

VILLAGE OF DE SOTO
De Soto, Illinois
General Purpose Financial Report
Year Ended April 30, 2024

INDEPENDENT AUDITOR'S REPORT

To the Village Board
Village of De Soto
De Soto, Illinois

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of De Soto, Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of De Soto, 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 accordance 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of De Soto, Illinois and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is

higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of De Soto, Illinois' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of De Soto, Illinois' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension schedules, and related notes on pages 5 through 11 and 47 through 55 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 11, 2024 on our consideration of the Village of De Soto, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Village of De Soto, Illinois' internal control over financial reporting and compliance.

Rice Sullivan, LLC

Rice Sullivan, LLC
Du Quoin, Illinois

July 11, 2024

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Village Board
Village of De Soto
De Soto, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of De Soto, Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the Village of De Soto, Illinois' basic financial statements, and have issued our report thereon dated July 11, 2024.

Report on Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024:FR-01 and 2024:FR-02 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of De Soto, Illinois' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Village of De Soto, Illinois's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Village of De Soto, Illinois' response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Village of De Soto, Illinois' response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Rice Sullivan, LLC
Du Quoin, Illinois

July 11, 2024

VILLAGE OF DE SOTO MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the Village of De Soto, Illinois offers this overview and analysis of the financial activities of the Village, for the fiscal year ended April 30, 2024.

Financial Highlights

The Village's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at April 30, 2024 by \$4,544,361. Total net position is comprised of the following: Net investment in capital assets, of \$1,879,790 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets. Net Position of \$705,896 are restricted by constraints imposed by debt covenants, grantors, laws or regulations. Unrestricted net position of \$1,958,675 represents the portion available to maintain the Village's continuing obligations to citizens and creditors. The Village's governmental funds reported total ending fund balance of \$1,365,218 this year. At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,098,341.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Village's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

The following is a summary of significant capital assets and long-term debt activity of the major governmental and proprietary funds of the Village:

General Fund

The General Fund made building improvements in the amount of \$110,079 for flooring and a new roof at city hall. The Village purchased a tractor for \$46,200, and body cameras for \$5,109. The General Fund booked depreciation in the amount of \$56,171.

MFT Fund

No assets or debt payments were made from the MFT Fund. All revenue and expenses were routine.

Water Fund

The Water Fund did not purchase any assets or make any improvements. The Water Fund booked depreciation in the amount of \$119,923. The Village retired principal on long term debt in the amount of \$19,610 on the Illinois EPA water loans.

Sewer Fund

The Sewer Fund did not purchase any assets or make any improvements. The Sewer Fund booked depreciation in the amount of \$214,596. The Village retired principal on long-term debt in the amount of \$35,000 on USDA bonds in the Sewer Fund.

*Please refer to the notes to financial statements for further information on assets and long-term debt.

Government-wide Financial Statements

The Village's audit report includes the *Statement of Net Position* and the *Statement of Activities*, both of which are government wide. The *Statement of Net Position* is the government-wide statement of financial position presenting information that includes all of the Village's assets and liabilities, with the difference reported as *net position*. Over time, increases and decreases in net

position may serve as a useful indicator of whether the financial position of the Village as a whole is improving or deteriorating. Evaluation of the overall economic health of the Village would extend to other non-financial factors such as diversification of the taxpayer base or the condition of the Village infrastructure in addition to the financial information provided in this report. The second government-wide statement is the *Statement of Activities*, which reports how the Village's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Village's distinct activities or functions on revenues provided by the Village's taxpayers.

Both government-wide financial statements distinctively report governmental activities of the Village that are principally supported by taxes and intergovernmental revenues and business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public property, accounts and finance, streets and public improvements. Business-type activities include water and sewer utilities.

Fund Financial Statements

A fund is an accountable unit used to maintain control over resources segregated for specific activities or objectives. The Village uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Village's most significant funds rather than the Village as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation.

The Village has two kinds of funds:

Governmental funds encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Village's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Proprietary funds generally report services for which the Village charges customers a fee. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the Village organization such as water and sewer utilities.

Notes to the Financial Statements

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide essential information necessary for fair presentation of the financial statements.

