PHILLIPS, SALMI + ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANTS

VILLAGE OF PEORIA HEIGHTS, ILLINOIS

ANNUAL FINANCIAL REPORT

YEAR ENDED APRIL 30, 2024

TABLE OF CONTENTS

	Page Number
INDEPENDENT AUDITORS' REPORT	1
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements:	
Statement of Net Position	4
Statement of Activities	6
Fund Financial Statements:	
Balance Sheet - Governmental Funds	8
Reconciliation of Governmental Funds to the Statement of Net Position	10
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	11
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	13
Statement of Net Position - Enterprise Fund	14
Statement of Revenues, Expenses, and Changes in Net Position - Enterprise Fund	16
Statement of Cash Flows - Enterprise Fund	17
Statement of Fiduciary Net Position Police Pension Fund	19
Statement of Changes in Fiduciary Net Position Police Pension Fund	20
Notes to Basic Financial Statements	21
REQUIRED SUPPLEMENTARY INFORMATION	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual General Fund and Police Pension Fund	47
Schedule of Changes in Net Pension Liability and Related Ratios – Illinois Municipal Retirement Fund	49
Schedule of Employer Contributions – Illinois Municipal Retirement Fund	51
Notes to Schedule of Employer Contributions – Illinois Municipal Retirement Fund	52

OTHER SUPPLEMENTARY INFORMATION

Combining Balance Sheet - Nonmajor Governmental Funds 53

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds 54

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:
- General Fund 55
- Police Pension Levy Fund 57
- Business Development District Fund 58
- Capital Improvement Fund 59
- Motor Fuel Tax Fund 60

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Tax Increment Financing Fund 61

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Community Development Fund 62

Schedule of Property Tax Levies, Rates, and Assessed Values (Unaudited) 64

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* 66

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
Board of Trustees
Village of Peoria Heights, Illinois

Qualified and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Peoria Heights, Illinois, (Village) 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, except for the omission of the information described in the Basis for Qualified and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Village of Peoria Heights, 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 Qualified and Unmodified 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 Peoria Heights, 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.

Matter Giving Rise to the Qualified Opinion

The Village of Peoria Heights, Illinois' financial statements do not include the disclosures required by GASB Statement 67 Pension Disclosures for the Police Pension Fund. In our opinion, disclosure of this information is required by accounting principles generally accepted in the United States of America. The amount by which this disclosure would affect the financial statements has not been determined.

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; 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.

www.psa-cpa.com 108 N. Main Street • Washington, IL 309.444.4909

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 Peoria Heights, 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 Peoria Heights, 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 Peoria Heights, 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 budgetary comparison information and historical pension information 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.

The Village has omitted the management's discussion and analysis, the schedule of funding progress and the schedule of employer contributions, 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Peoria Heights, Illinois' basic financial statements. The combining and individual fund financial statements and schedule of property tax rates, extensions and collections and assessed valuations are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedule of property tax rates, extensions and collections and assessed valuations are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2025, on our consideration of the Village of Peoria Heights, 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 solely to describe the scope of our testing on internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Peoria Heights, Illinois' 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 Peoria Heights, Illinois internal control over financial reporting and compliance.

Phillips, Salmi & Associates, LLC

Washington, Illinois
January 15, 2025

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
STATEMENT OF NET POSITION
APRIL 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Peoria Heights Public Library
CURRENT ASSETS				
Cash and cash equivalents	$ 8,092,672	$ 2,024,537	$ 10,117,209	$ 942,860
Property taxes receivable	1,770,726	-	1,770,726	324,412
Due from State of Illinois	1,042,466	-	1,042,466	557,228
Accounts receivable - disposal fees	16,995	-	16,995	-
Accounts receivable - other	2,384	369,474	371,858	-
Inventory	17,735	-	17,735	-
Prepaid items	22,271	16,595	38,866	10,962
Total Current Assets	10,965,249	2,410,606	13,375,855	1,835,462
NONCURRENT ASSETS				
Restricted cash and cash equivalents	-	84,749	84,749	-
Capital Assets:				
Assets not being depreciated	1,986,090	38,942	2,025,032	20,000
Assets being depreciated	10,589,821	10,935,123	21,524,944	2,550,058
Less accumulated depreciation	(6,627,774)	(8,186,133)	(14,813,907)	(1,533,314)
Total Capital Assets	5,948,137	2,787,932	8,736,069	1,036,744
Total Noncurrent Assets	5,948,137	2,872,681	8,820,818	1,036,744
DEFERRED OUTFLOWS OF RESOURCES				
Pension items - IMRF	692,467	413,196	1,105,663	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 17,605,853	$ 5,696,483	$ 23,302,336	$ 2,872,206

See accompanying notes.

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Peoria Heights Public Library
LIABILITIES				
Current Liabilities:				
Accounts payable	$ 83,695	$ 43,659	$ 127,354	$ -
Accrued payroll and vacation	236,486	26,149	262,635	-
Accrued interest payable	2,171	2,847	5,018	-
Internal balances	160,000	(160,000)	-	-
Current portion of long-term debt	140,851	180,864	321,715	-
Total Current Liabilities	623,203	93,519	716,722	-
Non-Current Liabilities:				
Customer deposits	-	84,749	84,749	-
Long-term debt, noncurrent	1,585,372	1,124,989	2,710,361	-
Net pension liability - IMRF	124,265	74,149	198,414	-
Total Noncurrent Liabilities	1,709,637	1,283,887	2,993,524	-
Total Liabilities	2,332,840	1,377,406	3,710,246	-
DEFERRED INFLOWS OF RESOURCES				
Subsequent year's property taxes	1,770,726	-	1,770,726	532,467
Pension items - IMRF	336,294	200,666	536,960	-
Total Deferred Inflows of Resources	2,107,020	200,666	2,307,686	532,467
NET POSITION				
Net investment in capital assets	5,948,137	1,482,079	7,430,216	1,036,744
Restricted for:				
Street maintenance	220,929	-	220,929	-
Debt service	664,343	-	664,343	-
Business development	1,408,651	-	1,408,651	-
TIF redevelopment	774,983	-	774,983	-
Police Pension Levy	144,546	-	144,546	-
Retirement	-	-	-	43,260
Working cash	-	-	-	99,823
Unrestricted	4,004,404	2,636,332	6,640,736	1,159,912
Total Net Position	13,165,993	4,118,411	17,284,404	2,339,739
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	$ 17,605,853	$ 5,696,483	$ 23,302,336	$ 2,872,206

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
GOVERNMENT ACTIVITIES				
Administration	$ 1,263,682	$ 293,575	$ -	$ -
Police	2,687,540	298,920	11,072	-
Fire protection	498,473	-	-	-
Garbage collection	489,828	276,686	-	-
Streets and alleys	683,602	19,675	-	-
Community Development	481,498	-	-	-
Interest	56,339	-	-	-
Total Governmental Activities	6,160,962	888,856	11,072	-
BUSINESS-TYPE ACTIVITES				
Water and sewer utilities	1,684,192	1,717,692	-	-
TOTAL PRIMARY GOVERNMENT	$ 7,845,154	$ 2,606,548	$ 11,072	$ -
COMPONENT UNIT:				
Peoria Heights Public Library	$ 631,434	$ 2,842	$ 8,714	$ -
General Revenues:				
Property taxes				
Sales and use taxes				
Income taxes				
Replacement taxes				
Video gaming taxes				
Motor fuel tax allotments				
Other taxes				
Interest				
Donations				
Other income				
Gain on sale of asset				
Total general revenues and transfers				
Change in net position				
Net position - beginning				
Net position - ending				

See accompanying notes.

Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Peoria Heights Public Library
$ (970,107)	$ -	$ (970,107)	$ -
(2,377,548)	-	(2,377,548)	-
(498,473)	-	(498,473)	-
(213,142)	-	(213,142)	-
(663,927)	-	(663,927)	-
(481,498)	-	(481,498)	-
(56,339)	-	(56,339)	-
(5,261,034)	-	(5,261,034)	-
-	33,500	33,500	-
(5,261,034)	33,500	(5,227,534)	-
			(619,878)
1,474,120	-	1,474,120	531,011
3,408,424	-	3,408,424	-
983,212	-	983,212	-
252,094	-	252,094	101,078
257,849	-	257,849	-
259,478	-	259,478	-
147,838	-	147,838	-
254,795	107,369	362,164	55,813
133,474	-	133,474	20,295
92,149	-	92,149	3,058
2,000	-	2,000	-
7,265,433	107,369	7,372,802	711,255
2,004,399	140,869	2,145,268	91,377
11,161,594	3,977,542	15,139,136	2,248,362
$ 13,165,993	$ 4,118,411	$ 17,284,404	$ 2,339,739

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
APRIL 30, 2024

	General Fund	Police Pension Levy Fund	Tax Incremental Financing Fund	Business Development District Fund
ASSETS				
Cash and cash equivalents	$ 2,922,922	$ -	$ 1,393,534	$ 1,331,697
Receivables:				
Property taxes	67,151	441,002	1,262,573	-
State of Illinois	934,679	-	-	86,539
Disposal fees	16,995	-	-	-
Other	-	-	-	-
Due from other funds	624,808	144,546	6,257	-
Inventory	17,735	-	-	-
Prepaid insurance and other expenses	22,271	-	-	-
TOTAL ASSETS	$ 4,606,561	$ 585,548	$ 2,662,364	$ 1,418,236
LIABILITIES				
Accounts payable	$ 66,087	$ -	$ -	$ 9,585
Accrued payroll and vacation	236,486	-	-	-
Due to other funds	304,546	-	624,808	-
Total Liabilities	607,119	-	624,808	9,585
DEFERRED INFLOWS OF RESOURCES				
Next year's property taxes	67,151	441,002	1,262,573	-
FUND BALANCE				
Nonspendable	40,006	-	-	-
Restricted	-	144,546	774,983	1,408,651
Assigned	-	-	-	-
Unassigned	3,892,285	-	-	-
Total Fund Balances	3,932,291	144,546	774,983	1,408,651
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	$ 4,606,561	$ 585,548	$ 2,662,364	$ 1,418,236

See accompanying notes.

Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ 1,375,000	$ 1,069,519	$ 8,092,672
-	-	1,770,726
-	21,248	1,042,466
-	-	16,995
-	2,384	2,384
-	-	775,611
-	-	17,735
-	-	22,271
$ 1,375,000	$ 1,093,151	$ 11,740,860
$ -	$ 8,023	$ 83,695
-	-	236,486
-	6,257	935,611
-	14,280	1,255,792
-	-	1,770,726
-	-	40,006
-	885,272	3,213,452
1,375,000	193,599	1,568,599
-	-	3,892,285
1,375,000	1,078,871	8,714,342
$ 1,375,000	$ 1,093,151	$ 11,740,860

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
RECONCILIATION OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
APRIL 30, 2024

Total Fund Balance - Governmental Funds		$ 8,714,342
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		5,948,137
Long-term liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds. These activities consist of:		
Notes payable	(271,836)	
Bonds payable	(1,454,387)	
Accrued interest payable	(2,171)	(1,728,394)
Amounts related to pension reporting are not reported as liabilities in the governmental funds:		
Deferred outflows of resources	692,467	
Net pension liability	(124,265)	
Deferred inflows of resources	(336,294)	231,908
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 13,165,993

See accompanying notes.

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED APRIL 30, 2024

	General Fund	Police Pension Levy Fund	Tax Incremental Financing Fund	Business Development District Fund
REVENUES				
Property taxes	$ 46,174	$ 471,471	$ 956,475	$ -
Intergovernmental:				
State sales tax	986,409	-	-	-
Home rule sales tax	1,027,964	-	-	-
Local use tax	223,106	-	-	-
State income tax	983,212	-	-	-
Business development sales	-	-	-	460,506
Motor fuel tax allotments	-	-	-	-
Personal property replacement tax	353,172	-	-	-
Telecommunication tax	61,743	-	-	-
Video gaming tax	257,849	-	-	-
Other taxes	86,095	-	-	-
State and federal grants	11,072	-	-	-
Licenses and permits	178,745	-	-	-
Intergovernmental agreement	108,045	-	-	-
Food and beverage tax	425,839	-	-	-
Franchise fees	105,307	-	-	-
Waste Disposal fee	276,686	-	-	-
Fines	190,875	-	-	-
Charges for services	9,523	-	-	-
Land lease	55,794	-	-	-
Donations	133,474	-	-	-
Interest	209,185	-	11,713	11,465
Miscellaneous	36,355	-	-	-
Total Revenues	5,766,624	471,471	968,188	471,971
EXPENDITURES				
Current				
Administration	863,266	-	271,479	-
Police department	2,390,497	326,925	-	-
Fire protection	479,832	-	-	-
Streets and alleys	516,458	-	-	-
Community development	-	-	-	148,245
Capital outlay	572,248	-	-	-
Debt service:				
Principal	57,894	-	-	12,513
Interest	13,244	-	-	117
Total Expenditures	5,383,267	326,925	271,479	160,875
Operating Income (Loss)	383,357	144,546	696,709	311,096
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	2,000	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(289,580)	-
Total Other Financing Sources (Uses)	2,000	-	(289,580)	-
Net Change in Fund Balance	385,357	144,546	407,129	311,096
FUND BALANCE - BEGINNING	3,546,934	-	367,854	1,097,555
FUND BALANCE - ENDING	$ 3,932,291	$ 144,546	$ 774,983	$ 1,408,651

See accompanying notes.

Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ -	$ 1,474,120
-	58,169	1,044,578
-	80,077	1,108,041
-	-	223,106
-	-	983,212
-	53,385	513,891
-	259,478	259,478
-	-	353,172
-	-	61,743
-	-	257,849
-	-	86,095
-	-	11,072
-	19,675	198,420
-	-	108,045
-	92,969	518,808
-	-	105,307
-	-	276,686
-	-	190,875
-	-	9,523
-	-	55,794
-	-	133,474
-	22,432	254,795
-	-	36,355
-	586,185	8,264,439
-	-	1,134,745
-	-	2,717,422
-	-	479,832
-	106,400	622,858
-	333,253	481,498
-	475,080	1,047,328
-	75,000	145,407
-	42,823	56,184
-	1,032,556	7,175,102
-	(446,371)	1,089,337
	-	2,000
-	289,580	289,580
-	-	(289,580)
-	289,580	2,000
-	(156,791)	1,091,337
1,375,000	1,235,662	7,623,005
$ 1,375,000	$ 1,078,871	$ 8,714,342

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2024

Net Change in Fund Balances - Total Governmental Funds		$ 1,091,337
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives as depreciation expense. Below are the depreciation expense and capital outlays for the year:		
Capital outlay	$ 1,047,328	
Depreciation expense	(404,310)	643,018
Repayment of long term debt is recorded as expenditures in the governmental funds, but the repayments reduce long-term debt in the statement of activities		145,407
Interest on long-term debt is reported when paid in the governmental funds. However, in the Statement of Activities, interest expense is recorded when incurred.		(155)
Governmental funds report pension contributions as expenditures when made. However, in the Statement of Activities, pension expense is the cost of benefits earned, adjusted for member contributions, the recognition of changes in deferred inflows and outflows of resources related to pensions as follows:		
Net pension liability	138,409	
Deferred outflows of resources due to pensions	(87,397)	
Deferred inflows of resources due to pensions	73,780	124,792
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITES		$ 2,004,399

See accompanying notes.

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUND - ENTERPRISE FUND
WATERWORKS FUND
APRIL 30, 2024

	Business Type Activities
CURRENT ASSETS	
Cash and cash equivalents	$ 2,024,537
Accounts receivable, less allowance for doubtful accounts of $60,000	369,474
Due from other funds	160,000
Prepaid expenses	16,595
Total Current Assets	2,570,606
NONCURRENT ASSETS	
Restricted cash and cash equivalents	84,749
Capital Assets, not being depreciated	38,942
Capital Assets, net of accumulated depreciation	2,748,990
Total capital assets	2,787,932
Total Noncurrent Assets	2,872,681
TOTAL ASSETS	5,443,287
DEFERRED OUTFLOWS OF RESOURCED	
Deferred outflows related to pensions	413,196
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 5,856,483

See accompanying notes.

	Business Type Activities
CURRENT LIABILITIES	
Accounts payable	$ 43,659
Accrued payroll and vacation	26,149
Accrued interest payable	2,847
Current portion of long-term debt	180,864
Total Current Liabilities	253,519
LONG-TERM LIABILITIES	
Liabilities payable from restricted assets	
Customer deposits	84,749
Net pension liability	74,149
Notes payable	680,721
IEPA loan payable	444,268
Total Long-term Liabilities	1,283,887
Total Liabilities	1,537,406
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	200,666
NET POSITION:	
Net investment in capital assets	1,482,079
Unrestricted	2,636,332
Total Net Position	4,118,411
TOTAL LIABILITIES AND NET POSITION	$ 5,856,483

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND - ENTERPRISE FUND
WATERWORKS FUND
YEAR ENDED APRIL 30, 2024

	Business Type Activities
OPERATING REVENUES	
Water sales	$ 1,676,066
Service connection fees	4,239
Operating grants	20,000
Miscellaneous	17,387
Total Operating Revenues	1,717,692
OPERATING EXPENSES	
Wages and benefits	462,375
Operations	351,203
Plant maintenance	276,634
Office expenses	172,630
Administration	79,324
Depreciation	305,438
Total Operating Expenses	1,647,604
Operating Income	70,088
NONOPERATING REVENUE & EXPENSES	
Interest income	107,369
Interest expense	(36,588)
Total Nonoperating Revenue	70,781
CHANGE IN NET POSITION	140,869
NET POSITION - BEGINNING	3,977,542
NET POSTION - ENDING	$ 4,118,411

See accompanying notes.

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
STATEMENT OF CASH FLOWS -
PROPRIETARY FUND - ENTERPRISE FUND
WATERWORKS FUND
YEAR ENDED APRIL 30, 2024

	Business Type Activities
CASH FLOWS FROM OPERATING ACTIVITES	
Receipts from customers	$ 1,680,305
Operating grants received	20,000
Miscellaneous revenue received	17,387
Payments to suppliers	(1,038,067)
Payments to employees	(529,998)
Net Cash Provided By Operating Activities	149,627
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITES	
Purchases of capital assets	(96,991)
Principal paid on capital debt	(174,748)
Interest paid on capital debt	(36,588)
Net Cash Used in Capital & Related Financing Activities	(308,327)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	107,369
NET DECREASE IN CASH AND CASH EQUIVALENTS	(51,331)
BALANCES - BEGINNING OF YEAR	2,160,617
BALANCES - END OF YEAR	$ 2,109,286

See accompanying notes.

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
STATEMENT OF CASH FLOWS -
PROPRIETARY FUND - ENTERPRISE FUND
WATERWORKS FUND
YEAR ENDED APRIL 30, 2024

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	**Business Type Activities**
Operating income	$ 70,088
Adjustments to reconcile operating income to net cash provided operating activities:	
Depreciation expense	305,438
Change in assets and liabilities:	
Receivables	(15,233)
Prepaids	(4,009)
Accounts payable and accrued liabilities	(139,034)
Deferred outflows related to pensions	101,965
Deferred inflows related to pensions	(70,220)
Net pension liability	(99,368)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 149,627

RECONCILIATION OF YEAR END CASH BALANCE ON STATEMENT OF CASH FLOWS TO STATEMENT OF NET POSITION	
Cash and cash equivalents	$ 2,024,537
Restricted cash and cash equivalents	84,749
Cash Balances on Statement of Cash Flows	$ 2,109,286

See accompanying notes.

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
PEORIA HEIGHTS POLICE PENSION FUND
APRIL 30, 2024

ASSETS	
Cash and cash equivalents	$ 232,201
Investments, at fair value	
IPOPIF	5,798,184
	5,798,184
Total Assets	$ 6,030,385
LIABILITIES	
Accounts payable and accrued liabilities	1,590
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	6,028,795
TOTAL LIABILITIES AND NET POSITION	$ 6,030,385

See accompanying notes.

