

VILLAGE OF BELLFLOWER, ILLINOIS

Annual Financial Report

For the Fiscal Year Ended April 30, 2025

FILED
MCLEAN COUNTY, ILLINOIS

OCT 28 2025

Kathy Michael
COUNTY CLERK

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Independent Auditor's Report

To the Village of Bellflower Board of Trustees
Bellflower, Illinois

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village, as of April 30, 2025, and the respective changes in financial position, and where applicable, cash flows, thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village, 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 opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village'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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises of the Budgetary Comparison Schedules for all major governmental funds, the related notes, and the Schedule of Property Tax Levies, Rates, Extensions, and Collections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Striegel Knobloch & Co L.L.C.
Bloomington, Illinois
October 8, 2025

VILLAGE OF BELLFLOWER, ILLINOIS

Statement of Net Position – Modified Cash Basis

April 30, 2025

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
Assets			
Cash and cash equivalents	\$ 453,925	\$ 294,391	\$ 748,316
Capital assets (net)	105,208	700,053	805,261
Internal balances	(4,863)	4,863	-
Total assets	<u>\$ 554,270</u>	<u>\$ 999,307</u>	<u>\$ 1,553,577</u>
Liabilities			
Current liabilities			
Current portion of long-term debt	<u>\$ -</u>	<u>\$ 11,764</u>	<u>\$ 11,764</u>
Total current liabilities	<u>-</u>	<u>11,764</u>	<u>11,764</u>
Noncurrent liabilities			
Notes payable	<u>-</u>	<u>150,047</u>	<u>150,047</u>
Total noncurrent liabilities	<u>-</u>	<u>150,047</u>	<u>150,047</u>
Total liabilities	<u>-</u>	<u>161,811</u>	<u>161,811</u>
Net Position			
Net investment in capital assets	105,208	538,242	643,450
Restricted for:			
Motor fuel tax	32,679	-	32,679
Unrestricted	<u>416,383</u>	<u>299,254</u>	<u>715,637</u>
Total net position	<u>554,270</u>	<u>837,496</u>	<u>1,391,766</u>
Total liabilities and net position	<u>\$ 554,270</u>	<u>\$ 999,307</u>	<u>\$ 1,553,577</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF BELLFLOWER, ILLINOIS

Statement of Activities – Modified Cash Basis

For the Year Ended April 30, 2025

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities:							
General government	\$ 146,626	\$ 3,765	\$ 10,293	\$ -	\$ (132,568)	\$ -	\$ (132,568)
Transportation and highway	23,089	-	-	-	(23,089)	-	(23,089)
Public safety	20,892	5,465	-	-	(15,427)	-	(15,427)
Culture and recreation	20,294	5,180	11,441	-	(3,673)	-	(3,673)
Total governmental activities	210,901	14,410	21,734	-	(174,757)	-	(174,757)
Business-type activities:							
Waterworks	66,730	100,535	-	-	-	33,805	33,805
Total business-type activities	66,730	100,535	-	-	-	33,805	33,805
Total primary government	<u>\$ 277,631</u>	<u>\$ 114,945</u>	<u>\$ 21,734</u>	<u>\$ -</u>	<u>\$ (174,757)</u>	<u>\$ 33,805</u>	<u>\$ (140,952)</u>
General revenues:							
Taxes							
Property tax					40,621	-	40,621
Excise tax					533	-	533
Income tax					60,137	-	60,137
Sales tax					54,620	-	54,620
Use tax					11,577	-	11,577
Cannabis tax					544	-	544
Motor fuel tax					15,633	-	15,633
Replacement tax					1,283	-	1,283
Grant Income					1,250	-	1,250
Investment income					19,863	12,089	31,952
Total general revenues					206,061	12,089	218,150
Change in net position					31,304	45,894	77,198
Net position – beginning					522,966	791,602	1,314,568
Net position – ending					<u>554,270</u>	<u>837,496</u>	<u>1,391,766</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF BELLFLOWER, ILLINOIS

Statement of Assets, Liabilities, and Fund Balances – Modified Cash Basis – Governmental Funds

