

Village of Hebron, Illinois

Annual Financial Report
For the Year Ended April 30, 2023

VILLAGE OF HEBRON, ILLINOIS

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VILLAGE OF HEBRON, ILLINOIS

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INDEPENDENT AUDITOR'S REPORT

To the President
and Members of the Board of Trustees
Village of Hebron, Illinois

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Hebron, Illinois (Village) as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the accompanying table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Hebron, as of April 30, 2023, and the respective changes in modified cash basis financial position, and where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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


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

Other Matters

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the management's discussion and analysis, budgetary comparison information, multi-year schedule of changes in net pension liability and related ratios and multi-year schedule of contributions but does not include the basic financial statements and our auditor's report thereon.

Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

A handwritten signature in dark ink that reads "GW & Associates, P.C." in a cursive, slightly slanted script.

GW & Associates, P.C.
Hillside, Illinois
September 27, 2023

OTHER INFORMATION

MANAGEMENT'S
DISCUSSION AND ANALYSIS -
UNAUDITED

VILLAGE OF HEBRON, ILLINOIS

Management's Discussion and Analysis

Year Ended April 30, 2023

As management of the Village of Hebron (Village), we offer readers of the Village's statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2023.

FINANCIAL HIGHLIGHTS

- The assets of the Village exceeded its liabilities at April 30, 2023 by \$3,620,147 (*net position*). Of this amount, \$1,842,420 (*unrestricted net position*) may be used to meet the Village's ongoing obligations to citizens and creditors.
- At April 30, 2023, the Village's governmental funds reported combined ending fund balances of \$924,389.
- At April 30, 2023, the unassigned fund balance for the General Fund was \$672,543.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements

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

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

The Modified Cash Basis presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported on a cash basis as soon as cash is received or disbursed, regardless of when the underlying event giving rise to the change occurred.

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety,

VILLAGE OF HEBRON, ILLINOIS

Management's Discussion and Analysis

Year Ended April 30, 2023

public works and transportation, culture and recreation, and economic development. The business-type activities of the Village include water and sewer.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary funds - The Village maintains one type of proprietary fund (enterprise fund). Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sewer services. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer services, all of which are considered to be major funds of the Village.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village utilizes a fiduciary fund to segregate developer deposits.

Notes to the financial statements

Notes to the financial statements provide additional information that is essential to a full understanding of the information provided in the basic financial statements. Supplementary information consists of more

detailed data on budget to actual revenues and expenditures.

VILLAGE OF HEBRON, ILLINOIS

Management's Discussion and Analysis

Year Ended April 30, 2023

Other information

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

The Village adopts an annual budget for all funds except the MFT Fund and Water & Sewer Capital Development Account. A budgetary comparison statement has been provided for the General Fund and Water & Sewer O&M Account to demonstrate compliance with the budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$3,620,147 at April 30, 2023. Of the Village's net position, \$1,494,601 reflects its investment in capital assets (e.g., land, infrastructure, buildings, systems and equipment); less any related outstanding debt used to acquire those assets. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

VILLAGE OF HEBRON, ILLINOIS

Management's Discussion and Analysis

Year Ended April 30, 2023

	Primary Government		
	Governmental	Business-Type	2023
	Activities	Activities	Total
Assets			
Cash and investments, at cost	\$ 845,660	\$ 1,307,330	\$ 2,152,990
Due from other funds	78,729	-	78,729
Capital Assets not being depreciated	243,596	75,769	319,365
Capital Assets being depreciated, net	582,938	3,697,191	4,280,129
Total Assets	\$ 1,750,923	\$ 5,080,290	\$ 6,831,213
Liabilities			
Current Liabilities:			
Due to other funds	\$ -	\$ 79,731	\$ 79,731
Due within 1 year- notes payable	147,375	-	147,375
Due within 1 year - IEPA loan	-	412,282	412,282
Non-Current Liabilities:			
Due in more than 1 year - notes payable	54,343	-	54,343
Due in more than 1 year - IEPA loan	-	2,490,893	2,490,893
Compensated Absences	20,597	5,845	26,442
Total Liabilities	222,315	2,988,751	3,211,066
Net Position			
Net investment in capital assets	624,816	869,785	1,494,601
Restricted - Motor Fuel Tax	250,157	-	250,157
Restricted - Debt Service	1,689	-	1,689
Restricted - Capital Development	-	31,280	31,280
Unrestricted	651,946	1,190,474	1,842,420
Total Net Position	\$ 1,528,608	\$ 2,091,539	\$ 3,620,147

An additional portion of the Village's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$1,842,420) may be used to meet the Village's ongoing obligations to citizens and creditors.

At April 30, 2023, the Village is able to report positive balances in all categories of net position. Key elements of net asset activity for the year are as follows:

VILLAGE OF HEBRON, ILLINOIS

Management's Discussion and Analysis

Year Ended April 30, 2023

	Village of Hebron - Activities and Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	4/30/2023	4/30/2022	4/30/2023	4/30/2022	4/30/2023	4/30/2022
Program revenues						
Charges for services	\$ 71,419	\$ 117,769	\$ 839,905	\$ 877,083	\$ 911,324	\$ 994,852
Operating grants and contributions	162,798	100,380	-	-	162,798	100,380
General revenues						
Property taxes	227,330	221,093	-	-	227,330	221,093
Other taxes	438,558	556,084	-	-	438,558	556,084
Utility taxes	88,846	87,779	-	-	88,846	87,779
Other	20,267	20,017	187	-	20,454	20,017
Interest	19,246	1,168	23,789	838	43,035	2,006
Total revenues	1,028,464	1,104,290	863,881	877,921	1,892,345	1,982,211
Expenses						
General government	240,646	323,059	-	-	240,646	323,059
Public safety	352,755	581,650	-	-	352,755	581,650
Streets and roads	179,289	268,101	-	-	179,289	268,101
Buildings	42,613	41,309	-	-	42,613	41,309
Interest on long-term debt	8,803	8,803	30,532	32,516	39,335	41,319
Proprietary activities	-	-	539,634	520,907	539,634	520,907
Total expenses	824,106	1,222,922	570,166	553,423	1,394,272	1,776,345
Increase/(decrease) in net position	204,358	(118,632)	293,715	324,498	498,073	205,866
Net position - beginning of year	1,235,755	1,354,387	1,797,824	1,464,926	3,033,579	2,819,313
Contributed capital	-	-	-	8,400	-	8,400
Net position - end of year	\$ 1,440,113	\$ 1,235,755	\$2,091,539	\$1,797,824	\$ 3,531,652	\$3,033,579