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PEORIA HEIGHTS POLICE PENSION FUND
YEAR ENDED APRIL 30, 2024

ADDITIONS:	
Contributions:	
Employer	$ 456,841
Plan members	129,917
Total contributions	586,758
Investment income:	
Interest and dividends earned	38,047
Net change in fair value	466,056
	504,103
Less investment expenses	(2,079)
Total investment income	502,024
Total Additions	1,088,782
DEDUCTIONS:	
Pension benefits paid	
Retirement	181,881
Surviving spouse	17,773
Total benefits paid	199,654
Refund of contributions	3,441
Administrative expenses:	
Accounting and legal	31,269
Clerical fees	5,400
Other	13,302
Total administrative expenses	49,971
Total Deductions	253,066
Net increase	835,716
NET POSITION RESTRICTED FOR PENSION BENEFITS:	
BEGINNING OF YEAR	5,193,079
END OF YEAR	$ 6,028,795

See accompanying notes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Peoria Heights, Illinois (Village) is a governmental entity located in Peoria County, Illinois. Revenues are substantially generated as a result of taxes assessed and allocated to the Village (examples would be property taxes, sales taxes, income taxes, and motor fuel taxes), charges for services performed for constituents of the Village and governmental grants. The Village of Peoria Heights, Illinois revenues are therefore primarily dependent on the economy within its territorial boundaries and nearby surrounding area. Taxable industry within the area is primarily manufacturing and retail.

The Village was incorporated in 1898 under the provisions of the State of Illinois. The Village operates under a Board of Trustee form of government and provides the following services as authorized by its charter: public safety (police), streets, public improvements, planning and zoning, general administrative services and water utility service.

The following is a summary of the more significant policies.

Reporting Entity

Generally accepted accounting principles require that the reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's basic financial statements to be misleading or incomplete. The Village has the statutory authority to adopt its own budget, to levy taxes, and to issue bonded debt without the approval of another government. It has the right to sue and be sued, and has the right to buy, sell, lease, or mortgage property in its own name. The Village of Peoria Heights would be considered financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will (significantly influence the programs, projects, activities, or level of services performed or provided by the organization) on the organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Village of Peoria Heights (i.e., entitled to or can access the organization's resources, is legally obligated or has otherwise assumed the obligation to finance deficits of, or provide financial support to the organization, or is obligated in some manner for the debt of the organization). If an organization is fiscally dependent on the Village of Peoria Heights, the Village is considered financially accountable regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

A blended component unit, although legally separate entities, is, in substance, part of the Village's operations and therefore data from this unit is combined with the data of the primary government. A discretely presented component unit is reported in a separate column/row in the government-wide statements to emphasize that it is legally separate from the Village.

Based on the criteria set forth by the Governmental Accounting Standards Board, management has determined that the Peoria Heights Police Pension Fund and the Peoria Heights Public Library (Library) are component units of the Village.

The Peoria Heights Police Pension Fund was established to provide retirement, death and disability payments to the police employees of the Village or their beneficiaries. The Fund is a single-employer defined benefit pension plan. Contribution levels are mandated by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The year end for the fund is April 30 and the fund has been reported as a blended component unit as a fiduciary fund in the Village's financial statements.

The Peoria Heights Public Library was organized to serve the informational, cultural, educational, and recreational needs of all the residents within the Library's boundaries. The year end for the Library is April 30. The Peoria Heights Public Library is fiscally dependent on the Village and, therefore, the Village is considered to be financially accountable for the Library. The Library is reported as a discretely presented component unit of the Village.

The Peoria Heights Public Library audited financial statements can be obtained from the Library at 816 E. Glen Avenue, Peoria Heights, Illinois 61616.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities, including the discretely presented component unit) report information on all of the nonfiduciary activities of the Village and its component units. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. For the most part, the effect of interfund activity has been removed from these statements. 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 segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental, proprietary 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.

Measurement Focus and Basis of Accounting

Basis of accounting defines when revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of their recognition.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the enterprise fund financial statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, state shared revenues, and various state, federal, and local grants. Property taxes are recognized as revenues in the year for which they are levied for budgetary purposes. Grants, entitlements, state shared revenues, and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collected within 90 days of the end of the current fiscal period, except for property taxes which must be collected within 60 days to be considered available. For this purpose, state income and replacement taxes and sales taxes are considered to be measurable when collected by an intermediary and are recognized as revenue at that time. Revenues collected after the 60 day period are recorded as deferred inflows of resources as they are not considered available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded when they have matured or are considered due.

Property taxes, sales and income taxes, franchise taxes, 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. All other revenue items are considered to be measurable and available only when cash is received by the government.

The enterprise fund distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the enterprise fund's principal on-going operations.

Financial Statement Presentation

The accounts of the Village are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, and revenues and expenditures/expenses.

Governmental Funds are those through which governmental functions of the Village are financed. The acquisition, use and balances of the Village's expendable resources and the related liabilities are accounted for through governmental funds. The Village reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Village. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. This fund pays the general operating expenditures, the fixed charges, and the capital improvement costs that are not paid through other funds.

Tax Increment Financing Fund - This special revenue fund accounts for tax increment financing revenues and expenditures for improvements and administrative costs within the four TIF Districts within the Village of Peoria Heights, Illinois.

Police Pension Levy Fund - This special revenue fund is used to account for property taxes levied for the employer contribution to the Peoria Heights Police Pension Fund.

Business Development District Fund - This special revenue fund accounts for business district sales tax revenues collected and expenditures for improvements and administrative costs within the business development districts within the Village of Peoria Heights, Illinois.

Capital Improvement Fund - This capital project fund is used to account for renovation or construction projects being carried out by the Village.

Additional governmental fund types which are combined as nonmajor funds are as follows:

Special Revenue Funds - These funds are used to account for Village activities which are primarily financed by special restricted revenue sources such as governmental grants, restricted sales taxes or general property taxes levied for specific purposes.

Capital Project Funds – These funds are used to account for renovation or construction projects being carried out by the Village.

Proprietary Fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows, which are similar to those often found in the private sector. The only proprietary fund of the Village is classified as an enterprise fund.

Enterprise Fund – The Waterworks Fund is used to account for the operations of the water distribution system for residents and businesses of the Village.

Fiduciary Fund types are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The Village has the following fiduciary fund type:

Pension Trust Fund – The pension trust fund accounts for the assets of the Village's police pension plan fund, which accumulates resources for retirement, death and disability benefits to the police of the Village or their beneficiaries.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal on-going operations. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

Budget Policy

The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

(1) The Village Board administration committee submits to the Village Board, a proposed operating budget for the fiscal year commencing the following May 1. The budget includes proposed expenditures and the means of financing them.

(2) In April, public hearings are conducted to obtain public comments.

(3) Prior to May 1, the budget is legally enacted through passage of an appropriation ordinance by the Village Board.

(4) The Village is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that increase the total expenditures of any fund must be approved by the Village Board.

Annual budgets are prepared and approved on the modified accrual basis for all funds. An annual budget is also prepared for the enterprise fund. The legal level of control is considered to be at the fund level. The budget presented is the original budget, as there were no amendments made during the year.

A fiscal year budget has not been prepared for the Tax Increment Financing Fund and the Business Development District Fund. The expenditures of these funds are restricted and controlled through the economic and business development agreements. Therefore, a budgetary comparison schedule for the Tax Increment Financing Fund and the Business Development District Fund has not been prepared.

Cash and Investments

The Village's cash is comprised of demand accounts and savings accounts.

The Village invests in allowable investments under the Illinois Compiled Statutes. These include (a) interest-bearing savings accounts and certificates of deposit, (b) bonds, notes, certificates of indebtedness, treasury bills, or other securities which are guaranteed by the full faith and credit of the United States of America, and (c) short-term discount obligations of the Federal National Mortgage Association.

Investments consist of certificates of deposit and deposits in the Illinois Funds. Investments are stated at cost, which approximates fair value.

The deposits and investments of the Peoria Heights Police Pension Fund and the Peoria Heights Public Library are held separate from those of the Village of Peoria Heights, Illinois. Investments in mutual funds, US Treasury and Agencies obligations and corporate bonds are reported at fair value, with market fluctuations credited or charged to current year income. Certificates of deposit are stated at cost, which approximates fair value.

Inventory

Inventory is stated at the lower of cost or market on a first-in, first-out (FIFO) basis.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. The Village's property tax is levied each year at the time the budget for the ensuing year is passed and is extended against the assessed valuation of the Village on the following January 1. Normally, taxes are due and payable in two installments in June and September at the County Collector's office. Sale of taxes on any uncollected amounts is prior to November 30 or shortly thereafter by the County Collector's office. Final distribution to all taxing bodies, including Village's funds, is usually made prior to December 31st by the County Collector's office.

Property taxes levied for the 2022 levy year have been recognized as assets, net of an estimated uncollectible amount of 2 percent, and related deferred inflows of resources as these taxes will be collected and are planned for budget purposes to be used in fiscal year 2024.

Interfund Receivables, Payables, and Activity

The Village has the following types of transactions between funds:

Loans - amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide statement of net position.

Reimbursements - repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers - flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In enterprise funds, transfers in/out are reported as a separate category after nonoperating revenues and expenses.

Prepaid Items

Prepaid items represent current expenditures which benefit future periods. Prepaid items of governmental funds are recorded as expenditures when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with a useful life greater than one year and an initial, individual cost of more than $1,500 for equipment and $20,000 for buildings and improvements and infrastructure assets.

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. Infrastructure assets are being accounted for prospectively beginning in 2005, as permitted by Governmental Accounting Standards Board Statement No. 34.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the Village is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Furniture and fixtures	3-20
Equipment	5-10
Improvements other than buildings	7-20
Buildings and improvements	20-50
Fire hydrants, water mains and meters	20
Wells	20-50

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and therefore will not be recognized as expenditure/expense until then. The Village reports deferred outflows of resources related to pension expense to be recognized in future periods and for pension contributions made after the measurement dates.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and balance sheet 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 governmental funds report unavailable revenues from one source, property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the Village's government-wide statements, property tax revenue remains as a deferred inflow of resources under the full accrual basis of accounting and will become an inflow in the year for which they are levied and budgeted for. Additionally, the Village has deferred inflows related to pension expense to be recognized in future periods.

