

LAKE IN THE HILLS
SANITARY DISTRICT, IL
Annual Financial Report
For the Year Ended April 30, 2024

LAKE IN THE HILLS SANITARY DISTRICT
Contents

For the Year Ended April 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the President
and Members of the Board of Trustees
Lake In The Hills Sanitary District

Report on the Financial Statements

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 Lake In The Hills Sanitary District, Illinois as of and for the year ended April 30, 2024, and related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the accompanying table of contents.

Opinions

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 Lake In The Hills Sanitary District, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Lake in the Hills Sanitary District, 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.

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.

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 Lake in the

Hills Sanitary District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 generally accepted 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 generally accepted 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 Lake in the Hills Sanitary District'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 Lake in the Hills Sanitary District'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 other required supplementary information 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.

Other Information

Our audit was conducted for the purposes of forming opinions on the financial statements as a whole that collectively comprise Lake In The Hills Sanitary District, Illinois' financial statements as a whole. The combining individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain 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 financial statements as a whole.

GW & Associates, P.C.

GW & Associates, P.C.
Hillside, Illinois
September 17, 2024

REQUIRED SUPPLEMENTARY INFORMATION

MANAGEMENT DISCUSSION
AND ANALYSIS - UNAUDITED

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED FOR THE YEAR ENDED APRIL 30, 2024

As management of the Lake in The Hills Sanitary District (District), we offer readers of the District's statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended April 30, 2024.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at April 30, 2024 by \$47,791,951 (net position).
- The District's total net position increased by \$298,626. Comprised of \$238,743 from activities and \$59,883 from contributed capital.
- At April 30, 2024, the District's governmental funds reported combined ending fund balances of \$1,280,760, an increase of \$68,917 in comparison with the prior year.
- At April 30, 2024, the fund balance for the General Fund was \$1,025,239.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position

Accrual Basis presents information on all of the District's assets, deferred outflows along with liabilities, and deferred inflows with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities

Accrual Basis presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported on the accrual basis.

The government-wide financial statements show functions of the District that are principally supported by taxes, fees, and other revenues (governmental activities). The District does conduct

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
FOR THE YEAR ENDED APRIL 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

functions intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include providing general governmental administrative services. The District conducts business-type activities by providing wastewater treatment to residences within their planning area.

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 District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund Balance Sheet — Modified Accrual Basis and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances — Modified Accrual Basis provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains individual governmental funds. The General Fund is used to account for funds received from general property taxes and other general revenue, and to account for expenditures made for general District purposes. The Other Special Revenue Funds are used to account for funds received from taxes and fees and to account for expenditures made for specific governmental purposes.

Information is presented separately in the governmental fund Balance Sheet - Modified Accrual Basis and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances — Modified Accrual Basis for the General Fund and the Special Revenue Fund.

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
FOR THE YEAR ENDED APRIL 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (CONCLUDED)

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in meeting its obligation to provide as fully adequate as possible services to all of its residents.

The District adopts an annual budget and appropriation ordinance that includes both the governmental and proprietary funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with the adopted budget and appropriation ordinance.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$47,791,951 at April 30, 2024. The largest portion of the District's net position reflects its investment in capital assets (e.g., land, land improvements, buildings, furniture and equipment, computer equipment, and vehicles); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's ongoing obligations to citizens and creditors.

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

*MANAGEMENT’S DISCUSSION AND ANALYSIS - UNAUDITED
FOR THE YEAR ENDED APRIL 30, 2024*

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Lake In The Hills Sanitary District - Net Position						
	Governmental Activities		Business-Type Activities		Total	
	4/30/2023	4/30/2024	4/30/2023	4/30/2024	4/30/2023	4/30/2024
Current and Other Assets	\$ 1,899,028	\$ 1,909,376	\$ 8,690,999	\$ 9,688,310	\$ 10,590,027	\$ 11,597,686
Capital Assets	-	-	40,913,157	39,983,382	40,913,157	39,983,382
Total Assets	1,899,028	1,909,376	49,604,156	49,671,692	51,503,184	51,581,068
Deferred Outflows	-	498,050	-	-	-	498,050
Current and Other Liabilities	12,998	78,140	272,442	328,690	285,440	406,830
Due to Other Funds					-	-
Long-Term Liabilities	979,259	783,783	2,613,391	2,425,528	3,592,650	3,209,311
Total Liabilities	992,257	861,923	2,885,833	2,754,218	3,878,090	3,616,141
Deferred Inflows	900,193	611,026	-	-	900,193	611,026
Net Position						
Net Investment in						
Capital Assets	-	-	38,223,157	37,381,360	38,223,157	37,381,360
Restricted - Net Position	256,758	255,521	172,493	172,493	429,251	428,014
Unrestricted - Net Position	518,244	678,956	8,322,673	9,363,621	8,840,917	10,042,577
Total Net Position	\$ 775,002	\$ 934,477	\$ 46,718,323	\$ 46,917,474	\$ 47,493,325	\$ 47,851,951

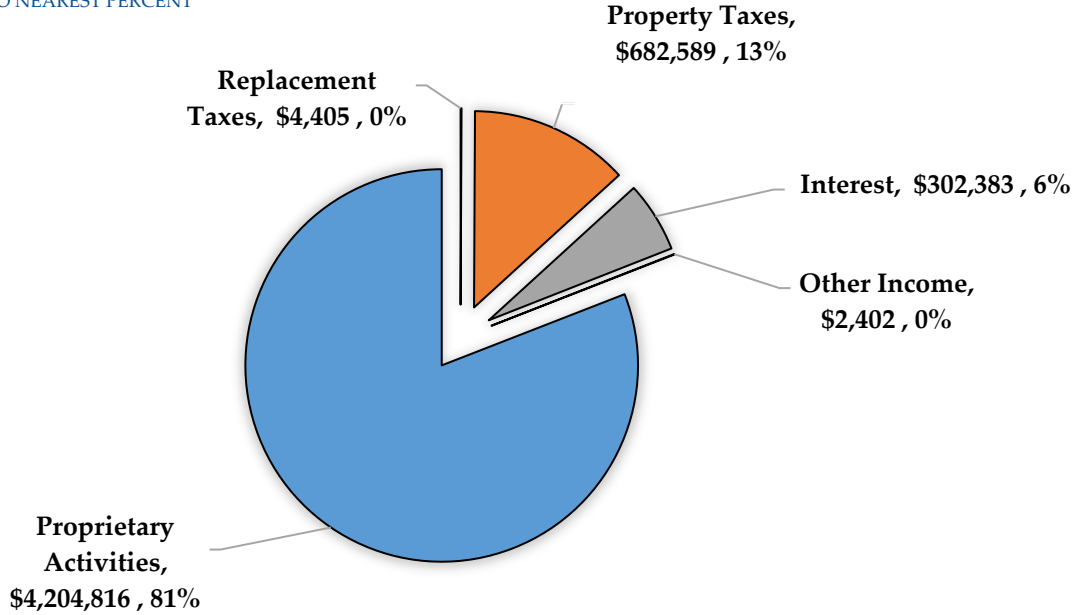
Government-wide activities increased the District’s net position by \$298,626. The key elements of the increase are as follows:

