VILLAGE OF MOKENA, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2024

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VILLAGE OF MOKENA, ILLINOIS

TABLE OF CONTENTS

PAGE

INTRODUCTORY SECTION

List of Principal Officials 1
Organizational Chart 2

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT 5

MANAGEMENT'S DISCUSSION AND ANALYSIS 9

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements
Statement of Net Position - Modified Cash Basis 35
Statement of Activities - Modified Cash Basis 36
Fund Financial Statements
Balance Sheet - Governmental Funds - Modified Cash Basis 38
Reconciliation of Total Governmental Fund Balance to the
Statement of Net Position - Governmental Activities - Modified Cash Basis 39
Statement of Revenues, Expenditures and Changes in
Fund Balances - Governmental Funds - Modified Cash Basis 40
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances to the Statement of Activities - Governmental Activities - Modified Cash Basis 41
Statement of Net Position - Proprietary Funds - Modified Cash Basis 42
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds - Modified Cash Basis 43
Statement of Cash Flows - Proprietary Funds - Modified Cash Basis 44
Statement of Fiduciary Net Position 45
Statement of Changes in Fiduciary Net Position 46
Notes to Financial Statements 47

OTHER SUPPLEMENTARY INFORMATION

Schedule of Employer Contributions
Illinois Municipal Retirement Fund 83
Police Pension Fund 84
Schedule of Changes in the Employer's Net Pension Liability
Illinois Municipal Retirement Fund 86
Police Pension Fund 88

VILLAGE OF MOKENA, ILLINOIS

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION - Continued

OTHER SUPPLEMENTARY INFORMATION - Continued

Schedule of Investment Returns
Police Pension Fund 90
Schedule of Changes in the Employer's Total OPEB Liability
Retiree Benefit Plan 92
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Modified Cash Basis - General Fund 94
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Modified Cash Basis - Motor Fuel Tax - Special Revenue Fund 95
Schedule of Revenues - Budget and Actual - Modified Cash Basis - General Fund 98
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Modified Cash Basis - Capital Improvement, Repair, and Replacement Fund - Capital Projects Fund 99
Combining Balance Sheet - Modified Cash Basis - Nonmajor Governmental - Special Revenue Funds 101
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Modified Cash Basis - Nonmajor Governmental - Special Revenue Funds 103
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Modified Cash Basis
Municipal Audit - Special Revenue Fund 105
School Crossing Guard - Special Revenue Fund 106
IMRF/FICA - Special Revenue Fund 107
Special Tax Allocation - Special Revenue Fund 108
Performance Bond - Special Revenue Fund 109
Tourism - Special Revenue Fund 110
Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual
Modified Cash Basis - Water and Sewerage - Enterprise Fund 111
Combining Statement of Net Position by Sub-Fund - Modified Cash Basis
Water and Sewerage - Enterprise Fund 112
Combining Statement of Revenues, Expenses, and Changes in Net Position by Sub-Fund
Modified Cash Basis - Water and Sewerage - Enterprise Fund 113
Schedule of Revenues, Expenses, and Change in Net Position - Budget and Actual
Modified Cash Basis
Water and Sewer - Water and Sewerage Sub-Fund 114
Sewer Plant Expansion - Water and Sewerage Sub-Fund 115
Sewer Plant Replacement - Water and Sewerage Sub-Fund 116
Water System Capital Improvement - Water and Sewerage Sub-Fund 117
Sewer System Capital Improvement - Water and Sewerage Sub-Fund 118

VILLAGE OF MOKENA, ILLINOIS

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION - Continued

OTHER SUPPLEMENTARY INFORMATION - Continued

Schedule of Revenues, Expenses, and Change in Net Position - Budget and Actual
Modified Cash Basis
Refuse - Enterprise Fund 119
Municipal Parking Lot - Enterprise Fund 120
Schedule of Changes in the Fiduciary Net Position - Budget and Actual
Police Pension - Pension Trust Fund 121

SUPPLEMENTAL SCHEDULES

Long-Term Debt Requirements
General Obligation Refunding Bonds of 2012 123
General Obligation Promissory Notes of 2022 124
Schedule of Assessed Valuations, Tax Rates, Extensions, and Collections - Last Ten Tax Levy Years 126
Schedule of Information Relating to Waterworks and Sewerage Accounts - Last Ten Fiscal Years 128

INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Mokena including:

List of Principal Officials

Organizational Chart

VILLAGE OF MOKENA, ILLINOIS

List of Principal Officials
June 30, 2024

Village President

Frank A. Fleischer

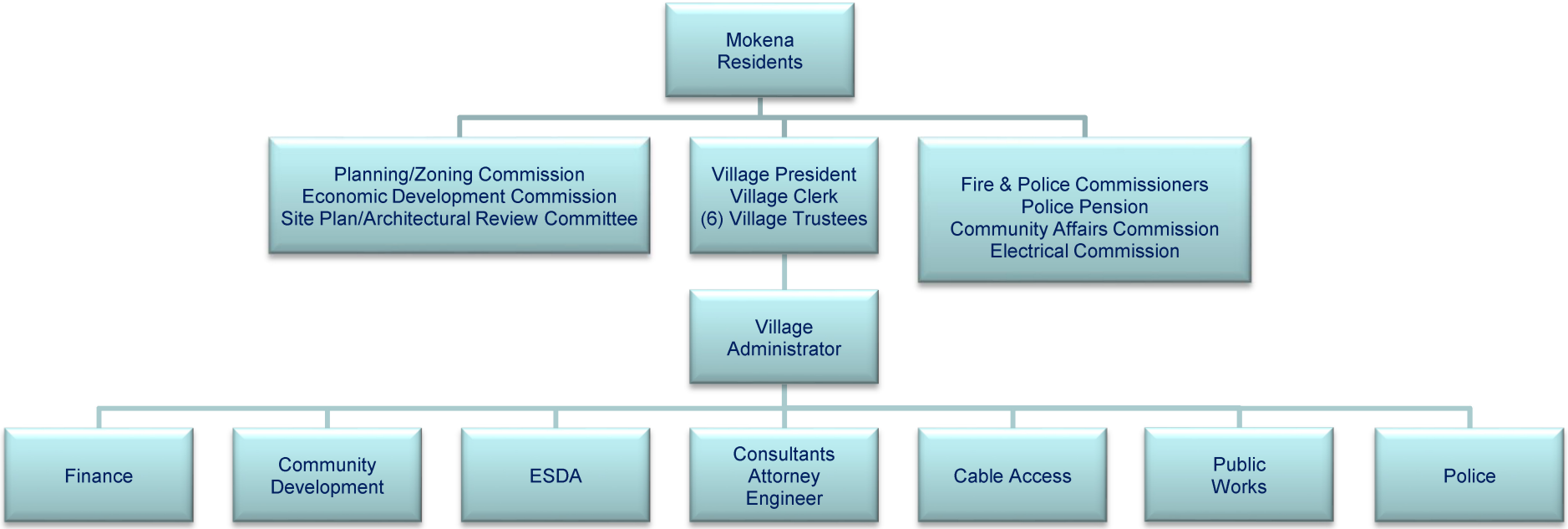
Village Clerk

Melissa Martini

Trustees

Rob Dauphinais	Debbie Engler
Melissa Fedora	Terry G. Germany
George J. Metanias	Terence Smith

Village of Mokena
Fiscal '24 Organizational Chart



FINANCIAL SECTION

This section includes:

Independent Auditor's Report

Management’s Discussion and Analysis

Basic Financial Statements

Other Supplementary Information

Supplemental Schedules

INDEPENDENT AUDITOR'S REPORT

This section includes the opinion of the Village’s independent auditing firm.

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INDEPENDENT AUDITOR'S REPORT

November 15, 2024

The Honorable Village Mayor
Members of the Board of Trustees
Village of Mokena, 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 Mokena (the Village), Illinois, as of and for the year ended June 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, each major fund, and the aggregate remaining fund information of the Village of Mokena, Illinois, as of June 30, 2024, 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 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 opinion is not modified with respect to this 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 described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Mokena, Illinois' basic financial statements. The management's discussion and analysis, other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was 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, management's discussion and analysis, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section 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.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (MD&A) provides the reader with a narrative overview and analysis of the overall financial position and results of operations for the year ended June 30, 2024, for the Village of Mokena (the Village), Illinois. Please read it in conjunction with the Village's financial statements, which can be found in the basic financial statements section of this report.

FINANCIAL HIGHLIGHTS

- The Village's net position increased because of this year's operations. Net position of the governmental activities increased by $2,652,223, or 1.8 percent, from a beginning balance of $148,200,178. Net position of business-type activities decreased by $187,411, or 0.4 percent, from a beginning balance of $41,695,932.

- During the year, government-wide revenues primary government totaled $37,055,829, while expenses totaled $34,591,017, resulting in an increase to net position of $2,464,812 from a beginning balance of $189,896,110.

- The Village's net position totaled $192,360,922 on June 30, 2024, which includes $144,392,554 net investment in capital assets, $5,794,606 subject to external restrictions, and $42,173,762 in unrestricted net position.

- At the end of the current fiscal year, the Village's governmental funds reported combined ending fund balances of $37,580,386. The total Unassigned fund balance of $6,969,134 or 18.5 percent of the total fund balance amount is available for spending at the Village's discretion.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. Fund financial statements can be found in the financial section of this report. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds. The remaining statements provide financial information about activities for which the Village acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village's finances, in a matter similar to a private-sector business. The government wide financial statements which can be found in the financial section of this report.

The Statement of Net Position reports information on all of the Village's assets/deferred outflows and liabilities/ deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Village's property tax base and the condition of the Village's infrastructure, is needed to assess the overall health of the Village.

USING THIS ANNUAL REPORT - Continued

Government-Wide Financial Statements - Continued

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Village's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The Village maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Motor Fuel Tax Fund and the Capital Improvement, Repair, and Replacement Fund which are considered major funds. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget.

USING THIS ANNUAL REPORT - Continued

Proprietary Funds

The Village maintains an enterprise proprietary. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village utilizes enterprise funds to account for its water and sewerage, refuge, and municipal parking operations.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewerage Fund and the Refuge Fund, which are considered to be major funds of the Village. Additionally, the Village maintains one nonmajor proprietary fund.

Fiduciary Funds

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

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information concerning the Village's I.M.R.F. and police employee pension obligations, other post-employment benefit obligations and budgetary comparison schedules.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table represents the net position as of June 30, 2024. Net position serves over time as a useful indicator of a government's financial position. The following tables show that assets/deferred outflows exceeded liabilities/deferred inflows by $192,360,922.

	Net Position - Modified Cash Basis					
	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Current and Other Assets	$ 37,580,386	43,016,262	10,387,982	10,837,949	47,968,368	53,854,211
Capital Assets	118,140,854	111,199,673	31,120,539	30,857,983	149,261,393	142,057,656
Total Assets	155,721,240	154,215,935	41,508,521	41,695,932	197,229,761	195,911,867
Deferred Outflows	7,165	26,272	—	—	7,165	26,272
Total Assets/Deferred Outflows	155,728,405	154,242,207	41,508,521	41,695,932	197,236,926	195,938,139
Noncurrent Liabilities	3,665,000	4,876,004	—	—	3,665,000	4,876,004
Current Liabilities	1,211,004	1,166,025	—	—	1,211,004	1,166,025
Total Liabilities	4,876,004	6,042,029	—	—	4,876,004	6,042,029
Net Position						
Net Investment in Capital Assets	113,272,015	105,183,916	31,120,539	30,857,983	144,392,554	136,041,899
Restricted	5,794,606	6,040,386	—	—	5,794,606	6,040,386
Unrestricted	31,785,780	36,975,876	10,387,982	10,837,949	42,173,762	47,813,825
Total Net Position	150,852,401	148,200,178	41,508,521	41,695,932	192,360,922	189,896,110

A large portion of the Village's net position, $144,392,554, reflects its investment in capital assets (for land, construction in progress, buildings and improvements, machinery and equipment, infrastructure, and transportation equipment), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, $5,794,606 of the Village's net position represents resources that are subject to external restrictions on how they may be used. The remaining $42,173,762, represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens.

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Change in Net Position - Modified Cash Basis					
	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues						
Charges for Services	$ 1,452,098	1,401,560	10,618,509	9,793,096	12,070,607	11,194,656
Operating Grants/Contrib.	985,876	820,899	—	—	985,876	820,899
Capital Grants/Contrib.	—	223,030	—	264,920	—	487,950
General Revenues						
Property Tax	2,022,281	2,772,308	—	—	2,022,281	2,772,308
Intergovernmental	17,338,071	20,099,366	—	—	17,338,071	20,099,366
Other Taxes	606,235	695,784	—	—	606,235	695,784
Other General Revenues	3,367,961	1,915,414	664,798	495,477	4,032,759	2,410,891
Total Revenues	25,772,522	27,928,361	11,283,307	10,553,493	37,055,829	38,481,854
Expenses						
General Government	4,174,066	3,650,537	—	—	4,174,066	3,650,537
Public Safety	6,403,809	7,331,319	—	—	6,403,809	7,331,319
Public Works	11,461,581	7,468,919	—	—	11,461,581	7,468,919
Economic Development	960,681	822,964	—	—	960,681	822,964
Employee Retirement	884,023	849,206	—	—	884,023	849,206
Interest on Long-Term Debt	238,783	77,720	—	—	238,783	77,720
Water and Sewerage	—	—	8,625,640	9,049,175	8,625,640	9,049,175
Refuse	—	—	1,713,855	1,646,572	1,713,855	1,646,572
Municipal Parking Lot	—	—	128,579	138,696	128,579	138,696
Total Expenses	24,122,943	20,200,665	10,468,074	10,834,443	34,591,017	31,035,108
Change in Net Position Before Transfers	1,649,579	7,727,696	815,233	(280,950)	2,464,812	7,446,746
Transfers	1,002,644	2,377,451	(1,002,644)	(2,377,451)	—	—
Change in Net Position	2,652,223	10,105,147	(187,411)	(2,658,401)	2,464,812	7,446,746
Net Position - Beginning	148,200,178	138,095,031	41,695,932	44,354,333	189,896,110	182,449,364
Net Position - Ending	150,852,401	148,200,178	41,508,521	41,695,932	192,360,922	189,896,110

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Net position of the Village's governmental activities increased by 1.8 percent ($150,852,401 in 2024 compared to $148,200,178 in 2023).