Pensions

For purposes of measuring the net pension liability and deferred inflows and outflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Village pension plans and additions to/deductions from the Village pension plans fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated Absences

It is the Village's policy to permit employees to accumulate earned but unused vacation benefits. All vacation pay benefits are accrued when incurred in the governmental and government-wide financial statements.

Long-term Liabilities

In the government-wide and proprietary fund type financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using a method which approximates the effective interest method. Issuance costs are reported as expenditures when incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt and capital lease obligations issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Debt principal payments are reported as expenditures when paid.

Statement of Cash Flows

For purposes of the statement of cash flows, the Waterworks Fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Net Position/Fund Balance Classifications

In the government-wide financial statements, the Village's net position is classified as follows:

Invested in Capital Assets, Net of Related Debt - This represents the Village's total investment in capital assets, net of accumulated depreciation and related debt.

Restricted Net Assets - This includes resources that the Village is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Unrestricted Net Assets - This includes resources derived from user charges for services, unrestricted state revenues, interest earnings, and other miscellaneous sources. These resources are used for transactions relating to general operations of the Village and may be used at the discretion of the Board to meet current expenses for any purpose.

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 Village is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent.

The fund balance classifications used in the governmental fund financial statements are as follows:

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.

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 Board of Trustees. These amounts cannot be used for any other purpose unless the Board of Trustees 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.

Assigned: This classification includes amounts that are constrained by the Village's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or through the Board of Trustees delegating this responsibility to the Mayor 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 is the residual fund balance for the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

The Village 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.

The Village does not have a formal minimum fund balance policy.

Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from these estimates.

Prior Period Comparative Financial Information

The basic financial statements include certain prior year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with government's financial statements for the year ended April 30, 2024, from which the summarized information was derived.

NOTE 2. CASH AND INVESTMENTS

The Village invests in allowable investments under the Illinois Compiled Statutes. These include (a) interest-bearing savings accounts and certificates of deposit, (b) bonds, notes, certificates of indebtedness, treasury bills, or other securities which are guaranteed by the full faith and credit of the United States of America, and (c) short-term discount obligations of the Federal National Mortgage Association.

As of April 30, 2024, the Village (primary government) had the following cash and investments on the Statement of Net Position:

Cash and investments	$ 10,117,209
Restricted cash and investments	84,749
Total cash and investments	$ 10,201,958

At April 30, 2024, cash and investment consisted of the following:

Demand deposits and cash on hand	$ 1,432,251
Certificates of deposit	259,894
Illinois Funds Money Market Fund	8,509,813
Total cash and investments	$ 10,201,958

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village does have a deposit policy for custodial credit risk. As of April 30, 2024, the bank balance of the Village's deposits, which includes demand deposits, money market funds, and certificates of deposit, was $1,692,145. At April 30, 2024, all the Village's deposits were covered by pledged collateral held by the financial institution's trust department or agent in the Village's name.

The Illinois Funds of $8,509,813, have not been included in deposits above. The Illinois Funds are pooled investments held by the State of Illinois but not in the Village's name.

Illinois Funds

The Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. The Illinois Funds have been classified as cash and investments in that they have the general characteristics of demand deposit accounts as the Village may deposit cash at any time and withdraw cash at any time without prior notice or penalty. The monies invested in the Illinois Funds are pooled together and invested in US Treasury bills and notes backed by the full faith and credit of the US Treasury. In addition, monies are invested in fully collateralized time deposits in Illinois financial institutions, in collateralized repurchase agreements, and in treasury mutual funds that invest in US Treasury obligations and collateralized repurchase agreements.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Village does not have a policy for interest rate risk. Investments consist of deposits in the Illinois Funds that has a maturity of one year or less. Certificates of deposit also have a maturity of one year or less.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to a debt investment will not fulfill its obligations. State law limits which types of securities that the Village can invest in. At April 30, 2024, the Illinois Funds are rated AAAm by Standard & Poor's.

Concentration Risk

Concentration risk is the risk associated with not having a diversified investment portfolio to reduce the risk of loss due to over concentration in a specific maturity, issuer, or class of securities. The Village does not have an investment policy that addresses concentration risk. At April 30, 2024, the Village had approximately 83 percent of its cash and investments invested in the Illinois Funds.

Deposits and Investments – Pension Trust Fund (Fund)

The Police Pension Trust Fund may invest funds as authorized by the Illinois Pension Code, generally in obligations of the United States, the State of Illinois and its local districts, certain insurance contracts, insured deposits of federal and state savings and loans, banks, and credit unions, and certain common and preferred stocks.

Deposits

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

At April 30, 2024, cash and investments consisted of the following:

Demand deposits and cash on hand	$	232,201
Illinois Police Officers Pension Investment Fund		5,798,184
Total cash and investments	$	6,030,385

Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Funds' investment policy does not address custodial credit risk for investments. At year-end, the carrying amount of the Fund's cash totaled $232,201 and the bank balances totaled $212,700.

The Illinois Police Officers Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report, which can be obtained from IPOPIF at 456 Fulton Street, Suite 402 Peoria, Illinois 61602 or at www.ipopif.org. The Fund transferred all eligible assets to the Investment Fund in October of 2022.

Investments

At year-end the Fund has $5,798,184 invested in IPOPIF, which is measured at the Net Asset Value (NAV) per share as determined by the pool. The pooled investments consist of the investments as noted in the target allocation table available at www.ipopif.org.

Investment Policy

IPOPIF's current investment policy was adopted by the Board of Trustees. IPOPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 3 of the Illinois Pension Code.

Rate of Return

For the year ended April 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.54%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits and Investments – Peoria Heights Public Library (Library), Discretely Presented Component Unit

The Library's deposits include demand deposits, money market accounts and certificates of deposit.

Custodial credit risk is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library does have a deposit policy for custodial credit risk. As of April 30, 2024, the bank balance, excluding the Illinois Funds, of the Library's deposits were $38,627. Of the bank balance, $380,627 was covered by Federal depository insurance and none was exposed to custodial credit risk and was uninsured and uncollateralized. The Illinois Funds Money Market Funds with a balance of $904,133, are included in cash and investments on the statement of net position at April 30, 2024 but not included in the custodial credit risk analysis above. At April 30, 2024, cash and investment consisted of the following:

Demand deposits and cash on hand	$ 38,727
Illinois Funds Money Market Fund	904,133
Total cash and deposits	$ 942,860
Certificates of deposit	$ 324,412

NOTE 3. CAPITAL ASSETS

A summary of changes in capital assets for governmental activities of the Village is as follows:

	Balance May 1, 2023	Additions	Transfers/ Retirements	Balance April 30, 2024
Governmental Activities:				
Capital assets not being depreciated				
Land	$ 1,986,090	$ -	$ -	$ 1,986,090
Capital assets being depreciated:				
Buildings and improvements	5,027,043	549,134	-	5,576,177
Equipment	4,538,699	498,194	23,249	5,013,644
Total capital assets being depreciated	9,565,742	1,047,328	23,249	10,589,821
Less accumulated depreciation for:				
Buildings and improvements	2,979,652	120,586	-	3,100,238
Equipment	3,267,061	283,724	23,249	3,527,536
	6,246,713	404,310	23,249	6,627,774
Total capital assets being depreciated, net	3,319,029	643,018	-	3,962,047
Governmental activities capital assets, net	$5,305,119	$ 643,018	$ -	$ 5,948,137

Depreciation was charged to functions/activities as follows:

Administration	$	111,738
Police		136,424
Fire		48,336
Streets		107,812
Total depreciation expense – governmental activities	$	404,310

A summary of changes in capital assets for business-type activities of the Village is as follows:

	Balance May 1, 2023	Additions	Transfers/ Retirements	Balance April 30, 2024
Business-type activities:				
Capital assets not being Depreciated:				
Land	$ 38,942	$ -	$ -	$ 38,942
Capital assets being depreciated:				
Water tower	3,635,632	-	-	3,635,632
Fire hydrants and service connections	122,988	73,092	11,500	184,580
Meters	696,049	-	-	696,049
Vehicles and equipment	1,039,466	23,899	-	1,063,365
Pump house equipment	553,280	-	-	553,280
Wells	833,637	-	-	833,637
Reservoir	33,105	-	-	33,105
Water mains	3,800,267	-	-	3,800,267
Stand pipe	135,208	-	-	135,208
	10,849,632	96,991	-	10,935,123
Less accumulated depreciation	7,892,195	305,438	11,500	8,186,133
Total capital assets being depreciated	2,957,437	(208,447)	-	2,748,990
Business-type activities capital assets, net	$ 2,996,379	$ (208,447)	$ -	$ 2,787,932

Discretely Presented Component Unit

Capital asset activity for the Peoria Heights Public Library for the year ended April 30, 2024 was as follows:

	Balance May 1, 2023	Additions	Transfers/ Retirements	Balance April 30, 2024
Component Unit:				
Capital assets not being Depreciated:				
Land	$ 20,000	$ -	$ -	$ 20,000
Capital assets being depreciated:				
Buildings and improvements	1,922,143	31,444	-	1,953,587
Furniture and fixtures	144,607	-	-	144,607
Equipment	172,020	-	-	172,020
Books	239,855	39,989	-	279,844
	2,478,625	71,433	-	2,550,058
Less accumulated depreciation	1,430,990	102,324	-	1,533,314
Total capital assets being depreciated	1,047,635	(30,891)	-	1,016,744
Business-type activities capital assets, net	$ 1,067,635	$ (30,891)	$ -	$ 1,036,744

NOTE 4. DUE FROM THE STATE OF ILLINOIS

Amounts due from the State of Illinois at April 30, 2024, for the Village's major and nonmajor funds are as follows:

	General	Business Development	Nonmajor funds
Sales tax	$ 167,748	$ -	$ -
Home rule sales tax	183,617	-	-
Income tax	158,105	-	-
Use tax	36,504	-	-
Replacement tax	61,200	-	-
Motor fuel tax	-	-	21,248
Business district tax	86,539	86,539	-
Video gaming tax	25,526	-	-
Other	215,440	-	-
Total	$ 934,679	$ 86,539	$ 21,248

NOTE 5. NOTES PAYABLE AND LONG-TERM DEBT

As of April 30, 2024, the long-term indebtedness of the Village includes the following:

Primary Government - Governmental Activities

Changes in the long-term debt of the governmental activities of the Village during the year ended April 30, 2024 are as follows:

Governmental activities:	Balance May 1, 2023	Additions	Transfers/ Retirements	Balance April 30, 2024	Due within one year
Illinois Finance Authority Loan	$ 37,500	$ -	$ 12,500	$ 25,000	$ 12,500
Notes payable	304,743	-	57,907	246,836	48,351
Bonds payable	1,529,387	-	75,000	1,454,387	80,000
	$ 1,871,630	$ -	$ 145,407	$ 1,726,223	$ 140,851

Long-term debt at April 30, 2024 is comprised of the following:

Illinois Finance Authority loan dated October 4, 2005, original amount was $250,000. The loan is interest free and due in annual installments of $12,500 through November 1, 2025. The proceeds were used to fund part of the purchase price of a new aerial ladder fire truck.