Lake in the Hills Sanitary District - Activities and Changes in Net Position						
	Governmental Activities		Business-Type Activities		Total	
	4/30/2023	4/30/2024	4/30/2023	4/30/2024	4/30/2023	4/30/2024
Program Revenues						
Charges for Services	\$ -	\$ -	\$ 4,091,922	\$ 4,204,816	\$ 4,091,922	\$ 4,204,816
General Revenues						
Property Taxes	664,227	682,589	-	-	664,227	682,589
Personal Property Taxes	6,093	4,405	-	-	6,093	4,405
Other Income	-	2,402	-	-	-	2,402
Interest	17,679	37,609	109,971	264,774	127,650	302,383
Total Revenues	687,999	727,005	4,201,893	4,469,590	4,889,892	5,196,595
Expenses						
General Government	650,077	567,530	-	-	650,077	567,530
Sewage services	-	-	3,684,949	4,293,996	3,684,949	4,293,996
Debt service	-	-	106,093	96,326	106,093	96,326
Total Expenses	650,077	567,530	3,791,042	4,390,322	4,441,119	4,957,852
Increase/(Decrease) in Net Position	37,922	159,475	410,851	79,268	448,773	238,743
Net Position - Beginning of Year	737,080	775,002	46,245,072	46,718,323	46,982,152	47,493,325
Capital Contributions	-	-	62,400	59,883	62,400	59,883
Net Position - End of Year	\$ 775,002	\$ 934,477	\$ 46,718,323	\$ 46,857,474	\$ 47,493,325	\$ 47,791,951

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS
 MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
 FOR THE YEAR ENDED APRIL 30, 2024

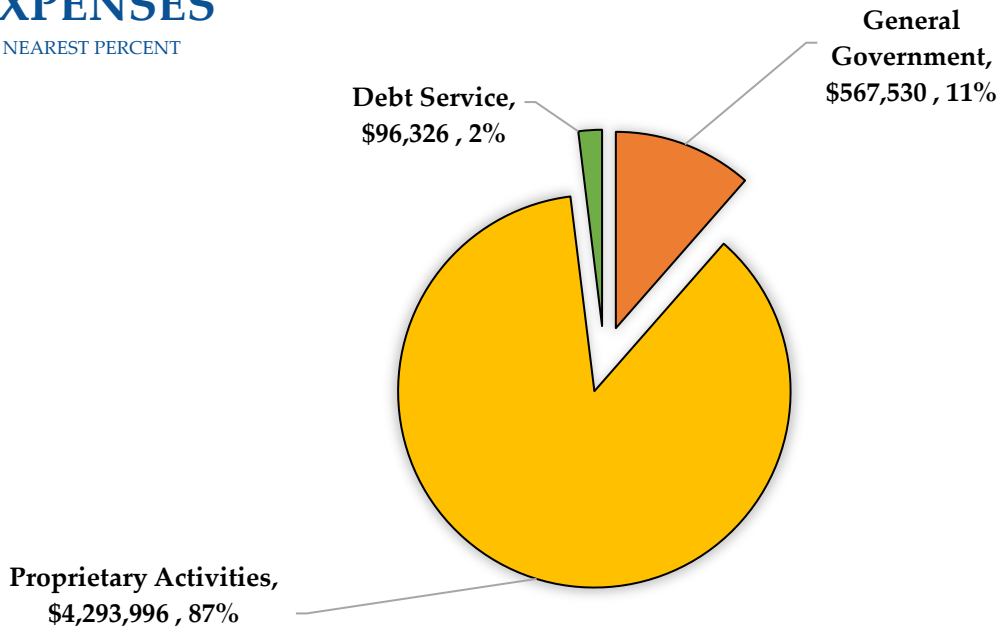
2024 REVENUES

ROUND TO NEAREST PERCENT



2024 EXPENSES

ROUND TO NEAREST PERCENT



LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED FOR THE YEAR ENDED APRIL 30, 2024

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

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

At April 30, 2024, the District's governmental funds reported combined ending, fund balances of \$1,909,376, an increase of \$68,917 in comparison with the prior year.

General Fund (Corporate Fund)

The focus of the District's General Fund is to provide information on the revenues and expenditures of the funds that the District receives from its corporate property tax levy and from other unrestricted sources such as personal property replacement taxes, and interest on bank deposits, and associated expenditures.

The General Fund balance at April 30, 2024 was \$1,025,239, which was an increase of \$70,154 during the year ended April 30, 2024.

Other Governmental Funds

The focus of the District's Other Governmental Funds are to provide information on the revenues and expenditures of the funds that the District receives from its property tax levy, interest on bank deposits, and associated expenditures.

The Other Governmental Fund balances at April 30, 2024 were \$255,521, which was a decrease of \$1,237 during the year ended April 30, 2024.

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED FOR THE YEAR ENDED APRIL 30, 2024

GENERAL FUND BUDGETARY HIGHLIGHTS

The District amended its original budget and appropriations ordinance for the fiscal year ended April 30, 2024, on April 20, 2024; therefore, the amounts shown as original and final appropriations are adjusted for the amendment.

Proprietary funds

The focus of the District's proprietary fund is to provide the same type of information found in the government-wide financial statements, but in more detail.

At April 30, 2024, the District's proprietary fund reported ending net position of \$46,857,474, an increase of \$139,151 in comparison with the prior year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

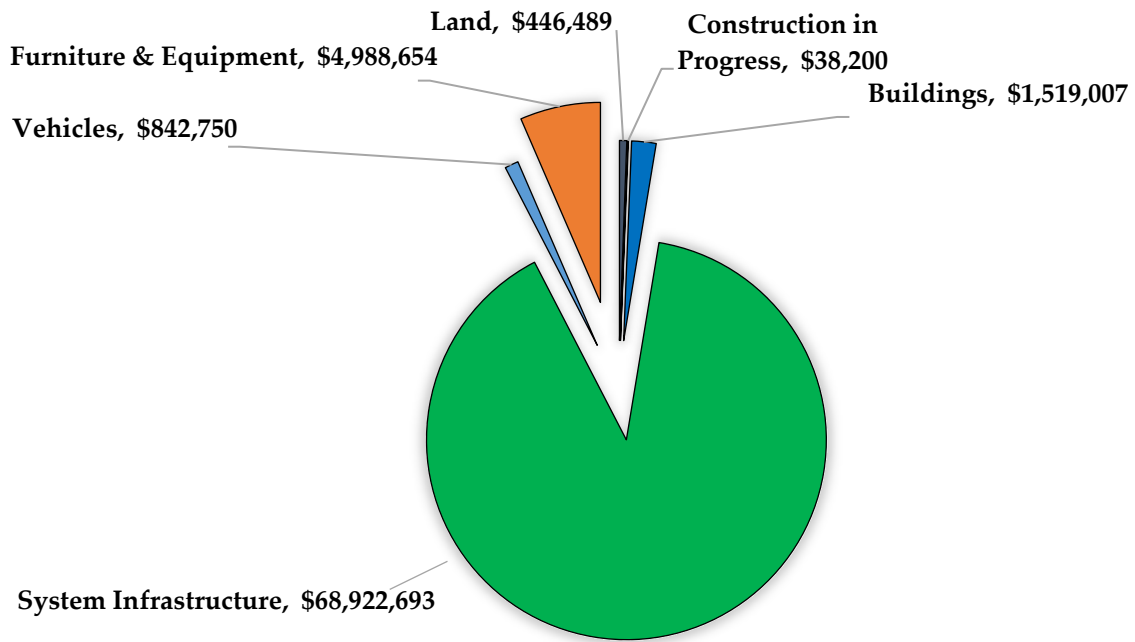
The District's investment in capital assets for its proprietary activities as of April 30, 2024 amounts to \$39,983,380 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, infrastructure, buildings, furniture and equipment, computer equipment, and vehicles. The total decrease in the District's investment in capital assets for the year ended April 30, 2024 was \$929,776 attributable to the purchase of various assets reduced by depreciation and disposal of assets.

