

**VILLAGE OF SHERIDAN, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

**MARCH 31, 2024**

**VILLAGE OF SHERIDAN, ILLINOIS**

**Table of Contents**

---

---

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

VILLAGE OF SHERIDAN, ILLINOIS

Table of Contents

---

---

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

# VILLAGE OF SHERIDAN, ILLINOIS

## Table of Contents

---

---

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

**VILLAGE OF SHERIDAN, ILLINOIS**

**Table of Contents**

---

---

	PAGE
<b>SUPPLEMENTARY INFORMATION – Continued</b>	
<b>Veterans Memorial Park Fund:</b>	
Balance Sheet (Schedule D-15).....	55
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule D-16) .....	55
<b>Special Sewer Reserve Fund:</b>	
Balance Sheet (Schedule D-17).....	56
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Schedule D-18) .....	56
<b>Component Units:</b>	
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (Schedule E-1).....	57
<b>SUPPLEMENTAL INFORMATION</b>	
Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections (Schedule 1) .....	58
<b>OTHER REPORTS</b>	
Independent Auditors' Report on Internal Control over Financial Reporting and on Other Matters Based on an Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i> .....	59-60
Schedule of Findings.....	61-62

***INDEPENDENT AUDITORS' REPORT***



116 E. Washington Street  
Suite One  
Morris, Illinois 60450

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

TAWNYA R. MACK, CPA  
LAURI POPE, CPA

CATE MOULTON, CPA  
KYLE SHEPPARD, CPA  
MADISON SCHEEL, CPA  
CHRIS CHRISTENSEN  
JESSIKA MCGARVEY

CERTIFIED PUBLIC ACCOUNTANTS

## Independent Auditors' Report

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

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

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Sheridan, Illinois, as of and for the year ended March 31, 2024, 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, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 10, 2023. The summarized comparative information presented herein as of and for the year ended March 31, 2023, 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 8, 2024, 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 8, 2024

***MANAGEMENT'S DISCUSSION & ANALYSIS (UNAUDITED)***

## VILLAGE OF SHERIDAN, ILLINOIS

### Management's Discussion and Analysis - Unaudited For the Year Ended March 31, 2024

---

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, 2024. 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 \$4,761,333 (net position). Of this amount, \$1,991,906 (unrestricted net position) may be used to meet the Village's ongoing obligations.
- The Village's total governmental net position increased by \$13,883 during fiscal year 2024 as reported in the Statement of Activities.
- The Village's major governmental revenues consisted of \$76,560 in property tax revenues, \$43,246 in grant revenue, \$1,007,638 in other state taxes (sales, income, use, replacement, motor fuel, utility, telecommunication, and video gaming), and \$55,654 in charges for services.
- As of March 31, 2024, the Village's General Fund ended the year with a fund balance of \$430,725, the Police Fund ended the year with a fund balance of \$238,889, the Streets Fund ended the year with a fund balance of \$305,033, the Capital Project Fund ended the year with a fund balance of \$406,199, the Motor Fuel Tax Fund ended the year with a fund balance of \$152,978, the Sewer Fund ended the year with a fund balance of \$211,316, 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 \$2,150,883.

#### **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, 2024

---

### **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, 2024

---

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

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

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

The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### *Governmental Funds*

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

#### *Budgetary Highlights*

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

The Village's General Fund expenditures were under appropriations by \$30,758. 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, 2024

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

**Table 1  
Net Position**

	<b>Governmental Activities</b>		<b>% Change</b>
	<b>2024</b>	<b>2023</b>	<b>2024-2023</b>
<u>Assets:</u>			
Current and other assets	\$ 2,296,870	2,531,143	-9.26%
Capital assets	2,616,449	2,296,387	13.94%
Total assets	4,913,319	4,827,530	1.78%
<u>Deferred Inflows of Resources:</u>			
Deferred inflows for pension	94,563	84,626	11.74%
<u>Liabilities:</u>			
Accounts payable	78,016	14,699	430.76%
Net pension liability	94,748	79,469	19.23%
Total liabilities	172,764	94,168	83.46%
<u>Deferred Inflows of Resources:</u>			
Property taxes levied for subsequent years	67,971	65,002	4.57%
Deferred outflows for pension	5,814	5,536	5.02%
Total deferred inflows of resources	73,785	70,538	4.60%
<u>Net Position:</u>			
Net investment in capital assets	2,616,449	2,296,387	13.94%
Restricted	152,978	719,208	-78.73%
Unrestricted	1,991,906	1,731,855	15.02%
Total net position	\$ 4,761,333	4,747,450	0.29%

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

As shown above, the Village's governmental net position increased by 0.29% during the current fiscal year. The Village completed several road and sidewalk repair projects. While completing these projects along with various street maintenance, the Village managed to operate at a slight profit during the 2024 fiscal year. The Village has \$1,991,906 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, 2024**

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

**Table 2  
Change in Net Position**

	<b>Governmental Activities</b>		<b>% Change</b>
	<b>2024</b>	<b>2023</b>	<b>2024-2023</b>
Revenues			
Program Revenues:			
Charges for services	\$ 55,654	53,325	4.37%
Operating grants & contributions	43,246	220,582	-80.39%
General Revenues:			
Property taxes	76,560	73,716	3.86%
Other taxes	1,007,638	1,055,039	-4.49%
Other general revenues	64,286	29,649	116.82%
Total revenues	<u>1,247,384</u>	<u>1,432,311</u>	<u>-12.91%</u>
Program expenses			
General government	286,106	332,017	-13.83%
Transportation and public works	524,199	563,355	-6.95%
Public safety	229,184	166,831	37.37%
Sewer	37,592	61,237	-38.61%
Unallocated depreciation	156,420	164,094	-4.68%
Total expenses	<u>1,233,501</u>	<u>1,287,534</u>	<u>-4.20%</u>
Change in net position	13,883	144,777	-90.41%
Net position at beg. of the year	<u>4,747,450</u>	<u>4,602,673</u>	<u>3.15%</u>
Net position at end of year	<u>\$ 4,761,333</u>	<u>4,747,450</u>	<u>0.29%</u>

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

Governmental revenues decreased by 12.91% (\$184,927) from 2023 to 2024. Governmental expenditures decreased by 4.20% during the current fiscal year. There were significant changes in public safety and sewer expenses due to staffing and a decrease in sewer projects.

# VILLAGE OF SHERIDAN, ILLINOIS

## Management's Discussion and Analysis - Unaudited For the Year Ended March 31, 2024

---

### **Capital Asset and Long-term Debt Activity**

#### *Capital Assets*

The Village's investment in capital assets for its governmental activities at year end totaled \$2,616,449 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and equipment. The capital asset additions totaled \$476,482 during the year, and \$156,420 of depreciation charges were expensed. See footnote 4 for details of capital assets.