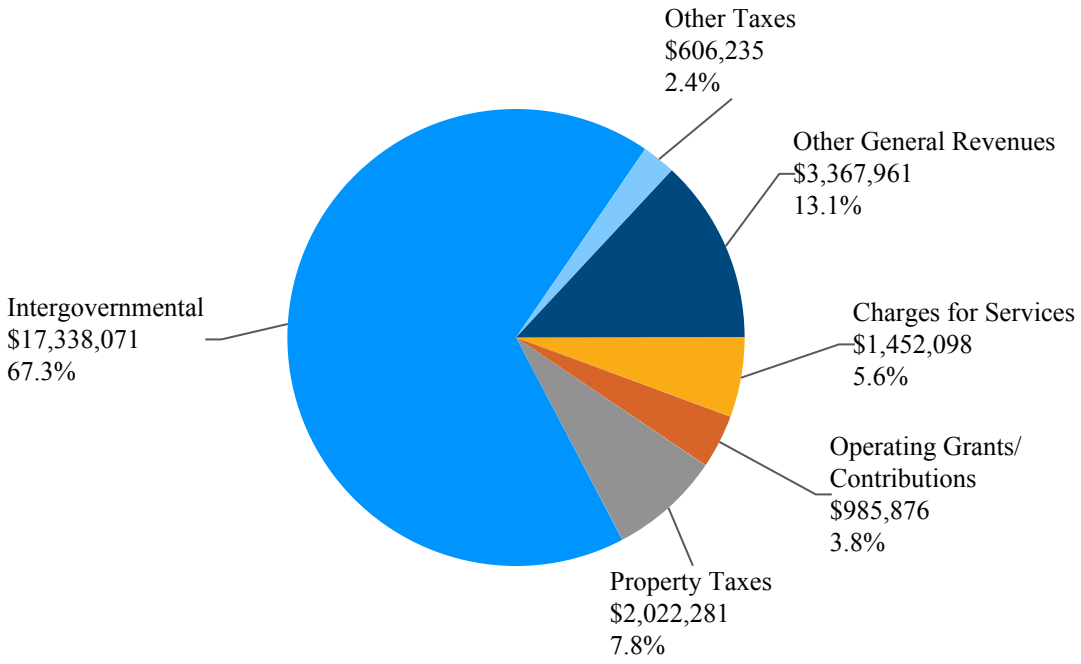
Net position of business-type activities decreased by 0.4 percent ($41,508,521 in 2024 compared to $41,695,932 in 2023).

Governmental Activities

Revenues for governmental activities totaled $25,772,522, while the cost of all governmental functions totaled $24,122,943, which results in a surplus of $1,649,579 prior to transfers of $1,002,644. This surplus was used to purchase $10,373,818 of capital assets during fiscal year ending June 30, 2024. In 2023, revenues of $27,928,361 exceeded expenses of $20,200,665, resulting in a surplus of $7,727,696 prior to transfers out of $2,377,451.

The following table graphically depicts the major revenue sources of the Village. It depicts very clearly the reliance of intergovernmental revenues to fund governmental activities.

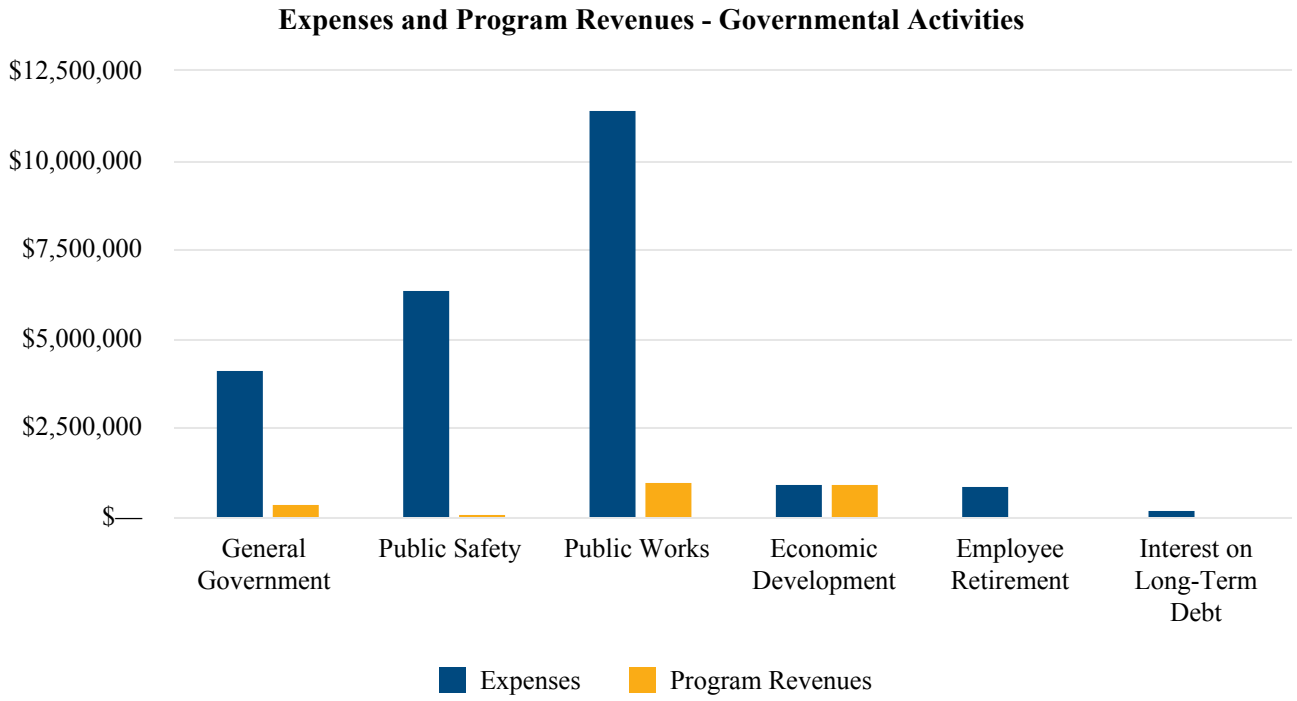
Revenue by Source - Governmental Activities



GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities - Continued

The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues.



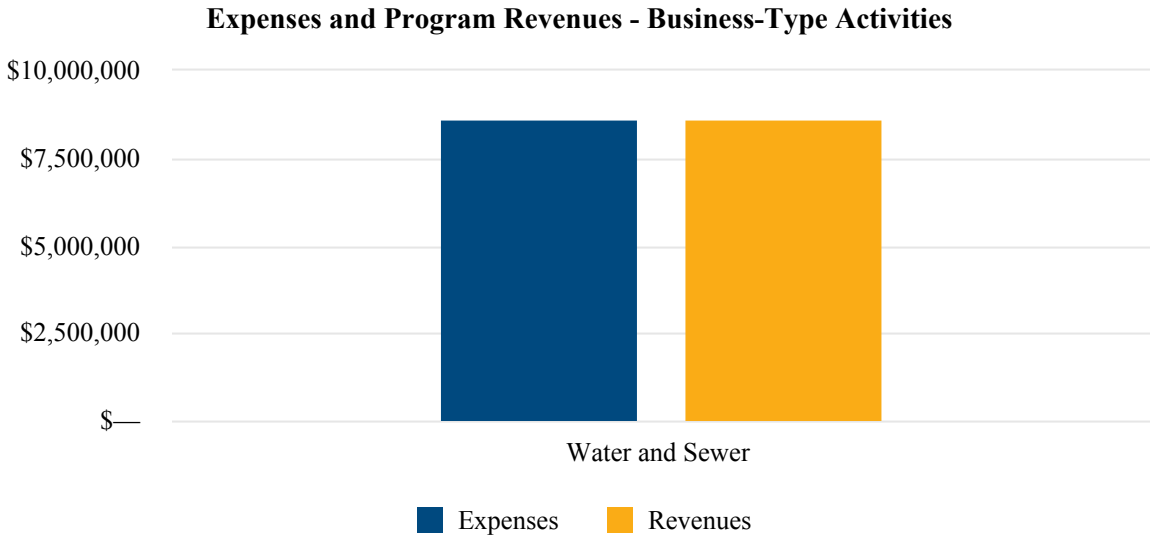
As depicted in the chart above, general government, public safety, and public works expenses far exceed any directly allocated revenues. Unlike the enterprise funds that are supported by user fees, these activities are substantially tax supported.

Business-Type Activities

Business-type activities posted total revenues of $11,283,307, while the cost of all business-type activities totaled $10,468,074. This results in a surplus of $815,233, prior to transfers out of $1,002,644. In 2023, revenues of $10,553,493 fell short of expenses of $10,834,443, resulting in a deficit of $280,950, prior to transfers out of $2,377,451. The surplus in the current year was related to increased charges for services and other general revenues and lower water and sewerage and municipal parking lot expenses.

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Business-Type Activities - Continued



The above graph compares program revenues to expenses for the water and sewer operations.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

The Village's governmental funds reported combining ending fund balances of $37,580,386, which is $5,435,876, or 12.64 percent, lower than last year's total of $43,016,262. Of the $37,580,386 total, $6,969,134, or 18.5 percent, constitutes unassigned fund balance.

The General Fund is the chief operating fund of the Village. As mentioned earlier, the General Fund reported a decrease in fund balance for the year of $131,148, or 1.8 percent, from a beginning balance of $7,233,559. This fund had an excess operating fund balance at year-end, therefore the Board of Trustees elected to transfer $4,009,528 into the Capital Improvement, Repair, and Replacement Fund for future capital projects.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - Continued

Governmental Funds - Continued

Unassigned fund balance in the General Fund was $6,969,134, which represents 98.1 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 50.8 percent of total General Fund expenditures.

The Motor Fuel Tax Fund is used to account for motor fuel tax allocations from the State of Illinois and expenditures related to the Village's annual road rehabilitation and construction program. At the end of the current fiscal year, the Motor Fuel Tax Fund reported a decrease in fund balance of $485,472. This decrease is due to the Village beginning to use the Rebuild Illinois funds to resurface roads within the Village limits.

The Capital Improvement, Repair, and Replacement Fund is used to account for the acquisition or construction of capital facilities and certain debt related to capital assets. At the end of the current fiscal year, the Capital Improvement, Repair, and Replacement Fund reported a decrease in fund balance of $5,162,494. This decrease is due to increased capital outlay and debt service payments.

Proprietary Funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Village reports the Water and Sewerage Fund and Refuse Fund as a major proprietary funds. These funds account for all financial activities associated with the municipal water, sewer, and refuse services. Fees from consumption of water, tap on fees, sewer, and refuse services from building activities provide the primary source of revenue for these funds. Revenues are used to purchase water and to maintain the water, sewer, and refuse infrastructure.

The Village intends to run the funds at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of capital projects.

The Water and Sewerage Fund reported a decrease of $352,060 from a beginning balance of $40,622,239. Unrestricted net position in the Water and Sewerage Fund totaled $9,730,428 at June 30, 2024 which was 24.16 percent of total net position.

The Refuse Fund reported an increase of $35,855 from a beginning balance of $236,333. Unrestricted net position in the Refuse Fund totaled $272,188 at June 30, 2024 which was 100.00 percent of total net position.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Village made one budget amendment to the General Fund during the year. General Fund actual revenues for the year totaled $17,335,694, compared to budgeted revenues of $17,043,402. Revenues for all functions except intergovernmental were higher than budgeted.

General Fund actual expenditures for the year were $255,702 lower than budgeted ($13,720,160 actual compared to $13,975,862 budgeted).

CAPITAL ASSETS

The Village's investment in capital assets for its governmental and business type activities as of June 30, 2024 was $149,261,393 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, infrastructure, and transportation equipment.

	Capital Assets - Net of Depreciation					
	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Land	$ 47,479,781	47,479,781	1,934,830	1,934,830	49,414,611	49,414,611
Construction in Progress	16,130,182	7,057,666	—	10,776,008	16,130,182	17,833,674
Buildings and Improvements	2,088,771	2,114,759	16,399,400	5,282,119	18,488,171	7,396,878
Machinery and Equipment	466,781	381,973	1,300,141	1,331,492	1,766,922	1,713,465
Infrastructure	50,203,728	52,744,158	11,043,584	11,434,882	61,247,312	64,179,040
Transportation Equipment	1,771,611	1,421,336	442,584	98,652	2,214,195	1,519,988
Totals	118,140,854	111,199,673	31,120,539	30,857,983	149,261,393	142,057,656

This year's major additions included:

Construction in Progress	$ 9,222,322
Buildings and Improvements	763,554
Machinery and Equipment	324,085
Transportation Equipment	1,172,984
	11,482,945

Additional information on the Village's capital assets can be found in Note 3 of this report.

DEBT ADMINISTRATION

As of June 30, 2024, the Village had total outstanding debt of $4,876,004 as compared to $6,042,029 the previous year, a decrease of 19.3 percent. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
General Obligation Bonds	$ 655,000	1,270,000	—	—	655,000	1,270,000
Plus: Unamortized Premium	6,004	22,029	—	—	6,004	22,029
Promissory Note Payable	4,215,000	4,750,000	—	—	4,215,000	4,750,000
	4,876,004	6,042,029	—	—	4,876,004	6,042,029

The Village maintains an AA+ rating from Standard and Poor's for general obligation debt. This rating has not changed in the past seven years.

Additional information on the Village's long-term debt can be found in Note 3 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The budget serves as a tool to guide the community, as represented by the Mayor and Village Board, and fully embodies sound principles of accounting and financial management. This budget was prepared in accordance with Village Code and the Illinois Compiled Statutes and represents a balanced budget wherein proposed expenses do not exceed anticipated revenues and carried forward cash reserves.

The Village of Mokena operates on a conservative platform. Fiscal and budgetary decision making is conducted in a cautiously optimistic fashion with conservative tendencies utilized to guide spending, borrowing, revenue forecasts and fund balance objectives. Collectively, these budgetary practices have allowed Mokena to maintain services, improve infrastructure and develop an effective work climate for employees. As we enter the post COVID-19 era, the Village has and will continue to deal with supply chain issues, rising inflation and the conflict in Ukraine.

BUDGET PROCESS

Regardless of economic conditions, the following four (4) practical components are absolutely necessary for a public budget process to be successful: (1) The ability to collect and present information in an accurate, comprehensive and meaningful manner; (2) Adequate time to absorb, digest and interpret the information; (3) A balanced environment to deliberate fiscal policies; and (4) A cognitive awareness regarding the past, present and future of budgeting and program delivery in the community. The proposed FY 2025 budget has included these necessary components as part of this year's budget process.

This year's budget process was initiated by Village staff during the fall of 2023 and the Village Board in January of 2024 as they began evaluating various categories of budget revenues and expenditures. Listed below are the budget work sessions that were conducted to produce the final version if the FY 2025 budget:

BUDGET PROCESS - Continued

- January 8, 2024
  - Motor Fuel Tax (MFT) Program
  - Infrastructure Programs
  - Road Maintenance
  - Financial Overview of General Infrastructure Fund
- January 15, 2024
  - Fleet Replacement Program
- February 26, 2024
  - Water Operating Fund
    - Rate
    - Tap-on fee split
  - Sewer Operating Fund
  - Wastewater Treatment Plant Expansion Fund
  - Wastewater Treatment Plant Repair & Replacement Fund
  - Water System Capital Fund
  - Sewer System Capital Fund
  - Refuse Fund
- April 8, 2024
  - Holiday Decorations
- May 13, 2024
  - Review General Fund
  - FY 24 - Status
  - Proposed FY 25 Budget
  - Overall Financial Health
  - Review FY 24 Surplus
  - Overview of Capital Improvement Fund Balances
  - Proposed FY 24 Budget Amendments
  - Preliminary Draft
    - Overall Budget
    - Status
      - Budget Categories
      - Operating and Capital Fund Balances
      - Annual Transfers
  - Capital Expenses
  - Follow-up on Holiday Decorations
  - Tourism Fund
  - TIF Fund
  - Municipal Parking Lot Fund

The Mokena Village Board has reviewed a significant volume of budget and program information over five months and has been provided appropriate time to consider Village staff's recommendations. Consistent with the Village's financial practices, the FY 2025 budget has been prepared with a conservative approach.