Supplementary Information

This Management's Discussion and Analysis and the Budgetary Comparison Schedules represent financial information, which provides users of this report with additional data that supplements the government-wide statements, fund financial statements, and notes. This report also includes optional financial information such as budgetary comparison information and a schedule of taxes certified and collected. This information is provided to address certain specific needs of various users of the report.

Financial Analysis of the Village's Funds

General Fund

The General Fund saw an increase in long-term assets due to fixed assets purchased and improvements made. Current liabilities decreased due to a reduction in deferred revenue for ARPA funds. Non-current liabilities decreased due to IMRF pension liability differences. The increase in net position is due to liability decreases mentioned above. The general fund recognized \$168,088 in ARPA funds this fiscal year. All intergovernmental revenue increases were normal. Large expenditures in the general fund were salaries \$196,063 and insurance \$86,881. The Village does not anticipate any material changes in revenue or expenses for the next fiscal year.

MFT Fund

The MFT revenue decreased from last year due to the absence of Rebuild Illinois income in this fiscal year. All other variances were immaterial and normal. The Village does not anticipate any material changes in revenue or expenses for the next fiscal year.

Water Fund

The Water Fund paid off IL EPA debt and had no additional fixed assets added. The largest expenses in this fund were for salaries \$64,623 and water purchased \$106,374. Water sales were comparable to last year. The Village does not anticipate any material changes in revenue or expenses for the next fiscal year.

Sewer Fund

The Sewer Fund paid off USDA bond debt and had no additional fixed assets added. The largest expenses in this fund were for salaries \$65,812 and interest expense \$44,403. Sewer sales were comparable to last year. The Village does not anticipate any material changes in revenue or expenses for the next fiscal year.

General Fund Budgetary Highlights

The budget is prepared on the cash basis of accounting, which is a basis of accounting other than generally accepted accounting principles. The schedule of revenues, expenditures, and changes in fund balance – original budget, final budget, and actual are prepared on the cash basis of accounting with reconciliations to GAAP figures. This provides a more accurate budget to actual comparison.

The Village does not employ encumbrance accounting, under which purchase orders, contracts, and commitments for the expenditures of monies are recorded in order to reserve that portion of applicable appropriation.

The 2024 Budget has budgeted revenues of \$674,050 and expenditures of \$664,050, respectively for a budgeted surplus of \$10,000. This is an increase in budgeted revenues of \$33,750 and expenditures of \$22,850 from 2023.

The Village did not budget for capital outlay, causing a large variance between budget and actual of \$161,388. All other variances were routine.

There are no known changes or circumstances that would affect fiscal year 2025 appropriations ordinance.

Economic Factors and Next Year's Budgets and Rates

No conditions were noted that would be expected to have a significant effect on the financial position or results of operations of the Village.

Requests for Information

This financial report is designated to provide a general overview of the Village of De Soto's finances for all those with an interest in the Village's finances. Questions concerning the information provided in this report or requests for additional financial information should be addressed to the Village of De Soto, PO Box 467, De Soto, IL 62924.

The Management's Discussion and Analysis for Village of De Soto
For the Year Ended April 30, 2024