	Governmental Net Book Value of Capital Assets	
	2024	2023
Land	\$ 71,594	71,594
Construction in Progress	365,404	-
Buildings & Improvements	3,355,734	3,244,656
Vehicles & Equipment	671,773	671,773
Accumulated Depreciation	(1,848,056)	(1,691,636)
Total	<u>\$ 2,616,449</u>	<u>2,296,387</u>

#### *Debt Administration*

At March 31, 2024, 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, 2024**

	Primary Government		Component
	2024	2023	Units 2024
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$ 2,014,857	2,234,088	163,540
Due from State of Illinois	192,689	221,287	-
Property taxes receivable	67,971	65,002	-
Accounts receivable	21,353	10,766	-
Total current assets	<u>2,296,870</u>	<u>2,531,143</u>	<u>163,540</u>
Non-current assets:			
Capital Assets:			
Land	71,594	71,594	-
Construction in Progress	365,404	-	-
Building and Equipment	4,027,507	3,916,429	-
Accumulated Depreciation	(1,848,056)	(1,691,636)	-
Total non-current assets	<u>2,616,449</u>	<u>2,296,387</u>	<u>-</u>
Total assets	<u>4,913,319</u>	<u>4,827,530</u>	<u>163,540</u>
<u>Deferred outflows of resources</u>			
Deferred outflows for pension	94,563	84,626	-
Total deferred outflows of resources	<u>94,563</u>	<u>84,626</u>	<u>-</u>
<u>Liabilities</u>			
Current Liabilities:			
Accounts payable	78,016	14,699	-
Net pension liability	94,748	79,469	-
Total liabilities	<u>172,764</u>	<u>94,168</u>	<u>-</u>
<u>Deferred inflows of resources</u>			
Property taxes levied for subsequent years	67,971	65,002	-
Deferred inflows for pension	5,814	5,536	-
Total deferred inflows of resources	<u>73,785</u>	<u>70,538</u>	<u>-</u>
<u>Net Position</u>			
Net investment in capital assets	2,616,449	2,296,387	-
Restricted	152,978	719,208	163,540
Unrestricted	1,991,906	1,731,855	-
Total net position	<u>\$ 4,761,333</u>	<u>4,747,450</u>	<u>163,540</u>

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

**Government-wide Financial Statement  
Statement of Activities  
For the Year Ended March 31, 2024**

Program Activities	Expenditures	Program Revenues			Net (Expenditures) Revenue and Changes in Net Position		Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					2024	2023	
Governmental activities:							
Administrative	\$ 286,106	12,792	-	-	(273,314)	(322,377)	-
Transportation & Public Works	524,199	-	-	-	(524,199)	(563,355)	-
Public Safety	229,184	2,896	43,246	-	(183,042)	56,613	-
Sewer	37,592	39,966	-	-	2,374	(20,414)	-
Unallocated Depreciation	156,420	-	-	-	(156,420)	(164,094)	-
<b>Total primary government</b>	<b>1,233,501</b>	<b>55,654</b>	<b>43,246</b>	<b>-</b>	<b>(1,134,601)</b>	<b>(1,013,627)</b>	<b>-</b>
Component units:							
Social Services	12,689	-	3,724	-	-	-	(8,965)
Culture & Recreation	344	-	1,862	-	-	-	1,518
<b>Total component units</b>	<b>\$ 13,033</b>	<b>-</b>	<b>5,586</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,447)</b>
General revenues:							
Taxes:							
					\$ 76,560	73,716	-
					61,322	70,401	-
					280,363	349,746	-
					404,569	374,110	-
					3,827	3,784	-
					2,595	4,798	-
					92,455	99,098	-
					11,110	2,576	2,374
					106,662	106,118	-
					44,735	44,408	-
					64,286	29,649	-
					<b>1,148,484</b>	<b>1,158,404</b>	<b>2,374</b>
					13,883	144,777	(5,073)
					<b>4,747,450</b>	<b>4,602,673</b>	<b>168,613</b>
					<b>\$ 4,761,333</b>	<b>4,747,450</b>	<b>163,540</b>

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

**Balance Sheet - Governmental Funds  
March 31, 2024**

	Major Funds							Total		
	General	Police	Streets	Motor Fuel	Sewer	American Rescue	Capital	Non-major	Governmental Funds	
	Fund	Fund	Fund	Tax Fund	Fund	Plan Act Fund	Project Fund	Governmental Funds	2024	2023
<b>Assets</b>										
Cash and cash equivalents	\$ 416,567	231,325	259,156	133,516	213,805	43,342	332,398	384,748	2,014,857	2,234,088
Due from State of Illinois	16,843	9,169	46,762	19,462	-	-	77,937	22,516	192,689	221,287
Accounts receivable	-	-	-	-	21,353	-	-	-	21,353	10,766
Property taxes receivable	58,755	8,128	1,088	-	-	-	-	-	67,971	65,002
<b>Total assets</b>	<b>\$ 492,165</b>	<b>248,622</b>	<b>307,006</b>	<b>152,978</b>	<b>235,158</b>	<b>43,342</b>	<b>410,335</b>	<b>407,264</b>	<b>2,296,870</b>	<b>2,531,143</b>
<b>Liabilities</b>										
Accounts payable	\$ 2,685	1,605	885	-	23,842	43,342	4,136	1,521	78,016	14,699
<b>Total liabilities</b>	<b>2,685</b>	<b>1,605</b>	<b>885</b>	<b>-</b>	<b>23,842</b>	<b>43,342</b>	<b>4,136</b>	<b>1,521</b>	<b>78,016</b>	<b>14,699</b>
<b>Deferred inflows of resources</b>										
Property taxes levied for subsequent years	58,755	8,128	1,088	-	-	-	-	-	67,971	65,002
<b>Total deferred inflows</b>	<b>58,755</b>	<b>8,128</b>	<b>1,088</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67,971</b>	<b>65,002</b>
<b>Fund Balances</b>										
Unassigned	430,725	-	-	-	-	-	-	-	430,725	430,722
Assigned	-	238,889	305,033	-	211,316	-	406,199	405,743	1,567,180	1,301,512
Restricted	-	-	-	152,978	-	-	-	-	152,978	719,208
<b>Total fund balances</b>	<b>430,725</b>	<b>238,889</b>	<b>305,033</b>	<b>152,978</b>	<b>211,316</b>	<b>-</b>	<b>406,199</b>	<b>405,743</b>	<b>2,150,883</b>	<b>2,451,442</b>
<b>Total liabilities, deferred inflows, and fund balances</b>	<b>\$ 492,165</b>	<b>248,622</b>	<b>307,006</b>	<b>152,978</b>	<b>235,158</b>	<b>43,342</b>	<b>410,335</b>	<b>407,264</b>	<b>2,296,870</b>	<b>2,531,143</b>
<b>Reconciliation to Statement of Net Position:</b>										
Total fund balances, government funds									2,150,883	2,451,442
Amounts reported for governmental activities in the Statement of Net Position are different because:										
Capital assets used in governmental activities of \$3,988,023 (net of accumulated depreciation of \$1,691,636) are not financial resources and, therefore, are not reported in the funds.									2,616,449	2,296,387
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									(94,748)	(79,469)
Net deferred pension outflows (inflows)									88,749	79,090
<b>Net position of governmental activities</b>									<b>\$ 4,761,333</b>	<b>4,747,450</b>

