

Village of Prairie Grove
Prairie Grove, Illinois

Annual Financial Report

Year Ended
April 30, 2019

Roger E. Wooten, CPA

**Village of Prairie Grove
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Year Ended April 30, 2019**

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Independent Auditor's Report

The Board of Trustees
Village of Prairie Grove
Prairie Grove, Illinois

We have audited the accompanying basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Prairie Grove, Illinois (the Village), as of and for the year ended April 30, 2019, which collectively comprise the Village of Prairie Grove, Illinois's financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

As described in Note 1 (b), these financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Opinion

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 Prairie Grove, Illinois, as of April 30, 2017

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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as 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 supplemental information in accordance with auditing standards generally accepted in the United States of America, which consists of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response 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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Village of Prairie Grove, Illinois' basic financial statements. The accompanying supplementary information listed as individual fund financial schedules and statistical information in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund financial schedules are the responsibility of management and were derived from and made directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including preparing 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 individual fund financial schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Garden Prairie, Illinois
December 13, 2019

VILLAGE OF PRAIRIE GROVE, ILLINOIS
Statement of Net Position
April 30, 2019

	Governmental Activities
Assets	
Cash & investments	\$ 1,680,264
Capital Assets	
Land	502,789
Capital assets, net of depreciation	6,428,691
Customer accounts	515
Due from (to) other funds	
Total current assets	8,612,259
Total assets	
	8,612,259
Liabilities	
Accounts payable and accrued expenses	14,185
Other Current Liabilities	
Nunda Fire District	2,000
AFLAC Payable	249
Payroll Liabilities	808
Road Bond Liability	112,000
School District Funds	42,816
Yard Waste Stickers	414
Current Portion of Long-Term Debt	160,000
Total Other Current Liabilities	318,287
Total Current Liabilities	332,472
Non-Current Liabilities:	
Long-Term Debt	675,000
Total liabilities	1,007,472
Net Position	
Invested in capital assets, net of related debt	6,096,480
Restricted for:	
Maintenance of roadways	114,491
Assigned	1,561
Unassigned	1,392,255
Total Net Position	\$ 7,604,787

The accompanying notes are an integral part of this statement

VILLAGE OF PRAIRIE GROVE, ILLINOIS
Statement of Activities
For the Year Ended April 30, 2019

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
Primary Government:				
Governmental Activities:				
General government	\$ 785,816	\$ 27,142	\$ -	\$ (758,674)
Public Works	479,273			(479,273)
Public Safety	99,131		118,036	18,905
Building and Zoning	46,787	30,595		(16,192)
Streets and Roads	483,729			(483,729)
Parks and Recreation	16,010			(16,010)
Debt Service - Interest	24,439			(24,439)
Tax Incentives	216,478			(216,478)
Total governmental activities	<u>2,151,663</u>	<u>57,737</u>	<u>118,036</u>	<u>(1,975,890)</u>

General revenue:

Taxes:	
Property taxes	383,022
Income tax	184,857
Sales tax	645,061
Replacement tax	8,426
Other Taxes	73,877
Motor Fuel Tax	48,476
Donations	16,100
Interest	34,568
Police Fees	144,750
Liquor Licenses	5,925
Other Fees	8,114
Miscellaneous	10,412
Total general revenues and transfers	<u>1,563,588</u>
Change in net position	(412,302)
Net position - beginning	8,017,089
Net position - ending	<u><u>\$ 7,604,787</u></u>

The accompanying notes are an integral part of this statement

VILLAGE OF PRAIRIE GROVE, ILLINOIS
 Balance Sheet
 Governmental Funds
 April 30, 2019