April 30, 2025

	General Fund	Motor Fuel Tax Fund	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 421,246	\$ 32,679	\$ 453,925
Total assets	<u>\$ 421,246</u>	<u>\$ 32,679</u>	<u>\$ 453,925</u>
Liabilities			
Due to other funds	\$ 4,863	\$ -	\$ 4,863
Total liabilities	<u>4,863</u>	<u>-</u>	<u>4,863</u>
Fund Balances			
Restricted:			
Motor fuel tax	-	32,679	32,679
Assigned	15,808	-	15,808
Unassigned	400,575	-	400,575
Total fund balance	<u>416,383</u>	<u>32,679</u>	<u>449,062</u>
Total liabilities and fund balance	<u>\$ 421,246</u>	<u>\$ 32,679</u>	<u>\$ 453,925</u>

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

Total governmental fund balances	\$ 449,062
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in fund financial statements.	<u>105,208</u>
Net position of governmental activities	<u>\$ 554,270</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF BELLFLOWER, ILLINOIS

Statement of Revenues Received, Expenditures Disbursed, and Changes in Fund Balances – Modified Cash Basis – Governmental Funds

For the Year Ended April 30, 2025

	General Fund	Motor Fuel Tax Fund	Total Governmental Funds
Revenues received:			
Property taxes	\$ 40,621	\$ -	\$ 40,621
Excise tax	533	-	533
Income tax	60,137	-	60,137
Sales tax	54,620	-	54,620
Use tax	11,577	-	11,577
Cannabis tax	544	-	544
Motor fuel tax	-	15,633	15,633
Replacement tax	1,283	-	1,283
Grant income	1,250	-	1,250
Fines and forfeitures	5,465	-	5,465
Franchise fees	3,765	-	3,765
Rent income	5,180	-	5,180
Donations	21,734	-	21,734
Investment income	18,477	1,386	19,863
	<hr/>	<hr/>	<hr/>
Total revenues received	225,186	17,019	242,205
	<hr/>	<hr/>	<hr/>
Expenditures disbursed:			
Current:			
General government	145,791	-	145,791
Transportation and highway	-	20,420	20,420
Public safety	20,892	-	20,892
Culture and recreation	17,934	-	17,934
Capital outlay	5,847	-	5,847
	<hr/>	<hr/>	<hr/>
Total expenditures disbursed	190,464	20,420	210,884
	<hr/>	<hr/>	<hr/>
Net change in fund balance	34,722	(3,401)	31,321
Fund balance, beginning of year	381,661	36,080	417,741
	<hr/>	<hr/>	<hr/>
Fund balance, end of year	<u>\$ 416,383</u>	<u>\$ 32,679</u>	<u>\$ 449,062</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF BELLFLOWER, ILLINOIS

**Reconciliation of the Change in Fund Balances of Governmental Funds to the
Governmental Activities in the Statement of Activities – Modified Cash Basis**

For the Year Ended April 30, 2025

Net change in fund balances – total governmental funds		\$ 31,321
Capital outlays are reported as expenditures in the fund financial statements because they use current financial resources, but they are presented as assets in the statement of activities and depreciated over their estimated economic lives.		
Capital outlay	5,847	
Depreciation	<u>(5,864)</u>	
		<u>(17)</u>
Change in net position of governmental activities		<u>\$ 31,304</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF BELLFLOWER, ILLINOIS

**Statement of Fund Net Position Arising from Modified
Cash Basis Transactions – Proprietary Funds**

April 30, 2025

	<u>Enterprise Fund</u> <u>Water Fund</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 294,391
Due from other funds	4,863
	<hr/>
Total current assets	299,254
	<hr/>
Non-current assets:	
Capital assets	1,107,722
Less: accumulated depreciation	(407,669)
	<hr/>
Total noncurrent assets	700,053
	<hr/>
Total assets	\$ 999,307
	<hr/>
Liabilities	
Current liabilities:	
Notes payable	\$ 11,764
	<hr/>
Total current liabilities	11,764
	<hr/>
Long-term liabilities:	
Notes payable	150,047
	<hr/>
Total long-term liabilities	150,047
	<hr/>
Total liabilities	161,811
	<hr/>
Fund Net Position	
Net position invested in capital assets, net or related debt	538,242
Unrestricted	299,254
	<hr/>
Total fund net position	837,496
	<hr/>
Total liabilities and fund net position	\$ 999,307
	<hr/>

The accompanying notes are an integral part of this statement.