Financial Analysis of the Governmental Activities

	Governmental Activities		Difference	% Change
	2024	2023		
Assets				
Current Assets	\$ 1,497,201	\$ 1,502,987	\$ (5,786)	-0.38%
Non-Current Assets	1,111,276	1,006,059	105,217	10.46%
Total Assets	<u>2,608,477</u>	<u>2,509,046</u>	<u>99,431</u>	<u>3.96%</u>
Deferred Outflows of Resources	153,652	121,149	32,503	26.83%
Liabilities				
Current Liabilities	45,385	213,167	(167,782)	-78.71%
Non-Current Liabilities	306,278	327,008	(20,730)	-6.34%
Total Liabilities	<u>351,663</u>	<u>540,175</u>	<u>(188,512)</u>	<u>-34.90%</u>
Deferred Inflows of Resources	89,752	86,598	3,154	3.64%
Net Position				
Net Investment in Capital Assets	1,111,276	1,006,059	105,217	10.46%
Restricted Net Position	353,291	220,407	132,884	60.29%
Unrestricted Net Position	856,147	776,956	79,191	10.19%
Total Net Position	<u>\$ 2,320,714</u>	<u>\$ 2,003,422</u>	<u>\$ 317,292</u>	<u>15.84%</u>
Revenues				
Program Revenues:				
Charges for Services	\$ 134,930	\$ 124,288	\$ 10,642	8.56%
Operating Grants	-	-	-	0.00%
Capital Grants	168,088	27,628	140,460	508.40%
General Revenues:				
Taxes	175,359	178,347	(2,988)	-1.68%
Intergovernmental	419,617	423,572	(3,955)	-0.93%
Investment Interest	437	450	(13)	-2.89%
Miscellaneous	25,631	21,119	4,512	21.36%
Total Revenues	<u>924,062</u>	<u>775,404</u>	<u>148,658</u>	<u>19.17%</u>
Expenses				
General Government	335,855	394,755	(58,900)	-14.92%
Public Safety	147,776	125,633	22,143	17.63%
Public Works	56,988	60,701	(3,713)	-6.12%
Culture and Recreation	16,324	10,696	5,628	52.62%
Transportation	49,827	38,025	11,802	31.04%
Total Expenses	<u>606,770</u>	<u>629,810</u>	<u>(23,040)</u>	<u>-3.66%</u>
Excess (Deficiency) of Revenues over (under) Expenses	317,292	145,594	171,698	117.93%
Other Financing Sources (Uses)				
Transfers (Net)	-	(22,128)	22,128	100.00%
Total Other Financing Sources (Uses)	<u>-</u>	<u>(22,128)</u>	<u>22,128</u>	<u>100.00%</u>
Net Change in Net Position	317,292	123,466	193,826	156.99%
Net Position Beginning of Year	2,003,422	1,879,956	123,466	6.57%
Net Position End of Year	<u>\$ 2,320,714</u>	<u>\$ 2,003,422</u>	<u>\$ 317,292</u>	<u>15.84%</u>

For the fiscal year ended April 30, 2024, governmental net position of the Village increased by 15.84%, mainly due to ARPA grant money recognized. Revenues increased by 19.17% because of the grant money, and expenses decreased by 3.66%, with no material differences.

Financial Analysis of the Business-Type Activities

	Business-Type Activities		Differences	% Change
	2024	2023		
Assets				
Current Assets	\$ 1,491,032	\$ 1,378,468	\$ 112,564	8.17%
Non-Current Assets	2,274,669	2,609,188	(334,519)	-12.82%
Total Assets	<u>3,765,701</u>	<u>3,987,656</u>	<u>(221,955)</u>	-5.57%
Deferred Outflows of Resources	-	-	-	0.00%
Liabilities				
Current Liabilities	100,810	90,172	10,638	11.80%
Non-Current Liabilities	1,441,244	1,506,156	(64,912)	-4.31%
Total Liabilities	<u>1,542,054</u>	<u>1,596,328</u>	<u>(54,274)</u>	-3.40%
Deferred Inflows of Resources	-	-	-	0.00%
Net Position				
Net Investment in Capital Assets	768,514	954,048	(185,534)	-19.45%
Restricted Net Position	352,605	370,928	(18,323)	-4.94%
Unrestricted Net Position	1,102,528	1,066,352	36,176	3.39%
Total Net Position	<u>\$ 2,223,647</u>	<u>\$ 2,391,328</u>	<u>\$ (167,681)</u>	-7.01%
Revenues				
Program Revenues:				
Charges for Services	\$ 597,599	\$ 524,655	\$ 72,944	13.90%
Operating Grants	-	-	-	0.00%
Capital Grants	-	-	-	0.00%
General Revenues:				
Taxes	-	-	-	0.00%
Intergovernmental	-	-	-	0.00%
Investment Interest	764	603	161	26.70%
Other	-	-	-	0.00%
Total Revenues	<u>598,363</u>	<u>525,258</u>	<u>73,105</u>	13.92%
Expenses				
Water Fund	346,766	345,170	1,596	0.46%
Sewer Fund	419,278	417,522	1,756	0.42%
Total Expenses	<u>766,044</u>	<u>762,692</u>	<u>3,352</u>	0.44%
Excess (Deficiency) of Revenues over (under) Expenses	(167,681)	(237,434)	69,753	29.38%
Operating Transfers				
Transfers (Net)	-	22,128	(22,128)	-100.00%
Total Operating Transfers	<u>-</u>	<u>22,128</u>	<u>(22,128)</u>	-100.00%
Net Change in Net Position	(167,681)	(215,306)	47,625	22.12%
Net Position Beginning of Year	2,391,328	2,606,634	(215,306)	-8.26%
Net Position End of Year	<u>\$ 2,223,647</u>	<u>\$ 2,391,328</u>	<u>\$ (167,681)</u>	-7.01%