MAJOR OPERATING FUND BALANCES (General, Water, Sewer & Parking Lot)

The Village of Mokena Board of Trustees has adhered to a traditional practice of maintaining approximately 25% (or 3 months) of an operating fund's anticipated annual expenditures (including capital outlay) as a reserved balance within the water, sewer, and parking lot funds. However, in light of the State of Illinois' ongoing fiscal dilemmas and uncertainties, along with our traditional conservative budgeting practices, we are continuing to recommend that higher than traditional General Fund balance levels of 25% be maintained moving forward. This practice has been in place for the past ten (10) years. These fund balance practices have historically been maintained to ensure that if any unforeseen or catastrophic events occur, we are in a position to meet basic operational expenditures for a reasonable amount of time. During the economic downturn that began in 2009, the Village utilized portions of these balances to allow time for the Village Board and Village staff to reduce spending or raise revenues in a logical and rational manner. When needed, these fund balances have proven to be a very valuable budgetary tool in dealing with lengthy and severe recessionary influences the Village has faced in the past

ECONOMIC CONDITION AND OUTLOOK

1. Current Police Pension legislation requires municipalities to have pension funds 90% funded by the year 2040. The Mokena Police Pension Fund is 81.20% funded based on the actuarial valuation report as of July 1, 2023. Changes to downstate public safety pension plans will have an impact on the Village in the near future. Currently, the investments are managed by an investment firm selected by the Mokena Police Pension Board. With the consolidation statute and the Illinois Police Officers' Pension Investment Fund (IPOPIF) Transfer of Asset Rule AR-2021-02, final transfer of tranches was expected to be completed by June 24, 2022. The Mokena Police Pension Fund was not consolidated pending the result of litigation challenging the law forcing the consolidation. In February 2023, the appellate Circuit Court of Kane County affirmed the Trial Court's decision. The lawsuit was petitioned to the Illinois Supreme Court and on January 19, 2024, the Illinois Supreme Court upheld the Circuit Court and Appellate Court ruling. Consolidation of the Mokena Police Pension Fund will begin in FY 2025. Approximately 91% of all Illinois suburban and downstate police pension funds have been transferred into the consolidated fund. Once all transfers have been made, the consolidated pension funds are estimated to exceed $9 billion.

2. The Village's revenue sources have the potential to be impacted by general economic conditions at the local, state, national or even international levels. The Village's sales tax in FY 24 decreased by approximately $1.1M from FY 23. The two main factors that have contributed are the loss of two businesses that have traditionally been in our top twenty (20) sales tax providers. Unfortunately, both businesses could not be retained as their business models required them to leave the local area. The second factor is several variables in the overall economy including inflation. The State of Illinois controls some of the Village's revenue sources, and with the assistance of the Illinois Municipal League they educate and take action, if any, of the municipality's revenue sources that are negatively affected. The Illinois General Assembly recently voted to eliminate the local municipalities' portion of the 1% sales tax on groceries, which is scheduled to go into effect on January 1, 2026. The elimination of the grocery tax was estimated at $850K during FY 24 for the Village. The General Assembly also provided local municipalities with the authority to locally reestablish the 1% sales tax. Since this legislation just occurred, Village staff is currently in the process of examining it.

3. According to the Bureau of Labor Statistics, which covers the Midwest region, the Consumer Price Index (CPI) rose 3.4 percent for the twelve (12) months ending December 2023. Most of the Village's expenses are predictable in nature, however, expenses may increase if the Village must provide additional services in response to unexpected emergencies. Village staff continues to monitor the economic conditions with a focus on inflationary pressures and global supply chain issues.

ECONOMIC CONDITION AND OUTLOOK - Continued

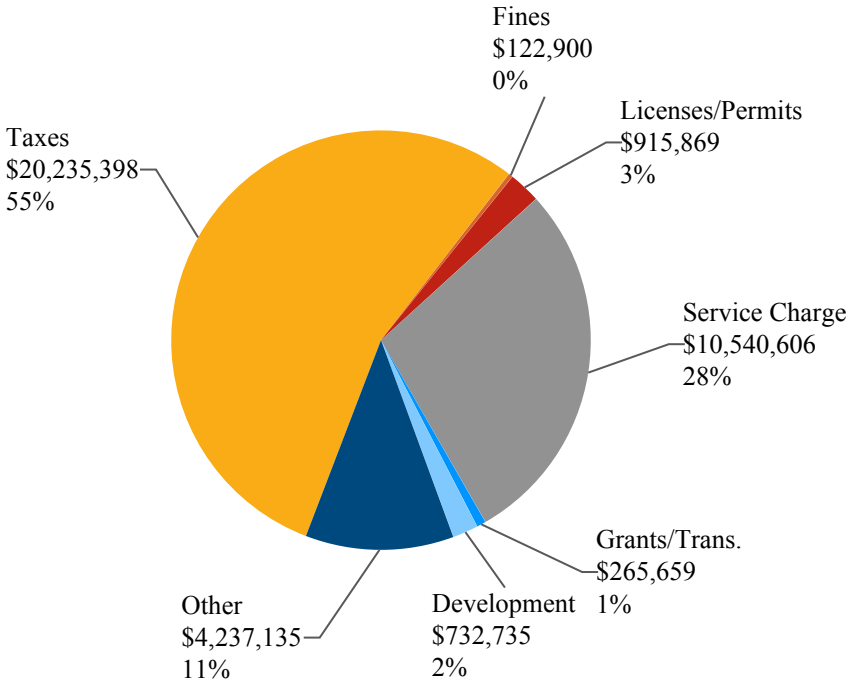
4. The Village's four (4) collective bargaining agreements, Metropolitan Alliance of Police (MAP), which includes the Sergeants, Patrol, and Village-wide Clerical staff and the International Union of Operating Engineers, Local 150 will expire on June 30, 2026. The Village negotiated a first-time agreement with the Village's Police Department Sergeants in April 2024 and a first-time agreement with the Village-wide Clerical staff in May 2024.

The Village Board approved a contract with Henry Bros. Co. on May 9, 2022, to build the new police station. Construction of the police station started in June of 2022 and was completed in May 2024. The project cost approximately $20.3M in expenditures for architectural fees and construction of the project. The Village borrowed $4.75M to fund this construction project. The principal balance outstanding as of June 30, 2024, is $3,621,000 and has annual principal installment through July 2031. The Village Board made a policy decision not to pay off the note payable in FY 2025 because the bank interest rate is currently higher than the note payable interest rate.

OVERVIEW OF REVENUES

Total revenues for FY 2025 are estimated to be $37,050,302. Illustrated below is the breakdown of revenues for the entire budget as indicated by major category.

Total Revenues



Below is an aggregate comparison of all categorical revenues for the Village of Mokena. It is anticipated that overall revenues will decrease by $1.5M or 3.82% below FY 2024 budgeted amounts.

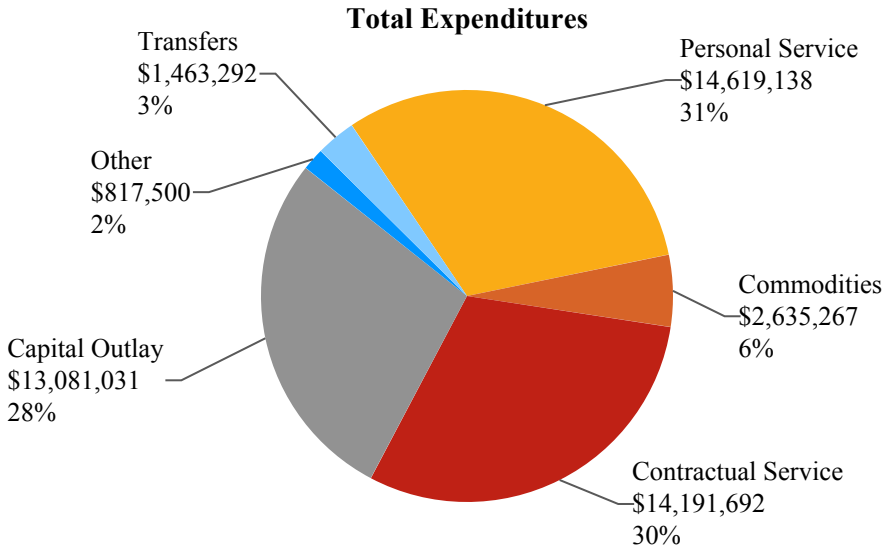
OVERVIEW OF REVENUES - Continued

	Overview of Budgeted Revenues			
	FY 24 Budget	FY 25 Budget	$ Inc/(Dec)	% Change
Taxes	$ 21,404,792	20,235,398	(1,169,394)	(5.46%)
Fines	122,900	122,900	—	—%
Licenses/Permits	811,725	915,869	104,144	12.83%
Service Charge	10,234,442	10,540,606	306,164	2.99%
Grants/Transfers	205,659	265,659	60,000	29.17%
Development	952,264	732,735	(219,529)	(23.05%)
Other	4,791,351	4,237,135	(554,216)	(11.57%)
Total	38,523,133	37,050,302	(1,472,831)	(3.82%)

Tax revenue for FY 2025 is forecasted to decrease by $1.2M. This tax revenue decrease is associated with a decrease in sales tax ($1.09M), decrease in the ½% non-home rule sales tax ($473K) along with an increase in state income tax ($155K). The decrease in other revenue is related to an inter-fund transfer made in FY 2024 from the General Fund to the Municipal Parking Lot Fund to repave Hickory Creek. Also, the proposed budget has been prepared with a 50% (or $1.54M) reduction in the Local Government Distributive Fund (LGDF) in order to be prepared for any possible negative financial consequences outside our control. This has been a prudent Village practice over the past nine years that will continue in FY 2025.

OVERVIEW OF EXPENDITURES

Total estimated expenditures for FY 2025 are $46,807,920. Illustrated below is the breakdown of expenditures for the entire budget as indicated by major category.



OVERVIEW OF EXPENDITURES - Continued

Below is an aggregate comparison of all categorical expenditures for the Village of Mokena. As illustrated, overall expenditures are anticipated to decrease by $8.0M or 14.53% over FY 2024 levels.

	Overview of Budgeted Expenditures			
	FY 24 Budget	FY 25 Budget	$ Inc/(Dec)	% Change
Personal Service	$ 13,415,229	14,619,138	1,203,909	8.97%
Commodities	2,504,772	2,635,267	130,495	5.21%
Contract Service	14,228,460	14,191,692	(36,768)	(0.26%)
Capital Outlay	21,687,230	13,081,031	(8,606,199)	(39.68%)
Other	800,000	817,500	17,500	2.19%
Transfers	2,129,986	1,463,292	(666,694)	(31.30%)
Total	54,765,677	46,807,920	(7,957,757)	(14.53%)

Personal services are budgeted to increase by $1.2M. This increase is mainly attributable to salary, overtime, and benefit increases. The decrease in capital outlay of $8.6M is related to the new Police Station Building being completed. The amount of $575K was transferred from the General Fund to the Municipal Parking Lot Fund in FY 2024 to complete the parking lot paving project; no transfer is necessary in FY 2025.

The following table represents the Village's aggregate fiscal status in all funds for the past two budget (2) cycles, as well as for FY 2025:

	Overall Fiscal Status		
	Actual FY 23	Anticipated FY 24	Proposed FY 25
Beginning Balance	$ 73,980,301	81,672,791	74,196,316
Revenues	53,786,211	44,803,661	37,050,302
Expenditures	(46,093,721)	(52,280,136)	(46,807,920)
Ending Balance	81,672,791	74,196,316	64,438,698
Decrease			(17,234,093)

The proposed FY 2025 Budget should see aggregate fund balances decrease by approximately ($17.2M) to a total of $64.4M. This is mainly attributable to saving money over a period of years for future capital projects and spending the funds when needed. In FY 2023 and FY 2024, the Village utilized the funds in the Capital Improvement, Repair, and Replacement Funds to construct the Police Station Building. On page 30, a table is shown with the beginning and ending fund balances in capital reserves.

FINANCIAL AND OPERATING STATUS OF THE VILLAGE OF MOKENA

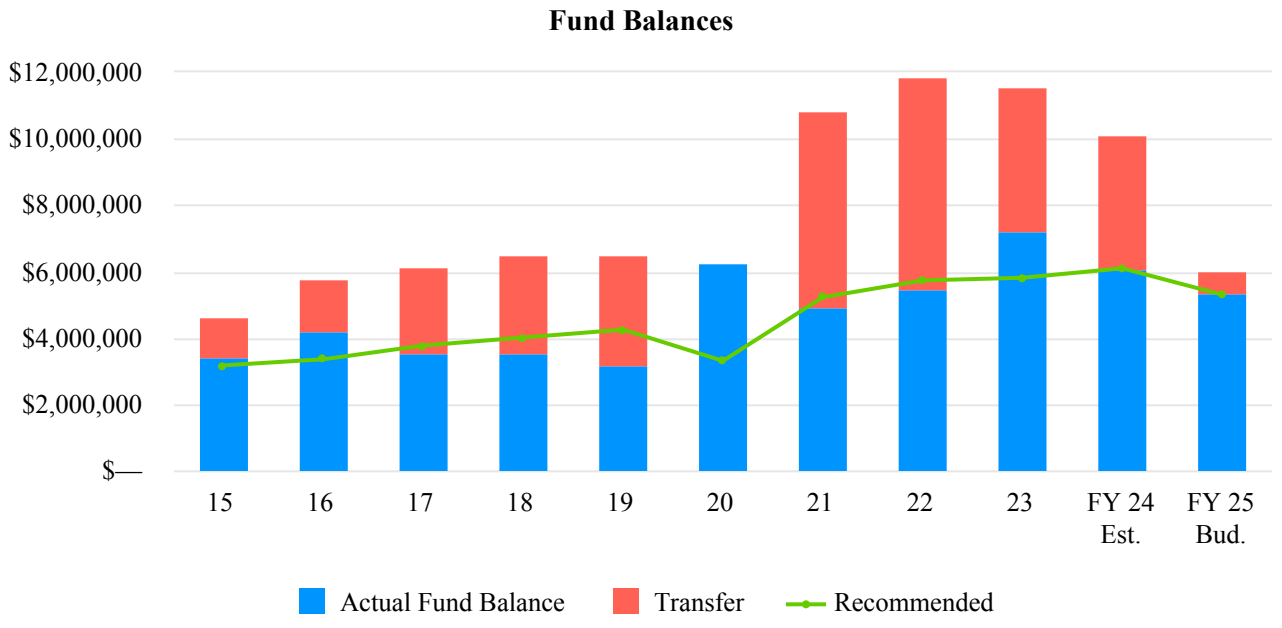
In addition to providing a basic overview of the proposed FY 2025 Budget, we will also discuss some of the key financial and budgetary issues associated with the proposed budget. Although there are several important components affiliated with a public budgeting process, we have traditionally concentrated on some basic issues to measure budget performance. These components include the following: (1) major operating fund balances; (2) capital reserves; and (3) per capita debt.

(1) MAJOR OPERATING FUND BALANCES
GENERAL FUND

FY 2024 is the twelfth consecutive year in which the General Fund has produced substantial "net positive operating" results. This has allowed for a total of $35.18M over the previous twelve (12) years to be transferred into the Police Pension Fund ($600K), Water Operating Fund ($725K), Plant Expansion Fund ($5.82M), and the Capital Improvement, Repair and Replacement Fund for public improvement and municipal facility projects ($28.0M).

