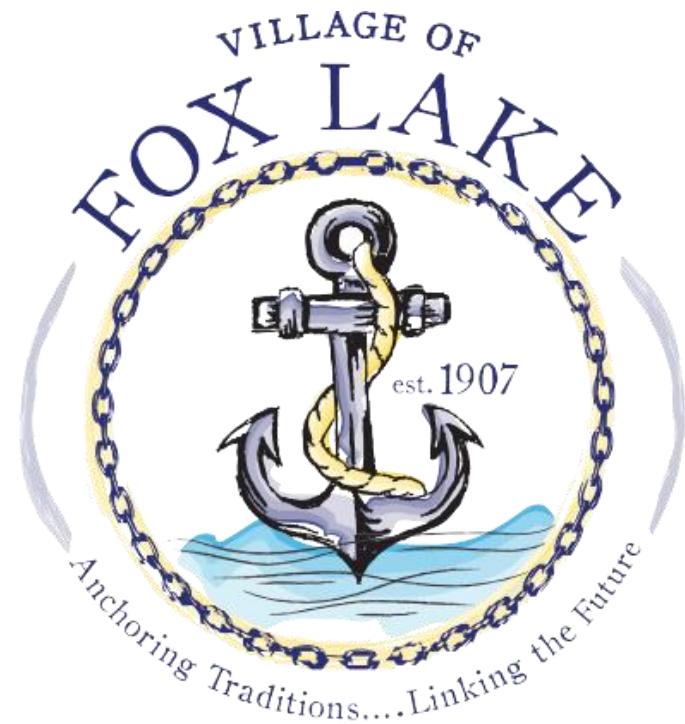


Village of Fox Lake, Illinois

Annual Financial Report

Year End April 30, 2024



Prepared By:
The Finance Department
Mary Locher, CPA, Finance Director
Laura Rudkin, Accounting Manager

**VILLAGE OF FOX LAKE, ILLINOIS
FOX LAKE, ILLINOIS**

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2024

Prepared by the Finance Department

VILLAGE OF FOX LAKE, ILLINOIS
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INTRODUCTORY SECTION

VILLAGE OF FOX LAKE
PRINCIPAL OFFICERS
APRIL 30, 2024

Legislative

Donny Schmit, Village President

Michelle Runnion, Village Clerk

Board of Trustees

Amy Driscoll	Jeff Jensen
Bernie Konwent	Brian Marr
Ron Stochl	Debra Vander Weit

Administration

Jessica Chernich, Village Administrator

Mary Locher, CPA, Finance Director/Treasurer

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the Board of Trustees
Village of Fox Lake, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Fox Lake, Illinois (the Village), as of and for the year ended April 30, 2024 and the related notes to financial statements, which collectively comprise the 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, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Fox Lake, Illinois, as of April 30, 2024 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The Village adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, for the year ended April 30, 2024 (see Note 13). The implementation of this guidance resulted in changes to the reporting of right-to-use intangible subscription assets, subscription liabilities and the related notes to the financial statements. Our opinion was not modified with respect to this matter.

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 these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village 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.

Responsibilities 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 of America and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinions.

Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents 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 the Village's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

The combining and individual fund financial statements and schedules 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 13, 2024 on our consideration of the Village's 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 and compliance and the results of that testing and not to provide an opinion on the 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's internal control over financial reporting and compliance.

Sikich CPA LLC

Naperville, Illinois

December 13, 2024

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

**INDEPENDENT AUDITOR'S 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**

The Honorable Mayor
Members of the Board of Trustees
Village of Fox Lake, 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 business-type activities, each major fund and the aggregate remaining fund information of the Village of Fox Lake, Illinois (the Village), as of and for the year ended April 30, 2024, and the related notes to financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated December 13, 2024.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from 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 financial statements. 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 Village'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 Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich CPA LLC

Naperville, Illinois
December 13, 2024

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

VILLAGE OF FOX LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For Fiscal Year Ended April 30, 2024

The Village of Fox Lake (the “Village”) Management’s Discussion and Analysis (MD&A) is designed to (1) assist the reader in focusing on significant issues, (2) provide an overview of the Village’s financial activity, (3) identify changes in the Village’s financial position and its ability to address the next and subsequent year challenges, (4) identify any material deviations from the financial plan, and (5) identify individual fund issues or concerns at and for the year ended April 30, 2024. As the Village presents its financial statements in conformity with the Governmental Accounting Standards Board Statement No. 34 reporting requirements, prior year comparative information has been included in the Village’s MD&A.

As with other sections of this financial report, the information contained within this MD&A should be considered as a part of a greater whole. Readers of this report should read and evaluate all sections of this report, including the Notes to Financial Statements and the other Required Supplemental Information that is provided in addition to the MD&A, in order to form an opinion on the financial position and activities of the Village.

FINANCIAL HIGHLIGHTS

- The Village received an unmodified opinion from the independent audit firm, Sikich CPA LLC.
- The Village’s overall net position improved from fiscal year 2023 to fiscal year 2024. The revenues exceeded expenses by \$6,596,241 resulting in a net position as of April 30, 2024 of \$134,888,209. This is 5.1% higher than last year’s net position of \$128,291,968.
- Net Pension Asset/Liability (IMRF and Police Pension) is reported on the Statement of Net Position and the change in the net pension asset/liability for the year is reported on the Statement of Activities. IMRF Net Pension Liability decreased as of 12/31/2023 by \$1,200,828. Police Pension Net Pension Liability increased as of 4/30/2024 by \$1,267,949. *Please see Note 9 in the Notes to Financial Statements for additional information on these plans.*
- At the end of the current fiscal year, the General Fund *unrestricted* fund balance was \$15,544,053, a decrease of \$445,244 over the prior year’s *unrestricted* amount of \$15,989,297. The amount committed by the Village’s reserve policy represents 42% of the budgeted fiscal year 2025 operating expenditures.
- The General Fund balance decreased by \$410,933 to \$15,799,744 as of April 30, 2024.

USING THE FINANCIAL SECTION OF THIS ANNUAL FINANCIAL REPORT

The Village’s financial statements present two kinds of statements, each with a different snapshot of the Village’s finances. The financial statements’ focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government), and enhance the Village’s accountability.

Government-Wide Financial Statements

The Village’s annual financial report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Village’s overall financial condition. Financial reporting at this level uses accounting similar to full accrual accounting such as in the private sector. Inter-fund activity is eliminated, the cost of assets with a long service life is spread out over future years, so that capital expenditures are amortized through depreciation when the benefits are realized, and long-term debt is reported.

The first government-wide statement is the statement of net position that presents information about all of the Village’s assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the differences reported as net position. Over a multiyear period, an increase or decrease in net position can detect an improvement or deterioration in the financial position of the Village. Additionally, one would need to evaluate nonfinancial factors, such as the condition of the Village’s infrastructure, the satisfaction of the constituents, and other information beyond the scope of this report to make a more complete assessment of whether the Village as a whole has improved.

VILLAGE OF FOX LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For Fiscal Year Ended April 30, 2024

The second government-wide statement is the statement of activities, which reports how the Village's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when the cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Village's distinct activities or functions on revenues provided by the Village's taxpayers.

Both government-wide financial statements distinguish governmental activities of the Village that are principally supported by taxes and intergovernmental revenues (such as state-shared revenues) from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The Village of Fox Lake's governmental activities include general government, public safety, public works, parks and recreation and economic development. The business-type activities include Water and Sewer, Wastewater Reclamation, 911 Dispatch Services, and Commuter Parking. The Police Pension Plan fiduciary activity is not available to fund Village programs, and, therefore, is not included in the government-wide statements but is presented in this document at the end of the fund financial statements.

Fund Financial Statements

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

Governmental Funds

Governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Unlike the government-wide financial statements, governmental fund financial information focuses on the near-term flow of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. The governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide reconciliation, on the page following each statement, to facilitate the comparison between governmental funds and governmental activities.

The Village of Fox Lake has 10 individual governmental funds: General Fund, Lakefront Park Project Fund, Motor Fuel Tax Fund, South Business Development District Fund, Central Business Development District Fund and five Tax Increment Financing Funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and Lakefront Park Project Fund. Major funds are defined as those governmental or enterprise funds whose total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses are at least 10% of the totals for all funds of that category (governmental or enterprise) and at least 5% of the combined totals for governmental and enterprise funds. The data for funds other than the major funds is combined into a single column labeled "nonmajor governmental funds." *Detailed information for the governmental funds is presented in the "Combining and Individual Fund Financial Statements and Schedules" section of the financial statements.*

Proprietary Funds

There are two categories of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent is that the costs (expenses, including depreciation) of providing the goods or services to the public on a continuing basis be financed or recovered primarily through user charges. As of April 30, 2024, the Village has four enterprise funds, the Water and Sewer Fund, Northwest Region Water Reclamation Fund, 911 Dispatch Fund and Commuter Parking Fund. *Detailed information for the proprietary funds is presented in the "Combining and Individual Fund Financial Statements and Schedules" section of the financial statements.*

VILLAGE OF FOX LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For Fiscal Year Ended April 30, 2024

Fiduciary Funds

The Police Pension is the Village's only fiduciary fund. The fiduciary funds are not reflected in the government-wide financial statements because its resources are not available to support the Village's programs but are used to account for resources held for the benefit of the eligible police officers. The accounting used for fiduciary funds is similar to that used for proprietary funds. *The Police Pension fund financial statements can be found beginning on page 19 of the financial statements.*

Notes to Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and the fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's funding of pension and other postemployment benefit liabilities to its employees and budget information.

Infrastructure Assets

A government's largest group of assets is typically its infrastructure (i.e. roads, bridges, storm sewers, etc.). A government must elect to either (1) depreciate these assets over their estimated useful lives or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. The Village of Fox Lake has chosen to depreciate assets over their useful lives. If a road project is considered maintenance – a recurring cost that does not extend the road's useful life or expand its capacity – the cost of the project will be expensed. An “overlay” of a road will be considered maintenance, whereas a “rebuild” of a road will be capitalized.

VILLAGE OF FOX LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For Fiscal Year Ended April 30, 2024

GOVERNMENT-WIDE STATEMENTS

Statement of Net Position

The Village's net position as of April 30, 2024 was \$134,888,209, which represents an increase of \$6,596,241 compared to April 30, 2023. The Village's net position from governmental activities increased by \$5,587,567 and net position from business-type activities increased by \$1,008,674 over the prior fiscal year.

Comparative Summary Statements of Net Position as of April 30, 2024 and 2023

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and other assets	\$ 34,995,390	\$ 41,633,606	\$ 27,105,209	\$ 29,212,755	\$ 62,100,599	\$ 70,846,361
Capital assets	49,008,980	35,727,151	77,208,285	75,656,657	126,217,265	111,383,808
Total Assets	84,004,370	77,360,757	104,313,494	104,869,412	188,317,864	182,230,169
Deferred outflows of resources	3,475,407	2,934,090	1,161,172	1,364,336	4,636,579	4,298,426
Liabilities						
Current liabilities	4,772,731	3,974,881	2,649,976	2,492,425	7,422,707	6,467,306
Noncurrent liabilities	22,517,944	22,797,205	21,076,524	23,354,687	43,594,468	46,151,892
Total Liabilities	27,290,675	26,772,086	23,726,500	25,847,112	51,017,175	52,619,198
Deferred inflows of resources	6,492,300	5,413,526	556,759	203,903	7,049,059	5,617,429
Net Position						
Net investment in capital assets	37,270,228	34,319,565	55,247,703	52,794,570	92,517,931	87,114,135
Restricted net position	7,908,960	5,792,272	-	-	7,908,960	5,792,272
Unrestricted net position	8,517,614	7,997,398	25,943,704	27,388,163	34,461,318	35,385,561
Total Net Position	\$ 53,696,802	\$ 48,109,235	\$ 81,191,407	\$ 80,182,733	\$ 134,888,209	\$ 128,291,968

Normal Impacts on Net Position

Prior to discussing the current year's impacts on net position, it is helpful to first understand how six basic (normal) transactions impact the statement of net position and the three categories under net position.

Net results of activities – will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for capital – will increase current assets and long-term debt.

Spending borrowed proceeds on new capital – will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt, which will not change the net investment in capital assets.

Spending of non-borrowed current assets on new capital – will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase net investment in capital assets.

Principal payment on debt – will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase net investment in capital assets.

Reduction of capital assets through depreciation – will reduce capital assets and net investment in capital assets.

VILLAGE OF FOX LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For Fiscal Year Ended April 30, 2024

Current Year Impacts on Net Position

Governmental Activities

For fiscal year 2024, governmental activities *net* position is \$53,696,802 reflecting an increase of \$5,587,567 over the prior fiscal year. Governmental activities total assets and deferred outflows increased \$7,184,930 and governmental activities total liabilities and deferred inflows increased \$1,597,363.

The \$7.2 million increase in total assets and deferred outflows resulted from a \$6.6 million decrease in current assets, an increase of \$13.3 million in capital assets, and an increase in pension related deferred outflows of \$.5 million. There were several factors affecting the change in current assets: cash decreased \$11.3 million mainly due to expending prior year bond proceeds for Lakefront Park. Cash also decreased due to other capital projects, the largest being the Village's portion of Washington Street. This was partially offset by an increase of property and intergovernmental receivables of \$.8 million and change in due from enterprise funds of \$3.9 million.

The \$1.6 million increase in total liabilities and deferred inflows resulted from a \$.8 million increase in current liabilities, a \$.3 million decrease in long-term (noncurrent) liabilities and a \$1.1 million increase in deferred inflows. The increase in current liabilities is due to an increase of accounts payable and accrued payroll of \$1.5 million offset by recognizing (a decrease) in deferred ARPA grant revenue of \$.4 million and payment of \$.2 million to the fiduciary fund. The changes in long-term liabilities are scheduled in Note 6c. The increase in deferred inflows is mainly due to a \$1.0 million recording of deferred OPEB inflow due to projected and actual earnings are recognized over a 5-year period. Consider adding: In prior years the Village's OPEB plan was measured using the Alternative Measurement Method due to the number of employees on the plan, and as such, deferred inflows of resources were not previously reported.

Business-Type Activities

The business-type activities *net* position is \$81,191,407 represents an increase of \$1,008,674. Business-type activities total assets and deferred outflows decreased \$759,082 and business-type activities total liabilities and deferred inflows decreased \$1,767,756.

While total assets and deferred outflows did not change significantly, there were several individual items of note. Current assets decreased by \$2.1 million. Cash increased \$3.7 million mainly due to increase in net position and a repayment of internal fund receivable of \$2.2 million and receipt of IEPA loan proceeds (intergovernmental receivable of \$2.0 million. As these amounts are also current asset offsets, they did not affect current assets overall. A temporary balance of \$1.7 million in internal funds created the majority of the decrease in current assets. Deferred outflows increased by \$.8 million due to an increase in pension-related outflows. Net capital assets increase of \$1.5 million was due to net capital additions of \$4.5 million less \$3.0 million in depreciation.

Total liabilities and deferred inflows decreased by \$1.8 million. Long term liabilities decreased by \$2.3 million due to \$1.2 million of bond and IEPA principal repayments and a \$1.1 million increase in net pension liabilities-IMRF and other post-employment benefits (OPEB). Deferred inflows increased \$.4 million due to recording of deferred OPEB inflow due to projected and actual earnings are recognized over a 5-year period.

VILLAGE OF FOX LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For Fiscal Year Ended April 30, 2024

Changes in Net Position

The Village's combined change in net position for fiscal year 2024 was an increase of \$6,596,241 compared to \$4,773,327 in the prior fiscal year. Business-type activities had an increase in net position of \$1,008,674 and governmental activities saw an increase of \$5,587,567 during fiscal year 2024. The table below shows the condensed revenues and expenses of the Village's activities.

Comparative Changes in Net Position as of April 30, 2024 and 2023

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues						
Charges for services	\$ 3,006,867	\$ 2,767,715	\$ 12,182,078	\$ 11,543,310	\$ 15,188,945	\$ 14,311,025
Operating and capital grants	2,986,467	2,256,778	35,006	30,734	3,021,473	2,287,512
General Revenues						
Property taxes	3,003,550	2,739,026	-	-	3,003,550	2,739,026
All other taxes	8,927,604	9,320,697	-	-	8,927,604	9,320,697
Other Revenues and Transfers	1,374,263	710,230	1,111,153	433,747	2,485,416	1,143,977
Total revenues	19,298,751	17,794,446	13,328,237	12,007,791	32,626,988	29,802,237
Expenses						
General government	1,095,426	1,361,030	-	-	1,095,426	1,361,030
Public safety	7,216,342	6,373,653	-	-	7,216,342	6,373,653
Public works	3,574,290	3,263,966	-	-	3,574,290	3,263,966
Parks & Recreation	436,932	445,144	-	-	436,932	445,144
Economic development	939,306	908,339	-	-	939,306	908,339
Interest	448,888	483,959	-	-	448,888	483,959
Water & Local Sewer	-	-	4,076,114	3,531,463	4,076,114	3,531,463
Wastewater reclamation	-	-	7,101,855	7,015,727	7,101,855	7,015,727
911 Dispatch Service	-	-	1,109,339	1,520,711	1,109,339	1,520,711
Parking	-	-	32,255	124,918	32,255	124,918
Total expenses	13,711,184	12,836,091	12,319,563	12,192,819	26,030,747	25,028,910
Change in net position	5,587,567	4,958,355	1,008,674	(185,028)	6,596,241	4,773,327
Net Position - May 1	48,109,235	43,150,880	80,182,733	80,367,761	128,291,968	123,518,641
Net Position - April 30	\$ 53,696,802	\$ 48,109,235	\$ 81,191,407	\$ 80,182,733	\$ 134,888,209	\$ 128,291,968

Normal Impacts on Revenues and Expenses

There are eight basic impacts on revenues and expenses, which are described below.

Revenues:

Economic conditions – This can reflect a declining, stable, or growing economic environment and has a substantial impact on state income, sales and utility tax revenue, and public spending habits for building permits, elective user fees, and volumes of consumption.

Increase in Village approved rates – While certain tax rates are set by statute, the Village Board has limited authority to impose and periodically increase certain rates (water, licenses, permits, fines, inspection fees, etc.).

Changing patterns in intergovernmental and grant revenue (both recurring and nonrecurring) – Certain recurring revenues (state-shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

VILLAGE OF FOX LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For Fiscal Year Ended April 30, 2024

Market impacts on investment income – The Village's investment portfolio is managed using a short-term average maturity and market conditions may cause investment income to fluctuate.

Expenses:

Introduction/elimination of programs and services – Within the functional expense categories (General Government, Public Safety, Public Works, etc.) programs and services may be added or deleted to address changing community needs, unfunded mandates from other governmental levels, and funding available within the Village.

Increases/decreases in the number of authorized personnel – The Village Board may authorize increases or decreases in staffing levels based upon program and service changes.