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

**Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended March 31, 2024**

	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 2024	Governmental Funds 2023
Revenues:										
Property taxes	\$ 53,695	9,736	13,129	-	-	-	-	-	76,560	73,716
Utility tax	2,999	709	16,018	-	3,402	-	30,287	7,907	61,322	70,401
Sales tax	14,018	14,018	75,698	-	14,018	-	126,164	36,447	280,363	349,746
Income tax	20,229	20,229	109,233	-	20,229	-	182,055	52,594	404,569	374,110
Replacement tax	130	130	700	-	130	-	1,167	338	2,595	4,798
Local use tax	4,623	4,623	24,963	-	4,623	-	41,604	12,019	92,455	99,098
Cannabis tax	191	191	1,034	-	191	-	1,723	497	3,827	3,784
Video gaming tax	44,735	-	-	-	-	-	-	-	44,735	44,408
Interest income	8,410	115	621	513	115	-	1,036	300	11,110	2,576
Motor fuel tax	-	-	-	106,662	-	-	-	-	106,662	106,118
Charges for services	-	-	-	-	39,966	-	-	-	39,966	40,823
Fines, fees, and forfeitures	-	2,536	-	-	-	-	-	-	2,536	842
Licenses and permits	3,135	360	1,944	-	360	-	3,240	4,113	13,152	11,660
Donations	-	-	-	-	-	-	-	100	100	120
Grants	-	10	-	43,136	-	-	-	-	43,146	220,462
Miscellaneous	1,105	-	10,740	-	8,828	-	43,613	-	64,286	29,649
<b>Total revenues</b>	<b>153,270</b>	<b>52,657</b>	<b>254,080</b>	<b>150,311</b>	<b>91,862</b>	<b>-</b>	<b>430,889</b>	<b>114,315</b>	<b>1,247,384</b>	<b>1,432,311</b>
Expenditures:										
Current:										
Administrative	153,267	-	75,510	-	-	-	-	51,709	280,486	306,675
Public safety	-	216,853	-	-	-	-	-	-	216,853	155,084
Transportation and public works	-	-	81,713	373,607	-	-	-	-	455,320	490,773
Sewer	-	-	-	-	37,592	-	-	-	37,592	61,237
Capital outlay	-	12,331	-	-	-	342,934	202,427	-	557,692	257,468
<b>Total expenditures disbursed</b>	<b>153,267</b>	<b>229,184</b>	<b>157,223</b>	<b>373,607</b>	<b>37,592</b>	<b>342,934</b>	<b>202,427</b>	<b>51,709</b>	<b>1,547,943</b>	<b>1,271,237</b>
Excess (deficiency) of revenues over (under) expenditures	3	(176,527)	96,857	(223,296)	54,270	(342,934)	228,462	62,606	(300,559)	161,074
Fund balance, beginning of year	430,722	415,416	208,176	376,274	157,046	342,934	177,737	343,137	2,451,442	2,290,368
Fund balances, ending of year	\$ 430,725	238,889	305,033	152,978	211,316	-	406,199	405,743	2,150,883	2,451,442

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, 2024**

---

**Reconciliation to the Statement of Activities:**

Net Change in Fund Balances - total governmental funds	\$	(300,559)	161,074
--	----	-----------	---------

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	476,482	162,450
Depreciation	(156,420)	(164,094)

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	<u>(5,620)</u>	<u>(14,653)</u>
-----------------	----------------	-----------------

Change in net position of governmental activities (Statement B)	<u>\$ 13,883</u>	<u>144,777</u>
---	------------------	----------------

***NOTES TO BASIC FINANCIAL STATEMENTS***

# VILLAGE OF SHERIDAN, ILLINOIS

## Notes to Basic Financial Statements For the Year Ended March 31, 2024

---

### **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, 2024

---

#### 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, 2024

---

### 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, 2024

---

### 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, 2024

---

### 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, 2024

---

### 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, 2024, net investment in capital assets consists of the following:

	Governmental Activities
Capital assets, at cost	\$ 4,464,505
Less: Accumulated depreciation	<u>(1,848,056)</u>
Net investment in capital assets	<u>\$ 2,616,449</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 2022 property tax levy, in the amount of \$64,998, adjusted to \$65,002 was adopted on November 14, 2022 and was received by the Village in the current fiscal year. The 2023 tax levy, in the amount of \$67,971, adjusted to \$67,975, was adopted on November 13, 2023 and will be received by the Village in the subsequent fiscal year.

The Village reported the entire 2023 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, 2024**

---

---

**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, 2024, the Village had no leases to record.

While GASB 96 was in effect as of March 31, 2024, there were no agreements that met the requirements of this pronouncement.

**NOTE 2: DEPOSITS & INVESTMENTS**

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

Occasionally funds participating in the common bank account will incur overdrafts (deficits) in the account. The overdrafts result from expenditures which have been approved by the Board. Such overdrafts constitute inter-fund loans. As of March 31, 2024, the funds participating in the common bank account had the following cash balances:

Fund	Balance
General Fund	\$ 416,567
Police Fund	231,325
Streets Fund	259,156
Parks Fund	82,281
Zoning & Building Fund	82,774
Cemetery Fund	6,225
Sewer Fund	213,805
Sewer Special Reserve Fund	103,137
Street Equipment Reserve Fund	38,775
Police Vehicle Reserve Fund	67,087
American Rescue Plan Act Fund	43,342
Capital Project Fund	332,398
Total	<u>\$ 1,876,872</u>

The Village's deposits and certificates of deposits are required to be covered by federal depository insurance (FDIC) or by securities held by the pledging financial institution. The FDIC currently insures the first \$250,000 of the Village's deposits at each financial institution. Deposit balances over FDIC limits are collateralized with securities held by the pledging financial institution. At March 31, 2024, the bank balance of the Village's deposits was \$2,057,566 and the carrying amount was \$2,014,857. All of the Village's uninsured deposits were collateralized with securities held by the pledging financial institution.

# VILLAGE OF SHERIDAN, ILLINOIS

## Notes to Basic Financial Statements For the Year Ended March 31, 2024

### 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
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 71,594	-	-	71,594
Construction in Progress	-	365,404	-	365,404
Total capital assets not being depreciated:	71,594	365,404	-	436,998
Capital assets being depreciated				
Machinery & equipment	671,773	-	-	671,773
Buildings & Improvements	3,244,656	111,078	-	3,355,734
Total capital assets being depreciated	3,916,429	111,078	-	4,027,507
Total capital assets, cost	3,988,023	476,482	-	4,464,505
Less accumulated depreciation for:				
Machinery & equipment	(567,252)	(27,957)	-	(595,209)
Buildings	(1,124,384)	(128,463)	-	(1,252,847)
Total accumulated depreciation	(1,691,636)	(156,420)	-	(1,848,056)
Governmental activities capital assets, net	\$ 2,296,387	320,062	-	2,616,449

Significant additions for the year ended March 31, 2024 included the following:

Governmental Activities:	
Sewer Lining Project	\$365,404
Historical Society Expansion	30,801
Sidewalk Improvements	80,276

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, 2024

---

#### **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, 2024, there were no significant reductions in insurance coverage from the prior year. Also, there have been no settlement amounts which have exceeded insurance coverage in the past three years.

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

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

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

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



**VILLAGE OF SHERIDAN, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended March 31, 2024**

**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, 2023, the following Village employees were covered by the benefit terms:

Retirees and Beneficiaries	-
Inactive, Non-retired Members	2
Active Members	4
Total	6

Contributions – As set by statute, the Village’s Regular Plan members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village’s annual contribution rate and actual Township contributions for calendar year 2023 and the fiscal year ended March 31, 2024 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 2023	9.10%
Village required contribution rate for 2024	9.67%
Village actual contributions for 2023	\$ 20,024
Village actual contributions for fiscal year 2024	\$ 23,257

# VILLAGE OF SHERIDAN, ILLINOIS

## Notes to Basic Financial Statements For the Year Ended March 31, 2024

---

---

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

Net Pension Liability – The Village’s net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

At December 31, 2023, the Village had a net pension liability for the plan, determined as follows:

Total Pension Liability	\$	212,885
Plan Fiduciary Net Position		<u>118,137</u>
Net Pension Liability	\$	<u>94,748</u>

Actuarial Assumptions - The following are the methods and assumptions used to determine total pension liability at December 31, 2023:

- 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. 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, 2023:

VILLAGE OF SHERIDAN, ILLINOIS

Notes to Basic Financial Statements  
For the Year Ended March 31, 2024

---

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

Actuarial Assumptions – (Continued)

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	34.5%	5.00%
International Equity	18%	6.35%
Fixed Income	24.5%	4.75%
Real Estate	10.5%	6.30%
Alternative Investments	11.5%	6.05-8.65%
Cash Equivalents	<u>1%</u>	3.80%
Total	100%	

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

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.77%, and the resulting single discount rate is 7.25%.

