mack & Associates, P.C.*

Mack & Associates, P.C.  
Certified Public Accountants

Morris, Illinois  
July 11, 2022

## VILLAGE OF SHERIDAN, ILLINOIS

### Schedule of Findings March 31, 2022

---

*We consider the deficiency in internal control described below to be a significant deficiency:*

#### **2022-01: Financial Statement Preparation**

*Condition:*

The Village's personnel do not prepare the Village's financial statements and related disclosures. The Village engages the external auditors to assist in preparing these reports using the financial reports provided by the Village. While the Village's financial reports are adequate, the Village does not prepare the required related disclosures. In addition, the Village's financial statements are presented using Generally Accepted Accounting Principles (GAAP). However, the Village records governmental activities using the cash basis of accounting. Receivables, payables, prepaids, and accruals are not reported or calculated by the Village.

*Criteria:*

The Board of Trustees has the ultimate responsibility for the Village's system of internal control over financial reporting. As independent auditors, the external auditors cannot be considered a part of the Village's system of internal controls. While it is acceptable to outsource various functions, responsibility for internal control cannot be outsourced to external auditors.

While it is common practice for the auditors to prepare the financial statements for many entities, this is considered an internal control deficiency in accordance with generally accepted auditing standards, which requires written communication to those charged with governance.

*Cause:*

The Village lacks the resources to prepare complete and accurate financial statements and related note disclosures.

*Effect:*

Because the auditors, not management, have prepared the financial statements and related disclosures, material misstatements to the financial statements may not be prevented or detected by the Village's system of internal controls.

*Recommendation:*

We recommend the Village consider the costs and benefits of dedicating the necessary staff resources, technical training, and oversight to ensure:

- The Village's financial statements are accurately prepared in accordance with accounting principles generally accepted in the United States of America.
- Someone knowledgeable of financial reporting requirements and independent of the financial statement preparation process performs a thorough review of the Village's financial statement, supporting schedules, and related disclosures to ensure they are accurate, complete and presented in accordance with the applicable basis of accounting.