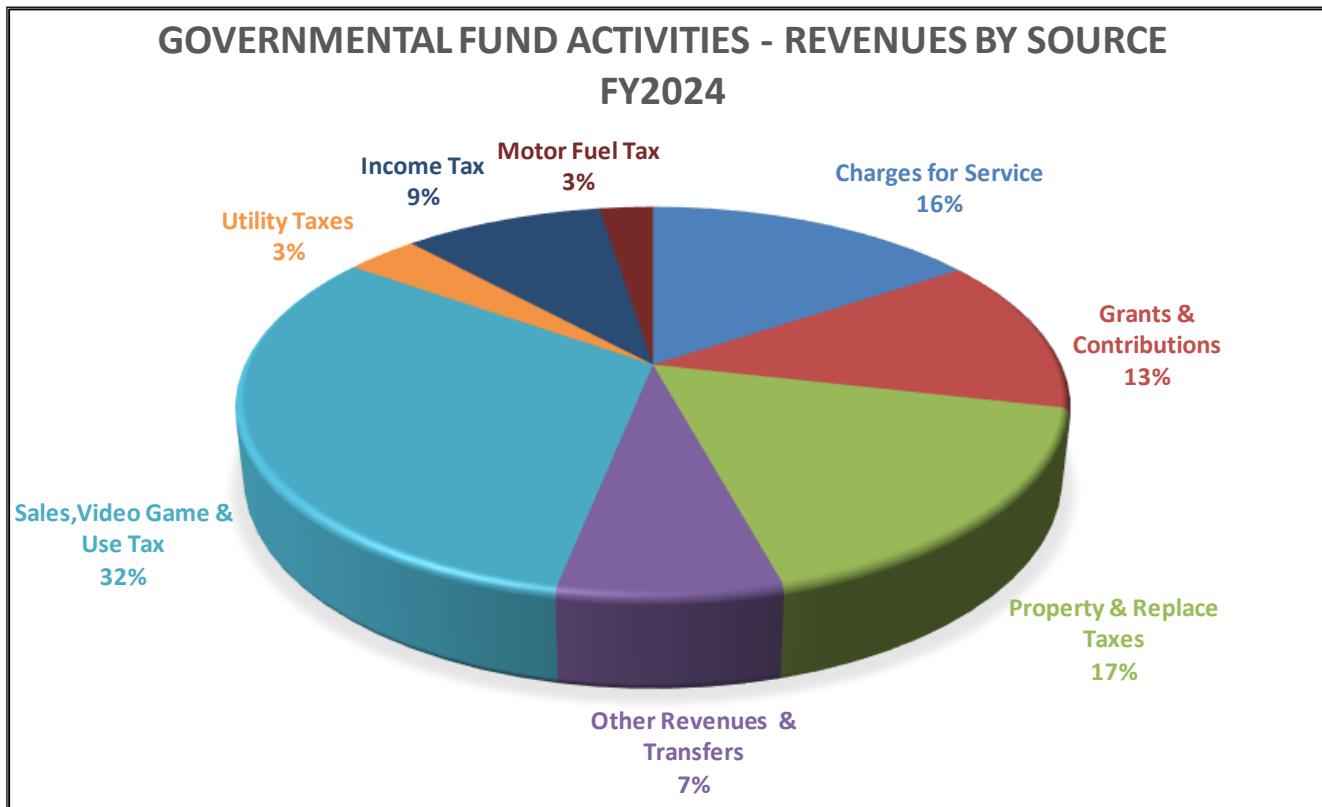
Salary increases (annual adjustments and merit) - The Village has three separate bargaining units representing approximately 50% of the employee population.

Inflation – While overall inflation has been relatively low, the Village is a major consumer of certain commodities such as supplies, fuel, and utilities. Some specific areas may experience unusually high price increases.

Governmental Activities:

Revenues

For the fiscal year ended April 30, 2024, revenues from governmental activities totaled \$19,298,751, an increase of \$1,504,305 or 8.5% from the prior fiscal year.



VILLAGE OF FOX LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For Fiscal Year Ended April 30, 2024

The Village continues to receive most of its revenues from property taxes, charges for services, income taxes, utility taxes which include telecommunications and utility taxes and sales taxes, which include sales, video gaming, hotel/motel, and local use taxes. Sales taxes represent the largest revenue source at \$6,112,496 or 32%.

Sales taxes (as a component of "Sales") of \$5,281,524 decreased 4.0% from the prior year. Video gaming taxes of \$416,911 decreased 2.8% over the prior year.

Property and replacement taxes at \$3,319,362 and 17% of total revenue comprise the second largest single source of governmental activity revenue for the Village. Property taxes received increased over the prior year by 6% or \$202,940. The increase included \$79,841 of property tax revenue from four new TIF districts. The total property tax received during fiscal year 2024 of \$3,149,493 is restricted for specific purposes, as follows:

<u>Year 2022 (FY24) Property Tax by Purpose</u>	<u>Amount</u>
Audit Tax	\$ 17,013
Corporate	\$978,507
IMRF	\$153,430
Police Pension	\$884,471
Police Protection/System	\$458,617
Social Security	\$163,761
Tort Judgment/Liability Insurance	\$178,769
TIF	\$168,980
Road and Bridge	\$145,945

Charges for Services were the Village's third largest revenue source at \$3,006,867, representing 16% of the total Governmental activities' revenue. Overall, this source of revenue increased 8.6% compared to last fiscal year. Revenues in this category are refuse fees \$1,119,526; reimbursable expenses and contractual revenue \$575,406; police fines and related special revenues \$615,264; licenses and permit fees \$606,670; parks and recreational fees \$49,024 and lease interest income \$40,977. As a non-home rule municipality, the Village has limited authority on both the types of charges and related fees that it is able to impose. The majority of the Village's current charges for services focus on construction and business-related activity and, as such, this revenue stream tends to follow the ebbs and flows of the economy.

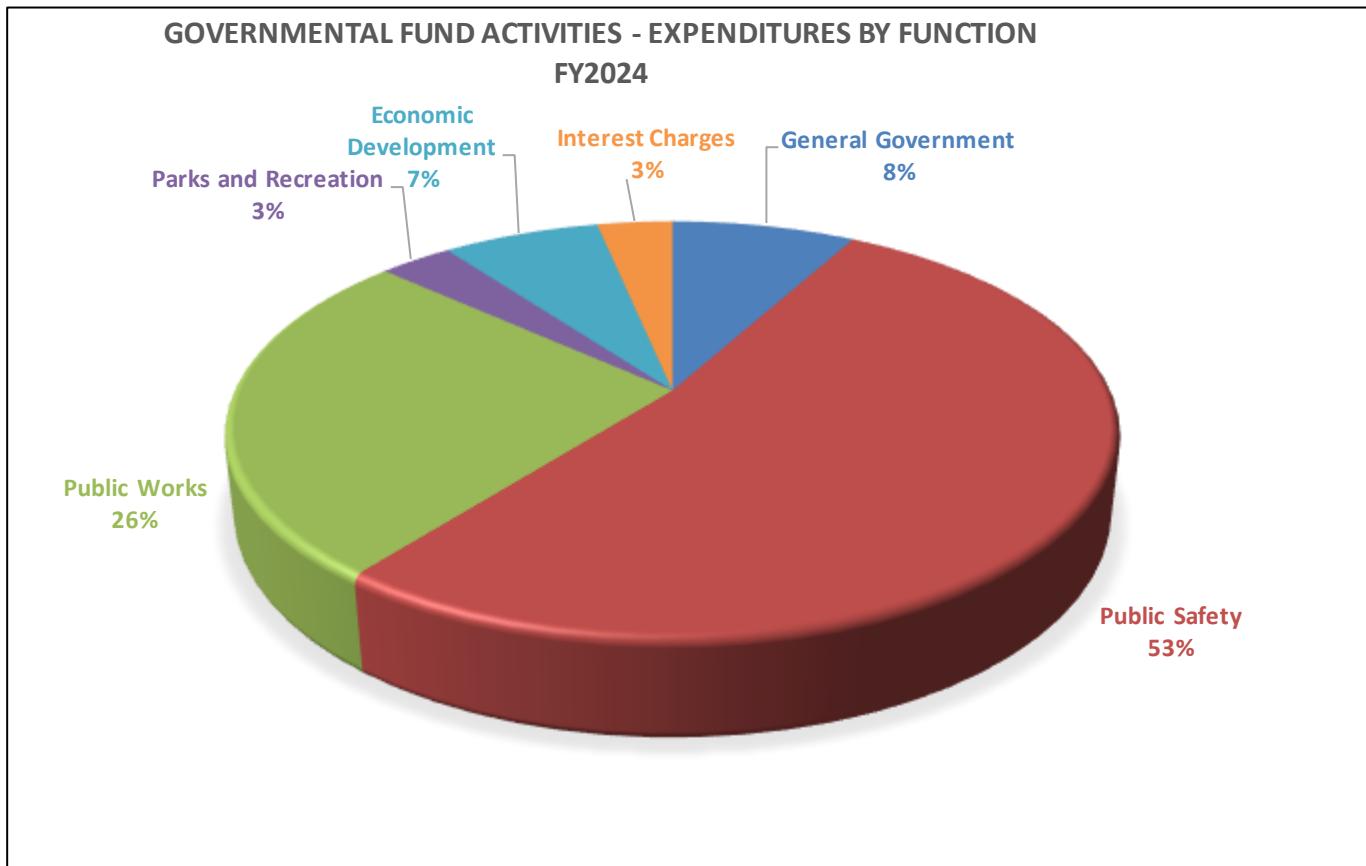
Income taxes which comprise \$1,797,258 or 9% of total revenue increased 1.3% from the prior fiscal year. Utility taxes of \$653,289 decreased 11.8% from the prior fiscal year, mainly due to a warmer than average winter that reduced natural gas consumption.

Grants and contributions of \$2,504,315 were 13% of total revenue. Major grants included \$1.6 million for a local flood mitigation, a \$.4 million DCEO Tourism Attraction and Festival Grant for Lakefront Park equipment, \$.4 million of ARPA funds recognized for the 2022 Roadway Program and about \$100,000 in various police grants. The \$.5 million in MFT allotment is displayed separately in the prior chart. Investment income of \$1,337,250 increased by \$775,516 from the prior year despite a decrease in cash of \$11.3 million due to bank negotiations that resulted in an increase in interest rates.

VILLAGE OF FOX LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For Fiscal Year Ended April 30, 2024

Expenditures

For the fiscal year ended April 30, 2024, expenditures from governmental activities totaled \$13,711,184, which represents an increase of \$875,093 or 6.8% compared to the prior year.



Public safety represents the largest portion of governmental activity expenses at \$7,216,342. Public safety consists of the Village's police department, including all related personnel, pension, training, supplies, and services provided by the 911 emergency dispatch center. For fiscal year 2024, expenses for public safety increased \$842,689 or 13.2% over the prior year and represented 53% of total governmental activity expenses.

Public works is the second largest category of governmental activity expenses. Public works includes activity for streets, vehicles, buildings and grounds, solid waste program, and forestry. For fiscal year 2024, expenses for public works totaled \$3,574,290 and represented 26% of total governmental activities expenses. Public works expenses increased \$310,324 or 9.5%.

General government is the third major category of governmental activity expenses. General government includes costs for the Village Council, Village Clerk, administration, legal services, finance, engineering, technology, liability insurance, and utilities. For fiscal year 2024, expenses for general government were \$1,095,426 which represented 8% of total governmental activities costs. General government expenses decreased \$265,604 or 19.5%.

VILLAGE OF FOX LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For Fiscal Year Ended April 30, 2024

Parks and recreation costs also accounted for 3% of the governmental activity expenses. Parks and recreation includes expenses for special events, cultural programs and recreational activities for residents of the community as well as residents in surrounding communities in order to spur economic activity in the Village. For fiscal year 2024, expenses of \$436,932 reflected a decrease in expenditures of \$8,212 or 1.8% from the prior fiscal year.

Economic Development includes implementing and enforcing current applicable codes and ordinances within the Village and overseeing the construction process at various stages through building inspections. It also fosters the retention and expansion of businesses throughout the Village. For fiscal year 2024, expenses for economic development were \$939,306 representing the next largest category of governmental activity expenses. This category increased \$30,967 or 3.4% and accounts for 7% of the total governmental activities expenses.

Interest and fiscal charges totaled \$448,888 and accounted for the remaining 3% of expenditures. Interest decreased \$35,071 or 7.2%

Business-Type Activities

Business-type activities in the Village consist of water operations, wastewater reclamation, 911 dispatch center and parking operations. Operating revenues include user fees, tap-on fees and miscellaneous; non-operating revenues include investment income and gains on the sale of assets. Operating expenses comprise personnel services, contractual services and commodities, and depreciation; non-operating expenses include losses on the sale of assets and interest expense on debt. In the Statement of Activities, operating revenues are shown as charges for services.

Revenues:

Total revenues for the Village's business-type activities for fiscal year 2024 were \$13,328,237 compared to \$12,007,791 in fiscal year 2023. This reflects an increase in total revenues of \$1,320,446 or 11.0% from fiscal year 2023.

In fiscal year 2024, total charges for service were \$12,182,078 with wastewater reclamation revenue representing 47.9%, local water and sewer operations accounting for 40.4%, 911 dispatch services were 11.4% and parking operations accounted for 0.3%. Wastewater reclamation revenues increased by \$437,625 or 8.1%. The local water and sewer charge for services increased by \$19,370 or .4%. E911 dispatch revenue increased \$171,872 or 14.1%. Parking revenue increased \$9,901 or 39.7%.

Expenses:

Total expenses for the Village's business-type activities for fiscal year 2024 were \$12,319,563 compared to \$12,192,819 in fiscal year 2023. This represents an increase of \$126,744 or 1.0% compared to fiscal year 2023. Of the total expenses for business-type activities, \$7,101,855 is attributable to wastewater reclamation with an increase of \$86,128 compared to last year; \$4,076,114 to water and sewer operations with an increase of \$544,651 over last year; \$1,109,939 to 911 dispatch services reflecting a decrease of \$411,372 compared to the prior year; and \$32,255 to parking operations which decreased \$92,663.

VILLAGE OF FOX LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For Fiscal Year Ended April 30, 2024

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

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. At April 30, 2024, the Governmental Funds reported a combined fund balance of \$25,837,755 which is a \$7,725,275 or 23.0% decrease from the beginning of the year balance of \$33,563,030. Of the total year-end fund balance \$3,356,285 is unassigned, \$264,949 is non-spendable, \$10,028,753 is restricted, \$6,039,927 is committed, and \$6,147,841 is assigned.

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. The General fund balance decreased by \$410,933, or 2.5%, from the beginning of year, as restated.

The table below reflects the changes in the governmental fund balances:

Fund Name	Type	Major Fund	FY24 Balance	FY23 Balance	Increase (Decrease)
General	Governmental	Y	\$ 15,799,744	\$ 16,210,677	\$ (410,933)
Lakefront Park Project	Governmental	Y	\$ 2,434,130	\$ 11,657,245	\$ (9,223,115)
TIF #1	Special Revenue	N	\$ 6,216	\$ (81,117)	\$ 87,333
TIF #2	Special Revenue	N	\$ 21,030	\$ -	\$ 21,030
TIF #3	Special Revenue	N	\$ 24,021	\$ -	\$ 24,021
TIF #4	Special Revenue	N	\$ 16,662	\$ -	\$ 16,662
TIF #5	Special Revenue	N	\$ 15,210	\$ -	\$ 15,210
Motor Fuel Tax	Special Revenue	N	\$ 2,657,270	\$ 2,188,006	\$ 469,264
BDD-South	Special Revenue	N	\$ 3,081,174	\$ 2,266,156	\$ 815,018
BDD-Central	Special Revenue	N	\$ 1,782,298	\$ 1,322,063	\$ 460,235
Total Governmental Funds			\$ 25,837,755	\$ 33,563,030	\$ (7,725,275)

Proprietary Funds

For the fiscal year ending April 30, 2024, the Enterprise Funds' total net position increased by \$1,008,674 over the prior year from \$80,182,733 to \$81,191,407.

The Water and Sewer Fund reflected an increase in net position of \$1,360,686. The Northwest Region Water Reclamation Fund had a decrease in net position of \$681,205. The 911 Dispatch Services Fund had an increase in net position of \$325,494 and the Commuter Parking Fund had an increase in net position of \$3,699.

VILLAGE OF FOX LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For Fiscal Year Ended April 30, 2024

GENERAL FUND BUDGETARY HIGHLIGHTS

The Village's passed Ordinance #14-36 on 11/25/2014 adopting the budget officer system and creating the office of the budget officer; thus, eliminating the appropriations budget. Since that time, the Village Treasurer/Finance Director has been designated as the Budget Officer and is responsible for preparing an annual budget and presenting it to the Village Board for review and passage. The annual budget is prepared by fund, with line-item detail, and includes information on the prior year, current year estimates, and each department's requested budget for the next fiscal year.

The process begins with all departments of the Village submitting their budget requests to the Village Treasurer/Finance Director that are reviewed by the Village Administrator. The proposed budget is prepared and presented to the Village Board for review and discussion. Public hearings are held, revisions are made, and the process culminates with adoption of the budget, in ordinance form, by the Village Board. The budget, which by state law also serves as the appropriation ordinance, represents the legal budget of the Village and must be adopted by the Village Board prior to May 1.

The Village Treasurer/Finance Director is authorized to transfer budget amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Village Board. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, one budget amendment was approved by the Village Board.

Revenues in the General Fund were \$15,066,877, which was \$1,067,288 over the amended budget of \$13,999,589. Expenditures in the General Fund were \$15,561,946, which was less than the amended budget of \$17,602,554 by \$2,040,608.

CAPITAL ASSETS

At the end of fiscal year 2024, the Village had a combined total of \$126,217,265 of capital assets invested in land; equipment and subscription equipment; buildings and improvements; vehicles; infrastructure; water, sewer, and wastewater reclamation facilities and lines; and a commuter lot. *Additional information on capital assets can be found in Note 4 in the Notes to Financial Statements.*

Capital Assets at Year-End, Net of Depreciation/Amortization

	Governmental Activities		Business-type Activities		Total	
	2024	2023*	2024	2023	2024	2023*
Land (includes rights of way and easements)	\$ 13,821,541	\$ 13,778,666	\$ 2,813,566	\$ 2,419,482	\$ 16,635,107	\$ 16,198,148
Construction in progress	11,094,272	2,296,508	2,265,100	1,393,340	13,359,372	3,689,848
Buildings and improvements	4,608,703	4,839,106	26,244,357	26,098,955	30,853,060	30,938,061
Vehicles & Equipment	1,049,608	1,199,233	2,193,294	2,122,447	3,242,902	3,321,680
Infrastructure	17,801,616	13,613,638	-	-	17,801,616	13,613,638
Subscription equipment	633,240	723,055	-	-	633,240	723,055
Water transmission system	-	-	37,519,124	36,987,217	37,519,124	36,987,217
Sewer collection system	-	-	6,172,844	6,635,216	6,172,844	6,635,216
Total capital assets	\$ 49,008,980	\$ 36,450,206	\$ 77,208,285	\$ 75,656,657	\$ 126,217,265	\$ 112,106,863

* Restated for GASB 96 (subscription equipment)

VILLAGE OF FOX LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For Fiscal Year Ended April 30, 2024

For fiscal year 2024, the Village's total capital assets, net of depreciation and amortization, increased \$14,110,402. Capital assets of government activities increased \$14,178,371 due to costs related to assets listed in the table below less depreciation and amortization of \$1,379,122 and net book value of dispositions of \$240,475. Capital assets of business-type activities increased \$4,507,276 due to costs related to assets listed in the table below less depreciation of \$2,955,648.