VILLAGE OF BELLFLOWER, ILLINOIS

**Statement of Revenues, Expenses, and Changes in
Fund Net Position Arising from Modified Cash
Basis Transactions - Proprietary Funds**

For the Year Ended April 30, 2025

	<u>Enterprise Fund</u> <u>Water Fund</u>
Operating revenues:	
Charges for services	<u>\$ 100,535</u>
Total operating revenues	<u>100,535</u>
Operating expenses:	
Wages	11,509
Payroll taxes	1,153
Repairs and maintenance	16,420
Utilities	4,409
Testing	2,210
Materials and supplies	3,010
Depreciation	<u>25,223</u>
Total operating expenses	<u>63,934</u>
Operating income (loss)	<u>36,601</u>
Non-operating revenues (expenses):	
Interest income	12,089
Interest expense	<u>(2,796)</u>
Total non-operating revenue (expense)	<u>9,293</u>
Change in net position	45,894
Net position, beginning of year	<u>791,602</u>
Net position, end of year	<u>\$ 837,496</u>

The accompanying notes are an integral part of this statement.

VILLAGE OF BELLFLOWER, ILLINOIS

Statement of Cash Flows – Modified Cash Basis – Proprietary Funds

For the Year Ended April 30, 2025

	Enterprise Fund Water Fund
Cash flows from (used in) operating activities:	
Cash received from customers	\$ 100,535
Cash payments to employees for services	(11,509)
Cash payments to suppliers for goods and services	(27,202)
Net cash provided by (used in) operating activities	61,824
Cash flows from (used in) non-capital financing activities:	
Increase in interfund receivable	(4,863)
Net cash provided by (used in) non-capital financing activities	(4,863)
Cash flows from (used in) capital and related financing activities:	
Principal paid on notes	(11,574)
Interest paid on notes	(2,796)
Net cash provided by (used in) capital and related financing activities	(14,370)
Cash flows from (used in) investing activities:	
Interest from investments	12,089
Net cash provided by (used in) investing activities	12,089
Net increase (decrease) in cash and cash equivalents	54,680
Cash and cash equivalents, beginning of year	239,711
Cash and cash equivalents, end of year	\$ 294,391
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:	
Operating income (loss)	\$ 36,601
Adjustments:	
Depreciation	25,223
Net cash provided by (used in) operating activities	\$ 61,824

The accompanying notes are an integral part of this statement.

VILLAGE OF BELLFLOWER, ILLINOIS

Notes to Financial Statements

April 30, 2025

The accounting methods and procedures adopted by Village of Bellflower, McLean County, Illinois, conform to the modified cash basis of accounting as applied to government entities. The following notes to the financial statements are an integral part of the Village 's Annual Financial Report.

Note 1 – Summary of Significant Accounting Policies:

Reporting Entity

The Village of Bellflower, Illinois is located in McLean County, Illinois. The Village is a municipal corporation governed by an elected President and six member board. The Village's major operations include public safety, streets, culture and recreation, economic development, water, and general administrative services.

The Village, for financial purposes, includes all of the funds and account groups relevant to the operations of Village of Bellflower.

The financial statements of the Village include those of separately administered organizations that are controlled by or dependent on the Village. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board.

“Component units” are organizations for which the primary government is financially accountable or for which the nature and significance of their relationship with the primary government are such that their exclusion from the primary government's financial statements would render those financial statements misleading or incomplete. The Village has no component units.

The accounting policies of the Village conform to the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position – Modified Cash Basis and the Statement of Activities – Modified Cash Basis) report information on all activities of the primary government.

