



VILLAGE OF METTAWA, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended April 30, 2025



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VILLAGE OF METTAWA, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT AUDITOR’S REPORT.....	1-3
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis.....	MD&A 1-7
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	4
Statement of Activities	5
Fund Financial Statements	
Governmental Funds	
Balance Sheet	6
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position.....	7
Statement of Revenues, Expenditures and Changes in Fund Balances	8
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities.....	9
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	10
Special Service Area #3.....	11
Notes to Financial Statements	12-25

VILLAGE OF METTAWA, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
MAJOR GOVERNMENTAL FUNDS	
Schedule of Revenues - Budget and Actual - General Fund	26
Schedule of Expenditures - Budget and Actual - General Fund.....	27
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Special Service Area #15 Capital Projects Fund.....	28
NONMAJOR GOVERNMENTAL FUNDS	
Combining Balance Sheet	29-30
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	31-32
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Motor Fuel Tax Fund.....	33
Rebuild Illinois Fund.....	34
Special Service Area #4 Fund	35
Special Service Area #5 Fund	36
Special Service Area #7 Fund	37
Special Service Area #9 Fund	38
Special Service Area #11 Fund	39
Special Service Area #14 Fund	40
Special Service Area #10 Fund	41

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the Board of Trustees
Village of Mettawa, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Mettawa, Illinois (the Village), as of and for the year ended April 30, 2025, and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Mettawa, Illinois, as of April 30, 2025, and the respective changes in financial position and budgetary comparison information for the General Fund and the Special Service Area #3 Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under these 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 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, 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'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's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements as a whole. The combining and individual fund financial statements and schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Sibich CPA LLC

Naperville, Illinois
September 11, 2025

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

VILLAGE OF METTAWA, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2025

As management of the Village of Mettawa ("Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2025. Since the Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Village's financial statements.

Financial Highlights

- The assets of the Village of Mettawa exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$40,216,338 (net position). Of this amount, \$16,512,883 is unrestricted and thus available to meet future operations, while \$23,217,720 is the depreciated value of capital assets, net of outstanding debt incurred to acquire those assets.
- The Village of Mettawa's total net position (reported solely as governmental activities) increased by \$2,628,405 or 7% from the previous year. Sales Taxes ending April 30, 2025, posted a \$400,810 increase compared to the prior year showing a steady strong return. Program Revenues, Other General Revenues and Investment Income increased as well with Investment Income adding \$712,042 for the year.
- As of the close of the current fiscal year, the Village of Mettawa's Cash and investments were \$17,099,346.
- In the 2023-2024 fiscal year Village of Mettawa obtained a \$2,000,000 loan to acquire property. As of February 1, 2025 that loan has been paid in full leaving the village once again debt free.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is 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 other supplementary information in addition to the basic financial statements.

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. The Statement of Net Position presents information on all of the Village's assets, liabilities and deferred inflows of resources, with the difference 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 Statement of Activities presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

VILLAGE OF METTAWA, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2025

The Governmental Activities reflect the Village's basic services including administration, building standards, public works and public safety. Sales taxes, shared state taxes and property taxes finance the majority of these services. The Village reports only governmental activities.

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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village are reported as 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. 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.

The Village maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Special Service Area #3, and Special Service Area #15, all of which are considered to be major funds. Information from the Village's other governmental funds is combined into a single column presentation. Individual fund information for these non-major governmental funds is provided elsewhere in the report.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements, this report also includes certain required supplementary information related to budgetary information. Non-major fund information can be found immediately following the required supplementary information.

VILLAGE OF METTAWA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS
APRIL 30, 2025

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	Governmental Activities	
	<u>2025</u>	<u>2024</u>
ASSETS		
Current assets	\$ 18,568,324	\$16,381,672
Capital assets	<u>23,217,720</u>	<u>23,395,557</u>
Total assets	<u>41,786,044</u>	<u>39,777,229</u>
LIABILITIES		
Current liabilities	1,255,817	356,096
Long-term liabilities	<u>0</u>	<u>1,526,837</u>
Total liabilities	<u>1,255,817</u>	<u>1,882,933</u>
DEFERRED INFLOWS OF RESOURCES		
Property taxes	<u>313,889</u>	<u>306,363</u>
Total liabilities and deferred inflows of resources	<u>1,569,706</u>	<u>2,189,296</u>
NET POSITION		
Net investment in capital assets	23,217,720	21,868,720
Restricted	485,735	475,403
Unrestricted	<u>16,512,883</u>	<u>15,243,810</u>
Total net position	<u>\$ 40,216,338</u>	<u>\$37,587,933</u>

The large portion of the Village of Mettawa's net position reflect its investment in capital assets (e.g. land, buildings, machinery and equipment, and infrastructure), less any related outstanding debt used to acquire or construct those assets and accumulated depreciation which is the loss in value of those assets. The Village of Mettawa uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The Village of Mettawa is reporting a positive balance of \$40,216,338 in net position in the current year an increase of \$2,628,405 from prior year’s net position, of which \$16,512,883 is unrestricted. In FY 2025, the Village of Mettawa’s capital assets decreased to \$23,217,720 net of accumulated depreciation due to annual depreciation of assets.

VILLAGE OF METTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2025

Statement of Activities

The following table reflects the condensed Statement of Activities:

Key Factors in the Change in Net Position in the Governmental Activities

Total government revenues increased \$413,348 from previous year. This increase was due in part to a \$400,810 increase in Sales Taxes as the economy has been steady and additional revenue sharing stream came online. Small increases in other general revenue items were offset by increases in expenses yet still gave a 7% increase in net position.

