VILLAGE OF WELDON, ILLINOIS

ANNUAL FINANCIAL REPORT

April 30, 2024

Floyd & Associates
Certified Public Accountants
Clinton, Illinois

VILLAGE OF WELDON, ILLINOIS
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended April 30, 2024

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Independent Auditors' Report

The Honorable President and
Board of Trustees
Village of Weldon, Illinois

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Weldon (the Village), as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, 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, and each major fund of the Village as of April 30, 2024, and the respective changes in modified cash basis financial position, for the year then ended in accordance with the modified cash basis of accounting as 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, 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.

The Honorable President and
Board of Trustees
Village of Weldon, Illinois
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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 of 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 judgement 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 and 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.

The Honorable President and
Board of Trustees
Village of Weldon, Illinois
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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.

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. The schedule of property tax levies, rates, extensions, and collections presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of property tax levies, rates, extensions, and collections presented on page 35 is the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of property tax levies, rates, extensions, and collections is fairly stated, in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Certified Public Accountants

Floyd & Associates

Floyd & Associates

Clinton, Illinois
October 4, 2024

VILLAGE OF WELDON, ILLINOIS

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

April 30, 2024

	Governmental Activities	Business-Type Activities - Water Enterprise Fund	Total
Assets			
Current assets:			
Cash and cash equivalents	$ 213,850	122,012	335,862
Restricted assets:			
Cash debit service reserves		78,073	78,073
Cash short-lived assets		96,187	96,187
Total restricted assets		174,260	174,260
Noncurrent assets:			
Capital assets, net of accumulated depreciation	26,341	1,741,649	1,767,990
Total assets	240,191	2,037,921	2,278,112
Liabilities			
Noncurrent liabilities:			
Water system revenue bonds payable		640,000	640,000
Utility deposits payable		8,155	8,155
Total noncurrent liabilities		648,155	648,155
Net Position			
Invested in capital assets, net of related debt	26,341	1,741,649	1,767,990
Restricted for:			
Public safety	50		50
Streets	42,446		42,446
Debt service reserves		78,073	78,073
Short-lived assets		96,187	96,187
Unrestricted	171,354	(526,143)	(354,789)
Total net position	$ 240,191	1,389,766	1,629,957

See accompanying notes to financial statements.

VILLAGE OF WELDON, ILLINOIS

STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

For the Fiscal Year Ended April 30, 2024

Activities	Expenditures	Program Revenue: Fees, Fines and Charges For Services	Program Revenue: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental:						
General government	$ 153,263			(153,263)		(153,263)
Streets	32,897			(32,897)		(32,897)
Public Safety	1,378			(1,378)		(1,378)
Total governmental activities	187,538			(187,538)		(187,538)
Business-type:						
Water Enterprise Fund	176,073	186,517			10,444	10,444
Total primary government	$ 363,611	186,517		(187,538)	10,444	(177,094)
General revenue received:						
Taxes:						
Property tax				49,243		49,243
Replacement tax				4,379		4,379
Allotments-state				118,203		118,203
Other governmental not restricted to specific programs:						
Interest income				3,285	54	3,339
Miscellaneous income				1,799		1,799
Total general revenues received				176,909	54	176,963
Change in net position				(10,629)	10,498	(131)
Net position at beginning of year				250,820	1,379,268	1,630,088
Net position at end of year				$ 240,191	1,389,766	1,629,957

See accompanying notes to financial statements.

VILLAGE OF WELDON, ILLINOIS
GOVERNMENTAL FUNDS

STATEMENT OF ASSETS, LIABILITIES, AND FUND BALANCE - MODIFIED CASH BASIS

April 30, 2024

	General Fund	Motor Fuel Tax Fund	Streets and Alleys Fund	ESDA Fund	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 171,354	39,553	2,893	50	213,850
Total assets	171,354	39,553	2,893	50	213,850
Liabilities and Fund Balance					
Fund balance:					
Restricted		39,553	2,893	50	42,496
Unassigned	171,354				171,354
Total fund balance	171,354	39,553	2,893	50	213,850
Total liabilities and fund balance	$ 171,354	39,553	2,893	50	213,850

See accompanying notes to financial statements.