In FY 2025, a transfer from the General Fund to the Capital Improvement Municipal Facility Fund for $673K is budgeted to pay the principal and interest on the General Obligation Promissory Notes Series 2022 which was used to help fund the construction of the new Police Station Building. The FY 2025 Budget has been prepared with a proposed ending fund balance of 33% of overall General Fund expenditures. This will provide a buffering effect from any unforeseen or catastrophic events.

The following is a graph illustrating these balances over the past decade:



While fund balance levels dropped to a historic low in FY 10, a significant recovery has taken place since that time. The Village's success can be attributed to our conservative revenue forecasts, controlling expenses and record-setting sales tax revenues, which have led to an estimated FY 2024 year-end General Fund balance of $6.01M. Based on the proposed FY 2025 Budget, the General Fund balance is projected to be over $5.29M or 33% of total appropriations.

WATER/SEWER FUNDS

Mokena's valued water customers currently enjoy one of the best constructed and most efficient Lake Michigan water systems in the south suburbs. We continue to coordinate long-term planning efforts with our upstream water suppliers and neighboring Lake Michigan water customers. These efforts are focused on long-term system improvements designed to serve our regional growth for the next 50-75 years. Planned upstream system enhancements include additional water mains, upgraded pumping facilities and other improvements. In 2014, the Village completed a long-term water supply agreement with Oak Lawn. This agreement was simultaneously negotiated by a five-community collective (i.e., "customer communities": Mokena, New Lenox, Tinley Park, Orland Park, and Oak Forest) with Chicago Ridge, Palos Hills, and Palos Park agreeing to the same terms. The focus of these efforts was to secure a long-term water supply through a greatly improved regional delivery system. In addition, the communities strived to develop an operating agreement that would facilitate "best management practices" along with a rate-making methodology equitable and fair to all customers on Oak Lawn's system. The original agreement contemplated that the construction improvements would be completed in 2018. However, at that time the project was ongoing and not completed. Consequently, an amendment to the agreement was legally needed to allow for the extension of certain financing terms, to address the current cost of the project and to incorporate the course of performance adjustments that have been made by the parties relative to certain control measures contained within the agreement, which the Village Board approved at the October 12, 2020 Board meeting. A funding mechanism (transportation bond funding beginning in FY 2026) has been identified and approved by the Village Board during the FY 2020 budget process to pay the Village's share of improvements without adding this cost to the water rate. At the May 22, 2023 Board meeting, the Board of Trustees approved the Second Amendment which changed the ownership of the Orland Park Spur Two water transmission line and related appurtenances from the Village of Orland Park to the Village of Oak Lawn. The amendment also clarified the ownership of the Palos Hills Metering Station and Pump Station and defined the requirements of backflow devices for customer communities. At the January 22, 2024 Board meeting, the Board of Trustees approved the Third Amendment which accepted the Southeast Customers (Matteson, Country Club Hills and Olympia Fields) as members of the Regional Water System and increased the total cost of construction from $285M to $315M.

The Third Amendment occurred in January 2024, when the Village Board approved the Water Sale, Purchase, and Service Agreement between the Village of Oak Lawn and several municipal customers, including the Village of Mokena, the municipalities of Matteson, Country Club Hills, and Olympia Fields had individual agreements with Oak Lawn and did not sign the new Agreement. However, the Agreement included provisions for adding new customer communities in the future. Matteson's agreement with Oak Lawn expired in 2020. Over the past five years, Oak Lawn, with the help of the Managers/Administrators Working Group of the RWS, negotiated with Matteson. Approximately two (2) years ago, Oak Lawn appointed John Spatz as project manager with the approval of the Customer Communities. Now, with Matteson's agreement having expired and with the agreements for Country Club Hills and Olympia Fields set to expire later in 2024, all three communities—Matteson, Country Club Hills, and Olympia Fields—signed contracts aligning with the Agreement and join the RWS. The Third Amendment contained the following key provisions:

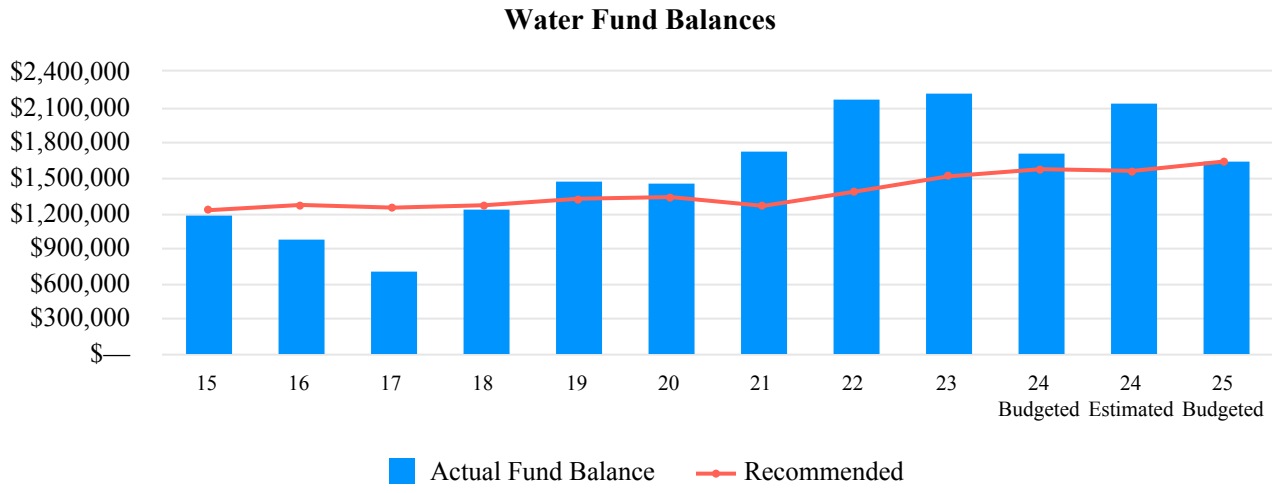
- Southeast Customers signed a conforming agreement to enter the RWS.
- The project completion date moved from December 31, 2025, to December 31, 2027.
- The maximum capital cost increased from $285 million to $315 million.
- Southeast Customers paid their share of the Old Bond principal and interest.
- A Southeast Redundancy line was approved, with the first $10 million in costs shared by all RWS members. Any costs over $10 million will be covered by the Southeast Customers.
- The 2013 RWS Capital Improvement Project and the Southeast Redundancy Project will be paid using the current proportionate share model.
- New or future projects and electricity costs will use a new proportionate share model based on the 2045 IDNR allocation after January 1, 2026.

WATER/SEWER FUNDS - Continued

Adding the Southeast Customers to the RWS reduced the overall contribution percentage for all municipalities. Without their participation, Mokena's contribution percentage was 7.995%, or approximately $22,914,094. With the Southeast Customers, this percentage dropped to 6.823%, or $19,555,080. Although this number may increase slightly due to the redundancy line costs, the total projected cost to Mokena is now approximately $21,492,450, still less than without the Southeast Customers' participation.

The total project cost is increasing due to the Southeast Customers' Redundancy Project and unexpected costs in remaining bid packages crucial to the water system. Five (5) of the eight (8) bid packages from the 2013 Improvement Project are complete, with Bid Packages 5, 7, 8, and the redundancy line remaining.

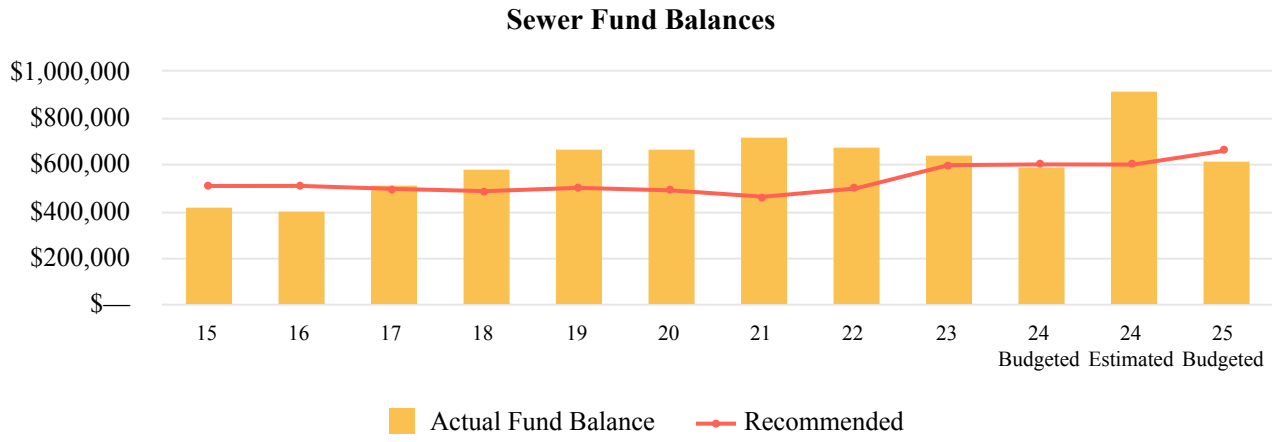
For historical reference, the City of Chicago passed a four (4) year (2012-2015) accelerated water rate program, which severely impacted water rates not only for Mokena customers, but for all metered customers that obtain water from The City of Chicago. This four-year rate increase caused Lake Michigan water consumers to pay an additional $1.80/1,000 gallons in aggregate for the water (only) component of their bill. Moving forward, Chicago has published that its rates will be linked to an inflation index. There was no rate increase in 2016, but on June 1, 2017, the City of Chicago imposed a 1.83% increase, followed by a 1.54% increase June 1, 2018, a 0.82% increase June 1, 2019, a 2.45% increase June 1, 2020, a 1.10% increase June 1, 2021, a 5.00% increase June 1, 2022 and June 1, 2023, and then a 3.37% increase will go into effect June 1, 2024. Future rate increases will be necessary to keep up with the expense of purchasing water and to generate adequate revenue to operate the system and maintain satisfactory cash reserves to protect against unforeseeable events or circumstances. The graph below shows the budgeted and recommended amounts for FY 2015-FY 2024. The FY 2024 year-end balance is anticipated to be at 35%, which is above the recommended 25% fund balance.



The FY 2025 Budget includes a water rate increase of $0.36/1,000 gallons. The fund balance is anticipated to decrease by approximately $506K in FY 2025. With this decrease, the fund is expected to be at its target level of 25% at the conclusion of the fiscal year.

SEWER FUND

The sewer enterprise fund, like the water fund, requires an adequate revenue stream to properly maintain the system. This fund has been impacted by Mokena's slowing residential growth trends, along with the effects of continued deduct meter installations and seasonal weather conditions. Approximately 38% of our customers utilize deduct meters, which have annually resulted in a loss in sewer billables ranging from 13-30%. In addition, the increasing cost of water, environmental initiatives and other factors have all contributed to a stagnation in sewer billables and resulted in flat revenue trends in prior years. Sewer billables are often impacted by extreme wet or dry weather conditions in the spring and summer. The Village has been able to make some headway offsetting flat revenues through effectively managing our expenses. A rate adjustment of $0.15/1,000 gallons was implemented in both FY 2016 and FY 2017. There were no rate increases from FY 2018 to FY 2023. A rate increase of $0.30/1,000 gallons was implemented on July 1, 2023 and a rate increase of $0.35/1,000 gallons will be implemented on July 1, 2024. The proposed FY 2025 fund balance is $616K or 23%. Moving forward we will continue to monitor this fund's performance and hope to balance the fine line between financial health and controlling costs for our residents and businesses.



PARKING LOT FUND

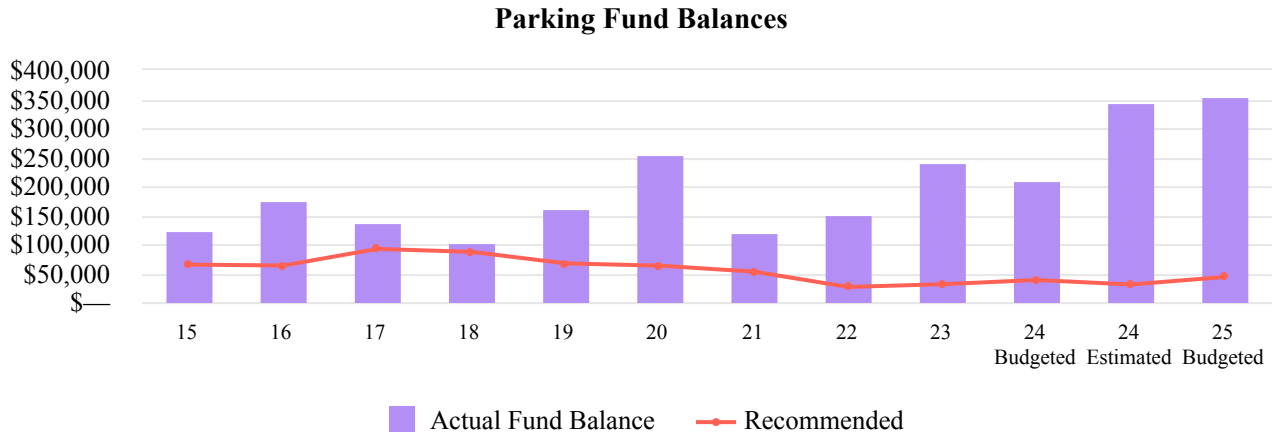
Mokena operates four (4) separate commuter parking lots encompassing over 1,600 spaces. From a historical perspective, fifteen (15) daily parking spaces in the Front Street area were authorized for purchase from Metra to support redevelopment in the downtown area in August of 2017. These spaces were converted to business parking in May of 2018. At the same time in May of 2018, the number of reserved monthly parking spaces available for parking in the McGovney Street lot was expanded with 49 spaces being initially added to the original 51, and another 31 more installed later in response to commuter demand. Any vacant/open lease spaces are made available to interested commuters on a first come, first-serve basis. In August of 2019, Ozinga Bros., Inc. reserved 41 spaces close to their business for a monthly fee. This agreement is still in use.

On January 1, 2023, the daily parking rate increased from $1.25 to $2.00. This increase was necessary to offset increasing costs. Personnel costs for the three Community Service Officers continue to be funded from the Police Department where they are providing support functions until the Police Department becomes fully staffed.

In May 2023, the Therafin Parking Lot was converted from a gravel parking lot to a paved lot. In addition, half of the Hickory Creek Parking Lot was repaved in July 2023 with the second half repaved in May 2024. Both projects were funded through transfers from the General Fund.

PARKING LOT FUND - Continued

Due to the COVID-19 pandemic, this fund's balance dropped to 58% in FY 2021 but had a strong recovery to 144% in FY 2022. The FY 2025 fund balance will continue to be above the 25% target level as seen below. As we move forward, this fund will continue to be reviewed cautiously.



OPERATING FUND BALANCE SUMMARY

When necessary, fund balances are a key component providing adequate time for policy makers and staff to fully analyze various financial situations. The following table provides an overview of fund balance levels for our four most significant operating funds (both FY 2024 along with proposed FY 2025).