Change in Capital Assets

	<u>Governmental</u> <u>Activities</u> <u>2024</u>	<u>Business-type</u> <u>Activities</u> <u>2024</u>	<u>Total</u> <u>2024</u>
Beginning Balance, as restated	\$ 36,450,206	\$ 75,656,657	112,106,863
Additions			
Depreciable	5,337,732	3,241,432	8,579,164
Nondepreciable	13,980,122	3,387,084	17,367,206
Retirements			
Depreciable/Amortizable, net	240,475	-	240,475
Construction in Progress transferred	5,139,483	2,121,240	7,260,723
Depreciation and Amortization	<u>(1,379,122)</u>	<u>(2,955,648)</u>	<u>(4,334,770)</u>
Ending Balance	<u>\$ 49,008,980</u>	<u>\$ 77,208,285</u>	<u>\$ 126,217,265</u>

Major additions to capital assets include the following:

Governmental Activities

- Capital assets added include:
 - 2022 Roadway Program
 - Knollwood flood mitigation
 - North access road redesign related to Lakefront Park development
 - Street department vehicle and equipment
- Planning, design and construction in process for various improvements, include:
 - Lakefront Park
 - Washington Street

Business-Type Activities

Water & Sewer

- Completed 2022 Roadway Program
- Equipment and generators
- Engineering design for:
 - Well 9 and water treatment plant
 - Main lift force main extension
 - Lead service line replacement

VILLAGE OF FOX LAKE, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For Fiscal Year Ended April 30, 2024

Northwest Region Water Reclamation

- Land & building
- Equipment
- Secondary clarifier #1 rebuild project completed
- Planning, design and construction in process for screw pump rehabilitation

Debt Outstanding

The Village of Fox Lake governmental activities had total long-term debt of \$11,733,259 as of April 30, 2024. Business-type activities had total long-term debt of \$21,346,390 as of April 30, 2024. *For more detail on the Village's long-term debt, see Note 6 in the Notes to Financial Statements.*

General obligation debt outstanding: At the end of the year, the Village had two general obligation (G.O.) debt issues outstanding with a combined balance of \$12,205,009. Under state statutes, the Village's aggregated general obligation indebtedness cannot exceed 8.625% of the value of taxable property within the Village. The total debt applicable to this limit was \$12,205,009, which is well below the \$33,128,913 set by law (using the 2023 taxable equalized assessed value of \$384,103,344). None of the general obligation debt is bonded debt, and therefore, is not supported with a direct tax on the residents of the Village. No new G.O. debt was issued during the fiscal year.

Illinois Environmental Protection Agency Loan: The Village has six low interest rate loans due in semiannual installments of principal and interest for improvements in the Local Water and Sewer District. The total outstanding debt balance as of April 30, 2024 is \$20,874,640 with interest payments at a rate between 1.01% and 1.995% per annum.

The following is a comparative table of outstanding debt:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General Obligation Debt Certificates	\$ 803,259	\$ 900,909	\$ 471,750	\$ 529,100	\$ 1,275,009	\$ 1,430,009
General Obligation Bonds	10,930,000	11,525,159	-	114,835	10,930,000	11,639,994
IEPA Loans payable	-	-	20,874,640	21,948,735	20,874,640	21,948,735
Total	<u>\$ 11,733,259</u>	<u>\$ 12,426,068</u>	<u>\$ 21,346,390</u>	<u>\$ 22,592,670</u>	<u>\$ 33,079,649</u>	<u>\$ 35,018,738</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Village's elected and appointed officials considered many factors when setting the fiscal year 2024-2025 budget, tax rates and fees that will be charged for its governmental and business-type activities. The fiscal year 2024-2025 budget was adopted on April 23, 2024.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to the Finance Department, Village of Fox Lake, 66 Thillen Drive, Fox Lake, Illinois 60020.

BASIC FINANCIAL STATEMENTS

VILLAGE OF FOX LAKE, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 24,637,960	\$ 25,936,147	\$ 50,574,107
Receivables, net of allowance for uncollectibles			
Property taxes	3,457,701	-	3,457,701
Accounts	425,276	2,790,849	3,216,125
Leases	1,963,993	-	1,963,993
Intergovernmental	2,567,978	-	2,567,978
Prepaid items	25,298	55,746	81,044
Inventory	239,651	-	239,651
Internal balances	1,677,533	(1,677,533)	-
Capital assets			
Capital assets not being depreciated or amortized	24,915,813	5,078,666	29,994,479
Capital assets being depreciated or amortized, net	24,093,167	72,129,619	96,222,786
Total assets	<u>84,004,370</u>	<u>104,313,494</u>	<u>188,317,864</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related deferred outflows of resources	3,475,407	853,038	4,328,445
Asset retirement obligation items	-	308,134	308,134
Total deferred outflows of resources	<u>3,475,407</u>	<u>1,161,172</u>	<u>4,636,579</u>
Total assets and deferred outflows of resources	<u>87,479,777</u>	<u>105,474,666</u>	<u>192,954,443</u>
LIABILITIES			
Accounts payable	2,761,278	1,255,220	4,016,498
Accrued payroll	373,907	94,765	468,672
Interest payable	234,035	46,656	280,691
Deposits payable	692,379	-	692,379
Noncurrent liabilities			
Due within one year	711,132	1,253,335	1,964,467
Due in more than one year	22,517,944	21,076,524	43,594,468
Total liabilities	<u>27,290,675</u>	<u>23,726,500</u>	<u>51,017,175</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related deferred inflows of resources	147,845	95,032	242,877
Deferred inflows of resources - OPEB	1,014,384	461,727	1,476,111
Deferred leases	1,872,370	-	1,872,370
Deferred property taxes	3,457,701	-	3,457,701
Total deferred inflows of resources	<u>6,492,300</u>	<u>556,759</u>	<u>7,049,059</u>
Total liabilities and deferred inflows of resources	<u>33,782,975</u>	<u>24,283,259</u>	<u>58,066,234</u>
NET POSITION			
Net investment in capital assets	37,270,228	55,247,703	92,517,931
Restricted for			
Economic development	4,946,611	-	4,946,611
Maintenance of roadways	2,466,632	-	2,466,632
DUI enforcement	113,369	-	113,369
Seized assets	41,903	-	41,903
Retirement	26,108	-	26,108
Capital projects	314,337	-	314,337
Unrestricted	<u>8,517,614</u>	<u>25,943,704</u>	<u>34,461,318</u>
TOTAL NET POSITION	<u>\$ 53,696,802</u>	<u>\$ 81,191,407</u>	<u>\$ 134,888,209</u>

See accompanying notes to financial statements.

VILLAGE OF FOX LAKE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2024

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental activities				
General government	\$ 1,095,426	\$ 1,072,182	\$ -	\$ -
Public safety	7,216,342	723,781	97,661	-
Public works	3,574,290	1,161,880	482,152	1,593,072
Parks and recreation	436,932	49,024	14,895	420,443
Economic development	939,306	-	-	-
Interest and fiscal charges	448,888	-	-	-
Total governmental activities	13,711,184	3,006,867	594,708	2,013,515
Business-type activities				
Water and sewer	4,076,114	4,918,322	-	-
Wastewater reclamation	7,101,855	5,839,101	-	-
911 dispatch services	1,109,339	1,389,789	35,006	-
Parking	32,255	34,866	-	-
Total business-type activities	12,319,563	12,182,078	35,006	-
TOTAL PRIMARY GOVERNMENT	\$ 26,030,747	\$ 15,188,945	\$ 629,714	\$ 2,013,515

Net (Expense) Revenue and Change in Net Position			
	Governmental Activities	Business-Type Activities	Total
	\$ (23,244)	\$ (23,244)	
	(6,394,900)	-	(6,394,900)
	(337,186)	-	(337,186)
	47,430	-	47,430
	(939,306)	-	(939,306)
	(448,888)	-	(448,888)
	(8,096,094)	-	(8,096,094)
	-	842,208	842,208
	-	(1,262,754)	(1,262,754)
	-	315,456	315,456
	-	2,611	2,611
	-	(102,479)	(102,479)
	(8,096,094)	(102,479)	(8,198,573)
General Revenues			
Taxes			
Property tax	3,003,550	-	3,003,550
Utility tax	653,289	-	653,289
Use tax	414,061	-	414,061
Hotel/motel tax	31,094	-	31,094
Road and bridge tax	145,945	-	145,945
Video gaming proceeds	416,911	-	416,911
Rental car taxes	214	-	214
Intergovernmental			
Sales tax	5,281,524	-	5,281,524
Replacement tax	169,867	-	169,867
Shared income tax	1,797,258	-	1,797,258
Cannabis excise tax	17,441	-	17,441
American Rescue Plan Act	378,244	-	378,244
Miscellaneous	37,013	-	37,013
Investment income	1,337,250	1,111,153	2,448,403
Total	13,683,661	1,111,153	14,794,814
CHANGE IN NET POSITION			
	5,587,567	1,008,674	6,596,241
NET POSITION, MAY 1			
	48,109,235	80,182,733	128,291,968
NET POSITION, APRIL 30	\$ 53,696,802	\$ 81,191,407	\$ 134,888,209

See accompanying notes to financial statements.

VILLAGE OF FOX LAKE, ILLINOIS

**BALANCE SHEET
GOVERNMENTAL FUNDS**

April 30, 2024

	General	Lakefront Park Project	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 13,713,029	\$ 3,682,806	\$ 7,242,125	\$ 24,637,960
Receivables, net				
Property taxes	3,073,009	-	384,692	3,457,701
Accounts	417,092	8,184	-	425,276
Leases	1,963,993	-	-	1,963,993
Intergovernmental	2,215,059	-	352,919	2,567,978
Prepaid items	25,298	-	-	25,298
Inventory	49,013	-	190,638	239,651
Due from other funds	1,762,720	388,155	-	2,150,875
Advances to other funds	-	-	90,000	90,000
TOTAL ASSETS	\$ 23,219,213	<b">\$ 4,079,145</b">	<b">\$ 8,260,374</b">	\$ 35,558,732
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 1,021,411	\$ 1,645,015	\$ 94,852	\$ 2,761,278
Accrued payroll	372,145	-	1,762	373,907
Deposits payable	692,379	-	-	692,379
Due to other funds	388,155	-	85,187	473,342
Advances from other funds	-	-	90,000	90,000
Total liabilities	2,474,090	1,645,015	271,801	4,390,906
DEFERRED INFLOWS OF RESOURCES				
Unavailable property taxes	3,073,009	-	384,692	3,457,701
Deferred leases	1,872,370	-	-	1,872,370
Total deferred inflows of resources	4,945,379	-	384,692	5,330,071
Total liabilities and deferred inflows of resources	7,419,469	1,645,015	656,493	9,720,977

(This statement is continued on the following page.)

VILLAGE OF FOX LAKE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS (Continued)

April 30, 2024

	General	Lakefront Park Project	Nonmajor Governmental Funds	Total Governmental Funds
FUND BALANCES				
Nonspendable				
Nonspendable prepaid items	\$ 25,298	\$ -	\$ -	\$ 25,298
Nonspendable inventory	49,013	-	190,638	239,651
Restricted				
Restricted for DUI enforcement	113,369	-	-	113,369
Restricted for seized assets	41,903	-	-	41,903
Restricted for economic development	-	-	4,946,611	4,946,611
Restricted for maintenance of roadways	-	-	2,466,632	2,466,632
Restricted for retirement	26,108	-	-	26,108
Restricted for capital projects	-	2,434,130	-	2,434,130
Unrestricted				
Committed by reserve policy	6,039,927	-	-	6,039,927
Assigned for capital projects	5,162,900	-	-	5,162,900
Assigned for subsequent year's budget	977,600	-	-	977,600
Assigned for shop with a cop	6,741	-	-	6,741
Assigned for tree replacement	600	-	-	600
Unassigned	3,356,285	-	-	3,356,285
Total fund balances	<u>15,799,744</u>	<u>2,434,130</u>	<u>7,603,881</u>	<u>25,837,755</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
	<u>\$ 23,219,213</u>	<u>\$ 4,079,145</u>	<u>\$ 8,260,374</u>	<u>\$ 35,558,732</u>

See accompanying notes to financial statements.

VILLAGE OF FOX LAKE, ILLINOIS

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

April 30, 2024

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 25,837,755
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	49,008,980
Pension related deferred outflows of resources are not related to current financial resources and, therefore, are not presented in the governmental fund statements	3,475,407
Interest payable is accrued as incurred in the statement of activities as opposed to when paid in governmental funds	(234,035)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation debt payable	(11,733,259)
Subscriptions payable	(636,577)
Unamortized bond premium	(732,814)
Compensated absences payable	(178,565)
Net pension liability - Police Pension	(9,499,363)
Net pension liability - IMRF	(80,091)
Other postemployment benefits	(368,407)
Pension related deferred inflows of resources are not due and payable within the current period and, therefore, are not reported in the governmental funds	(147,845)
Other postemployment benefits related deferred inflows of resources are not presented in current financial resources and, therefore, the governmental fund statements	(1,014,384)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 53,696,802</u></u>

See accompanying notes to financial statements.

VILLAGE OF FOX LAKE, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2024

	General	Lakefront Park Project	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 4,666,368	\$ -	\$ 168,980	\$ 4,835,348
Licenses, permits and fees	667,589	-	-	667,589
Intergovernmental	6,608,084	-	1,869,218	8,477,302
Charges for services	1,530,220	-	-	1,530,220
Fines and forfeitures	615,264	-	-	615,264
Investment income	736,646	265,842	334,762	1,337,250
Miscellaneous	242,706	-	-	242,706
 Total revenues	 15,066,877	 265,842	 2,372,960	 17,705,679
EXPENDITURES				
Current				
General government	1,167,695	-	-	1,167,695
Public safety	6,222,814	-	-	6,222,814
Public works	2,506,694	-	136,682	2,643,376
Parks and recreation	406,742	-	-	406,742
Economic development	645,855	-	305,362	951,217
Capital outlay	3,309,769	9,488,957	22,143	12,820,869
Debt service				
Principal	795,779	-	-	795,779
Interest and fiscal charges	506,598	-	-	506,598
 Total expenditures	 15,561,946	 9,488,957	 464,187	 25,515,090
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(495,069)	(9,223,115)	1,908,773	(7,809,411)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	67,650	-	-	67,650
Proceeds from SBITA issuance	16,486	-	-	16,486
 Total other financing sources (uses)	 84,136	 -	 -	 84,136
NET CHANGE IN FUND BALANCE				
	(410,933)	(9,223,115)	1,908,773	(7,725,275)
FUND BALANCES, MAY 1				
	16,210,677	11,657,245	5,695,108	33,563,030
FUND BALANCES, APRIL 30				
	\$ 15,799,744	\$ 2,434,130	\$ 7,603,881	\$ 25,837,755

See accompanying notes to financial statements.

VILLAGE OF FOX LAKE, ILLINOIS

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

For the Year Ended April 30, 2024

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS

\$ (7,725,275)

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

Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated or amortized in the statement of activities

- Capitalized capital assets
- Depreciation and amortization expense

Contributions of capital assets are reported only in the statement of activities 1,593,072

The loss on disposal of capital assets is reported as an expenditure in the statement of activities (240,475)

Changes in other postemployment benefit deferred inflows and deferred outflows of resources are reported only in the statement of activities (1,014,384)

Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions after the measurement date are recognized as deferred outflows and deferred inflows of resources on the statement of net position 679,612

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of governmental funds

Issuance of subscriptions payable	(16,486)
Retirement of general obligation debt	692,815
Retirement of subscriptions payable	102,964
Amortization of bond premium	45,268
Change in compensated absences payable	55,341
Change in net pension liability payable	(735,860)
Change in other postemployment benefit payable	932,356

Changes to accrued interest on long-term debt in the statement of activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 5,587,567

See accompanying notes to financial statements.

VILLAGE OF FOX LAKE, ILLINOIS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

April 30, 2024

	Water and Sewer	Northwest Region Water Reclamation	Nonmajor Enterprise Funds	Total
CURRENT ASSETS				
Cash and cash equivalents	\$ 12,119,055	\$ 13,816,204	\$ 888	\$ 25,936,147
Receivables				
Accounts (net of allowance for uncollectible accounts)	1,098,558	1,594,898	97,393	2,790,849
Prepaid items	4,684	14,523	36,539	55,746
Due from other funds	-	7,000	20,743	27,743
 Total current assets	 13,222,297	 15,432,625	 155,563	 28,810,485
NONCURRENT ASSETS				
Capital assets, net of accumulated depreciation	42,741,392	33,934,951	531,942	77,208,285
 Total noncurrent assets	 42,741,392	 33,934,951	 531,942	 77,208,285
 Total assets	 55,963,689	 49,367,576	 687,505	 106,018,770
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pension	187,078	393,012	272,948	853,038
Asset retirement obligation items	308,134	-	-	308,134
 Total deferred outflows of resources	 495,212	 393,012	 272,948	 1,161,172
 Total assets and deferred outflows of resources	 56,458,901	 49,760,588	 960,453	 107,179,942
CURRENT LIABILITIES				
Accounts payable	600,117	638,804	16,299	1,255,220
Accrued payroll	26,764	44,266	23,735	94,765
Interest payable	46,656	-	-	46,656
Due to other funds	280,988	780,901	643,387	1,705,276
Current portion of compensated absences	904	2,138	1,484	4,526
Current portion of OPEB liability	6,876	12,915	5,898	25,689
Current portion of long-term debt	1,223,120	-	-	1,223,120
 Total current liabilities	 2,185,425	 1,479,024	 690,803	 4,355,252
NONCURRENT LIABILITIES				
Compensated absences payable	17,155	40,629	28,206	85,990
Net pension liability - IMRF	22,075	46,376	32,208	100,659
OPEB liability	61,348	115,059	52,544	228,951
Long-term debt	20,660,924	-	-	20,660,924
 Total noncurrent liabilities	 20,761,502	 202,064	 112,958	 21,076,524
 Total liabilities	 22,946,927	 1,681,088	 803,761	 25,431,776
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	20,841	43,784	30,407	95,032
Deferred inflows of resources - OPEB	161,634	161,634	138,459	461,727
 Total deferred inflows of resources	 182,475	 205,418	 168,866	 556,759
 Total liabilities and deferred inflows of resources	 23,129,402	 1,886,506	 972,627	 25,988,535
NET POSITION				
Net investment in capital assets	20,854,285	33,861,476	531,942	55,247,703
Unrestricted (deficit)	12,475,214	14,012,606	(544,116)	25,943,704
 TOTAL NET POSITION (DEFICIT)	 \$ 33,329,499	 \$ 47,874,082	 \$ (12,174)	 \$ 81,191,407

See accompanying notes to financial statements.

VILLAGE OF FOX LAKE, ILLINOIS

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS**

For the Year Ended April 30, 2024

	Water and Sewer	Northwest Region Water Reclamation	Nonmajor Enterprise Funds	Total
OPERATING REVENUES				
Water/sewer fees	\$ 4,729,027	\$ -	\$ -	\$ 4,729,027
Sewer fees	-	5,101,661	-	5,101,661
Dispatch fees	-	-	1,389,789	1,389,789
Parking fees	-	-	34,866	34,866
Tap-on fees	42,300	709,980	-	752,280
Miscellaneous	146,995	27,460	-	174,455
 Total operating revenues	 4,918,322	 5,839,101	 1,424,655	 12,182,078
OPERATING EXPENSES				
Personnel services	916,496	1,605,257	835,414	3,357,167
Contractual services/commodities	1,597,737	3,850,641	230,948	5,679,326
Depreciation and amortization	1,275,892	1,645,957	75,168	2,997,017
 Total operating expenses	 3,790,125	 7,101,855	 1,141,530	 12,033,510
 OPERATING INCOME (LOSS)	 1,128,197	 (1,262,754)	 283,125	 148,568
NON-OPERATING REVENUES (EXPENSES)				
Investment income	518,478	581,549	11,126	1,111,153
Intergovernmental	-	-	35,006	35,006
Interest and fiscal charges	(285,989)	-	(64)	(286,053)
 Total non-operating revenues (expenses)	 232,489	 581,549	 46,068	 860,106
 CHANGE IN NET POSITION	 1,360,686	 (681,205)	 329,193	 1,008,674
 NET POSITION (DEFICIT), MAY 1	 31,968,813	 48,555,287	 (341,367)	 80,182,733
 NET POSITION (DEFICIT), APRIL 30	 \$ 33,329,499	 \$ 47,874,082	 \$ (12,174)	 \$ 81,191,407

See accompanying notes to financial statements.