Proprietary Fund - Capital Assets

	Balance			Balance
Capital Assets	May 1, 2023	Increases	Decreases	April 30, 2024
Land - not depreciated	\$ 446,489	\$ -	\$ -	\$ 446,489
Construction in progress	3,528	38,200	3,528	38,200
Plant and lift stations	45,593,525	727,356	-	46,320,881
Sewer trunkline	22,289,601	312,211	-	22,601,812
Equipment	4,930,109	-	-	4,930,109
Administration building	1,510,107	8,900	-	1,519,007
Vehicles	842,750	-	-	842,750
Office furniture & equipment	58,545	-	-	58,545
Total Capital Assets	75,674,654	1,086,667	3,528	76,757,793
Less: Accumulated Depreciation	34,761,498	2,012,915	-	36,774,413
Capital Assets (Net)	\$ 40,913,156	\$ (926,248)	\$ 3,528	\$ 39,983,380

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED
FOR THE YEAR ENDED APRIL 30, 2024

CAPITAL ASSETS (AT COST)



Long-term debt

At April 30, 2024, the District had one bond outstanding consisting of current principal due of \$125,000 and long-term due of \$2,445,000. The bond proceeds are being used to fund additional infrastructure and construction projects.

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

*MANAGEMENT’S DISCUSSION AND ANALYSIS - UNAUDITED
FOR THE YEAR ENDED APRIL 30, 2024*

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Trustees of the District considered the following factors in preparing the budget and appropriations ordinance for the District, which was adopted for the 2023-2024 fiscal year:

- The equalized assessed valuation (EAV) for the District for 2023 is \$1,024,498,242. This represents an increase in EAV of \$89,331,213 in comparison with the prior year.

TAX LEVY YEAR	ASSESSED VALUATIONS, EXTENDED TAX RATES		PERCENTAGE ALLOCATIONS, EXTENDED TAX RATES	
	2023	2022	2021	
ASSESSED VALUATION				
McHenry County	\$ 1,024,498,242	\$ 935,167,029	\$ 873,648,591	

TAX RATES AND PERCENTAGE

ALLOCATIONS BY FUND

Funds	Rate	Percentage	Rate	Percentage	Rate	Percentage
General Fund	0.023267	42.69	0.039566	72.59	0.040708	53.67
Chlorination	0.000977	1.79	0.000749	1.37	0.000002	0.00
Liability Insurance	0.007321	13.43	0.008020	14.71	0.008585	11.32
Social Security	0.006345	11.64	0.006951	12.75	0.007441	9.81
IMRF	0.015130	27.76	0.016575	30.41	0.017742	23.39
Audit	0.001465	2.69	0.001284	2.36	0.001374	1.81
Totals	0.054505	100.00	0.073145	100.00	0.075852	100.00

Property Tax Extensions

Funds	2023	2022	2021
General Fund	\$ 238,370	\$ 370,897	\$ 355,645
Chlorination	10,009	7,004	17
Liability Insurance	75,004	75,000	75,003
Social Security	65,004	65,003	65,008
IMRF	155,007	155,004	155,003
Audit	15,009	12,008	12,004
Totals	\$ 558,403	\$ 684,916	\$ 662,680

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District Manager, Lake In The Hills Sanitary District, 515 Plum St., Lake In The Hills, Illinois 60156.

BASIC FINANCIAL STATEMENTS

LAKE IN THE HILLS SANITARY DISTRICT

Government-wide - Statement of Net Position

April 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash	\$ 1,300,317	\$ 8,980,592	\$ 10,280,909
Accounts receivable	-	535,225	535,225
Property tax receivable	550,476	-	550,476
Deposit with paying agent	-	172,493	172,493
Capital assets not being depreciated	-	484,689	484,689
Capital assets being depreciated - net	-	39,498,693	39,498,693
Total Assets	1,850,793	49,671,692	51,522,485
Deferred Outflows - IMRF	498,050	-	498,050
Current Liabilities			
Accounts payable/accruals	19,557	148,608	168,165
Accrued payroll	-	5,462	5,462
Accrued interest	-	47,493	47,493
Compensated absences - current	-	2,127	2,127
Current portion - revenue bonds	-	125,000	125,000
Total Current Liabilities	19,557	328,690	348,247
Noncurrent Liabilities			
Compensated absences	-	8,506	8,506
Revenue bonds payable	-	2,445,000	2,445,000
Revenue bond premium	-	32,022	32,022
Net pension liability - IMRF	783,783	-	783,783
Total Noncurrent Liabilities	783,783	2,485,528	3,269,311
Total Liabilities	803,340	2,814,218	3,617,558
Deferred Inflow - IMRF	60,550	-	60,550
Deferred Inflow - Property taxes	550,476	-	550,476
Total Deferred Inflows	611,026	-	611,026
Net Position			
Net investment in capital assets	-	37,381,360	37,381,360
Restricted	255,521	172,493	428,014
Unrestricted	678,956	9,303,621	9,982,577
Total Net Position	\$ 934,477	\$ 46,857,474	\$ 47,791,951

The accompanying notes are an integral part of these financial statements.

LAKE IN THE HILLS SANITARY DISTRICT

Government-wide - Statement of Activities and Changes in Net Position

For the Year Ended April 30, 2024

Functions/Programs	Program Revenues				Net Revenue (Expense) and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals
Governmental Activities							
General Government	\$ 567,530	\$ -	\$ -	\$ -	\$ 567,530	\$ -	\$ 567,530
Total Governmental Activities	567,530	-	-	-	567,530	-	567,530
Business-Type Activities							
Proprietary Activities	4,293,996	4,204,816	-	-	-	(89,180)	(89,180)
Interest and fees on Long-term debt	96,326	-	-	-	-	(96,326)	(96,326)
Total Business-Type Activities	4,390,322	4,204,816	-	-	-	(185,506)	(185,506)
Total Primary Government	\$ 4,957,852	\$ 4,204,816	\$ -	\$ -	567,530	(185,506)	382,024
General Revenues:							
					682,589	-	682,589
					4,405	-	4,405
					37,609	264,774	302,383
					2,402	-	2,402
					727,005	264,774	991,779
					159,475	79,268	238,743
					775,002	46,718,323	47,493,325
					-	59,883	59,883
					\$ 934,477	\$ 46,857,474	\$ 47,791,951

The accompanying notes are an integral part of these financial statements.

LAKE IN THE HILLS SANITARY DISTRICT

Governmental Funds - Balance Sheet

April 30, 2024

	General Fund	Other Governmental Fund	Total Governmental Funds
Assets			
Cash	\$ 1,036,213	\$ 264,104	\$ 1,300,317
Property tax receivable	233,643	316,833	550,476
Due from other funds	8,583	-	8,583
Total Assets	1,278,439	580,937	1,859,376
Liabilities			
Accounts payable/accruals	19,557	-	19,557
Due to other funds	-	8,583	8,583
Total Liabilities	19,557	8,583	28,140
Deferred Inflows - Property taxes	233,643	316,833	550,476
Total Liabilities and Deferred Inflows	253,200	325,416	578,616
Fund Balance			
Non-spendable	-	-	-
Restricted	-	255,521	255,521
Committed	-	-	-
Assigned - capital improvements	-	-	-
Unassigned	1,025,239	-	1,025,239
Total Fund Balance	1,025,239	255,521	1,280,760
Total Liabilities, Deferred Inflows, and Fund Balance	\$ 1,278,439	\$ 580,937	\$ 1,859,376

The accompanying notes are an integral part of these financial statements.

LAKE IN THE HILLS SANITARY DISTRICT*Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balance**For the Year Ended April 30, 2024*

	General Funds	Other Governmental Funds	Total Governmental Funds
Revenues			
Property taxes	\$ 369,637	\$ 312,952	\$ 682,589
Replacement taxes	4,405	-	4,405
Rebates, refunds or grants	-	2,402	2,402
Interest	37,609	-	37,609
Total Revenues	411,651	315,354	727,005
Expenditures			
Personal services	200,479	-	200,479
Contractual services	50,002	-	50,002
Commodities	35,079	-	35,079
Administrative	5,787	-	5,787
Other	150	366,591	366,741
Total Expenditures	291,497	366,591	658,088
Operating Transfers In/(Out)	(50,000)	50,000	-
Net Change in Fund Balance	70,154	(1,237)	68,917
Fund Balance			
Fund balance, Beginning	955,085	256,758	1,211,843
Total Fund Balance, Ending	\$ 1,025,239	\$ 255,521	\$ 1,280,760

The accompanying notes are an integral part of these financial statements.