Note payable to a bank dated September 26, 2016, original amount was $145,000. The note is due in quarterly installments of $7,446, including interest at 2.52 percent, commencing March 19, 2019 through September 2023. Interest only payments were due quarterly through December 19, 2018. The note is unsecured.

Note payable to a bank due in annual payments of $36,737, including interest at 2.75 percent. The note is due March 2026 with a final payment of $190,557. The note is secured by a fire truck.

Note payable to a bank due in monthly installments of $1,695, including interest at 3.53 percent and is due June 2025. The note is secured by a vehicle.

Taxable General Obligation Bonds, series 2022 dated February 3, 2022, original issue amount of $1,664,387. The issue provides for serial retirement of principal due each April 28, commencing April 28, 2022, through 2036. Interest is due on April 28 and October 28 of each year, at an interest rate of 2.80 percent.

The Village has pledged a portion of future sales and business development district tax revenue related to the Trefzger's Bakery project, from the Community Development Fund, to repay the $1,850,000 Taxable General Obligation Bonds, series 2022. The 2022 series bonds are payable from a portion of sales and business district tax revenues through April 2036. Principal and interest totaling $117,823 was paid on the bonds from the pledged revenues for the year ended April 30, 2024.

The annual debt service requirements to maturity for the Illinois Finance Authority Loan as of April 30, 2024 is as follows:

Years Ending April 30:	Principal	Interest	Total
2025	$ 12,500	$ -	$ 12,500
2026	12,500	-	12,500
	$ 25,000	$ -	$ 25,000

The annual debt service requirements to maturity for notes payable as of April 30, 2024, is as follows:

Years Ending April 30:	Principal	Interest	Total
2025	$ 48,351	$ 5,581	$ 53,932
2026	32,364	4,372	36,736
2027	166,121	3,471	169,592
	$ 246,836	$ 13,424	$ 260,260

The annual debt service requirements to maturity for bonds payable as of April 30, 2024, is as follows:

Years Ending April 30:	Principal	Interest	Total
2025	$ 80,000	$ 40,723	$ 120,723
2026	85,000	38,483	123,483
2027	95,000	36,103	131,103
2028	100,000	33,443	133,443
2029	110,000	30,643	140,643
2030-2034	665,000	103,235	768,235
2035-2036	319,387	13,266	332,653
	$ 1,454,387	$ 295,896	$ 1,750,283

Repayment of long-term debt will be funded through the general fund from general revenue sources and the community development fund from sales and real estate taxes from the business development districts.

Primary Government – Business-type Activities

Changes in the long-term debt of the governmental activities of the Village during the year ended April 30, 2024 are as follows:

Business-type activities:	Balance May 1, 2023	Additions	Transfers/ Retirements	Balance April 30, 2024	Due within one year
Illinois Environmental Protection Agency loan	$ 565,555	$ -	$ 60,266	$ 505,289	$ 61,021
Notes payable	915,046	-	114,482	800,564	122,534
	$ 1,480,601	$ -	$ 174,748	$ 1,305,853	$ 183,555

Note payable with a bank due in monthly installments of $1,685, with interest at 3.53 percent and is due June 2025. The note is secured by a vehicle.

Note payable to a bank due in monthly payments of $10,405, including interest at 3.02 percent commencing January 14, 2017, with final payment due December 14, 2031. Total loan commitment is $1,500,000. The proceeds from the note were paid in multiple advances as funds are drawn from the Bank.

Repayment of the business-type activity debt has been funded through water sales operating revenues and the infrastructure maintenance surcharge fee in the Waterworks fund.

The annual requirements to amortize the Illinois Environmental Protection Agency loan as of April 30, 2024, including interest are as follows:

Years Ending April 30:	Principal	Interest	Total
2025	$ 61,021	$ 6,127	$ 67,148
2026	61,787	5,361	67,148
2027	62,561	4,587	67,148
2028	63,346	3,802	67,148
2029	64,140	3,008	67,148
2030-2032	192,434	4,156	196,590
	$ 505,289	$ 27,041	$ 532,330

The annual debt service requirements to maturity for notes payable as of April 30, 2024, including interest are as follows:

Years Ending April 30:	Principal	Interest	Total
2025	$ 122,534	$ 22,650	$ 145,184
2026	105,846	19,286	125,132
2027	108,849	16,005	124,854
2028	112,198	12,656	124,854
2029	115,713	9,141	124,854
2030-2031	235,424	7,391	242,815
	$ 800,564	$ 87,129	$ 887,693

Legal Debt Margin

As of April 30, 2024, the computation of the legal debt margin of the Village is as follows:

Assessed valuation - 2023 tax levy	$ 109,914,639
Debt limit - 8.625 percent of total assessed valuation	$ 9,480,138
Outstanding debt subject to limitations	2,526,787
Legal debt margin	$ 6,953,351

NOTE 6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund receivables and payables as of April 30, 2024, are summarized as follows:

Fund	Due From Other Funds	Due To Other Funds
Major governmental:		
General Fund	$ 624,808	$ 304,546
Police Pension Levy Fund	144,546	-
Tax Incremental Financing Fund	6,257	624,808
Nonmajor governmental:		
Community Development Fund	-	6,257
Enterprise:		
Water and Sewer Fund	160,000	-
	$ 935,611	$ 935,611

These interfund balances are primarily a result of short-term loans and reimbursements due for expenditures paid on behalf of one fund by another fund and are expected to be repaid within one year.

Interfund transfers for the year ended April 30, 2024 were:

	Transfers In	Transfers Out
Tax Incremental Financing Fund	$ -	$ 289,580
Community Development Fund	289,580	-

In accordance with the Village's redevelopment agreements, certain real estate taxes collected by the TIF fund are required to be transferred to the Community Development Fund to 1) make the debt service payments on the bonds related to a certain development and 2) reimburse developers for eligible development costs.

NOTE 7. BUDGETS, EXPENDITURES OVER BUDGET, AND DEFICIT FUND BALANCE

The budget amounts used throughout the basic financial statements represent the estimated revenue, taken from the Village's working budget, and appropriations, as set forth in the Village's annual appropriation ordinance, adopted for the fiscal year ended April 30, 2024.

Budgets for the General, Special Revenue Funds, and Debt Service Fund are prepared and adopted on the modified accrual basis of accounting.

All unexpended appropriations lapse at the end of the budget year. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised at budgetary line-item levels.

For the year ended April 30, 2024, the General Fund had expenditures in excess of the related budget amounts.

As of April 30, 2024, there were no funds that had a deficit fund balance.

NOTE 8. DEFINED BENEFIT PENSION PLAN

IMRF Plan Description

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

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. 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.

Employees Covered by Benefit Terms

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

	IMRF
Retirees and Beneficiaries currently receiving benefits	31
Inactive Plan Members entitled to but not yet receiving benefits	17
Active Plan Members	22
Total	70

Contributions

As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2023 was 5.40%. For the fiscal year ended April 30, 2024, the Village contributed $68,276 to the plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

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

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 Aggregate 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 2.75% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- Mortality for non-disabled retires, 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.
- Mortality for Disabled Retirees, the Pub-2010, Amount -weighted, below-median income, General, Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- Mortality for Active Members, the Pub-2010, Amount -weighted, below-median income, General, Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- 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:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	34.5%	5.00%
International Equity	18.0%	6.35%
Fixed Income	24.5%	4.75%
Real Estate	10.5%	6.30%
Alternative Investments	11.5%	6.05-8.65%
Cash Equivalents	1.0%	3.80%
Total	100.0%	

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%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2022	$ 6,932,144	$ 6,495,953	$ 436,191
Changes for the year:			
Service Cost	104,034	-	104,034
Interest on the Total Pension Liability	492,223	-	492,223
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	216,954	-	216,954
Changes of Assumptions	(4,257)	-	(4,257)
Contributions - Employer	-	67,002	(67,002)
Contributions - Employees	-	57,453	(57,453)
Net Investment Income	-	711,496	(711,496)
Benefit Payments, including Refunds of Employee Contributions	(389,769)	(389,769)	-
Other (Net Transfer)	-	210,780	(210,780)
Net Changes	419,185	656,962	(237,777)
Balances at December 31, 2023	$ 7,351,329	$ 7,152,915	$ 198,414

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

	1% Lower (6.25%)	Current Discount (7.25%)	1% Higher (8.25%)
Net Pension Liability/(Asset)	$ 1,062,672	$ 198,414	$ (463,394)

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

For the year ended April 30, 2024, the Village recognized pension income of $299,531. At April 30, 2024, the Village reported deferred outflows or 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
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	$ 181,468	$ -
Changes of assumptions	-	3,058
Net difference between projected and actual earnings on pension plan investments	895,559	533,902
Total Deferred Amounts to be recognized in pension expense in future periods	1,077,027	536,960
Employer Pension Contributions made subsequent to the Measurement Date	28,636	-
Total Deferred Amounts Related to Pensions	$ 1,105,663	$ 536,960

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 December 31	Net Deferred Outflows of Resources
2024	$ 126,484
2025	179,081
2026	283,006
2027	(19,868)
Total	$ 568,703

Police Pension Fund

Plan Description. The Village's defined benefit pension plan for police officers, the Peoria Heights Police Pension Fund (Fund), provides retirement, disability, post retirement increases, and death benefits to plan members and beneficiaries. The Fund is administered by a board of trustees which acts as the administrator of the plan. The Fund is a single-employer defined benefit pension plan. Employer contributions levels of the Police Pension Fund are mandated by Illinois State Statute (Chapter 40, Article 3) and may also be amended only by the Illinois legislature. The Fund issues a publicly available financial report that includes financial statements and required supplementary information for that plan. Those reports may be obtained by writing the plan at the following address:

Peoria Heights Police Pension Board
4901 N. Prospect Road
Peoria Heights, Illinois 61616

Benefits and refunds of the Fund are recognized when due and payable in accordance with the Plan. The Village's annual pension cost for the current and prior years and related information for the Fund is not available as of April 30, 2024.