	Operating Fund Balances					
Fund	Beginning FY 24	Beginning FY 25	Ending FY 25	Recommended Amount	Variance	Actual %
General	$ 7,233,808	6,019,323	5,296,828	5,296,826	2	33.00%
Water	2,317,216	2,152,005	1,645,601	1,636,529	9,072	25.00%
Sewer	1,069,795	919,768	616,695	660,105	(43,410)	23.00%
Parking Lot	241,779	344,198	355,542	43,374	312,168	205.00%

The General Fund and Water Fund are projected to be at the recommended balances of 33% and 25% by June 30, 2025, respectively. The Sewer Fund is projected to be at 23%, which is below the recommended balance of 25%. The Parking Lot Fund will have an ending fund balance well above the recommended balance of 25%. We always try to balance the objective components of budgeting with the practical aspects of customer rate adjustments for those enterprise funds intended to operate as an independent utility. As we proceed forward, careful policy consideration will no doubt be necessary as we evaluate the competing pressures of maintaining strong cash positions with the negative impact of rate increases on the pocketbooks of our residents and businesses. This may result in fund balance levels in the water and sewer funds being compromised below that of traditionally maintained levels moving forward.

(2) CAPITAL RESERVES

As part of the Village's financial foundation, a structured system was developed to accumulate and earmark capital reserve funds over the years. These funds have been collected over a period of years and then expended as projects become necessary. This approach can result in large sums of money being collected and/or spent in a given year and result in balances fluctuating accordingly. This system includes utilization of specific policies for the financial management of water and sewer connection fees and formula driven developer contributions, as well as transfers of any potential "net positive operating results" into capital reserve accounts. In April of 2001, Mokena voters approved a ½% non-home rule sales tax that has been utilized to plan, design and fund local road improvements. This revenue source has been dedicated to paying the principal and interest costs affiliated with a $10M Alternate Sales Tax Bond and provide cash funds for road system improvements. Over the past fourteen (14) years, this revenue source has also been utilized for road and other infrastructure maintenance. The following represents the status of Mokena's Capital Reserve Funds for FY 2024 and FY 2025.

	Capital Reserve Fund Balance		
Fund	Beginning FY 24	Beginning FY 25	Ending FY 25
Water System Capital	$ 2,292,902	1,973,888	807,658
Sewer System Capital	1,931,730	1,865,984	1,118,180
Sewer Plant Replacement	1,275,482	1,248,813	2,813
Sewer Plant Expansion	1,686,494	990,447	300,351
Capital Imp., Repair, Replacement	28,696,776	21,856,235	17,533,615
Total	35,883,384	27,935,367	19,762,617
Change			(8,172,750)

The previously referenced table shows that at the conclusion of FY 2025, the Village should possess $19.8M for future capital projects. In aggregate, these funds are expected to decline by ($8.2M). The Village anticipates using these funds to improve water and sewer infrastructure as well as municipal facilities (i.e. new Police Station), along with continuing the road rehabilitation program in FY 2025.

(3) PER CAPITA DEBT

½% Non-Home Rule Sales Tax

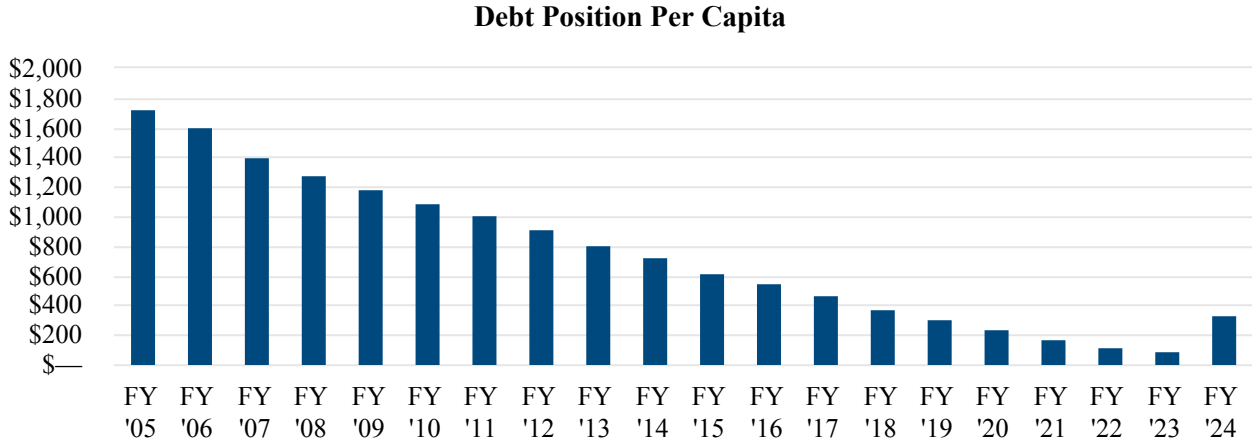
In April of 2001, Mokena voters approved a referendum authorizing a ½% non-home rule sales tax with categorical exclusions for certain foods, medicines, and titled property. The Village began collecting the revenue in April of 2002. The Village Board spent approximately two (2) years prior to the successful referendum determining how to utilize the funds from a long-term perspective and made use of this timeframe to educate Mokena residents on the topic as well. While utilizing the first two (2) years of proceeds to fund local costs for projects such as 191st Street improvements, the Village Board determined that borrowing $10M would be the most prudent mechanism to fund immediate transportation projects. The bonds were issued in April of 2004 and carried an annual interest rate of 3.66% or $720K in average principal and interest payments through 2024. In 2012, these bonds were refinanced with an average interest rate of 2.2%, saving on average of $55K per year and $686K over the balance of the bonds through 2024. We were able to maintain our AA+ bond rating as assigned by Standard and Poor's, enhancing the savings possible on this refinancing effort. Annual payments will be in the range of $643K+/- over the balance of this debt issue. The final payment for these bonds will be made in December 2024.

PER CAPITA DEBT - Continued

Police Station Note Payable

In August 2023, the Village took out a $4,750,000 promissory note payable to help fund the construction of the new Police Station Building, which overall cost is approximately $20.3M. This is an eight (8) year note with annual principal and semi-annual interest payments. The interest rates range from 2.71% to 3.33%. The first principal and interest payment was due on July 30, 2023 and can be callable in July 2024.

The following historical chart depicts Mokena's per capita debt position over the past twenty years as well as projections for FY 2025.



While reaching a high of over $1,613 per capita in FY 2005, the Village's per capita debt levels began to decline and are currently $240+/- per resident. Moving into FY 2025, the Village is in a strong position from a debt management perspective. Current debt levels are manageable. The Village Board has carefully worked to meet the balance of improving the Village's infrastructure while assuming debt and related principal and interest payments that can be met through earmarked sources.

NEW POLICE STATION

As an outcome of a professional 40-year facilities space plan conducted by the Village in 2006, a recommendation was made to construct a new 33,000 sq. ft. Police Station facility, and following due diligence, the Village Board purchased 3.5 acres at the northeast corner of 191st Street and 104th Avenue in early 2008 for that purpose. Strong recessionary forces took over the national, regional, and local economies shortly thereafter, and the project was ultimately shelved due to a lack of funding. With the economy having recovered and another key capital project (i.e., improvements to the Village's wastewater treatment plant) bid out and under construction, a Police Station Planning Committee was formed in early January 2021, which included former Trustees Joseph Budzyn and Joseph Siwinski (Chairman), former Interim Police Chief Tim McCarthy, Deputy Chief of Police Randal Stumpf, and former Assistant Village Administrator Kirk Zoellner (former Police Chief John Keating later succeeded Interim Chief McCarthy on the Committee, and current Police Chief Brian Benton succeeded him). In February 2021, the Village Board approved reactivating a previously existing agreement for architectural services with Studio GC and the architects met 35 times over the next 14 months with the Committee, Police staff, and the Village Board to develop and refine plans for the new facility. Goals for the new facility included building and operational efficiency, environmental friendliness, safety and security, provision of work area/space for departmental growth, and cost effectiveness.

NEW POLICE STATION - Continued

At the April 11, 2022 work session, the Village Board had an opportunity to review bids and different options for construction of the new facility. The Village Board provided direction to move forward with the base low bid for the project, along with installation of a gun range later by the Village, and at its regular meeting on April 25, 2022, the Village Board awarded the bid to the lowest bidder, Henry Bros. Co. of Hickory Hills, Illinois, in the amount of $15,994,000. The Henry Bros. Co. bid included a $580,000 construction contingency, and the Village Board additionally authorized an administrative contingency of $150,000 to be authorized as needed by Village administration throughout the duration of the project. The Village Board officially approved the execution of a contract with Henry Bros. Co. at its May 9, 2022 meeting. Construction activities started in July 2022 and were completed in May 2024.

The Village has conservatively planned and prepared for this capital project. Money from available funding sources has been earmarked in the Capital Improvement, Repair and Replacement Fund for Municipal Facilities. A promissory note was executed on August 3, 2022 for $4,750,000 to help fund the project. Payments on this promissory note begin in July 2023 with the final payment due in July 2031.

In the Spring of 2024, the project reached substantial completion with the Conditional Certificate of Occupancy being issued on May 22, 2024. The Village conducted a ribbon cutting ceremony for the opening of the new Police Station on May 29, 2024. The ribbon cutting was attended by representatives from state, county and local government and a significant number of residents throughout the four (4) hour event. The Police Officers moved into the new station to begin officially operating on June 3, 2024.

VILLAGE HALL

Now that the new Police Station has been completed, the Village's next significant capital project is a new Village Hall. At the end of calender year 2023 a Village Hall Committee was formed, which consists of Trustee Debbie Engler (Chairwoman), Trustee Melissa Fedora, Mr. Joseph Siwinski and John Tomasoski. At this point, the committee has met three (3) times in 2024. The first item the committee is focusing on is a potential new location for Village Hall.

BUDGET SUMMARY

In summary, the Village's total revenues are projected to decrease by approximately $1.47M or 3.82% in FY 2025. Overall expenditures are expected to also decrease by $7.95M or 14.53%. This decrease in expenditures is attributable completing the Waste Water Treatment Plant and anticipated completion of the Village's new Police Station. While continuing improvements to our roadways, and other capital improvements.

FISCAL IMPACTS ON CUSTOMERS

The proposed budget takes into consideration the cost of providing services to Mokena's residents and businesses with necessary adjustments for water and refuse service this year. The proposed budget includes a $0.36/1,000 gallon adjustment for water rates and $0.35/1,000 gallon adjustment for sewer rates, resulting in a $5.68 per month increase for an average residential customer. Over the course of the entire fiscal year, this adjustment will result in a $68.16 cost increase to the average household budget. The refuse rate will increase $0.66 per month for townhomes/condos and $0.74 for single family homes. Over the course of the entire fiscal year, this adjustment will result in a $8-9 +/- increase to the average household budget. Combined with the water rate adjustment taking effect in July, the average household will see an approximate $77 +/- increase in fees.

The proposed budget has again been prepared to continue providing senior citizen households with refuse discounts of approximately $21-$23 +/- on an annual basis.

FINAL THOUGHTS

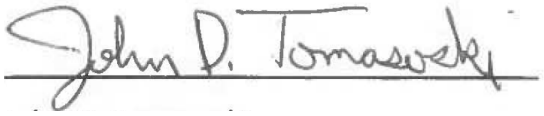
The FY 2025 budget reflects the Village's long-standing fiscal principles, grounded in realistic economic goals and bolstered by the financial capability to construct the new Police Station. With the hiring of several key staff members to replace retirees, this year's budget process required a time investment to ensure all new Department Heads were well-informed and confident in managing their department's budget. This budget positions the Village to adapt to unforeseen future conditions while still seizing current opportunities to enhance the residents' quality of life in light of pending outside financial influences that may directly impact the Village.

This year marks the completion of the Village's third largest capital project. With the $9.2 million renovation of the Wastewater Treatment Plant completed, the 2013 Oak Lawn Regional Water System Improvements entering its final stages, and the completion of the new Village of Mokena Police Station opening, the Village will now turn its attention to the next major capital project: a new Village Hall. Historically, the Village has invested both time and resources to building and maintaining the Village's infrastructure related to delivering core services related to water and sewer service, roadways, and public safety. As a result, the Village has a strong foundation to build upon for improving the quality of life for all residents and to improve the administrative services in the future.

Creating the FY 2025 Budget was a collaborative effort involving many stakeholders who leveraged their expertise to plan and, given the unique challenges of this year, anticipate the Village's needs. This rigorous process empowers the Village to maintain its high living standards for residents and plan for long-term improvements.

The FY 2025 Budget enables the Village to continue its commitment to providing exceptional core services to our residents efficiently.

Respectfully submitted,



John D. Tomasoski
Village Administrator/Chief Budget Officer
Village of Mokena

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village's finance for all those with interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Finance Director or Village Administrator, 11004 Carpenter Street, Mokena, IL 60448.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

Government-Wide Financial Statements

Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Fund

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF MOKENA, ILLINOIS

Statement of Net Position - Modified Cash Basis
June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	$ 37,106,182	10,387,982	47,494,164
Restricted Cash	474,204	—	474,204
Total Current Assets	37,580,386	10,387,982	47,968,368
Noncurrent Assets			
Capital Assets			
Nondepreciable	63,609,963	1,934,830	65,544,793
Depreciable	119,863,676	49,952,888	169,816,564
Accumulated Depreciation	(65,332,785)	(20,767,179)	(86,099,964)
Total Capital Assets	118,140,854	31,120,539	149,261,393
Total Assets	155,721,240	41,508,521	197,229,761
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized Loss on Refunding	7,165	—	7,165
Total Assets and Deferred Outflows of Resources	155,728,405	41,508,521	197,236,926
LIABILITIES			
Current Liabilities			
Current Portion of Long-Term Debt	1,211,004	—	1,211,004
Noncurrent Liabilities			
Promissory Notes Payable	3,665,000	—	3,665,000
Total Liabilities	4,876,004	—	4,876,004
NET POSITION			
Net Investment in Capital Assets	113,272,015	31,120,539	144,392,554
Restricted			
Economic Development	514,263	—	514,263
Streets	3,876,179	—	3,876,179
Capital Improvements	340,927	—	340,927
Public Safety	173,960	—	173,960
Professional Services	19,776	—	19,776
Employee Retirement	869,501	—	869,501
Unrestricted	31,785,780	10,387,982	42,173,762
Total Net Position	150,852,401	41,508,521	192,360,922

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOKENA, ILLINOIS

Statement of Activities - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants/ Contributions	Program Revenues: Capital Grants/ Contributions
Governmental Activities				
General Government	$ 4,174,066	386,143	—	—
Public Safety	6,403,809	131,311	—	—
Public Works	11,461,581	—	985,876	—
Economic Development	960,681	934,644	—	—
Employee Retirement	884,023	—	—	—
Interest on Long-Term Debt	238,783	—	—	—
Total Governmental Activities	24,122,943	1,452,098	985,876	—
Business-Type Activities				
Water and Sewerage	8,625,640	8,606,688	—	—
Refuse	1,713,855	1,773,971	—	—
Municipal Parking Lot	128,579	237,850	—	—
Total Business-Type Activities	10,468,074	10,618,509	—	—
Total Primary Government	34,591,017	12,070,607	985,876	—
General Revenues				
Taxes				
Property Tax				
Road and Bridge Tax				
Amusement Tax				
Other Taxes				
Intergovernmental - Unrestricted				
Sales Tax				
State Income Tax				
Use Tax				
Gaming Tax				
Replacement Tax				
Interest Income				
Miscellaneous				
Transfers - Internal Balances				
Change in Net Position				
Net Position - Beginning				
Net Position - Ending				

The notes to the financial statements are an integral part of this statement.

