

VILLAGE OF SHERIDAN, ILLINOIS
ANNUAL FINANCIAL REPORT
MARCH 31, 2025

VILLAGE OF SHERIDAN, ILLINOIS

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INDEPENDENT AUDITORS' REPORT



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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, 2025, 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 , 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 Auditors' 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 auditors' 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.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise 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 audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements 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, 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 10, 2024. The summarized comparative information presented herein as of and for the year ended March 31, 2024, 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 14, 2025, 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 14, 2025

MANAGEMENT'S DISCUSSION & ANALYSIS (UNAUDITED)

VILLAGE OF SHERIDAN, ILLINOIS

Management's Discussion and Analysis - Unaudited For the Year Ended March 31, 2025

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, 2025. 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 \$4,916,591 (net position). Of this amount, \$2,103,279 (unrestricted net position) may be used to meet the Village's ongoing obligations.
- The Village's total governmental net position increased by \$155,258 during fiscal year 2025 as reported in the Statement of Activities.
- The Village's major governmental revenues consisted of \$79,742 in property tax revenues, \$17,766 in grant revenue, \$1,019,682 in other state taxes (sales, income, use, replacement, motor fuel, utility, telecommunication, and video gaming), and \$68,310 in charges for services.
- As of March 31, 2025, the Village's General Fund ended the year with a fund balance of \$464,698, the Police Fund ended the year with a fund balance of \$254,409, the Streets Fund ended the year with a fund balance of \$391,060, the Capital Project Fund ended the year with a fund balance of \$336,186, the Motor Fuel Tax Fund ended the year with a fund balance of \$264,263, the Sewer Fund ended the year with a fund balance of \$218,414, the American Rescue Plan Act Fund ended the year with a fund balance of \$0, and overall the Village ended the year with a fund balance of \$2,400,401.

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, 2025

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, 2025

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 less than appropriations by \$41,382. 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, 2025

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

Table 1
Net Position

	Governmental Activities		% Change
	2025	2024	2025-2024
<u>Assets:</u>			
Current and other assets	\$ 2,484,086	2,296,870	8.15%
Capital assets	2,549,049	2,616,449	-2.58%
Total assets	5,033,135	4,913,319	2.44%
<u>Deferred Inflows of Resources:</u>			
Deferred inflows for pension	71,185	94,563	-24.72%
<u>Liabilities:</u>			
Accounts payable	15,710	78,016	-79.86%
Net pension liability	93,340	94,748	-1.49%
Total liabilities	109,050	172,764	-36.88%
<u>Deferred Inflows of Resources:</u>			
Property taxes levied for subsequent years	67,975	67,971	0.01%
Deferred outflows for pension	10,704	5,814	84.11%
Total deferred inflows of resources	78,679	73,785	6.63%
<u>Net Position:</u>			
Net investment in capital assets	2,549,049	2,616,449	-2.58%
Restricted	264,263	152,978	72.75%
Unrestricted	2,103,279	1,991,906	5.59%
Total net position	\$ 4,916,591	4,761,333	3.26%

Condensed Financial Information: (Statement of Net Position)

As shown above, the Village's governmental net position increased by 3.26% during the current fiscal year. The Village has \$2,103,279 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, 2025

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

Table 2
Change in Net Position

	Governmental Activities		% Change
	2025	2024	2025-2024
Revenues			
Program Revenues:			
Charges for services	\$ 68,310	55,654	22.74%
Operating grants & contributions	17,766	43,246	-58.92%
General Revenues:			
Property taxes	79,742	76,560	4.16%
Other taxes	1,019,682	1,007,638	1.20%
Other general revenues	29,440	64,286	-54.20%
Total revenues	1,214,940	1,247,384	-2.60%
Program expenses			
General government	325,838	286,106	13.89%
Transportation and public works	230,954	524,199	-55.94%
Public safety	220,599	229,184	-3.75%
Sewer	101,235	37,592	169.30%
Unallocated depreciation	181,056	156,420	15.75%
Total expenses	1,059,682	1,233,501	-14.09%
Change in net position	155,258	13,883	1018.33%
Net position at beg. of the year	4,761,333	4,747,450	0.29%
Net position at end of year	\$ 4,916,591	4,761,333	3.26%

Condensed Financial Information: (Statement of Activities)

Governmental revenues decreased by 2.60% (\$32,444) from 2024 to 2025. Governmental expenditures decreased by 14.09% during the current fiscal year. Transportation and public works expenses decreased due to the completion fewer road projects in the current year. Sewer expenses increased in the current year due to increased maintenance expense.

VILLAGE OF SHERIDAN, ILLINOIS

Management's Discussion and Analysis - Unaudited For the Year Ended March 31, 2025

Capital Asset and Long-term Debt Activity

Capital Assets

The Village's investment in capital assets for its governmental activities at year end totaled \$2,549,049 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and equipment. The capital asset additions totaled \$113,656 during the year and \$181,056 of depreciation charges were expensed. See footnote 4 for details of capital assets.

	Governmental	
	Net Book Value of Capital Assets	
	2025	2024
Land	\$ 71,594	71,594
Construction in Progress	-	365,404
Buildings & Improvements	3,745,954	3,355,734
Vehicles & Equipment	646,147	671,773
Accumulated Depreciation	(1,914,646)	(1,848,056)
Total	<u>\$ 2,549,049</u>	<u>2,616,449</u>

Debt Administration

At March 31, 2025, 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, 2025

	Primary Government		Component
	2025	2024	Units
			2025
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$ 2,187,674	2,014,857	154,750
Due from State of Illinois	202,654	192,689	-
Property taxes receivable	67,975	67,971	-
Accounts receivable	25,783	21,353	-
Total current assets	2,484,086	2,296,870	154,750
Non-current assets:			
Capital Assets:			
Land	71,594	71,594	-
Construction in Progress	-	365,404	-
Building and Equipment	4,392,101	4,027,507	-
Accumulated Depreciation	(1,914,646)	(1,848,056)	-
Total non-current assets	2,549,049	2,616,449	-
Total assets	5,033,135	4,913,319	154,750
<u>Deferred outflows of resources</u>			
Deferred outflows for pension	71,185	94,563	-
Total deferred outflows of resources	71,185	94,563	-
<u>Liabilities</u>			
Current Liabilities:			
Accounts payable	15,710	78,016	-
Net pension liability	93,340	94,748	-
Total liabilities	109,050	172,764	-
<u>Deferred inflows of resources</u>			
Property taxes levied for subsequent years	67,975	67,971	-
Deferred inflows for pension	10,704	5,814	-
Total deferred inflows of resources	78,679	73,785	-
<u>Net Position</u>			
Net investment in capital assets	2,549,049	2,616,449	-
Restricted	264,263	152,978	154,750
Unrestricted	2,103,279	1,991,906	-
Total net position	\$ 4,916,591	4,761,333	154,750