LAKE IN THE HILLS SANITARY DISTRICT

Governmental Funds -Reconciliations of the Governmental Fund

Balance to Net Position

For the Year Ended April 30, 2024

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION**

Total Fund Balances - Total Governmental Funds	\$	1,280,760
Other employee benefit obligations accruals are not reported in funds.		
Deferred pension outflows/inflows and net pension liabilities are not reported in funds.		
Net pension liabilities		(783,783)
Deferred pension inflows		(60,550)
Deferred pension outflows		498,050
Total Net Position of Governmental Activities	\$	<u>934,477</u>

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

Excess (Deficiency) of Revenue Over Expenditures		
Governmental Funds	\$	68,917
Change in deferred pension outflows/inflows and net pension liabilities are not reported in funds.		
		90,558
Changes in Net Position Governmental Funds	\$	<u>159,475</u>

The accompanying notes are an integral part of these financial statements.

LAKE IN THE HILLS SANITARY DISTRICT*Proprietary Fund - Statement of Net Position**April 30, 2024*

	Sewerage Enterprise Fund
Assets	
Cash	\$ 8,980,592
Deposit with paying agent	172,493
Sewer billings receivable, net	535,225
Capital assets not being depreciated	484,689
Capital assets being depreciation - net	39,498,693
Total Assets	49,671,692
Liabilities	
Accounts payable/accruals	148,608
Accrued payroll	5,462
Accrued interest payable	47,493
Revenue bonds payable - current portion	125,000
Revenue bonds payable -noncurrent portion	2,445,000
Revenue bonds -noncurrent premium	32,022
Compensated absences - current portion	2,127
Compensated absences - noncurrent portion	8,506
Total Liabilities	2,814,218
Net Position	
Net investment in capital assets	37,381,360
Restricted for:	
Debt service	172,493
Unrestricted	9,303,621
Total Net Position	46,857,474
Total Liabilities and Net Position	\$ 49,671,692

The accompanying notes are an integral part of these financial statements.

LAKE IN THE HILLS SANITARY DISTRICT*Proprietary Fund - Statement of Revenues, Expenses, and Changes in Net Position**For the Year Ended April 30, 2024*

	Revenues	Sewerage Enterprise Fund
Sewer charges		\$ 4,204,816
Total Revenues		4,204,816
	Expenses	
Personnel		693,620
Contractual service		425,971
Commodities		1,020,510
Capital improvements		142,646
Total Expenses		2,282,747
Operating Income Before Depreciation/Amortization		1,922,069
Less: Depreciation/Amortization		2,011,249
Operating Income (Loss)		(89,180)
	Non-Operating Income (Expense)	
Interest expense and fees		(96,326)
Interest income		264,774
Total Non-operating Income/(Expense)		168,448
Net Income (Loss)		79,268
	Net Position	
Balance, beginning of year		46,718,323
Capitalized connection fees		59,883
Total Net Position		\$ 46,857,474

The accompanying notes are an integral part of these financial statements.

LAKE IN THE HILLS SANITARY DISTRICT*Proprietary Fund - Statement of Cash Flows**For the Year Ended April 30, 2024*

	Sewerage Enterprise Fund
Cash Flows from Operating Activities	
Cash received from customers and users	\$ 4,202,369
Cash paid to suppliers	(1,540,468)
Cash and benefits paid for employees	(692,228)
Net Cash Provided by Operating Activities	1,969,673
Cash Flows from Investing Activities	
System additions	(1,083,140)
Net Cash Flows Provided by Investing Activities	(1,083,140)
Cash Flows from Capital and Financing Activities	
Interest income	264,774
Bond interest and fees	(96,326)
Bond/note payments, net	(120,000)
Net Cash Flows Provided by Capital and Financing Activities	48,448
Net Increase (Decrease) in Cash	934,981
Connection fees capitalized	59,883
Cash at Beginning of Year	7,985,728
Cash at End of Year	\$ 8,980,592
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating income (loss) for the year	\$ (89,180)
Depreciation and amortization	2,011,249
(Increase) decrease in accounts receivable	(2,447)
Increase (decrease) in accounts payable	67,437
Increase (decrease) in accrued payroll	1,392
Increase (decrease) in accrued interest payable	(18,778)
Net Cash Provided by Operating Activities	\$ 1,969,673

The accompanying notes are an integral part of these financial statements.

NOTES TO THE BASIC
FINANCIAL STATEMENTS

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Lake in the Hills Sanitary District (the District) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the District.

REPORTING ENTITY

The District has developed criteria to determine whether outside agencies with activities that benefit the citizens of the District should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of public service and special financial relationships.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business type activities, which rely significantly on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or identifiable activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or identifiable activity; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or identifiable activity. Taxes and other items not properly included among program revenues are reported instead as general revenue.

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.

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 financial statements. Revenue is recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recognized only when payment is due.

Property taxes, state-shared revenue, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be available only when cash is received by the District.

The government reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The government reports the following major proprietary funds:

The Sewerage Fund is used to account for the treatment of sewerage of the District's citizens. User charges to customers account for substantially all of the revenue of this fund.

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH

Many of the District's funds combine their cash in a common cash account included in the general fund where available cash is invested. Interest is earned from commingled checking in the general fund.

For purposes of cash and cash equivalent determination, Lake in the Hills Sanitary District considers all cash, investments, investments in Illinois Funds, and short-term Certificates to be cash equivalents.

INVESTMENTS

Investment balances consist of savings account balances, certificates of deposit, investments in government securities, and shares in the Illinois Funds. Investment cost or amortized cost of investments approximate market value. The funds included in the Pool participate in the earnings of the Pool in proportion to their average balance therein. Should any of these funds have an average deficit in the Pool, they are charged interest accordingly. Currently, the District has no balances classified as investments.

RECEIVABLES AND REVENUE RECOGNITION

Property taxes receivable are recognized at the time they are levied. Property taxes are levied and attached as an enforceable lien on property on January 1 and are payable in two installments on June 1 and September 1 subsequent to the year of levy. The tax levy for 2023 property taxes was adopted August 18, 2023. That portion of the property taxes which are not available for the current year's operations are shown as deferred revenue.

Income from investments, accounts, and unbilled usage receivables are recognized when earned. Licenses and permits, fines and forfeits, fees and refunds, charges for service (other than enterprise funds), miscellaneous and other revenues are recorded as revenue when received in cash, as they are generally not measurable until actually received.

FUND BALANCE CLASSIFICATIONS

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District classifies any prepaid items as being Nonspendable.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District Board. These amounts cannot be used for any other purpose unless the District Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District did not have any committed resources as of April 30, 2024.

Assigned - This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the District Board or through the District Board delegating this responsibility to the District manager through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

Unassigned - This classification includes the residual fund balance for the General Fund and the amount established for Minimum Funding which represents the portion of the General Fund balance that has been established by the board to be used for debt service or in emergency situations.

The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

EQUITY CLASSIFICATIONS USED IN THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net Investment in Capital Assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

Restricted Net Position - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – all other net position is reported in this category.

NOTE 2 - CASH AND INVESTMENTS

The District's investment policies are governed by state statutes whereby District money must be deposited in FDIC - insured banks located within the state. Permissible investments include demand accounts and certificates of deposits.

The deposit with paying agent consists of the prepaid bond principal and interest in the proprietary fund.

The District's pooled and non-pooled deposits are categorized to give an indication of the level of risk assumed by the District at April 30, 2024. The categories are described as follows:

- Category 1 Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- Category 3 Uncollateralized.

