

**VILLAGE OF VERNON HILLS  
ORDINANCE 2025-056**

**AN ORDINANCE AUTHORIZING THE CONVERSION, CONSOLIDATION, AND  
DISSOLUTION OF VILLAGE REPORTING FUNDS**

**WHEREAS**, the Village of Vernon Hills, County of Lake, State of Illinois (*“the Village”*) is a duly organized and existing municipality and unit of local government created under the provisions of the laws of the State of Illinois, and is operating under the provisions of the Illinois Municipal Code; and

**WHEREAS**, the Village of Vernon Hills is a home rule unit of local government pursuant to Article VII, Section 6 of the Illinois Constitution of 1970; and

**WHEREAS**, an efficient reporting fund structure ensures accountability of public resources, allows financial statements to clearly present the financial position and results of specific activities, and supports budgetary compliance by tracking resources allocated to various functions and purposes; and

**WHEREAS**, the changes to the Village’s reporting funds outlined below were presented to the Village Board during the fiscal year 2025 budget process in March 2024 and implemented into the Village’s financial reporting as of May 1, 2024, see Exhibit A for a complete listing of the Village’s reporting funds as of May 1, 2024; and

**WHEREAS**, the Corporate Authorities of the Village of Vernon Hills seek to maintain responsible fiscal management through efficient fund structure; and

**WHEREAS**, it is deemed necessary and in the best interest of the Village to formalize, via this ordinance, the conversion, consolidation, and dissolution of certain funds for reporting purposes, as recommended by the Finance Department.

**NOW THEREFORE BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF VERNON HILLS, LAKE COUNTY, ILLINOIS, AS FOLLOWS:**

**SECTION 1: CONVERSION OF FUNDS:** The following funds shall be converted from their current designation to a new purpose, classification, or use, effective May 1, 2024. Any remaining balances shall be retained and reclassified accordingly.

<u>Current Fund Name</u>	<u>Fund Type</u>	<u>New Fund Name</u>	<u>New Fund Type</u>	<u>New Purpose/Use</u>
Capital	Sub-fund of the General Fund	➔ Capital Fund	Capital Projects Fund	Report all governmental type capital projects
Metra Parking	Sub-fund of the General Fund	➔ Metra Parking Fund	Enterprise Fund	Report all Metra Parking activity, related capital assets, and debt
Replacement	Internal Service Fund	➔ Vehicle and Equipment Replacement Fund (VERF)	Capital Projects Fund	Report all government type vehicles and equipment above the determined dollar threshold

**SECTION 2: CONSOLIDATION OF FUNDS:** The following funds shall be consolidated into a target fund for improved reporting efficiency. Balances and associated obligations shall be transferred accordingly.

<u>Source Fund Name</u>	<u>Fund Type</u>	<u>Target Fund</u>	<u>Target Fund Type</u>	<u>Reason</u>
DUI	Sub-fund of the General Fund	Restricted Police Fund	Special Revenue Fund	Streamline reporting of the Funds while continuing to account for the specific restrictions separately
Drug Forfeiture	Sub-fund of the General Fund			
State Seizure	Special Revenue Fund			

**SECTION 3: DISSOLUTION OF FUNDS:** The following funds shall be formally dissolved due to redundancy and significant reduction of activity. Residual balances shall be transferred to the designated receiving fund.

<u>Current Fund Name</u>	<u>Fund Type</u>	<u>Dissolution Date</u>	<u>Receiving Fund</u>
Vernon Hills Days	Sub-fund of the General Fund	➔ May 1, 2024	General Fund
Development	Sub-fund of the General Fund	➔ May 1, 2024	General Fund

**SECTION 4: IMPLEMENTATION:** The Village Finance Director/Treasurer is hereby authorized and directed to take all necessary actions to carry out the provisions of this Ordinance, including accounting adjustments and fund reclassification.

**SECTION 5: SEVERABILITY:** If any part of this Ordinance is found to be invalid, such finding shall not affect the validity of the remaining provisions.