NOTE 9. FUND BALANCE

The fund balances are considered nonspendable for the following purposes at April 30, 2024:

Prepaid items	$	22,271
Inventory		17,735
Total		40,006

The fund balances are restricted for the following purposes at April 30, 2024:

Motor Fuel Tax Fund – street maintenance and improvements	$	220,929
Community Development Fund – payment of long-term debt		664,343
Tax Increment Financing Fund – improvements within the various TIF districts		774,983
Police Pension Levy – transfer of employer contribution		144,546
Business Development Fund – improvements within the business development district		1,408,651
Total	$	3,213,452

Assigned fund balances represent amounts constrained by the Village's intent to use them for a specific purpose. At April 30, 2024, the Village's fund balances were assigned for the following purposes:

The fund balances are assigned for the following purposes at April 30, 2024:

Capital Improvement Fund – improvements to the Village's properties	$	1,375,000
Local Improvement Fund – improvements to property within the Village		9,520
Motor Fuel Tax Fund – street maintenance		184,079
Total	$	1,568,599

NOTE 10. COMMITMENTS

Collection and Disposal of Refuse and Recycling Contract

The Village has contracted with a private contractor to provide collection and disposal service for garbage and landscape waste and to provide a residential recycling program for the period January 1, 2024 through December 31, 2028. The minimum commitments under this contract are as follows:

Calendar year ending :

2024	$ 527,506
2025	548,607
2026	570,551
2027	593,373
2028	617,108

The total expenditures under this contract for the year ended April 30, 2024, were $489,828.

NOTE 11. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts, theft, damage, or destruction of assets, errors and omissions, injuries to employees, and natural disasters. To minimize the risk of sustaining a devastating loss in these areas, the Village has purchased commercial insurance with specified limits to cover these losses. No claims have been settled with amounts in excess of these limits in any of the past three years.

NOTE 12 – TAX ABATEMENTS/REDEVELOPMENT AGREEMENTS

The Village enters into redevelopment agreements from time to time with local businesses in order to draw and retain business in the Village. The Village had entered into six (6) redevelopment agreements and made the following payments for eligible project cost reimbursements for the year ended April 30, 2024:

- The portion of real estate taxes collected in the Peoria Heights TIF District #1 related to a certain property are to be transferred annually to the Village's Bond and Interest Fund to make the debt service payments on the bonds issued to develop the said property. During the year ended April 30, 2024, $65,504 was transferred to the Business Development District Fund.

- The real estate tax increment collected on a certain property in the Peoria Heights TIF District #3 less TIF administrative costs are to be paid to a developer up to a maximum of $1,158,327 for reimbursement of eligible development costs. Funds for the reimbursement are provided from the TIF real estate taxes and SSA sales taxes. During the year ended April 30, 2024, $91,404 was paid to the developer from the TIF Fund. Total reimbursements paid since the inception of the agreement are $360,394.

- The real estate tax increment collected on a certain property in the Peoria Heights TIF District #1 less TIF administrative costs are to be paid to a developer up to a maximum of $1,587,610 for reimbursement of eligible development costs. Funds for the reimbursement are provided from the TIF real estate taxes and SSA sales taxes. During the year ended April 30, 2024, $103,589 was paid to the developer from the TIF Fund. Total reimbursements paid from the TIF Fund since the inception of the agreement are $677,965.

- The real estate tax increment collected on a certain property in the Peoria Heights TIF District #1 less TIF administrative costs are to be paid to a developer up to a maximum of $1,200,000 for reimbursement of eligible development costs. Funds for the reimbursement are provided from the TIF real estate taxes and SSA sales taxes. During the year ended April 30, 2024, $21,034 was paid to the developer from the TIF Fund. Total reimbursements paid from the TIF Fund since the inception of the agreement are $387,026.

- The real estate tax increment collected on a certain property in the Peoria Heights TIF District #2 less TIF administrative costs are to be paid to a developer up to a maximum of $55,817 for reimbursement of eligible development costs. Funds for the reimbursement are provided from the TIF real estate taxes and SSA sales taxes. During the year ended April 30, 2024, $1,209 was paid to the developer from the TIF Fund. Total reimbursements paid from the TIF Fund since the inception of the agreement are $8,360.

- The real estate tax increment collected on a certain property in the Peoria Heights TIF District #2 less TIF administrative costs, are to be paid to a developer up to a maximum of $75,000 for reimbursement of eligible development costs. During the year ended April 30, 2024, $4,930 was paid to the developer from the TIF Fund. Total reimbursements paid since the inception of the agreement are $11,295.

- The real estate tax increment collected on a certain property in the Peoria Heights TIF District #2 less TIF administrative costs, are to be paid to a developer up to a maximum of $75,000 for reimbursement of eligible development costs. During the year ended April 30, 2024, $1,910 was paid to the developer from the TIF Fund. Total reimbursements paid since the inception of the agreement are $11,295.

The Village is obligated to reimburse the verified eligible project costs to the local businesses each year only to the extent that the applicable taxes have been collected on the subject properties.

NOTE 13. SUBSEQUENT EVENTS

The Village has evaluated subsequent events through January 15, 2025, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET AND ACTUAL
GENERAL AND POLICE PENSION LEVY FUNDS
YEAR ENDED APRIL 30, 2024

	General Fund		
	Final Budget	Actual	Variance Final Budget
REVENUES			
Property taxes	$ 44,532	$ 46,174	$ 1,642
Intergovernmental:			
State sales tax	865,000	986,409	121,409
Home rule sales tax	885,000	1,027,964	142,964
Local use tax	220,000	223,106	3,106
State income tax	830,000	983,212	153,212
Personal property replacement tax	371,250	353,172	(18,078)
Telecommunication tax	50,000	61,743	11,743
Video gaming tax	200,000	257,849	57,849
Other taxes	57,500	86,095	28,595
State and Federal grants	5,000	11,072	6,072
Licenses and permits	142,000	178,745	36,745
Intergovernmental agreement	93,045	108,045	15,000
Food and beverage tax	335,000	425,839	90,839
Franchise fees	113,250	105,307	(7,943)
Waste disposal fee	265,000	276,686	11,686
Fines	123,600	190,875	67,275
Charges for services	7,250	9,523	2,273
Land lease	54,200	55,794	1,594
Donations	128,000	133,474	5,474
Interest	50,005	209,185	159,180
Miscellaneous	10,000	36,355	26,355
Total Revenues	4,849,632	5,766,624	916,992
EXPENDITURES			
Current:			
Administration	1,002,724	863,266	139,458
Police department	2,176,325	2,390,497	(214,172)
Fire protection	357,900	479,832	(121,932)
Garbage collection and recycling	479,500	489,828	(10,328)
Streets and alleys	582,375	516,458	65,917
Capital outlay	152,500	572,248	(419,748)
Debt Service:			
Principal	69,457	57,894	11,563
Interest expense	-	13,244	(13,244)
Total Expenditures	4,820,781	5,383,267	(562,486)
Operating Income	28,851	383,357	354,506
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of assets	-	2,000	2,000
Transfers in	31,172	-	(31,172)
Transfers out	(50,000)	-	50,000
Total Other Financing Sources (Uses)	(18,828)	2,000	20,828
NET CHANGE IN FUND BALANCE	$ 10,023	385,357	$ 375,334
FUND BALANCE - BEGINNING		3,546,934	
FUND BALANCE - ENDING		$ 3,932,291	

Police Pension Levy Fund		
Final Budget	Actual	Variance Final Budget
$ 525,000	$ 471,471	$ (53,529)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
525,000	471,471	(53,529)
-	-	-
525,000	326,925	198,075
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
525,000	326,925	198,075
-	144,546	144,546
-	-	-
-	-	-
-	-	-
-	-	-
$ -	144,546	$ 144,546
	-	
	$ 144,546	

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND
(schedule to be built prospectively from 2015)

Calendar year ending December 31,	2023	2022	2021	2020
Total pension liability:				
Service cost	$ 104,034	$ 99,453	$ 93,928	$ 103,640
Interest on the total pension liability	492,223	476,615	451,321	434,629
Difference between expected and actual experience	216,954	1,771	131,579	113,851
Assumption changes	(4,257)	-	-	(93,022)
Benefit payments and refunds	(389,769)	(339,944)	(321,455)	(326,568)
Net change in total pension liability	419,185	237,895	355,373	232,530
Total pension liability - beginning	6,932,144	6,694,249	6,338,876	6,106,346
Total pension liability - ending (a)	7,351,329	6,932,144	6,694,249	6,338,876
Plan fiduciary net position:				
Contributions - employer	67,002	101,441	92,334	78,647
Contributions - employee	57,453	50,340	68,725	44,239
Net investment income	711,496	(943,606)	1,138,130	822,400
Benefit payments and refunds	(389,769)	(339,944)	(321,455)	(326,568)
Other (net transfer)	210,780	(77,293)	(22,243)	91,939
Net change in plan fiduciary net position	656,962	(1,209,062)	955,491	710,657
Plan fiduciary net position - beginning	6,495,953	7,705,015	6,749,524	6,038,867
Plan fiduciary net position - ending (b)	7,152,915	6,495,953	7,705,015	6,749,524
Village's net pension liability - ending (a) - (b)	$ 198,414	$ 436,191	$ (1,010,766)	$ (410,648)
Plan fiduciary net position as a percentage of the total pension liability	97.30%	93.71%	115.10%	106.48%
Covered - employee payroll	$ 1,240,779	$ 1,108,393	$ 1,025,942	$ 983,079
Village's net position liability as a percentage of covered - employee payroll	15.99%	39.35%	-98.52%	-41.77%