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

VILLAGE OF BELLFLOWER, ILLINOIS

Notes to Financial Statements – Continued

April 30, 2025

Note 1 – Summary of Significant Accounting Policies – Continued:

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Village's financial statements are prepared using the modified cash basis of accounting, which is a basis of accounting that differs from accounting principles generally accepted in the United States of America (GAAP). Revenues are recorded in the Village's financial records and reported in the financial statements when cash is received rather than when earned and expenditures are recorded when cash is paid rather than when a liability is incurred.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services. The principal operating revenues of the Village's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Fund Types

These are the funds through which most governmental functions typically are financed. The funds included in this category are as follows:

General Fund – This fund is established to account for the resources devoted to financing the general services that the Village performs for its citizens. General tax revenues and other sources of revenues used to finance the fundamental operations of the Village are included in this fund. The fund is charged with all cost of operating the government for which a separate fund has not been established.

Special Revenue Funds – These funds are established to account for the proceeds of specific revenue sources other than special assessments, expendable trusts, or major capital projects that are legally restricted to expenditures for specified purposes.

Proprietary Fund Types

These funds account for operations that are organized to be self-supporting through user charges. The funds included in this category are the Enterprise Funds.

Enterprise Funds – These funds are established to account for the operations that are financed and conducted in a manner similar to private business enterprises, where the intent 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.

VILLAGE OF BELLFLOWER, ILLINOIS

Notes to Financial Statements – Continued

April 30, 2025

Note 1 – Summary of Significant Accounting Policies – Continued:

Proprietary Fund Types - Continued

The focus of fund financial statements is on major funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements. The board has elected to show all funds as major.

Major Funds

The Village reports the following major governmental funds:

General Fund – The principal operating fund of the Village which is used to account for all activities of the Village not included in other specified funds.

Motor Fuel Tax Fund – A special revenue fund used to account for and report financial resources that are restricted, committed, or assigned to expenditures related to state-approved street maintenance programs financed from the local share of the state gasoline tax as collected and distributed by the State of Illinois. Revenues are generated from motor fuel taxes.

The Village reports the following major proprietary funds:

Water Fund – An enterprise fund used to account for the provision of water services to the residents. Primary revenues for this fund are user charges.

Cash and Cash Equivalents

The Village may pool cash resources of certain funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements may be invested in various interest-bearing accounts.

All short-term investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash at the date of purchase and have a maturity date no longer than three months.

Deposits and Investments

The Public Funds Investment Act of the State of Illinois allows municipalities to invest in the following:

- U.S. Treasury obligations
- Direct obligations of any bank as defined by Illinois Banking Act
- Certain corporate short-term obligations
- Certain public agencies
- Public Treasurers' Investment Pool
- Certain money market mutual funds

Investments are recorded at cost which approximates market value.

VILLAGE OF BELLFLOWER, ILLINOIS

Notes to Financial Statements – Continued

April 30, 2025

Note 1 – Summary of Significant Accounting Policies – Continued:

Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with the modified cash basis of accounting. Those estimates and assumptions affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, and the reported revenues and expenditures. Actual results could vary from the estimates that were used.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Fund Equity

The Village has implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory, prepaid expenses, long-term receivables) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purpose by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level of action to remove or change the constraint;
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the General Fund.

VILLAGE OF BELLFLOWER, ILLINOIS

Notes to Financial Statements – Continued

April 30, 2025

Note 1 – Summary of Significant Accounting Policies – Continued:

Fund Equity - Continued

The Village establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balances are established by the Village through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

Capital Assets

Capital assets include land, buildings, improvements, equipment, and infrastructure. Capital assets recorded in the governmental funds are not capitalized. Instead, capital acquisition and/or construction of assets are reflected as capital outlay expenditures. These capital outlay expenditures are presented in the governmental activities column in the government-wide financial statements.

Capital assets recorded in the proprietary funds are capitalized. These capital assets are also presented in the business-type activities column in the government-wide financial statements.

All purchased capital assets are valued at historical cost or estimated historical cost when actual historical records are not available.