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, 2025

Program Activities	Expenditures	Program Revenues			Net (Expenditures) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units
					2025	2024	
Governmental activities:							
Administrative	\$ 325,838	13,602	-	-	(312,236)	(273,314)	-
Transportation & Public Works	230,954	-	-	-	(230,954)	(524,199)	-
Public Safety	220,599	7,037	17,766	-	(195,796)	(183,042)	-
Sewer	101,235	47,671	-	-	(53,564)	2,374	-
Unallocated Depreciation	181,056	-	-	-	(181,056)	(156,420)	-
Total primary government	1,059,682	68,310	17,766	-	(973,606)	(1,134,601)	-
Component units:							
Social Services	14,087	-	3,875	-	-	-	(10,212)
Culture & Recreation	4,425	-	1,526	-	-	-	(2,899)
Total component units	\$ 18,512	-	5,401	-	-	-	(13,111)
General revenues:							
Taxes:							
Property taxes					\$ 79,742	76,560	-
Utility tax					67,492	61,322	-
Sales tax					269,811	280,363	-
Income tax					433,838	404,569	-
Cannabis Tax					3,460	3,827	-
Replacement tax					1,717	2,595	-
Local use tax					76,076	92,455	-
Interest Income					13,094	11,110	4,296
Motor fuel tax					109,444	106,662	-
Video gaming tax					44,750	44,735	-
Miscellaneous					29,440	64,286	25
Total general revenues					1,128,864	1,148,484	4,321
Change in net position					155,258	13,883	(8,790)
Net position, beginning of year					4,761,333	4,747,450	163,540
Net position, end of year					\$ 4,916,591	4,761,333	154,750

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

Balance Sheet - Governmental Funds
March 31, 2025

	Major Funds								Total	
	General Fund	Police Fund	Streets Fund	Motor Fuel Tax Fund	Sewer Fund	American Rescue Plan Act Fund	Capital Project Fund	Non-major Governmental Funds	Governmental Funds	Funds
									2025	2024
<u>Assets</u>										
Cash and cash equivalents	\$ 441,014	208,451	345,116	244,801	193,132	-	311,378	443,782	2,187,674	2,014,857
Due from State of Illinois	26,881	47,859	48,617	19,462	-	-	29,918	29,917	202,654	192,689
Accounts receivable	-	-	-	-	25,783	-	-	-	25,783	21,353
Property taxes receivable	58,757	8,128	1,090	-	-	-	-	-	67,975	67,971
Total assets	<u>\$ 526,652</u>	<u>264,438</u>	<u>394,823</u>	<u>264,263</u>	<u>218,915</u>	<u>-</u>	<u>341,296</u>	<u>473,699</u>	<u>2,484,086</u>	<u>2,296,870</u>
<u>Liabilities</u>										
Accounts payable	\$ 3,197	1,901	2,673	-	501	-	5,110	2,328	15,710	78,016
Total liabilities	<u>3,197</u>	<u>1,901</u>	<u>2,673</u>	<u>-</u>	<u>501</u>	<u>-</u>	<u>5,110</u>	<u>2,328</u>	<u>15,710</u>	<u>78,016</u>
<u>Deferred inflows of resources</u>										
Property taxes levied for subsequent years	58,757	8,128	1,090	-	-	-	-	-	67,975	67,971
Total deferred inflows	<u>58,757</u>	<u>8,128</u>	<u>1,090</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,975</u>	<u>67,971</u>
<u>Fund Balances</u>										
Unassigned	464,698	-	-	-	-	-	-	-	464,698	430,725
Assigned	-	254,409	391,060	-	218,414	-	336,186	471,371	1,671,440	1,567,180
Restricted	-	-	-	264,263	-	-	-	-	264,263	152,978
Total fund balances	<u>464,698</u>	<u>254,409</u>	<u>391,060</u>	<u>264,263</u>	<u>218,414</u>	<u>-</u>	<u>336,186</u>	<u>471,371</u>	<u>2,400,401</u>	<u>2,150,883</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 526,652</u>	<u>264,438</u>	<u>394,823</u>	<u>264,263</u>	<u>218,915</u>	<u>-</u>	<u>341,296</u>	<u>473,699</u>	<u>2,484,086</u>	<u>2,296,870</u>
Reconciliation to Statement of Net Position:										
Total fund balances, government funds									2,400,401	2,150,883
Amounts reported for governmental activities in the Statement of Net Position are different because:										
Capital assets used in governmental activities of \$4,463,695 (net of accumulated depreciation of \$1,914,646) are not financial resources and, therefore, are not reported in the funds.										
									2,549,049	2,616,449
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									(93,340)	(94,748)
Net deferred pension outflows (inflows)									60,481	88,749
Net position of governmental activities									<u>\$ 4,916,591</u>	<u>4,761,333</u>

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, 2025

	Major Funds							Non-major Governmental Funds	Total Governmental Funds	
	General Fund	Police Fund	Streets Fund	Motor Fuel Tax Fund	Sewer Fund	American Rescue Plan Act Fund	Capital Project Fund		2025	2024
Revenues:										
Property taxes	\$ 56,175	9,954	13,613	-	-	-	-	-	79,742	76,560
Utility tax	7,226	18,737	17,536	-	4,925	-	8,254	10,814	67,492	61,322
Sales tax	26,981	67,453	70,151	-	18,887	-	43,170	43,169	269,811	280,363
Income tax	43,384	108,459	112,798	-	30,369	-	69,414	69,414	433,838	404,569
Replacement tax	172	429	446	-	120	-	275	275	1,717	2,595
Local use tax	7,608	19,019	19,780	-	5,325	-	12,172	12,172	76,076	92,455
Cannabis tax	-	3,460	-	-	-	-	-	-	3,460	3,827
Video gaming tax	44,750	-	-	-	-	-	-	-	44,750	44,735
Interest income	8,926	650	676	1,841	182	-	416	403	13,094	11,110
Motor fuel tax	-	-	-	109,444	-	-	-	-	109,444	106,662
Charges for services	-	-	-	-	47,671	-	-	-	47,671	39,966
Fines, fees, and forfeitures	-	5,774	-	-	-	-	-	-	5,774	2,536
Licenses and permits	3,405	1,263	1,313	-	354	-	808	7,722	14,865	13,152
Donations	-	-	-	-	-	-	-	-	-	100
Grants	-	17,766	-	-	-	-	-	-	17,766	43,146
Miscellaneous	836	2,000	126	-	500	-	3,202	22,776	29,440	64,286
Total revenues	199,463	254,964	236,439	111,285	108,333	-	137,711	166,745	1,214,940	1,247,384
Expenditures:										
Current:										
Administrative	160,525	-	75,652	-	-	-	-	62,801	298,978	280,486
Public safety	-	220,599	-	-	-	-	-	-	220,599	216,853
Transportation and public works	-	-	74,760	-	-	-	-	-	74,760	455,320
Sewer	-	-	-	-	101,235	-	-	-	101,235	37,592
Capital outlay	4,965	18,845	-	-	-	-	207,724	38,316	269,850	557,692
Total expenditures disbursed	165,490	239,444	150,412	-	101,235	-	207,724	101,117	965,422	1,547,943
Excess (deficiency) of revenues over (under) expenditures	33,973	15,520	86,027	111,285	7,098	-	(70,013)	65,628	249,518	(300,559)
Fund balance, beginning of year	430,725	238,889	305,033	152,978	211,316	-	406,199	405,743	2,150,883	2,451,442
Fund balances, ending of year	\$ 464,698	254,409	391,060	264,263	218,414	-	336,186	471,371	2,400,401	2,150,883

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, 2025

Reconciliation to the Statement of Activities:

Net Change in Fund Balances - total governmental funds	\$	249,518	(300,559)
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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		113,656	476,482
Depreciation		(181,056)	(156,420)

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		(26,860)	(5,620)
Change in net position of governmental activities (Statement B)	\$	155,258	13,883

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, 2025

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, 2025

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, 2025

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.