	General	Motor Fuel Tax	Total Governmental Funds
Assets			
Cash and investments	\$ 1,533,699	\$ 146,565	\$ 1,680,264
Receivables			
Property taxes	-	-	-
Other taxes			-
Permits	515		515
Due to from funds			-
Total Assets	<u>\$ 1,534,214</u>	<u>\$ 146,565</u>	<u>\$ 1,680,779</u>
 Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$ 14,185	\$ -	\$ 14,185
Nunda Fire District	2,000		2,000
AFLAC Payable	249		249
Payroll Liabilities	808		808
Road Bond Liability	79,926	32,074	112,000
School District Funds	42,816		42,816
Yard Waste Stickers	414		414
Deferred revenue			-
Deferred tax revenue		-	-
Total Liabilities	<u>140,398</u>	<u>32,074</u>	<u>172,472</u>
 Fund Balances			
Unreserved - undesignated	1,393,816	114,491	1,508,307
			-
	<u>1,393,816</u>	<u>114,491</u>	<u>1,508,307</u>
 Total Liabilities and Fund Balances	<u>\$ 1,534,214</u>	<u>\$ 146,565</u>	<u>\$ 1,680,779</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF PRAIRIE GROVE, ILLINOIS
Reconciliation of Fund Balances of Governmental Funds to the
Governmental Activities in the Statement of Net Assets
April 30, 2019

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 1,508,307
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in the governmental activities are not financial resources and, therefore, are not reported in governmental funds	6,931,480
Notes Payable	(835,000)
Compensated Absences	
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 7,604,787</u>

The accompanying notes are an integral part of this statement

VILLAGE OF PRAIRIE GROVE, ILLINOIS
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended April 30, 2019

	General	Police	Road & Bridge	Street & Bridge	Audit	Insurance	Motor Fuel Tax	Total Governmental Funds
REVENUES								
Taxes								
Property	\$ 205,165	\$ 84,456	\$ 22,412	\$ 16,695	\$ 9,575	\$ 44,719		\$ 383,022
Income tax	184,857							184,857
Sales tax	645,061							645,061
Motor fuel tax							48,476	48,476
Replacement tax	5,210		3,216					8,426
Other Taxes	73,877							73,877
Village Fees	27,142							27,142
Building Department	30,595							30,595
Police Fees	8,878	135,872						144,750
Interest income	31,360	518	17	5		14	2,654	34,568
Grants	36,220	9,897	71,919					118,036
Donations	16,100							16,100
Liquor Licenses	5,925							5,925
Other Fees	8,114							8,114
Miscellaneous	5,285	5,127						10,412
Total Revenues	1,283,789	235,870	97,564	16,700	9,575	44,733	51,130	1,739,361
EXPENDITURES								
Current:								
Wages	228,129	192,705	97,564	16,700				535,098
Taxes	19,612	20,312						39,924
Contractual	79,982	62,999						142,981
Operating	33,628	22,648			10,047			66,323
Public Works	360,658						43,669	404,327
Public Safety	14,632					45,537		60,169
Building and Zoning	28,657							28,657
Parks and Recreation	3,050							3,050
Capital Expenditures		10,658						10,658
Debt Service	193,498							193,498
Debt Service - Interest	24,439							24,439
Tax Incentives	216,478							216,478
Total Expenditures	1,202,763	309,322	97,564	16,700	10,047	45,537	43,669	1,725,602
Excess (deficiency) of revenues over expenditures	81,026	(73,452)	-	-	(472)	(804)	7,461	13,759
Transfers	(74,256)	73,452				804		
FUND BALANCE								
Beginning of year	1,385,485	-	-	-	2,033	-	107,030	1,494,548
End of Year	\$ 1,392,255	\$ -	\$ -	\$ -	\$ 1,561	\$ -	\$ 114,491	\$ 1,508,307

The accompanying notes are an integral part of this statement.

VILLAGE OF PRAIRIE GROVE, ILLINOIS
 Reconciliation of the Governmental Funds Statement of Revenues,
 Expenditures and Changes in Fund Balance to the
 Change in Net Assets- Governmental Activities in the Statement of Activities
 For the year ended April 30, 2019

NET CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS	\$	13,759
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures however, they are capitalized in the statement of activities		15,970
Depreciation is not considered an expenditure in the governmental funds		(632,265)
Property tax revenues in the Statement of Activities that do not provide current financial resources are reported as deferred property tax revenue in the governmental funds		
Compensated Absences		(3,266)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Repayment of Long-Term Debt		193,498
CHANGES IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$</u>	<u>(412,304)</u>

The accompanying notes are an integral part of this statement

Note 1 - Summary of Significant Accounting Policies

The Village of Prairie Grove operates under a Board of Trustees form of government.