Net (Expenses), Revenues and Changes in Net Position		
Governmental Activities	Business-Type Activities	Totals
(3,787,923)	—	(3,787,923)
(6,272,498)	—	(6,272,498)
(10,475,705)	—	(10,475,705)
(26,037)	—	(26,037)
(884,023)	—	(884,023)
(238,783)	—	(238,783)
(21,684,969)	—	(21,684,969)
—	(18,952)	(18,952)
—	60,116	60,116
—	109,271	109,271
—	150,435	150,435
(21,684,969)	150,435	(21,534,534)
1,229,828	—	1,229,828
792,453	—	792,453
339,855	—	339,855
266,380	—	266,380
12,550,185	—	12,550,185
3,313,376	—	3,313,376
751,001	—	751,001
680,850	—	680,850
42,659	—	42,659
2,070,631	629,305	2,699,936
1,297,330	35,493	1,332,823
1,002,644	(1,002,644)	—
24,337,192	(337,846)	23,999,346
2,652,223	(187,411)	2,464,812
148,200,178	41,695,932	189,896,110
150,852,401	41,508,521	192,360,922

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOKENA, ILLINOIS

Balance Sheet - Governmental Funds - Modified Cash Basis
June 30, 2024

	General	Special Revenue Motor Fuel Tax	Capital Projects Capital Improvement, Repair, and Replacement	Nonmajor	Totals
ASSETS					
Cash and Investments	$ 6,969,134	3,876,179	23,193,355	3,067,514	37,106,182
Restricted Cash	133,277	—	340,927	—	474,204
Total Assets	7,102,411	3,876,179	23,534,282	3,067,514	37,580,386
LIABILITIES					
None	—	—	—	—	—
FUND BALANCES					
Restricted	133,277	3,876,179	340,927	1,444,223	5,794,606
Assigned	—	—	23,193,355	1,623,291	24,816,646
Unassigned	6,969,134	—	—	—	6,969,134
Total Fund Balances	7,102,411	3,876,179	23,534,282	3,067,514	37,580,386
Total Liabilities and Fund Balances	7,102,411	3,876,179	23,534,282	3,067,514	37,580,386

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOKENA, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities - Modified Cash Basis
June 30, 2024

Total Governmental Fund Balances	$ 37,580,386
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	118,140,854
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
General Obligation Bonds Payable	(655,000)
Unamortized Bond Premium	(6,004)
Promissory Notes Payable	(4,215,000)
Unamortized Loss on Refunding	7,165
Net Position of Governmental Activities	150,852,401

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOKENA, ILLINOIS

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

For the Fiscal Year Ended June 30, 2024

	General	Special Revenue Motor Fuel Tax	Capital Projects Capital Improvement, Repair, and Replacement	Nonmajor	Totals
Revenues					
Taxes	$ 1,361,957	—	—	1,266,559	2,628,516
Intergovernmental	13,629,320	985,876	3,666,092	42,659	18,323,947
Licenses and Permits	934,644	—	—	—	934,644
Charges for Services	386,143	—	—	—	386,143
Fines and Forfeitures	131,311	—	—	—	131,311
Interest Income	445,173	261,420	1,198,496	165,542	2,070,631
Miscellaneous	447,146	—	776,739	73,445	1,297,330
Total Revenues	17,335,694	1,247,296	5,641,327	1,548,205	25,772,522
Expenditures					
General Government	3,958,308	—	—	129,601	4,087,909
Public Safety	6,125,486	—	—	29,096	6,154,582
Public Works	2,780,745	1,732,768	809,112	—	5,322,625
Economic Development	855,621	—	—	105,060	960,681
Employee Retirement	—	—	—	884,023	884,023
Capital Outlay	—	—	13,415,521	—	13,415,521
Debt Service					
Principal Retirement	—	—	1,150,000	—	1,150,000
Interest and Fiscal Charges	—	—	235,701	—	235,701
Total Expenditures	13,720,160	1,732,768	15,610,334	1,147,780	32,211,042
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,615,534	(485,472)	(9,969,007)	400,425	(6,438,520)
Other Financing Sources (Uses)					
Transfers In	262,846	—	4,806,513	—	5,069,359
Transfers Out	(4,009,528)	—	—	(57,187)	(4,066,715)
	(3,746,682)	—	4,806,513	(57,187)	1,002,644
Net Change in Fund Balances	(131,148)	(485,472)	(5,162,494)	343,238	(5,435,876)
Fund Balances - Beginning	7,233,559	4,361,651	28,696,776	2,724,276	43,016,262
Fund Balances - Ending	7,102,411	3,876,179	23,534,282	3,067,514	37,580,386

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOKENA, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds	$	(5,435,876)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays 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.		
Capital Outlays		10,224,012
Depreciation Expense		(3,275,568)
Disposals - Cost		(570,479)
Disposals - Accumulated Depreciation		563,216
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.		
Retirement of Debt		1,150,000
Amortization of Bond Premium		16,025
Amortization of Loss on Refunding		(19,107)
Changes in Net Position of Governmental Activities		2,652,223

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOKENA, ILLINOIS

Statement of Net Position - Proprietary Funds - Modified Cash Basis
June 30, 2024

	Water and Sewerage	Refuse	Nonmajor Municipal Parking Lot	Totals
ASSETS				
Current Assets				
Cash and Investments	$ 9,730,428	272,188	385,366	10,387,982
Noncurrent Assets				
Capital Assets				
Nondepreciable	1,409,606	—	525,224	1,934,830
Depreciable	49,603,680	3,828	345,380	49,952,888
Accumulated Depreciation	(20,473,535)	(3,828)	(289,816)	(20,767,179)
Total Noncurrent Assets	30,539,751	—	580,788	31,120,539
Total Assets	40,270,179	272,188	966,154	41,508,521
LIABILITIES				
None	—	—	—	—
NET POSITION				
Investment in Capital Assets	30,539,751	—	580,788	31,120,539
Unrestricted	9,730,428	272,188	385,366	10,387,982
Total Net Position	40,270,179	272,188	966,154	41,508,521

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOKENA, ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Water and Sewerage	Refuse	Nonmajor Municipal Parking Lot	Totals
Operating Revenues				
Charges for Services	$ 8,424,356	1,773,971	237,850	10,436,177
Water Meter Installation	21,586	—	—	21,586
Inspection Fees	12,036	—	—	12,036
Other	148,710	—	—	148,710
Total Operating Revenues	8,606,688	1,773,971	237,850	10,618,509
Operating Expenses				
Operations				
Personnel Services	2,114,972	—	76,551	2,191,523
Commodities	607,409	—	1,415	608,824
Contractual Services	4,289,845	1,713,760	35,820	6,039,425
Capital Outlay	584,124	—	—	584,124
Depreciation	981,489	95	14,793	996,377
Total Operating Expenses	8,577,839	1,713,855	128,579	10,420,273
Operating Income	28,849	60,116	109,271	198,236
Nonoperating Revenues (Expenses)				
Interest Income	595,168	15,614	18,523	629,305
Other Income	29,379	5,114	1,000	35,493
Other Expenses	(47,801)	—	—	(47,801)
	576,746	20,728	19,523	616,997
Income Before Transfers	605,595	80,844	128,794	815,233
Transfers Out	(957,655)	(44,989)	—	(1,002,644)
Change in Net Position	(352,060)	35,855	128,794	(187,411)
Net Position - Beginning	40,622,239	236,333	837,360	41,695,932
Net Position - Ending	40,270,179	272,188	966,154	41,508,521

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOKENA, ILLINOIS

Statement of Cash Flows - Proprietary Funds - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Water and Sewerage	Refuse	Nonmajor Municipal Parking Lot	Totals
Cash Flows from Operating Activities				
Receipts from Customers and Users	$ 8,588,266	1,779,085	238,850	10,606,201
Payments to Employees	(2,114,972)	—	(76,551)	(2,191,523)
Payments to Suppliers	(5,481,378)	(1,713,760)	(37,235)	(7,232,373)
	991,916	65,325	125,064	1,182,305
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(1,258,933)	—	—	(1,258,933)
Cash Flows from Noncapital Financing Activities				
Transfers Out	(957,655)	(44,989)	—	(1,002,644)
Cash Flows from Investing Activities				
Interest Income	595,168	15,614	18,523	629,305
Net Change in Cash and Cash Equivalents	(629,504)	35,950	143,587	(449,967)
Cash and Cash Equivalents - Beginning	10,359,932	236,238	241,779	10,837,949
Cash and Cash Equivalents - Ending	9,730,428	272,188	385,366	10,387,982
Reconciliation of Operating Income to Net Cash Provided by Operating Activities				
Operating Income	28,849	60,116	109,271	198,236
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by Operating Activities				
Depreciation Expense	981,489	95	14,793	996,377
Other Income (Expense)	(18,422)	5,114	1,000	(12,308)
Net Cash Provided by Operating Activities	991,916	65,325	125,064	1,182,305

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOKENA, ILLINOIS

Statement of Fiduciary Net Position - Modified Cash Basis
June 30, 2024

	Pension Trust
ASSETS	
Cash and Cash Equivalents	$ 825,215
Investments	
U.S. Treasury Securities	3,172,748
U.S Agency Securities	8,065,415
Corporate Bonds	2,330,187
Municipal Bonds	2,534,955
Mutual Funds	13,859,831
Exchange Traded Funds	351,591
	30,314,727
Receivables - Net of Allowances	
Accrued Interest	94,635
Total Assets	31,234,577
LIABILITIES	
None	—
NET POSITION	
Net Position Restricted for Pensions	31,234,577

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOKENA, ILLINOIS

Statement of Changes in Fiduciary Net Position - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Pension Trusts
Additions	
Contributions - Employer	$ 1,083,585
Contributions - Plan Members	328,645
Total Contributions	1,412,230
Investment Income	
Interest Earned	1,016,814
Net Change in Fair Value	2,286,846
	3,303,660
Less Investment Expenses	(86,891)
Net Investment Income	3,216,769
Total Additions	4,628,999
Deductions	
Administration	37,547
Benefits and Refunds	1,175,455
Total Deductions	1,213,002
Change in Fiduciary Net Position	3,415,997
Net Position Restricted for Pensions	
Beginning	27,818,580
Ending	31,234,577

The notes to the financial statements are an integral part of this statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Mokena, Illinois (the Village), a non-home rule Village, was established in 1852 and incorporated in 1880. The Village Board is composed of the Village President and six trustees. The basic financial statements of the Village have been presented on a modified cash basis of accounting. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The more significant accounting policies of the Village's are described below.

REPORTING ENTITY

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there is one fiduciary component unit that is required to be included in the financial statements of the Village as a pension trust fund and there are no discretely component units to include in the reporting entity.

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. The pension board is comprised of two members elected from active participants of the fund, one elected pension beneficiary of the fund and two members appointed by the Village Mayor, with the advice and consent of the Board of Trustees. The participants are required to contribute a percentage of salary as established by Illinois statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's general government, public safety, public works, economic development, and employee retirement are classified as governmental activities. The Village's water and sewerage, refuse, and municipal parking lot services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government, public safety, public works, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, home rule sales tax, intergovernmental revenues, interest income, etc.).

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

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

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/ deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is a primary operating fund of the Village or meets the following criteria:

> Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
>
> Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

Governmental Funds

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

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

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund. The Motor Fuel Tax Fund is used to account for motor fuel tax allocations from the State of Illinois and expenditures related to the Village's annual road rehabilitation and construction program. Additionally. the Village maintains six nonmajor special revenue funds.

Capital Projects Funds are used to account for all financial resources used for the acquisition or construction of major capital facilities, equipment, and capital asset replacement (other than those financed by business-type/ proprietary funds). The Capital Improvement, Repair, and Replacement Fund, a major fund, is used to account for financial resources that are restricted, committed, or assigned to expenditures for the acquisition or construction of major capital facilities and retirement of debt.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village.

Enterprise Funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two major enterprise funds. The Water and Sewerage Fund is used to account for the provision of water and wastewater services to the residents of the Village. The Refuse Fund is used to account for waste pick-up service in the Village. Additionally, the Village maintains one nonmajor enterprise fund.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fiduciary Funds - Continued

Pension Trust Funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's police force.

The Village's pension trust fund is presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension participants and others) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

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

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting as defined below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/ deferred outflows and liabilities/deferred inflows 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.

All proprietary and pension trust funds 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/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary, pension trust and custodial funds equity is classified as net position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the modified cash basis of accounting. This basis recognized revenue when cash is received and expenditures are recorded when payment is made. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. These financial statements are modified from the cash basis method because the Village records capital assets, depreciation, and long-term debt.

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 sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Restricted Cash and Investments

Certain proceeds of bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use relates to asset forfeitures in the General Fund and an intergovernmental agreement of a water system in the Capital Improvement, Repair, and Replacement Fund.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Capital Assets

Capital assets purchased or acquired with an original cost of $5,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated acquisition value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	7 - 50 Years
Machinery and Equipment	5 - 25 Years
Infrastructure	5 - 50 Years
Transportation Equipment	5 - 10 Years

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. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - 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 improvement of those assets.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

Use of Estimates

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Annual budgets are adopted on the modified cash basis of accounting, which is consistent with the basis of accounting utilized by the Village's funds. The original budget was amended on June 24, 2024.

The Village follows the following procedures in establishing the budgetary data reflected in the financial statements:

- The Village Administrator submits to the Village Board of Trustees a proposed operating budget for the fiscal year commencing the following July 1st.
- Public budget hearings are conducted to obtain taxpayer comments.
- The Village Board adopts a Budget Ordinance which includes a budget for all funds utilized by the Village. This ordinance serves as an appropriation authorization.
- The Village Administrator is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved through an ordinance by the Village Board.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

BUDGETARY INFORMATION - Continued

- The level of control, or level at which expenditures may not exceed budgeted appropriations, is at the fund level. Appropriations lapse at the end of the fiscal year.

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust fund. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust fund are held separately from those of other funds.

Permitted Deposits and Investments - Illinois Statutes authorizes the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds.

The deposits and investments of the Pension Fund are held separately from those of other Village funds. Illinois Statutes authorizes the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (Formerly known as IPTIP, Illinois Public Treasurer’s Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund’s plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Pension Funds with plan net position of $2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least $5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, Pension Funds with plan net position of at least $10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. The Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

Village - Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration of Credit Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type totaled $26,831,835 and the bank balances totaled $27,339,190. In addition, the Village has $21,136,533 invested in the Illinois Funds, which have an average maturity of less than one year and are measured at net asset value per share as determined by the pool.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy addresses interest rate risk by structuring the investment portfolio so that the securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. The policy also suggests investing operating funds primarily in shorter-term securities, money markets, or similar investment pools.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's investment policy addresses credit risk by limiting investments to the safest types of securities and diversifying the investment portfolio so that potential losses on individual securities will be minimized. At year-end, the Village's investments in Illinois Funds were rated AAAmmf by Fitch Ratings.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires that funds on deposit in excess of FDIC limits be secured by some form of collateral and a depository collateral pledge must be executed between the Village and the financial institution. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this 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 does not have an investment policy which specifically addresses custodial credit risk for investments. As of June 30, 2024, the Village's investments were not subject to custodial credit risk.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Village - Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration of Credit Risk - Continued

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy does not allow for an investment in any one issuer that is in excess of 5 percent of the Village's total investments. The Village's policy requires diversification of investments to avoid unreasonable risk. At year-end, the Village does not have any investments over 5 percent of cash and investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Police Pension Fund - Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration of Credit Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled $825,215 and the bank balances totaled $831,737.