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.

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

VILLAGE OF SHERIDAN, ILLINOIS

Notes to Basic Financial Statements For the Year Ended March 31, 2025

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, 2025

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, 2025

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, 2025, net investment in capital assets consists of the following:

	Governmental Activities
Capital assets, at cost	\$ 4,463,695
Less: Accumulated depreciation	<u>(1,914,646)</u>
Net investment in capital assets	<u>\$ 2,549,049</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 2023 property tax levy, in the amount of \$67,971, adjusted to \$67,975 was adopted on November 13, 2023 and was received by the Village in the current fiscal year. The 2024 tax levy, in the amount of \$67,971, adjusted to \$67,975, was adopted on December 9, 2024 and will be received by the Village in the subsequent fiscal year.

The Village reported the entire 2024 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, 2025

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

F. Change in Accounting Standards

During the year ended March 31, 2023, the Village implemented GASB 87 – Leases, which established a single model for lease accounting based on the foundational principles that leases are financings of the right to use an underlying asset. At March 31, 2025, the Village had no leases to record.

While GASB 96 was in effect as of March 31, 2025, there were no agreements that met the requirements of this pronouncement.

NOTE 2: DEPOSITS & INVESTMENTS

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, 2025, the bank balance of the Village's deposits was \$2,225,099 and the carrying amount was \$2,187,674. All of the Village's uninsured deposits were collateralized with securities held by the pledging financial institution.

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, 2025, the funds participating in the common bank account had the following cash balances:

Fund	Balance
General Fund	\$ 441,014
Police Fund	208,451
Streets Fund	345,116
Parks Fund	89,207
Zoning & Building Fund	75,693
Cemetery Fund	9,155
Sewer Fund	193,132
Sewer Special Reserve Fund	131,416
Street Equipment Reserve Fund	82,883
Police Vehicle Reserve Fund	51,570
DARE Fund	3,858
Capital Project Fund	311,378
Total	<u>\$ 1,942,873</u>

VILLAGE OF SHERIDAN, ILLINOIS

Notes to Basic Financial Statements For the Year Ended March 31, 2025

NOTE 2: DEPOSITS & INVESTMENTS – (Continued)

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.

NOTE 4: CAPITAL ASSETS

A summary of changes in capital assets follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 71,594	-	-	71,594
Construction in Progress	365,404	24,816	(390,220)	-
Total capital assets not being depreciated:	436,998	24,816	(390,220)	71,594
Capital assets being depreciated				
Machinery & equipment	671,773	88,840	(114,466)	646,147
Buildings & Improvements	3,355,734	390,220	-	3,745,954
Total capital assets being depreciated	4,027,507	479,060	(114,466)	4,392,101
Total capital assets, cost	4,464,505	503,876	(504,686)	4,463,695
Less accumulated depreciation for:				
Machinery & equipment	(595,209)	(42,956)	114,466	(523,699)
Buildings	(1,252,847)	(138,100)	-	(1,390,947)
Total accumulated depreciation	(1,848,056)	(181,056)	114,466	(1,914,646)
Governmental activities capital assets, net	\$ 2,616,449	322,820	(390,220)	2,549,049

Significant additions for the year ended March 31, 2025 included the following:

Governmental Activities:

Sewer Lining Project	\$390,220
Equipment	20,913
Vehicle	38,316
Cameras	29,611

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, 2025

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, 2025, 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.

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, 2025

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, 2024, the following Village employees were covered by the benefit terms:

Retirees and Beneficiaries	-
Inactive, Non-retired Members	4
Active Members	3
	<hr/>
Total	7
	<hr/>

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 2024 and the fiscal year ended March 31, 2025 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 2024	9.67%
Village required contribution rate for 2025	8.11%
Village actual contributions for 2024	\$ 17,005
Village actual contributions for fiscal year 2025	\$ 16,497

VILLAGE OF SHERIDAN, ILLINOIS

Notes to Basic Financial Statements For the Year Ended March 31, 2025

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

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

At December 31, 2024, the Village had a net pension liability for the plan, determined as follows:

Total Pension Liability	\$	241,960
Plan Fiduciary Net Position		<u>148,620</u>
Net Pension Liability	\$	<u>93,340</u>

Actuarial

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

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study from years 2020 to 2022.
- For Non-Disabled Retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021.
- For Disabled Retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- For Active Members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation.

VILLAGE OF SHERIDAN, ILLINOIS

Notes to Basic Financial Statements For the Year Ended March 31, 2025

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

Actuarial Assumptions – (Continued)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2024:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	33.5%	4.35%
International Equity	18.0%	5.40%
Fixed Income	24.5%	5.20%
Real Estate	10.5%	6.40%
Alternative Investments	N/A*	4.85-6.25%
Cash Equivalents	1.0%	3.60%
*Not Available		

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 4.08% and the resulting single discount rate is 7.25%.

VILLAGE OF SHERIDAN, ILLINOIS

Notes to Basic Financial Statements For the Year Ended March 31, 2025

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, 2023	\$ 212,885	118,137	94,748
Changes for the Year:			
Service Cost	20,253	-	20,253
Interest on the Total Pension Liability	16,168	-	16,168
Differences Between Expected and Actual Experience of the Total Pension Liability	(7,346)	-	(7,346)
Changes of Assumptions	-	-	-
Contributions - Employer	-	17,005	(17,005)
Contributions - Employees	-	7,913	(7,913)
Net Investment Income	-	8,981	(8,981)
Benefit Payments, including Refunds of Employee Contributions	-	-	-
Other (Net Transfer)	-	(3,416)	3,416
Net Changes	29,075	30,483	(1,408)
Balances at December 31, 2024	\$ 241,960	148,620	93,340

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	\$ 273,980	241,960	216,209
Plan Fiduciary Net Position	148,620	148,620	148,620
Net Pension Liability (Asset)	\$ 125,360	93,340	67,589

VILLAGE OF SHERIDAN, ILLINOIS

Notes to Basic Financial Statements For the Year Ended March 31, 2025

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, 2025, the Village recognized pension expense of \$40,100. At March 31, 2025, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 62,063	8,975
Net difference between projected and actual earnings on pension plan investments	4,502	659
Changes of assumptions	-	1,070
Contributions made after the valuation date	4,620	-
Total deferred amounts to be recognized in future periods	<u>\$ 71,185</u>	<u>10,704</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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ended December 31,	Net Deferred Outflow of Resources
2025	\$ 17,330
2026	13,285
2027	8,085
2028	8,275
2029	7,827
Thereafter	1,059
Total	<u>\$ 55,861</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, 2025

NOTE 8: LEGAL DEBT MARGIN

The following schedule illustrates the legal debt margin of the Village as of March 31, 2025:

Assessed valuation - 2024	<u>\$ 15,928,600</u>
Statutory debt limitation (8.625% of assessed valuation)	\$ 1,373,842
Debt outstanding at March 31, 2025:	<u>-</u>
Legal debt margin	<u>\$ 1,373,842</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, 2025

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 \$264,263 as of fiscal year end.

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	\$ -	8,674	9,100	-
Liability Insurance*	-	30,585	31,851	-
Total	<u>\$ -</u>	<u>39,259</u>	<u>40,951</u>	<u>-</u>

*Liability insurance expenditures include \$31,851 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, 2025.