(continued)

VILLAGE OF WELDON, ILLINOIS
GOVERNMENTAL FUNDS

RECONCILLIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES

April 30, 2024

Total governmental fund balances	$	213,850
Amounts reported for government activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities of $174,640 are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation of $148,299		26,341
Net position of governmental activities	$	240,191

See accompanying notes to financial statements.

VILLAGE OF WELDON, ILLINOIS
GOVERNMENTAL FUNDS

STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS

Year ended April 30, 2024

	General Fund	Motor Fuel Tax Fund	Streets and Alleys Fund	ESDA Fund	Total Governmental Funds
Revenues received :					
Property taxes	$ 46,897		2,346		49,243
Replacement taxes	4,379				4,379
Allotments-state	102,013	16,190			118,203
Interest income	2,489	796			3,285
Miscellaneous income	1,799				1,799
Total revenues received	157,577	16,986	2,346		176,909
Expenditures disbursed:					
Current:					
General administration	153,091				153,091
Street department		30,862	2,035		32,897
Public safety					
Capital outlay	9,173				9,173
Total expenditures disbursed	162,264	30,862	2,035		195,161
Revenues over (under) expenditures disbursed	(4,687)	(13,876)	311		(18,252)
Other financing sources (uses):					
Transfers in (out)	4,518	(4,518)			
Net change in fund balance	(169)	(18,394)	311		(18,252)
Fund balance at beginning of year	171,523	57,947	2,582	50	232,102
Fund balance at end of year	$ 171,354	39,553	2,893	50	213,850

(Continued)

See accompanying notes to financial statements.

VILLAGE OF WELDON, ILLINOIS
GOVERNMENTAL FUNDS

STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED
AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS

Year Ended April 30, 2024

Reconciliation to the Statement of Activities:

Net change in fund balances - total governmental funds	$ (18,252)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following is the amount by which capital outlay exceeded depreciation in the current year:	
Capital Outlay	9,173
Depreciation	(1,550)
Change in net position of governmental activities	$ (10,629)

See accompanying notes to financial statements.

VILLAGE OF WELDON, ILLINOIS
PROPRIETARY FUND

STATEMENT OF NET POSITION - MODIFIED CASH BASIS

April 30, 2024

	Business-Type Activities Water Enterprise Fund
Assets	
Current assets:	
Cash and cash equivalents	$ 122,012
Restricted Assets:	
Cash-debit service reserves	78,073
Cash short-lived assets	96,187
Total restricted assets	174,260
Noncurrent assets:	
Capital assets, net of accumulated depreciation	1,741,649
Total assets	2,037,921
Liabilities and Fund Equity	
Noncurrent liabilities:	
Water System Revenue Bonds Payable	640,000
Utility deposits payable	8,155
Total noncurrent liabilities	648,155
Net Position	
Invested in capital assets, net of related debt	1,741,649
Restricted for:	
Debt service reserves	78,073
Short-lived assets	96,187
Unrestricted	(526,143)
Total net position	$ 1,389,766

See accompanying notes to financial statements.

VILLAGE OF WELDON, ILLINOIS
PROPRIETARY FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND NET POSITION - MODIFIED CASH BASIS

Year Ended April 30, 2024

Operating revenue:	
Water sales	$ 178,950
Fees	7,567
Total operating revenue	186,517
Operating expenses:	
Personal services	47,364
Contractual services	48,887
Commodities	16,067
Depreciation	54,852
Total operating expenses	167,170
Operating income (loss)	19,347
Nonoperating revenues (disbursements):	
Interest income	54
Interest expense	(8,903)
Change in net position	10,498
Net position at beginning of year	1,379,268
Net position at end of year	$ 1,389,766

See accompanying notes to financial statements.