	Governmental Activities	
	<u>2025</u>	<u>2024</u>
REVENUES		
Program revenues		
Charges for services	\$ 348,585	\$ 370,209
Operating grants	24,091	23,409
Capital grants/contributions	-	-
General revenues		
Property taxes	338,279	356,841
Replacement	1,697	2,220
Sales taxes	4,304,788	3,903,978
Telecommunications	161,983	122,207
Shared income tax	92,638	87,260
Intergovernmental	10,306	18,448
Other taxes	646,435	631,313
Investment income	712,042	702,079
Miscellaneous income	951	10,483
	<u>6,641,795</u>	<u>6,228,447</u>
EXPENSES		
General government	479,510	493,701
Revenue sharing	1,959,825	1,111,094
Public safety	163,275	391,972
Public works	1,347,400	1,584,864
Interest on debt	63,380	72,399
	<u>4,013,390</u>	<u>3,654,030</u>
Change in net position	<u>\$ 2,628,405</u>	<u>\$ 2,574,417</u>

VILLAGE OF METTAWA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2025

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds

Fund balance in the General Fund at the end of the 2024-2025 fiscal year was \$17,071,015. It is an increase of \$1,165,668 over the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The following table reflects the condensed Budgetary Comparison Schedule:

	Final Budget	Actual
Revenues:		
Property taxes	\$ 135,000	\$ 134,820
Road and bridge tax	36,500	35,236
Other taxes	3,747,733	5,207,541
Intergovernmental	-	10,306
Fees, licenses and permits	168,550	348,585
Investment income	250,000	712,042
Other	2,000	951
Total revenues	4,339,783	6,449,481
Expenditures:		
General government	682,263	479,510
Revenue sharing	1,700,000	1,959,825
Public safety	262,252	163,275
Public works	1,204,695	1,068,027
Capital outlay	550,000	22,959
Debt service	685,000	1,590,217
Total expenditures	5,084,210	5,283,813
Excess of revenues over expenditures	\$ (744,427)	\$ 1,165,668

VILLAGE OF METTAWA, ILLINOIS

MANAGEMENT’S DISCUSSION AND ANALYSIS

APRIL 30, 2025

The primary differences in the budget and actual revenues and expenditures is the reporting of gross amounts of actual sales tax and hotel taxes, whereas for budget purposes, the rebates under incentive agreements were netted against revenue. This difference included \$9,806,041 decrease in anticipated capital outlay and \$969,825 increase in tax revenue sharing. This resulted in an excess of revenues for the 2024-2025 fiscal year of \$1,165,668

CAPITAL ASSET AND DEBT ADMINISTRATION

	May 1, 2024	Additions/ Deletions	Transfers	April 30, 2025
Non-depreciable assets:				
Land	\$ 15,892,291			\$ 15,892,291
Land improvements	1,566,167			1,566,167
Construction in progress	-	-		-
Other capital assets:				
Landscaping	1,800,297			1,800,297
Paved streets and lighting	6,832,026	53,000		6,885,026
Sanitary and storm sewers	1,105,820	-		1,105,820
Accumulated depreciation	(3,801,044)	(230,837)		(4,031,881)
Total	\$ 23,395,557	\$ (177,837)	\$ -	\$ 23,217,720

The Village of Mettawa's investment in capital assets for its governmental activities as of April 30, 2025, was \$23,217,720 (net of accumulated depreciation). This investment in capital assets includes property and improvements, buildings, equipment, facilities, and infrastructure. In 2024-2025 the Village added the addition of Paved streets and lighting for \$53,000. Additional information regarding the Village’s capital assets can be found in footnote 4.

Debt Administration

In the 2024-2025 Fiscal Year, the Village of Mettawa extinguished the remaining debt of \$1,590,217 for the 2023-2024 Fiscal Year acquisition of W.W. Grainger parcels in January 2025 making the village once again debt free.

State statutes limit the amount of general obligation debt a government entity may issue to 8.625% of its total equalized assessed valuation (EAV). The Village of Mettawa 2024 Tax Year equalized assessed valuation (EAV) is \$157,840,682. The current legal debt margin for the Village of Mettawa is \$13,613,759.

VILLAGE OF METTAWA, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2025

ECONOMIC FACTORS

The Village of Mettawa is located approximately 40 miles north of downtown Chicago. The EAV of the Village as of 2024 Tax Year is \$157,840,682 or \$12,857,652 (8.9%) increase. The increase was from positive growth in the local Lake County area and a return to more normal pre-Covid activity.

As a Home Rule Unit of Government, the Village is not subject to the Property Tax Extension Limitation Law, popularly known as the "TAX CAP", which states that the total of certain levies (not including bond levies) may not increase more than the lesser of 5% of the total prior year total or the prior year percentage increase in the Consumer Price Index. However, it has been the practice of the Village Board to hold its levy constant for well over a decade.

As seen in the 2024-2025 Fiscal Year, the Village net position has steadily increased over the last few years. This is due in part to sound fiscal responsibility, realistic budgets and making appropriate reserves. Lastly, the increase in net position over the past few years has enabled the Village to adopt an ordinance providing for an annual tax rebate for its residents, maintaining its Fiscal Responsibility Act rebate level. To qualify for rebate, the resident must be the owner and occupant of a single-family home as evidenced by a homestead exemption granted by Lake County. Each eligible resident is qualified to receive a rebate in the amount proportionate to the amount of the taxes paid divided by the amount of surplus declared by the Village.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances. Questions concerning this report or requests for additional financial information should be directed to Treasurer, Village of Mettawa, 26225 N. Riverwoods Blvd, Box M, Mettawa, Illinois 60045.