VILLAGE OF SHERIDAN, ILLINOIS

Notes to Basic Financial Statements For the Year Ended March 31, 2025

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, 2025, the Village has the following assigned fund balances:

<u>Fund</u>	<u>Balance</u>
Police Fund	\$ 254,409
Streets Fund	391,060
Sewer Fund	218,414
Capital Project Fund	336,186
Zoning and Building Fund	77,955
Cemetery Fund	10,068
Parks Fund	95,858
Street Equipment Reserve Fund	94,103
Police Vehicle Reserve Fund	52,505
DARE Fund	3,858
Special Sewer Reserve Fund	137,024
Total	<u>\$ 1,671,440</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 14, 2025, 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, 2025.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF SHERIDAN, ILLINOIS
GENERAL FUND

SCHEDULE A-1

Balance Sheet
March 31, 2025

<u>Assets</u>	
Cash	\$ 223,116
State Bank CD	217,898
Due from State of Illinois	26,881
Property taxes receivable	<u>58,757</u>
Total assets	<u>\$ 526,652</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>	
Liabilities:	
Accounts payable	\$ 816
IMRF payable	2,372
Payroll deductions payable	<u>9</u>
Total liabilities	<u>3,197</u>
Deferred Inflows of Resources:	
Property taxes levied for subsequent years	<u>58,757</u>
Fund Balance:	
Unassigned fund balance	<u>464,698</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 526,652</u>

**VILLAGE OF SHERIDAN, ILLINOIS
GENERAL FUND**

SCHEDULE A-2

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2025
(With Comparative Figures for 2024)**

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
General property taxes	\$ 16,259	16,244	16,285
IMRF tax levy	673	672	592
Audit tax levy	8,682	8,674	8,696
Insurance tax levy	30,614	30,585	28,122
Municipal telephone & utility tax	5,906	7,226	2,999
Liquor licenses	605	505	360
Business & gaming licenses	3,300	2,900	2,775
State income taxes	40,153	43,384	20,229
Replacement taxes	320	172	130
Sales tax	30,454	26,981	14,018
Use tax	9,768	7,608	4,623
Cannabis tax	-	-	191
Interest income	7,639	8,926	8,410
Video gaming tax	46,011	44,750	44,735
Miscellaneous	500	836	1,105
Total revenues	200,884	199,463	153,270
Expenditures:			
Administrative:			
Salaries - Mayor and Trustees	18,000	16,800	15,750
Salary - Administrator	49,000	50,481	46,968
Salaries - Custodial & cleaning	1,200	1,200	1,200
Salary - Clerk	1,875	2,075	1,875
Salaries - Administrator overtime	200	-	-
Unused Vacation Days	2,000	784	635
Unemployment insurance	615	1,638	262
Social security	4,500	4,699	4,319
Medicare	1,050	1,099	1,010
IMRF	5,400	5,650	5,496
Health insurance	5,000	5,983	1,938
Contractual services:			
Maintenance service - building	2,500	950	303
Accounting service	12,000	9,100	8,850
Engineering	1,000	619	-
Legal service	25,000	7,580	15,116
LOCIS services	1,500	1,270	1,236
Internet service provider	1,000	1,052	1,916
Telephone	1,000	1,052	901
Publishing	1,500	426	113
Dues	1,200	1,080	1,103
Travel	500	43	-
Training	200	-	-
Utilities	5,932	4,905	5,268
NCICG local share	1,000	1,000	1,000
Risk management	37,000	31,851	30,714

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, 2025
(With Comparative Figures for 2024)

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Expenditures (continued):			
Commodities:			
Postage	\$ 800	711	787
Office supplies	4,000	3,776	3,510
Miscellaneous/contingency	9,900	4,701	2,997
Capital outlay:			
Equipment	12,000	4,965	-
Total expenditures	206,872	165,490	153,267
Net change in fund balance	<u>\$ (5,988)</u>	33,973	3
Fund balance, beginning of year		430,725	430,722
Fund balance, end of year		<u>\$ 464,698</u>	<u>430,725</u>

VILLAGE OF SHERIDAN, ILLINOIS
POLICE FUND

SCHEDULE B-1

Balance Sheet
March 31, 2025

<u>Assets</u>	
Cash	\$ 208,451
Due from State of Illinois	47,859
Property taxes receivable	<u>8,128</u>
Total assets	<u>\$ 264,438</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>	
Liabilities:	
Accounts payable	<u>\$ 1,901</u>
Total liabilities	<u>1,901</u>
Deferred Inflows of Resources:	
Property taxes levied for subsequent years	<u>8,128</u>
Fund Balance:	
Assigned fund balance	<u>254,409</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 264,438</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, 2025
(With Comparative Figures for 2024)**

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
Police protection levy	\$ 8,128	8,121	8,142
IMRF tax levy	1,835	1,833	1,594
Utility tax	14,765	18,737	709
Liquor licenses	1,514	1,263	360
Income tax	100,375	108,459	20,229
Replacement tax	800	429	130
Sales tax	76,135	67,453	14,018
Use tax	24,419	19,019	4,623
Cannabis Tax	3,598	3,460	191
Court fines	3,000	5,074	2,536
Forfeits drug & DUI fines	300	700	-
Training reimbursement	3,000	2,000	-
Interest income	575	650	115
Grant revenue	-	17,766	10
Miscellaneous income	100	-	-
Total revenues	238,544	254,964	52,657
Expenditures:			
Administrative:			
Full-Time Officer - Chief	76,000	76,455	73,494
Full-Time Officer	60,000	23,451	50,975
Part-Time Officers	50,000	24,840	17,116
Salaries - overtime	1,000	969	565
Unused Vacation Time	600	3,525	3,405
Full time officer holiday	3,000	-	215
Life insurance	2,000	1,707	1,662
Unemployment insurance	1,800	2,894	481
Social security	14,000	8,013	9,038
Health insurance	9,000	1,955	3,705
Medicare	3,100	1,874	2,114
IMRF	15,000	10,265	12,978
Uniform allowance	4,000	2,408	2,272
Contractual services:			
Maintenance Service - building	2,500	1,185	217
Maintenance Service - equipment	2,000	-	-
Maintenance service- vehicle	6,000	28,371	1,679
Engineering service	500	-	-
Legal service	8,000	2,433	1,655
Communications service	3,500	1,455	3,276
Regular phone & long distance	3,000	5,410	2,812
Cell phone	1,000	729	596
Dues	1,500	1,314	912
Travel	4,500	3,120	2,750
Training	16,000	5,386	9,470

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, 2025
(With Comparative Figures for 2024)

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Expenditures (continued):			
Commodities:			
Office supplies	\$ 3,000	1,407	2,654
Operating	9,000	1,459	5,366
Postage	50	-	-
Impound fee	800	699	-
Automotive fuel/oil	10,000	5,706	6,901
Animal control	100	-	-
Internet service provider	1,200	1,243	-
Miscellaneous/contingency	17,500	2,326	545
Capital outlay:			
Equipment	41,000	18,845	12,331
Total expenditures	370,650	239,444	229,184
Net change in fund balance	\$ (132,106)	15,520	(176,527)
Fund balance, beginning of year		238,889	415,416
Fund balance, end of year		\$ 254,409	238,889

VILLAGE OF SHERIDAN, ILLINOIS
STREETS FUND

SCHEDULE B-3

Balance Sheet
March 31, 2025

<u>Assets</u>	
Cash	\$ 345,116
Due from State of Illinois	48,617
Property tax receivable	<u>1,090</u>
Total assets	<u>\$ 394,823</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>	
Liabilities:	
Accounts payable	<u>\$ 2,673</u>
Deferred Inflows of Resources:	
Property taxes levied for subsequent years	<u>1,090</u>
Fund Balance:	
Assigned fund balance	<u>391,060</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 394,823</u>