The accounting and reporting policies of the Village included in the accompanying general purpose financial statements conform to generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies.

Principles Used to Determine the Scope of the Reporting Entity

The reporting entity includes the governing board and all related organizations for which the Village is financially accountable.

The Village has developed criteria to determine whether outside agencies should be included within its financial reporting entity. The criteria includes, but is not limited to, whether the Village appoints a majority of the organization's Governing Board and is able to control the operation, financial benefits are received, or financial burdens imposed.

The Village has determined that no other outside agency meets the above criteria; therefore, no other agency has been included as a component unit in the Village's financial statements.

(a) Basis of Presentation

Government –Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statement distinguishes between governmental and business type activities, when applicable. Governmental activities generally are financed through taxes. Business type activities are financed in whole or in part by fees charged to external parties for goods and services.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues

includes charges to residents who use or benefit from goods, services, or privileges provided by a given function, and grants and contributions that are restricted to meeting operational and capital requirements of a particular function. Taxes and other income items that are not specifically related to a function are reported as general revenues.

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

Fund Financial Statements

The fund financial statements of the reporting entity are organized into individual funds, each of which is considered a separate accounting entity. The operations for each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures or expenses. Fund accounting segregates funds according to their intended purpose and is used to aide management in demonstrating compliance with finance related legal and contractual provisions.

Funds are organized as major funds or non-major funds within the governmental, proprietary, and fiduciary statements, when applicable. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

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

Governmental Funds (Governmental Activities)

Governmental fund types are those through which most governmental functions of the Village are financed. The acquisition, use, and balances of the Village's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon the determination of changes in financial position, rather than upon net income determination. The following are the Village's governmental funds:

General Fund

The Corporate Fund accounts for the revenues and expenditures which are used in providing services in the Village except those required to be accounted for in other funds.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

(b) Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both the governmental and business type activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, revenues and expenditures/expenses when they result from cash transactions with a provision for depreciation in the government-wide statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The current financial resource measurement focus and the modified cash basis of accounting are followed by the governmental funds. Therefore, receivables, payables and other accrued items, which may be material in amount, are not reflected in these statements. As such, these statements reflect compliance, principally, with the modified cash basis of accounting which is an other comprehensive basis of accounting.

Property taxes, investment earnings, and charges for services are the primary revenue sources susceptible to accrual. The Village considers property taxes available if they are due and collected within 60 days after year end.

Expenditures are recognized when the related fund liability is incurred, if measurable.

The Village reports deferred revenues on its Statement of Net Position and its Governmental Funds Balance Sheet. For government-wide financial statements, deferred revenues arise from taxes levied in the current year, which are for the subsequent year's operations. For the governmental fund financial statements, deferred revenues occur when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the Village before it has a legal claim to them. When both the revenue recognition criteria are met, the liability for deferred revenue is removed from the Governmental Funds Balance Sheet and revenue is recognized accordingly.

(e) Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business type activities, where applicable, are presented using the flow of economic resources measurement focus as defined below.

The measurement focus of all governmental and proprietary funds is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, compensated absences and pension contributions, which will not be currently liquidated using the expendable available financial resources are included as liabilities in the government-wide and proprietary fund financial statements, but are excluded from the governmental funds financial statements. The related expenditures are recognized in the governmental fund financial statements when the liabilities are liquidated.

(f) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts 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 period. Actual results could differ from those estimates.

(g) Budgetary Data

The Board of Trustees follows these procedures in establishing the budgetary data reflected in the general purpose financial statements:

- (1) Within or before the first quarter of each year, the Board of Trustees adopts the annual budget and appropriation ordinance.
- (2) The budget document is available for public inspection for at least thirty days prior to the Board of Trustees public hearing and the passage of the annual budget and appropriation ordinance. The Board of Trustees is also required to hold at least one public hearing on the budget.
- (3) Subsequent to the enactment of the annual budget and appropriation ordinance the Board of Trustees has the authority to make any necessary adjustments to the budget. There were no budget adjustments made during the year.

For each fund, total fund expenditures may not legally exceed the budgeted amounts. All appropriations lapse at year-end.