BASIC FINANCIAL STATEMENTS

VILLAGE OF METTAWA, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2025

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 17,099,346
Property tax receivable	313,889
State shared taxes receivable	1,076,674
Hotel tax receivable	49,025
Other receivables	9,011
Deposits	500
Prepaid items	19,879
Capital assets	
Capital assets not being depreciated	17,458,458
Capital assets being depreciated, net	<u>5,759,262</u>
Total assets	<u>41,786,044</u>
LIABILITIES	
Accounts payable	404,917
Tax rebates payable	816,261
Unearned revenue	<u>34,639</u>
Total liabilities	<u>1,255,817</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred property taxes	<u>313,889</u>
Total liabilities and deferred inflows of resources	<u>1,569,706</u>
NET POSITION	
Net investment in capital assets	23,217,720
Restricted for	
Maintenance of roadways	214,715
Special service area purposes	271,020
Unrestricted	<u>16,512,883</u>
TOTAL NET POSITION	<u><u>\$ 40,216,338</u></u>

See accompanying notes to financial statements.

VILLAGE OF METTAWA, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2025

	General	Special Revenue Special Service Area #3	Capital Projects Special Service Area #15	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 16,614,663	\$ -	\$ -	\$ 484,683	\$ 17,099,346
Property tax receivable	135,552	73,290	46,574	58,473	313,889
State shared taxes receivable	1,076,674	-	-	-	1,076,674
Hotel tax receivable	49,025	-	-	-	49,025
Other receivables	7,085.00	-	-	1,926	9,011
Deposits	500	-	-	-	500
Prepaid items	15,665	2,346	-	1,868	19,879
Advances to other funds	562,346	-	-	-	562,346
TOTAL ASSETS	\$ 18,461,510	\$ 75,636	\$ 46,574	\$ 546,950	\$ 19,130,670
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 404,043	\$ -	\$ -	\$ 874	\$ 404,917
Tax rebates payable					
Sales tax	816,261	-	-	-	816,261
Unearned revenue	34,639	-	-	-	34,639
Advances from other funds	-	208,103	354,243	-	562,346
Total liabilities	1,254,943	208,103	354,243	874	1,818,163
DEFERRED INFLOWS OF RESOURCES					
Deferred property taxes	135,552	73,290	46,574	58,473	313,889
Total liabilities and deferred inflows of resources	1,390,495	281,393	400,817	59,347	2,132,052
FUND BALANCES					
Nonspendable					
Prepaid items	15,665	2,346	-	1,868	19,879
Advances	562,346	-	-	-	562,346
Restricted for					
Maintenance of roadways	-	-	-	214,715	214,715
Special service area purposes	-	-	-	271,020	271,020
Unrestricted					
Unassigned (deficit)	16,493,004	(208,103)	(354,243)	-	15,930,658
Total fund balances (deficit)	17,071,015	(205,757)	(354,243)	487,603	16,998,618
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 18,461,510	\$ 75,636	\$ 46,574	\$ 546,950	\$ 19,130,670

See accompanying notes to financial statements.

VILLAGE OF METTAWA, ILLINOIS

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

April 30, 2025

FUND BALANCES OF GOVERNMENTAL FUNDS \$ 16,998,618

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds

23,217,720

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 40,216,338

See accompanying notes to financial statements.

VILLAGE OF METTAWA, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

April 30, 2025

	<u>Special Revenue</u>		<u>Capital Projects</u>		<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Special Service Area #3</u>	<u>Special Service Area #15</u>			
REVENUES						
Property taxes	\$ 134,820	\$ 69,880	\$ 46,574	\$ 51,769	\$ 303,043	
Road and bridge tax	35,236	-	-	-	35,236	
Other taxes	5,207,541	-	-	-	5,207,541	
Intergovernmental revenue	10,306	-	-	24,091	34,397	
Licenses, permits and fees	348,585	-	-	-	348,585	
Investment income	712,042	-	-	-	712,042	
Miscellaneous	951	-	-	-	951	
Total revenues	6,449,481	69,880	46,574	75,860	6,641,795	
EXPENDITURES						
Current						
General government	479,510	-	-	-	479,510	
Revenue sharing	1,959,825	-	-	-	1,959,825	
Public safety	163,275	-	-	-	163,275	
Public works	1,068,027	14,141	-	34,395	1,116,563	
Capital outlay	22,959	-	-	30,041	53,000	
Debt service						
Principal	1,526,837	-	-	-	1,526,837	
Interest	63,380	-	-	-	63,380	
Total expenditures	5,283,813	14,141	-	64,436	5,362,390	
NET CHANGE IN FUND BALANCE	1,165,668	55,739	46,574	11,424	1,279,405	
FUND BALANCES (DEFICIT), MAY 1	15,905,347	(261,496)	(400,817)	476,179	15,719,213	
FUND BALANCES (DEFICIT), APRIL 30	\$ 17,071,015	\$ (205,757)	\$ (354,243)	\$ 487,603	\$ 16,998,618	

See accompanying notes to financial statements.

VILLAGE OF METTAWA, ILLINOIS

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

April 30, 2025

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 1,279,405
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	53,000
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	(230,837)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	<u>1,526,837</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 2,628,405</u></u>

See accompanying notes to financial statements.

VILLAGE OF METTAWA, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 135,000	\$ 134,820	\$ (180)
Road and bridge tax	36,500	35,236	(1,264)
Other taxes	3,747,733	5,207,541	1,459,808
Intergovernmental revenue	-	10,306	10,306
Licenses, permits and fees	168,550	348,585	180,035
Investment income	250,000	712,042	462,042
Miscellaneous	2,000	951	(1,049)
Total revenues	4,339,783	6,449,481	2,109,698
EXPENDITURES			
Current			
General government	682,263	479,510	(202,753)
Revenue sharing	1,700,000	1,959,825	259,825
Public safety	262,252	163,275	(98,977)
Public works	1,204,695	1,068,027	(136,668)
Capital outlay	550,000	22,959	(527,041)
Debt service			
Principal	685,000	1,526,837	841,837
Interest	-	63,380	63,380
Total expenditures	5,084,210	5,283,813	199,603
NET CHANGE IN FUND BALANCES	<u><u>\$ (744,427)</u></u>	1,165,668	<u><u>\$ 1,910,095</u></u>
FUND BALANCE, MAY 1		<u>15,905,347</u>	
FUND BALANCE, APRIL 30		<u><u>\$ 17,071,015</u></u>	

See accompanying notes to financial statements.