VILLAGE OF WELDON, ILLINOIS
PROPRIETARY FUND

STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS

Year Ended April 30, 2024

Cash flows from operating activities:		
Cash received from customers	$	186,517
Cash payments to suppliers for goods and services		(65,799)
Cash payments to employees for services		(47,364)
Net cash provided by operating activities		73,354
Cash flows from investing activities:		
Interest received on investments		54
Cash flows from capital and related financing activities:		
Principal paid on notes payable		(15,000)
Interest paid on notes payable		(8,903)
Net cash provided by (used in) capital and related financing activities		(23,903)
Net increase (decrease) in cash and cash equivalents		49,505
Cash and cash equivalents at beginning of year		246,767
Cash and cash equivalents at end of year		296,272
Reconciliation of operating income to net cash provided by operating activities:		
Operating income (loss)		19,347
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation		54,852
Changes in assets and liabilities:		
Utility deposits payable		(845)
Net cash provided by operating activities	$	73,354

See accompanying notes to financial statements.

VILLAGE OF WELDON, ILLINOIS
Notes to Financial Statements
April 30, 2024

(1) Summary of Significant Accounting Policies

As discussed further later in this Note, these financial statements are presented on a modified cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). GAAP include all relevant Governmental Accounting Standards Board (GASB) pronouncements plus other sources of accounting and financial reporting guidance noted in GASB Statement 55, *The Hierarchy of GAAP for State and Local Governments.*

A. Reporting Entity

The Village is duly organized and existing under the provisions of the laws of the State of Illinois. The Village operates under a President-Trustee form of government. The Village's financial reporting entity is composed of a single primary government. In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 14, *The Financial Reporting Entity.* Based on the operational and financial criteria of that statement, the Village does not have a component unit that should be reported as part of the reporting entity.

B. Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. As a general rule the effect of the interfund activity has been eliminated from the government-wide financial statements. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activates. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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

(1) Summary of Significant Accounting Policies (cont.)

B. Basis of Presentation (cont.)
Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type, and

b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund is the primary operating fund of the Village and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of the specific revenue sources that are either legally restricted to expenditures for specified purposes or designated to finance particular functions or activities of the Village.

(1) Summary of Significant Accounting Policies (cont.)

B. Basis of Presentation (cont.)

Proprietary Funds

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the Village has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriated for capital maintenance, public policy, management control, accountability, or other purposes.

Major Funds

All funds of the Village were determined to be major.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

In the government-wide Statement of Net Position and the Statement of Activities governmental activities are presented using the economic resources measurement focus as defined in item b., following.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

(1) Summary of Significant Accounting Policies (cont.)

C. Measurement Focus and Basis of Accounting (cont.)

Measurement Focus (cont.)

b. The government-wide Statement of Net Position and the Statement of Activities utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. All assets and liabilities (whether current or noncurrent, financial or non-financial) associated with their activities are reported. Proprietary fund equity is classified as net position.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise general revenues include all taxes.

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

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities and the fund financial statements, governmental activities are presented using a 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 statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

(1) Summary of Significant Accounting Policies (cont.)

C. Measurement Focus and Basis of Accounting (cont.)

Basis of Accounting (cont.)

As a result of the use of this 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 the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

D. Assets, Liabilities and Equity

Cash and Investments

For the purpose of the Statement of Net Position "cash, including time deposits" includes all demand, savings accounts, and certificates of deposit of the Village.

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

For purposes of the statement of cash flows, the proprietary funds consider short-term highly liquid investments, including time deposits at financial institutions, to be cash equivalents.

Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund and similar discretely presented component unit operations and whether they are reported in the government-wide or fund financial statements.

(1) Summary of Significant Accounting Policies (cont.)

D. Assets, Liabilities and Equity (cont.)

Government-Wide Statements

In the government-wide financial statements, capital assets are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets, which are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to value the majority of the assets acquired prior to May 1, 2004.

Prior to May 1, 2004 governmental funds infrastructure assets were not capitalized. Infrastructure assets acquired since May 1, 2004 will be recorded at cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets estimated useful lives using the straight-line method of depreciation. A minimum capitalization threshold of $5,000 is used to report capital assets The range of estimated useful lives by type of asset is as follows:

Buildings	40-50 years
Improvements other than buildings	10-25 years
Machinery, furniture, and equipment	3-20 years
Infrastructure	10-50 years

Fund Financial Statements

In the fund financial statements, capital assets acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Long-Term Debt

All long-term debt arising from cash transactions to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements.