**SECTION 6: EFFECTIVE DATE:** This Ordinance shall be in full force and effect from its passage and approval.

**SECTION 7: ORDINANCE NUMBER:** This Ordinance shall be known as Ordinance Number 2025-056.

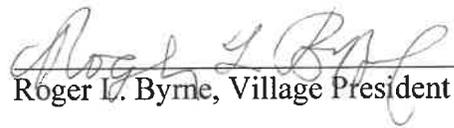
Dated the 15<sup>th</sup> day of April 2025.

Adopted by roll call votes as follows:

AYES: 5 – Forster, Schenk, Oppenheim, Byrne, Koch

NAYS: 0 – None

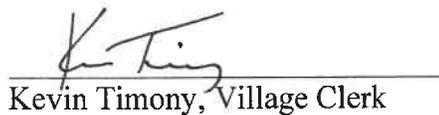
ABSENT AND NOT VOTING: 2 – Marquardt, Takaoka

  
Roger L. Byrne, Village President

PASSED: 04/15/2025

APPROVED: 04/15/2025

ATTEST: 04/15/2025

  
Kevin Timony, Village Clerk



**EXHIBIT A**

**REPORTING FUNDS OF THE VILLAGE  
EFFECTIVE MAY 1, 2024**

**Village of Vernon Hills**  
**Reporting Funds**  
**Effective: May 1, 2024**

Under the **Governmental Accounting Standards Board (GASB)** framework, **reporting funds** refer to the distinct fiscal and accounting entities used by governments to account for and report financial activities. GASB requires that governments organize their financial data into funds to ensure proper accountability and transparency. These funds will be reported in the Annual Comprehensive Financial Report (ACFR) and the Annual Budget.

The following list identifies the Village's reporting funds as of May 1, 2024.

**1. GOVERNMENTAL FUNDS - Used to account for most typical governmental functions**

<b>Reporting Fund</b>	<b>Fund Type</b>
General Fund	General Fund
Capital Fund	Capital Projects Fund
Vehicle and Equipment Replacement Fund (VERF)	Capital Projects Fund
Motor Fuel Tax Fund	Special Revenue Fund
Dispatch Center Fund	Special Revenue Fund
Melody Farm TIF Fund	Special Revenue Fund
Town Center TIF Fund	Special Revenue Fund
Hawthorn Mall TIF Fund	Special Revenue Fund
Restricted Police Fund	Special Revenue Fund

**2. PROPRIETARY FUNDS - Used for business-type activities**

<b>Reporting Fund</b>	<b>Fund Type</b>
Golf Course Fund	Enterprise Fund
Metra Parking Fund	Enterprise Fund

**3. FIDUCIARY FUNDS - Used to account for resources held for others**

<b>Reporting Fund</b>	<b>Fund Type</b>
Police Pension Fund	Pension Trust Fund

VILLAGE OF VERNON HILLS

ORDINANCE NO. 2025-056

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DISSOLUTION OF VILLAGE REPORTING FUNDS

THE 15<sup>th</sup> DAY OF APRIL 2025

Published in pamphlet form by the Authority of the  
President and Board of Trustees of the Village of  
Vernon Hills, Lake County, Illinois, this  
15<sup>th</sup> day of April, 2025



AFFIDAVIT OF SERVICE

STATE OF ILLINOIS     )  
  )  
COUNTY OF LAKE     )

I, KEVIN TIMONY, BEING FIRST DULY APPOINTED, DEPOSES AND SAYS ON OATH THAT AS VILLAGE CLERK OF THE VILLAGE OF VERNON HILLS, HE DID CAUSE THE FOREGOING CERTIFICATE FOR ORDINANCE NO. 2025-056 AN ORDINANCE AUTHORIZING THE CONVERSION, CONSOLIDATION, AND DISSOLUTION OF VILLAGE REPORTING FUNDS TO BE POSTED IN THE VILLAGE HALL AS REQUIRED BY LAW FROM APRIL 15, 2025 TO APRIL 29, 2025.

  
\_\_\_\_\_  
Kevin Timony, Village Clerk

SUBSCRIBED AND SWORN TO BEFORE ME  
THIS 15<sup>th</sup> DAY OF APRIL, 2025

  
\_\_\_\_\_  
Notary Public