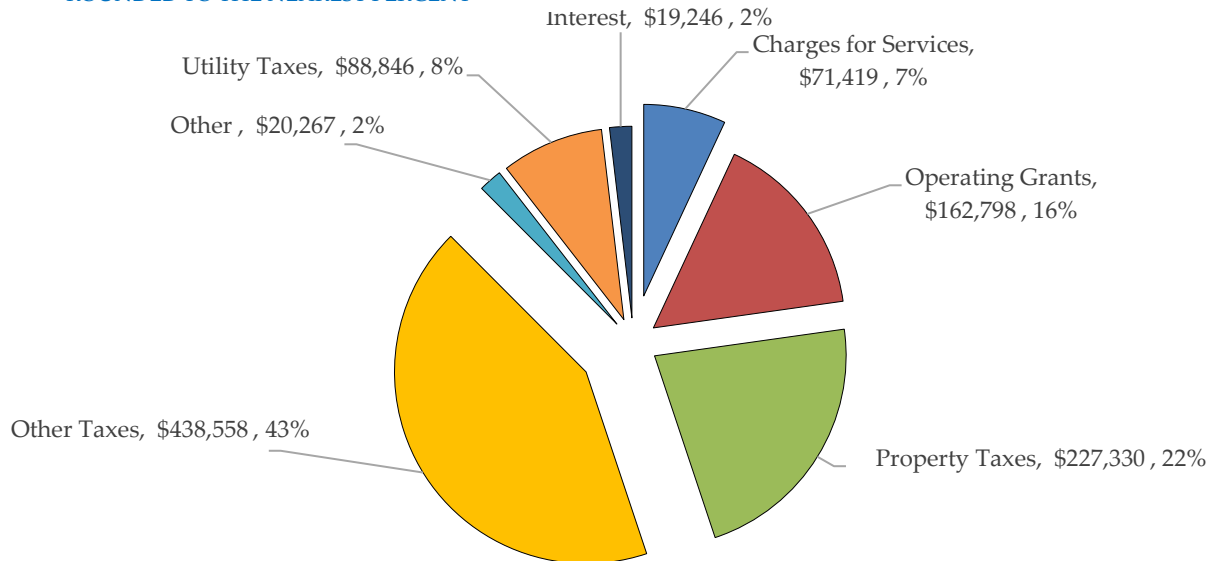
VILLAGE OF HEBRON, ILLINOIS

Management's Discussion and Analysis

Year Ended April 30, 2023

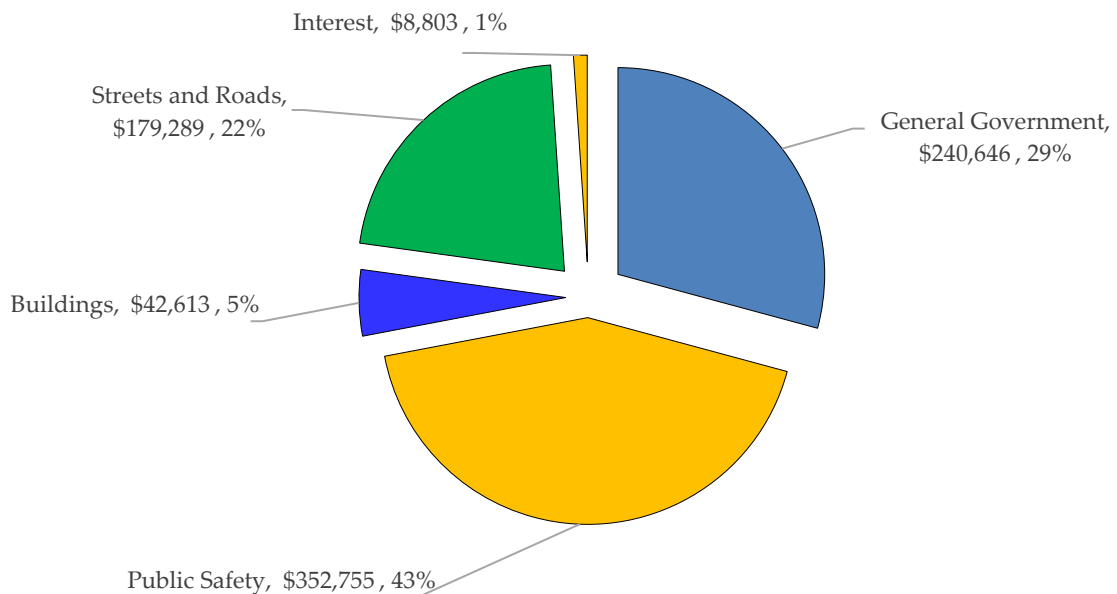
2023 GOVERNMENTAL REVENUES

ROUNDED TO THE NEAREST PERCENT



2023 GOVERNMENTAL EXPENSES

ROUNDED TO THE NEAREST PERCENT



VILLAGE OF HEBRON, ILLINOIS

Management's Discussion and Analysis

Year Ended April 30, 2023

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

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

Governmental funds

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

At April 30, 2023, the Village's governmental funds reported combined ending fund balances of \$924,389. A portion of this amount (\$672,543) constitutes unassigned fund balance, which is available, to meet the Village's ongoing obligations to citizens and creditors. The remainder of the fund balance is restricted to indicate that it is not available for new spending because it has already been committed for specific restricted purposes.

The General Fund is the chief operating fund of the Village. At April 30, 2023, the fund balance of the General Fund was \$672,543.

General Fund Budgetary Highlights

- The General Fund revenues were more than estimated revenues by \$261,966.
- The General Fund expenditures were less than the estimated expenditures by \$499,252.

VILLAGE OF HEBRON, ILLINOIS

Management's Discussion and Analysis

Year Ended April 30, 2023

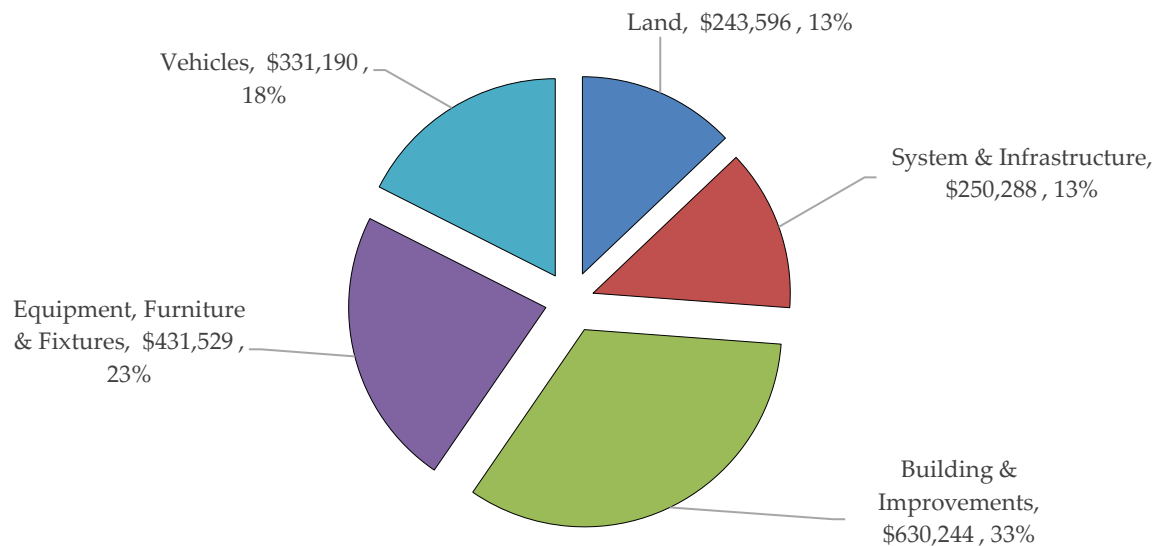
CAPITAL ASSETS

The Village's capital assets as of April 30, 2023 amount to \$4,599,494 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, vehicles, and infrastructure.

	Village of Hebron - Capital Assets					
	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 243,596	\$ 243,596	\$ 75,769	\$ 75,769	\$ 319,365	\$ 319,365
System & infrastructure	250,288	250,288	7,908,096	7,908,096	8,158,384	8,158,384
Buildings & improvements	630,244	630,244	471,178	471,178	1,101,422	1,101,422
Equipment, furniture, and fixtures	431,529	431,529	262,140	227,291	693,669	658,820
Vehicles	331,190	326,190	54,802	54,802	385,992	380,992
Total capital assets	1,886,847	1,881,847	8,771,985	8,737,136	10,658,832	10,618,983
Accumulated depreciation	1,060,313	1,042,464	4,999,025	4,864,127	6,059,338	5,906,591
Total net capital assets	\$ 826,534	\$ 839,383	\$ 3,772,960	\$ 3,873,009	\$ 4,599,494	\$ 4,712,392

2023 GOVERNMENTAL ACTIVITIES CAPITAL ASSETS - (at Cost)

ROUNDED TO THE NEAREST PERCENT



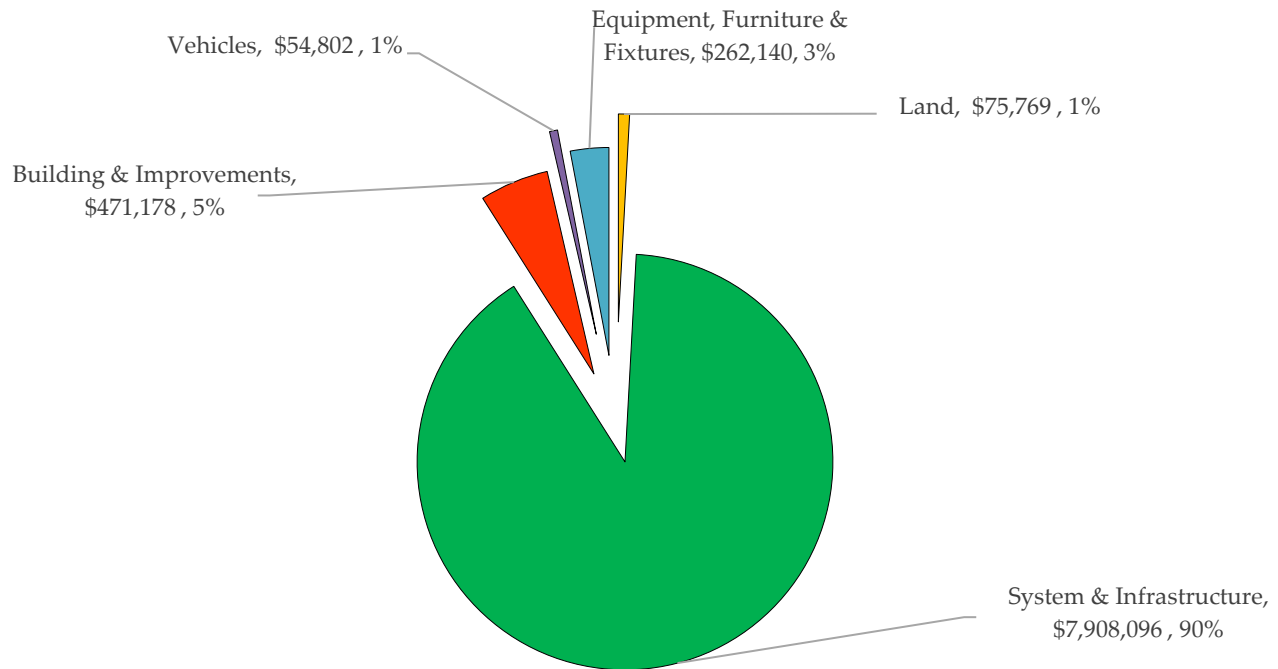
VILLAGE OF HEBRON, ILLINOIS

Management's Discussion and Analysis

Year Ended April 30, 2023

2023 BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS - (at Cost)

ROUNDED TO THE NEAREST PERCENT



Long-term liability activity for the year ended April 30, 2023 was as follows:

	Balance			Balance	Due Within
	May 1, 2022	Additions	Retirements	April 30, 2023	One Year
Governmental Activities: Long-Term Debt					
Village Hall Loan	\$ 141,787	\$ -	\$ 1,000	\$ 140,787	\$ 140,787
House Purchase Loan	68,431	-	7,500	60,931	6,588
Total Long-Term Debt	210,218	-	8,500	201,718	147,375
Other Long Term Liabilities					
Compensated Absences	22,403	20,597	22,403	20,597	-
Total Governmental Long Term Obligations	\$ 232,628	\$ -	\$ 30,910	\$ 201,718	\$ 6,588
Business-Type Activities: Long-Term Debt					
2007 IEPA Loan	\$ 3,103,071	\$ -	\$ 199,896	\$ 2,903,175	\$ 412,282
Total Long-Term Debt	3,103,071	-	199,896	2,903,175	412,282
Other Long Term Liabilities					
Compensated Absences	2,170	5,845	2,170	5,845	-
Total Business-Type Long Term Obligations	\$ 3,105,241	\$ 5,845	\$ 202,066	\$ 2,909,020	\$ 412,282

VILLAGE OF HEBRON, ILLINOIS

Management's Discussion and Analysis

Year Ended April 30, 2023

ECONOMIC FACTORS AND PROPERTY TAXES

The equalized assessed valuation (EAV) of the Village for 2022 is \$31,992,202. That represents an increase in EAV of \$3,234,386 over the prior year's EAV. Taxes recorded in these financial statements are distributions received from the 2021 levy. A summary of the assessed valuations and extensions for tax years 2022, 2021 and 2020 is as follows:

VILLAGE OF HEBRON, ILLINOIS Assessed Valuations, Extended Tax Rates Percentage Allocations, and Extended Tax Rates

Tax levy year	2022		2021		2020	
Assessed valuations						
McHenry county	\$	31,992,202	\$	28,757,816	\$	25,161,311
Tax rates and percentage						
Allocations by fund						
Funds	Rate	Percentage	Rate	Percentage	Rate	Percentage
General fund	0.283001	42.08	0.302993	42.43	0.304301	24.27
Police Protection	0.134761	19.97	0.141044	19.77	0.200705	16.02
Audit	0.020215	3.00	0.018743	2.63	0.021859	1.74
Liability insurance	0.134761	19.97	0.143753	20.14	0.156848	12.52
Street lighting	0.040429	5.99	0.045825	6.42	0.500000	39.90
Social security	0.060643	8.99	0.061549	8.62	0.069552	5.55
Totals	0.673810	100.00	0.713907	100.01	1.253265	100.00
Property tax extensions						
Funds	2022		2021		2020	
General fund	90,538		\$ 87,134		\$ 76,566	
Police protection	43,113		40,561		50,500	
Audit	6,467		5,390		5,500	
Liability insurance	43,113		41,340		39,465	
Street lighting	12,934		13,178		12,581	
Social security	19,401		17,700		17,500	
Totals	\$ 215,566		\$ 205,303		\$ 202,112	

VILLAGE OF HEBRON, ILLINOIS

Management's Discussion and Analysis

Year Ended April 30, 2023

Property Tax Extensions



Description of Current or Expected Conditions

Currently, management is not aware of any other significant changes in conditions that could have a significant effect on the financial position or results of activities of the Village in the near future. However, management continues to monitor items that may impact future receipts, especially noting a potential decline in state funds as well as losses due to the tax cap.

Requests for Information

This financial report is designed to provide a general overview of the Village of Hebron's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Village of Hebron; P.O. Box 372; Hebron, Illinois 60034.

BASIC FINANCIAL STATEMENTS

VILLAGE OF HEBRON, ILLINOIS

Government-wide Statement of Net Position - Modified Cash Basis

April 30, 2023

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
Assets			
Cash and investments, at cost	\$ 845,660	\$ 1,307,330	\$ 2,152,990
Internal balances	79,731	(79,731)	-
Capital Assets not being depreciated	243,596	75,769	319,365
Capital assets being depreciated, net	582,938	3,697,191	4,280,129
Total Assets	\$ 1,751,925	\$ 5,000,559	\$ 6,752,484
Liabilities			
Current Liabilities:			
Due to Custodial fund	\$ 1,002	\$ -	\$ 1,002
Due within 1 year- notes payable	147,375	-	147,375
Due within 1 year - IEPA loan	-	412,282	412,282
Non-Current Liabilities:			
Due in more than 1 year - notes payable	54,343	-	54,343
Due in more than 1 year - IEPA loan	-	2,490,893	2,490,893
Compensated absences	20,597	5,845	26,442
Total Liabilities	223,317	2,909,020	3,132,337
Net Position			
Net investment in capital assets	624,816	869,785	1,494,601
Restricted - Motor Fuel Tax	250,157	-	250,157
Restricted - Debt Service	1,689	-	1,689
Restricted - Capital Development	-	31,280	31,280
Unrestricted	651,946	1,190,474	1,842,420
Total Net Position	\$ 1,528,608	\$ 2,091,539	\$ 3,620,147

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

VILLAGE OF HEBRON, ILLINOIS

Government-wide Statement of Activities and Changes in Net Position - Modified Cash Basis

For the Year Ended April 30, 2023

Functions/Programs		Program Revenues		Net Revenue (Expense) and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals
Governmental Activities	Expenses						
General government	\$ 240,646	\$ 41,920	\$ -	\$ -	\$ (198,726)	\$ -	\$ (198,726)
Public safety	352,755	29,499	96,439	-	(226,817)	-	(226,817)
Streets	179,289	-	66,359	-	(112,930)	-	(112,930)
Buildings	42,613	-	-	-	(42,613)	-	(42,613)
Interest on long-term debt	8,803	-	-	-	(8,803)	-	(8,803)
Total Governmental Activities	824,106	71,419	162,798	-	(589,889)	-	(589,889)
Business-Type Activities							
Proprietary activities	539,634	839,905	-	-	-	300,271	300,271
Interest on long-term debt	30,532	-	-	-	-	(30,532)	(30,532)
Total Business-Type Activities	570,166	839,905	-	-	-	269,739	269,739
Total Primary Government	\$ 1,394,272	\$ 911,324	\$ 162,798	\$ -	(589,889)	269,739	(320,150)
General Revenues:							
Property taxes					227,330	-	227,330
Intergovernmental revenue					438,558	-	438,558
Utility taxes					88,846	-	88,846
Video gaming tax					88,495	-	88,495
Miscellaneous revenue					20,267	187	20,454
Investment income					19,246	23,789	43,035
Total Revenues					882,742	23,976	906,718
Changes in Net Position					292,853	293,715	586,568
Net Position, Beginning					1,235,755	1,797,824	3,033,579
Total Net Position, Ending					\$ 1,528,608	\$ 2,091,539	\$ 3,620,147

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

VILLAGE OF HEBRON, ILLINOIS

Governmental Funds - Balance Sheet

For the Year Ended April 30, 2023

Assets	General Fund	Motor Fuel Tax Fund	Debt Service Fund	Total
Cash	\$ 569,916	\$ 274,055	\$ 1,689	\$ 845,660
Due from other funds	102,627	-	-	102,627
Total Assets	\$ 672,543	\$ 274,055	\$ 1,689	\$ 948,287
Liabilities				
Due to other funds	\$ -	\$ 23,898		\$ 23,898
Total Liabilities	-	23,898	-	23,898
Fund Balance				
Restricted	-	250,157	1,689	251,846
Unassigned	672,543	-	-	672,543
Total Fund Balance	672,543	250,157	1,689	924,389
Total Liabilities and Fund Balance	\$ 672,543	\$ 274,055	\$ 1,689	\$ 948,287

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

VILLAGE OF HEBRON, ILLINOIS

Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended April 30, 2023

	General Fund	Motor Fuel Tax Fund	Debt Service Fund	Total
Revenues				
Property taxes	\$ 227,330	\$ -	\$ -	\$ 227,330
Intergovernmental revenue	438,558	66,359	-	504,917
Video gaming tax	88,495	-	-	88,495
Utility taxes	88,846	-	-	88,846
Licenses, fees, and permits	41,920	-	-	41,920
Fines	29,499	-	-	29,499
Grants and donations	96,439	-	-	96,439
Interest income	11,532	7,714	-	19,246
Miscellaneous revenue	20,267	-	-	20,267
Total Revenues	<u>1,042,886</u>	<u>74,073</u>	<u>-</u>	<u>1,116,959</u>
Expenditures				
Administrative	239,206	-	-	239,206
Police	346,197	-	-	346,197
Street	176,251	-	-	176,251
Building	42,613	-	-	42,613
Debt service - interest	8,803	-	-	8,803
Debt service - principal	8,500	-	-	8,500
Total Expenditures	<u>821,570</u>	<u>-</u>	<u>-</u>	<u>821,570</u>
Net Change in Fund Balance	221,316	74,073	-	295,389
Fund Balance				
Fund Balance, Beginning	451,227	176,084	1,689	629,000
Total Fund Balance, Ending	<u>\$ 672,543</u>	<u>\$ 250,157</u>	<u>\$ 1,689</u>	<u>\$ 924,389</u>