(1) Summary of Significant Accounting Policies (cont.)

D. Assets, Liabilities and Equity (cont.)

Long-Term Debt (cont.)

Long-term debt arising from cash transactions for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as it is in the government-wide statements.

Compensated Absences

As a result of the use of the modified cash basis of accounting, liabilities related to accrued compensated absences are not recorded in the government-wide or fund financial statements. Expenditures/expenses related to compensated absences are recorded when paid. The amount of accrued compensated absences for accumulated, unpaid leave and compensatory time, along with related employer costs that would be due to employees upon termination was undetermined at April 30, 2024.

Fund Equity

The Village implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions as of May 1, 2011. This new standard changed the overall definitions and classifications of governmental fund balances.

Governmental fund equity is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

Governmental Fund Balances

Generally, governmental fund balances represent the difference between the assets and liabilities under the current financial resources measurement focus of accounting. Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Village is bound to honor constraints on the specific purposes for which amounts in those resources can be spent. Fund balances are classified as follows:

a. Nonspendable - Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

(1) Summary of Significant Accounting Policies (cont.)

D. Assets, Liabilities and Equity (cont.)

Governmental Fund Balances (cont.)

b. Restricted - Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

c. Committed - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Village Board through the adoption of a resolution. Only the Village Board may modify or rescind the commitment.

d. Assigned - Fund balances are reported as assigned when amounts are constrained by the Village's intent to be used for specific purposes, but are neither restricted nor committed.

e. Unassigned - Fund balances are reported as unassigned when the balances do not meet any of the above criterion. The Village reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

Fund Balance Flow Assumptions

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Village's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Village's policy to use fund balance in the following order:

Committed
Assigned
Unassigned

(1) Summary of Significant Accounting Policies (cont.)

D. Assets, Liabilities and Equity (cont.)

Net Position

As noted previously, equity for government-wide and proprietary fund financial statements is classified as net position and displayed in three components:

a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvements of those assets.

b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws and regulations of other governments, or (2) law through constitutional provisions or enabling legislation. Net assets are reported as restricted using the same definition as used for restricted fund balance as described in the section above.

c. Unrestricted net position - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

The Village applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

(1) Summary of Significant Accounting Policies (cont.)

E. 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 maintains commercial insurance covering each of those risks of loss. Management believes such a coverage is sufficient to preclude any significant uninsured losses to the village. During the year ended April 30, 2024, there were no significant reductions in coverage. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

F. Property Taxes

The Village's property tax is levied each year on all taxable real property located in the Village on or before the last Tuesday in December. The 2023 levy was passed by the Board on November 14, 2023. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on June 1 and September 1. The Village receives significant distributions of tax receipts on approximately June 1 and October 1. The Village's property tax revenues are recognized in the period received. Taxes recorded in these financial statements are from the 2022 and prior tax levies. Equalized assessed valuations, tax rates, tax extensions and collections are presented in the supporting schedule.

(2) Deposits and Investments

Deposits

At April 30, 2024, the carrying amount of the Village's deposits totaled $510,122 and the bank balance totaled $511,940. At April 30, 2024 all of the Village's deposits were covered by FDIC insurance.

The Public Funds Investment Act of the State of Illinois limits deposits and investments to the following categories:

- Bonds, notes, certificates of indebtedness, treasury bills which are guaranteed by the full faith and credit of the United States of America as to principal and interest.

- Bonds, notes, debentures or similar obligations of the United States of America or its agencies.

- Interest-bearing savings, certificates of deposit, or time deposits of any bank as defined by the Illinois Banking Act.

(2) Deposits and Investments (cont.)

Deposits (cont.)

- Short term obligations of corporations organized in the U.S. with assets exceeding $500,000,000 and other specified criteria.

- Money market mutual funds registered under the Investment Company Act of 1940 provided the portfolio is limited to obligations described in points 1 and 2 above.

- Federal National Mortgage Association.