VILLAGE OF FOX LAKE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended April 30, 2024

	Water and Sewer	Northwest Region Water Reclamation	Nonmajor Enterprise Funds	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 4,958,618	\$ 5,782,629	\$ 1,436,009	\$ 12,177,256
Payments to suppliers	(1,666,759)	(3,856,812)	(234,098)	(5,757,669)
Payments to employees	(809,779)	(1,995,142)	(1,066,051)	(3,870,972)
Net cash from operating activities	<u>2,482,080</u>	<u>(69,325)</u>	<u>135,860</u>	<u>2,548,615</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intergovernmental - grants	-	-	35,006	35,006
Interfund activity	7,437,507	(2,470,168)	(1,102,168)	3,865,171
Net cash from noncapital financing activities	<u>7,437,507</u>	<u>(2,470,168)</u>	<u>(1,067,162)</u>	<u>3,900,177</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	518,478	581,549	11,126	1,111,153
Net cash from investing activities	<u>518,478</u>	<u>581,549</u>	<u>11,126</u>	<u>1,111,153</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(1,618,658)	(2,658,678)	-	(4,277,336)
Payments of principal	(1,242,018)	-	(4,262)	(1,246,280)
Proceeds from loans	2,008,408	-	-	2,008,408
Interest and fiscal charges paid on capital debt	(289,924)	-	(185)	(290,109)
Net cash from capital and related financing activities	<u>(1,142,192)</u>	<u>(2,658,678)</u>	<u>(4,447)</u>	<u>(3,805,317)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	9,295,873	(4,616,622)	(924,623)	3,754,628
CASH AND CASH EQUIVALENTS, MAY 1	<u>2,823,182</u>	<u>18,432,826</u>	<u>925,511</u>	<u>22,181,519</u>
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 12,119,055	<b">\$ 13,816,204</b">	<b">\$ 888</b">	\$ 25,936,147

(This statement is continued on the following page.)

VILLAGE OF FOX LAKE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended April 30, 2024

	Water and Sewer	Northwest Region Water Reclamation	Nonmajor Enterprise Funds	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)				
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation and amortization	\$ 1,128,197	\$ (1,262,754)	\$ 283,125	\$ 148,568
(Increase) decrease in				
Receivables	40,296	(56,472)	11,354	(4,822)
Prepaid items	(316)	(1,483)	(4,782)	(6,581)
Pension items	54,707	114,926	79,816	249,449
Increase (decrease) in				
Accounts payable	(68,706)	(4,688)	1,632	(71,762)
Accrued payroll	16,407	6,427	5,766	28,600
Compensated absences payable	(8,513)	(19,068)	(3,233)	(30,814)
Net pension liability	(146,661)	(308,101)	(213,978)	(668,740)
Pension items	137,757	111,475	103,623	352,855
Total OPEB liability	53,020	(295,544)	(202,631)	(445,155)
NET CASH FROM OPERATING ACTIVITIES	\$ 2,482,080	\$ (69,325)	\$ 135,860	\$ 2,548,615
NONCASH TRANSACTIONS				
Capital assets acquired through vouchers and retainage payable	\$ 540,712	\$ 73,480	\$ -	\$ 614,192
TOTAL NONCASH TRANSACTIONS	\$ 540,712	\$ 73,480	\$ -	\$ 614,192

See accompanying notes to financial statements.

VILLAGE OF FOX LAKE, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
POLICE PENSION TRUST FUND**

April 30, 2024

ASSETS

Cash	\$ 701,904
Investments (at fair value)	
Held in the Illinois Police Officer's Pension Investment Fund	21,646,394
Prepaid expenses	3,507
 Total assets	 <u>22,351,805</u>

LIABILITIES

Accounts payable	<u>3,823</u>
Total liabilities	<u>3,823</u>

**NET POSITION RESTRICTED
FOR PENSION BENEFITS**

\$ 22,347,982

See accompanying notes to financial statements.

VILLAGE OF FOX LAKE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION POLICE PENSION TRUST FUND

For the Year Ended April 30, 2024

ADDITIONS

Contributions	
Employer	\$ 1,084,195
Plan members	<u>265,509</u>
Total contributions	<u>1,349,704</u>
Investment income	
Net appreciation in fair	1,791,964
value of investments	<u>161,623</u>
Interest and dividends	<u>1,953,587</u>
Less investment expense	<u>(12,804)</u>
Net investment income	<u>1,940,783</u>
Total additions	<u>3,290,487</u>

DEDUCTIONS

Pension benefits and refunds	1,637,810
Administrative expenses	<u>58,072</u>

Total deductions	<u>1,695,882</u>
------------------	------------------

NET INCREASE 1,594,605

NET POSITION RESTRICTED FOR PENSION BENEFITS

May 1	<u>20,753,377</u>
April 30	<u>\$ 22,347,982</u>

VILLAGE OF FOX LAKE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Reporting Entity

As required by GAAP, these financial statements present the Village (the primary government). In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was based upon the significance of its operational or financial relationship with the primary government. Component units are legally separate entities for which the Village (the primary government) is financially accountable. Financial accountability exists when the Village (1) appoints the voting majority of the board and there is a financial benefit/burden relationship or the Village can impose its will on the component unit; or (2) the potential component unit meets the fiscal dependency and financial benefit/burden criteria; or (3) it would be misleading to exclude the potential component unit.

The Village's financial statements include one pension trust fund as fiduciary component unit.

Police Pension Employees Retirement System

The Village's financial statements include the Police Pension Employees Retirement System (PPERS) as a fiduciary component unit reported as a pension trust fund. The Village's sworn police employees participate in the PPERS. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Mayor, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of the Village's contribution levels. Accordingly, the PPERS is fiscally dependent on the Village.

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting

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

Funds are classified into the following categories: governmental, proprietary and fiduciary.

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

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. The intent of the governing body is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Fiduciary funds are used to account for fiduciary activities (e.g., assets held on behalf of outside parties, including other governments). The Village utilizes a pension trust fund which is generally used to account for assets that the Village holds in a fiduciary capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village. It is used to account for all financial resources not accounted for in another fund.

The Lakefront Park Project Fund, a capital projects fund, is used to account for bond proceeds received and expended to develop the Village's Lakefront Park.

The Village reports the following major proprietary funds:

The Water and Sewer Fund is used to account for operations of the Water and Sewer utility that are intended to be recovered through user charges.

The Northwest Region Water Reclamation Fund is used to account for the operations of the Village's water treatment plant.

The Village reports a pension trust fund as a fiduciary fund to account for the Police Pension Fund.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance).

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days except for certain revenues collected by the state (e.g., sales and telecom taxes) which use a 90-day period.

The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Those revenues susceptible to accrual are property taxes, franchise fees, licenses, interest revenue and charges for services. Sales and telecommunication taxes owed to the state at year end on behalf of the Village also are recognized as revenue. Fines and permits revenue are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria is met.

The Village reports unavailable/deferred revenue and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet the measurable and available or earned criteria for recognition in the current period. Unearned revenues arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the deferred inflow for unavailable/deferred revenue or the liability for unearned revenue is removed from the financial statements and revenue is recognized.

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary funds consider their equity in pooled cash and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of less than one year when purchased and non-negotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

f. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due to/from other funds" on the financial statements. Long-term interfund loans are classified as "advances to/from other funds."

g. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses.

h. Inventory

Inventories are accounted for at cost using the first-in/first-out (FIFO) method.

i. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, stormwater systems) and intangibles (easements and software), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of \$50,000 for infrastructure and \$20,000 for all other capital assets, and an estimated useful life in excess of three years. All land and land improvements are capitalized, regardless of cost. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets (Continued)

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

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

Assets	Years
Building and improvements	10-45
Vehicles, equipment and software	4-40
Infrastructure	15-50

Intangible assets represent the Villages' right-to-use software. These intangible assets, as defined by GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, are for subscription arrangements of nonfinancial assets, and are amortized over the shorter of the lease term or useful life of the intangible asset.

j. Compensated Absences

Vested or accumulated vacation leave that is due to employees who have retired or terminated by the end of the year is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation leave of proprietary funds and governmental activities is recorded as an expense and liability of those funds as the benefits accrue to employees.

k. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the Village Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include resolutions and ordinances (equally binding) approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has not been delegated. Any residual fund balance of the General Fund is reported as unassigned. Any deficit fund balances in other governmental funds are also reported as unassigned.

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Fund Balance/Net Position (Continued)

The Village has adopted a targeted fund balance for its General Fund. The General Fund has a targeted unassigned fund balance of at least 33% of the total General Fund annual expenditures. General Fund unassigned fund balance in excess of 50% may be transferred to the pension fund or Capital Improvement Program Fund balance, used to pay for existing capital improvement projects, or used to retire existing debt.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the Village's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

l. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities columns or proprietary fund financial statements. Bond premiums and discounts, as well as gains and losses on refundings, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premiums or discounts. Bond issuance costs are expensed as incurred.

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

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Interfund Transactions

Interfund service transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund service transactions and reimbursements, are reported as transfers.

n. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

o. Use of Estimates

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

2. DEPOSITS AND INVESTMENTS

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

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Permitted Deposits and Investments - the Village's investment policy authorizes the Village to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper that matures within 180 days of purchase and is rated within the two highest classifications by at least two standard rating services, municipal bonds rated within the highest four general classifications established by at least two accredited rating agencies and The Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, insured credit union shares, Illinois municipal corporations tax anticipation warrants, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and equities.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

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

Village Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires bank balances to be secured by collateral with a fair value of at least 110% of any uninsured balances, witnessed by a written agreement and held at an independent third party institution in the name of the Village.

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Village Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by matching its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village does not directly invest in securities maturing more than two years from the date of purchase. Reserved funds and other funds with longer term investment horizons may be invested in securities exceeding two years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk by limiting investments to the types of securities listed above and diversifying the investment portfolio to the best of its abilities based on the type of funds invested and the cash flow needs of those funds. The Illinois Funds are rated AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires custody of investments by a third party custodian or third party bank trust department. All securities transactions conducted by the custodian on behalf of the Village are to be on a delivery versus payment (DVP) only basis. The Illinois Funds is not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village's investment policy requires diversification of investments to avoid unreasonable risk. The investments shall be diversified by type of investment, number of institutions invested in and length of maturity. In addition, a portion of the Village's portfolio should continuously be invested in readily available funds such as local government investment pools (LGIPS), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

The Village categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Village does not have any investments reported at fair value at April 30, 2024.

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES - PROPERTY TAXES

Property taxes for the 2022 levy year attach as an enforceable lien on January 1, 2022. Taxes are levied by December 31 of the subsequent fiscal year end by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued on or about May 1, 2023 and August 1, 2023 and are payable in two installments, on or about June 1, 2023 and September 1, 2023. The County collects such taxes and remits them periodically. The 2023 tax levy is intended to finance the 2025 fiscal year and are not considered available for current operations and are, therefore, shown as unavailable/deferred revenue. The 2024 tax levy has not been recorded as a receivable at April 30, 2024, although the tax is attached as a lien on property as of January 1, 2024, the tax will not be levied until December 2024 and, accordingly, is not measurable at April 30, 2024.

4. CAPITAL ASSETS

Capital asset activity for the Village for the year ended April 30, 2024, was as follows:

	Beginning Balances, Restated*	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Tangible capital assets not being depreciated				
Land	\$ 3,284,584	\$ 32,875	\$ -	\$ 3,317,459
Land right of way	10,494,082	10,000	-	10,504,082
Construction in progress	2,296,508	13,937,247	5,139,483	11,094,272
Total tangible capital assets not being depreciated	16,075,174	13,980,122	5,139,483	24,915,813
Tangible capital assets being depreciated				
Buildings and improvements	10,026,255	-	-	10,026,255
Vehicles and equipment	4,919,278	211,867	235,180	4,895,965
Infrastructure	26,425,096	5,109,379	829,635	30,704,840
Total tangible capital assets being depreciated	41,370,629	5,321,246	1,064,815	45,627,060
Intangible capital assets being amortized				
Subscription equipment	723,055	16,486	-	739,541
Total intangible capital assets being amortized	723,055	16,486	-	739,541
Less accumulated depreciation for				
Buildings and improvements	5,187,149	230,403	-	5,417,552
Vehicles and equipment	3,720,045	326,640	200,328	3,846,357
Infrastructure	12,811,458	715,778	624,012	12,903,224
Total accumulated depreciation	21,718,652	1,272,821	824,340	22,167,133
Less accumulated amortization for				
Subscription equipment	-	106,301	-	106,301
Total accumulated amortization	-	106,301	-	106,301
Total tangible and intangible capital				
Assets being depreciated and amortized, net	20,375,032	3,958,610	240,475	24,093,167
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 36,450,206	\$ 17,938,732	\$ 5,379,958	\$ 49,008,980

VILLAGE OF FOX LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

*Beginning balances were restated for the implementation of GASB 96, *Subscription-Based Information Technology Arrangements*. See footnote 13 for additional information.

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES				
	Beginning Balances	Increases	Decreases	Ending Balances
General government				\$ 51,318
Public safety				377,096
Public works				876,769
Parks and recreation				41,910
Community development				<u>32,029</u>
TOTAL DEPRECIATION AND AMORTIZATION EXPENSE -				
GOVERNMENTAL ACTIVITIES				<u>\$ 1,379,122</u>
 BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 2,419,482	\$ 394,084	\$ -	\$ 2,813,566
Construction in progress	1,393,340	2,993,000	2,121,240	2,265,100
Total capital assets not being depreciated	<u>3,812,822</u>	<u>3,387,084</u>	<u>2,121,240</u>	<u>5,078,666</u>
Capital assets being depreciated				
Buildings	51,037,728	1,203,114	-	52,240,842
Vehicles and equipment	10,302,868	480,335	73,968	10,709,235
Water transmission system	51,018,637	1,557,983	-	52,576,620
Sewer collection system	19,954,879	-	-	19,954,879
Total capital assets being depreciated	<u>132,314,112</u>	<u>3,241,432</u>	<u>73,968</u>	<u>135,481,576</u>
Less accumulated depreciation for				
Buildings	24,938,773	1,057,712	-	25,996,485
Vehicles and equipment	8,180,421	409,488	73,968	8,515,941
Water transmission system	14,031,420	1,026,076	-	15,057,496
Sewer collection system	13,319,663	462,372	-	13,782,035
Total accumulated depreciation	<u>60,470,277</u>	<u>2,955,648</u>	<u>73,968</u>	<u>63,351,957</u>
Total capital assets being depreciated, net	<u>71,843,835</u>	<u>285,784</u>	<u>-</u>	<u>72,129,619</u>
 BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 75,656,657</u>	<u>\$ 3,672,868</u>	<u>\$ 2,121,240</u>	<u>\$ 77,208,285</u>

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and net income losses. To insure against the losses, the Village participates in the Illinois Counties Risk Management Trust (ICRMT), a public entity risk pool with transfers of risk. The Village pays an annual premium to ICRMT for property, general liability, public officials' liability, employment practices liability, automobile liability, crime and workers' compensation coverage. The following table is a summary of coverage in effect for the period December 31, 2023 through December 1, 2024:

Coverage	ICRMT Self-Insured Retention/ Deductible	Limits
General liability	\$ 5,000	\$3,000,000/member
Public officials liability	10,000	\$1,000,000/occurrence
Excess liability	n/a	\$7,000,000/occurrence
Property and inland marine	5,000	varies
Law enforcement	10,000	\$1,000,000/occurrence
Auto liability	-	\$1,000,000/occurrence
Crime	5,000	\$500,000/occurrence
Workers' compensation	-	\$2,500,000/occurrence
Cyber liability	10,000	\$1,000,000/occurrence

The Village is not aware of any additional premiums owed to ICRMT as of April 30, 2024, for the current or prior claim years.

The Village participates in the North Suburban Employee's Benefit Cooperative (NSEBC), an agency of governmental entities created to finance and administer medical and dental care benefits to employees of its member organizations. Each municipality appoints one representative to serve on the Board of Directors. The Board of Directors determines the general policies, which includes approval of the annual budget. Members are contractually obligated to make all monthly payments and to fund any deficit upon dissolution of the pool. They will share in any surplus of the pool based on a decision by the Board of Directors. There were no significant changes in the insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years. The Village reports insurance activities within the General, Commuter Parking, Water, Northwest Water Reclamation District and 911 Dispatch Services funds. The Village's total payments for the year ended April 30, 2024, were \$1,329,298.

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT

a. General Obligation Bonds and Other Long-Term Debt

The outstanding debt as of April 30, 2024, consists of the following individual amounts:

	Fund Debt Retired By	Balances April 30	Current Portion
\$3,180,000 General Obligation Debt Certificates 2014 Series B due in annual installments of \$150,000 to \$370,000, from May 1, 2015, to May 1, 2029, with interest at 2% to 4% (direct placement)	General/ Water and Sewer	\$ 1,275,009	\$ 200,000
\$11,940,000 General Obligation Bonds 2022 Series A due in annual installments of \$410,000 to \$830,000, from November 1, 2022, to November 1, 2041, with interest at 4%	General	10,930,000	425,000
\$2,530,147 Illinois EPA low interest loan due in semiannual installments of principal and interest in annual installments of \$46,765 to \$152,019, from November 15, 2014, to November 25, 2036, with interest at 1.995%	Water and Sewer	1,594,342	124,648
\$1,543,275 Illinois EPA low interest loan due in semiannual installments of principal and interest of \$57,814 to \$90,201, from December 27, 2017, to December 27, 2037, with interest at 1.640%	Water and Sewer	1,138,082	72,945
\$4,331,637 Illinois EPA low interest loan due in semiannual installments of principal and interest of \$123,648 to \$250,410, from April 9, 2021, to December 9, 2040, with interest at 1.380%	Water and Sewer	5,855,750	318,334
\$2,044,556 Illinois EPA low interest loan due in semiannual installments of principal and interest \$57,337 to \$117,340, from December 12, 2020, to December 12, 2040, with interest at 1.380%	Water and Sewer	2,178,954	118,453
\$8,039,891 Illinois EPA low interest loan due in semiannual installments of principal and interest \$131,539 to \$201,977, from September 14, 2022 to March 14, 2042, with interest at 1.010%	Water and Sewer	6,602,592	336,247

VILLAGE OF FOX LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

a. General Obligation Bonds and Other Long-Term Debt (Continued)

	Fund Debt Retired By	Balances April 30	Current Portion
\$4,478,060 Illinois EPA low interest loan due in semiannual installments of principal and interest of \$76,411 to \$106,722, from September 14, 2022, to March 14, 2042, with interest at 1.010%	Water and Sewer	\$ 3,504,920	\$ 178,493
TOTAL OUTSTANDING DEBT		\$ 33,079,649	\$ 1,774,120

b. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending April 30,	Governmental Activities	
	General Obligation Debt Principal	Interest
2025	\$ 425,000	\$ 437,200
2026	445,000	420,200
2027	460,000	402,400
2028	480,000	384,000
2029	500,000	364,800
2030	520,000	344,800
2031	540,000	324,000
2032	560,000	302,400
2033	585,000	280,000
2034	605,000	256,600
2035	630,000	232,400
2036	655,000	207,200
2037	680,000	181,000
2038	710,000	153,800
2039	740,000	125,400
2040	765,000	95,800
2041	800,000	65,200
2042	830,000	33,200
TOTAL	\$ 10,930,000	\$ 4,610,400

VILLAGE OF FOX LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

b. Debt Service Requirements to Maturity (Continued)

Fiscal Year Ending April 30,	Governmental Activities		Business-Type Activities	
	General Obligation Debt (direct placement)			
	Principal	Interest	Principal	Interest
2025	\$ 126,000	\$ 28,980	\$ 74,000	\$ 17,020
2026	129,150	24,507	75,850	14,393
2027	129,150	19,341	75,850	11,359
2028	135,450	14,049	79,550	8,251
2029	138,600	8,568	81,400	5,032
2030	144,909	2,898	85,100	1,702
TOTAL	\$ 803,259	\$ 98,343	\$ 471,750	\$ 57,757
Fiscal Year Ending April 30,	Business-Type Activities			
	IEPA Loan			
	Principal	Interest		
2025		\$ 1,149,120	\$ 260,677	
2026		1,164,081	244,761	
2027		1,179,249	229,594	
2028		1,194,626	214,217	
2029		1,210,215	198,627	
2030		1,226,020	182,823	
2031		1,242,043	166,800	
2032		1,258,289	150,554	
2033		1,274,760	134,082	
2034		1,291,459	117,384	
2035		1,308,391	100,452	
2036		1,247,640	83,284	
2037		1,184,788	68,219	
2038		1,199,264	53,741	
2039		1,122,238	39,457	
2040		1,135,570	26,122	
2041		875,987	12,627	
2042		610,900	4,631	
TOTAL		\$ 20,874,640	\$ 2,288,052	

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

c. Changes in Long-Term Liabilities

The following is a summary of changes in bonds, installment notes payable, debt certificates and other long-term liabilities during fiscal year 2024:

	Balances May 1, Restated*	Additions	Reductions	Balances April 30	Current Portion
GOVERNMENTAL ACTIVITIES					
General obligation debt certificates					
General obligation bonds	\$ 900,909	\$ -	\$ 97,650	\$ 803,259	\$ 126,000
Compensated absences payable	11,525,165	-	595,165	10,930,000	425,000
Subscriptions payable	233,906	-	55,341	178,565	8,928
Other postemployment benefits	723,055	16,486	102,964	636,577	103,437
Net pension liability - Police	1,300,763	-	932,356	368,407	47,767
Net pension liability - IMRF	8,231,414	1,267,949	-	9,499,363	-
Unamortized bond premium	612,180	-	532,089	80,091	-
	778,082	-	45,268	732,814	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 24,305,474	\$ 1,284,435	\$ 2,360,833	\$ 23,229,076	\$ 711,132

*Beginning balances were restated for the implementation of GASB 96, *Subscription-Based Information Technology Arrangements*. See footnote 13 for additional information.