The budget was prepared on the modified accrual basis of accounting; the same basis used in the preparation of the Village's general purpose financial statements.

(h) Investments

Investments are stated at cost, which approximates market value. Generally, the institutions in which investments are made must be approved by the Board of Trustees. All investments are made in accordance with Illinois law, which restricts the Village to investing funds in specific types of investment instruments. The following are types of permitted instruments which the Village has used:

- U.S. Government and U.S. agency obligations guaranteed by the United States
- The Illinois Governmental Cash Investment Fund
- Interest bearing savings accounts, certificates of deposit and time deposits insured by the Federal Deposit Insurance Corporation or fully collateralized

(i) Prepaid Items

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

(j) Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations, and whether they are reported in the government-wide or fund financial statements.

Government- wide Financial Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost or estimated historical cost if the actual cost is unavailable. Donated fixed assets are stated at their fair market value as of the date of donation.

Prior to May 1, 2005, capital assets of the governmental funds were accounted for in the general fixed asset account group and were not recorded directly as a part of any individual fund's financial statements. Infrastructure of governmental funds was not previously capitalized. Upon implementing GASB 34, governmental units are required to account for all capital assets, including infrastructure, in the government-wide financial statements prospectively from the date of implementation.

Depreciation of all exhaustible fixed assets is recorded as allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Equipment	3-20 years
Vehicles	4-15 years
Infrastructure	20-40 years
Land Improvements	20 years
Building Improvements	15-40 years

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operations are recorded as expenditures in the fund from which they are purchased.

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

(l) Long –Term Liabilities

In the government wide financials, debt principal payments of both government and business type activities are reported as decreases in the balance of the liability on the Statement of Net Position. In the fund financial statements, however, debt principal payments of governmental funds are recognized as expenditures when paid.

(m) Equity Classifications

Government-wide Financial Statements

Equity is classified as net position and displayed in three components:

- Invested in capital assets – consists of capital assets, net of accumulated depreciation and related debt.
- Restricted net position – consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provisions or enabling legislation.
- Unrestricted net position – consists of all other net position that do not meet the definition of restricted or invested in capital assets.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Fund balance may further be classified as reserved and unreserved.

Note 2 - Cash and Investments

Illinois Compiled Statutes (ILCS) and the Village's investment policy authorize the Village to make deposits/invest in insured commercial banks, savings and loan institutions, obligations to the U.S. Treasury and U.S agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these

same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds (a money market fund created by the State legislature under the control of the State Treasurer that maintains a \$1 share value).

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 objective of the policy is safety of principal, liquidity and return on investments.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank’s failure, the Village’s deposits may not be returned to it. The Village’s investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with the collateral held by an independent third-party in the Village’s name.

Investments

Custodial credit risk for investments is the risk that, in the event of 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. Illinois Funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a lack of diversification resulting in concentrated risk based on one type of investment. The Village’s investment policy requires diversification but does not contain specific diversification targets or limits.

As of April 30, 2019, the Village had the following investments and maturities:

Investment	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	5-10	More than 10
State Investment Pool	\$ 1,400,654	\$ 1,400,654	\$ -	\$ -	\$ -

The fair value of investments in the State Investment Pool is the same as the value of pool shares. The State Investment Pool is not SEC-registered, but does have regulatory oversight through the State of Illinois.

Village of Prairie Grove, Illinois
Notes to Financial Statements
April 30, 2019

Note 3 - Capital Assets

A summary of changes in the general fixed assets follows:

<u>Governmental Activities:</u>	<u>Balance</u> 5/1/2018	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 4/30/2019
Capital Assets not being depreciated				
Land	\$502,789	\$ -	\$ -	\$502,789
Total Capital Assets, not being depreciated	\$502,789	\$ -	\$ -	502,789
Governmental Activities:				
Capital Assets being depreciated				
Buildings	1,530,809	5,312		1,536,121
Building Improvements	209,242			209,242
Equipment	503,781	744		504,525
Infrastructure	10,056,532			10,056,532
Land Improvements	6,813			6,813
Trucks	309,644			309,644
Vehicles	134,854	9,914		144,768
Total Capital Assets being depreciated	12,751,675	15,970	0	12,767,645
<u>Governmental Activities:</u>	<u>Balance</u> 5/1/2018	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> 4/30/2019
Accumulated Depreciation:				
Buildings	369,588	38,403		407,991
Building Improvements	12,231	6,466		18,697
Equipment	279,653	46,648		326,301
Infrastructure	4,771,735	483,730		5,255,465
Land Improvements	1,152	341		1,493
Trucks	231,684	23,247		254,931
Vehicles	40,646	33,430		74,076
Total Accumulated Depreciation	5,706,689	632,265		6,338,954
Total Capital Assets being depreciated, net	7,044,986	(616,295)	0	6,428,691
Governmental Assets, net	<u>\$7,547,775</u>	<u>(\$616,295)</u>	<u>\$0</u>	<u>\$6,931,480</u>

Note 3 - Capital Assets (Continued)

Depreciation Expense was charged to governmental functions as follows:

Governmental Activities:	
General Government	\$3,538
Public Works	74,946
Public Safety	38,962
Road and Bridge	483,729
Parks and Recreation	12,960
Building	<u>18,130</u>
Total Depreciation Expense, governmental activities	<u><u>\$632,265</u></u>

Note 4 - Property Taxes

The Village must file its tax levy ordinance by the last Tuesday in December of each year. The Village's property tax is levied each year on all taxable real property located in the Village. The levy becomes an enforceable lien against the property as of January 1. The 2018 tax levy was adopted on December 19, 2018.

Property taxes are collected by the McHenry County Collector/ Treasurer who remits to the Village its share of collections. Taxes levied in one year become due and payable in two installments on approximately June 1 and September 1 in McHenry County.

The Village receives significant distributions of tax receipts in the months of the due dates.

Note 5 – Long-Term Debt

VILLAGE OF PRAIRIE GROVE, ILLINOIS
LONG TERM DEBT
April 30, 2019

	<u>Balance</u> <u>4/30/2018</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>4/30/2019</u>
\$1,590,000 Original @ 2.44 Interest Due January 1, 2024	995,000		(160,000)	835,000
@ 2.89 Interest Due December 5, 2019	11,906		(11,906)	0
Total Long-Term Debt	<u>\$1,006,906</u>	<u>\$0</u>	<u>(\$171,906)</u>	<u>\$835,000</u>

Principal and Interest Schedule:

<u>Year Ending</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
4/30/2020	160,000	20,374	180,374
4/30/2021	165,000	16,470	181,470
4/30/2022	165,000	12,444	177,444
4/30/2023	170,000	8,418	178,418
4/30/2024	<u>175,000</u>	<u>4,270</u>	<u>179,270</u>
Totals	<u>\$835,000</u>	<u>\$61,976</u>	<u>\$896,976</u>

Note 6 – Legal Debt Margin

Assessed Valuation 2019 tax year	\$84,952,954
Debt Limitation 2.875% of assessed Valuation	\$ 2,442,397
Debt Applicable to Limit General Obligation Bonds	<u>\$ 0</u>
Unused Debt Limitation	<u>\$ 2,442,397</u>

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF PRAIRIE GROVE, ILLINOIS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Comparison - General Fund
For the Year Ended April 30, 2019