	Category			Bank Balance	Carrying Value
	1	2	3		
Pooled deposits					
Checking/Savings	\$ 250,000	\$10,021,743	\$ -	\$10,271,743	\$10,280,909
Totals	<u>\$ 250,000</u>	<u>\$10,021,743</u>	<u>\$ -</u>	<u>\$10,271,743</u>	<u>\$10,280,909</u>

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 3 – PROPRIETARY FUND TYPE – PROPERTY AND EQUIPMENT

The property and equipment of the proprietary type fund consists of:

The aggregate depreciation charged to operations is \$2,012,915.

Proprietary Fund - Capital Assets

	Balance May 1, 2023	Increases	Decreases	Balance April 30, 2024
Capital Assets Not Being Depreciated				
Land	\$ 446,489	\$ -	\$ -	\$ 446,489
Construction in progress	3,528	38,200	3,528	38,200
Total Capital Assets Not Being Depreciated	<u>450,017</u>	<u>38,200</u>	<u>3,528</u>	<u>484,689</u>
Capital Assets Being Depreciated				
Plant and lift stations	45,593,525	727,356	-	46,320,881
Sewer trunkline	22,289,601	312,211	-	22,601,812
Equipment	4,930,109	-	-	4,930,109
Administration building	1,510,107	8,900	-	1,519,007
Vehicles	842,750	-	-	842,750
Office furniture & equipment	58,545	-	-	58,545
Total Capital Assets Being Depreciated	<u>75,224,637</u>	<u>1,048,467</u>	<u>-</u>	<u>76,273,104</u>
Less: Accumulated Depreciation				-
Plant and lift stations	19,857,177	1,368,100	-	21,225,277
Sewer trunkline	10,557,517	436,923	-	10,994,440
Equipment	3,111,222	128,559	-	3,239,781
Administration building	529,645	49,014	-	578,659
Vehicles	647,651	30,060	-	677,711
Office furniture & equipment	58,286	259	-	58,545
Total accumulated depreciation	<u>34,761,498</u>	<u>2,012,915</u>	<u>-</u>	<u>36,774,413</u>
Total Capital Assets Not Being Depreciated, Net	<u>40,463,139</u>	<u>(964,448)</u>	<u>-</u>	<u>39,498,691</u>
Total Capital Assets, Net	<u>\$ 40,913,156</u>	<u>\$ (926,248)</u>	<u>\$ 3,528</u>	<u>\$ 39,983,380</u>

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 4 – ILLINOIS MUNICIPAL RETIREMENT

IMRF PLAN DESCRIPTION

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

BENEFITS PROVIDED –

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

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

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96.

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 4 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

BENEFITS PROVIDED -

Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

As of December 31, 2023, the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	8
Inactive Plan Members entitled to but not yet receiving benefits	5
Active Plan Members	12
Total	<u>25</u>

CONTRIBUTIONS -

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2023 was 13.07%. For the same year ended December 31, 2023, the District's required plan contribution was \$144,990. The District contributed \$154,982 for the year ended April 30, 2024. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

NET PENSION LIABILITY -

The District's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 4 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

ACTUARIAL ASSUMPTIONS

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

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study from years 2020 to 2022.
- For non-disabled retirees the Pub-2010 Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) 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 adjusted) tables, and future mortality improvements projected using scale MP-2021.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table as of December 31, 2023:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	34.50%	5.00%
International Equity	18.00%	6.35%
Fixed Income	24.50%	4.75%
Real Estate	10.50%	6.30%
Alternative Investments	11.50%	6.05%-8.65%
Cash Equivalents	1.00%	3.80%
Total	100%	

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 4 - ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

SINGLE DISCOUNT RATE -

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

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

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

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE -

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

Sensitivity of Net Pension Liability/(Asset) to the Single discount rate Assumption

	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 5,704,182	\$ 5,015,864	\$ 4,469,366
Plan Fiduciary Net Position	4,232,081	4,232,081	4,232,081
Net Pension Liability/(Asset)	<u>\$ 1,472,101</u>	<u>\$ 783,783</u>	<u>\$ 237,285</u>

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 4 - ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

Schedule of Changes in Net Pension Liability and Related Ratios - Current Period Calendar Year Ended December 31, 2023

A. Total pension liability

1. Service Cost	\$	74,779
2. Interest on the Total Pension Liability		336,495
3. Changes of benefit terms		-
4. Difference between expected and actual experience of the Total Pension Liability		84,243
5. Changes of assumptions		7,905
6. Benefit payments, including refunds of employee contributions		(182,963)
7. Net change in total pension liability		320,459
8. Total pension liability – beginning		4,695,405
9. Total pension liability – ending	\$	<u>5,015,864</u>

B. Plan fiduciary net position

1. Contributions – employer	\$	144,990
2. Contributions – employee		38,251
3. Net investment income		412,622
4. Benefit payments, including refunds of employee contributions		(182,963)
5. Other (Net Transfer)		103,035
6. Net change in plan fiduciary net position		515,935
7. Plan fiduciary net position – beginning		3,716,146
8. Plan fiduciary net position – ending	\$	<u>4,232,081</u>

C. Net pension liability/(asset)

\$ 783,783

D. Plan fiduciary net position as a percentage of the total pension liability

84.37%

E. Covered Valuation payroll

\$ 850,025

F. Net pension liability as a percentage of covered valuation payroll

92.21%

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 4 - ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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

For the year ended April 30, 2024, the District recognized pension expense of \$90,558. At April 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pensions Expenses in Future Periods</i>		
Differences between expected and actual	\$ 203,479	\$ 36,569
Changes of assumptions	6,337	23,981
Net differences between projected and actual earnings on pension plan investments	<u>206,278</u>	<u>-</u>
Total Deferred Amounts to be recognized in pension expense in future periods	416,094	60,550
Pension contributions made subsequent to the measurement date	<u>81,956</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 498,050</u>	<u>\$ 60,550</u>

Pension contributions made subsequent to the measurement dates will be recognized as a reduction of the net pension liability in the following fiscal year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending April 30,	Net Deferred Outflows of Resources
2025	\$ 100,506
2026	106,405
2027	157,485
2028	(9,615)
2029	763
Thereafter	<u>-</u>
Total	<u>\$ 355,544</u>

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 4 - ILLINOIS MUNICIPAL RETIREMENT (CONCLUDED)

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2023 Contribution Rate *

Valuation Date:

December 31, 2023

Notes

Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior contributions are reported.

Methods and Assumptions Used to Determine 2023 Contribution Rates:

Actuarial Cost Method

Aggregate Entry Age Normal

Amortization Method

Level Percentage of Payroll, Closed

Remaining Amortization
Period

Non-Taxing bodies: 10-year rolling period.

Taxing bodies (Regular, SLEP and ECO groups): 20-year closed period

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

SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 15 years for most employers (five employers were financed over 16 years; one employer was financed over 17 years; two employers were financed over 18 years; one employer was financed over 21 years; three employers were financed over 24 years; four employers were financed over 25 years and one employer was financed over 26 years).

Asset Valuation Method

5-Year smoothed market; 20% corridor

Wage growth

2.75%

Price Inflation

2.25%

Salary Increases

2.75% to 13.75% including inflation

Investment Rate of Return

7.25%

Retirement Age

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

Mortality

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

Other Information:

Notes

There were no benefit changes during the year

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 5 – RISK MANAGEMENT

Significant losses are covered by commercial insurance for all major programs. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 6 – EXPENDITURES OVER APPROPRIATIONS

No fund had expenditures that exceeded the appropriations.

NOTE 7 – SEWERAGE – GENERAL OBLIGATION (ALTERNATE REVENUE BONDS)

The Sewerage General Obligation Bonds, Series 2014A dated November 13, 2014 were issued during November 2014 for capital projects of the District. The bonds are collateralized by the net revenue of the Lake In The Hills Sanitary District and will be paid each year beginning May 1, 2015, until retired. The bonds carry interest rates ranging from 2.000% to 4.000% and mature May 1, 2017 through May 1, 2039. The certificates maturing on or after 2025 are subject to redemption prior to maturity.