For the fiscal year ended April 30, 2024, business-type net position of the Village decreased by 7.01% due to a surplus of expenses over revenue, mainly from depreciation expense. Revenues increased by 13.92% due to an increase in utility revenue, and expenses increased by .44%.

BASIC FINANCIAL STATEMENTS

VILLAGE OF DE SOTO
Statement of Net Position
April 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash, Unrestricted	\$ 1,071,222	\$ 1,083,575	\$ 2,154,797
Cash, Restricted	231,883	352,605	584,488
Taxes Receivable	86,598	-	86,598
Utilities Receivable	-	43,178	43,178
Other Receivables	14,971	-	14,971
Due From the State of Illinois	62,460	-	62,460
Due From Other Funds	-	11,674	11,674
Prepaid Insurance	30,067	-	30,067
Total Current Assets	<u>1,497,201</u>	<u>1,491,032</u>	<u>2,988,233</u>
Non-Current Assets			
Property, Plant, & Equipment, Depreciable (net)	746,276	2,180,294	2,926,570
Property, Plant, & Equipment, Non-Depreciable	365,000	94,375	459,375
Total Non-Current Assets	<u>1,111,276</u>	<u>2,274,669</u>	<u>3,385,945</u>
Total Assets	<u>2,608,477</u>	<u>3,765,701</u>	<u>6,374,178</u>
Deferred Outflows of Resources			
Pension Contribution	153,652	-	153,652
Total Deferred Outflows of Resources	<u>153,652</u>	<u>-</u>	<u>153,652</u>
Liabilities			
Current Liabilities			
Accounts Payable	14,719	17,102	31,821
Payroll Liabilities	10,308	-	10,308
Customer Deposits	-	18,797	18,797
Due To Other Funds	11,674	-	11,674
Unearned Revenue	8,684	-	8,684
Loans Payable, Current	-	19,911	19,911
Bonds Payable, Current	-	45,000	45,000
Total Current Liabilities	<u>45,385</u>	<u>100,810</u>	<u>146,195</u>
Non-Current Liabilities			
Compensated Absences	13,188	-	13,188
Net Pension Liability	293,090	-	293,090
Loan Payable, Non-Current	-	316,244	316,244
Bonds Payable, Non Current	-	1,125,000	1,125,000
Total Non-Current Liabilities	<u>306,278</u>	<u>1,441,244</u>	<u>1,747,522</u>
Total Liabilities	<u>351,663</u>	<u>1,542,054</u>	<u>1,893,717</u>
Deferred Inflows of Resources			
Pension Contribution	3,154	-	3,154
Property Taxes	86,598	-	86,598
Total Deferred Inflows of Resources	<u>89,752</u>	<u>-</u>	<u>89,752</u>
Net Position			
Net Investment in Capital Assets	1,111,276	768,514	1,879,790
Restricted-Motor Fuel Tax	231,883	-	231,883
Restricted-Bond Ordinance	-	352,605	352,605
Restricted-Pension Benefit	121,408	-	121,408
Unrestricted (Deficit)	856,147	1,102,528	1,958,675
Total Net Position	<u>\$ 2,320,714</u>	<u>\$ 2,223,647</u>	<u>\$ 4,544,361</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