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES				
Taxes				
Property	\$ 359,865	\$ 359,865	\$ 205,165	\$ (154,700)
Intergovernmental				
Income tax	194,208	194,208	184,857	(9,351)
Sales tax	675,000	675,000	645,061	(29,939)
Replacement tax	11,500	11,500	5,210	(6,290)
Video Gaming	15,000	15,000	20,411	5,411
Telecom	7,700	7,700	6,468	(1,232)
Utility Tax	45,000	45,000	46,103	1,103
Other Tax	13,321	13,321	895	(12,426)
Village Fees	48,100	48,100	27,142	(20,958)
Building Department	6,200	6,200	30,595	24,395
AT&T Fees	12,600	12,600	8,878	(3,722)
Interest income	1,000	1,000	31,360	30,360
Comcast Fees	22,000	22,000	36,220	14,220
Impact Fees	500	500	16,100	15,600
Liquor Licenses	5,500	5,500	5,925	425
Other Fees	8,300	8,300	8,114	(186)
Miscellaneous	178,524	178,524	5,285	(173,239)
Total Revenues	<u>1,604,318</u>	<u>1,604,318</u>	<u>1,283,789</u>	<u>(320,529)</u>
EXPENDITURES				
Wages	390,730	390,730	194,198	196,532
Taxes	45,175	45,175	19,612	25,563
457 B	42,080	42,080	10,386	31,694
Health/Dental/Other	68,250	68,250	23,545	44,705
Contractual	188,979	188,979	79,982	108,997
Operations	44,932	44,932	27,112	17,820
Public Works	569,514	569,514	360,658	208,856
Village Hall	30,520	30,520	14,632	15,888
Building and Zoning	77,512	77,512	28,657	48,855
Board	59,820	59,820	6,516	53,304
Parks and Recreation	8,400	8,400	3,050	5,350
Debt Service	330,056	330,056	193,498	136,558
Debt Service - Interest	40,000	40,000	24,439	15,561
Tax Incentives	672,000	672,000	216,478	455,522
Total Expenditures	<u>2,021,733</u>	<u>2,567,968</u>	<u>1,202,763</u>	<u>611,189</u>
Excess (deficiency) of revenues over expenditures	<u>(417,415)</u>	<u>(963,650)</u>	81,026	1,044,676
OTHER FINANCING SOURCES (USES)				
Transfer to Police Fund			(73,452)	
Transfer to Insurance			(804)	
Excess (deficiency) of revenues and other financing sources over expenditures	<u>(417,415)</u>	<u>(963,650)</u>	<u>6,770</u>	<u>\$ 1,044,676</u>
FUND BALANCE				
Beginning of year			1,385,485	
End of Year			<u>\$ 1,392,255</u>	

VILLAGE OF PRAIRIE GROVE, ILLINOIS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Comparison - General Fund
For the Year Ended April 30, 2019

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES				
Taxes				
Property	\$ 359,865	\$ 359,865	\$ 205,165	\$ (154,700)
Intergovernmental				
Income tax	194,208	194,208	184,857	(9,351)
Sales tax	675,000	675,000	645,061	(29,939)
Replacement tax	11,500	11,500	5,210	(6,290)
Video Gaming	15,000	15,000	20,411	5,411
Telecom	7,700	7,700	6,468	(1,232)
Utility Tax	45,000	45,000	46,103	1,103
Other Tax	13,321	13,321	895	(12,426)
Village Fees	48,100	48,100	27,142	(20,958)
Building Department	6,200	6,200	30,595	24,395
AT&T Fees	12,600	12,600	8,878	(3,722)
Interest income	1,000	1,000	31,360	30,360
Comcast Fees	22,000	22,000	36,220	14,220
Impact Fees	500	500	16,100	15,600
Liquor Licenses	5,500	5,500	5,925	425
Other Fees	8,300	8,300	8,114	(186)
Miscellaneous	178,524	178,524	5,285	(173,239)
Total Revenues	<u>1,604,318</u>	<u>1,604,318</u>	<u>1,283,789</u>	<u>(320,529)</u>
EXPENDITURES				
Wages	390,730	390,730	194,198	196,532
Taxes	45,175	45,175	19,612	25,563
457 B	42,080	42,080	10,386	31,694
Health/Dental/Other	68,250	68,250	23,545	44,705
Contractual	188,979	188,979	79,982	108,997
Operations	44,932	44,932	27,112	17,820
Public Works	569,514	569,514	360,658	208,856
Village Hall	30,520	30,520	14,632	15,888
Building and Zoning	77,512	77,512	28,657	48,855
Board	59,820	59,820	6,516	53,304
Parks and Recreation	8,400	8,400	3,050	5,350
Debt Service	330,056	330,056	193,498	136,558
Debt Service - Interest	40,000	40,000	24,439	15,561
Tax Incentives	672,000	672,000	216,478	455,522
Total Expenditures	<u>2,021,733</u>	<u>2,567,968</u>	<u>1,202,763</u>	<u>611,189</u>
Excess (deficiency) of revenues over expenditures	<u>(417,415)</u>	<u>(963,650)</u>	81,026	1,044,676
OTHER FINANCING SOURCES (USES)				
Transfer to Police Fund			(73,452)	
Transfer to Insurance			(804)	
Excess (deficiency) of revenues and other financing sources over expenditures	<u>(417,415)</u>	<u>(963,650)</u>	<u>6,770</u>	<u>\$ 1,044,676</u>
FUND BALANCE				
Beginning of year			1,385,485	
End of Year			<u>\$ 1,392,255</u>	