VILLAGE OF METTAWA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #3 FUND**

For the Year Ended April 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 69,800	\$ 69,880	\$ 80
Total revenues	69,800	69,880	80
EXPENDITURES			
Current			
Public works			
Traffic control	7,000	3,891	(3,109)
Engineering services	28,000	112	(27,888)
Snow and ice control	-	10,138	10,138
Total expenditures	35,000	14,141	(20,859)
NET CHANGE IN FUND BALANCE	\$ 34,800	55,739	\$ 20,939
FUND BALANCE (DEFICIT), MAY 1		(261,496)	
FUND BALANCE (DEFICIT), APRIL 30		\$ (205,757)	

See accompanying notes to financial statements.

VILLAGE OF METTAWA, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Mettawa, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America (hereinafter referred to as generally accepted accounting principles (GAAP)), as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

The Village was incorporated in January of 1960 under the laws of the State of Illinois and operates under a Mayor-Trustee form of government. The Village provides the following services as authorized by its governing board: highways and streets, public improvements, planning and zoning and general administrative services. Police protection is provided as a contracted service. As required by GAAP, these financial statements present the Village (the primary government). In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was based upon the significance of its operational or financial relationship with the primary government. Component units are legally separate entities for which the Village is financially accountable. Financial accountability exists when the Village (1) appoints the voting majority of the board and there is a financial benefit/burden relationship or the Village can impose its will on the component unit; (2) the potential component unit meets the fiscal dependency and financial benefit/burden criteria; or (3) it would be misleading to exclude the potential component unit. The Village does not present any component units.

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain village functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

VILLAGE OF METTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Funds are classified into the following category: governmental.

Governmental funds are used to account for all of the Village's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds restricted, committed or assigned for the acquisition or construction of major capital assets (capital projects funds) and the funds restricted, committed or assigned for the servicing of general long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Village. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Village does not report any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village. It is used to account for all financial resources not accounted for in another fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Special Service Area #3 (SSA) is a special service area to provide maintenance and repair of water transmission mains, sanitary sewer trunk lines and lift stations (including force mains), storm sewer mains, street, curb, gutter, traffic signal, street lights, stormwater management consisting of stormwater detention and/or retention basins and their appurtenances, bicycle and equestrian trails and public sidewalks (including carriage walks), all of the services to be beneficial to the service area

Special Service Area #15 (SSA) is a capital projects fund that is used to account for the activity associated with the construction of infrastructure within the service area.

In addition, the Village maintains nonmajor governmental funds to account for debt service activities and specific revenue sources used for road maintenance, capital outlay and other specific maintenance activities.

Special Service Areas

The Village created several special service areas to provide municipal services to these areas, which include construction of water transmission mains, sanitary sewer, storm sewer, street pavements, etc. Ordinances creating certain of these special service areas authorized the issuance of bonds or interfund advances to finance the construction of these projects. These bonds and interfund advances will be retired by the levy of a direct annual tax on all property located within the service area for the entire period that the bonds and interfund advances are outstanding.

Municipal services provided to the special service areas and the maintenance of the projects constructed will be financed with the imposition of taxes, generally at a minimum rate of 0.55% on all taxable property within the service areas for a period of 99 years.

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days except for certain revenues collected by the state (e.g., sales and telecom taxes) which use a 90-day period.

The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Those revenues susceptible to accrual are property taxes, franchise fees, licenses, interest revenue and charges for services. Sales and telecommunication taxes owed to the state at year end on behalf of the Village also are recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria is met.

The Village reports unavailable/deferred revenue and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet the measurable and available or earned criteria for recognition in the current period. Unearned revenues arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the deferred inflow for unavailable/deferred revenue or the liability for unearned revenue is removed from the financial statements and revenue is recognized.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Investments

Investments with maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

f. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due to/from other funds” on the financial statements. Long-term interfund loans are classified as “advances to/from other funds.”

g. Prepaid Items

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

h. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, stormwater systems) and intangibles (easements and software), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of \$25,000 for building and improvements, landscaping, paved streets and traffic signals and lighting and \$50,000 for sanitary and storm sewer infrastructure and an estimated useful life in excess of one year. All land and land improvements are capitalized, regardless of cost. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

VILLAGE OF METTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building and improvements	50
Landscaping	30
Paved streets	50
Sanitary sewers	40
Storm sewers	40
Traffic signals and lighting	20

i. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the Village Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include resolutions and ordinances (equally binding) approved by the Board of Trustees.

Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. Intent can be expressed by the Village Board of Trustees or by an official or body to which the Village Board of Trustees delegates the authority. Any residual fund balance of the General Fund is reported as unassigned. Deficit fund balances in any other governmental funds are also shown as unassigned.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the Village's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities column. Bond premiums and discounts, as well as gains and losses on refundings, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premiums or discounts. Bond issuance costs are expensed as incurred.

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 an other financing source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

k. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

l. Budgetary Data

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

1. Within or before the first quarter of each fiscal year, the Board of Trustees adopts the annual budget and appropriation ordinance.
2. The budget document is available for public inspection for at least ten days prior to the Board of Trustees' public hearing and the passage of the annual budget and appropriation ordinance. The Board of Trustees is also required to hold at least one public hearing on the appropriation ordinance.
3. Subsequent to the enactment of the annual budget and appropriation ordinance, the Board of Trustees has the authority to make any necessary adjustments to the budget.