VILLAGE OF SHERIDAN, ILLINOIS
STREETS FUND

SCHEDULE B-4

Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2025
(With Comparative Figures for 2024)

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
Property taxes	\$ 10,500	12,941	12,543
4201st road fund	2,500	-	-
IMRF tax levy	673	672	586
Utility tax	15,356	17,536	16,018
Liquor license	1,573	1,313	1,944
Income tax	104,391	112,798	109,233
Replacement tax	832	446	700
Sales tax	79,180	70,151	75,698
Use tax	25,396	19,780	24,963
Cannabis Tax	-	-	1,034
Interest income	598	676	621
Miscellaneous	100	126	10,740
Total revenues	241,099	236,439	254,080
Expenditures:			
Administrative:			
Regular salaries	75,000	68,932	58,921
Unemployment insurance	650	1,405	224
Social security	4,650	3,344	3,653
Medicare	1,100	782	854
IMRF	7,500	1,189	4,783
Health insurance	14,000	-	7,075
Boot Allowance	500	-	-
Contractual services:			
Maintenance service - building	30,000	4,293	9,735
Maintenance service - equipment	8,000	28,801	6,121
Maintenance service - vehicles	3,000	1,643	1,817
Maintenance service - streets	50,000	5,740	25,404
Engineering services	15,000	1,424	3,586
4201st St Road Fund	2,500	-	-
Legal services	3,500	4,077	2,734
Internet Service Provider	2,700	-	-
Tree removal	20,000	7,200	8,610
Regular telephone	800	107	796
Cell phone	800	1,398	1,330
Utilities	2,300	2,169	1,721
Street lighting	7,500	5,463	4,833
Commodities:			
Operating supplies	500	-	-
Fuel and oil	5,200	3,803	3,744
De-icing/chloride	9,000	3,844	6,992
Miscellaneous/contingency	15,100	4,798	4,290
Total expenditures	279,300	150,412	157,223
Net change in fund balance	\$ (38,201)	86,027	96,857
Fund balance, beginning of year		305,033	208,176
Fund balance, end of year		\$ 391,060	305,033

VILLAGE OF SHERIDAN, ILLINOIS
MOTOR FUEL TAX FUND

SCHEDULE B-5

Balance Sheet
March 31, 2025

<u>Assets</u>	
Cash	\$ 192,736
Investment CD	52,065
Due from State of Illinois	19,462
Total assets	<u>\$ 264,263</u>
<u>Fund Balance</u>	
Restricted fund balance	\$ 264,263
Total fund balance	<u>\$ 264,263</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2025
(With Comparative Figures for 2024)

SCHEDULE B-6

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
Motor fuel tax	\$ 110,000	109,444	106,662
Interest income	500	1,841	513
TARP Grant	-	-	43,136
Total revenues	<u>110,500</u>	<u>111,285</u>	<u>150,311</u>
Expenditures:			
Engineering service	16,000	-	27,171
Street improvements	-	-	333,012
Miscellaneous	1,000	-	13,424
Total expenditures	<u>17,000</u>	<u>-</u>	<u>373,607</u>
Net change in fund balance	<u>\$ 93,500</u>	111,285	(223,296)
Fund balance, beginning of year		<u>152,978</u>	<u>376,274</u>
Fund balance, end of year		<u>\$ 264,263</u>	<u>152,978</u>

**VILLAGE OF SHERIDAN, ILLINOIS
SEWER FUND**

SCHEDULE B-7

**Balance Sheet
March 31, 2025**

		<u>Assets</u>	
Cash			\$ 193,132
Accounts receivable			25,783
Total assets			<u>\$ 218,915</u>
		<u>Liabilities & Fund Balance</u>	
Liabilities:			
Accounts payable			\$ 501
Total liabilities			<u>501</u>
Fund balance:			
Assigned fund balance			<u>218,414</u>
Total liabilities & fund balance			<u>\$ 218,915</u>

**Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2025
(With Comparative Figures for 2024)**

SCHEDULE B-8

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
Utility tax	\$ 4,134	4,925	3,402
Liquor license	424	354	360
Income tax	28,105	30,369	20,229
Replacement tax	224	120	130
Sales tax	21,318	18,887	14,018
Use tax	6,837	5,325	4,623
Cannabis tax	-	-	191
Interest income	161	182	115
Sewer maintenance fees	40,000	47,671	39,966
Miscellaneous Income	-	500	8,828
Total revenues	<u>101,203</u>	<u>108,333</u>	<u>91,862</u>
Expenditures:			
Maintenance Service- Equip	5,000	2,751	19,546
Maintenance service sewer	185,000	68,235	7,787
Engineering services	7,000	21,721	2,188
Legal services	3,500	6,237	3,119
Postage	600	872	625
Publications	250	-	246
Utilities	700	442	386
Miscellaneous	8,000	977	3,695
Total expenditures	<u>210,050</u>	<u>101,235</u>	<u>37,592</u>
Change in net position	<u>\$ (108,847)</u>	7,098	54,270
Fund balance, beginning of year		<u>211,316</u>	<u>157,046</u>
Fund balance, end of year		<u>\$ 218,414</u>	<u>211,316</u>

Balance Sheet
March 31, 2025

		<u>Assets</u>	
Cash			\$ -
Total assets			<u>\$ -</u>
		<u>Liabilities & Fund Balance</u>	
Liabilities:			
Accounts payable			\$ -
Fund balance:			
Restricted fund balance			-
Total liabilities & fund balance			<u>\$ -</u>

Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2025
(With Comparative Figures for 2024)

SCHEDULE B-10

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
ARPA grant	\$ -	-	-
Total revenues	-	-	-
Expenditures:			
Sewer Lining Project	43,342	-	342,934
Equipment	-	-	-
Total expenditures	43,342	-	342,934
Change in net position	<u>\$ -</u>	-	(342,934)
Fund balance, beginning of year		-	342,934
Fund balance, end of year		<u>\$ -</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,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	\$ 20,253	15,639	18,431	18,893	16,999	-	-	-	-	-
Interest on the Total Pension Liability	16,168	12,333	10,801	6,249	616	-	-	-	-	-
Benefit Changes	-	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	(7,346)	25,188	(4,582)	37,878	60,948	-	-	-	-	-
Assumption Changes	-	(430)	-	-	(1,815)	-	-	-	-	-
Benefit Payments and Refunds	-	(4,263)	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	29,075	48,467	24,650	63,020	76,748	-	-	-	-	-
Total Pension Liability - Beginning	212,885	164,418	139,768	76,748	-	-	-	-	-	-
Total Pension Liability - Ending	\$ 241,960	212,885	164,418	139,768	76,748	-	-	-	-	-
Plan Fiduciary Net Position										
Employer Contributions	\$ 17,005	20,024	11,797	24,717	17,876	-	-	-	-	-
Employee Contributions	7,913	9,915	6,931	20,048	9,070	-	-	-	-	-
Pension Plan Net Investment Income	8,981	8,038	(4,638)	3,837	-	-	-	-	-	-
Benefit Payments and Refunds	-	(4,263)	-	-	-	-	-	-	-	-
Other	(3,416)	(526)	(2,011)	(1,880)	(798)	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	30,483	33,188	12,079	46,722	26,148	-	-	-	-	-
Plan Fiduciary Net Position - Beginning	118,137	84,949	72,870	26,148	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending	\$ 148,620	118,137	84,949	72,870	26,148	-	-	-	-	-
Net Pension Liability (Asset)	\$ 93,340	94,748	79,469	66,898	50,600	-	-	-	-	-
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.42%	55.49%	51.67%	52.14%	34.07%	N/A	N/A	N/A	N/A	N/A
Covered Valuation Payroll	\$ 175,850	212,414	154,012	185,423	134,109	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of the Covered Valuation Payroll	53.08%	44.61%	51.60%	36.08%	37.73%	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
12/31/2024	\$ 17,005	17,005	-	175,850	9.67%
12/31/2023	19,330	20,024	(694)	212,414	9.43%
12/31/2022	11,797	11,797	-	154,012	7.66%
12/31/2021	14,389	24,717	(10,328)	185,423	13.33%
12/31/2020	-	17,876	(17,876)	134,109	13.33%