	Balances May 1	Additions	Reductions	Balances April 30	Current Portion
BUSINESS-TYPE ACTIVITIES					
General obligation debt certificates					
General obligation bonds	\$ 529,100	\$ -	\$ 57,350	\$ 471,750	\$ 74,000
Illinois EPA loan	114,835	-	114,835	-	-
Asset retirement obligations	21,948,735	-	1,074,095	20,874,640	1,149,120
Compensated absences payable	450,000	87,654	-	537,654	-
Other postemployment benefits	121,776	-	31,260	90,516	4,526
Net pension liability - IMRF	699,794	-	445,154	254,640	25,689
Unamortized bond premium	769,398	-	668,739	100,659	-
	1,644	-	1,644	-	-
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 24,635,282	\$ 87,654	\$ 2,393,077	\$ 22,329,859	\$ 1,253,335

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Pledged Revenues

The Village has pledged a portion of future revenues from externality fees, gaming taxes, utility taxes, sales taxes, water fund revenues and 911 surcharges to repay the principal and interest on the General Obligation Bonds Series 2022A. Proceeds from the bonds provided financing for certain park improvements in the Village as well as repayment of debt certificate obligations. For the current year, principal and interest of \$1,172,600 was paid, while total pledged revenue was \$11,377,716. The estimated percentage of pledged revenue was 10.31%. The total pledge remaining for all bonds is \$15,540,400.

e. Asset Retirement Obligation

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various wells at the end of their estimated useful lives in accordance with the Illinois Environmental Protection Agency requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the wells ranges from 0 to 59 years. The ARO at April 30, 2024 is \$537,654.

f. Subscriptions (SBITAs) Payable

The Village entered into various subscription arrangements for public safety software lasting through November 2033. At April 30, 2024, the Village reported SBITA assets of \$739,541 and liabilities in the amount of \$636,577. Principal reduction of \$102,964 was reported for the year ended April 30, 2024.

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending <u>April 30,</u>	Subscriptions Payable	
	General Obligation Debt	
	Principal	Interest
2025	\$ 103,437	\$ 14,642
2026	106,001	12,078
2027	108,629	9,450
2028	111,322	6,757
2029	114,081	3,998
2030-2034	93,107	2,875
TOTAL	\$ 636,577	\$ 49,800

VILLAGE OF FOX LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

7. INDIVIDUAL FUND DISCLOSURES

a. Individual fund interfund receivables/payables are as follows:

	Due From (positive)	Due To (negative)
General Fund		
Motor Fuel Tax Fund	\$ 7,093	\$ -
Business Development District - South	42,696	-
Lakefront Park Project Fund	-	388,155
Business Development District - Central	35,398	-
Commuter Parking Fund	181,751	-
Central Dispatch Fund	461,636	-
Northwest Regional Water Reclamation Fund	780,901	-
Water and Sewer Fund	253,245	-
MFT Fund		
General Fund	-	7,093
Business Development District - South	-	42,696
General Fund	-	-
Business Development District - Central	-	35,398
General Fund	-	-
Lakefront Park Project Fund	388,155	-
General Fund	-	-
Commuter Parking Fund	-	181,751
General Fund	-	-
Water and Sewer Fund	-	253,245
General Fund	-	-
Central Dispatch Fund	-	20,743
Northwest Region Water Reclamation Fund	-	7,000
Central Dispatch Fund	-	461,636
General Fund	-	-
Water and Sewer fund	20,743	-
Northwest Regional Water Reclamation Fund	-	780,901
General Fund	-	-
Water	7,000	-
TOTAL INTERFUND BALANCES	<u>\$ 2,178,618</u>	<u>\$ 2,178,618</u>

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. INDIVIDUAL FUND DISCLOSURES (Continued)

a. Individual fund interfund receivables/payables are as follows (Continued):

Interfund payables from the General Fund to other funds represent amounts collected into the General Fund that are owed to other funds at year end. Interfund receivables from the General Fund to other funds represent amounts paid from the General Fund for expenditures on behalf of other funds.

b. Interfund advances are as follows:

Receivable Fund	Payable Fund	Amount
BDD Central	Tax Increment Financing #1	\$ 90,000
TOTAL		\$ 90,000

The purpose of the interfund advances are as follows:

\$90,000 advance from the Business Development District Central Fund to the Tax Increment Financing #1 Fund represents money loaned for economic development.

c. The following fund reported deficit fund balances/net position at April 30, 2024:

Fund	
911 Dispatch Services	\$ (104,966)

8. CONTINGENT LIABILITIES

a. Litigation

From time-to-time, the Village is a defendant in various lawsuits. Although the outcome of the lawsuit is not presently determinable, in the opinion of the Village's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the Village as a whole.

b. Grants

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

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for the two plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The pension plan does not issue a separate report. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

The table below is a summary for all pension plans as of and for the year ended April 30, 2024:

	IMRF	Police Pension	Total
Net pension liability	\$ 180,750	\$ 9,499,363	\$ 9,680,113
Deferred outflows of resources	1,531,769	2,796,676	4,328,445
Deferred inflows of resources	170,646	72,231	242,877
Pension expense (income)	(683,581)	1,560,678	877,097

Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2023, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	75
Inactive employees entitled to but not yet receiving benefits	90
Active employees	<u>70</u>
 TOTAL	 <u>235</u>

Benefits Provided

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended April 30, 2024, was 5.50% of covered payroll.

Actuarial Assumptions

The Village's net pension liability (asset) was measured as of December 31, 2023 and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date December 31, 2023

Actuarial cost method Entry-age normal

Assumptions
Inflation 2.25%

Salary increases 2.85% to 13.75%

Interest rate 7.25%

Asset valuation method Fair value

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.

VILLAGE OF FOX LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2023	<u>\$ 21,560,363</u>	<u>\$ 20,178,785</u>	<u>\$ 1,381,578</u>
Changes for the period			
Service cost	407,536	-	407,536
Interest	1,537,899	-	1,537,899
Difference between expected and actual experience	255,859	-	255,859
Changes in assumptions	(34,019)	-	(34,019)
Employer contributions	-	264,708	(264,708)
Employee contributions	-	220,183	(220,183)
Net investment income	-	2,229,363	(2,229,363)
Benefit payments and refunds	(1,103,450)	(1,103,450)	-
Other (net transfer)	-	653,849	(653,849)
Net changes	<u>1,063,825</u>	<u>2,264,653</u>	<u>(1,200,828)</u>
BALANCES AT DECEMBER 31, 2023	<u>\$ 22,624,188</u>	<u>\$ 22,443,438</u>	<u>\$ 180,750</u>

Changes in assumptions related to mortality rates.

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2024, the Village recognized pension expense (income) of \$(683,581).

At April 30, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 319,173	\$ 132,936
Changes in assumption	-	37,710
Net difference between projected and actual earnings on pension plan investments	1,124,984	-
Contributions made subsequent to the measurement date	87,612	-
TOTAL	\$ 1,531,769	\$ 170,646

\$87,612 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 year ending April 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending <u>April 30,</u>	
2025	\$ 215,494
2026	383,569
2027	827,474
2028	(153,026)
2029	-
TOTAL	\$ 1,273,511

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the pension liability (asset) of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 2,960,794	\$ 180,750	\$ (1,964,815)

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At April 30, 2024, the Police Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	23
Inactive plan members entitled to but not yet receiving benefits	10
Active plan members	28
 TOTAL	 61

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}\%$ for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or $\frac{1}{2}$ of the change in the Consumer Price Index for the proceeding calendar year. Benefits and refunds are recorded when due in accordance with the terms of the plan.

Contributions

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

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

Plan Descriptions (Continued)

Police Pension Plan (Continued)

Contributions (Continued)

Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. The Village has adopted a funding policy using the entry-age normal cost method that will result in 100% funding by 2040; however, the Village has elected to fund 100% of the past service cost over the next 12 years using a layered amortization approach. The Village's contribution rate for the year was 41.18%.

Illinois Police Officers' Pension Investment Fund

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610 and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds as defined in 40 ILCS 5/ 22B-105. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory.

Deposits with Financial Institutions

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

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the plan's deposits may not be returned to it. The plan's investment policy requires pledging of collateral for all bank balances held in the plan's name in excess of federal depository insurance, at amounts ranging from 110% to 115% of the fair market value of the funds secured, with the collateral held by an independent third party or the Federal Reserve Bank.

Investments

Investments of the plan are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual comprehensive financial report. For additional information on IPOPIF's investments, please refer to their annual comprehensive financial report as of June 30, 2023. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, Illinois 61602 or at www.ipopif.org.

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

Plan Descriptions (Continued)

Police Pension Plan (Continued)

Fair Value Measurement

The plan categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Plan held no investments subject to fair value measurement at April 30, 2024.

Net Asset Value

The Net Asset Value (NAV) of the plan's pooled investment in IPOPIF was \$21,646,394 at April 30, 2024. The pooled investments consist of the investments as noted in the target allocation table below. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at April 30, 2024. The plan may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

Investment Policy

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

Investment Rate of Return

For the year ended April 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.7%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF FOX LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2023	\$ 28,984,791	\$ 20,753,377	\$ 8,231,414
Changes for the period			
Service cost	642,888	-	642,888
Interest	1,901,213	-	1,901,213
Difference between expected and actual experience	1,956,263	-	1,956,263
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Employer contributions	-	1,084,195	(1,084,195)
Employee contributions	-	265,509	(265,509)
Net investment income	-	1,940,783	(1,940,783)
Benefit payments and refunds	(1,637,810)	(1,637,810)	-
Administrative expense	-	(58,072)	58,072
Net changes	2,862,554	1,594,605	1,267,949
BALANCES AT APRIL 30, 2024	\$ 31,847,345	\$ 22,347,982	\$ 9,499,363

The funded ratio of the plan is 70.17%.

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2024, using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2024
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	3.75% to 9.53%
Interest rate	6.75%
Asset valuation method	Fair value

Mortality rates were based on the Pub-2010 Mortality Table adjusted for Plan Status, Demographics and Illinois Public Pension Data.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 6.75% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	Current		
	1% Decrease (5.75%)	Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability	\$ 13,998,762	\$ 9,499,363	\$ 5,856,835

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2024, the Village recognized pension expense of \$1,560,678. At April 30, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,118,864	\$ 72,231
Changes in assumptions	211,420	-
Net difference between projected and actual earnings on pension plan investments	466,392	-
TOTAL	\$ 2,796,676	\$ 72,231

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

Year Ending <u>April 30,</u>	
2025	\$ 327,960
2026	976,312
2027	499,125
2028	247,107
2029	298,678
Thereafter	375,263
TOTAL	\$ 2,724,445

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care (OPEB) benefits for retirees and disabled employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and any employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the Village's Governmental Activities (General Fund), Water and Sewer Fund, Northwest Region Water Reclamation Fund, 911 Dispatch Services Fund and Commuter Parking Lot Fund.

b. Benefits Provided

The Village provides postemployment health care benefits to its retirees and certain disabled employees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans or meet COBRA requirements. All health care benefits are provided through the Village's insured health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Once reaching Medicare age, retirees are covered by a Medicare supplement plan as opposed to the Village's active employee health plan. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents until the employee is Medicare eligible. All retirees contribute 100% of the actuarially determined premium to the plan to cover the cost of providing the benefits to the current members via the insured plan (pay-as-you-go) which results in an implicit subsidy to the Village.

c. Membership

At April 30, 2024, membership consisted of:

Inactive employees or beneficiaries currently receiving benefit payments	5
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>97</u>
 TOTAL	 <u>102</u>

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Actuarial Assumptions and Other Inputs

The total OPEB liability at April 30, 2024, as determined by an actuarial valuation as of May 1, 2024, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The OPEB liability was updated at April 30, 2024, as noted below.

Actuarial valuation date	May 1, 2024
Measurement date	April 30, 2024
Actuarial cost method	Entry-age normal
Actuarial value of assets	Not applicable
Inflation	2.25%
Salary increases	2.75%
Discount rate	4.07%
Healthcare cost trend rates	6.80% (PPO) and 7.60% (HMO) in Fiscal 2024, to an ultimate trend rate of 5.00%
Retirees share of benefit-related costs	100% Regular Plan

The discount rate was based on the index rate for tax-exempt general obligation municipal bonds rated AA or better at April 30, 2024. The discount rate at April 30, 2024 was 4.07%. The discount rate at April 30, 2023 was 3.53%.

For Police employees, mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates.

VILLAGE OF FOX LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT MAY 1, 2023	<u>\$ 2,000,557</u>
Changes for the period	
Service cost	188,865
Interest	69,323
Difference between expected and actual experience	(1,543,709)
Changes in benefit terms	-
Changes in assumptions	(18,524)
Benefit payments	<u>(73,465)</u>
Net changes	<u>(1,377,510)</u>
BALANCES AT APRIL 30, 2024	<u>\$ 623,047</u>

Changes in assumptions related to the discount rate, High-Quality 20-Year Tax Exempt G.O. Bond Rate, and healthcare cost trend rates were made since the prior measurement date.

f. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 4.07% as well as what the Village total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.07%) or 1 percentage point higher (5.07%) than the current rate:

	1% Decrease (3.07%)	Current Discount Rate (4.07%)	1% Increase (5.07%)
Total OPEB liability	\$ 669,519	\$ 623,047	\$ 579,238

VILLAGE OF FOX LAKE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 5.00% to 7.60% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (4.00% to 6.60%) or 1 percentage point higher (6.00% to 8.60%) than the current rate:

	1% Decrease (varies)	Current Healthcare Rate (varies)	1% Increase (varies)
Total OPEB liability	\$ 552,373	\$ 623,047	\$ 707,564

g. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended April 30, 2024, the Village recognized OPEB expense of \$172,066. At April 30, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,458,609
Changes in assumptions	<u>-</u>	<u>17,502</u>
TOTAL	\$ -	<u>\$ 1,476,111</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ending <u>April 30,</u>	
2025	\$ (86,122)
2026	(86,122)
2027	(86,122)
2028	(86,122)
2029	(86,122)
Thereafter	<u>(1,045,501)</u>
TOTAL	<u>\$ (1,476,111)</u>

VILLAGE OF FOX LAKE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. TAX ABATEMENTS

The Village rebates sales taxes to recruit, retain or improve local business facilities or their supporting public infrastructure under certain circumstances. The terms of these rebate arrangements are specified within written agreements with the businesses concerned.

The Village has entered into an agreement with a car dealer to provide economic incentives over a 20-year period. The incentives are paid every four months at 75% of the total sales tax generated by the business for years one through five and 65% of the total sales tax generated by the business for years 6 through 20 up to a maximum of \$3,900,000 through May 2037. The rebate is subject to recapture, in whole or in part if the business relocates outside of the Village within 20 years from the commencement of the agreement. The Village's liability at April 30, 2024, is \$35,252. As of April 30, 2024, the Village has incurred total incentives of \$1,298,137.

12. LESSOR DISCLOSURES

In accordance with GASB Statement No. 87, *Leases*, the Village's lessor activity is as follows:

The Village entered into five lease arrangements from July 1, 2000 to April 1, 2019, to lease cell tower property. Payments ranging from \$1,574 to \$7,200 are due to the Village in monthly installments through October 31, 2049. All lease arrangements are noncancelable and/or renewable. During the fiscal year, the Village collected \$86,429 under the arrangements and recognized a \$128,395 reduction in the related deferred inflow of resource. As of April 30, 2024, the remaining lease receivable and offsetting deferred inflow of resource for these arrangements is \$1,963,993 and \$1,872,370, respectively, and these amounts are recorded in the Village's General Fund.

13. CHANGE IN ACCOUNTING PRINCIPLE

For the fiscal year ended April 30, 2024, the Village implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. With the implementation, the Village is required to record the beginning net position/fund balance associated with the intangible right-to-use software and related liability. The beginning net position of the following opinion units have been restated to reflect the new guidance as follows:

GOVERNMENTAL ACTIVITIES

BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	\$ 48,109,235
Recording of intangible right-to-use software	723,055
Recording of subscription liability	(723,055)
Total net restatement	-
BEGINNING NET POSITION, AS RESTATED	\$ 48,109,235

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 4,753,234	\$ 4,678,234	\$ 4,666,368	\$ (11,866)
Licenses, permits and fees	670,500	670,500	667,589	(2,911)
Intergovernmental grants and reimbursements	5,682,975	6,067,975	6,608,084	540,109
Charges for services	1,478,880	1,478,880	1,530,220	51,340
Fines and forfeitures	363,300	403,300	615,264	211,964
Investment income	200,000	600,000	736,646	136,646
Miscellaneous	143,200	100,700	242,706	142,006
 Total revenues	 13,292,089	 13,999,589	 15,066,877	 1,067,288
EXPENDITURES				
Current				
General government	1,405,402	1,430,402	1,167,695	(262,707)
Public safety	6,899,068	6,758,155	6,222,814	(535,341)
Public works	2,611,688	2,750,988	2,506,694	(244,294)
Parks and recreation	481,740	481,740	406,742	(74,998)
Economic development	712,542	740,402	645,855	(94,547)
Capital outlay	4,256,559	4,256,559	3,309,769	(946,790)
Debt service				
Principal	647,600	692,818	795,779	102,961
Interest	490,133	491,490	506,598	15,108
 Total expenditures	 17,504,732	 17,602,554	 15,561,946	 (2,040,608)
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 (4,212,643)	 (3,602,965)	 (495,069)	 3,107,896
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	10,000	10,000	67,650	57,650
Proceeds from SBITA issuance	-	-	16,486	16,486
 Total other financing sources (uses)	 10,000	 10,000	 84,136	 74,136
 NET CHANGE IN FUND BALANCE	 \$ (4,202,643)	 \$ (3,592,965)	 \$ (410,933)	 \$ 3,182,032
 FUND BALANCE, MAY 1			 16,210,677	
 FUND BALANCE, APRIL 30			 \$ 15,799,744	

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Last Seven Fiscal Years

MEASUREMENT DATE APRIL 30,	2018	2019	2020	2021	2022	2023	2024
TOTAL OPEB LIABILITY							
Service cost	\$ 56,026	\$ 58,250	\$ 90,266	\$ 127,806	\$ 161,567	\$ 191,553	\$ 188,865
Interest	84,754	87,157	104,086	95,039	90,314	59,287	69,323
Differences between expected and actual experience	-	-	376,168	-	(1,967,326)	-	(1,543,709)
Changes of benefit terms	-	-	-	-	-	-	-
Changes of assumptions	-	141,501	895,884	172,240	(312,776)	(56,884)	(18,524)
Benefit payments	(77,301)	(95,583)	(116,339)	(131,779)	(126,172)	(80,704)	(73,465)
Net change in total pension liability	63,479	191,325	1,350,065	263,306	(2,154,393)	113,252	(1,377,510)
Total OPEB liability - beginning	2,173,523	2,237,002	2,428,327	3,778,392	4,041,698	1,887,305	2,000,557
TOTAL OPEB LIABILITY - ENDING							
Covered-employee payroll	\$ 1,697,568	\$ 1,744,251	\$ 6,511,495	\$ 6,553,450	\$ 6,514,552	\$ 6,693,671	\$ 6,610,471
Employer's total OPEB liability as a percentage of covered-employee payroll	131.78%	139.22%	58.03%	61.67%	28.97%	29.89%	9.43%

In 2019, changes in assumptions related to the discount rate were made.