**VILLAGE OF SHERIDAN, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended March 31, 2024**

**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, 2022	\$ 164,418	84,949	79,469
Changes for the Year:			
Service Cost	15,639	-	15,639
Interest on the Total Pension Liability	12,333	-	12,333
Differences Between Expected and Actual Experience of the Total Pension Liability	25,188	-	25,188
Changes of Assumptions	(430)	-	(430)
Contributions - Employer	-	20,024	(20,024)
Contributions - Employees	-	9,915	(9,915)
Net Investment Income	-	8,038	(8,038)
Benefit Payments, including Refunds of Employee Contributions	(4,263)	(4,263)	-
Other (Net Transfer)	-	(526)	526
Net Changes	48,467	33,188	15,279
Balances at December 31, 2023	\$ 212,885	118,137	94,748

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	\$ 242,867	212,885	189,542
Plan Fiduciary Net Position	118,137	118,137	118,137
Net Pension Liability (Asset)	\$ 124,730	94,748	71,405

**VILLAGE OF SHERIDAN, ILLINOIS**

**Notes to Basic Financial Statements  
For the Year Ended March 31, 2024**

**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, 2024, the Village recognized pension expense of \$1,889. At March 31, 2024, 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	\$ 79,673	3,504
Net difference between projected and actual earnings on pension plan investments	6,505	930
Changes of assumptions	-	1,380
Contributions made after the valuation date	8,385	-
Total deferred amounts to be recognized in future periods	<u>\$ 94,563</u>	<u>5,814</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, 2024. 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
2024	\$ 18,783
2025	18,593
2026	14,548
2027	9,348
2028	9,540
Thereafter	9,552
Total	<u>\$ 80,364</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, 2024

---

### NOTE 8: LEGAL DEBT MARGIN

The following schedule illustrates the legal debt margin of the Village as of March 31, 2024:

Assessed valuation - 2023	<u>\$ 15,047,789</u>
Statutory debt limitation (8.625% of assessed valuation)	\$ 1,297,872
Debt outstanding at March 31, 2024:	<u>-</u>
Legal debt margin	<u>\$ 1,297,872</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, 2024

---

---

**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 \$152,978 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	\$ -	8,696	8,850	-
Liability Insurance*	-	28,122	30,714	-
Total	\$ -	36,818	39,564	-

\*Liability insurance expenditures include \$30,714 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, 2024.

# VILLAGE OF SHERIDAN, ILLINOIS

## Notes to Basic Financial Statements For the Year Ended March 31, 2024

---

---

### 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, 2024, the Village has the following assigned fund balances:

<u>Fund</u>	<u>Balance</u>
Police Fund	\$ 238,889
Streets Fund	305,033
Sewer Fund	211,316
Capital Project Fund	406,199
Zoning and Building Fund	84,927
Cemetery Fund	6,225
Parks Fund	90,731
Street Equipment Reserve Fund	39,641
Police Vehicle Reserve Fund	67,953
DARE Fund	3,858
Veterans Memorial Park Fund	611
Special Sewer Reserve Fund	<u>111,797</u>
Total	<u>\$ 1,567,180</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 8, 2024, 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, 2024.



***REQUIRED SUPPLEMENTARY INFORMATION***

VILLAGE OF SHERIDAN, ILLINOIS  
GENERAL FUND

SCHEDULE A-1

Balance Sheet  
March 31, 2024

---

---

<u>Assets</u>	
Cash	\$ 207,335
State Bank CD	209,232
Due from State of Illinois	16,843
Property taxes receivable	<u>58,755</u>
Total assets	<u>\$ 492,165</u>
 <u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>	
Liabilities:	
Accounts payable	\$ 1,783
IMRF payable	880
Payroll deductions payable	<u>22</u>
Total liabilities	<u>2,685</u>
Deferred Inflows of Resources:	
Property taxes levied for subsequent years	<u>58,755</u>
Fund Balance:	
Unassigned fund balance	<u>430,725</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 492,165</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, 2024  
(With Comparative Figures for 2023)

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Revenues:			
General property taxes	\$ 16,258	16,285	15,613
IMRF tax levy	532	592	651
Audit tax levy	8,681	8,696	8,337
Insurance tax levy	28,077	28,122	26,963
Municipal telephone & utility tax	2,920	2,999	4,224
Liquor licenses	84	360	303
Business & gaming licenses	2,025	2,775	2,025
State income taxes	17,523	20,229	22,447
Replacement taxes	118	130	290
Sales tax	8,556	14,018	20,985
Use tax	5,464	4,623	5,946
Cannabis tax	123	191	227
Interest income	1,008	8,410	1,084
Video gaming tax	40,000	44,735	44,408
Miscellaneous	500	1,105	662
Total revenues	131,869	153,270	154,165
Expenditures:			
Administrative:			
Salaries - Mayor and Trustees	14,400	15,750	14,400
Salary - Administrator	47,500	46,968	44,825
Salaries - Custodial & cleaning	1,200	1,200	1,180
Salary - Clerk	1,875	1,875	1,600
Salaries - Administrator overtime	200	-	-
Unused Vacation Days	1,000	635	886
Unemployment insurance	500	262	231
Social security	4,200	4,319	3,994
Medicare	1,000	1,010	934
IMRF	5,200	5,496	4,008
Health insurance	5,000	1,938	-
Contractual services:			
Maintenance service - building	2,200	303	880
Accounting service	10,000	8,850	8,600
Engineering	1,000	-	1,331
Legal service	25,000	15,116	12,769
LOCIS services	1,500	1,236	1,176
Internet service provider	2,300	1,916	1,800
Telephone	1,000	901	782
Publishing	1,500	113	1,710
Dues	1,200	1,103	836
Travel	500	-	-
Training	200	-	-
Utilities	5,300	5,268	5,638
NCICG local share	1,000	1,000	1,000
Risk management	32,000	30,714	29,550

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, 2024  
(With Comparative Figures for 2023)

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Expenditures (continued):			
Commodities:			
Postage	\$ 750	787	490
Office supplies	3,000	3,510	2,896
Miscellaneous/contingency	12,000	2,997	2,588
Capital outlay:			
Equipment	1,500	-	174
Total expenditures	<u>184,025</u>	<u>153,267</u>	<u>144,278</u>
Net change in fund balance	<u>\$ (52,156)</u>	3	9,887
Fund balance, beginning of year		<u>430,722</u>	<u>420,835</u>
Fund balance, end of year		<u>\$ 430,725</u>	<u>430,722</u>

VILLAGE OF SHERIDAN, ILLINOIS  
POLICE FUND

SCHEDULE B-1

**Balance Sheet**  
**March 31, 2024**

---

---

<u>Assets</u>	
Cash	\$ 231,325
Due from State of Illinois	9,169
Property taxes receivable	<u>8,128</u>
Total assets	<u>\$ 248,622</u>
 <u>Deferred Inflows of Resources and Fund Balance</u>	
Deferred Inflows of Resources:	
Property taxes levied for subsequent years	<u>\$ 8,128</u>
Fund Balance:	
Assigned fund balance	<u>238,889</u>
Total deferred inflows and fund balance	<u>\$ 248,622</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, 2024  
(With Comparative Figures for 2023)**