The Village records as capital assets for buildings and water system greater than \$50,000 and for equipment and vehicles greater than \$5,000. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Depreciation is computed using the straight-line method over the following estimated useful lives:

Buildings	20 – 40 years
Water System	20 – 40 years
Equipment and vehicles	7 – 14 years

Interfund Transactions

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activities and balances in the fund financial statements have been eliminated or reclassified.

Interfund services are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions except reimbursements are reported as transfers.

VILLAGE OF BELLFLOWER, ILLINOIS

Notes to Financial Statements – Continued

April 30, 2025

Note 1 – Summary of Significant Accounting Policies – Continued:

Net Position

The Village has implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*. The objective of this Statement is to provide financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by outstanding balances of any borrowings used for the acquisition or improvement of those assets.

Net Position Flow Assumption

Sometimes the Village will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted and unrestricted in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the Village's policy to consider restricted to have been depleted before unrestricted is applied.

Fund Balance Flow Assumptions

Sometimes the Village will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

It is the Village's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Note 2 – Property Taxes:

The Village Board passes a property tax levy ordinance. By law, the Village Board has until the fourth Tuesday in December to pass this ordinance for use in the fiscal year beginning April 1st. The tax levy was approved and passed November 13, 2024. The tax becomes a lien for all real property located in the Village as of January 1st, on the assessed value listed as of the day prior (December 31st). Assessed values are established by the County Assessment Board at 33 ⅓% of assumed market value. In the year following the levy, the County bills the property taxes in two installments, generally in May and August. The taxes become delinquent approximately 40 days after the dates billed. The County collects the taxes then remits them to the Village. For the year ended April 30, 2025, the Village collected revenues from the 2023 annual levy.

VILLAGE OF BELLFLOWER, ILLINOIS

Notes to Financial Statements – Continued

April 30, 2025

Note 3 – 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 has joined together with other municipalities in the State of Illinois to form the Illinois Municipal League Risk Management Association (IMLRMA), a public entity risk pool currently operating as a common risk management and insurance program for its member municipalities. The Village pays an annual premium to IMLRMA for its general insurance coverage which includes workers' compensation, comprehensive general liability, inland marine, automobile physical damage, and property loss. Each area of coverage is subject to limitations that would be comparable to commercial insurance coverage. During the year ended April 30, 2025, there were no significant reductions in coverage. Settled claims have not exceeded the amount of insurance coverage in any of the past three years.

Note 4 – Deposits and Investments:

At April 30, 2025, the Village's carrying amount of deposits was \$37,071 and the bank balance was \$48,432. The bank balance was categorized as follows:

<u>Depository Account</u>	<u>Bank Balance</u>
Insured	\$ 48,432

Custodial credit risk is the risk that in the event of a bank failure, the Village's demand deposits may not be returned to it. As of April 30, 2025, \$-0- of the Village's bank balance of \$48,432 was exposed to custodial credit risk.

At April 30, 2025, the Village held \$711,245 in the Illinois Funds Money Market Fund. The value of the Village's position in the fund is equal to the value of the Village's fund shares, which maintain a \$1 net asset value. The portfolio is regulated by oversight of the Treasurer of the State of Illinois and private rating agencies. The portfolio has an AAA rating from Standard and Poor's. The assets of the fund are mainly invested in debt securities issued by the United States government or agencies related to the United States and valued at amortized cost. Assets of the fund not invested in United States government securities are fully collateralized by pledged securities. The time to maturity of the investments in this external investment pool averages less than one year. The Village has no restrictions on withdrawing funds from this external investment pool.

<u>Investment Type</u>	<u>Rating</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
The Illinois Funds	AAAmmf Rated	\$ 711,245	31.99 days

VILLAGE OF BELLFLOWER, ILLINOIS

Notes to Financial Statements – Continued

April 30, 2025

Note 5 – Intergovernmental Agreements:

The Village is party to an intergovernmental agreement with the Village of Downs, Illinois, wherein the Village receives police services. Such an agreement has been in place for several prior years, which is updated annually. During the fiscal year ended April 30, 2025, the Village reported \$19,254 in intergovernmental expenditures related to this agreement.