Estimate based on contribution rate of 9.67% and covered valuation payroll of \$175,850.

Notes to Schedule:

Valuation Date:

Notes

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

Methods and Assumptions used to Determine 2024 Contribution Rate:

Actuarial Cost Method

Aggregate Entry Age Normal

Amortization Method

Level Percentage of Payroll, Closed

Remaining Amortization Period

Non-Taxing bodies: 10-year rolling period.

Taxing bodies (Regular, SLEP, and ECO groups): 19-year closed period

Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI.

SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 14 years for most employers (five employers were financed over 15 years; one employer was financed over 16 years; two employers were financed over 17 years; one employer was financed over 20 years; three employers were financed over 23 years; four employers were financed over 24 years; and one employer was financed over 25 years).

Asset Valuation Method

5-Year smoothed market; 20% corridor

Wage Growth

2.75%

Price Inflation

2.25%

Salary Increases

2.75% to 13.75% including inflation

Investment Rate of Return

7.25%

Retirement Age

Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study for the period 2017-2019.

Mortality

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

Other Information:

Notes

There were no benefit changes during the year.

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

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF SHERIDAN, ILLINOIS

Notes to Required Supplementary Information For the Year Ended March 31, 2025

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 13, 2024, the Village approved Ordinance No. 2024-29 adopting the annual budget for the fiscal year ending March 31, 2025. 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, 2025:

Fund	Budget	Actual	Variance	Percent Variance
General Fund	\$ 206,872	165,490	41,382	20.00%
Police Fund	370,650	239,444	131,206	35.40%
Streets Fund	279,300	150,412	128,888	46.15%
Motor Fuel Tax Fund	17,000	-	17,000	100.00%
Sewer Fund	210,050	101,235	108,815	51.80%
American Rescue Plan Act Fund	43,342	-	43,342	100.00%

NOTE 3: EXPENDITURES IN EXCESS OF APPROPRIATIONS

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, 2025**

<u>Assets</u>	
Cash	\$ 311,378
Due from State of Illinois	29,918
Total assets	<u>\$ 341,296</u>
<u>Liabilities & Fund Balance</u>	
Liabilities:	
Accounts payable	\$ 5,110
Fund Balance:	
Committed fund balance	336,186
Total liabilities & fund balance	<u>\$ 341,296</u>

**Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2025
(With Comparative Figures for 2024)**

SCHEDULE C-2

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
Utility tax	\$ 9,450	8,254	30,287
Liquor licenses	968	808	3,240
Income tax	64,241	69,414	182,055
Replacement tax	512	275	1,167
Sales tax	48,726	43,170	126,164
Use tax	15,628	12,172	41,604
Cannabis tax	-	-	1,723
Interest income	368	416	1,036
Miscellaneous	-	3,202	43,613
Total revenues	<u>139,893</u>	<u>137,711</u>	<u>430,889</u>
Expenditures:			
Capital projects	<u>415,000</u>	<u>207,724</u>	<u>202,427</u>
Total expenditures	<u>415,000</u>	<u>207,724</u>	<u>202,427</u>
Net change in fund balance	<u>\$ (275,107)</u>	<u>(70,013)</u>	<u>228,462</u>
Fund balance, beginning of year		<u>406,199</u>	<u>177,737</u>
Fund balance, end of year		<u>\$ 336,186</u>	<u>406,199</u>

VILLAGE OF SHERIDAN, ILLINOIS
NON-MAJOR GOVERNMENTAL FUNDS

SCHEDULE D-1

Combining Balance Sheet
March 31, 2025

	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,	
									2025	2024
<u>Assets</u>										
Cash in bank	\$ 75,693	9,155	89,207	82,883	51,570	3,858	-	131,416	443,782	384,748
Due from State of Illinois	3,740	935	7,479	11,220	935	-	-	5,608	29,917	22,516
Total assets	<u>\$ 79,433</u>	<u>10,090</u>	<u>96,686</u>	<u>94,103</u>	<u>52,505</u>	<u>3,858</u>	<u>-</u>	<u>137,024</u>	<u>473,699</u>	<u>407,264</u>
<u>Liabilities</u>										
Accounts payable	\$ 1,478	22	828	-	-	-	-	-	2,328	1,521
<u>Fund balances</u>										
Assigned	77,955	10,068	95,858	94,103	52,505	3,858	-	137,024	471,371	405,743
Total liabilities & fund balances	<u>\$ 79,433</u>	<u>10,090</u>	<u>96,686</u>	<u>94,103</u>	<u>52,505</u>	<u>3,858</u>	<u>-</u>	<u>137,024</u>	<u>473,699</u>	<u>407,264</u>

VILLAGE OF SHERIDAN, ILLINOIS
NON-MAJOR GOVERNMENTAL FUNDS

SCHEDULE D-2

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended March 31, 2025

	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,	
									2025	2024
Revenues:										
Replacement tax	\$ 34	9	69	103	9	-	-	51	275	338
Sales tax	5,396	1,349	10,792	16,189	1,349	-	-	8,094	43,169	36,447
Income tax	8,677	2,169	17,354	26,030	2,169	-	-	13,015	69,414	52,594
Use tax	1,522	380	3,043	4,565	380	-	-	2,282	12,172	12,019
Cannabis tax	-	-	-	-	-	-	-	-	-	497
Utility tax	1,355	384	2,622	4,559	339	-	-	1,555	10,814	7,907
Building and zoning	6,914	-	-	-	-	-	-	-	6,914	3,177
Liquor licenses	101	25	202	303	25	-	-	152	808	936
Interest income	52	13	104	156	-	-	-	78	403	300
Donations	-	-	-	-	-	-	-	-	-	100
Miscellaneous	321	-	1,301	2,557	18,597	-	-	-	22,776	-
Total revenues	24,372	4,329	35,487	54,462	22,868	-	-	25,227	166,745	114,315
Expenditures:										
General government	31,344	486	30,971	-	-	-	-	-	62,801	51,709
Capital outlay	-	-	-	-	38,316	-	-	-	38,316	-
Total expenditures	31,344	486	30,971	-	38,316	-	-	-	101,117	51,709
Excess (deficiency) of revenues over (under) expenditures	(6,972)	3,843	4,516	54,462	(15,448)	-	-	25,227	65,628	62,606
Other financing sources (uses):										
Transfers in (out)	-	-	611	-	-	-	(611)	-	-	-
Net change in fund balance	(6,972)	3,843	5,127	54,462	(15,448)	-	(611)	25,227	65,628	62,606
Fund balance, beginning of year	84,927	6,225	90,731	39,641	67,953	3,858	611	111,797	405,743	343,137
Fund balance end of year	\$ 77,955	10,068	95,858	94,103	52,505	3,858	-	137,024	471,371	405,743