	Original and Final Budget	Year Ended March 31,	
		2024	2023
<b>Revenues:</b>			
Police protection levy	\$ 8,128	8,142	7,806
IMRF tax levy	1,357	1,594	1,018
Utility tax	2,920	709	28,160
Liquor licenses	84	360	2,020
Income tax	17,523	20,229	149,644
Replacement tax	118	130	1,919
Sales tax	8,556	14,018	139,898
Use tax	5,464	4,623	39,639
Cannabis Tax	123	191	1,514
Court fines	3,500	2,536	842
Forfeits drug & DUI fines	300	-	-
Training reimbursement	3,000	-	-
Interest income	120	115	455
Grant revenue	-	10	210
Miscellaneous income	100	-	-
<b>Total revenues</b>	<b>51,293</b>	<b>52,657</b>	<b>373,125</b>
<b>Expenditures:</b>			
<b>Administrative:</b>			
Full-Time Officer - Chief	75,800	73,494	70,004
Full-Time Officer	52,000	50,975	-
Part-Time Officers	67,000	17,116	27,968
Salaries - overtime	1,500	565	738
Unused Vacation Time	5,000	3,405	3,514
Full time officer holiday	500	215	-
Life insurance	2,000	1,662	1,662
Unemployment insurance	1,600	481	326
Social security	15,000	9,038	6,338
Health insurance	5,000	3,705	-
Medicare	3,500	2,114	1,482
IMRF	15,000	12,978	5,615
Uniform allowance	4,000	2,272	1,236
<b>Contractual services:</b>			
Maintenance Service - building	2,500	217	625
Maintenance Service - equipment	2,000	-	-
Maintenance service- vehicle	6,000	1,679	1,249
Engineering service	500	-	-
Legal service	8,000	1,655	6,056
Communications service	3,000	3,276	2,507
Regular phone & long distance	5,000	2,812	2,840
Cell phone	1,000	596	942
Dues	1,500	912	1,290
Travel	5,400	2,750	3,618
Training	16,000	9,470	2,010

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, 2024  
(With Comparative Figures for 2023)

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Expenditures (continued):			
Commodities:			
Office supplies	\$ 2,500	2,654	1,788
Operating	9,000	5,366	5,978
Postage	50	-	-
Impound fee	800	-	-
Automotive fuel/oil	11,000	6,901	6,926
Animal control	100	-	-
Miscellaneous/contingency	2,000	545	372
Capital outlay:			
Equipment	21,000	12,331	11,747
Total expenditures	<u>345,250</u>	<u>229,184</u>	<u>166,831</u>
Net change in fund balance	<u>\$ (293,957)</u>	<u>(176,527)</u>	<u>206,294</u>
Fund balance, beginning of year		<u>415,416</u>	<u>209,122</u>
Fund balance, end of year		<u>\$ 238,889</u>	<u>415,416</u>

VILLAGE OF SHERIDAN, ILLINOIS  
STREETS FUND

SCHEDULE B-3

Balance Sheet  
March 31, 2024

---

---

<u>Assets</u>	
Cash	\$ 259,156
Due from State of Illinois	46,762
Property tax receivable	<u>1,088</u>
Total assets	<u>\$ 307,006</u>
 <u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>	
Liabilities:	
Accounts payable	<u>\$ 885</u>
Deferred Inflows of Resources:	
Property taxes levied for subsequent years	<u>1,088</u>
Fund Balance:	
Assigned fund balance	<u>305,033</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 307,006</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, 2024  
(With Comparative Figures for 2023)

	Original and Final Budget	Year Ended March 31,	
		2024	2023
<b>Revenues:</b>			
Property taxes	\$ 10,700	12,543	12,343
IMRF tax levy	745	586	985
Utility tax	15,767	16,018	24,640
Liquor license	454	1,944	1,768
Income tax	94,622	109,233	130,938
Replacement tax	635	700	1,678
Sales tax	46,204	75,698	122,411
Use tax	29,504	24,963	34,684
Cannabis Tax	664	1,034	1,325
Interest income	150	621	398
Miscellaneous	100	10,740	7,668
<b>Total revenues</b>	<b>199,545</b>	<b>254,080</b>	<b>338,838</b>
<b>Expenditures:</b>			
<b>Administrative:</b>			
Regular salaries	75,000	58,921	43,820
Unemployment insurance	544	224	274
Social security	4,650	3,653	2,637
Medicare	1,088	854	617
IMRF	6,000	4,783	3,187
Health insurance	2,700	7,075	-
Boot Allowance	500	-	86
<b>Contractual services:</b>			
Maintenance service - building	30,000	9,735	26,672
Maintenance service - equipment	6,000	6,121	13,613
Maintenance service - vehicles	3,000	1,817	2,329
Maintenance service - streets	50,000	25,404	143,902
Engineering services	15,000	3,586	36,549
4201st St Road Fund	2,500	-	-
Legal services	3,000	2,734	3,519
Internet Service Provider	2,700	-	-
Tree removal	20,000	8,610	19,425
Regular telephone	800	796	763
Cell phone	800	1,330	1,548
Utilities	2,200	1,721	2,548
Street lighting	7,500	4,833	4,280
<b>Commodities:</b>			
Operating supplies	500	-	-
Fuel and oil	5,000	3,744	4,716
De-icing/chloride	9,000	6,992	3,394
Miscellaneous/contingency	21,500	4,290	1,571
<b>Total expenditures</b>	<b>269,982</b>	<b>157,223</b>	<b>315,450</b>
<b>Net change in fund balance</b>	<b>\$ (70,437)</b>	<b>96,857</b>	<b>23,388</b>
Fund balance, beginning of year		208,176	184,788
Fund balance, end of year		<b>\$ 305,033</b>	<b>208,176</b>

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

SCHEDULE B-5

**Balance Sheet  
March 31, 2024**

<u>Assets</u>		
Cash		\$ 83,083
Investment CD		50,433
Due from State of Illinois		19,462
Total assets		<u>\$ 152,978</u>
<u>Fund Balance</u>		
Restricted fund balance		<u>\$ 152,978</u>
Total fund balance		<u>\$ 152,978</u>

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2024  
(With Comparative Figures for 2023)**

SCHEDULE B-6

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Revenues:			
Motor fuel tax	\$ 140,000	106,662	106,118
Interest income	500	513	423
TARP Grant	-	43,136	48,785
Total revenues	<u>140,500</u>	<u>150,311</u>	<u>155,326</u>
Expenditures:			
Engineering service	75,000	27,171	-
Street improvements	300,000	333,012	225,776
Miscellaneous	40,000	13,424	168
Total expenditures	<u>415,000</u>	<u>373,607</u>	<u>225,944</u>
Net change in fund balance	<u>\$ (274,500)</u>	(223,296)	(70,618)
Fund balance, beginning of year		<u>376,274</u>	<u>446,892</u>
Fund balance, end of year		<u>\$ 152,978</u>	<u>376,274</u>

**VILLAGE OF SHERIDAN, ILLINOIS  
SEWER FUND**

SCHEDULE B-7

**Balance Sheet  
March 31, 2024**

<u>Assets</u>		
Cash		\$ 213,805
Accounts receivable		21,353
Total assets		<u>\$ 235,158</u>
<u>Liabilities &amp; Fund Balance</u>		
Liabilities:		
Accounts payable		\$ 23,842
Total liabilities		<u>23,842</u>
Fund balance:		
Assigned fund balance		<u>211,316</u>
Total liabilities & fund balance		<u>\$ 235,158</u>

**Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2024  
(With Comparative Figures for 2023)**

SCHEDULE B-8

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Revenues:			
Utility tax	\$ 2,920	3,402	-
Liquor license	84	360	-
Income tax	17,523	20,229	-
Replacement tax	118	130	-
Sales tax	8,556	14,018	-
Use tax	5,464	4,623	-
Cannabis tax	123	191	-
Interest income	15	115	-
Sewer maintenance fees	35,000	39,966	40,823
Miscellaneous Income	-	8,828	5,379
Total revenues	<u>69,803</u>	<u>91,862</u>	<u>46,202</u>
Expenditures:			
Maintenance Service- Equip	5,000	19,546	13,064
Maintenance service sewer	60,000	7,787	24,213
Engineering services	5,000	2,188	13,076
Legal services	3,000	3,119	1,466
Postage	600	625	763
Publications	100	246	-
Utilities	700	386	393
Miscellaneous	6,000	3,695	8,262
Total expenditures	<u>80,400</u>	<u>37,592</u>	<u>61,237</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,597)</u>	<u>54,270</u>	<u>(15,035)</u>
Other financing sources (uses):			
Transfers in (out)	-	-	-
Change in net position	<u>\$ (10,597)</u>	<u>54,270</u>	<u>(15,035)</u>
Fund balance, beginning of year		<u>157,046</u>	<u>172,081</u>
Fund balance, end of year		<u>\$ 211,316</u>	<u>157,046</u>

**VILLAGE OF SHERIDAN, ILLINOIS  
AMERICAN RESCUE PLAN ACT FUND**

SCHEDULE B-9

**Balance Sheet  
March 31, 2024**

<u>Assets</u>		
Cash		\$ 43,342
Total assets		<u>\$ 43,342</u>
<u>Liabilities &amp; Fund Balance</u>		
Liabilities:		
Accounts payable		<u>\$ 43,342</u>
Fund balance:		
Restricted fund balance		<u>-</u>
Total liabilities & fund balance		<u>\$ 43,342</u>

**Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2024  
(With Comparative Figures for 2023)**

SCHEDULE B-10

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Revenues:			
ARPA grant	\$ -	-	171,467
Total revenues	<u>-</u>	<u>-</u>	<u>171,467</u>
Expenditures:			
Sewer Lining Project	329,933	342,934	-
Equipment	13,000	-	-
Total expenditures	<u>342,933</u>	<u>342,934</u>	<u>-</u>
Change in net position	<u>\$ -</u>	(342,934)	171,467
Fund balance, beginning of year		<u>342,934</u>	<u>171,467</u>
Fund balance, end of year		<u>\$ -</u>	<u>342,934</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,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>										
Service Cost	\$ 15,639	18,431	18,893	16,999	-	-	-	-	-	-
Interest on the Total Pension Liability	12,333	10,801	6,249	616	-	-	-	-	-	-
Benefit Changes	-	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	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	48,467	24,650	63,020	76,748	-	-	-	-	-	-
Total Pension Liability - Beginning	164,418	139,768	76,748	-	-	-	-	-	-	-
Total Pension Liability - Ending	\$ 212,885	164,418	139,768	76,748	-	-	-	-	-	-
<b>Plan Fiduciary Net Position</b>										
Employer Contributions	\$ 20,024	11,797	24,717	17,876	-	-	-	-	-	-
Employee Contributions	9,915	6,931	20,048	9,070	-	-	-	-	-	-
Pension Plan Net Investment Income	8,038	(4,638)	3,837	-	-	-	-	-	-	-
Benefit Payments and Refunds	(4,263)	-	-	-	-	-	-	-	-	-
Other	(526)	(2,011)	(1,880)	(798)	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	33,188	12,079	46,722	26,148	-	-	-	-	-	-
Plan Fiduciary Net Position - Beginning	84,949	72,870	26,148	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending	\$ 118,137	84,949	72,870	26,148	-	-	-	-	-	-
<b>Net Pension Liability (Asset)</b>	\$ 94,748	79,469	66,898	50,600	-	-	-	-	-	-
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	55.49%	51.67%	52.14%	34.07%	N/A	N/A	N/A	N/A	N/A	N/A
<b>Covered Valuation Payroll</b>	\$ 212,414	154,012	185,423	134,109	N/A	N/A	N/A	N/A	N/A	N/A
<b>Net Pension Liability as a Percentage of the Covered Valuation Payroll</b>	44.61%	51.60%	36.08%	37.73%	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

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

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

Calendar Year Ending,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
12/31/2023	\$ 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%

**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 2023 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): 20-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 15 years for most employers (five employers were financed over 16 years; one employer was financed over 17 years; two employers were financed over 18 years; one employer was financed over 21 years; three employers were financed over 24 years; four employers were financed over 25 years; and one employer was financed over 26 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, 2024

### **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 8, 2023, the Village approved Ordinance No. 2023-16 adopting the annual budget for the fiscal year ending March 31, 2024. 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, 2024:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Percent Variance</u>
General Fund	\$ 184,025	153,267	30,758	16.71%
Police Fund	345,250	229,184	116,066	33.62%
Streets Fund	269,982	157,223	112,759	41.77%
Motor Fuel Tax Fund	415,000	373,607	41,393	9.97%
Sewer Fund	80,400	37,592	42,808	53.24%
American Rescue Plan Act Fund	342,933	342,934	(1)	0.00%

### **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, 2024**

<u>Assets</u>	
Cash	\$ 332,398
Due from State of Illinois	77,937
Total assets	<u>\$ 410,335</u>
<u>Liabilities &amp; Fund Balance</u>	
Liabilities:	
Accounts payable	<u>\$ 4,136</u>
Fund Balance:	
Committed fund balance	406,199
Total fund balance	<u>\$ 410,335</u>

**Statement of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2024  
(With Comparative Figures for 2023)**

SCHEDULE C-2

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Revenues:			
Utility tax	\$ 26,278	30,287	3,521
Liquor licenses	757	3,240	253
Income tax	157,704	182,055	18,706
Replacement tax	1,058	1,167	240
Sales tax	77,006	126,164	17,487
Use tax	49,173	41,604	4,955
Cannabis tax	1,106	1,723	189
Interest income	50	1,036	57
Miscellaneous	-	43,613	3,000
Total revenues	<u>313,132</u>	<u>430,889</u>	<u>48,408</u>
Expenditures:			
Capital projects	<u>375,000</u>	<u>202,427</u>	<u>235,032</u>
Total expenditures	<u>375,000</u>	<u>202,427</u>	<u>235,032</u>
Net change in fund balance	<u>\$ (61,868)</u>	228,462	(186,624)
Fund balance, beginning of year		<u>177,737</u>	<u>364,361</u>
Fund balance, end of year		<u>\$ 406,199</u>	<u>177,737</u>

Combining Balance Sheet  
March 31, 2024

	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,	
									2024	2023
<u>Assets</u>										
Cash in bank	\$ 82,774	6,225	82,281	38,775	67,087	3,858	611	103,137	384,748	317,741
Due from State of Illinois	3,464	-	8,660	866	866	-	-	8,660	22,516	26,284
Total assets	<u>\$ 86,238</u>	<u>6,225</u>	<u>90,941</u>	<u>39,641</u>	<u>67,953</u>	<u>3,858</u>	<u>611</u>	<u>111,797</u>	<u>407,264</u>	<u>344,025</u>
<u>Liabilities</u>										
Accounts payable	\$ 1,311	-	210	-	-	-	-	-	1,521	888
<u>Fund balances</u>										
Assigned	84,927	6,225	90,731	39,641	67,953	3,858	611	111,797	405,743	343,137
Total liabilities & fund balances	<u>\$ 86,238</u>	<u>6,225</u>	<u>90,941</u>	<u>39,641</u>	<u>67,953</u>	<u>3,858</u>	<u>611</u>	<u>111,797</u>	<u>407,264</u>	<u>344,025</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended March 31, 2024