VILLAGE OF DE SOTO
Statement of Activities
For the Year Ended April 30, 2024

	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total Reporting Entity
Functions/Programs						
Primary Government						
Governmental Activities						
General Government	\$ 335,855	\$ 113,663	\$ 168,088	\$ (54,104)	\$ -	\$ (54,104)
Public Safety	147,776	21,267	-	(126,509)	-	(126,509)
Public Works	56,988	-	-	(56,988)	-	(56,988)
Culture and Recreation	16,324	-	-	(16,324)	-	(16,324)
Transportation	49,827	-	-	(49,827)	-	(49,827)
Total Governmental Activities	606,770	134,930	168,088	(303,752)	-	(303,752)
Business-Type Activities						
Water Fund	346,766	316,847	-	-	(29,919)	(29,919)
Sewer Fund	419,278	280,752	-	-	(138,526)	(138,526)
Total Business-Type Activities	766,044	597,599	-	-	(168,445)	(168,445)
Total Primary Government	\$ 1,372,814	\$ 732,529	\$ 168,088	\$ (303,752)	\$ (168,445)	\$ (472,197)
General Revenues:						
Taxes						
Property Tax				\$ 86,002	\$ -	\$ 86,002
Mobile Home Tax				228	-	228
Road and Bridge Tax				7,128	-	7,128
Utility Tax				82,001	-	82,001
Intergovernmental						
Income Tax				234,155	-	234,155
Replacement Tax				5,054	-	5,054
Retailers' Occupation Taxes				53,815	-	53,815
Motor Fuel Tax				61,662	-	61,662
Use Tax				53,133	-	53,133
Cannabis Use Tax				2,216	-	2,216
Other Taxes				9,582	-	9,582
Investment Earnings				437	764	1,201
Miscellaneous				25,631	-	25,631
Total General Revenues				621,044	764	621,808
Transfers						
Net Change in Net Position				317,292	(167,681)	149,611
Net Position - Beginning of Year				2,003,422	2,391,328	4,394,750
Net Position - End of Year				\$ 2,320,714	\$ 2,223,647	\$ 4,544,361

The accompanying notes to the financial statements are an integral part of this statement.

VILLAGE OF DE SOTO
Balance Sheet
GOVERNMENTAL FUNDS
April 30, 2024

	Major Funds		Total Governmental Funds
	General Fund	Motor Fuel Tax Fund	
Assets			
Cash, Unrestricted	\$ 1,071,222	\$ -	\$ 1,071,222
Cash, Restricted	-	231,883	231,883
Taxes Receivable	86,598	-	86,598
Other Receivables	14,971	-	14,971
Prepaid Insurance	30,067	-	30,067
Due From the State of Illinois	57,400	5,060	62,460
Total Assets	1,260,258	236,943	1,497,201
Deferred Outflows of Resources			
None	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 1,260,258	\$ 236,943	\$ 1,497,201
Liabilities, Deferred Inflows of Resources and Fund Balance			
Liabilities			
Accounts Payable	\$ 14,586	\$ 133	\$ 14,719
Payroll Liability	10,308	-	10,308
Unearned Revenue	8,684	-	8,684
Due To Other Funds	11,674	-	11,674
Total Liabilities	45,252	133	45,385
Deferred Inflows of Resources			
Property Taxes	86,598	-	86,598
Total Deferred Inflows of Resources	86,598	-	86,598
Total Liabilities and Deferred Inflows of Resources	131,850	133	131,983
Fund Balance			
Nonspendable	30,067	-	30,067
Restricted	-	236,810	236,810
Committed	-	-	-
Assigned	-	-	-
Unassigned	1,098,341	-	1,098,341
Total Fund Balance	1,128,408	236,810	1,365,218
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 1,260,258	\$ 236,943	\$ 1,497,201

The accompanying notes to the basic financial statements are an integral part of this statement.

VILLAGE OF DE SOTO
Reconciliation of Fund Balances of Governmental Funds
to the Governmental Activities in the Statement of Net Position
April 30, 2024

Fund balances of governmental funds	\$ 1,365,218
Amounts reported for governmental activities in the statement of net position differ because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,111,276
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	(142,592)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(13,188)</u>
Net position of governmental activities	<u>\$ 2,320,714</u>

The accompanying notes to the financial statements are an integral part of this statement.