2019	2018	2017	2016	2015
$ 92,451	$ 127,505	$ 109,255	$ 115,702	$ 111,573
407,569	400,081	389,717	387,979	382,775
160,001	(117,464)	75,678	(224,212)	(189,927)
-	154,473	(182,151)	(6,323)	6,415
(258,175)	(261,518)	(265,362)	(241,930)	(231,291)
401,846	303,077	127,137	31,216	79,545
5,704,500	5,401,423	5,274,286	5,243,070	5,163,525
6,106,346	5,704,500	5,401,423	5,274,286	5,243,070
63,750	102,712	128,989	113,361	113,219
43,598	53,067	67,468	50,359	50,147
960,738	(279,566)	844,189	316,785	24,190
(258,175)	(261,518)	(265,362)	(241,930)	(231,291)
(2,424)	98,179	(83,424)	(34,368)	(205,869)
807,487	(287,126)	691,860	204,207	(249,604)
5,231,380	5,518,506	4,826,646	4,622,439	4,872,043
6,038,867	5,231,380	5,518,506	4,826,646	4,622,439
$ 67,479	$ 473,120	$ (117,083)	$ 447,640	$ 620,631
98.89%	91.71%	102.17%	91.51%	88.16%
$ 968,838	$ 1,179,249	$ 1,329,779	$ 1,119,071	$ 1,114,357
6.96%	40.12%	-8.80%	40.00%	55.69%

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
YEAR ENDED APRIL 30, 2024

Actuarial Valuation Date	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
12/31/2023	$ 67,002	$ 67,002	$ -	$ 1,240,779	5.40%
12/31/2022	77,033	101,441	(24,408)	1,108,393	9.15%
12/31/2021	92,335	92,334	1	1,025,942	9.00%
12/31/2020	78,646	78,647	(1)	983,079	8.00%
12/31/2019	63,750	63,750	-	968,838	6.58%
12/31/2018	102,713	102,712	1	1,179,249	8.71%
12/31/2017	128,989	128,949	40	1,329,779	9.70%
12/31/2016	113,362	113,361	1	1,119,071	10.13%
12/31/2015	113,219	113,219	-	1,114,357	10.16%

Schedule to be built prospectively as the Village implemented GASB Statement No. 68 in the fiscal year ending 04/30/2016.

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND
YEAR ENDED APRIL 30, 2024

Notes to Schedule:

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

Valuation Date:

Notes	Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which 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:	20-year closed period
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.

* Based on Valuation Assumptions used in the December 31, 2021 actuarial valuation.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

OTHER SUPPLEMENTARY INFORMATION

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
APRIL 30, 2024

	Special Revenue		Capital Projects	
	Motor Fuel Tax Fund	Community Development Fund	Local Improvement Fund	Total Nonmajor Fund
ASSETS				
Cash and cash equivalents	$ 389,548	$ 670,451	$ 9,520	$ 1,069,519
Accounts receivable	2,235	149	-	2,384
Due from State of Illinois	21,248	-	-	21,248
TOTAL ASSETS	$ 413,031	$ 670,600	$ 9,520	$ 1,093,151
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 8,023	$ -	$ -	$ 8,023
Due to other funds	-	6,257	-	6,257
Total Liabilities	8,023	6,257	-	14,280
FUND BALANCES				
Restricted	220,929	664,343	-	885,272
Assigned	184,079	-	9,520	193,599
Total Fund Balances	405,008	664,343	9,520	1,078,871
TOTAL LIABILITIES AND FUND BALANCES	$ 413,031	$ 670,600	$ 9,520	$ 1,093,151

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED APRIL 30, 2024

	Special Revenue		Capital Project	
	Motor Fuel Tax Fund	Community Development Fund	Local Improvement Fund	Total Nonmajor Fund
REVENUES				
Intergovernmental:				
Motor fuel tax allotment	$ 259,478	$ -	$ -	$ 259,478
State sales tax	-	58,169	-	58,169
Home rule sales tax	-	80,077	-	80,077
Business development sales tax	-	53,385	-	53,385
Licenses and permits	19,675	-	-	19,675
Food and beverage tax	-	92,969	-	92,969
Interest income	19,170	3,262	-	22,432
Total Revenues	298,323	287,862	-	586,185
EXPENDITURES				
Current:				
Streets and alleys	106,400	-	-	106,400
Community development	-	333,253	-	333,253
Capital outlay	475,080	-	-	475,080
Debt service:				
Principal	-	75,000	-	75,000
Interest	-	42,823	-	42,823
Total Expenditures	581,480	451,076	-	1,032,556
Operating Income (Loss)	(283,157)	(163,214)	-	(446,371)
OTHER FINANCING SOURCES				
Transfers in	-	289,580	-	289,580
Net Change in Fund Balance	(283,157)	126,366	-	(156,791)
FUND BALANCE - BEGINNING	688,165	537,977	9,520	1,235,662
FUND BALANCE - ENDING	$ 405,008	$ 664,343	$ 9,520	$ 1,078,871

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
GENERAL FUND
YEAR ENDED APRIL 30, 2024
WITH SUMMARIZED INFORMATION YEAR ENDED APRIL 30, 2023

	2024		2023
	Budget	Actual	Actual
REVENUES			
Property taxes	$ 44,532	$ 46,174	$ 44,602
Intergovernmental:			
State sales tax	865,000	986,409	960,920
Home rule sales tax	885,000	1,027,964	1,019,587
Local use tax	220,000	223,106	242,262
State income tax	830,000	983,212	909,191
Personal property replacement tax	371,250	353,172	536,186
Telecommunication tax	50,000	61,743	55,068
Video gaming tax	200,000	257,849	247,493
Other taxes	57,500	86,095	66,322
State and Federal grants	5,000	11,072	393,217
Total intergovernmental	3,483,750	3,990,622	4,430,246
Licenses and permits	142,000	178,745	159,340
Intergovernmental agreement	93,045	108,045	93,045
Food and beverage tax	335,000	425,839	439,445
Franchise fees	113,250	105,307	100,984
Waste disposal fee	265,000	276,686	334,716
Fines	123,600	190,875	196,495
Charges for services	7,250	9,523	9,651
Land lease	54,200	55,794	50,146
Donations	128,000	133,474	3,827
Interest	50,005	209,185	95,952
Miscellaneous	10,000	36,355	38,031
Total Revenues	4,849,632	5,766,624	5,996,480

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
GENERAL FUND (CONTINUED)
YEAR ENDED APRIL 30, 2024
WITH SUMMARIZED INFORMATION YEAR ENDED APRIL 30, 2023

	2024		2023
	Budget	Actual	Actual
EXPENDITURES			
Current:			
Administration	$ 1,002,724	$ 863,266	$ 961,052
Police department	2,176,325	2,390,497	2,158,085
Fire protection	357,900	479,832	427,463
Garbage collection and recycling	479,500	489,828	465,648
Streets and alleys	582,375	516,458	502,829
Capital outlay	152,500	572,248	371,694
Debt service:			
Principal	69,457	57,894	60,290
Interest expense	-	13,244	9,163
Total Expenditures	4,820,781	5,383,267	4,956,224
Operating Income	28,851	383,357	1,040,256
OTHER FINANCE SOURCES (USES)			
Proceeds from sale of assets	-	2,000	-
Transfers in	31,172	-	-
Transfers out	(50,000)	-	(1,180,000)
Total Other Financing Sources (Uses)	(18,828)	2,000	(1,180,000)
Net Change in Fund Balance	$ 10,023	385,357	(139,744)
TOTAL FUND BALANCE - BEGINNING		3,546,934	3,686,678
TOTAL FUND BALANCE - ENDING		$ 3,932,291	$ 3,546,934

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - POLICE PENSION LEVY FUND
YEAR ENDED APRIL 30, 2024
WITH SUMMARIZED INFORMATION YEAR ENDED APRIL 30, 2023

	2024		2023
	Budget	Actual	Actual
REVENUES			
Property taxes	$ 525,000	$ 471,471	472,481
EXPENDITURES			
Current:			
Police Dept:			
Police pension	525,000	326,925	472,481
Net Change in Fund Balance	$ -	144,546	-
TOTAL FUND BALANCE - BEGINNING		-	-
TOTAL FUND BALANCE - ENDING		$ 144,546	$ -

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUSINESS DEVELOPMENT DISTRICT FUND
YEAR ENDED APRIL 30, 2024
WITH SUMMARIZED INFORMATION YEAR ENDED APRIL 30, 2023

	2024		2023
	Budget	Actual	Actual
REVENUES			
Business development sales tax	$ 475,000	$ 460,506	$ 448,080
Interest income	600	11,465	5,362
Total Revenues	475,600	471,971	453,442
EXPENDITURES			
Current:			
Community Development:			
Professional services	100,000	115,912	96,265
Administration and public relations	17,672	-	-
Improvements and maintenance	260,000	32,333	122,512
Capital outlay	-	-	30,000
Debt service:			
Principal	-	12,513	30,172
Interest expense	-	117	812
Total Expenditures	377,672	160,875	279,761
Operating Income	97,928	311,096	173,681
TOTAL FUND BALANCE - BEGINNING		1,097,555	923,874
TOTAL FUND BALANCE - ENDING		$ 1,408,651	$ 1,097,555

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL IMPROVEMENT FUND
YEAR ENDED APRIL 30, 2024
WITH SUMMARIZED INFORMATION YEAR ENDED APRIL 30, 2023