Investments. The following table presents the investments and maturities of the Fund's debt securities as of June 30, 2024:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Securities	$ 3,172,748	1,572,426	1,230,009	370,313	—
U.S. Agency Securities	8,065,415	471,104	4,362,650	3,231,661	—
Corporate Bonds	2,330,187	195,953	1,192,895	941,339	—
Municipal Bonds	2,534,955	275,474	1,375,989	883,492	—
Totals	16,103,305	2,514,957	8,161,543	5,426,805	—

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund - Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration of Credit Risk - Continued

Investments - Continued. The Fund has the following recurring fair value measurements as of June 30, 2024:

		Fair Value Measurements Using		
Investments by Fair Value Level	Totals	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Securities	$ 3,172,748	3,172,748	—	—
U.S. Agency Securities	8,065,415	—	8,065,415	—
Corporate Bonds	2,330,187	—	2,330,187	—
Municipal Bonds	2,534,955	—	2,534,955	—
Equity Securities				
Mutual Funds	13,859,831	13,859,831	—	—
Exchange Traded Funds	351,591	351,591	—	—
Total Investments Measured at Fair Value	30,314,727	17,384,170	12,930,557	—

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. In accordance with the Fund's investment policy, the Fund limits its exposure to interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

Credit Risk. The Fund helps limit its exposure to credit risk by primarily investing in any types of securities permitted by Illinois law, as described in Chapter 40 of the Illinois Compiled Statuses, 40 ILCS 5/1-113.2 through 113.4a. At year-end, the Fund's investments in U.S. agency securities are rated AA+, corporate bonds are rated AAA to A, and municipal bonds are rated AA+ to AA. All of the listed investments are rated by Standard & Poor's.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund - Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration of Credit Risk - Continued

Custodial Credit Risk. The Fund's investment policy does not specifically address custodial credit risk for deposits. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For investments, the Fund's investment policy does not specifically address custodial credit risk for investments. As of June 30, 2024, the Fund's investments were not subject to custodial credit risk.

Concentration of Credit Risk. The Fund minimizes concentration risk by diversifying the investment portfolio and must disclose investments in any one issuer that represents 5% or more of total plan net position. In addition to the securities and fair values listed above, the Fund also has $13,859,831 invested in mutual funds and $351,591 in exchange traded funds. At year-end, the Fund does not have any investments over 5 percent of plan net position (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	55.0%	3.3%
U.S. Large Cap Equity Funds	31.5%	8.9%
U.S. Small Cap Equity Funds	9.0%	10.5%
International Equity	4.5%	6.5%
Cash and Cash Equivalents	0.0%	0.0%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in June 2024 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of June 30, 2024 are listed in the table above.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund - Rate of Return

For the year ended June 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 11.20%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

INTERFUND TRANSFERS

Transfers are used to move revenues from the fund that statute or budget requires to collect, to the fund that statute or budget requires to expend. Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Water and Sewerage	$ 160,670
General	Refuse	44,989
General	Nonmajor Governmental	57,187
Capital Improvement, Repair, and Replacement	General	4,009,528
Capital Improvement, Repair, and Replacement	Water and Sewerage	796,985
		5,069,359

PROPERTY TAXES

Property taxes for 2023 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1, and September 1. The County collects such taxes and remits them periodically.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	$ 47,479,781	—	—	47,479,781
Construction in Progress	7,057,666	9,222,322	149,806	16,130,182
	54,537,447	9,222,322	149,806	63,609,963
Depreciable Capital Assets				
Buildings and Improvements	3,718,699	57,803	—	3,776,502
Machinery and Equipment	1,936,115	209,279	236,833	1,908,561
Infrastructure	109,596,707	149,806	—	109,746,513
Transportation Equipment	4,031,138	734,608	333,646	4,432,100
	119,282,659	1,151,496	570,479	119,863,676
Less Accumulated Depreciation				
Buildings and Improvements	1,603,940	83,791	—	1,687,731
Machinery and Equipment	1,554,142	121,281	233,643	1,441,780
Infrastructure	56,852,549	2,690,236	—	59,542,785
Transportation Equipment	2,609,802	380,260	329,573	2,660,489
	62,620,433	3,275,568	563,216	65,332,785
Total Net Depreciable Capital Assets	56,662,226	(2,124,072)	7,263	54,530,891
Total Net Capital Assets	111,199,673	7,098,250	157,069	118,140,854

Depreciation expense was charged to governmental activities as follows:

General Government	$ 78,894
Public Safety	249,227
Public Works	2,947,447
	3,275,568

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	$ 1,934,830	—	—	1,934,830
Construction in Progress	10,776,008	—	10,776,008	—
	12,710,838	—	10,776,008	1,934,830
Depreciable Capital Assets				
Buildings and Improvements	14,207,241	11,481,759	1,114	25,687,886
Machinery and Equipment	4,139,724	114,806	118,739	4,135,791
Infrastructure	19,160,340	—	9,485	19,150,855
Transportation Equipment	574,121	438,376	34,141	978,356
	38,081,426	12,034,941	163,479	49,952,888
Less Accumulated Depreciation				
Buildings and Improvements	8,925,122	364,478	1,114	9,288,486
Machinery and Equipment	2,808,232	146,157	118,739	2,835,650
Infrastructure	7,725,458	391,298	9,485	8,107,271
Transportation Equipment	475,469	94,444	34,141	535,772
	19,934,281	996,377	163,479	20,767,179
Total Net Depreciable Capital Assets	18,147,145	11,038,564	—	29,185,709
Total Net Capital Assets	30,857,983	11,038,564	10,776,008	31,120,539

Depreciation expense was charged to business-type activities as follows:

Water and Sewerage	$ 981,489
Refuse	95
Municipal Parking Lot	14,793
	996,377

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

General Obligation Bonds

The Village issued 2012 general obligation refunding bonds to provide funding for the acquiring and constructing improvements to streets, roadways, parkways and boulevards at various locations throughout the Village. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Refunding Bonds of 2012, due in annual installments of $110,000 to $655,000 plus interest at 1.00% to 2.75% through December 15, 2024.	Capital Improvement, Repair, and Replacement	$ 1,270,000	—	615,000	655,000

Promissory Note Payable

The Village issued a 2022 general obligation promissory note to construct the Village's new public safety building. Promissory notes payable are direct obligations and pledge the full faith and credit of the Village. Promissory notes payable currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Promissory Note of 2022, due in annual installments of $535,000 to $660,000 plus interest at 2.71% to 3.33% through July 30, 2030.	Capital Improvement, Repair, and Replacement	$ 4,750,000	—	535,000	4,215,000

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liabilities Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
General Obligation Bonds	$ 1,270,000	—	615,000	655,000	655,000
Plus: Unamortized Premium	22,029	—	16,025	6,004	6,004
Promissory Note Payable	4,750,000	—	535,000	4,215,000	550,000
	6,042,029	—	1,166,025	4,876,004	1,211,004

For the governmental activities, the general obligation bonds and the promissory note payable are liquidated by the Capital Improvement, Repair, and Replacement Fund.

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

	Governmental Activities			
	General Obligation Bonds		Promissory Note Payable	
Fiscal Year	Principal	Interest	Principal	Interest
2025	$ 655,000	9,006	550,000	123,307
2026	—	—	565,000	107,164
2027	—	—	580,000	90,071
2028	—	—	600,000	71,984
2029	—	—	620,000	52,795
2030	—	—	640,000	32,442
2031	—	—	660,000	10,989
Totals	655,000	9,006	4,215,000	488,752

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "…no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2023	$ 1,002,352,644
Legal Debt Limit - 8.625% of Assessed Value	86,452,916
Amount of Debt Applicable to Limit	655,000
Legal Debt Margin	85,797,916

FUND BALANCE CLASSIFICATIONS

In the governmental funds financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Village's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

The following is a schedule of fund balance classifications for the governmental funds as of June 30, 2024:

	General	Special Revenue Motor Fuel Tax	Capital Projects Capital Improvement, Repair, and Replacement	Nonmajor	Totals
Fund Balances					
Restricted					
Economic Development	$ —	—	—	514,263	514,263
Streets	—	3,876,179	—	—	3,876,179
Capital Improvements	—	—	340,927	—	340,927
Public Safety	133,277	—	—	40,683	173,960
Professional Services	—	—	—	19,776	19,776
Employee Retirement	—	—	—	869,501	869,501
	133,277	3,876,179	340,927	1,444,223	5,794,606
Assigned					
Streets/Capital Improvements	—	—	23,193,355	—	23,193,355
Economic Development	—	—	—	1,623,291	1,623,291
	—	—	23,193,355	1,623,291	24,816,646
Unassigned	6,969,134	—	—	—	6,969,134
Total Fund Balances	7,102,411	3,876,179	23,534,282	3,067,514	37,580,386

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of June 30, 2024:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	$ 118,140,854
Plus: Unamortized Loss on Refunding	7,165
Less Capital Related Debt:	
General Obligation Bonds	(655,000)
Unamortized Premium	(6,004)
Promissory Note Payable	(4,215,000)
Net Investment in Capital Assets	113,272,015
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	31,120,539
Less Capital Related Debt:	—
Net Investment in Capital Assets	31,120,539

NOTE 4 - OTHER INFORMATION

CONTINGENT LIABILITIES

Litigation

From time to time, the Village is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Village attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position or results of operations.

Grants

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

NOTE 4 - OTHER INFORMATION - Continued

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; natural disasters; and injuries to the Village's employees. The Village has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds.

The Village has joined with selected other municipalities to form an externally administered insurance program, Southwest Agency for Risk Management (SWARM). This association provides workers' compensation, liability, and property insurance. Each individual member is self-insured for $50,000 and $300,000, respectively, for property and general liability claims per occurrence. The Village's estimated unfunded obligation to SWARM at June 30, 2024 was $0. There were no significant changes in insurance coverages from the prior year, the amount of coverage has not decreased, nor have the amount of settlements exceeded coverage in the current year or any of the past three years.

During the year ended June 30, 2024, the Village also participated in the Southwest Agency for Health Management (SWAHM) which provided health, vision, dental and life insurance to Village employees.

JOINT WATER SYSTEM INTERGOVERNMENTAL AGREEMENT

On September 21, 1999, the Village entered into an agreement with Village of New Lenox (New Lenox), Illinois to jointly construct a water main extension ("Joint System"). The Village has a one-half interest in the Joint System. The Village and New Lenox operate, repair, and maintain the Joint System. The Village reimburses New Lenox for its proportionate share of the cost of water supplied by Tinley Park to the Joint System, the cost of any water loss of the Joint System, and the Joint System's operation and maintenance costs. The Village's proportionate share is calculated by dividing the Village's actual water use by the sum of the water metered for both New Lenox and the Village and multiplying that percentage by the cost of water supplied by the Village of Tinley Park to the Joint System and the preceding month's actual operations and maintenance costs for the Joint System. This agreement is effective for 40 years from the date of the agreement. During the year ended June 30, 2024, the Village paid New Lenox approximately $3,302,803 from the Water and Sewerage Fund.

COMMITMENTS

The Village entered into an agreement with Henry Bros. Construction to construct a new public safety facility. The estimated cost for this project is approximately $19,125,611 with costs being paid from the Capital Improvements Fund. Total Costs incurred by the Village on this project are approximately $16,743,602 as of June 30, 2024. The estimated completion date for the project is October 2024.

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, and the Police Pension Plan, which is a single-employer pension plan. Publicly available financial reports that include financial statements and required supplementary information (RSI) for the Police Pension Plan may be obtained by writing to the Village at 11004 Carpenter Street, Mokena, IL 60448. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amounts that would be recognized under the GAAP basis of accounting for the two pension plans are:

	Pension Expense	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
IMRF	$ 978,622	4,299,705	1,831,264	10,347
Police Pension	1,590,551	7,586,619	2,490,900	937,289
	2,569,173	11,886,324	4,322,164	947,636

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. All employees (other than those covered by the Police and Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. Employees hired ***on or after*** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	66
Inactive Plan Members Entitled to but not yet Receiving Benefits	52
Active Plan Members	48
Total	166

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% 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. For the year ended June 30, 2024, the Village's contribution was 12.45% of covered payroll.

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2023, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued.

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	4.75%
Domestic Equities	34.50%	5.00%
International Equities	18.00%	6.35%
Real Estate	10.50%	6.30%
Blended	11.50%	6.05% - 8.65%
Cash and Cash Equivalents	1.00%	3.80%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	$ 7,538,953	4,299,705	1,645,709

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	$ 26,711,372	21,589,072	5,122,300
Changes for the Year:			
Service Cost	361,565	—	361,565
Interest on the Total Pension Liability	1,898,143	—	1,898,143
Difference Between Expected and Actual Experience of the Total Pension Liability	18,408	—	18,408
Changes of Assumptions	(15,426)	—	(15,426)
Contributions - Employer	—	554,462	(554,462)
Contributions - Employees	—	190,756	(190,756)
Net Investment Income	—	2,401,696	(2,401,696)
Benefit Payments, Including Refunds of Employee Contributions	(1,421,732)	(1,421,732)	—
Other (Net Transfer)	—	(61,629)	61,629
Net Changes	840,958	1,663,553	(822,595)
Balances at December 31, 2023	27,552,330	23,252,625	4,299,705

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended June 30, 2024, the Village recognized pension expense of $552,583 on a cash basis. At June 30, 2024 the Village would have reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources under the GAAP basis of accounting:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 343,258	—	343,258
Change in Assumptions	—	(10,347)	(10,347)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,226,601	—	1,226,601
	1,569,859	(10,347)	1,559,512
Pension Contributions Made Subsequent to the Measurement Date	261,405	—	261,405
Total Deferred Amounts Related to IMRF	1,831,264	(10,347)	1,820,917

$261,405 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and would be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2025, under the GAAP basis of accounting. Amounts that would be reported under the GAAP basis of accounting as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense in future periods as follows:

Calendar Year	Net Deferred Outflows/ (Inflows) of Resources
2025	$ 470,880
2026	435,085
2027	826,197
2028	(172,650)
2029	—
Thereafter	—
Totals	1,559,512

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At June 30, 2024, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	14
Inactive Plan Members Entitled to but not yet Receiving Benefits	4
Active Plan Members	33
Total	51

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at $106,800 ($134,071 for 2023), plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent of ½ or the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year ended June 30, 2024, the Village's contribution was 32.12% of covered payroll.