Long-term liability activity for the year ended April 30, 2024 was as follows:

	Balance			Amounts	
	May 1, 2023	Additions	Retirements	Balance April 30, 2024	Due Within One Year
Business-Type Activities: Long-Term Debt					
Bond Dated November 13, 2014	2,690,000	-	120,000	2,570,000	125,000
Bond Premium	33,688	-	1,666	32,022	-
Total Business-Type Long-Term Debt	\$ 2,723,688	\$ -	\$ 121,666	\$ 2,602,022	\$ 125,000
Other Long-term Liabilities					
Compensated Absences	\$ 14,703	\$ 10,633	\$ 14,703	\$ 10,633	\$ 2,127
Total Long-term Liabilities	\$ 14,703	\$ 10,633	\$ 14,703	\$ 10,633	\$ 2,127
	Maturity	Interest	Face	Carrying	
Long-term liabilities at April 30, 2024	Date	Rates	Amount	Amounts	
Business-Type Activities: Long-Term Debt					
Bond Dated November 13, 2014	5/1/2039	2.000% - 4.000%	\$ 3,430,000	\$ 2,570,000	

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 7 – SEWERAGE – GENERAL OBLIGATION (ALTERNATE REVENUE BONDS) (CONCLUDED)

Debt service activity with principal and interest payments due in year ended April 30, 2024 are as follows:

Fiscal Year Ended Due	Outstanding April 30, 2024		Totals	
	Principal	Interest	Principal	Interest
4/30/2025	\$ 125,000	\$ 92,488	\$ 125,000	\$ 92,488
4/30/2026	125,000	87,956	125,000	87,956
4/30/2027	130,000	83,813	130,000	83,813
4/30/2028	135,000	79,506	135,000	79,506
4/30/2029	140,000	75,038	140,000	75,038
4/30/2030	145,000	70,406	145,000	70,406
4/30/2031	150,000	65,613	150,000	65,613
4/30/2032	155,000	60,269	155,000	60,269
4/30/2033	160,000	54,363	160,000	54,363
4/30/2034	165,000	48,269	165,000	48,269
4/30/2035	170,000	41,988	170,000	41,988
4/30/2036	180,000	35,200	180,000	35,200
4/30/2037	185,000	27,900	185,000	27,900
4/30/2038	195,000	20,300	195,000	20,300
4/30/2039	200,000	12,400	200,000	12,400
4/30/2040	210,000	4,200	210,000	4,200
Total Debt	\$ 2,570,000	\$ 859,706	\$ 2,570,000	\$ 859,706

NOTE 8 – CONTINGENCIES

The District is not aware of any pending litigation or potential non-disclosed liabilities that management believes would have a material adverse effect on the financial statements.

LAKE IN THE HILLS SANITARY DISTRICT, ILLINOIS

Notes to The Basic Financial Statements

For the Year Ended April 30, 2024

NOTE 9 – SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through the date on which the financial statements were available to be issued.

NOTE 10 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

As of these financial statements, the District has adopted GASB Statement No. 65, which redefined how certain financial statement elements are presented in the statement of financial position. The elements are classified as follows:

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, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources are not reported in the government-wide statement of \$498,050 for deferred IMRF activity.

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, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. Deferred inflows of resources (\$550,476) reported in the government-wide and governmental funds for property taxes to be received in subsequent periods, as well as \$60,550 for deferred IMRF activity.

NOTE 11 – TRANSFERS

A transfer of funds was made in the amount of \$50,000 from the general fund to the special revenue chlorination fund for operating purposes.

REQUIRED SUPPLEMENTARY INFORMATION

LAKE IN THE HILLS SANITARY DISTRICT

General Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ended April 30, 2024

	Budget		Actual
	Original	Final	Amounts
Revenues			
Property taxes	\$ 370,000	\$ 370,000	\$ 369,637
Replacement tax	-	-	4,405
Interest	1,000	1,000	37,609
Total Revenues	<u>371,000</u>	<u>371,000</u>	<u>411,651</u>
Personnel Services			
Salaries and payroll taxes	220,000	220,000	200,479
Total Personnel Services	<u>220,000</u>	<u>220,000</u>	<u>200,479</u>
Contractual Services			
Professional engineering	65,000	65,000	41,352
Legal services	25,000	25,000	6,700
Other professional services	5,000	5,000	1,950
Total Contractual Services	<u>95,000</u>	<u>95,000</u>	<u>50,002</u>
Administrative Expenditures			
Printing, publications	4,500	4,500	1,542
Office supplies, equipment	2,500	2,500	456
Postage	1,000	1,000	-
Treasurer's bond	4,000	4,000	3,000
Community affairs	1,000	1,000	-
Membership and dues	4,000	4,000	789
Total Administrative Expenditures	<u>17,000</u>	<u>17,000</u>	<u>5,787</u>
Operating Expenditures			
Building and grounds upkeep	15,000	15,000	4,586
Utilities	55,000	55,000	26,381
J.U.L.I.E.	3,000	3,000	2,008
Training and education	3,000	3,000	481
Travel expenses	2,000	2,000	34
Computer hardware, software & support	7,000	7,000	1,589
Total Operating Expenditures	<u>85,000</u>	<u>85,000</u>	<u>35,079</u>
Contingency and Miscellaneous Expenditures			
Miscellaneous	1,000	1,000	150
Total Congency and Miscellaneous Expenditures	<u>1,000</u>	<u>1,000</u>	<u>150</u>
Total General Fund	<u>418,000</u>	<u>418,000</u>	<u>291,497</u>
Excess(Deficiency) of Revenues Over/(Under) Expenditures	<u>(47,000)</u>	<u>(47,000)</u>	<u>120,154</u>
Operating transfers in/(out)	<u>-</u>	<u>-</u>	<u>(50,000)</u>
Net Change in Fund Balance	<u>\$ (47,000)</u>	<u>\$ (47,000)</u>	<u>70,154</u>
Fund Balance			
Fund balance, Beginning			955,085
Total Fund Balance, Ending			<u>\$ 1,025,239</u>

LAKE IN THE HILLS SANITARY DISTRICT
Multi-year Schedule of Changes in Net IMRF Pension Liability and Related Ratios
Last 10 Calendar Years
(schedule to be built prospectively from 2015)