In 2020, changes in assumptions related to the discount rate and High-Quality 20-Year Tax Exempt G.O. Bond Rate, Inflation Rate, Mortality Rates, Mortality Improvement Rates, Termination Rates and Disability Rates.

In 2021, changes in assumptions related to the discount rate and High-Quality 20-Year Tax Exempt G.O. Bond Rate.

In 2022, changes in assumptions related to the discount rate and High-Quality 20-Year Tax Exempt G.O. Bond Rate.

In 2023, changes in assumptions related to the discount rate and High-Quality 20-Year Tax Exempt G.O. Bond Rate.

In 2024, changes in assumptions related to the discount rate and High-Quality 20-Year Tax Exempt G.O. Bond Rate, and healthcare cost trend rates.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND**

Last Ten Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially determined contribution	\$ 560,084	\$ 565,894	\$ 706,108	\$ 705,325	\$ 636,671	\$ 800,382	\$ 826,048	\$ 1,027,128	\$ 1,062,455	\$ 1,084,163
Contributions in relation to the actuarially determined contribution	684,444	692,803	718,995	656,677	642,245	726,728	843,405	1,020,495	1,062,460	1,084,195
CONTRIBUTION DEFICIENCY (Excess)	\$ (124,360)	\$ (126,909)	\$ (12,887)	\$ 48,648	\$ (5,574)	\$ 73,654	\$ (17,357)	\$ 6,633	\$ (5)	\$ (32)
Covered payroll	\$ 2,017,470	\$ 1,740,188	\$ 1,711,427	\$ 1,697,568	\$ 1,913,541	\$ 1,948,675	\$ 2,433,225	\$ 2,497,066	\$ 2,649,959	\$ 2,632,871
Contributions as a percentage of covered payroll	33.93%	39.81%	42.01%	38.68%	33.56%	37.29%	34.66%	40.87%	40.09%	41.18%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 of the preceding fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, the amortization period was 11.46 years (layered); the asset valuation method was five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 6.75% annually, projected salary increases assumption of 3.75% to 9.53% compounded annually.

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Nine Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially determined contribution	\$ 403,072	\$ 351,280	\$ 403,072	\$ 369,486	\$ 316,455	\$ 333,056	\$ 335,155	\$ 270,700	\$ 275,912
Contributions in relation to the actuarially determined contribution	378,202	351,519	364,206	369,486	316,455	333,056	335,155	270,700	275,912
CONTRIBUTION DEFICIENCY (Excess)	\$ 24,870	\$ (239)	\$ 38,866	\$ -					
Covered payroll	\$ 3,578,855	\$ 3,364,019	\$ 3,376,467	\$ 3,810,384	\$ 4,213,590	\$ 4,110,198	\$ 4,343,261	\$ 4,562,680	\$ 5,013,788
Contributions as a percentage of covered payroll	10.57%	10.45%	10.79%	9.70%	7.51%	8.10%	7.72%	5.93%	5.50%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the preceding calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 20 years; the asset valuation method was at five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.75% to 13.75% compounded annually and postretirement benefit increases of 2.75% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND**

Last Ten Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL PENSION LIABILITY										
Service cost	\$ 444,803	\$ 505,724	\$ 449,225	\$ 457,737	\$ 488,634	\$ 458,123	\$ 557,700	\$ 598,769	\$ 594,224	\$ 642,888
Interest	1,198,600	1,379,916	1,452,953	1,396,890	1,492,339	1,562,696	1,657,997	1,679,992	1,831,621	1,901,213
Differences between expected and actual experience	160,144	(1,602,792)	(495,206)	(334,956)	32,429	(81,413)	259,893	366,824	141,981	1,956,263
Changes in assumptions	1,305,881	1,444,105	(664,507)	755,876	-	288,236	674	-	-	-
Changes of benefit terms	-	-	-	-	-	219,058	-	-	(25,847)	-
Benefit payments, including refunds of member contributions	(484,233)	(554,152)	(812,986)	(795,549)	(927,450)	(1,014,680)	(1,060,583)	(1,306,561)	(1,402,308)	(1,637,810)
Net change in total pension liability	2,625,195	1,172,801	(70,521)	1,479,998	1,085,952	1,432,020	1,415,681	1,339,024	1,139,671	2,862,554
Total pension liability - beginning	17,364,970	19,990,165	21,162,966	21,092,445	22,572,443	23,658,395	25,090,415	26,506,096	27,845,120	28,984,791
TOTAL PENSION LIABILITY - ENDING	\$ 19,990,165	\$ 21,162,966	\$ 21,092,445	\$ 22,572,443	\$ 23,658,395	\$ 25,090,415	\$ 26,506,096	\$ 27,845,120	\$ 28,984,791	\$ 31,847,345
PLAN FIDUCIARY NET POSITION										
Contributions - employer	\$ 684,444	\$ 692,803	\$ 718,995	\$ 656,677	\$ 642,245	\$ 726,728	\$ 843,405	\$ 1,020,495	\$ 1,062,460	\$ 1,084,195
Contributions - member	190,771	196,573	166,723	189,901	191,762	196,028	272,220	250,374	320,369	265,509
Net investment income	973,307	(395,122)	1,325,602	1,146,469	831,843	(218,154)	4,600,541	(842,376)	246,551	1,940,783
Benefit payments, including refunds of member contributions	(484,233)	(554,151)	(812,986)	(795,549)	(927,450)	(1,014,680)	(1,060,583)	(1,306,561)	(1,402,308)	(1,637,810)
Administrative expense	(20,772)	(30,603)	(38,672)	(43,501)	(46,268)	(27,253)	(32,104)	(32,002)	(46,969)	(58,072)
Net change in plan fiduciary net position	1,343,517	(90,500)	1,359,662	1,153,997	692,132	(337,331)	4,623,479	(910,070)	180,103	1,594,605
Plan fiduciary net position - beginning	12,738,388	14,081,905	13,991,405	15,351,067	16,505,064	17,197,196	16,859,865	21,483,344	20,573,274	20,753,377
PLAN FIDUCIARY NET POSITION - ENDING	\$ 14,081,905	\$ 13,991,405	\$ 15,351,067	\$ 16,505,064	\$ 17,197,196	\$ 16,859,865	\$ 21,483,344	\$ 20,573,274	\$ 20,753,377	\$ 22,347,982
EMPLOYER'S NET PENSION LIABILITY	\$ 5,908,260	\$ 7,171,561	\$ 5,741,378	\$ 6,067,379	\$ 6,461,199	\$ 8,230,550	\$ 5,022,752	\$ 7,271,846	\$ 8,231,414	\$ 9,499,363

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Plan fiduciary net position as a percentage of the total pension liability	70.44%	66.11%	72.78%	73.12%	72.69%	67.20%	81.05%	73.88%	71.60%	70.17%
Covered payroll	\$ 2,017,470	\$ 1,740,188	\$ 1,711,427	\$ 1,697,568	\$ 1,913,541	\$ 1,948,675	\$ 2,433,225	\$ 2,497,066	\$ 2,649,959	\$ 2,632,871
Employer's net pension liability as a percentage of covered payroll	292.76%	412.11%	335.47%	357.42%	337.66%	422.37%	206.42%	291.22%	310.62%	360.80%

In 2017, there was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates and retirement rates. The mortality rates, disability rates, turnover rates and retirement rates have been changed to the new rates most recently published by the Illinois Department of Insurance (September 2012).

In 2018, the discount rate used was changed from 7.00% to 6.75%. Additionally, there were changes with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, mortality improvement rates, retirement rates, disability rates and termination rates.

In 2020, the bond rate assumption was changed from 3.79% to 2.56%. Assumption changes were made to the projected individual pay increases, inflation rate, mortality rates, mortality improvement rates, retirement rates, termination rates, disability rates and spouse age difference.

In addition, there were changes in plan benefits required under PA-101-0610 (SB 1300) in 2020.

In 2021, the bond rate assumption was changed from 2.56% to 2.27%. Assumption changes were made to the projected individual pay increases.

In 2023, changes in benefit terms relate to changes in COLA increases for Tier II participants.

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Nine Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023
TOTAL PENSION LIABILITY									
Service cost	\$ 372,886	\$ 404,760	\$ 355,683	\$ 311,164	\$ 373,186	\$ 417,250	\$ 361,213	\$ 405,371	\$ 407,536
Interest	1,083,145	1,178,635	1,229,940	1,232,144	1,302,461	1,392,030	1,397,171	1,492,010	1,537,899
Differences between expected and actual experience	407,982	(127,660)	(196,154)	325,064	490,025	(399,793)	540,453	(228,543)	255,859
Changes in assumptions	20,903	(21,291)	(487,451)	537,956	-	(285,319)	-	-	(34,019)
Benefit payments, including refunds of member contributions	(527,684)	(685,657)	(807,975)	(892,769)	(909,143)	(995,375)	(1,055,109)	(970,476)	(1,103,450)
Net change in total pension liability	1,357,232	748,787	94,043	1,513,559	1,256,529	128,793	1,243,728	698,362	1,063,825
Total pension liability - beginning	14,519,330	15,876,562	16,625,349	16,719,392	18,232,951	19,489,480	19,618,273	20,862,001	21,560,363
TOTAL PENSION LIABILITY - ENDING	\$ 15,876,562	\$ 16,625,349	\$ 16,719,392	\$ 18,232,951	\$ 19,489,480	\$ 19,618,273	\$ 20,862,001	\$ 21,560,363	\$ 22,624,188
PLAN FIDUCIARY NET POSITION									
Contributions - employer	\$ 401,722	\$ 362,209	\$ 361,301	\$ 403,865	\$ 292,014	\$ 338,412	\$ 357,368	\$ 277,069	\$ 264,708
Contributions - member	169,778	152,436	152,950	159,118	197,198	183,477	188,309	200,452	220,183
Net investment income	72,277	953,436	2,618,669	(945,553)	3,085,579	2,697,895	3,525,168	(2,988,749)	2,229,363
Benefit payments, including refunds of member contributions	(527,684)	(685,657)	(807,975)	(892,769)	(909,143)	(995,375)	(1,055,109)	(970,476)	(1,103,450)
Other	(276,527)	180,704	(281,034)	317,902	(15,912)	(198,097)	(125,266)	(228,738)	653,849
Net change in plan fiduciary net position	(160,434)	963,128	2,043,911	(957,437)	2,649,736	2,026,312	2,890,470	(3,710,442)	2,264,653
Plan fiduciary net position - beginning	14,433,541	14,273,107	15,236,235	17,280,146	16,322,709	18,972,445	20,998,757	23,889,227	20,178,785
PLAN FIDUCIARY NET POSITION - ENDING	\$ 14,273,107	\$ 15,236,235	\$ 17,280,146	\$ 16,322,709	\$ 18,972,445	\$ 20,998,757	\$ 23,889,227	\$ 20,178,785	\$ 22,443,438
EMPLOYER'S NET PENSION LIABILITY (ASSET)									
	\$ 1,603,455	\$ 1,389,114	\$ (560,754)	\$ 1,910,242	\$ 517,035	\$ (1,380,484)	\$ (3,027,226)	\$ 1,381,578	\$ 180,750

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023
Plan fiduciary net position as a percentage of the total pension liability (asset)	89.90%	91.64%	103.35%	89.52%	97.35%	107.04%	114.51%	93.59%	99.20%
Covered payroll	\$ 3,784,712	\$ 3,387,465	\$ 3,398,881	\$ 3,535,943	\$ 4,177,461	\$ 4,077,251	\$ 4,184,644	\$ 4,454,479	\$ 4,892,948
Employer's net pension liability (asset) as a percentage of covered payroll	42.37%	41.01%	(16.50%)	54.02%	12.38%	(33.86%)	(72.34%)	31.02%	3.69%

There was a change in the actuarial assumptions in 2015 and 2016 for the discount rate. There was a change in actuarial assumptions in 2017 for price inflation, salary increases, retirement age and mortality rates. There was a change in assumptions related to the discount rate in 2018. There was a change in actuarial assumptions in 2020 for price inflation, salary increases, retirement age and mortality rates. There was a change in actuarial assumptions in 2023 for mortality rates.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Ten Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Annual money-weighted rate of return, net of investment expense	7.60%	(2.75%)	9.40%	7.43%	5.04%	(1.27%)	27.13%	(3.92%)	1.00%	9.70%

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2024

BUDGETS

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General, Special Revenue, Enterprise, and Police Pension Trust Funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the department level. All annual appropriations lapse at fiscal year end.

Budgeted expenditures are controlled at the departmental level with the Village Administrator's oversight. All transfers and any revision that changes the total expenditures not contemplated of any fund must be approved by the Village Board of Trustees. All budget amendments must be approved by the Village Board of Trustees.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF DETAILED REVENUES -
BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes				
Property taxes				
General	\$ 2,495,134	\$ 2,495,134	\$ 2,502,369	\$ 7,235
IMRF	153,853	153,853	153,430	(423)
Insurance	179,147	179,147	178,769	(378)
Utility tax - electricity	410,000	410,000	400,326	(9,674)
Utility tax - natural gas	240,000	165,000	170,531	5,531
Utility tax - telephone	75,000	75,000	82,431	7,431
Use tax	445,000	445,000	414,061	(30,939)
Hotel/motel taxes	25,000	25,000	31,094	6,094
Road and bridge taxes	145,000	145,000	145,945	945
Rental car taxes	100	100	214	114
Places for eating taxes	175,000	175,000	170,287	(4,713)
Video gaming proceeds	410,000	410,000	416,911	6,911
Total taxes	<u>4,753,234</u>	<u>4,678,234</u>	<u>4,666,368</u>	<u>(11,866)</u>
Intergovernmental revenues				
Income taxes	1,740,000	1,740,000	1,797,258	57,258
Personal property replacement tax	150,000	150,000	169,867	19,867
Sales taxes	3,750,000	3,750,000	3,724,171	(25,829)
Cannabis excise tax	17,675	17,675	17,441	(234)
Total intergovernmental revenues	<u>5,657,675</u>	<u>5,657,675</u>	<u>5,708,737</u>	<u>51,062</u>
Franchise fees				
Building and zoning fees				
Building permits	140,000	140,000	148,574	8,574
Zoning permits	12,000	12,000	2,250	(9,750)
Impact fees	10,000	10,000	6,000	(4,000)
Permit fees - tree removal	15,000	15,000	2,300	(12,700)
Ordinance fine - building	2,500	2,500	250	(2,250)
Total building and zoning fees	<u>179,500</u>	<u>179,500</u>	<u>159,374</u>	<u>(20,126)</u>
Licenses and fees				
Vehicle stickers	170,000	170,000	172,465	2,465
Vacant property registration	12,500	12,500	1,585	(10,915)
Licenses - animals	1,000	1,000	280	(720)
Licenses - liquor	40,000	40,000	45,205	5,205
Licenses - business	18,000	18,000	21,825	3,825
Licenses - video gaming	40,000	40,000	40,500	500
Licenses - vending	2,500	2,500	9,680	7,180
Total licenses and fees	<u>284,000</u>	<u>284,000</u>	<u>291,540</u>	<u>7,540</u>

(This schedule is continued on the following pages.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF DETAILED REVENUES -
BUDGET AND ACTUAL (Continued)
GENERAL FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)				
Park and recreation fees				
Program fees	\$ 35,000	\$ 35,000	\$ 47,058	\$ 12,058
Sponsorship	-	-	8,850	8,850
Donations - parks	-	-	3,045	3,045
Pace fees	2,000	2,000	1,966	(34)
	<hr/>	<hr/>	<hr/>	<hr/>
Total park and recreation fees	37,000	37,000	60,919	23,919
Public safety fines and fees				
Court fines	150,000	110,000	113,061	3,061
Court fines - DUI	7,500	7,500	5,708	(1,792)
Red light fines	50,000	25,000	240,164	215,164
Administrative seizure fines	55,000	55,000	54,500	(500)
Ordinance and parking fines	20,000	20,000	23,830	3,830
	<hr/>	<hr/>	<hr/>	<hr/>
Public safety fines and fees	282,500	217,500	437,263	219,763
Public safety special revenue				
Forfeitures - seized assets	10,000	10,000	1,540	(8,460)
Donations - police	-	-	200	200
Shop with a Cop	1,000	1,000	816	(184)
Police revenue - SRO	68,000	173,000	173,288	288
Police revenue - gaming tax	600	600	1,007	407
Police revenue - reports	1,200	1,200	1,150	(50)
	<hr/>	<hr/>	<hr/>	<hr/>
Total public safety special revenue	80,800	185,800	178,001	(7,799)
Reimbursable income				
Credit card incentives	7,500	7,500	-	(7,500)
Engineering reimbursable fees	10,000	10,000	13,008	3,008
Attorney reimbursable fees	42,500	-	-	-
Motor pool reimbursable expense	20,000	20,000	42,353	22,353
Fire protection district reimbursable expense	50,000	50,000	47,912	(2,088)
Insurance reimbursable	5,000	5,000	896	(4,104)
Public safety reimbursable expense	5,000	5,000	60,605	55,605
Building/zoning reimbursable expense	1,200	1,200	500	(700)
	<hr/>	<hr/>	<hr/>	<hr/>
Total reimbursable income	141,200	98,700	165,274	66,574
Grant revenue				
Grant revenue	-	385,000	399,147	14,147
Grant revenue - traffic	21,600	21,600	71,314	49,714
Grant revenue - vest	1,200	1,200	3,541	2,341
Grant revenue - tobacco	2,500	2,500	1,902	(598)
Grant revenue - parks	-	-	423,443	423,443
	<hr/>	<hr/>	<hr/>	<hr/>
Total grant revenue	25,300	410,300	899,347	489,047