VILLAGE OF METTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Budgetary Data (Continued)

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

The budget was prepared on the modified accrual basis of accounting; the same basis used in the preparation of the Village’s basic financial statements. The Special Service Area #13 Fund and Special Service Area #2 Debt Service Fund were not budgeted.

At April 30, 2025 the following funds had expenditures in excess of budget:

Fund	Final Budget	Expenditures
General	\$ 5,084,210	\$ 5,283,813
Rebuild Illinois	-	30,041

m. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds. Each fund type’s portion of this pool is displayed as “pooled cash and investments.” In addition, deposits and investments are separately held by several of the Village’s funds.

The Village will invest in accordance with the guidelines provided in the Illinois Compiled Statutes, Chapter 30, Section 235/2 and Chapter 5, Section 220/15. Appropriate investments include:

1. Interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits that are direct obligations of any bank that is insured by the Federal Deposit Insurance Corporation (FDIC).
2. Bonds, notes, certificates of indebtedness, treasury bills or other securities guaranteed by the full faith and credit of the United States of America.

VILLAGE OF METTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

3. Bonds, notes, debentures or other similar obligations of the United States of America or its agencies.
4. Short-term obligations of United States corporations (commercial paper) with assets over \$500,000,000 if (a) such obligations are rated in the three highest classifications established by at least two standard rating services and mature not later than 180 days from the purchase date, (b) such purchases do not exceed 10% of the corporation's outstanding obligations and (c) such purchases do not exceed more than one-third of the Village's portfolio.
5. Money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations of the United States Government or its agencies.
6. Illinois Funds

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

Village Deposits and Investments

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires the pledging of collateral for any deposits in excess of FDIC with the collateral valued at 105% of its uninsured deposits with the collateral held in safekeeping by a third party or in the trust department of the pledging institution in the Village's name.

2. DEPOSITS AND INVESTMENTS (Continued)

Village Deposits and Investments (Continued)

Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by matching its investments with anticipated cash flow requirements. The investment portfolio is required to consist of securities with active secondary or resale markets in order to protect the liquidity of the portfolio.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk by limiting investments to the types of securities listed above and diversifying the investment portfolio to the best of its abilities based on the type of funds invested and the cash flow needs of those funds. The Illinois Funds are rated AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. The Village's investment policy requires all investment securities to be held by a third party custodian or trust department. Securities transactions are to be on a delivery versus payment (DVP) basis.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village's investment policy requires diversification of investments to avoid unreasonable risk.

The Village categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Village does not have any investments reported at fair value at April 30, 2025.

VILLAGE OF METTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. UNAVAILABLE/DEFERRED REVENUE - PROPERTY TAXES

Property taxes for the 2023 levy year attach as an enforceable lien on January 1, 2023, on property value assessed as of the same date. Taxes are levied by December 31 of the subsequent fiscal year end by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued on or about May 1, 2024 and August 1, 2024 and are payable in two installments, on or about June 1, 2024 and September 1, 2024. The County collects such taxes and remits them periodically. The 2024 tax levy is intended to finance the 2025 fiscal year and are not considered available for current operations and are, therefore, shown as unavailable/deferred revenue. The 2025 tax levy has not been recorded as a receivable at April 30, 2025, as the tax attached as a lien on property as of January 1, 2025; however, the tax will not be levied until December 2025 and, accordingly, is not measurable at April 30, 2025.

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2025, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 15,892,291	\$ -	\$ -	\$ 15,892,291
Land improvements	1,566,167	-	-	1,566,167
Total capital assets not being depreciated	17,458,458	-	-	17,458,458
Capital assets being depreciated				
Landscaping	1,800,297	-	-	1,800,297
Paved streets	6,832,026	53,000	-	6,885,026
Sanitary sewer	392,497	-	-	392,497
Storm sewer	713,323	-	-	713,323
Total capital assets being depreciated	9,738,143	53,000	-	9,791,143
Less accumulated depreciation				
Landscaping	955,396	65,491	-	1,020,887
Paved streets	2,406,434	137,701	-	2,544,135
Sanitary sewer	197,410	9,812	-	207,222
Storm sewer	241,804	17,833	-	259,637
Total accumulated depreciation	3,801,044	230,837	-	4,031,881
Total capital assets being depreciated, net	5,937,099	(177,837)	-	5,759,262
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 23,395,557	\$ (177,837)	\$ -	\$ 23,217,720

VILLAGE OF METTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

Certain beginning balances were reclassified to reflect adjustments between categories. All depreciation expense was charged to the public works function of the primary government.

5. LONG-TERM DEBT

The following is a summary of changes in long-term debt for governmental activities for the year ended April 30, 2025:

	Fund Debt Retired By	Beginning Balances	Additions	Reductions	Ending Balances	Current Portion
GOVERNMENTAL ACTIVITIES						
Loan payable	Debt Service	\$ 1,526,837	\$ -	\$ 1,526,837	\$ -	\$ -
TOTAL GOVERNMENTAL ACTIVITIES						
		\$ 1,526,837	\$ -	\$ 1,526,837	\$ -	\$ -

\$2,000,000 installment agreement, dated July 19, 2023, due in installments of \$181,854 October 1, 2023 through July 1, 2026, with interest payable quarterly on October 1, January 1, April 1, and July 1 at 5.65%. Early repayment of the loan was made in 2025 due to the availability of funds to extinguish the loan.

6. 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; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

7. INTERFUND ASSETS/LIABILITIES

a. Advance To/From Other Funds

The General Fund has advanced SSA #3 and SSA #15 amounts of \$208,103 and \$354,243, respectively, for the purpose of financing infrastructure improvements, to be repaid by property tax levies in future periods.