VILLAGE OF DE SOTO
Statement of Revenues, Expenditures, and Changes in Fund Balances
GOVERNMENTAL FUNDS
For the Year Ended April 30, 2024

	Major Funds		Total Governmental Funds
	General Fund	Motor Fuel Tax Fund	
Revenues			
Taxes	\$ 175,359	\$ -	\$ 175,359
Intergovernmental	526,043	61,662	587,705
Charges for Services	113,663	-	113,663
Fines and Fees	21,267	-	21,267
Miscellaneous	25,631	-	25,631
Interest on Investments	356	81	437
Total Revenues	862,319	61,743	924,062
Expenditures			
<i>Current</i>			
General Government	329,763	-	329,763
Public Safety	147,776	-	147,776
Culture and Recreation	16,324	-	16,324
Public Works	56,988	-	56,988
Transportation	-	49,827	49,827
<i>Capital Outlay</i>	161,388	-	161,388
Total Expenditures	712,239	49,827	762,066
Excess (Deficiency) of Revenues over (under) Expenditures	150,080	11,916	161,996
Other Financing Sources (Uses)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	150,080	11,916	161,996
Fund Balance at Beginning of Year	978,328	224,894	1,203,222
Fund Balance at End of Year	\$ 1,128,408	\$ 236,810	\$ 1,365,218

The accompanying notes to the financial statements are an integral part of this statement.

VILLAGE OF DE SOTO
Reconciliation of the Governmental Funds, Statement of Revenues,
Expenditures, and Changes in Fund Balances to the Governmental
Activities in the Statement of Activities
For the Year Ended April 30, 2024

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

Net change in fund balances - total governmental funds	\$	161,996
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		105,217
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		-
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which repayments exceeded proceeds.		-
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		<u>50,079</u>
Change in net position of governmental activities	\$	<u><u>317,292</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

VILLAGE OF DE SOTO
Statement of Net Position
PROPRIETARY FUNDS
April 30, 2024

	Business-Type Activities - Enterprise Funds		
	<u>Major Funds</u>		Total Enterprise Funds
	<u>Water Fund</u>	<u>Sewer Fund</u>	
Assets			
Current Assets			
Cash, Unrestricted	\$ 615,399	\$ 468,176	\$ 1,083,575
Cash, Restricted	-	352,605	352,605
Utility Receivable	24,152	19,026	43,178
Due From General	6,237	5,437	11,674
Total Current Assets	<u>645,788</u>	<u>845,244</u>	<u>1,491,032</u>
Non-Current Assets			
Property, Plant, & Equipment, Depreciable (net)	1,129,982	1,050,312	2,180,294
Property, Plant, & Equipment, Non-Depreciable	-	94,375	94,375
Total Non-Current Assets	<u>1,129,982</u>	<u>1,144,687</u>	<u>2,274,669</u>
Total Assets	<u>1,775,770</u>	<u>1,989,931</u>	<u>3,765,701</u>
Deferred Outflows of Resources			
None	-	-	-
Liabilities			
Current Liabilities			
Accounts Payable	10,691	6,411	17,102
Customer Deposits	18,797	-	18,797
Loans Payable, Current	19,911	-	19,911
Bonds Payable, Current	-	45,000	45,000
Total Current Liabilities	<u>49,399</u>	<u>51,411</u>	<u>100,810</u>
Non-Current Liabilities			
Loans Payable, Non-Current	316,244	-	316,244
Bonds Payable, Non-Current	-	1,125,000	1,125,000
Total Non-Current Liabilities	<u>316,244</u>	<u>1,125,000</u>	<u>1,441,244</u>
Total Liabilities	<u>365,643</u>	<u>1,176,411</u>	<u>1,542,054</u>
Deferred Inflows of Resources			
None	-	-	-
Net Position			
Net Investment in Capital Assets	793,827	(25,313)	768,514
Restricted-Bond Ordinance	-	352,605	352,605
Unrestricted	616,300	486,228	1,102,528
Total Net Position	<u>\$ 1,410,127</u>	<u>\$ 813,520</u>	<u>\$ 2,223,647</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

VILLAGE OF DE SOTO
Statement of Revenues, Expenses and Changes in Fund Net Position
PROPRIETARY FUNDS
For the Year Ended April 30, 2024