- Public Treasurers' Investment Pools.

- Repurchase agreements of government securities within the meaning of the Government Securities Act of 1986.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village has no formal policy in regard to custodial credit risk. As of April 30, 2024, none of the Village's deposits with financial institutions are in excess of federal depository insurance limits or were held in uncollateralized accounts.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village manages its exposure to interest rate risk is by limiting its purchases of long-term investments.

VILLAGE OF WELDON, ILLINOIS
Notes to Financial Statements
(Continued)
April 30, 2024

(3) Changes in Long-Term Debt

The Village's long-term debt arising from cash transactions is to be repaid from governmental-type and business-type activities.

	Balance May 1, 2023	Additions	Reductions	Balance April 30, 2024
Business-Type Activities				
Water System				
Revenue Bonds	$ 655,000		15,000	640,000

A. Water System Revenue Bonds

The Village has entered into an agreement with the U.S. Department of Agriculture to borrow the sum of $700,000 at 1.375 percent interest for 40 years. As of April 30, 2024, the Village has borrowed $700,000 and made principal payments of $60,000 and interest payments of $36,850. The balance at April 30, 2024 was $640,000.

B. Legal Debt Limit

The Village's legal debt margin is 8.625% of the most recent available equalized assessed valuation (EAV) of the Village per 65 ILCS 5/8-5-1.

2023 EAV	$ 4,344,657
Debt Legal (%)	8.625 %
Debt Margin	374,727
Current Debt	
Remaining Debt Margin	$ 374,727

(4) Deficit Fund Balance

At April 30, 2024, no fund had a deficit balance

(5) Interfund Activity

At April 30, 2024, there were no interfund receivable and payable balances.

The net amount of $4,518 was transferred from Motor Fuel Tax Fund to General Fund for purchase of equipment.

VILLAGE OF WELDON, ILLINOIS
Notes to Financial Statements
(Continued)
April 30, 2024

(6) Capital Assets

Capital asset activity resulting from modified cash basis transactions for the fiscal year ended April 30, 2024 was as follows:

	Balance at May 1, 2023	Additions	Deductions	Balance at April 30, 2024
Governmental activities:				
Non-depreciable assets				
Land	$ 7,000			7,000
Depreciable assets				
Buildings	70,000	9,173		79,173
Furniture and fixtures	3,000			3,000
Machinery and equipment	85,467			85,467
Total	165,467	9,173		174,640
Less accumulated depreciation:				
Buildings	70,000	172		70,172
Furniture and fixtures	3,000			3,000
Machinery and equipment	73,749	1,378		75,127
Total	146,749	1,550		148,299
Net capital assets	18,718	7,623		26,341
Business-type activities				
Non depreciable assets				
Land	14,144			14,144
Depreciable assets				
Utility property and improvements	2,530,837			2,530,837
Machinery and equipment	93,803			93,803
Total	2,638,784			2,638,784
Less accumulated depreciation:				
Utility property and improvements	768,139	52,764		820,903
Machinery and equipment	74,144	2,088		76,232
Total	842,283	54,852		897,135
Net capital assets	$ 1,796,501	(54,852)		1,741,649

VILLAGE OF WELDON, ILLINOIS
Notes to Financial Statements
(Continued)
April 30, 2024

(6) Capital Assets (cont.)

Depreciation expense was charged to functions as follows in the Statement of Activities:

Primary Government:	
Governmental activities:	
General government	172
Public Safety	$ 1,378
Total governmental activities	1,550
Business-type activities:	
Water Enterprise Fund	$ 54,852

(7) Retirement Fund Commitments

Illinois Municipal Retirement Fund

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 affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. 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 financial report that includes financial statements and required supplementary information (RSI). That report may be obtained on-line at www.imrf.org.

Funding Policy

As set by statute, the Village's Regular plan members are required to contribute 4.5 percent 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 required contribution rate for calendar year 2023 was 16.99 percent. For calendar year 2023, the Village contributed $10,709 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 the IMRF Board of Trustees, while the supplemental retirement benefit rate is set by statute.