(This schedule is continued on the following page.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF DETAILED REVENUES -
BUDGET AND ACTUAL (Continued)
GENERAL FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)				
Garbage revenues				
Garbage fees	\$ 1,025,000	\$ 1,025,000	\$ 1,096,667	\$ 71,667
Garbage penalties	20,000	20,000	21,969	1,969
Landscape stickers	-	-	891	891
Recycling rebate	400	400	561	161
 Total garbage revenues	 1,045,400	 1,045,400	 1,120,088	 74,688
Contractual revenue				
Lease revenue	-	-	989	989
Rental income	150,000	150,000	126,507	(23,493)
Rental income 911 center	18,480	18,480	18,480	-
Externality fee	265,000	265,000	264,156	(844)
 Total contractual revenue	 433,480	 433,480	 410,132	 (23,348)
Other revenue				
Interest income	200,000	600,000	736,646	136,646
Lease interest income	-	-	40,977	40,977
Donations - other	-	-	1,489	1,489
Other revenue	2,000	2,000	34,966	32,966
 Total other revenue	 202,000	 602,000	 814,078	 212,078
 TOTAL REVENUES	 \$ 13,292,089	 \$ 13,999,589	 \$ 15,066,877	 \$ 1,067,288

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF DETAILED EXPENDITURES -
BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT				
Current				
General government				
Administration				
Wages	\$ 597,075	\$ 597,075	\$ 612,651	\$ 15,576
Wages - elected officials	47,300	47,300	47,993	693
Wages - part time	17,500	17,500	3,140	(14,360)
Overtime	1,000	1,000	154	(846)
Health insurance	85,080	85,080	70,322	(14,758)
Life insurance	569	569	418	(151)
Social Security and Medicare	50,708	50,708	44,763	(5,945)
IMRF	39,470	39,470	27,076	(12,394)
Building maintenance	22,000	22,000	23,951	1,951
Professional services	80,000	80,000	18,297	(61,703)
Audit services	28,200	28,200	40,525	12,325
Payroll service fees	1,800	1,800	3,351	1,551
Engineering services	1,500	1,500	19,117	17,617
Legal services	50,000	50,000	50,744	744
Labor attorney	-	-	1,008	1,008
Technology	125,000	125,000	113,428	(11,572)
Postage	7,000	7,000	8,249	1,249
Photocopy	9,200	9,200	4,618	(4,582)
Printing	12,000	12,000	20,446	8,446
Recording fees	500	500	-	(500)
Publishing	4,000	4,000	4,714	714
Memberships	21,000	21,000	18,223	(2,777)
Training	10,000	10,000	7,215	(2,785)
Meetings	-	-	992	992
Utilities	11,500	11,500	9,265	(2,235)
Credit card and bank charges	27,000	27,000	12,123	(14,877)
Property taxes	5,000	5,000	7,970	2,970
Business development incentives	225,000	225,000	153,904	(71,096)
Building maintenance supplies	3,000	3,000	1,120	(1,880)
Office supplies	5,500	5,500	6,637	1,137
Operating supplies	-	-	4,135	4,135
Software	72,000	72,000	21,263	(50,737)
Computer equipment	-	-	5,970	5,970
Special events	1,000	1,000	396	(604)
Employee recognition	3,000	3,000	4,537	1,537
Donations	5,000	5,000	-	(5,000)
Miscellaneous	-	-	50,024	50,024
Externality fee refund - RLB	25,000	25,000	24,272	(728)
Externality fee refund - Lake	75,000	-	-	-
Allocated charges	(605,000)	(505,000)	(580,151)	(75,151)
Total administration	1,063,902	1,088,902	862,860	(226,042)

(This schedule is continued on the following pages.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF DETAILED EXPENDITURES -
BUDGET AND ACTUAL (Continued)
GENERAL FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT (Continued)				
Current (Continued)				
General government (Continued)				
Insurance				
Liability and workers' compensation insurance	\$ 291,500	\$ 291,500	\$ 294,036	\$ 2,536
Insurance deductible	50,000	50,000	10,799	(39,201)
Total insurance	341,500	341,500	304,835	(36,665)
Total general government	1,405,402	1,430,402	1,167,695	(262,707)
PUBLIC SAFETY				
Current				
Police department				
Wages - administration	955,720	850,000	751,912	(98,088)
Wages - part-time	28,365	28,365	29,558	1,193
Wages - sworn officers	2,608,070	2,550,000	2,387,047	(162,953)
Wages - police commission	3,600	3,600	2,400	(1,200)
Overtime	182,000	150,000	133,117	(16,883)
Health insurance	468,210	468,210	429,250	(38,960)
Life insurance	3,350	3,350	3,092	(258)
Social Security and Medicare	89,775	89,775	68,650	(21,125)
IMRF	25,000	25,000	15,158	(9,842)
Police pension - taxes	879,000	879,000	884,471	5,471
Police pension - Village portion	205,163	235,040	199,708	(35,332)
Building maintenance	34,450	34,450	46,603	12,153
Equipment maintenance	14,500	14,500	10,727	(3,773)
Vehicle maintenance	35,000	35,000	9,816	(25,184)
Professional services	74,950	74,950	75,168	218
Accounting services	2,250	2,250	-	(2,250)
Payroll services	3,500	3,500	7,593	4,093
HR recruiting/testing	8,500	8,500	12,722	4,222
Legal services	122,500	122,500	84,586	(37,914)
Labor attorney	30,000	30,000	5,428	(24,572)
Dispatching	635,000	635,000	635,000	-
Prisoner meals	1,200	1,200	457	(743)
Animal care and control	250	250	-	(250)
Technology	131,800	131,800	101,335	(30,465)
Janitorial services	1,500	1,500	-	(1,500)
Postage	3,000	3,000	557	(2,443)
Photocopy	3,300	3,300	3,202	(98)
Printing	6,300	6,300	268	(6,032)
Memberships	28,305	28,305	29,060	755
Training	46,260	46,260	39,074	(7,186)
Meetings	200	200	95	(105)

(This schedule is continued on the following pages.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF DETAILED EXPENDITURES -
BUDGET AND ACTUAL (Continued)
GENERAL FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
PUBLIC SAFETY (Continued)				
Current (Continued)				
Police department (Continued)				
Utilities	\$ 25,800	\$ 25,800	\$ 21,268	\$ (4,532)
Office supplies	8,000	8,000	6,236	(1,764)
Operating supplies	32,450	32,450	22,554	(9,896)
Community relations	6,500	6,500	8,079	1,579
Shop with a cop	2,500	2,500	2,699	199
Small tools and noncapital equipment	20,000	20,000	25,990	5,990
Uniforms	40,000	40,000	37,798	(2,202)
Fuel	65,000	65,000	57,555	(7,445)
Software licenses	500	500	285	(215)
Computer equipment	7,500	7,500	5,471	(2,029)
Employee recognition	2,100	2,100	6,653	4,553
DUI enforcement	2,000	2,000	957	(1,043)
Narcotics expense	3,200	3,200	-	(3,200)
Seized asset expense	-	-	569	569
Investigations	2,500	2,500	194	(2,306)
Miscellaneous	-	-	197	197
Total police department	6,849,068	6,683,155	6,162,559	(520,596)
Fire protection district reimbursable items	50,000	75,000	60,255	(14,745)
Total public safety	6,899,068	6,758,155	6,222,814	(535,341)

PUBLIC WORKS

Current				
Streets				
Wages	884,500	850,000	818,923	(31,077)
Wages-part-time	9,600	9,600	-	(9,600)
Overtime	25,000	25,000	20,735	(4,265)
Health insurance	148,750	148,750	138,030	(10,720)
Life insurance	1,170	1,170	946	(224)
Social Security and Medicare	70,300	70,300	60,991	(9,309)
IMRF	60,100	60,100	40,932	(19,168)
Building maintenance	12,500	12,500	12,238	(262)
Equipment maintenance	1,500	1,500	1,293	(207)
Street maintenance	40,000	40,000	43,142	3,142
Parks maintenance	25,000	25,000	8,063	(16,937)
Community beautification	33,000	33,000	16,941	(16,059)
Professional services	82,483	82,483	86,474	3,991
Accounting services	-	-	2,421	2,421
Engineering services	15,000	15,000	2,823	(12,177)
Legal services	2,000	2,000	3,807	1,807
Technology	2,000	2,000	2,820	820
Postage	970	970	10	(960)
Memberships	970	970	535	(435)
Training	6,500	6,500	1,729	(4,771)

(This schedule is continued on the following pages.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF DETAILED EXPENDITURES -
BUDGET AND ACTUAL (Continued)
GENERAL FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
PUBLIC WORKS (Continued)				
Current (Continued)				
Streets (Continued)				
Utilities	\$ 8,000	\$ 8,000	\$ 10,647	\$ 2,647
Electricity charges	-	110,000	123,116	13,116
Building maintenance supplies	1,000	1,000	773	(227)
Equipment maintenance supplies	3,500	3,500	4,779	1,279
Office supplies	900	900	4,899	3,999
Operating supplies	40,000	40,000	24,910	(15,090)
Small tools	10,000	10,000	22,346	12,346
Uniforms	6,100	6,100	6,352	252
Stone and concrete	36,200	15,000	33,883	18,883
Tree replacement	5,000	5,000	1,560	(3,440)
Sign program	9,500	9,500	9,584	84
Fuel	50,000	50,000	38,515	(11,485)
Computer equipment	2,300	2,300	1,575	(725)
Employee recognition	500	500	1,256	756
Allocated charges	(405,000)	(405,000)	(478,263)	(73,263)
 Total streets	 1,189,343	 1,243,643	 1,068,785	 (174,858)
Motor pool				
Wages	156,425	156,425	148,371	(8,054)
Overtime	1,000	1,000	295	(705)
Health insurance	3,500	3,500	2,861	(639)
Life insurance	195	195	139	(56)
Social Security and Medicare	12,100	12,100	11,592	(508)
IMRF	10,425	10,425	8,136	(2,289)
Building maintenance	30,000	30,000	10,356	(19,644)
Equipment maintenance	16,000	16,000	6,420	(9,580)
Professional services	4,300	4,300	1,936	(2,364)
Payroll services	350	350	440	90
Motor pool reimbursable charges	15,000	15,000	11,571	(3,429)
Technology	3,500	3,500	850	(2,650)
Memberships	-	-	100	100
Training	6,200	6,200	-	(6,200)
Utilities	850	850	744	(106)
Building maintenance supplies	250	250	-	(250)
Office supplies	350	350	69	(281)
Operating supplies	115,000	170,000	174,559	4,559
Small tools	12,650	12,650	1,036	(11,614)
Uniforms	1,050	1,050	649	(401)
Fuel	2,500	2,500	2,402	(98)
Software license/support	4,500	4,500	4,503	3
Computer equipment	1,000	1,000	-	(1,000)
Employee recognition	200	200	416	216
 Total motor pool	 397,345	 452,345	 387,445	 (64,900)

(This schedule is continued on the following pages.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF DETAILED EXPENDITURES -
BUDGET AND ACTUAL (Continued)
GENERAL FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
PUBLIC WORKS (Continued)				
Current (Continued)				
Garbage				
Postage	\$ -	\$ -	\$ 1,400	\$ 1,400
Garbage disposal	1,025,000	1,055,000	1,048,055	(6,945)
Yard waste stickers	-	-	1,009	1,009
Total garbage	1,025,000	1,055,000	1,050,464	(4,536)
Total public works	2,611,688	2,750,988	2,506,694	(244,294)
PARKS AND RECREATION				
Current				
Parks and recreation				
Wages	166,000	166,000	145,946	(20,054)
Wages - part-time	26,000	26,000	16,460	(9,540)
Overtime	7,500	7,500	3,973	(3,527)
Health insurance	11,300	11,300	9,389	(1,911)
Life insurance	195	195	326	131
Social Security and Medicare	14,700	14,700	12,654	(2,046)
IMRF	12,125	12,125	8,683	(3,442)
Building maintenance	18,000	18,000	27,183	9,183
Equipment maintenance	2,000	2,000	848	(1,152)
Professional services	2,000	2,000	8,635	6,635
Parks maintenance	15,000	15,000	16,115	1,115
Vehicle repair and maintenance	1,350	1,350	1,053	(297)
Accounting services	450	450	550	100
HR recruiting/employee testing	500	500	842	342
Legal services	-	-	2,085	2,085
Janitorial services	13,100	13,100	-	(13,100)
Postage	500	500	1	(499)
Photocopy	3,500	3,500	2,560	(940)
Printing	1,500	1,500	1,096	(404)
Advertising	1,000	1,000	841	(159)
Memberships	12,340	12,340	7,782	(4,558)
Training	2,525	2,525	121	(2,404)
Utilities	12,000	12,000	11,949	(51)
Pace program - rental fee	1,000	1,000	1,100	100
Community programs	10,260	10,260	7,067	(3,193)
Senior programs	15,700	15,700	12,267	(3,433)
Special events	70,750	70,750	58,043	(12,707)
Building maintenance supplies	5,000	5,000	181	(4,819)
Office supplies	1,500	1,500	582	(918)
Operating supplies	1,500	1,500	2,262	762
Small tools and noncapital equipment	4,500	4,500	-	(4,500)
Fuel	5,000	5,000	1,659	(3,341)
Software licenses	745	745	556	(189)
Special events - other	42,000	42,000	43,398	1,398
Employee recognition	200	200	12	(188)
Refunds	-	-	523	523
Total parks and recreation	481,740	481,740	406,742	(74,998)

(This schedule is continued on the following pages.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF DETAILED EXPENDITURES -
BUDGET AND ACTUAL (Continued)
GENERAL FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
ECONOMIC DEVELOPMENT				
Current				
Economic development				
Wages	\$ 177,640	\$ 250,000	\$ 271,851	\$ 21,851
Wages - part-time	6,300	6,300	5,600	(700)
Overtime	2,500	2,500	5,718	3,218
Health insurance	62,971	62,971	52,244	(10,727)
Life insurance	305	305	310	5
Unemployment insurance	-	-	10,639	10,639
Social Security and Medicare	16,195	16,195	21,421	5,226
IMRF	13,511	13,511	14,327	816
Equipment maintenance	5,500	5,500	5,720	220
Vehicle maintenance	500	500	-	(500)
Professional services	265,000	200,000	122,644	(77,356)
Payroll services	600	600	660	60
Professional services- bldg demo	30,000	30,000	-	(30,000)
Engineering services	20,000	20,000	9,426	(10,574)
Billable engineering fees	5,000	5,000	22,707	17,707
Billable building and zoning items	4,500	25,000	25,846	846
Legal services	42,000	42,000	29,917	(12,083)
Billable attorney fees	5,000	5,000	3,053	(1,947)
Technology	8,500	8,500	2,696	(5,804)
Postage	1,500	1,500	3,264	1,764
Printing	1,500	1,500	2,203	703
Publishing	3,500	3,500	3,627	127
Memberships	8,520	8,520	9,543	1,023
Training	2,500	2,500	3,122	622
Meetings	200	200	178	(22)
Utilities	3,500	3,500	3,868	368
Office supplies	2,500	2,500	3,273	773
Community programs	18,500	18,500	1,475	(17,025)
Uniforms	300	300	399	99
Fuel	500	500	3,462	2,962
Software licenses and maintenance	-	-	4,264	4,264
Computer equipment	3,000	3,000	1,773	(1,227)
Employee recognition	500	500	225	(275)
Refunds	-	-	400	400
	712,542	740,402	645,855	(94,547)
CAPITAL OUTLAY				
Capital outlay - parks	-	-	420,818	420,818
Capital outlay - public safety	502,380	502,380	206,062	(296,318)
Capital outlay - economic development	-	-	13,800	13,800
Capital outlay - streets	3,754,179	3,754,179	2,669,089	(1,085,090)
	4,256,559	4,256,559	3,309,769	(946,790)

(This schedule is continued on the following page.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF DETAILED EXPENDITURES -
BUDGET AND ACTUAL (Continued)
GENERAL FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
DEBT SERVICE				
Principal	\$ 647,600	\$ 692,818	\$ 795,779	\$ 102,961
Interest	490,133	491,490	506,598	15,108
Total debt service	1,137,733	1,184,308	1,302,377	118,069
TOTAL EXPENDITURES	\$ 17,504,732	\$ 17,602,554	\$ 15,561,946	\$ (2,040,608)

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LAKEFRONT PARK PROJECT FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Investment income	\$ -	\$ 250,000	\$ 265,842	\$ 15,842
Total revenues	- -	250,000	265,842	15,842
EXPENDITURES				
Capital outlay	11,032,914	11,032,914	9,488,957	(1,543,957)
Total expenditures	11,032,914	11,032,914	9,488,957	(1,543,957)
NET CHANGE IN FUND BALANCE	\$ (11,032,914)	\$ (10,782,914)	(9,223,115)	\$ 1,559,799
FUND BALANCE, MAY 1			11,657,245	
FUND BALANCE, APRIL 30			<u>\$ 2,434,130</u>	

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

April 30, 2024

	Special Revenue									Total
	Tax Increment Financing #1	Tax Increment Financing #2	Tax Increment Financing #3	Tax Increment Financing #4	Tax Increment Financing #5	Motor Fuel Tax	Business Development District South	Business Development District Central		
ASSETS										
Cash and investments	\$ 96,216	\$ 22,311	\$ 24,021	\$ 16,662	\$ 15,210	\$ 2,496,522	\$ 2,949,640	\$ 1,621,543	\$ 7,242,125	
Receivables, net										
Property taxes	118,523	56,615	128,405	27,715	53,434	-	-	-	-	384,692
Intergovernmental	-	-	-	-	-	39,483	175,981	137,455	352,919	
Inventories	-	-	-	-	-	190,638	-	-	190,638	
Advances to other funds	-	-	-	-	-	-	-	90,000	90,000	
TOTAL ASSETS	\$ 214,739	\$ 78,926	\$ 152,426	\$ 44,377	\$ 68,644	\$ 2,726,643	\$ 3,125,621	\$ 1,848,998	\$ 8,260,374	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
LIABILITIES										
Accounts payable	\$ -	\$ 1,281	\$ -	\$ -	\$ -	\$ 62,280	\$ 870	\$ 30,421	\$ 94,852	
Accrued payroll	-	-	-	-	-	-	881	881	1,762	
Due to other funds	-	-	-	-	-	7,093	42,696	35,398	85,187	
Advances from other funds	90,000	-	-	-	-	-	-	-	90,000	
Total liabilities	90,000	1,281	-	-	-	69,373	44,447	66,700	271,801	
DEFERRED INFLOWS OF RESOURCES										
Unavailable property taxes	118,523	56,615	128,405	27,715	53,434	-	-	-	-	384,692
Total deferred inflows of resources	118,523	56,615	128,405	27,715	53,434	-	-	-	-	384,692
Total liabilities and deferred inflows of resources	208,523	57,896	128,405	27,715	53,434	69,373	44,447	66,700	656,493	
FUND BALANCES										
Nonspendable for inventory	-	-	-	-	-	190,638	-	-	-	190,638
Restricted for economic development	6,216	21,030	24,021	16,662	15,210	-	3,081,174	1,782,298	4,946,611	
Restricted for maintenance of roadways	-	-	-	-	-	2,466,632	-	-	2,466,632	
Total fund balances	6,216	21,030	24,021	16,662	15,210	2,657,270	3,081,174	1,782,298	7,603,881	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 214,739	\$ 78,926	\$ 152,426	\$ 44,377	\$ 68,644	\$ 2,726,643	\$ 3,125,621	\$ 1,848,998	\$ 8,260,374	

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2024

	Special Revenue								
	Tax Increment Financing #1	Tax Increment Financing #2	Tax Increment Financing #3	Tax Increment Financing #4	Tax Increment Financing #5	Motor Fuel Tax	Business Development District South	Business Development District Central	Total
REVENUES									
Taxes	\$ 89,139	\$ 22,363	\$ 24,622	\$ 17,149	\$ 15,707	\$ -	\$ -	\$ -	\$ 168,980
Intergovernmental	-	-	-	-	-	482,152	773,245	613,821	1,869,218
Investment income	3,273	167	180	124	114	123,794	138,055	69,055	334,762
Total revenues	92,412	22,530	24,802	17,273	15,821	605,946	911,300	682,876	2,372,960
EXPENDITURES									
Current									
Public works	-	-	-	-	-	136,682	-	-	136,682
Economic development	5,079	1,500	781	611	611	-	96,282	200,498	305,362
Capital outlay	-	-	-	-	-	-	-	22,143	22,143
Total expenditures	5,079	1,500	781	611	611	136,682	96,282	222,641	464,187
NET CHANGE IN FUND BALANCES	87,333	21,030	24,021	16,662	15,210	469,264	815,018	460,235	1,908,773
FUND BALANCES (DEFICIT), MAY 1	(81,117)	-	-	-	-	2,188,006	2,266,156	1,322,063	5,695,108
FUND BALANCES, APRIL 30	\$ 6,216	\$ 21,030	\$ 24,021	\$ 16,662	\$ 15,210	\$ 2,657,270	\$ 3,081,174	\$ 1,782,298	\$ 7,603,881