	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,	
									2024	2023
Revenues:										
Replacement tax	\$ 52	-	130	13	13	-	-	130	338	671
Sales tax	5,607	-	14,018	1,402	1,402	-	-	14,018	36,447	48,965
Income tax	8,091	-	20,228	2,023	2,023	-	-	20,229	52,594	52,375
Use tax	1,849	-	4,623	462	462	-	-	4,623	12,019	13,874
Cannabis tax	77	-	191	19	19	-	-	191	497	529
Utility tax	1,092	-	2,730	341	341	-	-	3,403	7,907	9,856
Building and zoning	3,177	-	-	-	-	-	-	-	3,177	4,584
Liquor licenses	144	-	360	36	36	-	-	360	936	707
Interest income	46	-	115	12	12	-	-	115	300	159
Donations	-	-	-	-	-	-	100	-	100	120
Miscellaneous	-	-	-	-	-	-	-	-	-	12,940
Total revenues	20,135	-	42,395	4,308	4,308	-	100	43,069	114,315	144,780
Expenditures:										
General government	21,682	2,196	27,577	5	5	-	200	44	51,709	111,950
Capital outlay	-	-	-	-	-	-	-	-	-	10,515
Total expenditures	21,682	2,196	27,577	5	5	-	200	44	51,709	122,465
Excess (deficiency) of revenues over (under) expenditures	(1,547)	(2,196)	14,818	4,303	4,303	-	(100)	43,025	62,606	22,315
Fund balance, beginning of year	86,474	8,421	75,913	35,338	63,650	3,858	711	68,772	343,137	320,822
Fund balance end of year	\$ 84,927	6,225	90,731	39,641	67,953	3,858	611	111,797	405,743	343,137

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

SCHEDULE D-3

**Balance Sheet  
March 31, 2024**

<u>Assets</u>		
Cash		\$ 82,774
Due from State of Illinois		3,464
Total assets		<u>\$ 86,238</u>
<u>Liabilities and Fund Balance</u>		
Liabilities:		
Accounts payable		\$ 1,311
Total liabilities		<u>1,311</u>
Fund balance:		
Assigned fund balance		84,927
Total liabilities and fund balance		<u>\$ 86,238</u>

**Statement of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2024  
(With Comparative Figures for 2023)**

SCHEDULE D-4

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Revenues:			
Utility tax	\$ 1,168	1,092	2,816
IMRF tax levy	27	-	3
Liquor license	34	144	202
Building permits	3,500	2,052	4,209
Special Zoning Permits	1,000	-	-
Zoning permits	600	1,125	375
State income tax	7,009	8,091	14,964
Replacement tax	47	52	191
Sales tax	3,422	5,607	13,990
Use tax	2,185	1,849	3,964
Cannabis tax	49	77	151
Interest income	50	46	45
Miscellaneous	100	-	-
Total revenues	<u>19,191</u>	<u>20,135</u>	<u>40,910</u>
Expenditures:			
Salary - Clerk	1,500	375	125
Salaries - Zoning enforcement	2,400	2,400	2,400
Salaries - Zoning & planning	1,470	660	210
Salaries - Inspections	5,000	2,275	2,914
Special inspections	300	-	-
Payroll expenses	950	-	1
Professional services	30,000	14,017	2,447
Postage	200	-	-
Publishing	1,500	659	153
Water and Soil testing	3,000	903	500
Miscellaneous/contingency	4,600	393	92
Total expenditures	<u>50,920</u>	<u>21,682</u>	<u>8,842</u>
Net change in fund balance	<u>\$ (31,729)</u>	<u>(1,547)</u>	<u>32,068</u>
Fund balance, beginning of year		<u>86,474</u>	<u>54,406</u>
Fund balance, end of year		<u>\$ 84,927</u>	<u>86,474</u>

**Balance Sheet  
March 31, 2024**

<u>Assets</u>	
Cash	\$ 6,225
Total assets	<u>\$ 6,225</u>
 <u>Fund Balance</u>	
Assigned fund balance	\$ 6,225
Total fund balance	<u>\$ 6,225</u>

**Statement of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2024  
(With Comparative Figures for 2023)**

SCHEDULE D-6

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Revenues:			
Donations	\$ 100	-	-
Miscellaneous	100	-	-
Total revenues	<u>200</u>	<u>-</u>	<u>-</u>
Expenditures:			
Maintenance services	5,000	1,950	-
Grave decorations	200	-	-
Utilities	300	246	271
Office supplies	50	-	-
Miscellaneous	100	-	-
Total expenditures	<u>5,650</u>	<u>2,196</u>	<u>271</u>
Net change in fund balance	<u>\$ (5,450)</u>	(2,196)	(271)
Fund balance, beginning of year		<u>8,421</u>	<u>8,692</u>
Fund balance, end of year		<u>\$ 6,225</u>	<u>8,421</u>

VILLAGE OF SHERIDAN, ILLINOIS  
PARKS FUND

SCHEDULE D-7

Balance Sheet  
March 31, 2024

<u>Assets</u>		
Cash		\$ 82,281
Due from State of Illinois		8,660
Total assets		<u>\$ 90,941</u>
<u>Liabilities and Fund Balance</u>		
Liabilities:		
Accounts payable		\$ 210
Total liabilities		<u>210</u>
Fund balance:		
Assigned fund balance		<u>90,731</u>
Total liabilities and fund balance		<u>\$ 90,941</u>

Statement of Received, Disbursed  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2024  
(With Comparative Figures for 2023)

SCHEDULE D-8

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Revenues:			
Utility tax	\$ 2,920	2,730	7,040
Liquor license	84	360	505
Income tax	17,523	20,228	37,411
Replacement tax	118	130	480
Sales tax	8,556	14,018	34,975
Use tax	5,464	4,623	9,910
Cannabis tax	123	191	378
Interest income	10	115	114
Miscellaneous	-	-	8,402
Total revenues	<u>34,798</u>	<u>42,395</u>	<u>99,215</u>
Expenditures:			
Utilities	4,000	3,473	3,473
Operating supplies	200	-	161
Rentals	2,500	-	-
Community relations	20,000	16,504	26,650
Park improvement	10,000	5,610	3,032
Decoration	3,000	1,604	463
Mulch/playground equipment	25,000	-	13,236
Miscellaneous	2,000	386	234
Total expenditures	<u>66,700</u>	<u>27,577</u>	<u>47,249</u>
Net change in fund balance	<u>\$ (31,902)</u>	14,818	51,966
Fund balance, beginning of year		<u>75,913</u>	<u>23,947</u>
Fund balance, end of year		<u>\$ 90,731</u>	<u>75,913</u>

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

SCHEDULE D-9

**Balance Sheet  
March 31, 2024**

		<u>Assets</u>	
Cash		\$	38,775
Due from State of Illinois			866
Total assets		\$	<u>39,641</u>
		<u>Fund Balance</u>	
Assigned fund balance		\$	39,641
Total fund balance		\$	<u>39,641</u>

**Statement of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2024  
(With Comparative Figures for 2023)**

SCHEDULE D-10

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Revenues:			
Utility tax	\$ 292	341	-
Liquor licenses	8	36	-
Income tax	1,752	2,023	-
Replacement tax	12	13	-
Sales tax	856	1,402	-
Use tax	546	462	-
Cannabis tax	12	19	-
Interest income	10	12	-
Total revenues	<u>3,488</u>	<u>4,308</u>	<u>-</u>
Expenditures:			
Equipment	30,000	-	4,846
Miscellaneous	5,093	5	-
Total expenditures	<u>35,093</u>	<u>5</u>	<u>4,846</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (31,605)</u>	<u>4,303</u>	<u>(4,846)</u>
Fund balance, beginning of year		<u>35,338</u>	<u>40,184</u>
Fund balance, end of year		<u>\$ 39,641</u>	<u>35,338</u>



VILLAGE OF SHERIDAN, ILLINOIS  
POLICE VEHICLE RESERVE FUND

SCHEDULE D-11

Balance Sheet  
March 31, 2024

<u>Assets</u>	
Cash	\$ 67,087
Due from State of Illinois	866
Total assets	<u>\$ 67,953</u>
<u>Fund Balance</u>	
Assigned fund balance	<u>\$ 67,953</u>
Total fund balance	<u>\$ 67,953</u>