OTHER SUPPLEMENTARY INFORMATION

VILLAGE OF WELDON, ILLINOIS
GENERAL FUND

BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS

Year Ended April 30, 2024

	2024			Budget Over (Under)
	Budget	Amended Budget	Actual	
Revenues received:	$ 247,603	247,603	157,577	(90,026)
Expenditures disbursed:				
General administration	334,409	334,409	153,091	181,318
Capital outlay	3,000	3,000	9,173	(6,173)
Total expenditures disbursed	337,409	337,409	162,264	175,145
Revenues over (under) expenditures	(89,806)	(89,806)	(4,687)	85,119
Other financing sources (uses):				
Transfer from Motor Fuel Tax Fund	5,000	5,000	4,518	(482)
Transfer from Water Fund	50,000	50,000		(50,000)
Net change in fund balance	(34,806)	(34,806)	(169)	34,637
Fund balance at beginning of year	172,061	172,061	171,523	(538)
Fund balance at end of year	$ 137,255	137,255	171,354	34,099

See accompanying notes to financial statements.

VILLAGE OF WELDON, ILLINOIS
GENERAL FUND

BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS

Year Ended April 30, 2024

	2024			Budget Over (Under)
	Budget	Amended Budget	Actual	
Revenues received:				
Property tax	$ 46,903	46,903	46,897	(6)
Replacement tax	1,500	1,500	4,379	2,879
Sales tax	6,000	6,000	9,538	3,538
Local use tax	15,000	15,000	16,623	1,623
Income tax	60,000	60,000	57,883	(2,117)
Electric tax	15,500	15,500	16,742	1,242
Telecommunications tax	600	600	654	54
Cannabis tax	500	500	573	73
Foreign fire	500	500		(500)
Interest income	1,000	1,000	2,489	1,489
Miscellaneous income			1,399	1,399
Hall rent	100	100	400	300
Drainage grant	100,000	100,000		(100,000)
Total revenues received	$ 247,603	247,603	157,577	(90,026)

See accompanying notes to financial statements.

VILLAGE OF WELDON, ILLINOIS
GENERAL FUND

BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS

Year Ended April 30, 2024

	2024			Budget
	Budget	Amended Budget	Actual	Over (Under)
Expenditures disbursed:				
General administration				
Salaries	$ 89,640	89,640	41,404	48,236
Accounting and audit	6,000	6,000	6,000	
Attorney fees	5,000	5,000	13,828	(8,828)
ARPA expense	20,669	20,669		20,669
Equipment & facilities maintenance	20,000	20,000	10,287	9,713
Foreign tax	500	500		500
Clean up day	3,500	3,500	1,699	1,801
Insurance	14,000	14,000	13,503	497
Health insurance	6,000	6,000	2,400	3,600
Office expense	3,250	3,250	6,791	(3,541)
Payroll taxes	6,000	6,000	4,545	1,455
Utilities	11,700	11,700	9,829	1,871
Supplies	800	800	2,389	(1,589)
Dues	100	100	45	55
Telephone	2,750	2,750	2,479	271
Publishing	500	500		500
Repairs			2,525	(2,525)
Drainage assessments	500	500	653	(153)
Miscellaneous			200	(200)
Engineering	20,000	20,000	12,576	7,424
Truck expense	7,500	7,500	6,461	1,039
IMRF	12,000	12,000	11,527	473
Tree removal & planting	4,000	4,000	3,950	50
Drainage grant expense	100,000	100,000		100,000
Total general administration	334,409	334,409	153,091	181,318
Capital outlay				
Equipment	3,000	3,000	9,173	(6,173)
Total expenditures disbursed	$ 337,409	337,409	162,264	175,145

See accompanying notes to financial statements.