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

SCHEDULE D-3

**Balance Sheet
March 31, 2025**

<u>Assets</u>		
Cash		\$ 75,693
Due from State of Illinois		3,740
Total assets		<u>\$ 79,433</u>
<u>Liabilities and Fund Balance</u>		
Liabilities:		
Accounts payable		\$ 1,478
Total liabilities		<u>1,478</u>
Fund balance:		
Assigned fund balance		77,955
Total liabilities and fund balance		<u>\$ 79,433</u>

**Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2025
(With Comparative Figures for 2024)**

SCHEDULE D-4

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
Utility tax	\$ 1,181	1,355	1,092
IMRF tax levy	20	21	-
Liquor license	121	101	144
Building permits	2,259	6,539	2,052
Special Zoning Permits	1,000	-	-
Zoning permits	1,000	375	1,125
State income tax	8,030	8,677	8,091
Replacement tax	64	34	52
Sales tax	6,091	5,396	5,607
Use tax	1,954	1,522	1,849
Cannabis tax	-	-	77
Interest income	46	52	46
Miscellaneous	100	300	-
Total revenues	<u>21,866</u>	<u>24,372</u>	<u>20,135</u>
Expenditures:			
Salary - Clerk	1,500	750	375
Salaries - Zoning enforcement	2,400	2,400	2,400
Salaries - Zoning & planning	1,500	1,300	660
Salaries - Inspections	5,000	2,403	2,275
Special inspections	300	500	-
Unemployment insurance	50	-	-
Payroll expenses	900	2	-
Professional services	32,000	21,351	14,017
Postage	200	-	-
Publishing	1,500	579	659
Water and Soil testing	4,000	772	903
Miscellaneous/contingency	2,500	1,287	393
Total expenditures	<u>51,850</u>	<u>31,344</u>	<u>21,682</u>
Net change in fund balance	<u>\$ (29,984)</u>	<u>(6,972)</u>	<u>(1,547)</u>
Fund balance, beginning of year		84,927	86,474
Fund balance, end of year		<u>\$ 77,955</u>	<u>84,927</u>

**VILLAGE OF SHERIDAN, ILLINOIS
CEMETERY FUND**

SCHEDULE D-5

**Balance Sheet
March 31, 2025**

<u>Assets</u>	
Cash	\$ 9,155
Due from State of Illinois	935
Total assets	<u>\$ 10,090</u>
<u>Fund Balance</u>	
Assigned fund balance	\$ 10,068
Total fund balance	<u>\$ 10,090</u>

**Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2025
(With Comparative Figures for 2024)**

SCHEDULE D-6

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
Utility tax	\$ 295	384	-
IMRF tax levy	-	-	-
Liquor license	30	25	-
Building permits	-	-	-
Special Zoning Permits	-	-	-
Zoning permits	-	-	-
State income tax	2,008	2,169	-
Replacement tax	16	9	-
Sales tax	1,523	1,349	-
Use tax	488	380	-
Cannabis tax	-	-	-
Interest income	12	13	-
Donations	100	-	-
Miscellaneous	100	-	-
Total revenues	<u>4,572</u>	<u>4,329</u>	<u>-</u>
Expenditures:			
Maintenance services	5,000	-	1,950
Grave decorations	200	200	-
Utilities	300	286	246
Office supplies	50	-	-
Miscellaneous	100	-	-
Total expenditures	<u>5,650</u>	<u>486</u>	<u>2,196</u>
Net change in fund balance	<u>\$ (1,078)</u>	3,843	(2,196)
Fund balance, beginning of year		6,225	8,421
Fund balance, end of year		<u>\$ 10,068</u>	<u>6,225</u>

**VILLAGE OF SHERIDAN, ILLINOIS
PARKS FUND**

SCHEDULE D-7

**Balance Sheet
March 31, 2025**

<u>Assets</u>	
Cash	\$ 89,207
Due from State of Illinois	7,479
Total assets	<u>\$ 96,686</u>
<u>Liabilities and Fund Balance</u>	
Liabilities:	
Accounts payable	\$ 828
Total liabilities	<u>828</u>
Fund balance:	
Assigned fund balance	95,858
Total liabilities and fund balance	<u>\$ 96,686</u>

**Statement of Received, Disbursed
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2025
(With Comparative Figures for 2024)**

SCHEDULE D-8

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
Utility tax	\$ 2,362	2,622	2,730
Liquor license	242	202	360
Income tax	16,060	17,354	20,228
Replacement tax	128	69	130
Sales tax	12,182	10,792	14,018
Use tax	3,907	3,043	4,623
Cannabis tax	-	-	191
Interest income	92	104	115
Miscellaneous	900	1,301	-
Total revenues	<u>35,873</u>	<u>35,487</u>	<u>42,395</u>
Expenditures:			
Utilities	4,000	3,895	3,473
Operating supplies	200	-	-
Rentals	1,500	-	-
Community relations	21,000	19,039	16,504
Park improvement	7,000	4,527	5,610
Decoration	2,500	2,438	1,604
Mulch/playground equipment	20,000	932	-
Miscellaneous	2,800	140	386
Total expenditures	<u>59,000</u>	<u>30,971</u>	<u>27,577</u>
Excess (deficiency) of revenues over (under) expenditures	(23,127)	4,516	14,818
Other financing sources (uses):			
Transfers in (out)	-	611	-
Net change in fund balance	<u>\$ (23,127)</u>	<u>5,127</u>	<u>14,818</u>
Fund balance, beginning of year		90,731	75,913
Fund balance, end of year		<u>\$ 95,858</u>	<u>90,731</u>

VILLAGE OF SHERIDAN, ILLINOIS
STREET EQUIPMENT RESERVE FUND

SCHEDULE D-9

Balance Sheet
March 31, 2025

<u>Assets</u>	
Cash	\$ 82,883
Due from State of Illinois	11,220
Total assets	<u>\$ 94,103</u>
<u>Fund Balance</u>	
Assigned fund balance	\$ 94,103
Total fund balance	<u>\$ 94,103</u>

Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2025
(With Comparative Figures for 2024)

SCHEDULE D-10

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
Utility tax	\$ 3,544	4,559	341
Liquor licenses	363	303	36
Income tax	24,090	26,030	2,023
Replacement tax	192	103	13
Sales tax	18,272	16,189	1,402
Use tax	5,861	4,565	462
Cannabis tax	-	-	19
Interest income	138	156	12
Miscellaneous	-	2,557	-
Total revenues	<u>52,460</u>	<u>54,462</u>	<u>4,308</u>
Expenditures:			
Equipment	60,000	-	-
Miscellaneous	5,100	-	5
Total expenditures	<u>65,100</u>	<u>-</u>	<u>5</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (12,640)</u>	<u>54,462</u>	<u>4,303</u>
Fund balance, beginning of year		<u>39,641</u>	<u>35,338</u>
Fund balance, end of year		<u>\$ 94,103</u>	<u>39,641</u>