Calendar Year Ending	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	\$ 74,779	\$ 70,526	\$ 67,995	\$ 65,863	\$ 71,608	\$ 63,209	\$ 67,952	\$ 69,512	\$ 61,533	
Interest on the Total Pension Liability	336,495	317,262	309,058	282,729	252,027	237,766	235,467	222,115	200,087	
Benefit Changes	-	-	-	-	-	-	-	-	-	
Difference between Expected and Actual Experience	84,243	57,621	(81,545)	274,046	263,377	35,279	(4,651)	45,934	169,681	
Assumption Changes	7,905	-	-	(82,821)	-	118,788	(106,741)	(13,932)	-	
Benefit Payments and Refunds	(182,963)	(181,543)	(185,690)	(169,747)	(151,572)	(154,878)	(163,139)	(150,295)	(130,507)	
Net Change in Total Pension Liability	320,459	263,866	109,818	370,070	435,440	300,164	28,888	173,334	300,794	
Total Pension Liability - Beginning	4,695,405	4,431,539	4,321,721	3,951,651	3,516,211	3,216,047	3,187,159	3,013,825	2,713,031	
Total Pension Liability - Ending (a)	\$ 5,015,864	\$ 4,695,405	\$ 4,431,539	\$ 4,321,721	\$ 3,951,651	\$ 3,516,211	\$ 3,216,047	\$ 3,187,159	\$ 3,013,825	
Plan Fiduciary Net Position										
Employer Contributions	\$ 144,990	\$ 161,250	\$ 206,375	\$ 242,905	\$ 151,642	\$ 132,995	\$ 121,610	\$ 111,249	\$ 63,778	
Employee Contributions	38,251	36,153	30,077	31,809	29,452	28,230	26,514	40,264	26,379	
Pension Plan Net Investment Income	412,622	(523,355)	603,284	433,736	456,472	(143,641)	391,039	142,802	10,043	
Benefit Payments and Refunds	(182,963)	(181,543)	(185,690)	(169,747)	(151,572)	(154,878)	(163,139)	(150,295)	(130,507)	
Other	103,035	17,777	(4,523)	16,108	36,635	55,314	(37,539)	(3,250)	83,137	
Net Change in Plan Fiduciary Net Position	515,935	(489,718)	649,523	554,811	522,629	(81,980)	338,485	140,770	52,830	
Plan Fiduciary Net Position - Beginning	3,716,146	4,205,864	3,556,341	3,001,530	2,478,901	2,560,881	2,222,396	2,081,626	2,028,796	
Plan Fiduciary Net Position - Ending (b)	\$ 4,232,081	\$ 3,716,146	\$ 4,205,864	\$ 3,556,341	\$ 3,001,530	\$ 2,478,901	\$ 2,560,881	\$ 2,222,396	\$ 2,081,626	
Net Pension Liability/(Asset) - Ending (a) - (b)	783,783	979,259	225,675	765,380	950,121	1,037,310	655,166	964,763	932,199	
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.37%	79.14%	94.91%	82.29%	75.96%	70.50%	79.63%	69.73%	69.07%	
Covered Valuation Payroll	\$ 850,025	\$ 803,402	\$ 668,384	\$ 706,863	\$ 654,476	\$ 627,335	\$ 589,197	\$ 600,051	\$ 586,199	
Net Pension Liability as a Percentage of Covered Valuation Payroll	92.21%	121.89%	33.76%	108.28%	145.17%	165.35%	111.20%	160.78%	159.02%	

Note: This schedule is intended to show information for 10 years and additional years' information will be displayed as it becomes available.

LAKE IN THE HILLS SANITARY DISTRICT
Multi-year Schedule of IMRF Pension Contributions
Last 10 Fiscal Years

Fiscal Year Ending April 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2016	\$ 63,778	\$ 63,778	\$ -	\$ 586,199	10.88%
2017	\$ 111,249	\$ 111,249	\$ -	\$ 600,051	18.54%
2018	\$ 121,610	\$ 121,610	\$ -	\$ 589,197	20.64%
2019	\$ 132,995	\$ 132,995	\$ -	\$ 627,335	21.20%
2020	\$ 136,982	\$ 151,642	\$ (14,660)	\$ 654,476	23.17%
2021	\$ 155,227	\$ 242,905	\$ (87,678)	\$ 706,863	34.36%
2022	\$ 163,420	\$ 206,375	\$ (42,955)	\$ 668,384	30.88%
2023	\$ 175,865	\$ 161,250	\$ 14,615	\$ 803,402	20.07%
2024	\$ 127,504 *	\$ 144,990	\$ (17,486)	\$ 850,025	17.06%

Note: This schedule is intended to show information for 10 years and additional years' information will be displayed as it becomes available.

NOTES TO REQUIRED
SUPPLEMENTARY INFORMATION

LAKE IN THE HILLS SANITARY DISTRICT ILLINOIS

Notes to Required Supplemental Information

For the Year Ended April 30, 2024

The accounting policies of the District include the preparation of financial statements on the modified accrual basis of accounting. The District prepares its budget on the modified cash basis of accounting.

Under the modified accrual basis of accounting, revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. General capital assets acquisitions are reported as expenditures in the governmental funds. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However; expenditures relating to compensated absences, debt service expenditures, and claims and judgments are recognized only when payment is due.

Appropriation ordinances are adopted at the function level in the General Fund and total General Fund expenditures disbursed may not legally exceed the budgeted amount. Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year.

The District procedures in establishing the appropriation data reflected in the General Fund Financial Statements are presented below:

- Prior to July 15th the District Board receives a proposed appropriation ordinance for the fiscal year commencing on May 1st. The appropriation ordinance includes proposed expenditures and the means of financing them.
- A public hearing is conducted at a public meeting to obtain taxpayers comments.
- The appropriation ordinance is legally enacted through passage of an ordinance prior to July 31st.
- The District Treasurer, in conjunction with the Board, is authorized to expend the un-expensed balance of any item or items of any general appropriation in making up any deficiency in any item or items of the same general appropriation.
- The original appropriation ordinance was passed on May 18, 2023 and amended on April 18, 2024.
- Formal budgetary integration is not employed as a management control device during the year for any fund.

LAKE IN THE HILLS SANITARY DISTRICT ILLINOIS

Notes to Required Supplemental Information

For the Year Ended April 30, 2024

- Appropriation comparisons presented in the accompanying financial statements are prepared on the modified accrual and accrual basis of accounting. Governmental funds utilize the modified accrual basis of accounting, and the business type funds use the accrual basis of accounting for both appropriation purposes and actual results.
- Expenditures cannot legally exceed appropriations at the fund level.
- All appropriations lapse at year-end.

OTHER SUPPLEMENTARY INFORMATION

LAKE IN THE HILLS SANITARY DISTRICT

Special Revenue Funds - Balance Sheet

April 30, 2024

	Audit	Chlorination Fund	IMRF Fund	Public Liability Insurance Fund	Social Security Fund	Total
Assets						
Cash and cash equivalents	\$ 13,067	4,229	\$ 35,046	\$ 154,797	\$ 56,965	\$ 264,104
Taxes receivable, net of 1% allowance of loss	14,859	9,909	153,457	74,254	64,354	316,833
Total Assets	27,926	14,138	188,503	229,051	121,319	580,937
Liabilities						
Due to other funds	-	-	8,583	-	-	8,583
Total Liabilities	-	-	8,583	-	-	8,583
Deferred Inflows						
Property taxes	14,859	9,909	153,457	74,254	64,354	316,833
Fund Balance						
Fund balance - Restricted	13,067	4,229	26,463	154,797	56,965	255,521
Total Liabilities and Fund Balance	\$ 27,926	\$ 14,138	\$ 188,503	\$ 229,051	\$ 121,319	\$ 580,937

LAKE IN THE HILLS SANITARY DISTRICT

Special Revenue Funds - Schedule of Revenues, Expenditures and Changes in Fund Balance

For the Year Ended April 30, 2024

	Audit	Chlorination Fund	IMRF Fund	Public Liability Insurance Fund	Social Security Fund	Total
Revenues						
Property taxes	\$ 11,966	\$ 6,981	\$ 154,477	\$ 74,746	\$ 64,782	\$ 312,952
Rebates, refunds or grants	-	-	-	2,402	-	2,402
Total Revenues	11,966	6,981	154,477	77,148	64,782	315,354
Expenditures						
Auditing expense and fee	13,250	-	-	-	-	13,250
Chlorination, disinfection, and treatment	-	45,624	-	-	-	45,624
Pension contributions	-	-	154,982	-	-	154,982
Public liability insurance	-	-	-	83,930	-	83,930
Social Security contributions	-	-	-	-	68,805	68,805
Total Expenditures	13,250	45,624	154,982	83,930	68,805	366,591
Operating transfers in/(out)	-	50,000	-	-	-	50,000
Net Change in Fund Balance	(1,284)	11,357	(505)	(6,782)	(4,023)	(1,237)
Fund Balance						
Fund Balance, Beginning	14,351	(7,128)	26,968	161,579	60,988	256,758
Total Fund Balance, Ending	\$ 13,067	\$ 4,229	\$ 26,463	\$ 154,797	\$ 56,965	\$ 255,521

LAKE IN THE HILLS SANITARY DISTRICT*Audit Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance**- Budget and Actual**For the Year Ended April 30, 2024*