Note 6 – Capital Assets:

The following is a summary of changes in capital assets for the year ended April 30, 2025:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 1,000	\$ -	\$ -	\$ 1,000
Total capital assets not being depreciated	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
Capital assets being depreciated:				
Buildings	104,406	-	-	104,406
Equipment and vehicles	<u>62,572</u>	<u>5,847</u>	<u>-</u>	<u>68,419</u>
Total capital assets being depreciated	<u>166,978</u>	<u>5,847</u>	<u>-</u>	<u>172,825</u>
Less accumulated depreciation for:				
Buildings	(20,620)	(2,360)	-	(22,980)
Equipment and vehicles	<u>(42,133)</u>	<u>(3,504)</u>	<u>-</u>	<u>(45,637)</u>
Total accumulated depreciation	<u>(62,753)</u>	<u>(5,864)</u>	<u>-</u>	<u>(68,617)</u>
Total capital assets being depreciated, net	<u>104,225</u>	<u>(17)</u>	<u>-</u>	<u>104,208</u>
Governmental activities capital assets, net	<u>\$ 105,225</u>	<u>\$ (17)</u>	<u>\$ -</u>	<u>\$ 105,208</u>

VILLAGE OF BELLFLOWER, ILLINOIS

Notes to Financial Statements – Continued

April 30, 2025

Note 6 – Capital Assets – Continued:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 1,000	\$ -	\$ -	\$ 1,000
Total capital assets not being depreciated	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
Capital assets being depreciated:				
Buildings	2,500	-	-	2,500
Water system	<u>1,104,222</u>	<u>-</u>	<u>-</u>	<u>1,104,222</u>
Total capital assets being depreciated	<u>1,106,722</u>	<u>-</u>	<u>-</u>	<u>1,106,722</u>
Less accumulated depreciation for:				
Buildings	(2,500)	-	-	(2,500)
Water system	<u>(379,946)</u>	<u>(25,223)</u>	<u>-</u>	<u>(405,169)</u>
Total accumulated depreciation	<u>(382,446)</u>	<u>(25,223)</u>	<u>-</u>	<u>(407,669)</u>
Total capital assets being depreciated, net	<u>724,276</u>	<u>(25,223)</u>	<u>-</u>	<u>699,053</u>
Business-type activities capital assets, net	\$ <u>725,276</u>	\$ <u>(25,223)</u>	\$ <u>-</u>	\$ <u>700,053</u>

Depreciation expense was charged to the functions of government as follows:

Governmental Activities:

General government	\$ 835
Transportation and highway	2,669
Culture and recreation	<u>2,360</u>
	<u>\$ 5,864</u>

Business-Type Activities:

Water	\$ <u>25,223</u>
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VILLAGE OF BELLFLOWER, ILLINOIS

Notes to Financial Statements – Continued

April 30, 2025

Note 7 – Interfund Loans and Transfers:

Individual fund interfund loans at April 30, 2025, were as follows:

	Receivable From	Payable To
<u>General Fund:</u>		
Water ^(1,2)	\$ -	\$ 4,863
<u>Water Fund:</u>		
General ^(1,2)	\$ 4,863	\$ -

⁽¹⁾ Repairs expenses were paid by the Water Fund to be reimbursed by the General Fund.

⁽²⁾ Loan made by the Water Fund to keep General Fund cash account above minimum balance.

The Village did not have any interfund transfers for the year ended April 30, 2025.