Balance Sheet
March 31, 2025

<u>Assets</u>	
Cash	\$ 51,570
Due from State of Illinois	935
Total assets	<u>\$ 52,505</u>
<u>Fund Balance</u>	
Assigned fund balance	\$ 52,505
Total fund balance	<u>\$ 52,505</u>

Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2025
(With Comparative Figures for 2024)

SCHEDULE D-12

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
Utility tax	\$ 295	339	341
Liquor licenses	30	25	36
Income tax	2,008	2,169	2,023
Replacement tax	16	9	13
Sales tax	1,523	1,349	1,402
Use tax	488	380	462
Cannabis tax	15	-	19
LaSalle police vehicle fund	100	-	-
Interest income	10	-	12
Miscellaneous	-	18,597	-
Total revenues	<u>4,485</u>	<u>22,868</u>	<u>4,308</u>
Expenditures:			
Vehicle	38,500	38,316	-
Miscellaneous	2,000	-	5
Total expenditures	<u>40,500</u>	<u>38,316</u>	<u>5</u>
Net change in fund balance	<u>\$ (36,015)</u>	(15,448)	4,303
Fund balance, beginning of year		67,953	63,650
Fund balance, end of year		<u>\$ 52,505</u>	<u>67,953</u>

Balance Sheet
March 31, 2025

<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, 2025
(With Comparative Figures for 2024)

SCHEDULE D-14

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
Donations	\$ 500	-	-
Total revenues	<u>500</u>	<u>-</u>	<u>-</u>
Expenditures:			
DARE Expenses	3,500	-	-
Community Relations	<u>50</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>3,550</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (3,050)</u>	<u>-</u>	<u>-</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, 2025

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

Statement of Revenues, Expenditures
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2025
(With Comparative Figures for 2024)

SCHEDULE D-16

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
Donations	\$ -	-	100
Total revenues	-	-	100
Expenditures:			
Miscellaneous/contingency	-	-	200
Total expenditures	-	-	200
Excess (deficiency) of revenues over (under) expenditures	-	-	(100)
Other financing sources (uses):			
Transfers in (out)	(611)	(611)	-
Net change in fund balance	<u>\$ (611)</u>	(611)	(100)
Fund balance, beginning of year		611	711
Fund balance, end of year		<u>\$ -</u>	<u>611</u>

Balance Sheet
March 31, 2025

<u>Assets</u>	
Cash	\$ 131,416
Due from State of Illinois	5,608
Total assets	<u>\$ 137,024</u>
<u>Fund Balance</u>	
Assigned fund balance	\$ 137,024
Total fund balance	<u>\$ 137,024</u>

Schedule of Revenues, Expenditures
and Changes in Fund Balance - Budget & Actual
For the Year Ended March 31, 2025
(With Comparative Figures for 2024)

SCHEDULE D-18

	Original and Final Budget	Year Ended March 31,	
		2025	2024
Revenues:			
Utility tax	\$ 1,772	1,555	3,403
Liquor licenses	182	152	360
Income tax	12,045	13,015	20,229
Replacement tax	96	51	130
Sales tax	9,136	8,094	14,018
Use tax	2,930	2,282	4,623
Cannabis tax	-	-	191
Interest income	69	78	115
Total revenues	<u>26,230</u>	<u>25,227</u>	<u>43,069</u>
Expenditures:			
Maintenance Road Work	50,000	-	-
Miscellaneous	5,000	-	44
Total expenditures	<u>55,000</u>	<u>-</u>	<u>44</u>
Net change in fund balance	<u>\$ (28,770)</u>	25,227	43,025
Fund balance, beginning of year		111,797	68,772
Fund balance, end of year		<u>\$ 137,024</u>	<u>111,797</u>

Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended March 31, 2025

	Sheridan Cemetery Association	Sheridan Historical Society	Total Component Units
Revenues:			
Memberships	\$ -	620	620
Donations	2,475	636	3,111
Fundraisers & programs	-	270	270
Interest income	4,296	-	4,296
Lots sold	1,350	-	1,350
Miscellaneous	50	25	75
Total revenues	8,171	1,551	9,722
Expenditures:			
Caretaker	12,500	-	12,500
Miscellaneous	1,587	4,425	6,012
Total expenditures	14,087	4,425	18,512
Net change in fund balance	(5,916)	(2,874)	(8,790)
Fund balance, beginning of year	137,353	26,187	163,540
Fund balance, end of year	\$ 131,437	23,313	154,750

SUPPLEMENTAL INFORMATION

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

	Maximum Rate	2020	2021	2022	2023	2024
Assessed valuations		<u>\$ 11,927,919</u>	<u>12,400,885</u>	<u>13,363,013</u>	<u>15,047,789</u>	<u>15,928,600</u>
Tax Rates:						
General	0.2500	0.1311	0.1261	0.1217	0.1081	0.1021
Police Protection	0.0750	0.0656	0.0631	0.0608	0.0540	0.0510
Audit	N/A	0.0700	0.0673	0.0650	0.0577	0.0545
Liability Insurance	N/A	0.2264	0.2178	0.2101	0.2035	0.1922
Street & Bridge	0.1000	0.0088	0.0084	0.0081	0.0072	0.0068
IMRF	N/A	0.0223	0.0215	0.0207	0.0213	0.0201
Totals		<u>0.5242</u>	<u>0.5042</u>	<u>0.4864</u>	<u>0.4517</u>	<u>0.4268</u>
Tax extensions:						
General		\$ 15,639	15,639	16,259	16,259	16,260
Police Protection		7,819	7,819	8,129	8,129	8,128
Audit		8,351	8,351	8,682	8,682	8,683
Liability Insurance		27,006	27,006	28,077	30,615	30,615
Street & Bridge		1,046	1,046	1,088	1,089	1,090
IMRF		2,661	2,661	2,767	3,201	3,200
Totals		<u>\$ 62,522</u>	<u>62,522</u>	<u>65,002</u>	<u>67,975</u>	<u>67,975</u>
Road & Bridge (from townships)		<u>\$ 10,647</u>	<u>11,298</u>	<u>11,454</u>	<u>11,852</u>	<u>-</u>
Tax collections		<u>\$ 73,038</u>	<u>73,716</u>	<u>76,560</u>	<u>79,742</u>	<u>-</u>

OTHER REPORTS



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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, 2025, 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 14, 2025.

Report on 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) as a basis for designing 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 (2025-01 and 2025-02).

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.

Report on 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*.

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 14, 2025

VILLAGE OF SHERIDAN, ILLINOIS

Schedule of Findings March 31, 2025

We consider the deficiencies in internal control described below to be significant deficiencies:

2025-01: 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.

VILLAGE OF SHERIDAN, ILLINOIS

Schedule of Findings March 31, 2025

2025-02: Significant Audit Adjustments

Condition:

The Village does not record their current year accounts receivable and accounts payable. The Village does not remove their prior year accounts receivable and accounts payable entries from the adjustments in the prior period. These adjustments for receivables and payables are material to the financial statements.

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 these significant audit adjustments 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 and complete accurate accounts receivable and accounts payable entries.

Effect:

The Village's financial statements required significant correcting adjustments to accurately depict accounts receivable and accounts payable for the year.

Recommendation:

The Village should continue to refine and improve processes and ensure that procedures are performed by individuals possessing a thorough understanding of applicable generally accepted accounting principles and knowledge of the Village's activities and operations. The Village should develop a process to accurately adjust the accounts receivable and accounts payable for the year.

Management Comment:

The Village is aware to make proper journal entries going forward and will ensure that this is resolved for next year.