VILLAGE OF PRAIRIE GROVE, ILLINOIS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Comparison - Motor Fuel Fund
For the Year Ended April 30, 2019

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
Motor Fuel Tax	\$ 49,028	\$ 49,028	\$ 48,476	\$ (552)
Interest Income	500	500	2,654	2,154
Total Revenues	49,528	49,528	51,130	1,602
EXPENDITURES				
Current:				
Public Works	234,356	234,356	43,669	190,687
Excess (deficiency) of revenues over expenditures	\$ (184,828) \$ (184,828)		7,461	\$ (189,085)
Transfer to General Fund				
FUND BALANCE				
Beginning of year			107,030	
End of Year			\$ 114,491	

VILLAGE OF PRAIRIE GROVE, ILLINOIS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Comparison - Audit
For the Year Ended April 30, 2019

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes				
Property	\$ 15,000	\$ 15,000	\$ 9,575	\$ (5,425)
Total Revenues	15,000	15,000	9,575	(5,425)
EXPENDITURES				
Public Safety				
Audit Services	19,520	19,520	10,047	9,473
Total Expenditures	19,520	19,520	10,047	9,473
Excess (deficiency) of revenues over expenditures	<u>\$ (4,520)</u>	<u>\$ (4,520)</u>	(472)	4,048
OTHER FINANCING SOURCES (USES)				
Transfer from General Fund			<u>-</u>	<u>-</u>
FUND BALANCE				
Beginning of year			2,033	
End of Year			<u>\$ 1,561</u>	

VILLAGE OF PRAIRIE GROVE, ILLINOIS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Comparison - Insurance
For the Year Ended April 30, 2019

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes				
Property	\$ 68,700	\$ 68,700	\$ 44,719	\$ (23,981)
Miscellaneous			14	
Total Revenues	68,700	68,700	44,733	(23,981)
EXPENDITURES				
Public Safety				
Health Insurance	96,076	96,076	45,537	50,539
Total Expenditures	96,076	96,076	45,537	50,539
Excess (deficiency) of revenues over expenditures	\$ (27,376)	\$ (27,376)	(804)	26,558
OTHER FINANCING SOURCES (USES)				
Transfer from General Fund			804	
FUND BALANCE				
Beginning of year			-	
End of Year			\$ -	

VILLAGE OF PRAIRIE GROVE, ILLINOIS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Comparison - Police
For the Year Ended April 30, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
REVENUES				
Taxes				
Property	\$ -		\$ 84,456	\$ 84,456
Curcuit Court		110,000	106,384	(3,616)
Fines		19,000	29,488	10,488
Interest			518	518
Grants		10,500	9,897	(603)
Miscellaneous		3,100	5,127	2,027
Total Revenues	-	142,600	235,870	93,270
EXPENDITURES				
Public Safety				
Wages	401,160	401,160	192,705	208,455
Taxes	32,172	32,172	20,312	11,860
Contractual	122,120	122,120	62,999	59,121
Operating	70,520	70,520	22,648	47,872
Capital		45,000	10,658	
Total Expenditures	625,972	670,972	309,322	327,308
Excess (deficiency) of revenues over expenditures	\$(625,972)	\$(528,372)	(73,452)	420,578
OTHER FINANCING SOURCES (USES)				
Transfer from General Fund			73,452	
FUND BALANCE				
Beginning of year			-	
End of Year			\$ -	