Note 8 – Long-Term Debt:

Business-Type Activities

During November of 2016, the Village passed Ordinance No. 16-04 authorizing \$473,000 in debt from Illinois Environmental Protection Agency (IEPA) to be used for rehabilitation of the existing 50,000-gallon elevated storage tank and construction of new water main. The agreement was amended March 13, 2018 with the total proceeds being \$458,362 with \$220,236 of that amount forgiven. The interest rate is 1.64%. Payments are due annually on June 20th and December 20th. The first payment was due June 20, 2018 and the last payment is due June 20, 2037. This note is being repaid by the Water Fund. Following is the repayment schedule for the note:

Year Ended April 30,	Principal	Interest	Total
2026	\$ 11,764	\$ 2,606	\$ 14,370
2027	11,958	2,412	14,370
2028	12,155	2,215	14,370
2029	12,355	2,015	14,370
2030	12,559	1,811	14,370
2031-2035	65,963	5,887	71,850
2036-2038	35,057	867	35,924
	<u>\$ 161,811</u>	<u>\$ 17,813</u>	<u>\$ 179,624</u>

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

Business-Type Activities

	Balance Beginning	Additions	Reductions	Balance Ending	Due Within One Year
IEPA – 2016	\$ 173,385	\$ -	\$ 11,574	\$ 161,811	\$ 11,764

VILLAGE OF BELLFLOWER, ILLINOIS

Notes to Financial Statements – Continued

April 30, 2025

Note 9 – Legal Debt Margin:

The statutory debt limit of the Village is 8.625% of assessed valuation less any applicable debt. The legal debt margin is as follows:

Total Assessed Valuation – 2024 Tax Year	\$ <u>4,785,473</u>
Statutory Debt Limitation (8.625% of Assessed Valuation)	\$ 412,747
Total Applicable Debt	<u>-</u>
Legal Debt Margin	\$ <u>412,747</u>

Note 10 – Subsequent Events:

No events have occurred subsequent to April 30, 2025, that are required to be disclosed in these financial statements. This evaluation was made as of October 8, 2025, the date these financial statements were available to be issued.

OTHER INFORMATION

VILLAGE OF BELLFLOWER, ILLINOIS

Budgetary Comparison Schedule – General Fund - Unaudited

For the Year Ended April 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Over / (Under)
Cash receipts				
Property taxes	\$ 38,300	\$ 38,300	\$ 40,621	\$ 2,321
Excise tax	400	400	533	133
Income tax	50,000	50,000	60,137	10,137
Sales tax	14,000	14,000	54,620	40,620
Use tax	13,000	13,000	11,577	(1,423)
Cannabis tax	500	500	544	44
Replacement tax	2,000	2,000	1,283	(717)
Grant income	26,000	26,000	1,250	(24,750)
Fines and forfeitures	2,000	2,000	5,465	3,465
Franchise fees	3,500	3,500	3,765	265
Rent income	6,100	6,100	5,180	(920)
Donations	23,850	23,850	21,734	(2,116)
Wind farm income	68,500	68,500	-	(68,500)
Investment income	12,000	12,000	18,477	6,477
Total cash receipts	260,150	260,150	225,186	(34,964)
Cash disbursements				
General government	208,800	208,800	151,638	(57,162)
Transportation and highway	10,000	10,000	-	(10,000)
Public safety	21,000	21,000	20,892	(108)
Culture and recreation	20,350	20,350	17,934	(2,416)
Total cash disbursements	260,150	260,150	190,464	(69,686)
Net change in fund balance	\$ -	\$ -	34,722	\$ 34,722
Fund balance – beginning of year			381,661	
Fund balance – end of year			\$ 416,383	

VILLAGE OF BELLFLOWER, ILLINOIS

Budgetary Comparison Schedule – Motor Fuel Tax Fund - Unaudited

For the Year Ended April 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Over / (Under)
Cash receipts				
State motor fuel tax	\$ 12,000	12,000	\$ 15,633	\$ 3,633
Interest	500	500	1,386	886
Total cash receipts	12,500	12,500	17,019	4,519
Cash disbursements				
Transportation and highway	38,000	38,000	20,420	(17,580)
Total cash disbursements	38,000	38,000	20,420	(17,580)
Net change in fund balance	<u>\$ (25,500)</u>	<u>\$ (25,500)</u>	(3,401)	<u>\$ 22,099</u>
Fund balance – beginning of year			36,080	
Fund balance – end of year			<u>\$ 32,679</u>	

VILLAGE OF BELLFLOWER, ILLINOIS

Notes to Other Information

April 30, 2025

Note 1 – Budget Policy and Practice:

The Village Board adopts an annual operating budget, which can be amended by the Board throughout the year. Formal budgetary accounting is employed as a management control for all funds of the Village. Annual operating budgets are adopted each fiscal year through passage of an annual appropriation ordinance for the General Fund. The same basis of accounting is used to reflect actual expenses and revenues recognized on the modified cash basis of accounting. Budgetary control is exercised at the department level or by projects. All unencumbered budget appropriations, except capital project budgets, lapse at the end of each fiscal year.