	2024		2023
	Budget	Actual	Actual
REVENUES			
Intergovernmental	$ -	$ -	$ -
EXPENDITURES			
Current:			
Administration	-	-	-
Operating Income	-	-	-
OTHER FINANCE SOURCES			
Transfers in	-	-	1,125,000
Net Change in Fund Balance	$ -	-	1,125,000
TOTAL FUND BALANCE - BEGINNING		1,375,000	250,000
TOTAL FUND BALANCE - ENDING		$ 1,375,000	$ 1,375,000

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MOTOR FUEL TAX FUND
YEAR ENDED APRIL 30, 2024
WITH SUMMARIZED INFORMATION YEAR ENDED APRIL 30, 2023

	2024				2023
		Actual			
	Budget	State	Local	Total	Actual
REVENUES					
Intergovernmental:					
Motor fuel tax allotment	$ 235,000	$ 259,478	$ -	$ 259,478	$ 244,515
Rebuild Illinois grant	-	-	-	-	67,617
Total intergovernmental	235,000	259,478	-	259,478	312,132
Licenses and permits	24,000	-	19,675	19,675	25,763
Interest income	1,250	19,118	52	19,170	15,269
Total Revenues	260,250	278,596	19,727	298,323	353,164
EXPENDITURES					
Current:					
Streets and alleys:					
Engineering services	36,512	37,602	-	37,602	40,028
Sealcoating/patching	50,000	-	43,381	43,381	220,128
Dues	-	-	20	20	2,780
Improvement	628,934	475,080	-	475,080	-
Other	-	15	-	15	-
Snow removal	40,000	25,382	-	25,382	20,306
Total Expenditures	755,446	538,079	43,401	581,480	283,242
Operating Income (loss)	(495,196)	(259,483)	(23,674)	(283,157)	69,922
OTHER FINANCING SOURCES					
Transfers in	-	-	-	-	55,000
Net Change in Fund Balance	$ (495,196)	(259,483)	(23,674)	(283,157)	124,922
TOTAL FUND BALANCE - BEGINNING		480,412	207,753	688,165	563,243
TOTAL FUND BALANCE - ENDING		$ 220,929	$ 184,079	$ 405,008	$ 688,165

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - TAX INCREMENT FINANCING FUND
YEAR ENDED APRIL 30, 2024
WITH SUMMARIZED INFORMATION YEAR ENDED APRIL 30, 2023

	2024					
	Leisy-Pabst	Peoria Heights #1	Peoria Heights #2	Peoria Heights #3	Total	2023 Actual
REVENUES						
Property taxes	$ 20,351	$ 329,251	$ 156,747	$ 450,126	$ 956,475	$ 873,989
Interest income	1,149	4,171	2,859	3,534	11,713	1,393
Total Revenues	21,500	333,422	159,606	453,660	968,188	875,382
EXPENDITURES						
Current:						
Administration:						
Administration fees	1,441	6,140	6,484	6,213	20,278	24,740
Legal fees	-	-	-	36,937	36,937	11,952
Professional fees	1,215	1,215	1,215	1,215	4,860	3,500
Village improvements	-	-	-	30,142	30,142	25,818
Peoria Heights School District	4,258	48,122	32,698	94,184	179,262	162,380
Capital outlay	-	-	-	-	-	61,711
Total Expenditures	6,914	55,477	40,397	168,691	271,479	290,101
Operating Income	14,586	277,945	119,209	284,969	696,709	585,281
OTHER FINANCING USES						
Transfers out	-	(190,127)	(8,049)	(91,404)	(289,580)	(302,945)
Net Change in Fund Balance	14,586	87,818	111,160	193,565	407,129	282,336
TOTAL FUND BALANCE (DEFICIT) - BEGINNING	91,251	168,398	146,783	(38,578)	367,854	85,518
TOTAL FUND BALANCE (DEFICIT) - ENDING	$ 105,837	$ 256,216	$ 257,943	$ 154,987	$ 774,983	$ 367,854

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - COMMUNITY DEVELOPMENT FUND
YEAR ENDED APRIL 30, 2024
WITH SUMMARIZED INFORMATION YEAR ENDED APRIL 30, 2023

	2024					
	Marway	Trefzgers	4500 N. Prospect	Heritage Expansion	Duryea Apartments	GMG Jr Corporation
REVENUES						
Intergovernmental:						
State sales tax	$ -	$ 35,695	$ 4,940	$ 15,601	$ -	$ 1,933
Home rules sales tax	-	49,883	7,261	22,933	-	-
Business development sales tax	-	33,255	4,841	15,289	-	-
Total intergovernmental	-	118,833	17,042	53,823	-	1,933
Food and beverage tax	-	53,388	8,351	31,230	-	-
Interest income	-	3,262	-	-	-	-
Total Revenues	-	175,483	25,393	85,053	-	1,933
EXPENDITURES						
Current:						
Community development:						
Development agreements	4,930	-	123,390	106,087	91,404	3,142
Professional fees	-	2,390	-	-	-	-
Debt service:						
Principal	-	75,000	-	-	-	-
Interest	-	42,823	-	-	-	-
Total Expenditures	4,930	120,213	123,390	106,087	91,404	3,142
Operating Income (Loss)	(4,930)	55,270	(97,997)	(21,034)	(91,404)	(1,209)
OTHER FINANCING SOURCES						
Transfers in	4,930	65,504	103,589	21,034	91,404	1,209
Net Change in Fund Balance	-	120,774	5,592	-	-	-
TOTAL FUND BALANCE BEGINNING	-	520,216	9,414	8,347	-	-
TOTAL FUND BALANCE ENDING	$ -	$ 640,990	$ 15,006	$ 8,347	$ -	$ -

War Drive	Total	2023 Actual
$ -	$ 58,169	$ 54,471
-	80,077	74,470
-	53,385	49,647
-	191,631	178,588
-	92,969	98,401
-	3,262	1,005
-	287,862	277,994
1,910	330,863	346,878
-	2,390	2,245
-	75,000	70,000
-	42,823	44,783
1,910	451,076	463,906
(1,910)	(163,214)	(185,912)
1,910	289,580	302,945
-	126,366	117,033
-	537,977	420,944
$ -	$ 664,343	$ 537,977

VILLAGE OF PEORIA HEIGHTS, ILLINOIS
SCHEDULE OF PROPERTY TAX LEVIES, RATES, ASSESSED VALUES AND COLLECTIONS
LEVY YEARS 2023-2021
(UNAUDITED)

	2024-2025		
	2023 Levy	Rate	Amounts Collected
GENERAL FUND			
General corporate	$ 68,521	0.06234	$ -
Police pension	450,002	0.40941	-
	$ 518,523	0.47175	$ -
ASSESSED VALUATIONS			$ 109,914,639
TAX INCREMENT FINANCING FUND	$ 1,288,341		$ -
ASSESSED VALUATIONS			$ 23,775,490

2023-2024			2022-2023		
2022 Levy	Rate	Amounts Collected	2021 Levy	Rate	Amounts Collected
$ 44,533	0.04441	$ 46,174	$ 44,541	0.04645	$ 44,400
473,993	0.47268	471,471	473,988	0.49430	472,481
$ 518,526	0.51709	$ 517,645	$ 518,529	0.54075	$ 516,881
		$ 100,277,825			$ 95,890,766
$ 976,014		$ 956,475	$ 877,703		$ 873,989
		$ 23,411,800			$ 23,452,970

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

To the Honorable Mayor and
Board of Trustees
Village of Peoria Heights, Illinois
Peoria Heights, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Village of Peoria Heights, Illinois (Village), as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise Village of Peoria Heights, Illinois' basic financial statements and have issued our report thereon dated .

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Village of Peoria Heights, 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 Village of Peoria Heights, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of Village of Peoria Heights, Illinois' internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying findings, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 Village's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the below finding to be a material weakness.

www.psa-cpa.com 108 N. Main Street • Washington, IL 309.444.4909

Inadequate Segregation of Duties over the Accounting Function

The Village does not have an adequate segregation of duties over accounting transactions as one individual is responsible for initiating and recording transactions in the general ledger (QuickBooks). This individual is also responsible for performing the bank and investment account reconciliations. There is no independent review of these reconciliations performed.

This condition increases the possibility that errors or fraud may occur and not be detected on a timely basis as one individual is responsible for performing all accounting functions. We recognize that it is not practicable from an economic standpoint to employ additional personnel to achieve an ideal segregation of duties. However, when this condition exists, the Village Administrator's and Board of Trustees' close oversight and review of accounting information on a regular basis is the best means of preventing or detecting errors or fraud.

Management's response

Due to the small size of the Village, it is not practical to hire additional personnel solely for the purpose of achieving an ideal segregation of duties over the accounting function. Segregation of duties has occurred to the extent practical.

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. We consider the deficiency described below to be a significant deficiency.

Preparation of Financial Statements

The Board of Trustees and management share the ultimate responsibility for the Village's internal control system. While it is acceptable to outsource various accounting functions, the responsibility for internal control cannot be outsourced.

The Village engages Phillips, Salmi & Associates, LLC to assist in preparing its financial statements and accompanying disclosures. However, as independent auditors, we cannot be considered part of the Village's internal control system. In an ideal control setting, the Village would have personnel possessing a thorough understanding of applicable generally accepted accounting principles and stay abreast of recent accounting developments in order to prepare the financial statements, including disclosures. Currently, the Village does not have personnel which would possess this expertise. Given the budget constraints the Village is under, we realize it is not practical to hire additional personnel to prepare the Village's annual financial statements. Under generally accepted auditing standards, we are required to inform you of this situation.

Management's response

The Village does not currently have qualified personnel to perform a complete review of the financial statements. In addition, it is not economically practical to hire an outside consultant to conduct this review. The Village believes that management's review of the balances and accounts are adequate in the circumstances and no additional procedures are considered necessary.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the

financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Village of Peoria Heights, Illinois' Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Village of Peoria Heights, Illinois' response to the findings identified in our audit and described in the accompanying findings. Village of Peoria Heights, Illinois' responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of This Report

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

Phillips, Salmi & Associates, LLC

Washington, Illinois
January 15, 2025