VILLAGE OF METTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. INTERFUND ASSETS/LIABILITIES (Continued)

b. Deficit Fund Balances

The following funds had a deficit fund balance at April 30, 2025:

Fund	Amount
Special Service Area #3	\$ (205,757)
Special Service Area #15	(354,243)

8. CONTINGENT LIABILITIES

a. Litigation

From time-to-time, the Village is a defendant in various lawsuits. In the opinion of the Village's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the Village. No such lawsuits were noted as of April 30, 2025.

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

9. COMMITMENTS

The Village entered into an intergovernmental agreement with the City of Lake Forest on February 11, 1998, to annex the real estate owned by the Illinois State Toll Highway Authority, which is commonly known as the Lake Forest Oasis. Following the annexation, the Village received sales tax generated from retail sales at the Lake Forest Oasis. Under the agreement, the Village remits 50% of such tax receipts to the City of Lake Forest. During the year ended April 30, 2025, \$191,458 was shared with the City of Lake Forest, of which \$66,875 was payable at April 30, 2025.

VILLAGE OF METTAWA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. COMMITMENTS (Continued)

The Village entered into an agreement with a corporation on August 21, 2018, which includes provisions for annexation of property and provides for a municipal sales tax sharing arrangement. Following the annexation of the property, the Village receives sales tax derived from the property. Under the agreement, initial sales tax collections are retained by the Village until the collections cover the Village's loan amount required to finance the purchase of the property. After the total loan amount is paid in full, the Village remits 100% of such tax receipts to the corporation up to \$6,780,000. Afterwards, the Village will remit 50% of municipal sales tax for an additional 20 years. During the year ended April 30, 2025, \$942,388 was shared with the corporation, of which \$749,386 was payable at April 30, 2025.

10. TAX ABATEMENTS

The Village rebates certain taxes to recruit, retain or improve local business facilities or their supporting public infrastructure under certain circumstances. The terms of these rebate arrangements are specified within written agreements with the businesses concerned.

During fiscal year 2017, the Village entered into an economic incentive agreement with a local business. The agreement was approved by the Board of Trustees, in accordance with Illinois Compiled Statutes. The Village is required to rebate 30% of any hotel/motel tax revenue generated. The agreement ended on September 30, 2024. During the year ending April 30, 2025, the Village rebated approximately \$112,096 of hotel taxes to this business.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

General Fund - General Operating Fund of the Village

SPECIAL REVENUE FUND

Special Service Area # 15 - To Refund the Village for Funding the Watermain Extension to 15 parcels in the Mettawa Neighbor's Association located on Saint Mary's Road and Old School Road

VILLAGE OF METTAWA, ILLINOIS

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Property taxes	\$ 135,000	\$ 134,820	\$ (180)
Road and bridge taxes	36,500	35,236	(1,264)
Other taxes			
Sales - Oasis	280,000	393,707	113,707
Sales - other	1,780,000	2,707,162	927,162
Sales - Grainger	910,000	1,203,919	293,919
Personal property replacement	1,150	1,697	547
Use	25,333	14,756	(10,577)
Telecommunications	100,000	161,983	61,983
State shared income taxes	57,750	92,638	34,888
Hotel	553,000	577,571	24,571
Real estate transfer	40,000	54,108	14,108
Charity gaming tax	500	-	(500)
Total other taxes	<u>3,747,733</u>	<u>5,207,541</u>	<u>1,459,808</u>
Intergovernmental			
ARPA	-	10,306	10,306
Licenses and fees			
Building permits and inspections	150,000	324,422	174,422
Circuit court fines and fees	-	207	207
Cable franchise fees	5,000	10,381	5,381
Liquor license fees	8,550	13,575	5,025
Zoning and miscellaneous permits	5,000	-	(5,000)
Total licenses and fees	<u>168,550</u>	<u>348,585</u>	<u>180,035</u>
Miscellaneous revenues			
Investment income	250,000	712,042	462,042
Miscellaneous	2,000	951	(1,049)
Total miscellaneous revenues	<u>252,000</u>	<u>712,993</u>	<u>460,993</u>
TOTAL REVENUES	<u>\$ 4,339,783</u>	<u>\$ 6,449,481</u>	<u>\$ 2,109,698</u>

(See independent auditor's report.)

VILLAGE OF METTAWA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
Current			
General government			
Auditing	\$ 31,000	\$ 23,050	\$ (7,950)
Bank fees	3,000	2,313	(687)
Dues and subscriptions	1,080	1,932	852
Financial/accounting services	60,400	75,915	15,515
Insurance and bonds	18,127	16,420	(1,707)
Legal	188,000	123,750	(64,250)
Maps and surveys	5,000	-	(5,000)
Miscellaneous	14,000	5,344	(8,656)
Office supplies	24,500	6,711	(17,789)
Planning consultants	116,672	48,710	(67,962)
Postage and copying	500	637	137
Printing and publishing	7,500	17,071	9,571
Recording fees	61,000	4,543	(56,457)
Telephone	3,200	2,811	(389)
Village administrator	62,400	63,200	800
Village clerk	58,000	62,729	4,729
Village office and meeting space	27,884	24,374	(3,510)
Total general government	682,263	479,510	(202,753)
Revenue sharing			
Hotel tax rebate	100,000	75,979	(24,021)
Property tax rebate	750,000	750,000	-
Sales tax rebates	850,000	1,133,846	283,846
Total revenue sharing	1,700,000	1,959,825	259,825
Public safety			
Police protection	262,252	163,275	(98,977)
Total public safety	262,252	163,275	(98,977)
Public works			
Building permit services	546,395	586,713	40,318
Disposal services	70,000	64,207	(5,793)
Engineering fees	153,500	127,084	(26,416)
Mosquito control	32,000	34,890	2,890
Road and bridge maintenance	349,000	213,277	(135,723)
Snow and ice control	39,300	29,411	(9,889)
Special events	14,500	12,445	(2,055)
Total public works	1,204,695	1,068,027	(136,668)
Capital outlay	550,000	22,959	(527,041)
Debt service			
Principal	685,000	1,526,837	841,837
Interest	-	63,380	63,380
Total debt service	685,000	1,590,217	905,217
TOTAL EXPENDITURES	\$ 5,084,210	\$ 5,283,813	\$ 199,603

(See independent auditor's report.)