Statement of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2024  
(With Comparative Figures for 2023)

SCHEDULE D-12

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Revenues:			
Utility tax	\$ 292	341	-
Liquor licenses	8	36	-
Income tax	1,752	2,023	-
Replacement tax	12	13	-
Sales tax	856	1,402	-
Use tax	546	462	-
Cannabis tax	12	19	-
LaSalle police vehicle fund	100	-	-
Interest income	15	12	-
Miscellaneous	250	-	4,535
Total revenues	<u>3,843</u>	<u>4,308</u>	<u>4,535</u>
Expenditures:			
Vehicle	35,000	-	5,669
Miscellaneous	2,000	5	-
Total expenditures	<u>37,000</u>	<u>5</u>	<u>5,669</u>
Net change in fund balance	<u>\$ (33,157)</u>	4,303	(1,134)
Fund balance, beginning of year		63,650	64,784
Fund balance, end of year		<u>\$ 67,953</u>	<u>63,650</u>

**Balance Sheet  
March 31, 2024**

<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, 2024  
(With Comparative Figures for 2023)**

SCHEDULE D-14

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Revenues:			
Donations	\$ 500	-	-
Total revenues	<u>500</u>	<u>-</u>	<u>-</u>
Expenditures:			
DARE Expenses	3,500	-	-
Community Relations	50	-	-
Total expenditures	<u>3,550</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (3,050)</u>	-	-
Fund balance, beginning of year		<u>3,858</u>	<u>3,858</u>
Fund balance, end of year		<u>\$ 3,858</u>	<u>3,858</u>

**Balance Sheet**  
**March 31, 2024**

		<u>Assets</u>	
Cash			\$ 611
Total assets			<u>\$ 611</u>
		<u>Fund Balance</u>	
Assigned fund balance			\$ 611
Total fund balance			<u>\$ 611</u>

**Statement of Revenues, Expenditures  
 and Changes in Fund Balance - Budget & Actual  
 For the Year Ended March 31, 2024  
 (With Comparative Figures for 2023)**

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Revenues:			
Donations	\$ 500	100	120
Total revenues	<u>500</u>	<u>100</u>	<u>120</u>
Expenditures:			
Park improvements	500	-	-
Miscellaneous/contingency	80	200	-
Total expenditures	<u>580</u>	<u>200</u>	<u>-</u>
Net change in fund balance	<u>\$ (80)</u>	(100)	120
Fund balance, beginning of year		<u>711</u>	<u>591</u>
Fund balance, end of year		<u>\$ 611</u>	<u>711</u>

VILLAGE OF SHERIDAN, ILLINOIS  
SPECIAL SEWER RESERVE FUND

SCHEDULE D-17

Balance Sheet  
March 31, 2024

<u>Assets</u>	
Cash	\$ 103,137
Due from State of Illinois	8,660
Total assets	<u>\$ 111,797</u>
<u>Fund Balance</u>	
Assigned fund balance	\$ 111,797
Total fund balance	<u>\$ 111,797</u>

Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget & Actual  
For the Year Ended March 31, 2024  
(With Comparative Figures for 2023)

SCHEDULE D-18

	Original and Final Budget	Year Ended March 31,	
		2024	2023
Revenues:			
Utility tax	\$ 2,920	3,403	-
Liquor licenses	84	360	-
Income tax	17,523	20,229	-
Replacement tax	118	130	-
Sales tax	8,556	14,018	-
Use tax	5,464	4,623	-
Cannabis tax	123	191	-
Interest income	10	115	-
Total revenues	<u>34,798</u>	<u>43,069</u>	<u>-</u>
Expenditures:			
Maintenance Road Work	50,000	-	55,588
Miscellaneous	5,000	44	-
Total expenditures	<u>55,000</u>	<u>44</u>	<u>55,588</u>
Net change in fund balance	<u>\$ (20,202)</u>	43,025	(55,588)
Fund balance, beginning of year		<u>68,772</u>	<u>124,360</u>
Fund balance, end of year		<u>\$ 111,797</u>	<u>68,772</u>

**Combining Statement of Revenues, Expenditures  
 and Changes in Fund Balance  
 For the Year Ended March 31, 2024**

	Sheridan Cemetery Association	Sheridan Historical Society	Total Component Units
Revenues:			
Memberships	\$ -	80	80
Donations	1,220	1,702	2,922
Fundraisers & programs	-	80	80
Interest income	2,374	-	2,374
Lots sold	2,000	-	2,000
Miscellaneous	504	-	504
Total revenues	<u>6,098</u>	<u>1,862</u>	<u>7,960</u>
Expenditures:			
Caretaker	12,674	-	12,674
Miscellaneous	15	344	359
Total expenditures	<u>12,689</u>	<u>344</u>	<u>13,033</u>
Net change in fund balance	(6,591)	1,518	(5,073)
Fund balance, beginning of year	143,944	24,669	168,613
Fund balance, end of year	<u>\$ 137,353</u>	<u>26,187</u>	<u>163,540</u>

***SUPPLEMENTAL INFORMATION***

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

	Maximum Rate	2019	2020	2021	2022	2023
Assessed valuations		<u>\$ 11,397,190</u>	<u>11,927,919</u>	<u>12,400,885</u>	<u>13,363,013</u>	<u>15,047,789</u>
Tax Rates:						
General	0.2500	0.1316	0.1311	0.1261	0.1217	0.1081
Police Protection	0.0750	0.0658	0.0656	0.0631	0.0608	0.0540
Audit	N/A	0.0527	0.0700	0.0673	0.0650	0.0577
Liability Insurance	N/A	0.1930	0.2264	0.2178	0.2101	0.2035
Street & Bridge	0.1000	0.0088	0.0088	0.0084	0.0081	0.0072
IMRF	N/A	0.0224	0.0223	0.0215	0.0207	0.0213
Totals		<u>0.4743</u>	<u>0.5242</u>	<u>0.5042</u>	<u>0.4864</u>	<u>0.4517</u>
Tax extensions:						
General		\$ 15,001	15,639	15,639	16,259	16,259
Police Protection		7,501	7,819	7,819	8,129	8,129
Audit		6,001	8,351	8,351	8,682	8,682
Liability Insurance		22,001	27,006	27,006	28,077	30,615
Street & Bridge		1,000	1,046	1,046	1,088	1,089
IMRF		2,551	2,661	2,661	2,767	3,201
Totals		<u>\$ 54,055</u>	<u>62,522</u>	<u>62,522</u>	<u>65,002</u>	<u>67,975</u>
Road & Bridge (from townships)		<u>\$ 9,587</u>	<u>10,647</u>	<u>11,298</u>	<u>11,454</u>	<u>-</u>
Tax collections		<u>\$ 63,652</u>	<u>73,038</u>	<u>73,716</u>	<u>76,560</u>	<u>-</u>

## ***OTHER REPORTS***





116 E. Washington Street  
Suite One  
Morris, Illinois 60450

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

TAWNYA R. MACK, CPA  
LAURI POPE, CPA

CATE MOULTON, CPA  
KYLE SHEPPARD, CPA  
MADISON SCHEEL, CPA  
CHRIS CHRISTENSEN  
JESSIKA MCGARVEY

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, 2024, 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 8, 2024.

**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 (2024-01 and 2024-02).

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 8, 2024

# VILLAGE OF SHERIDAN, ILLINOIS

## Schedule of Findings March 31, 2024

---

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

### **2024-01: 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, 2024

---

---

#### 2024-02: 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.