	Business-Type Activities - Enterprise Funds		
	<u>Major Funds</u>		Total Enterprise Funds
	<u>Water Fund</u>	<u>Sewer Fund</u>	
Operating Revenues			
Charges for Services:			
Water Charges	\$ 316,847	\$ -	\$ 316,847
Sewer Charges	-	280,752	280,752
Total Operating Revenues	<u>316,847</u>	<u>280,752</u>	<u>597,599</u>
Operating Expenses			
Water Purchases	106,374	-	106,374
Salaries and Payroll Tax	64,623	65,812	130,435
IMRF	7,647	7,804	15,451
Insurance	12,696	16,642	29,338
Gas and Oil	2,622	2,622	5,244
Supplies	5,565	13,682	19,247
Utilities	3,161	29,878	33,039
Maintenance	677	1,788	2,465
Permits	5,400	2,500	7,900
Professional Fees	5,853	13,472	19,325
Service Charges	-	49	49
Postage	4,544	3,887	8,431
Printing	1,459	1,068	2,527
Dues	411	-	411
Depreciation	119,923	214,596	334,519
Miscellaneous	463	1,075	1,538
Total Operating Expenses	<u>341,418</u>	<u>374,875</u>	<u>716,293</u>
Operating Income (Loss)	<u>(24,571)</u>	<u>(94,123)</u>	<u>(118,694)</u>
Non-Operating Revenue/(Expenses)			
Investment Income	313	451	764
Interest Expense	(5,348)	(44,403)	(49,751)
Total Non-Operating Revenues/(Expenses)	<u>(5,035)</u>	<u>(43,952)</u>	<u>(48,987)</u>
Operating Transfers			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Operating Transfers	<u>-</u>	<u>-</u>	<u>-</u>
Net Income (Loss)	(29,606)	(138,075)	(167,681)
Net Position at Beginning of Year	<u>1,439,733</u>	<u>951,595</u>	<u>2,391,328</u>
Net Position at End of Year	<u>\$ 1,410,127</u>	<u>\$ 813,520</u>	<u>\$ 2,223,647</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

VILLAGE OF DE SOTO
Statement of Cash Flows
PROPRIETARY FUNDS
For the Year Ended April 30, 2024

	Business-Type Activities - Enterprise Funds		
	<u>Major Funds</u>		Total Enterprise Funds
	<u>Water Fund</u>	<u>Sewer Fund</u>	
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 316,847	\$ 280,752	\$ 597,599
Payments to Suppliers	(106,374)	-	(106,374)
Payments to Employees and Payroll Related	(64,623)	(65,812)	(130,435)
Payments for Operating Expenses	(56,353)	(94,556)	(150,909)
Net Cash Flows from Operating Activities	<u>89,497</u>	<u>120,384</u>	<u>209,881</u>
Cash Flows from Noncapital Financing Activities:			
Transfers, Net	-	-	-
Net Cash Flows from Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities:			
Assets Purchased	-	-	-
Principal Paid on Capital Debt	(19,610)	(35,000)	(54,610)
Interest Paid on Capital Debt	(5,348)	(44,403)	(49,751)
Net Cash Flows from Capital & Related Financing Activities	<u>(24,958)</u>	<u>(79,403)</u>	<u>(104,361)</u>
Cash Flows from Investing Activities:			
Interest on Investments	313	451	764
Net Cash Flows from Investing Activities	<u>313</u>	<u>451</u>	<u>764</u>
Net Increase (Decrease) in Cash and Cash Equivalents	64,852	41,432	106,284
Cash, Beginning of the Year	<u>550,547</u>	<u>779,349</u>	<u>1,329,896</u>
Cash, Ending of the Year	<u>\$ 615,399</u>	<u>\$ 820,781</u>	<u>\$ 1,436,180</u>
Reconciliation of Operating Income (Loss) to Net Cash			
Cash at End of Year			
Provided (used) by Operating Activities:			
Operating Income (Loss)	\$ (24,571)	\$ (94,123)	\$ (118,694)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	119,923	214,596	334,519
Change in Assets and Liabilities			
Receivables, Net	(3,184)	(3,096)	(6,280)
Customer Deposits, Net	(4,362)	-	(4,362)
Accounts Payable	1,691	3,007	4,698
Net Cash Provided by Operating Activities	<u>\$ 89,497</u>	<u>\$ 120,384</u>	<u>\$ 209,881</u>

The accompanying notes to the basic financial statements are an integral part of this statement.