VILLAGE OF METTAWA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #15 CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES			
Property taxes	\$ 46,600	\$ 46,574	\$ (26)
Total revenues	<u>46,600</u>	<u>46,574</u>	<u>(26)</u>
EXPENDITURES			
None	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 46,600</u>	46,574	<u>\$ (26)</u>
FUND BALANCE (DEFICIT), MAY 1		<u>(400,817)</u>	
FUND BALANCE (DEFICIT), APRIL 30		<u>\$ (354,243)</u>	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax - Accounts for the State Gasoline Tax Allocations

Rebuild Illinois - Accounts for the State Rebuild Illinois Program Allocations

Special Service Area #4 - To Fund Oasis Sewer Maintenance

Special Service Area #5 - To Fund East Oasis Frontage Road Maintenance

Special Service Area #7 - To Fund Riverside Preserve Maintenance

Special Service Area #9 - To Fund Deerpath Farm Maintenance

Special Service Area #11 - To Fund Nektosha Way Maintenance

Special Service Area #14 - To Fund Hamilton Estate Trees Maintenance

Special Service Area #10 - To Fund Nektosha Way Improvements

DEBT SERVICE FUNDS

Special Service Area #2 - to Fund Woodland Falls Maintenance

VILLAGE OF METTAWA, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2025

	Special Revenue			
	Motor Fuel Tax	Rebuild Illinois	Special Service Area #4	Special Service Area #5
ASSETS				
Pooled cash and investments	\$ 212,789	\$ -	\$ 33,083	\$ 51,662
Property tax receivable	-	-	11,550	1,050
Intergovernmental	1,926	-	-	-
Prepaid items	-	-	-	-
TOTAL ASSETS	\$ 214,715	\$ -	\$ 44,633	\$ 52,712
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 874	\$ -
Advances from other funds	-	-	-	-
Total liabilities	-	-	874	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable property taxes	-	-	11,550	1,050
Total deferred inflows of resources	-	-	11,550	1,050
Total liabilities and deferred inflows of resources	-	-	12,424	1,050
FUND BALANCES				
Nonspendable				
Prepaid items	-	-	-	-
Restricted for				
Maintenance of roadways	214,715	-	-	-
Special service area purposes	-	-	32,209	51,662
Total fund balances	214,715	-	32,209	51,662
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 214,715	\$ -	\$ 44,633	\$ 52,712

Special Revenue						Debt Service	
Special Service Area #7	Special Service Area #9	Special Service Area #11	Special Service Area #13	Special Service Area #14	Special Service Area #10	Special Service Area #2	Total
\$ 26,711	\$ 76,675	\$ 31,268	\$ 7,028.00	\$ 27,468	\$ 17,593	\$ 406	\$ 484,683
4,200	31,973	4,000	-	2,200	3,500	-	58,473
-	-	-	-	-	-	-	1,926
1,868	-	-	-	-	-	-	1,868
<u>\$ 32,779</u>	<u>\$ 108,648</u>	<u>\$ 35,268</u>	<u>\$ 7,028</u>	<u>\$ 29,668</u>	<u>\$ 21,093</u>	<u>\$ 406</u>	<u>\$ 546,950</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 874
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	874
4,200	31,973	4,000	-	2,200	3,500	-	58,473
4,200	31,973	4,000	-	2,200	3,500	-	58,473
4,200	31,973	4,000	-	2,200	3,500	-	59,347
1,868	-	-	-	-	-	-	1,868
-	-	-	-	-	-	-	214,715
26,711	76,675	31,268	7,028	27,468	17,593	406	271,020
28,579	76,675	31,268	7,028	27,468	17,593	406	487,603
<u>\$ 32,779</u>	<u>\$ 108,648</u>	<u>\$ 35,268</u>	<u>\$ 7,028</u>	<u>\$ 29,668</u>	<u>\$ 21,093</u>	<u>\$ 406</u>	<u>\$ 546,950</u>

(See independent auditor's report.)

VILLAGE OF METTAWA, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2025

	Special Revenue			
	Motor Fuel Tax	Rebuild Illinois	Special Service Area #4	Special Service Area #5
REVENUES				
Property taxes	\$ -	\$ -	\$ 10,665	\$ 966
Intergovernmental revenue	24,091	-	-	-
Total revenues	24,091	-	10,665	966
EXPENDITURES				
Current				
Public works	-	-	6,387	-
Capital outlay	-	30,041	-	-
Total expenditures	-	30,041	6,387	-
NET CHANGE IN FUND BALANCE	24,091	(30,041)	4,278	966
FUND BALANCES, MAY 1	190,624	30,041	27,931	50,696
FUND BALANCES, APRIL 30	\$ 214,715	\$ -	\$ 32,209	\$ 51,662

Special Revenue							Debt Service	Total
Special Service Area #7	Special Service Area #9	Special Service Area #11	Special Service Area #13	Special Service Area #14	Special Service Area #10	Special Service Area #2		
\$ 4,005	\$ 29,056	\$ 2,599	\$ -	\$ 2,203	\$ 2,275	\$ -	\$ 51,769	
-	-	-	-	-	-	-	24,091	
4,005	29,056	2,599	-	2,203	2,275	-	75,860	
9,080	18,928	-	-	-	-	-	34,395	
-	-	-	-	-	-	-	30,041	
9,080	18,928	-	-	-	-	-	64,436	
(5,075)	10,128	2,599	-	2,203	2,275	-	11,424	
33,654	66,547	28,669	7,028	25,265	15,318	406	476,179	
\$ 28,579	\$ 76,675	\$ 31,268	\$ 7,028	\$ 27,468	\$ 17,593	\$ 406	\$ 487,603	

(See independent auditor's report.)