Note 2 – Cash Disbursements in Excess of Appropriations:

During the year ended April 30, 2025, the Village did not have any cash disbursements in excess of appropriations.

VILLAGE OF BELLFLOWER, ILLINOIS

Schedule of Property Tax Levies, Rates, Extensions, and Collections - Unaudited

Fiscal Year of Receipt Levy Year	Tax Levy Years				
	2026 2024	2025 2023	2024 2022	2023 2021	2022 2020
Rate Setting Equalized Assessed Valuation (EAV)	\$ 4,785,473	\$ 4,159,922	\$ 3,650,060	\$ 3,488,720	\$ 3,293,570
Tax Levies:					
General corporate	\$ 13,500	\$ 12,045	\$ 11,512	\$ 10,868	\$ 10,550
Medicare	250	330	280	126	-
Police protection	3,100	2,735	2,616	2,470	2,400
Audit	7,500	7,357	6,000	5,940	5,400
Unemployment tax	100	180	76	59	55
Street lighting	1,500	1,825	1,744	1,646	-
Social security	1,300	1,410	1,214	539	1,300
Tort liability	13,000	12,500	13,130	13,200	13,500
Total Tax Rates	\$ 40,250	\$ 38,382	\$ 36,572	\$ 34,848	\$ 33,205
Tax Rates:					
General corporate	0.28210	0.28955	0.31539	0.31152	0.32032
Medicare	0.00522	0.00793	0.00767	0.00361	-
Police protection	0.06478	0.06575	0.07167	0.07080	0.07287
Audit	0.15672	0.17685	0.16438	0.17026	0.16396
Unemployment tax	0.00209	0.00433	0.00208	0.00169	0.00167
Street lighting	0.03134	0.04387	0.04778	0.04718	-
Social security	0.02717	0.03389	0.03326	0.01545	0.03947
Tort liability	0.27166	0.30049	0.35972	0.37836	0.40989
Total Tax Rates	0.84108	0.92266	1.00195	0.99887	1.00818
Tax Extensions:					
General corporate	\$ 13,500	\$ 12,045	\$ 11,512	\$ 10,868	\$ 10,550
Medicare	250	330	280	126	-
Police protection	3,100	2,735	2,616	2,470	2,400
Audit	7,500	7,357	6,000	5,940	5,400
Unemployment tax	100	180	76	59	55
Street Lighting	1,500	1,825	1,744	1,646	-
Social security	1,300	1,410	1,214	539	1,300
Tort liability	13,000	12,500	13,130	13,200	13,500
Total Tax Extensions	\$ 40,250	\$ 38,382	\$ 36,572	\$ 34,848	\$ 33,205
Tax Collections:					
General corporate		\$ 11,959	\$ 11,453	\$ 10,782	\$ 10,299
Medicare		327	279	125	-
Police protection		2,716	2,603	2,450	2,343
Audit		7,304	5,969	5,893	5,271
Unemployment tax		179	76	59	54
Street Lighting		1,812	1,735	1,633	-
Social security		1,400	1,208	535	1,269
Tort liability		12,411	13,063	13,096	13,179
Tax extension collected		38,108	36,386	34,573	32,415
Additions/Subtractions:					
Township Road and Bridge		2,509	3,038	2,902	2,733
Total Tax Collections		\$ 40,617	\$ 39,424	\$ 37,475	\$ 35,148
Percentage of Extension Collected		99.29%	99.49%	99.21%	97.62%

FILED
MCLEAN COUNTY, ILLINOIS

OCT 28 2025

Kathryn Michael
COUNTY CLERK