VILLAGE OF PRAIRIE GROVE, ILLINOIS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Comparison - Road & Bridge
For the Year Ended April 30, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
REVENUES				
Taxes				
Property	\$ 54,035	\$ 54,035	\$ 22,412	\$ (31,623)
Replacement			3,216	
Interest			17	
Grants			71,919	
Miscellaneous				
Total Revenues	54,035	54,035	97,564	(31,623)
EXPENDITURES				
Public Safety				
Road Maintenance	911,406	911,406	97,564	813,842
Total Expenditures	911,406	911,406	97,564	813,842
Excess (deficiency) of revenues over expenditures	\$(857,371)	\$(857,371)	-	782,219
OTHER FINANCING SOURCES (USES)				
Transfer from General Fund			-	
FUND BALANCE				
Beginning of year			-	
End of Year			\$ -	

VILLAGE OF PRAIRIE GROVE, ILLINOIS
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budgetary Comparison - Street & Bridge
For the Year Ended April 30, 2019

	Budgeted Amounts			Variance
	Original	Final	Actual	Favorable (Unfavorable)
REVENUES				
Taxes				
Property	\$ 22,000	\$ 22,000	\$ 16,695	\$ (5,305)
Interest			5	
Grants				
Miscellaneous				
Total Revenues	22,000	22,000	16,700	(5,305)
EXPENDITURES				
Public Safety				
Road Maintenance	-		16,700	(16,700)
Total Expenditures	-	-	16,700	(16,700)
Excess (deficiency) of revenues over expenditures	\$ 22,000	\$ 22,000	-	(22,005)
OTHER FINANCING SOURCES (USES)				
Transfer from General Fund				
FUND BALANCE				
Beginning of year			-	
End of Year			\$ -	

VILLAGE OF PRAIRIE GROVE, ILLINOIS
Comparative Tax Data

Tax Levy Year	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Assessed Valuation	\$ 84,952,954	\$ 83,872,713	\$ 82,243,330	\$ 80,286,524	\$ 78,206,033	\$ 80,713,574	\$ 90,248,465	\$ 96,874,379	\$ 106,961,691	\$ 111,346,133
Tax Rates										
General	0.248	0.249	0.247	0.253	0.268	0.269	0.243	0.235	0.236	0.234
Police Protection	0.114	0.103	0.105	0.107	0.110	0.107	0.095	0.089	0.080	0.070
Audit	0.007	0.012	0.012	0.012	0.012	0.011	0.009	0.009	0.007	0.008
Insurance	0.052	0.054	0.054	0.055	0.055	0.051	0.043	0.037	0.029	0.029
Street and bridge	0.020	0.020	0.021	0.021	0.022	0.021	0.019	0.023	0.021	0.020
	<u>0.441</u>	<u>0.438</u>	<u>0.438</u>	<u>0.448</u>	<u>0.467</u>	<u>0.458</u>	<u>0.410</u>	<u>0.392</u>	<u>0.373</u>	<u>0.361</u>
Tax Extension										
General	\$ 210,946	\$ 208,914	\$ 203,250	\$ 202,971	\$ 209,512	\$ 216,977	\$ 219,380	\$ 227,849	\$ 252,001	\$ 260,553
Police Protection	96,501	86,001	86,000	86,001	86,000	86,000	86,000	86,000	86,000	78,166
Audit	6,000	9,750	9,751	9,475	9,225	9,000	8,550	8,351	7,950	8,751
Insurance	44,555	45,536	44,000	44,555	43,264	41,023	39,070	35,803	31,001	31,907
Street and bridge	17,001	17,000	17,001	17,001	17,000	17,001	17,000	22,000	22,001	22,327
	<u>\$ 375,003</u>	<u>\$ 367,201</u>	<u>\$ 360,002</u>	<u>\$ 360,002</u>	<u>\$ 365,002</u>	<u>\$ 370,002</u>	<u>\$ 370,002</u>	<u>\$ 380,002</u>	<u>\$ 398,953</u>	<u>\$ 401,705</u>
Collections	367,347	\$ 360,715	\$ 351,955	\$ 351,905	\$ 358,729	\$ 362,849	\$ 363,707	\$ 373,021	\$ 390,999	\$ 393,744
Collection Rate	97.96%	98.23%	97.76%	97.75%	98.28%	98.07%	98.30%	98.16%	98.01%	98.02%