VILLAGE OF METTAWA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Intergovernmental revenues			
Motor fuel taxes	\$ 12,392	\$ 24,091	\$ 11,699
Investment income	200	-	(200)
Total revenues	12,592	24,091	11,499
EXPENDITURES			
None	-	-	-
Total expenditures	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 12,592</u>	24,091	<u>\$ 11,499</u>
FUND BALANCE, MAY 1		<u>190,624</u>	
FUND BALANCE, APRIL 30		<u>\$ 214,715</u>	

(See independent auditor's report.)

VILLAGE OF METTAWA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
REBUILD ILLINOIS FUND**

For the Year Ended April 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Intergovernmental revenue	\$ 6,008	\$ -	\$ (6,008)
Total revenues	<u>6,008</u>	<u>-</u>	<u>(6,008)</u>
EXPENDITURES			
Capital outlay			
Capital improvements	-	30,041	30,041
Total expenditures	<u>-</u>	<u>30,041</u>	<u>30,041</u>
NET CHANGE IN FUND BALANCE	<u>\$ 6,008</u>	<u>(30,041)</u>	<u>\$ (36,049)</u>
FUND BALANCE, MAY 1		<u>30,041</u>	
FUND BALANCE, APRIL 30		<u>\$ -</u>	

(See independent auditor's report.)

VILLAGE OF METTAWA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #4 FUND**

For the Year Ended April 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 11,000	\$ 10,665	\$ (335)
Total revenues	11,000	10,665	(335)
EXPENDITURES			
Current			
Public works			
Building services	7,000	6,387	(613)
Total expenditures	7,000	6,387	(613)
NET CHANGE IN FUND BALANCE	\$ 4,000	4,278	\$ 278
FUND BALANCE, MAY 1		27,931	
FUND BALANCE, APRIL 30		\$ 32,209	

(See independent auditor's report.)

VILLAGE OF METTAWA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #5 FUND**

For the Year Ended April 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 1,000	\$ 966	\$ (34)
Total revenues	<u>1,000</u>	<u>966</u>	<u>(34)</u>
EXPENDITURES			
Current			
Public works			
Engineering services	250	-	(250)
Contract maintenance	<u>750</u>	<u>-</u>	<u>(750)</u>
Total expenditures	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>966</u>	<u>\$ 966</u>
FUND BALANCE, MAY 1		<u>50,696</u>	
FUND BALANCE, APRIL 30		<u>\$ 51,662</u>	

(See independent auditor's report.)

VILLAGE OF METTAWA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #7 FUND**

For the Year Ended April 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 4,000	\$ 4,005	\$ 5
Total revenues	<u>4,000</u>	<u>4,005</u>	<u>5</u>
EXPENDITURES			
Current			
Public works			
Engineering services	-	233	233
Snow and ice control	10,000	2,597	(7,403)
Village property and maintenance	-	6,250	6,250
Total expenditures	<u>10,000</u>	<u>9,080</u>	<u>(920)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (6,000)</u>	<u>(5,075)</u>	<u>\$ 925</u>
FUND BALANCE, MAY 1		<u>33,654</u>	
FUND BALANCE, APRIL 30		<u>\$ 28,579</u>	

(See independent auditor's report.)

VILLAGE OF METTAWA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #9 FUND**

For the Year Ended April 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 30,450	\$ 29,056	\$ (1,394)
Total revenues	30,450	29,056	(1,394)
EXPENDITURES			
Current			
Public works			
Engineering services	7,000	106	(6,894)
Snow and ice control	20,000	15,735	(4,265)
Contractual services	-	3,087	3,087
Total expenditures	27,000	18,928	(8,072)
NET CHANGE IN FUND BALANCE	\$ 3,450	10,128	\$ 6,678
FUND BALANCE, MAY 1		66,547	
FUND BALANCE, APRIL 30		\$ 76,675	

(See independent auditor's report.)

VILLAGE OF METTAWA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #11 FUND**

For the Year Ended April 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 4,000	\$ 2,599	\$ (1,401)
Total revenues	<u>4,000</u>	<u>2,599</u>	<u>(1,401)</u>
EXPENDITURES			
None	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 4,000</u>	<u>2,599</u>	<u>\$ (1,401)</u>
FUND BALANCE, MAY 1		<u>28,669</u>	
FUND BALANCE, APRIL 30		<u>\$ 31,268</u>	

(See independent auditor's report.)

VILLAGE OF METTAWA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #14 FUND**

For the Year Ended April 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 2,200	\$ 2,203	\$ 3
Total revenues	2,200	2,203	3
EXPENDITURES			
Public works			
Engineering services	2,500	-	(2,500)
Total expenditures	2,500	-	(2,500)
NET CHANGE IN FUND BALANCE	\$ (300)	2,203	\$ 2,503
FUND BALANCE, MAY 1		25,265	
FUND BALANCE, APRIL 30		\$ 27,468	

(See independent auditor's report.)

VILLAGE OF METTAWA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #10 FUND**

For the Year Ended April 30, 2025

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 3,500	\$ 2,275	\$ (1,225)
Total revenues	<u>3,500</u>	<u>2,275</u>	<u>(1,225)</u>
EXPENDITURES			
None	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 3,500</u>	<u>2,275</u>	<u>\$ (1,225)</u>
FUND BALANCE , MAY 1		<u>15,318</u>	
FUND BALANCE, APRIL 30		<u>\$ 17,593</u>	

(See independent auditor's report.)