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

VILLAGE OF HEBRON, ILLINOIS

*Governmental Funds - Reconciliation of the Governmental Fund Statements to
the Government-wide Statement of Net Position and Statement of Activities
For the Year Ended April 30, 2023*

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

Total Fund Balances - Total Governmental Funds	\$	924,389
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Amount net of depreciation		826,534
Other employee benefit obligations accruals are not reported in funds.		(20,597)
Long term debt is not recorded in the fund statement but is included as a liability in the Statement of Net Position.		(201,718)
Total Net Position of Governmental Activities	\$	<u>1,528,608</u>

Reconciliation of the Governmental Funds Statement of Revenue, Expenditures and Changes in Fund Balances to the Statement of Net Activities and Changes in Net Position

Excess (Deficiency) of Revenue Over Expenditures and Other Sources/Uses Governmental Funds	\$	295,389
Governmental funds report capital outlays as expenditures; however for the Statement of Activities the amounts are capitalized and depreciation over their useful life. (amount shown is net of depreciation)		(12,842)
Governmental funds report the payment of debt as an expenditure; however the Statement of Activities records the payment as a reduction in the debt liability.		8,500
Governmental funds do not accrue for deferred compensation but the expenses are accrued for in the Statement of Activities.		1,806
Changes in Net Position of Governmental Funds	\$	<u>292,853</u>

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

VILLAGE OF HEBRON, ILLINOIS

Proprietary Fund - Statement of Net Position - Modified Cash Basis

April 30, 2023

Assets	Water & Sewer O&M Fund	Water & Sewer Capital Development	Water & Sewer Total
Cash	\$ 1,276,050	\$ 31,280	\$ 1,307,330
Capital assets not being depreciated	75,769	-	75,769
Capital assets being depreciated	3,697,191	-	3,697,191
Total Assets	\$ 5,049,010	\$ 31,280	\$ 5,080,290
Liabilities			
Current Liabilities			
Due to general fund	\$ 79,731	\$ -	\$ 79,731
Notes payable - current portion	412,282	-	412,282
Noncurrent Liabilities			
Compensated absences	5,845	-	5,845
Notes payable - long-term	2,490,893	-	2,490,893
Total Liabilities	2,988,751	-	2,988,751
Net Position			
Net investment in capital assets	794,016	-	794,016
Restricted	-	31,280	31,280
Unrestricted	1,266,243	-	1,266,243
Total Net Position	2,060,259	31,280	2,091,539
Total Liabilities and Net Position	\$ 5,049,010	\$ 31,280	\$ 5,080,290

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

VILLAGE OF HEBRON, ILLINOIS

Proprietary Fund - Statement of Revenues, Expenses, and Changes in Net Position - Modified Cash Basis

For the Year Ended April 30, 2023

	Water & Sewer O&M Account	Water & Sewer Capital Development Account	Water & Sewer Fund Totals
Operating Revenue			
Sewer charges	\$ 630,278	\$ -	\$ 630,278
Water charges	209,627	-	209,627
Total Operating Revenue	<u>839,905</u>	<u>-</u>	<u>839,905</u>
Operating Expenses			
Water department expenses	164,396	-	164,396
Sewer department expenses	240,340	-	240,340
Total Operating Expenses	<u>404,736</u>	<u>-</u>	<u>404,736</u>
Operating Income Before Depreciation	<u>435,169</u>	<u>-</u>	<u>435,169</u>
Less: depreciation/amortization	<u>134,898</u>	<u>-</u>	<u>134,898</u>
Operating Income/(Loss)	<u>300,271</u>	<u>-</u>	<u>300,271</u>
Non-Operating Revenue/(Expense)			
Interest expense	(30,532)	-	(30,532)
Interest income	23,789	-	23,789
Miscellaneous	10	177	187
Total Non-Operating Income/(Loss)	<u>(6,733)</u>	<u>177</u>	<u>(6,556)</u>
Change in Net Position	<u>293,538</u>	<u>177</u>	<u>293,715</u>
Net Position			
Net position, beginning	1,766,721	31,103	1,797,824
Total Net Position, Ending	<u>\$ 2,060,259</u>	<u>\$ 31,280</u>	<u>\$ 2,091,539</u>

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

VILLAGE OF HEBRON, ILLINOIS

Proprietary Fund - Statement of Cash Flows - Modified Cash Basis

For the Year Ended April 30, 2023

	Water & Sewer O&M Fund	Water & Sewer Capital Development Fund	Water & Sewer Total
Cash Flows from Operating Activities			
Cash received from customers and users	\$ 839,905	\$ 177	\$ 840,082
Cash paid to suppliers	(226,373)	-	(226,373)
Cash paid for employees	(168,240)	-	(168,240)
Net Cash Flows Provided by Operating Activities	445,292	177	445,469
Cash Flows from Investing Activities			
Purchase of capital assets	(34,849)	-	(34,849)
Interest income	23,789	-	23,789
Net Cash Flows Provided by Investing Activities	(11,060)	-	(11,060)
Cash Flows from Capital and Financing Activities			
Loans/principal payments	(199,897)	-	(199,897)
Bond/note interest payments, net	(30,532)	-	(30,532)
Net Cash Flows Provided by Capital and Financing Activities	(230,429)	-	(230,429)
Net Increase/(Decrease) in Cash	203,803	177	203,980
Cash at Beginning of Year	1,072,247	31,103	1,103,350
Cash at End of Year	1,276,050	31,280	1,307,330
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating income (loss) for the year	300,271	-	300,271
Depreciation/amortization	134,898	-	134,898
Increase (decrease) in compensated absences	3,675	-	3,675
Increase (decrease) in due to other funds	6,448	-	6,448
Net Cash Provided by Operating Activities	\$ 445,292	\$ -	\$ 445,292

Cash payments for interest made during the year were \$30,532

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

VILLAGE OF HEBRON, ILLINOIS

Fiduciary Fund - Statement of Net Position - Modified Cash Basis

April 30, 2023

	Custodial
Assets	Fund
Cash	\$ 4,861
Due from general fund	1,002
Total Assets	\$ 5,863
Liabilities	
Due for distribution	\$ 5,863
Total Liabilities	\$ 5,863

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

VILLAGE OF HEBRON, ILLINOIS

Fiduciary Fund - Statement of Changes in Fiduciary Net Position

For the Year Ended April 30, 2023

	Custodial Fund
Additions	\$ -
Total additions	-
Deductions	
Distributions	36
Total deductions	36
Change in Net Position	(36)
Net Position - May 1, 2022	5,899
Net Position - April 30, 2023	\$ 5,863

NOTES TO THE BASIC
FINANCIAL STATEMENTS

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Hebron (Village) was organized under the provisions of Chapter 70 of the Illinois Compiled Statutes. The Village operates under the direction of an elected Board.

The Village's financial statements are prepared in accordance with the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies used by the Village are discussed below.

REPORTING ENTITY

The accompanying financial statements comply with the provisions of GASB Statement No. 61, *The Financial Reporting Entity*, in that the financial statements include all organizations, activities, and functions that comprise the Village. Component units are legally separate entities for which the Village (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the Village's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the Village. Using these criteria, the Village has no component units. In addition, the Village is not included as a component unit in any other governmental reporting entity as defined by GASB pronouncements.

BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund (reporting the Village's major funds) financial statements. Both the government-wide and fund financial statements categorize primary activities as governmental activities or business type. The Village's general government, public safety, streets and roads, and debt service activities are classified as governmental activities. The Village's water, sewer, and water and sewer capital development are classified as business-type activities.

In the government-wide Statement of Net Position — Modified Cash Basis, the governmental activities column (a) is presented on a consolidated basis, and (b) is reported on a modified

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

cash, and economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Village's net position are reported in three parts net investment in capital assets, restricted net position; and unrestricted net position. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities — Modified Cash Basis reports both the gross and net cost of each of the Village's functions (general government, public safety, streets, and buildings). The functions are also supported by general government revenues (property taxes, personal property replacement taxes, foreign fire insurance taxes, unrestricted investment earnings, etc.). The Statement of Activities — Modified Cash Basis reduces gross expenses (including depreciation) by related program revenues, operating and capital grants (where applicable). Program revenues must be directly associated with the function (general government, public safety, etc.). Program revenues include charges to customers or applicants who purchase, use or directly benefit from goods, services, or privilege provided by a given function or segment. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function) are normally covered by general revenue (property taxes, personal property replacement taxes, foreign fire insurance taxes, unrestricted investment earnings, etc.).

The Village does not allocate indirect costs.