	Budget		Actual
	Original	Final	Amounts
Revenues			
Property taxes	\$ 12,000	\$ 12,000	\$ 11,966
Total Revenues	<u>12,000</u>	<u>12,000</u>	<u>11,966</u>
Expenditures			
Auditing expense and fee	<u>15,000</u>	<u>15,000</u>	<u>13,250</u>
Total Expenditures	<u>15,000</u>	<u>15,000</u>	<u>13,250</u>
Net Change in Fund Balance	<u>\$ (3,000)</u>	<u>\$ (3,000)</u>	(1,284)
Fund Balance			
Fund balance, Beginning			<u>14,351</u>
Total Fund Balance, Ending			<u>\$ 13,067</u>

LAKE IN THE HILLS SANITARY DISTRICT

Chlorination Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ended April 30, 2024

	Budget		Actual Amounts
	Original	Final	
Revenues			
Property taxes	\$ 7,000	\$ 7,000	\$ 6,981
Total Revenues	7,000	7,000	6,981
Expenditures			
Chlorination, disinfection and treatment	50,000	50,000	45,624
Total Expenditures	50,000	50,000	45,624
Excess(Deficiency) of Revenues			
Over/(Under) Expenditures	(43,000)	(43,000)	(38,643)
Other Financing Sources (Uses)			
Transfer in	-	-	50,000
Total other financing sources (uses)	-	-	50,000
Net Change in Fund Balance	\$ (43,000)	\$ (43,000)	11,357
Fund Balance			
Fund balance, Beginning			(7,128)
Total Fund Balance, Ending			\$ 4,229

LAKE IN THE HILLS SANITARY DISTRICT

IMRF Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance

- Budget and Actual

For the Year Ended April 30, 2024

	Budget		Actual
	Original	Final	Amounts
Revenues			
Property taxes	\$ 155,000	\$ 155,000	\$ 154,477
Total Revenues	<u>155,000</u>	<u>155,000</u>	<u>154,477</u>
Expenditures			
Pension contributions by employer	<u>155,000</u>	<u>155,000</u>	<u>154,982</u>
Total Expenditures	<u>155,000</u>	<u>155,000</u>	<u>154,982</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(505)
Fund Balance			
Fund balance, Beginning			<u>26,968</u>
Total Fund Balance, Ending			<u>\$ 26,463</u>

LAKE IN THE HILLS SANITARY DISTRICT

Public Liability Insurance Fund - Schedule of Revenues, Expenditures Changes in Fund Balance - Budget and Actual

For the Year Ended April 30, 2024

	Budget		Actual Amounts
	Original	Final	
Revenues			
Property taxes	\$ 75,000	\$ 75,000	\$ 74,746
Rebates, refunds or grants	-	-	2,402
Total Revenues	75,000	75,000	77,148
Expenditures			
Workers compensation	25,000	25,000	18,922
Property	45,000	45,000	39,457
Vehicles	15,000	15,000	8,386
General liability	74,000	74,000	16,597
Administration fee	1,000	1,000	568
Total Expenditures	160,000	160,000	83,930
Net Change in Fund Balance	\$ (85,000)	\$ (85,000)	(6,782)
Fund Balance			
Fund balance, Beginning			161,579
Total Fund Balance, Ending			\$ 154,797

LAKE IN THE HILLS SANITARY DISTRICT

Social Security Fund - Schedule of Revenues, Expenditures Changes in Fund Balance

- Budget and Actual

For the Year Ended April 30, 2024

	Budget		Actual Amounts
	Original	Final	
Revenues			
Property taxes	\$ 65,000	\$ 65,000	\$ 64,782
Total Revenues	<u>65,000</u>	<u>65,000</u>	<u>64,782</u>
Expenditures			
Social security contributions	75,000	75,000	68,805
Total Expenditures	<u>75,000</u>	<u>75,000</u>	<u>68,805</u>
Net Change in Fund Balance	<u>\$ (10,000)</u>	<u>\$ (10,000)</u>	(4,023)
Fund Balance			
Fund balance, Beginning			<u>60,988</u>
Total Fund Balance, Ending			<u>\$ 56,965</u>

LAKE IN THE HILLS SANITARY DISTRICT

Proprietary Fund Types - Schedule of Expenses

- Budget and Actual

For the Year Ended April 30, 2024

	Budget		Actual Amounts
	Original	Final	
Personnel Services			
District personnel salaries	\$ 730,000	\$ 730,000	\$ 693,620
Total Personnel Services	730,000	730,000	693,620
Administrative Expenses			
Telephone	3,000	3,000	2,265
Postage	27,500	27,500	24,284
Printing, publishing	2,000	2,000	1,264
Office supplies	7,500	7,500	3,825
Billing and collection expense	75,000	100,000	92,350
Professional services	5,000	5,000	4,658
Training, travel, and education	7,000	7,000	1,693
Computer hardware, software, and support	25,000	25,000	23,156
Community affairs	2,000	2,000	593
Medical and life insurance	275,000	300,000	271,883
Total Administrative Expenses	429,000	479,000	425,971
Operation and Maintenance of Plant			
Operating supplies	60,000	60,000	46,418
Maintenance and repair (plant)	150,000	150,000	71,437
Maintenance and repair (collection system)	300,000	150,000	52,509
Utilities and energy	400,000	500,000	476,647
Grounds upkeep	30,000	30,000	16,950
Gasoline/oil	20,000	20,000	12,198
Computer and support services	2,000	2,000	-
Emergency communications	15,000	15,000	14,131
Sludge management	275,000	275,000	280,872
Professional services	45,000	45,000	28,848
Residential reimbursement	10,000	10,000	-
Compliance requirements/permits	30,000	30,000	20,500
GIS	10,000	10,000	-
Total Operation and Maintenance of Plant	1,347,000	1,297,000	1,020,510

continued

LAKE IN THE HILLS SANITARY DISTRICT

Proprietary Fund Types - Schedule of Expenses

- Budget and Actual

For the Year Ended April 30, 2024

	Budget		Actual Amounts
	Original	Final	
Capital Improvements			
New construction	\$ 1,500,000	\$ 1,500,000	\$ 59,845
Plant equipment	500,000	500,000	3,147
Collection system	600,000	600,000	3,122
Vehicles	75,000	75,000	-
Legal expense	5,000	5,000	-
Engineering expense	200,000	200,000	76,532
Bond, Finance consulting expense	1,000	1,000	-
Total Capital Improvements	2,881,000	2,881,000	142,646
Bond and Interest Account			
2014 Debt Certificates, Principal	125,000	125,000	-
2014 Debt Certificates, Interest	95,000	95,000	94,988
Administration fee	2,000	2,000	1,250
Contingent & Miscellaneous Expenses	3,000	3,000	88
Total Bond and Interest Account	225,000	225,000	96,326
Total Expenses	\$ 5,612,000	\$ 5,612,000	\$ 2,379,073
			<i>concluded</i>

LAKE IN THE HILLS SANITARY DISTRICT

Property Tax Extension Rates

For the Year Ended April 30, 2024

Tax Levy Year Assessed Valuation	2023	2022	2021
	\$ 1,024,498,242	\$ 935,167,029	\$ 873,648,591

Tax Rates and Percentages - Allocated by Fund

McHenry County	Rate	Percentage	Rate	Percentage	Rate	Percentage
General Fund	0.023267	42.69%	0.039566	54.09%	0.040635	53.62%
Chlorination	0.000977	1.79%	0.000749	1.02%	0.000002	0.00%
Liability Insurance	0.007321	13.43%	0.008020	10.96%	0.008585	11.33%
Social Security	0.006345	11.64%	0.006951	9.50%	0.007441	9.82%
IMRF	0.015130	27.76%	0.016575	22.66%	0.017742	23.41%
Audit	0.001465	2.69%	0.001284	1.76%	0.001374	1.81%
Totals	0.054505	100.00%	0.073145	100.00%	0.075779	100.00%