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX INCREMENT FINANCING FUND #1**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 70,000	\$ 70,000	\$ 89,139	\$ 19,139
Investment income	400	400	3,273	2,873
Total revenues	70,400	70,400	92,412	22,012
EXPENDITURES				
Current				
Economic development				
Contractual services	6,800	6,800	5,079	(1,721)
Total expenditures	6,800	6,800	5,079	(1,721)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	63,600	63,600	87,333	23,733
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(30,000)	(30,000)	-	30,000
Total other financing sources (uses)	(30,000)	(30,000)	-	30,000
NET CHANGE IN FUND BALANCE				
	\$ 33,600	\$ 33,600	87,333	\$ 53,733
FUND BALANCE (DEFICIT), MAY 1			(81,117)	
FUND BALANCE, APRIL 30			\$ 6,216	

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX INCREMENT FINANCING FUND #2**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ -	\$ 22,363	\$ 22,363	\$ -
Investment income	- -	- -	167	167
 Total revenues	 - -	 22,363	22,530	167
EXPENDITURES				
Current				
Economic development	- -	1,500	1,500	- -
Contractual services	- -	1,500	1,500	- -
 Total expenditures	 - -	 1,500	1,500	- -
 NET CHANGE IN FUND BALANCE	 \$ - -	 20,863	21,030	\$ 167
 FUND BALANCE, MAY 1				- -
 FUND BALANCE, APRIL 30			 \$ 21,030	

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX INCREMENT FINANCING FUND #3**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ -	\$ 24,622	\$ 24,622	\$ -
Investment income	-	-	180	180
 Total revenues	 -	 24,622	 24,802	 180
EXPENDITURES				
Current				
Economic development	-	1,500	781	(719)
Contractual services	-	1,500	781	(719)
 Total expenditures	 -	 1,500	 781	 (719)
 NET CHANGE IN FUND BALANCE	 \$ -	 \$ 23,122	 24,021	 \$ 899
 FUND BALANCE, MAY 1				 -
 FUND BALANCE, APRIL 30				 \$ 24,021

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX INCREMENT FINANCING FUND #4**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ -	\$ 17,149	\$ 17,149	\$ -
Investment income	- -	- -	124	124
 Total revenues	 - -	 17,149	 17,273	 124
EXPENDITURES				
Current				
Economic development	- -	1,500	611	(889)
Contractual services	- -	1,500	611	(889)
 Total expenditures	 - -	 1,500	 611	 (889)
 NET CHANGE IN FUND BALANCE	 \$ - -	 \$ 15,649	 16,662	 \$ 1,013
 FUND BALANCE, MAY 1			 - -	
 FUND BALANCE, APRIL 30			 \$ 16,662	

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TAX INCREMENT FINANCING FUND #5**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ -	\$ 15,707	\$ 15,707	\$ -
Investment income	- -	- -	114	114
 Total revenues	 - -	 15,707	15,821	114
EXPENDITURES				
Current				
Economic development	- -	1,500	611	(889)
Contractual services	- -	1,500	611	(889)
 Total expenditures	 - -	 1,500	611	(889)
 NET CHANGE IN FUND BALANCE	 \$ -	 \$ 14,207	\$ 15,210	\$ 1,003
 FUND BALANCE, MAY 1			- -	
 FUND BALANCE, APRIL 30			 \$ 15,210	

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental				
Allotments earned	\$ 440,000	\$ 440,000	\$ 482,152	\$ 42,152
Investment income	25,000	100,000	123,794	23,794
 Total revenues	 465,000	 540,000	 605,946	 65,946
EXPENDITURES				
Current				
Public works				
Contractual services	363,500	363,500	136,682	(226,818)
Capital outlay	650,000	175,000	-	(175,000)
 Total expenditures	 1,013,500	 538,500	 136,682	 (401,818)
 NET CHANGE IN FUND BALANCE	 \$ (548,500)	 \$ 1,500	 469,264	 \$ 467,764
 FUND BALANCE, MAY 1			 2,188,006	
 FUND BALANCE, APRIL 30			 <u>\$ 2,657,270</u>	

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUSINESS DEVELOPMENT DISTRICT - SOUTH**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental				
Sales tax	\$ 760,000	\$ 760,000	\$ 773,245	\$ 13,245
Investment income	5,000	140,000	138,055	(1,945)
 Total revenues	 765,000	 900,000	 911,300	 11,300
EXPENDITURES				
Current				
Economic development				
Administration				
Personnel services	44,636	44,636	31,852	(12,784)
Professional services	368,500	203,000	64,430	(138,570)
 Total expenditures	 413,136	 247,636	 96,282	 (151,354)
 NET CHANGE IN FUND BALANCE	 \$ 351,864	 \$ 652,364	 815,018	 \$ 162,654
 FUND BALANCE, MAY 1			 2,266,156	
 FUND BALANCE, APRIL 30			 \$ 3,081,174	

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUSINESS DEVELOPMENT DISTRICT - CENTRAL**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental				
Sales tax	\$ 625,000	\$ 625,000	\$ 613,821	\$ (11,179)
Investment income	5,000	70,000	69,055	(945)
Miscellaneous	30,000	-	-	-
 Total revenues	 660,000	 695,000	 682,876	 (12,124)
EXPENDITURES				
Current				
Economic development				
Administration				
Personnel services	44,636	44,636	31,852	(12,784)
Professional services	490,250	301,000	168,646	(132,354)
Capital outlay	212,000	50,000	22,143	(27,857)
 Total expenditures	 746,886	 395,636	 222,641	 (172,995)
 NET CHANGE IN FUND BALANCE	 \$ (86,886)	 \$ 299,364	 460,235	 \$ 160,871
 FUND BALANCE, MAY 1			 1,322,063	
 FUND BALANCE, APRIL 30			 \$ 1,782,298	

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
OPERATING REVENUES				
Water/sewer fees	\$ 4,650,000	\$ 4,650,000	\$ 4,729,027	\$ 79,027
Tap-on fees	10,000	40,000	42,300	2,300
Miscellaneous	73,000	115,000	146,995	31,995
 Total operating revenues	 4,733,000	 4,805,000	 4,918,322	 113,322
OPERATING EXPENSES				
Personnel services	1,050,366	913,966	916,496	2,530
Contractual services/commodities	1,450,625	1,469,625	1,597,737	128,112
Depreciation and amortization	-	1,260,000	1,275,892	15,892
 Total operating expenses	 2,500,991	 3,643,591	 3,790,125	 146,534
OPERATING INCOME (LOSS)	2,232,009	1,161,409	1,128,197	(33,212)
NON-OPERATING REVENUES (EXPENSES)				
Investment income	65,000	250,000	518,478	268,478
Interest expense	(288,700)	(312,555)	(285,989)	26,566
Principal expense	-	-	(1,242,018)	(1,242,018)
 Total non-operating revenues (expenses)	 (223,700)	 (62,555)	 (1,009,529)	 (946,974)
CHANGE IN NET POSITION (BUDGETARY BASIS)	\$ 2,008,309	\$ 1,098,854	\$ 118,668	\$ (980,186)
ADJUSTMENTS TO GAAP BASIS				
Principal expense			1,242,018	
 Total adjustments to GAAP basis			 1,242,018	
CHANGE IN NET POSITION (GAAP BASIS)			1,360,686	
NET POSITION, MAY 1			31,968,813	
NET POSITION, APRIL 30			\$ 33,329,499	

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
NORTHWEST WATER RECLAMATION DISTRICT**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
OPERATING REVENUES				
Sewer fees	\$ 4,805,000	\$ 5,005,000	\$ 5,101,661	\$ 96,661
Tap-on fees	350,000	290,000	709,980	419,980
Miscellaneous	21,400	21,400	27,460	6,060
 Total operating revenues	 5,176,400	 5,316,400	 5,839,101	 522,701
OPERATING EXPENSES				
Personnel services	2,191,312	2,191,312	1,605,257	(586,055)
Contractual services/commodities	4,058,333	4,058,333	3,850,641	(207,692)
Depreciation	-	1,670,000	1,645,957	(24,043)
 Total operating expenses	 6,249,645	 7,919,645	 7,101,855	 (817,790)
 OPERATING INCOME (LOSS)	 (1,073,245)	 (2,603,245)	 (1,262,754)	 1,340,491
NON-OPERATING REVENUES (EXPENSES)				
Investment income	100,000	400,000	581,549	181,549
 Total non-operating revenues (expenses)	 100,000	 400,000	 581,549	 181,549
 CHANGE IN NET POSITION (BUDGETARY BASIS)	 \$ (973,245)	 \$ (2,203,245)	 \$ (681,205)	 \$ 1,522,040
 NET POSITION, MAY 1			 48,555,287	
 NET POSITION, APRIL 30			 \$ 47,874,082	

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS**

April 30, 2024

	Commuter Parking	911 Dispatch Services	Total
CURRENT ASSETS			
Cash and cash equivalents	\$ 599	\$ 289	\$ 888
Receivables			
Accounts (net of allowance for uncollectible accounts)	- -	97,393	97,393
Prepaid items	469	36,070	36,539
Due from other funds	- -	20,743	20,743
Total current assets	1,068	154,495	155,563
NONCURRENT ASSETS			
Capital assets, net of accumulated depreciation	265,316	266,626	531,942
Total noncurrent assets	265,316	266,626	531,942
Total assets	266,384	421,121	687,505
DEFERRED OUTFLOWS OF RESOURCES			
Pension related deferred outflows of resources	13,108	259,840	272,948
Total deferred outflows of resources	13,108	259,840	272,948
Total assets and deferred outflows of resources	279,492	680,961	960,453
CURRENT LIABILITIES			
Accounts payable	333	15,966	16,299
Accrued payroll	673	23,062	23,735
Due to other funds	181,751	461,636	643,387
Current portion of compensated absences	15	1,469	1,484
Current portion of OPEB Liability	19	5,879	5,898
Total current liabilities	182,791	508,012	690,803
NONCURRENT LIABILITIES			
Compensated absences	291	27,915	28,206
Net pension liability - IMRF	1,547	30,661	32,208
Total OPEB Liability	168	52,376	52,544
Total noncurrent liabilities	2,006	110,952	112,958
Total liabilities	184,797	618,964	803,761
DEFERRED INFLOWS OF RESOURCES			
Pension related deferred inflows of resources	1,460	28,947	30,407
Deferred inflows of resources - OPEB	443	138,016	138,459
Total deferred inflows of resources	1,903	166,963	168,866
Total liabilities and deferred inflows of resources	186,700	785,927	972,627
NET POSITION			
Net investment in capital assets	265,316	266,626	531,942
Unrestricted (deficit)	(172,524)	(371,592)	(544,116)
TOTAL NET POSITION (DEFICIT)	\$ 92,792	\$ (104,966)	\$ (12,174)

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS**

For the Year Ended April 30, 2024

	Commuter Parking	911 Dispatch Services	Total
OPERATING REVENUES			
Parking fees	\$ 34,866	\$ -	\$ 34,866
Dispatch fees	- -	1,389,789	1,389,789
 Total operating revenues	 34,866	 1,389,789	 1,424,655
OPERATING EXPENSES			
Personnel services	- -	835,414	835,414
Contractual services/commodities	27,493	203,455	230,948
Depreciation	4,762	70,406	75,168
 Total operating expenses	 32,255	 1,109,275	 1,141,530
 OPERATING INCOME	 2,611	 280,514	 283,125
NON-OPERATING REVENUES (EXPENSES)			
Investment income	1,088	10,038	11,126
Intergovernmental	- -	35,006	35,006
Interest and fiscal charges	- -	(64)	(64)
 Total non-operating revenues (expenses)	 1,088	 44,980	 46,068
 CHANGE IN NET POSITION	 3,699	 325,494	 329,193
 NET POSITION (DEFICIT), MAY 1	 89,093	 (430,460)	 (341,367)
 NET POSITION (DEFICIT), APRIL 30	 \$ 92,792	 \$ (104,966)	 \$ (12,174)

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS**

For the Year Ended April 30, 2024

	Commuter Parking	911 Dispatch Services	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 34,866	\$ 1,401,143	\$ 1,436,009
Payments to suppliers	(27,689)	(206,409)	(234,098)
Payments to employees	<u>(21,623)</u>	<u>(1,044,428)</u>	<u>(1,066,051)</u>
Net cash from operating activities	<u>(14,446)</u>	<u>150,306</u>	<u>135,860</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental - grants	- 35,006	35,006	35,006
Interfund activity	<u>(5,050)</u>	<u>(1,097,118)</u>	<u>(1,102,168)</u>
Net cash from noncapital financing activities	<u>(5,050)</u>	<u>(1,062,112)</u>	<u>(1,067,162)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	1,088	10,038	11,126
Net cash from investing activities	<u>1,088</u>	<u>10,038</u>	<u>11,126</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Payments of principal	- (4,262)	(4,262)	(4,262)
Interest and fiscal charges paid on capital debt	<u>- (185)</u>	<u>(185)</u>	<u>(185)</u>
Net cash from capital and related financing activities	<u>- (4,447)</u>	<u>(4,447)</u>	<u>(4,447)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(18,408)	(906,215)	(924,623)
CASH AND CASH EQUIVALENTS, MAY 1	<u>19,007</u>	<u>906,504</u>	<u>925,511</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u>\$ 599</u>	<u>\$ 289</u>	<u>\$ 888</u>

(This schedule is continued on the following page.)

VILLAGE OF FOX LAKE, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (Continued)
NONMAJOR ENTERPRISE FUNDS

For the Year Ended April 30, 2024

	Commuter Parking	911 Dispatch Services	Total
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income			
\$ 2,611	\$ 280,514	\$ 283,125	
Adjustments to reconcile operating income to net cash from operating activities			
Depreciation	4,762	70,406	75,168
(Acrease) decrease in			
Receivables	-	11,354	11,354
Prepaid items	(179)	(4,603)	(4,782)
Pension items	3,833	75,983	79,816
Increase (decrease) in			
Accounts payable	(17)	1,649	1,632
Accrued payroll	55	5,711	5,766
Compensated absences payable	(188)	(3,045)	(3,233)
Net pension liability	(10,276)	(203,702)	(213,978)
Pension items	(1,230)	104,853	103,623
Total OPEB liability	<u>(13,817)</u>	<u>(188,814)</u>	<u>(202,631)</u>
NET CASH FROM OPERATING ACTIVITIES			
	<u><u>\$ (14,446)</u></u>	<u><u>\$ 150,306</u></u>	<u><u>\$ 135,860</u></u>
NONCASH TRANSACTIONS			
None	\$ -	\$ -	\$ -
TOTAL NONCASH TRANSACTIONS			
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
COMMUTER PARKING FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
OPERATING REVENUES				
Parking fees	\$ 15,000	\$ 28,000	\$ 34,866	\$ 6,866
Total operating revenues	15,000	28,000	34,866	6,866
OPERATING EXPENSES				
Personnel services	37,157	37,157	-	(37,157)
Contractual services/commodities	39,750	39,750	27,493	(12,257)
Depreciation	-	5,000	4,762	(238)
Total operating expenses	76,907	81,907	32,255	(49,652)
OPERATING INCOME (LOSS)	(61,907)	(53,907)	2,611	56,518
NON-OPERATING REVENUES (EXPENSES)				
Investment income	125	125	1,088	963
Total non-operating revenues (expenses)	125	125	1,088	963
CHANGE IN NET POSITION (BUDGETARY BASIS)	<u>\$ (61,782)</u>	<u>\$ (53,782)</u>	<u>3,699</u>	<u>\$ 57,481</u>
NET POSITION, MAY 1			<u>89,093</u>	
NET POSITION, APRIL 30			<u>\$ 92,792</u>	

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
911 DISPATCH SERVICES FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
OPERATING REVENUES				
911 fees	\$ 192,500	\$ 192,500	\$ 203,095	\$ 10,595
Fees for services	1,214,865	1,179,865	1,186,694	6,829
 Total operating revenues	 1,407,365	 1,372,365	 1,389,789	 17,424
OPERATING EXPENSES				
Personnel services	1,157,520	1,157,520	835,414	(322,106)
Contractual services/commodities	375,099	265,099	203,455	(61,644)
Depreciation	-	71,000	70,406	(594)
 Total operating expenses	 1,532,619	 1,493,619	 1,109,275	 (384,344)
OPERATING INCOME (LOSS)	(125,254)	(121,254)	280,514	401,768
NON-OPERATING REVENUES (EXPENSES)				
Investment income	2,686	2,686	10,038	7,352
Intergovernmental	-	35,000	35,006	6
Interest expense	(129)	(129)	(64)	65
Principal expense	-	-	(4,262)	(4,262)
 Total non-operating revenues (expenses)	 2,557	 37,557	 40,718	 3,161
CHANGE IN NET POSITION (BUDGETARY BASIS)	\$ (122,697)	\$ (83,697)	\$ 321,232	\$ 404,929
ADJUSTMENTS TO GAAP BASIS				
Principal expense			4,262	
 Total adjustments to GAAP basis			 4,262	
CHANGE IN NET POSITION (GAAP BASIS)			325,494	
NET POSITION (DEFICIT), MAY 1			(430,460)	
NET POSITION (DEFICIT), APRIL 30			\$ (104,966)	

(See independent auditor's report.)

VILLAGE OF FOX LAKE, ILLINOIS

**SCHEDULE OF CHANGES IN PLAN NET POSITION -
BUDGET AND ACTUAL
POLICE PENSION FUND**

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
ADDITIONS				
Contributions				
Employer contributions	\$ 1,128,455	\$ 1,128,455	\$ 1,084,195	\$ (44,260)
Plan members contributions	250,000	250,000	265,509	15,509
Total contributions	<u>1,378,455</u>	<u>1,378,455</u>	<u>1,349,704</u>	<u>(28,751)</u>
Investment income				
Net appreciation in fair value of investments	150,000	150,000	1,791,964	1,641,964
Interest and dividends	400,000	400,000	161,623	(238,377)
Total investment income	<u>550,000</u>	<u>550,000</u>	<u>1,953,587</u>	<u>1,403,587</u>
Less investment expense	(43,500)	(51,500)	(12,804)	38,696
Net investment income	<u>506,500</u>	<u>498,500</u>	<u>1,940,783</u>	<u>1,442,283</u>
Total additions	<u>1,884,955</u>	<u>1,876,955</u>	<u>3,290,487</u>	<u>1,413,532</u>
DEDUCTIONS				
Pension benefits and refunds	1,377,880	1,655,000	1,637,810	(17,190)
Administration Expenses	73,995	88,995	58,072	(30,923)
Total deductions	<u>1,451,875</u>	<u>1,743,995</u>	<u>1,695,882</u>	<u>(48,113)</u>
NET INCREASE	<u>\$ 433,080</u>	<u>\$ 132,960</u>	<u>\$ 1,594,605</u>	<u>\$ 1,461,645</u>
NET POSITION RESTRICTED FOR PENSION BENEFITS				
May 1			<u>20,753,377</u>	
April 30			<u>\$ 22,347,982</u>	

(See independent auditor's report.)