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENTAL FUNDS

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. The Village reports these major governmental funds and fund types:

GENERAL FUND —The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS —The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Motor Fuel Tax Fund is the only fund that meets this specification for the Village and accounts for revenues and expenditures to be used for road maintenance.

DEBT SERVICE FUND —The Debt Service Fund is used to account for the accumulation of funds for the periodic payment of principal, interest and related fees on general long-term debt.

The activities reported in these funds are reported as governmental activities in the government-wide financial statements

PROPRIETARY FUNDS

THE WATER AND SEWER FUND —The Water and Sewer Fund is used to account for the water and sewerage facilities for the residents. User charges to customers account for substantially all of the revenue of this fund. The Water and Sewer Fund is comprised of the Water and Sewer O&M account as well as the Water and Sewer Capital Development account.

The activities reported in these funds are reported as business-type activities in the government-wide financial statements.

FIDUCIARY FUND TYPES

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using the modified cash basis of accounting.

The Village's fiduciary funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (developers) and cannot

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

MODIFIED CASH

The Government-wide Statement of Net Position — Modified Cash Basis and Statement of Activities — Modified Cash Basis and the Governmental Funds financial statements, are presented using the modified cash basis of accounting.

This basis recognizes assets, liabilities, net position/fund equity, revenues and expenditures/expenses when they result from cash transactions, with a provision for depreciation in the government-wide financial statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the Village utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting. The government-wide financial statements would be presented on the accrual basis of accounting.

CASH AND CASH EQUIVALENTS AND INVESTMENTS

Separate bank accounts are not maintained for all of the Village's funds. Instead, the funds maintain their un-invested cash balances in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Occasionally certain of the funds participating in the common bank accounts will incur overdrafts (deficits) in the accounts. Such overdrafts in effect constitute cash borrowed from other Village funds and are, therefore, inter-fund loans that have not been authorized by Village Board action.

The Village has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at the lower of cost or market. Gains or losses on the sale of investments are recognized upon realization.

INVENTORIES

It is the Village's policy to charge all purchases of items for resale or supplies to expenditures when purchased. No inventory accounts are maintained to reflect the value of resale or supply items on hand.

INTERFUND ACTIVITY

Interfund activity is reported either as loans, services provided, reimbursements, or transfers. Loans are reported as inter-fund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other inter-fund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

CAPITAL ASSETS

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on a straight-line basis over the following estimated useful lives:

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Land Improvements	15 years
Buildings	40 years
Furniture and Equipment	5-7 years
Computer Equipment	3 years
Vehicles	5-7 years

GASB Statement No. 34 requires the Village to report and depreciate new infrastructure assets acquired on or after May 1, 2004. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc.

LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position — Modified Cash Basis. Bond premiums and discounts are deferred and amortized over the life of the bonds on a straight-line basis. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as 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.

GOVERNMENT-WIDE NET POSITION

Government-wide net position is divided into three components:

1. Net investment in capital assets— consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
2. Restricted net position — consist of net position that are restricted by the Village's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
3. Unrestricted — all other net position is reported in this category.

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENTAL FUND BALANCES

Fund Balance Classification - 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 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. The Village has not classified any items as being Nonspendable.

RESTRICTED - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the revenue note and are restricted through debt covenants. Infrastructure Projects are restricted by State Statute and County laws and are legally segregated for funding of infrastructure improvements.

COMMITTED - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Village Board. These amounts cannot be used for any other purpose unless the Village Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Village did not have any committed resources as of April 30, 2023.

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 Village Board or through the Village Board delegating this responsibility to the Village President through the budgetary process.

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

UNASSIGNED - This classification includes the residual fund balance for the General Fund and the amount established for Minimum Funding which represents the portion of the General Fund balance that has been established by the board to be used for debt service or in emergency situations. Any negative fund balances are also classified as unassigned.

PROPERTY TAX CALENDAR

The Village's property tax is levied on January 1 of each year on all taxable real property located in the Village. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments early in June and early in September of the following calendar year. The Village receives significant distributions of tax receipts approximately one month after these dates. The 2022 levy was passed by the board on November 22, 2022.

NOTE 2 - DEPOSITS AND INVESTMENTS

At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$2,152,990, and the bank balances totaled \$2,203,637. The Village is allowed to invest in securities as authorized by the Illinois Compiled Statutes, Chapter 30, Act 235/Articles 2 and 6. All accounts are covered by FDIC insurance.

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2023 was as follows:

Depreciation expense was charged to functions as follows:

Capital Assets	Balance May 1, 2022	Increases	Decreases	Balance April 30, 2023
Governmental Activities:				
Capital assets not being depreciated				
Land	\$ 243,596	\$ -	\$ -	\$ 243,596
Capital assets being depreciated				
Infrastructure	250,288	-	-	250,288
Buildings & improvements	630,244	-	-	630,244
Equipment, furniture and fixtures	431,529	-	-	431,529
Vehicles	326,190	5,000	-	331,190
Total capital assets being depreciated	1,638,251	5,000	-	1,643,251
Less: Accumulated Depreciation	1,042,471	17,842	-	1,060,313
Capital Assets Being Depreciated (Net)	\$ 595,780	\$ (12,842)	\$ -	\$ 582,938
Water & Sewer Fund:				
Capital assets not being depreciated				
Land	75,769	-	-	75,769
Capital assets being depreciated				
Infrastructure	7,908,096	-	-	7,908,096
Buildings & improvements	471,178	-	-	471,178
Equipment, furniture and fixtures	227,291	34,849	-	262,140
Vehicles	54,802	-	-	54,802
Total capital assets being depreciated	8,661,367	34,849	-	8,696,216
Less: Accumulated Depreciation	4,864,127	134,898	-	4,999,025
Capital Assets Being Depreciated (Net)	\$ 3,797,240	\$ (100,049)	\$ -	\$ 3,697,191

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 8,246
Public safety	6,558
Street and roads	3,038

Total Governmental Activities \$ 17,842

Business-Type Activities

Water and sewer	<u>\$ 134,898</u>
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VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 4 - ILLINOIS MUNICIPAL RETIREMENT FUND

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 Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

BENEFITS PROVIDED

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

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

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 4 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

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, 2022 the following employees were covered by the benefit terms:

	IMRF
Retirees and Beneficiaries currently receiving benefits	6
Inactive Plan Members entitled to but not yet receiving benefits	6
Active Plan Members	6
Total	18

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 2022 was 6.52%. For the fiscal year ended April 30, 2023, the Village contributed \$31,615 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, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 4 - ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

ACTUARIAL ASSUMPTIONS

The following are the methods and assumptions used to determine total pension liability at December 31, 2022:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.25%.
- **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- 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 adjusted) 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, 2022:

Asset Class	Portfolio Target Percentage	Expected Real Rate of Return
Domestic Equity	37%	4.50%
International Equity	18%	5.75%
Fixed Income	28%	2.00%
Real Estate	9%	5.90%
Alternative Investments	7%	4.3-8.1%
Cash Equivalents	1%	1.70%
Total	100%	

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 4 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

SINGLE DISCOUNT RATE

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

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 1.84%, and the resulting single discount rate is 7.25%.

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

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

Sensitivity of Net Pension Liability/(Asset) to the Single discount rate Assumption			
	1% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability	\$ 1,177,193	\$ 1,066,958	\$ 982,308
Plan Fiduciary Net Position	976,988	976,988	976,988
Net Pension Liability/(Asset)	\$ 200,205	\$ 89,970	\$ 5,320

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 4 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

Schedule of Changes in Net Pension Liability and Related Ratios - Current Period

Calendar Year Ended December 31, 2022

A. Total pension liability

1. Service Cost	\$	49,278
2. Interest on the Total Pension Liability		89,653
3. Changes of benefit terms		-
4. Difference between expected and actual experience of the Total Pension Liability		(238,724)
5. Changes of assumptions		-
6. Benefit payments, including refunds of employee contributions		(90,415)
7. Net change in total pension liability		(190,208)
8. Total pension liability – beginning		1,257,166
9. Total pension liability – ending	\$	1,066,958

B. Plan fiduciary net position

1. Contributions – employer	\$	31,615
2. Contributions – employee		21,820
3. Net investment income		(176,441)
4. Benefit payments, including refunds of employee contributions		(90,415)
5. Other (Net Transfer)		(204,644)
6. Net change in plan fiduciary net position		(418,065)
7. Plan fiduciary net position – beginning		1,395,053
8. Plan fiduciary net position – ending	\$	976,988

C. Net pension liability/(asset)

\$ 89,970

D. Plan fiduciary net position as a percentage

of the total pension liability 91.57%

E. Covered Valuation payroll*

\$ 484,888

F. Net pension liability as a percentage

of covered valuation payroll 18.55%

*Does not necessarily represent Covered Employee Payroll as defined in GASB No.68

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 4 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

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

For the year ended April 30, 2023, the Village recognized pension expense of \$217,730. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>		
Differences between expected and actual	\$ -	\$ 181,475
Changes in assumptions	-	434
Net difference between projected and actual earnings on pension plan investments	103,724	-
Total Deferred Amounts to be recognized in pension expense in future periods	103,724	181,909
Contributions subsequent to measurement date	16,068	-
Total Deferred Amounts Related to Pensions	\$ 119,792	\$ -

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

Year Ending April 30, 2023	Net Deferred Outflows of Resources
2024	\$ (49,309)
2025	(32,229)
2026	(18,688)
2027	21,771
2028	-
Thereafter	-
Total	\$ (78,455)

The net pension liability and deferred outflows and inflows are not reported in these modified cash basis statements.