VILLAGE OF WELDON, ILLINOIS
MOTOR FUEL TAX SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS

Year Ended April 30, 2024

	2024			Budget Over (Under)
	Budget	Amended Budget	Actual	
Revenues received:				
Motor fuel taxes	$ 16,000	16,000	16,190	190
Interest income	1,000	1,000	796	(204)
Total revenues received	17,000	17,000	16,986	(14)
Expenditures disbursed:				
Street repair and maintenance	30,390	30,390	30,862	(472)
Revenues over (under) expenditures disbursed	(13,390)	(13,390)	(13,876)	(486)
Other financing sources (uses):				
Transfer to General Fund	(5,000)	(5,000)	(4,518)	482
Net change in fund balance	(18,390)	(18,390)	(18,394)	(4)
Fund balance at beginning of year	52,986	52,986	57,947	4,961
Fund balance at end of year	$ 34,596	34,596	39,553	4,957

See accompanying notes to financial statements.

VILLAGE OF WELDON, ILLINOIS
STREETS AND ALLEYS SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS

Year Ended April 30, 2024

	2024			Budget Over (Under)
	Budget	Amended Budget	Actual	
Revenues received:				
Real estate taxes	$ 2,500	2,500	2,346	(154)
Expenditures disbursed:				
Tree removal and planting	2,000	2,000	2,000	
Drainage repair	2,500	2,500	35	2,465
Training	500	500		500
Total expenditures disbursed	5,000	5,000	2,035	2,965
Revenues over (under) expenditures disbursed	(2,500)	(2,500)	311	2,811
Fund balance at the beginning of the year	2,582	2,582	2,582	
Fund balance at end of year	$ 82	82	2,893	2,811

See accompanying notes to financial statements.

VILLAGE OF WELDON, ILLINOIS
E.S.D.A. SPECIAL REVENUE FUND

BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS

Year Ended April 30, 2024

	2024			Budget Over (Under)
	Budget	Amended Budget	Actual	
Revenues received:				
Grant revenue	$ 4,000	4,000		(4,000)
Expenditures disbursed:				
Special request items	3,500	3,500		3,500
Miscellaneous	500	500		500
Total expenditures disbursed	4,000	4,000		4,000
Revenues over (under) expenditures disbursed				
Fund balance at beginning of year	50	50	50	
Fund balance at end of year	$ 50	50	50	

See accompanying notes to financial statements.

VILLAGE OF WELDON, ILLINOIS

NOTES TO OTHER SUPPLEMENTARY INFORMATION

Year Ended April 30, 2024

Budget Law

The board prepares its annual operating budget under the provisions of the Illinois Municipal Budget Law. In accordance with those provisions, the following process is used to adopt the annual budget:

a. Prior to the end of the first quarter of the new fiscal year, the Board submits a proposed operating budget for the year commencing on May 1.

b. Public hearings are conducted to obtain citizen comments. At least one public hearing must be held no later than 30 days prior to final approval of the budget.

c. Subsequent to the public hearing the budget is adopted by the board.

The legal level of control at which expenditures may not legally exceed appropriations is the fund.

Basis of Accounting

The budget is prepared on the modified cash basis of accounting.

Expenditures in Excess of Appropriations

In the fiscal year ending April 30, 2024, expenditures did not exceed appropriations in any of the individual funds except as follows:

Fund	Amount Overexpended
Operations and Maintenance Water Fund	19,620
Motor Fuel Tax Fund	$ 472

VILLAGE OF WELDON, ILLINOIS

SCHEDULE OF EQUALIZED ASSESSED VALUATION, PROPERTY TAX RATES, EXTENSIONS AND COLLECTIONS

Year Ended April 30, 2024

	2022				2021			
Equalized Assessed Valuation	$ 4,100,460				$ 3,727,265			
	Levy	Rate	Extension	Collection	Levy	Rate	Extension	Collection
General Fund	$ 4,903	.1196	4,903	4,903	3,669	.0985	3,669	3,628
Liability insurance	15,000	.3658	15,001	14,998	14,000	.3756	14,001	13,842
Audit	6,500	.1585	6,500	6,499	6,500	.1744	6,500	6,427
IMRF	14,000	.3414	14,000	13,998	14,000	.3756	14,001	13,842
Social security	6,500	.1585	6,500	6,499	6,500	.1744	6,500	6,427
Streets and alleys				2,346				2,314
Total	$ 46,903	1.1438	46,904	49,243	44,669	1.1985	44,671	44,166