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 4 – ILLINOIS MUNICIPAL RETIREMENT (CONTINUED)

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2022 Contribution Rate *

Valuation Date: December 31, 2022

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

Methods and Assumptions Used to Determine 2022 Contribution Rates:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 22-year closed period Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 17 years for most employers (five employers were financed over 18 years; one employer was financed over 19 years; two employers were financed over 20 years; three employers were financed over 26 years; four employers were financed over 27 years and one employer was financed over 28 years. 5-Year smoothed market; 20% corridor
Asset Valuation Method	2.75%
Wage growth	2.25%
Price Inflation	2.85% to 13.75% including inflation
Salary Increases	7.25%
Investment Rate of Return	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
Retirement Age	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (based on 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Mortality

Other Information:

Notes There were no benefit changes during the year
*Based on Valuation Assumptions used in the December 31, 2020 actuarial valuation

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 5 - INTERFUND BALANCES

The interfund loans were made to cover the operating expenses in the General Fund.

Interfund loan balances at April 30, 2023 consisted of the following:

Due to	Due from	Amount
General	MFT	\$ 23,899
General	Water/Sewer	\$ 74,871
Custodial	General	\$ 1,003

NOTE 6 - LONG-TERM LIABILITY ACTIVITY

Long-term liability activity for the year ended April 30, 2023 was as follows:

	Balance May 1, 2022	Additions	Retirements	Balance April 30, 2023	Due Within One Year
Governmental Activities: Long-Term Debt					
Village Hall Loan	\$ 141,787	\$ -	\$ 1,000	\$ 140,787	\$ 140,787
House Purchase Loan	68,431	-	7,500	60,931	6,588
Total Long-Term Debt	210,218	-	8,500	201,718	147,375
Other Long Term Liabilities					
Compensated Absences	22,403	20,597	22,403	20,597	-
Total Governmental Long Term Obligations	\$ 232,628	\$ -	\$ 30,910	\$ 201,718	\$ 6,588
Business-Type Activities: Long-Term Debt					
2007 IEPA Loan	\$ 3,103,071	\$ -	\$ 199,896	\$ 2,903,175	\$ 412,282
Total Long-Term Debt	3,103,071	-	199,896	2,903,175	412,282
Other Long Term Liabilities					
Compensated Absences	2,170	5,845	2,170	5,845	-
Total Business-Type Long Term Obligations	\$ 3,105,241	\$ 5,845	\$ 202,066	\$ 2,909,020	\$ 412,282
Long-term liabilities at April 30, 2023	Maturity Dates	Interest Rates	Face Amount	Carrying Amounts	
Governmental Activities:					
Village Hall Loan	7/15/2024	4.250%	\$ 325,000	\$ 140,787	
Equipment Capital Lease	1/1/2021	3.950%	\$ 108,970	\$ -	
House Purchase Loan	11/10/2020	4.500%	\$ 112,000	\$ 60,896	
Business-Type Activities:					
2007 IEPA Loan	9/27/2036	1.000%	\$ 4,922,423	\$ 2,903,175	

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 6 - LONG-TERM LIABILITY ACTIVITY (CONCLUDED)

At April 30, 2023, the annual debt service requirements to service long-term debt:

Year Ending April 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 147,375	\$ 3,298	\$ 150,673	\$ 412,282	\$ 18,147	\$ 430,429
2025	7,449	1,909	9,358	206,034	24,395	230,429
2026	7,734	1,625	9,359	208,099	22,329	230,428
2027	8,029	1,330	9,359	210,186	20,243	230,428
2028	8,335	1,024	9,359	212,295	18,137	230,428
2029	8,653	706	9,359	214,421	16,008	230,428
2030	8,983	376	9,359	216,570	13,858	230,428
2031	5,160	61	5,221	218,736	11,687	230,428
2032	-	-	-	220,935	9,495	230,428
2033	-	-	-	223,149	7,280	230,428
2034	-	-	-	225,386	5,043	230,428
2035	-	-	-	227,645	2,783	230,428
2036	-	-	-	107,437	542	107,979
	<u>\$ 201,718</u>	<u>\$ 10,329</u>	<u>\$ 212,047</u>	<u>\$ 2,903,175</u>	<u>\$ 169,947</u>	<u>\$ 3,073,117</u>

NOTE 7 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS

During the fiscal year ended April 30, 2023 no funds had expenditures that exceeded the appropriations.

NOTE 8 - RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Village purchases commercial insurance to handle these risks of loss. During the fiscal year ended April 30, 2023, there was no significant reduction in insurance coverage for any

VILLAGE OF HEBRON, ILLINOIS

Notes to Financial Statements

Year Ended April 30, 2023

NOTE 8 - RISK MANAGEMENT (CONCLUDED)

category. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The Village is insured under a retrospectively-rated policy for workers' compensation coverage. Whereas, the initial premium may be adjusted based on actual experience. Adjustments in premiums are recorded when paid or received. During the year ended April 30, 2023, there were no significant adjustments in premiums based on actual experience.

NOTE 9 – SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through the date on which the financial statements were available to be issued. The Village is not aware of any other pending litigation or potential non-disclosed liabilities that management believes would have a material adverse effect on the financial statements.

OTHER INFORMATION

VILLAGE OF HEBRON, ILLINOIS

General Fund - Schedule of Revenues - Budget and Actual

For the Year Ended April 30, 2023

Revenues	Budgeted	Modified
	Cash Basis	
Property tax levy	185,000	88,714
Social security levy	17,500	17,670
Insurance levy	37,000	41,270
Audit Levy	-	5,381
State sales tax	70,000	141,765
State income tax	110,000	221,040
Replacement tax	-	20,048
Utility tax	52,000	73,204
State use tax	5,000	55,705
Video gaming tax	60,000	88,495
Liquor licenses	6,500	6,525
Cannibas licenses	-	2,154
Video gaming licenses	-	900
Business licenses	1,500	1,500
Hebron special events	100	-
Petition and annexation	6,000	-
Petition and annexation bb	2,000	-
Telecommunications	15,000	15,642
Franchise fees - cable	2,200	4,651
Interest income	1,000	10,378
Miscellaneous income	9,000	19,705
Grants	5,000	6,193
Grants - ARPA	-	80,494
Building permits - parks	-	50
Building permits other	20,000	25,260
Tower Rental Fees	-	500
Truck permits	200	-
Miscellaneous income	100	-
Police protection levy	50,000	40,492
Code enforcement tickets	2,500	25
Court fines	75,000	26,126
DUI equipment fines	2,500	2,688
Police vehicle fund	1,300	-
Electronic citation	800	160
Towing/impound fines	30,000	500
Interest income	-	1,133
Miscellaneous income	200	230
Grants	8,500	9,752
Miscellaneous Income	2,500	332
Interest Income	220	21
Road & bridge township levy	-	13,156
Street lighting levy	-	20,647
Other permits	2,300	380
Total Revenues	\$ 780,920	\$ 1,042,886

VILLAGE OF HEBRON, ILLINOIS

General Fund - Schedule of Expenditures - Budget and Actual

For the Year Ended April 30, 2023

	Budget		Modified
	Original	Final	Cash Basis
Administrative Department			
Salaries and Benefits			
Salary and wages	\$ 98,470	\$ 94,400	\$ 66,111
FICA - village share	6,300	6,000	6,287
Medicare - village share	1,470	1,400	1,261
Unemployment insurance	420	400	887
Retirement fund	5,250	5,000	4,084
Payroll expense	300	300	-
Total Salaries and Benefits	112,210	107,500	78,630
Administrative Expenses			
Maintenance - building	7,000	3,000	3,322
Maintenance - equipment	5,000	5,260	-
Contract services	10,000	10,000	41,467
Other services	3,500	3,500	1,378
Supplies & maintenance	600	600	273
Audit	5,000	5,000	4,900
Engineering services	20,000	20,000	4,300
Legal services	70,000	70,000	42,197
Improvements	5,000	8,000	-
Postage	2,000	2,200	990
Telephone	4,800	4,800	3,573
Utilities	-	1,500	1,740
Printing	1,800	1,800	871
Technology services	5,000	5,000	1,692
Dues, memberships	2,000	2,000	819
Travel expense	600	600	-
Publications	500	1,050	-
Licenses	200	200	-
Garbage disposal	-	350	-
Insurance	60,000	60,000	41,779
Insurance administrative - bond	200	200	-
Rentals	400	400	30
Office supplies	5,000	3,500	2,951
Computer software	1,000	1,000	1,095
Operating supplies	100	100	49
Office furniture	4,000	4,000	-
Computer hardware	2,000	2,000	-

VILLAGE OF HEBRON, ILLINOIS*General Fund - Schedule of Expenditures - Budget and Actual**For the Year Ended April 30, 2023*

	Budget		Modified
	Original	Final	Cash Basis
Administrative Expenses (Continued)			
Principal payment	\$ 9,500	\$ 5,300	\$ 8,500
Interest payment	7,369	9,800	8,803
Land	50,000	50,000	-
Miscellaneous expense	1,000	1,000	3,089
Community projects	1,500	1,500	-
Senior citizen bus service	3,000	2,600	3,536
Events	2,000	2,000	525
Total Administrative Expenses	290,069	288,260	177,879
Total Administrative Department	402,279	395,760	256,509
Police Department			
Salaries and Benefits			
Salary and wages	352,000	352,000	206,106
Health insurance	24,000	24,000	9,288
FICA - village share	22,000	22,000	15,675
Medicare - village share	5,100	5,100	2,599
Unemployment insurance	5,000	5,000	644
Retirement fund	31,000	31,000	16,941
Training	2,100	2,100	555
Uniform allowance	3,000	3,000	772
Total Salaries and Benefits	444,200	444,200	252,580
Administrative Expenses			
Maintenance - building	1,500	1,500	865
Maintenance - equipment	1,500	1,500	594
Maintenance - vehicles	10,000	10,000	4,043
Maintenance - other	1,000	1,000	878
Contract services	35,000	35,000	31,449
Other services	100	100	-
Technology services	-	-	4,170
Supplies & maintenance	1,000	1,000	392
Legal services	30,000	30,000	22,559
Odin training	7,800	7,800	-
Postage	330	330	134
Telephone	3,080	3,080	4,808
Printing	1,200	1,200	1,663
Publications	-	-	298
Tech services	2,500	2,500	-

VILLAGE OF HEBRON, ILLINOIS*General Fund - Schedule of Expenditures - Budget and Actual**For the Year Ended April 30, 2023*

	Budget		Modified
	Original	Final	Cash Basis
Police Department (Continued)			
Administrative Expenses			
Dues	\$ 300	\$ 300	\$ 2,610
Operating supplies	100	100	-
Office supplies	1,200	1,200	1,223
Computer software	1,000	1,000	207
Computer hardware	2,000	2,000	-
Fuel	11,550	11,550	15,035
DUI equipment supplies	300	300	-
Equipment - new	5,280	5,280	-
Vehicle - new	10,000	10,000	-
Capital improvements	-	-	2,459
Miscellaneous expense	825	825	230
Total Administrative Expenses	127,565	127,565	93,617
Total Police Department	571,765	571,765	346,197
Street Department			
Salaries and Benefits			
Salary and wages	67,500	67,500	58,563
Health insurance	6,000	6,000	4,410
FICA - village share	7,000	7,000	3,615
Medicare - village share	1,750	1,750	845
Unemployment insurance	1,000	1,000	243
Retirement fund	10,000	10,000	5,686
Uniform allowance	500	500	-
Total Salaries and Benefits	93,750	93,750	73,362
Administrative Expenses			
Maintenance - buildings	6,000	6,000	747
Maintenance - equipment	5,000	5,000	2,149
Maintenance - vehicles	15,500	15,500	3,716
Street maintenance	20,000	20,000	5,786
Water maintenance	800	800	-
Other maintenance	500	500	5
Contract services	7,000	7,000	10,711
Other services	5,000	5,000	698
Supplies & maintenance	5,000	5,000	1,876

VILLAGE OF HEBRON, ILLINOIS

General Fund - Schedule of Expenditures - Budget and Actual

For the Year Ended April 30, 2023

	Budget		Modified
	Original	Final	Cash Basis
Street Department (Continued)			
Administrative Expenses			
Snow removal	\$ 2,000	\$ 2,000	\$ 9,957
Engineering services	2,000	2,000	-
Improvements	20,000	20,000	-
Telephone	700	700	521
Postage	150	150	-
Utilities	1,500	1,500	1,814
Printing	-	-	167
Street lighting	36,000	36,000	31,244
Rentals	500	500	-
Siren maintenance	1,400	1,400	-
Office supplies	240	240	224
Operating supplies	250	250	-
Fuel	9,000	9,000	13,028
Road materials	1,500	1,500	4,635
Tree trimming	6,000	6,000	6,375
Principal payments	4,657	4,657	-
Interest expense	300	300	-
Maintenance materials	15,000	15,000	1,550
Equipment - new	15,000	15,000	-
Vehicle - new	20,000	20,000	5,000
Technology services	200	200	-
Miscellaneous expense	1,000	1,000	-
Parks	1,000	1,000	2,686
Total Administrative Expenses	203,197	203,197	102,889
Total Street Department	296,947	296,947	176,251
Building Department			
Salaries and Benefits			
Salary and wages	36,300	36,300	35,477
Salary and wages - p&z	1,500	1,500	-
FICA - village share	2,500	2,500	2,200
Medicare - village share	700	700	514
Unemployment insurance	1,000	1,000	196
Total Salaries and Benefits	42,000	42,000	38,387

VILLAGE OF HEBRON, ILLINOIS

General Fund - Schedule of Expenditures - Budget and Actual

For the Year Ended April 30, 2023

	Budget		Modified Cash Basis
	Original	Final	
Building Department (Concluded)			
Administrative Expenses			
Maintenance - building	\$ 150	\$ 150	\$ 255
Contract services	4,000	4,000	794
Supplies & maintenance	200	200	100
Audit	100	100	-
Legal	-	-	94
Engineering services	3,500	3,500	-
Administrative Expenses			
Postage	200	200	63
Telephone	1,400	1,400	1,851
Utilities	1,000	1,000	-
Printing	1,000	1,000	167
Technology services	200	200	100
Dues	200	200	-
Office supplies	500	500	802
Operating supplies	100	100	-
Computer software	300	300	-
Computer hardware	1,500	1,500	-
Total Administrative Expenses	14,350	14,350	4,226
Total Building Department	56,350	56,350	42,613
Total General Fund	\$ 1,327,341	\$ 1,320,822	\$ 821,570

VILLAGE OF HEBRON, ILLINOIS

Water & Sewer O&M Account - Schedule of Revenues and Expenses - Budget and Actual - Modified Cash Basis

For the Year Ended April 30, 2023

	Appropriations		Modified
	Original	Final	Cash Basis
Revenues			
Water - supply & distribution	\$ 190,000	\$ 190,000	\$ 209,627
Sewer - collection & treatment	600,000	600,000	630,278
Interest income	740	740	23,789
Permits	20,000	20,000	-
Miscellaneous	100	100	10
Total Revenues	810,840	810,840	863,704
Sewer Department			
Salaries and Benefits			
Salary and wages	86,000	86,000	76,704
FICA - village share	5,500	5,500	4,537
Medicare - village share	1,500	1,500	1,027
Health insurance	6,000	6,000	3,551
Unemployment insurance	1,000	1,000	382
Retirement fund	7,000	7,000	2,482
Training	500	500	-
Uniform allowance	1,000	1,000	85
Payroll expense	100	100	-
Total Salaries and Benefits	108,600	108,600	88,768
Administration Expenses			
Maintenance - buildings	1,000	1,000	497
Maintenance - vehicles	1,000	1,000	250
Maintenance - equipment	30,000	30,000	1,761
Sewer maintenance	16,000	16,000	9,057
Other maintenance	500	500	5
Insurance	30,000	30,000	20,728
Other services	300	300	357
Improvements (sewer)	750	750	-
Supplies & maintenance	200	200	234
Audit	5,000	5,000	4,900
Engineering services	4,500	4,500	3,715
Legal	5,000	5,000	-
Improvements	5,000	5,000	-

VILLAGE OF HEBRON, ILLINOIS

Water & Sewer O&M Account - Schedule of Revenues and Expenses - Budget and Actual -
Modified Cash Basis

For the Year Ended April 30, 2023

	Appropriations		Modified
	Original	Final	Cash Basis
Sewer Department (Continued)			
Administration Expenses			
Postage	\$ 5,000	\$ 5,000	\$ 2,600
Telephone	2,500	2,500	3,478
Utilities	38,500	38,500	51,303
Printing	880	880	167
Dues	8,000	8,000	7,542
Travel expense	2,700	2,700	-
Lab testing	7,500	7,500	3,951
Service Charge	-	-	105
Chemicals	15,000	15,000	18,453
Rentals	2,500	2,500	-
Meters and other improvements	13,000	13,000	7,454
Office supplies	250	250	717
Operating supplies	500	500	117
Computer software	3,000	3,000	1,278
Computer Hardware	-	-	635
Technology services	1,000	1,000	625
Maintenance Materials	-	-	150
Publications	150	150	-
Garbage disposal	125	125	-
Loan principal	198,000	198,000	-
Loan interest	39,000	39,000	30,532
Equipment - new	32,000	32,000	11,101
Vehicle - new	10,000	10,000	-
Miscellaneous expense	250	250	392
Contingency	5,000	5,000	-
Total Administration Expenses	484,105	484,105	182,104
Total Sewer Department	592,705	592,705	270,872
Water Department Expenses			
Salaries and Benefits			
Salary and wages	80,000	80,000	69,291
Health insurance	6,000	6,000	2,210
FICA - village share	5,500	5,500	4,172
Medicare - village share	1,500	1,500	942

VILLAGE OF HEBRON, ILLINOIS

*Water & Sewer O&M Account - Schedule of Revenues and Expenses - Budget and Actual -
Modified Cash Basis*

For the Year Ended April 30, 2023

	Appropriations		Modified
	Original	Final	Cash Basis
Water Department Expenses (Continued)			
Salaries and Benefits			
Unemployment insurance	\$ 1,500	\$ 1,500	\$ 315
Retirement fund	7,000	7,000	2,482
Training	500	500	-
Uniform allowance	1,000	1,000	60
Payroll expense	100	100	-
Total Salaries and Benefits	103,100	103,100	79,472
Administrative Expenses			
Maintenance - buildings	11,000	11,000	170
Maintenance - vehicles	2,000	2,000	822
Maintenance - equipment	1,500	1,500	1,900
Maintenance-sewer	-	-	3,125
Water maintenance	67,500	67,500	6,926
Other maintenance	-	-	1,205
Other services	1,000	1,000	350
Supplies & maintenance	300	300	335
Audit	5,000	5,000	4,900
Tower maintenance	15,000	15,000	-
Engineering services	5,000	5,000	3,715
Postage	2,500	2,500	2,548
Telephone	3,000	3,000	2,248
Utilities	20,000	20,000	12,366
Printing	200	200	167
Dues	650	650	42
Travel	150	150	-
Insurance	30,000	30,000	20,728
Lab testing	18,000	18,000	2,964
Water testing	7,500	7,500	2,784
Chemicals	24,000	24,000	4,892
Rentals	2,000	2,000	-
Meters	5,000	5,000	7,454
Office supplies	650	650	589
Project materials	-	-	150

VILLAGE OF HEBRON, ILLINOIS

*Water & Sewer O&M Account - Schedule of Revenues and Expenses - Budget and Actual -
Modified Cash Basis*

For the Year Ended April 30, 2023

	Appropriations		Modified
	Original	Final	Cash Basis
Water Department Expenses (Concluded)			
Administrative Expenses			
Operating supplies	\$ 100	\$ 100	\$ 17
Computer software	6,500	6,500	1,219
Computer hardware	1,000	1,000	634
Service Charges	-	-	48
Technology services	1,200	1,200	625
Publications	500	500	-
Equipment - new	10,000	10,000	1,600
Vehicle - new	5,000	5,000	-
Miscellaneous expense	1,500	1,500	401
Total Administration Expenses	247,750	247,750	84,924
Total Water Department Expenses	350,850	350,850	164,396
 Total Water and Sewer Expenses	 \$ 943,555	 \$ 943,555	 \$ 435,268
 Net Change in Fund Balance	 \$ (132,715)	 \$ (132,715)	 \$ 428,436

VILLAGE OF HEBRON, ILLINOIS

Motor Fuel Tax Fund - Schedule of Revenues and Expenditures

For the Year Ended April 30, 2023

	Modified Cash Basis
Revenues	
Allotments	\$ 66,359
Interest income	7,714
Total Revenue	74,073
Expenditures	
	-
Total Expenditures	-
Net Change in Fund Balance	\$ 74,073

VILLAGE OF HEBRON, ILLINOIS
Multi-year Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Calendar Years

(schedule to be built prospectively from 2015)

Calendar Year Ending	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability								
Service Cost	\$ 49,278	\$ 42,985	\$ 30,263	\$ 27,980	\$ 20,681	\$ 13,912	\$ 12,593	\$ 10,398
Interest on the Total Pension Liability	89,653	85,460	79,921	71,617	68,999	69,585	67,360	64,842
Benefit Changes	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	(238,724)	5,113	26,345	70,708	8,131	(20,504)	(1,259)	5,290
Assumption Changes	-	-	(4,487)	-	18,996	(25,829)	(1,572)	758
Benefit Payments and Refunds	(90,415)	(67,324)	(56,683)	(57,124)	(48,114)	(48,613)	(52,432)	(42,701)
Net Change in Total Pension Liability	(190,208)	66,234	75,359	113,181	68,693	(11,449)	24,690	38,587
Total Pension Liability - Beginning	1,257,166	1,190,932	1,115,573	1,002,392	933,699	945,148	920,458	881,871
Total Pension Liability - Ending (a)	\$ 1,066,958	\$ 1,257,166	\$ 1,190,932	\$ 1,115,573	\$ 1,002,392	\$ 933,699	\$ 945,148	\$ 920,458
Plan Fiduciary Net Position								
Employer Contributions	31,615	46,703	33,827	16,636	28,496	15,931	17,321	13,843
Employee Contributions	21,820	24,580	20,405	14,098	12,646	6,893	6,342	5,252
Pension Plan Net Investment Income	(176,441)	192,302	146,753	159,192	(50,265)	149,025	55,571	4,017
Benefit Payments and Refunds	(90,415)	(67,324)	(56,683)	(57,124)	(48,114)	(48,613)	(52,432)	(42,701)
Other	(204,644)	12,601	12,885	23,090	(17,643)	(14,292)	1,557	15,165
Net Change in Plan Fiduciary Net Position	(418,065)	208,862	157,187	155,892	(74,880)	108,944	28,359	(4,424)
Plan Fiduciary Net Position - Beginning	1,395,053	1,186,191	1,029,004	873,112	947,992	839,048	810,689	815,113
Plan Fiduciary Net Position - Ending (b)	\$ 976,988	\$ 1,395,053	\$ 1,186,191	\$ 1,029,004	\$ 873,112	\$ 947,992	\$ 839,048	\$ 810,689
Net Pension Liability/(Asset) - Ending (a) - (b)	89,970	(137,887)	4,741	86,569	129,280	(14,293)	106,100	109,769
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.57%	110.97%	99.60%	92.24%	87.10%	101.53%	88.77%	88.07%
Covered Valuation Payroll*	\$ 484,888	\$ 546,220	\$ 453,448	\$ 313,299	\$ 281,031	\$ 153,177	\$ 140,937	\$ 116,720
Net Pension Liability as a Percentage of Covered Valuation Payroll	18.55%	(25.24%)	1.05%	27.63%	46.00%	(9.33%)	75.28%	94.04%

*Does not necessarily represent Covered Employee Payroll as defined in GASB Statement No. 68.

VILLAGE OF HEBRON, ILLINOIS
Multi-year Schedule of Contributions
Last 10 Calendar Years

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	\$ 13,843	\$ 13,843	\$ -	\$ 116,720	11.86%
2016	\$ 17,321	\$ 17,321	\$ -	\$ 140,937	12.29%
2017	\$ 15,930	\$ 15,931	\$ (1)	\$ 153,177	10.40%
2018	\$ 28,497	\$ 28,496	\$ 1	\$ 281,031	10.14%
2019	\$ 16,636	\$ 16,636	\$ -	\$ 313,299	5.31%
2020	\$ 33,827	\$ 33,827	\$ -	\$ 453,448	7.46%
2021	\$ 46,702	\$ 46,703	\$ (1)	\$ 546,220	8.55%
2022	\$ 31,615 *	\$ 31,615	\$ -	\$ 484,888	6.52%

* Estimated based on a contribution rate of 6.52% and covered valuation payroll of \$484,888.

NOTES TO OTHER
INFORMATION

VILLAGE OF HEBRON, ILLINOIS

Notes to Other Information

Year Ended April 30, 2023

The accounting policies of the Village include the preparation of financial statements on the modified cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles. The Village also prepares its budget on the modified cash basis of accounting.

Under the modified cash basis of accounting, revenues are recorded when received in cash and expenditures are recorded when the cash is disbursed. General capital assets acquisitions are reported as expenditures in the governmental funds. Proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions.

Modified cash basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

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

The Village procedures in establishing the budgetary data reflected in the General Fund Financial Statements is presented below:

- Prior to July 15th the Village Board receives a proposed operating budget (appropriation ordinance) for the fiscal year commencing on preceding May 1st. The operating budget includes proposed expenditures and the means of financing them.
- The budget is legally enacted through passage of an ordinance prior to July 31st.
- The Village Treasurer, in conjunction with the Board, is authorized to expend the un-expensed balance of any item or items of any general appropriation in making up any deficiency in any item or items of the same general appropriation.
- The original budget was passed on July 25, 2022 and not amended during the fiscal year.
- Formal budgetary integration is not employed as a management control device during the year for any fund.
- Budgetary comparisons presented in the accompanying financial statements are prepared on the modified cash basis of accounting, which is comprehensive basis of

VILLAGE OF HEBRON, ILLINOIS

Notes to Other Information

Year Ended April 30, 2023

accounting other than generally accepted accounting principles. All funds utilize the same basis of accounting for both budgetary purposes and actual results.

- Expenditures cannot legally exceed appropriations at the fund level.
- All appropriations lapse at year-end.