Concentrations. At year end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of June 30, 2024, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	6.50%
Salary Increases	3.00%
Cost of Living Adjustments	2.25%
Inflation	2.25%

Mortality rates were based on the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Discount Rate

The discount rate used to measure the total pension liability was 6.50%, the same as the prior evaluation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net Pension Liability	$ 13,872,143	7,586,619	2,500,195

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at June 30, 2023	$ 36,444,223	27,818,580	8,625,643
Changes for the Year:			
Service Cost	808,055	—	808,055
Interest on the Total Pension Liability	2,354,899	—	2,354,899
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	389,474	—	389,474
Changes of Assumptions	—	—	—
Contributions - Employer	—	1,083,585	(1,083,585)
Contributions - Employees	—	328,645	(328,645)
Net Investment Income	—	3,216,769	(3,216,769)
Benefit Payments, Including Refunds of Employee Contributions	(1,175,455)	(1,175,455)	—
Other (Net Transfer)	—	(37,547)	37,547
Net Changes	2,376,973	3,415,997	(1,039,024)
Balances at June 30, 2024	38,821,196	31,234,577	7,586,619

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

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

For the year ended June 30, 2024, the Village recognized pension expense of $1,083,585 on a cash basis. At June 30, 2024 the Village would have reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources under the GAAP basis of accounting:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 1,345,861	(905,107)	440,754
Change in Assumptions	542,688	(32,182)	510,506
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	602,351	—	602,351
Total Deferred Amounts Related to Police Pension	2,490,900	(937,289)	1,553,611

Amounts that would be reported under the GAAP basis of accounting as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2025	$ 528,031
2026	1,024,426
2027	(104,801)
2028	(112,471)
2029	105,127
Thereafter	113,299
Total	1,553,611

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The Village's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the Village. RBP is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. The Village provides continued health and dental insurance coverage at the blended employee rate to all eligible retirees in accordance with ILCS, which creates an explicit and implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under the Villages's retirement plan. Upon a retiree Medicare eligible, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan but can purchase a Medicare supplement plan from the Village's insurance provider.

Plan Membership. As of June 30, 2024, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	7
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	71
Total	78

Total OPEB Liability

The Village's total OPEB liability was measured as of June 30, 2024, and was determined by an actuarial valuation as of June 30, 2023.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	2.75%
Discount Rate	3.93%
Healthcare Cost Trend Rates	Starting at 7.60% for HMO and 6.80% for PPO with an ultimate rates of 5.00% for 2034 and later.
Retirees' Share of Benefit-Related Costs	100% of the Blended Cost of Coverage

The discount rate was based on the Bond Buyer 20-Bond G.O. Index.

Mortality rates were based on PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study dated December 14, 2020.

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2023	$ 2,448,018
Changes for the Year:	
Service Cost	49,464
Interest on the Total OPEB Liability	87,260
Difference Between Expected and Actual Experience	(384,869)
Changes of Assumptions or Other Inputs	(20,300)
Benefit Payments	(114,643)
Net Changes	(383,088)
Balance at June 30, 2024	2,064,930

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The discount rate used to measure the total pension liability was 3.93%, while the prior valuation used 3.65%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability	$ 2,280,025	2,064,930	1,878,309

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	$ 1,834,981	2,064,930	2,339,749

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the Village recognized OPEB expense of $114,643 on a cash basis. Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expense, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB.

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Schedule Employer Contributions
  Illinois Municipal Retirement Fund
  Police Pension Fund

- Schedule of Changes in the Employer's Net Pension Liability
  Illinois Municipal Retirement Fund
  Police Pension Fund

- Schedule of Investment Returns
  Police Pension Fund

- Schedule of Changes in the Employer's Total OPEB Liability
  Retiree Benefit Plan

- Budgetary Comparison Schedules - Major Governmental Funds

- Combining Statements - Nonmajor Governmental - Special Revenue Funds

- Budgetary Comparison Schedules - Nonmajor Governmental - Special Revenue Funds

- Budgetary Comparison Schedule - Water and Sewerage - Enterprise Fund

- Combining Statements - Water and Sewerage Sub-Funds

- Budgetary Comparison Schedules - Water and Sewerage Sub-Funds

- Budgetary Comparison Schedules - Enterprise Funds

- Budgetary Comparison Schedules - Pension Trust Fund

VILLAGE OF MOKENA, ILLINOIS

Illinois Municipal Retirement Fund
Schedule of Employer Contributions
June 30, 2024

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	$ 427,921	$ 430,972	$ 3,051	$ 3,281,602	13.13%
2016	469,045	512,911	43,866	3,401,343	15.08%
2017	482,308	482,308	—	3,389,383	14.23%
2018	496,619	496,619	—	3,382,960	14.68%
2019	503,117	513,323	10,206	3,503,601	14.65%
2020	453,361	506,829	53,468	3,578,226	14.16%
2021	505,485	505,606	121	3,636,583	13.90%
2022	501,218	501,218	—	3,644,812	13.75%
2023	546,551	546,551	—	4,145,533	13.18%
2024	552,583	552,583	—	4,439,432	12.45%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

VILLAGE OF MOKENA, ILLINOIS

Police Pension Fund
Schedule of Employer Contributions
June 30, 2024

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	$ 716,960	$ 731,602	$ (14,642)	$ 2,499,008	29.28%
2016	698,278	1,345,938	(647,660)	2,516,400	53.49%
2017	736,553	739,438	(2,885)	2,536,934	29.15%
2018	741,301	787,552	(46,251)	2,625,727	29.99%
2019	717,491	750,164	(32,673)	2,753,030	27.25%
2020	761,502	764,027	(2,525)	2,939,708	25.99%
2021	815,171	815,363	(192)	3,017,246	27.02%
2022	894,660	1,091,060	(196,400)	2,974,341	36.68%
2023	1,117,735	1,040,566	77,169	3,275,174	31.77%
2024	1,067,448	1,083,585	(16,137)	3,373,429	32.12%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar (Closed)
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	3.00%
Investment Rate of Return	6.50%
Retirement Age	Capped at 65
Mortality	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described

VILLAGE OF MOKENA, ILLINOIS

Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability
June 30, 2024

See Following Page

VILLAGE OF MOKENA, ILLINOIS

Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability
June 30, 2024

	12/31/2014	12/31/2015	12/31/2016
Total Pension Liability			
Service Cost	$ 381,431	379,143	386,660
Interest	1,056,246	1,197,694	1,289,673
Differences Between Expected and Actual Experience	365,301	150,291	(164,933)
Change of Assumptions	534,510	69,618	(144,626)
Benefit Payments, Including Refunds of Member Contributions	(392,574)	(455,208)	(543,955)
Net Change in Total Pension Liability	1,944,914	1,341,538	822,819
Total Pension Liability - Beginning	14,126,507	16,071,421	17,412,959
Total Pension Liability - Ending	16,071,421	17,412,959	18,235,778
Plan Fiduciary Net Position			
Contributions - Employer	$ 430,972	512,911	482,308
Contributions - Members	148,725	153,060	154,905
Net Investment Income	748,597	66,583	920,221
Benefit Payments, Including Refunds of Member Contributions	(392,574)	(455,208)	(543,955)
Other (Net Transfer)	97,024	(384,026)	126,233
Net Change in Plan Fiduciary Net Position	1,032,744	(106,680)	1,139,712
Plan Net Position - Beginning	12,178,519	13,211,263	13,104,583
Plan Net Position - Ending	13,211,263	13,104,583	14,244,295
Employer's Net Pension Liability	$ 2,860,158	4,308,376	3,991,483
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.20%	75.26%	78.11%
Covered Payroll	$ 3,281,602	3,401,343	3,389,383
Employer's Net Pension Liability as a Percentage of Covered Payroll	87.16%	126.67%	117.76%

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2014 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2014, 2017 and 2023.

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
385,620	342,335	379,139	362,050	333,149	344,973	361,565
1,359,633	1,375,597	1,477,116	1,564,927	1,657,928	1,798,897	1,898,143
(330,374)	407,558	236,702	533,241	1,118,610	561,425	18,408
(548,219)	622,482	—	(154,045)	—	—	(15,426)
(600,300)	(664,021)	(803,302)	(943,129)	(1,074,791)	(1,267,607)	(1,421,732)
266,360	2,083,951	1,289,655	1,363,044	2,034,896	1,437,688	840,958
18,235,778	18,502,138	20,586,089	21,875,744	23,238,788	25,273,684	26,711,372
18,502,138	20,586,089	21,875,744	23,238,788	25,273,684	26,711,372	27,552,330
496,619	513,323	506,829	505,606	520,828	518,838	554,462
163,094	157,662	161,670	183,320	161,698	174,237	190,756
2,364,400	(784,081)	2,871,553	2,684,835	3,609,910	(3,190,691)	2,401,696
(600,300)	(664,021)	(803,302)	(943,129)	(1,074,791)	(1,267,607)	(1,421,732)
(221,235)	571,679	163,203	161,984	15,892	386,754	(61,629)
2,202,578	(205,438)	2,899,953	2,592,616	3,233,537	(3,378,469)	1,663,553
14,244,295	16,446,873	16,241,435	19,141,388	21,734,004	24,967,541	21,589,072
16,446,873	16,241,435	19,141,388	21,734,004	24,967,541	21,589,072	23,252,625
2,055,265	4,344,654	2,734,356	1,504,784	306,143	5,122,300	4,299,705
88.89%	78.90%	87.50%	93.52%	98.79%	80.82%	84.39%
3,382,960	3,503,601	3,578,226	3,636,583	3,576,898	3,871,919	4,239,011
60.75%	124.01%	76.42%	41.38%	8.56%	132.29%	101.43%

VILLAGE OF MOKENA, ILLINOIS

Police Pension Fund
Schedule of Changes in the Employer's Net Pension Liability
June 30, 2024

	6/30/2015	6/30/2016	6/30/2017
Total Pension Liability			
Service Cost	$ 638,429	560,933	623,125
Interest	1,216,517	1,333,306	1,462,958
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	—	(201,968)	300,834
Change of Assumptions	—	822,982	(410,830)
Benefit Payments, Including Refunds of Member Contributions	(384,033)	(496,242)	(544,984)
Net Change in Total Pension Liability	1,470,913	2,019,011	1,431,103
Total Pension Liability - Beginning	19,289,611	20,760,524	22,779,535
Total Pension Liability - Ending	20,760,524	22,779,535	24,210,638
Plan Fiduciary Net Position			
Contributions - Employer	$ 731,602	1,345,938	739,438
Contributions - Members	248,267	253,539	252,203
Net Investment Income	636,119	544,516	1,438,079
Benefit Payments, Including Refunds of Member Contributions	(384,032)	(496,242)	(544,984)
Administrative Expenses	(24,244)	(65,946)	(81,428)
Net Change in Plan Fiduciary Net Position	1,207,712	1,581,805	1,803,308
Plan Net Position - Beginning	15,065,659	16,273,371	17,855,176
Plan Net Position - Ending	16,273,371	17,855,176	19,658,484
Employer's Net Pension Liability	$ 4,487,153	4,924,359	4,552,154
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.39%	78.38%	81.20%
Covered Payroll	$ 2,499,008	2,516,400	2,536,934
Employer's Net Pension Liability as a Percentage of Covered Payroll	179.56%	195.69%	179.44%

Changes of Assumptions. Changes of assumptions related to the mortality, retirement, disability, and termination rate tables and the assumed payroll growth were made in 2016, 2017, 2019, and 2020.

6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
663,628	712,266	778,502	806,863	789,144	771,426	808,055
1,551,095	1,657,180	1,765,593	1,997,329	2,036,604	2,209,789	2,354,899
—	—	73,345	—	—	(13,168)	—
112,741	(27,779)	261,602	354,595	(1,328,403)	840,462	389,474
—	493,241	607,584	—	—	—	—
(695,291)	(695,461)	(703,384)	(778,382)	(919,388)	(1,088,148)	(1,175,455)
1,632,173	2,139,447	2,783,242	2,380,405	577,957	2,720,361	2,376,973
24,210,638	25,842,811	27,982,258	30,765,500	33,145,905	33,723,862	36,444,223
25,842,811	27,982,258	30,765,500	33,145,905	33,723,862	36,444,223	38,821,196
787,552	750,164	764,027	815,363	1,091,060	1,040,566	1,083,585
253,116	272,824	291,617	296,377	294,757	324,568	328,645
1,157,923	1,381,687	1,647,514	4,197,292	(3,693,506)	1,689,927	3,216,769
(695,291)	(695,461)	(703,384)	(778,382)	(919,388)	(1,088,148)	(1,175,455)
(88,205)	(32,372)	(102,858)	(34,495)	(30,773)	(33,975)	(37,547)
1,415,095	1,676,842	1,896,916	4,496,155	(3,257,850)	1,932,938	3,415,997
19,658,484	21,073,579	22,750,421	24,647,337	29,143,492	25,885,642	27,818,580
21,073,579	22,750,421	24,647,337	29,143,492	25,885,642	27,818,580	31,234,577
4,769,232	5,231,837	6,118,163	4,002,413	7,838,220	8,625,643	7,586,619
81.55%	81.30%	80.11%	87.92%	76.76%	76.33%	80.46%
2,625,727	2,753,030	2,939,708	3,017,246	2,974,341	3,275,175	3,373,429
181.63%	190.04%	208.12%	132.65%	263.53%	263.36%	224.89%

VILLAGE OF MOKENA, ILLINOIS

Police Pension Fund
Schedule of Investment Returns
June 30, 2024

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2015	3.92%
2016	3.05%
2017	7.11%
2018	5.52%
2019	5.87%
2020	6.73%
2021	14.53%
2022	(12.80%)
2023	5.70%
2024	11.20%

VILLAGE OF MOKENA, ILLINOIS

Retiree Benefit Plan
Schedule of Changes in the Employer's Total OPEB Liability
June 30, 2024

See Following Page

VILLAGE OF MOKENA, ILLINOIS

Retiree Benefit Plan
Schedule of Changes in the Employer's Total OPEB Liability
June 30, 2024

	6/30/2018
Total OPEB Liability	
Service Cost	$ 37,859
Interest	77,596
Difference Between Expected and Actual Experience	—
Change of Assumptions or Other Inputs	—
Benefit Payments	(71,873)
Net Change in Total OPEB Liability	43,582
Total OPEB Liability - Beginning	2,040,984
Total OPEB Liability - Ending	2,084,566
Covered-Employee Payroll	$ 5,809,576
Total OPEB Liability as a Percentage of Covered-Employee Payroll	35.88%

Notes:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Changes of Assumptions. Change of assumption related to the discount rate were made in 2018 through 2024.

6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024
39,324	18,273	49,392	53,060	52,274	49,464
78,964	75,398	60,731	60,007	86,228	87,260
—	75,986	—	197,174	—	(384,869)
85,214	514,460	14,463	(545,085)	(68,710)	(20,300)
(88,164)	(91,356)	(89,346)	(99,639)	(115,196)	(114,643)
115,338	592,761	35,240	(334,483)	(45,404)	(383,088)
2,084,566	2,199,904	2,792,665	2,827,905	2,493,422	2,448,018
2,199,904	2,792,665	2,827,905	2,493,422	2,448,018	2,064,930
6,251,137	6,542,224	6,438,752	6,226,796	7,420,707	7,716,196
35.19%	42.69%	43.92%	40.04%	32.99%	26.76%

VILLAGE OF MOKENA, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes	$ 1,302,907	1,302,907	1,361,957
Intergovernmental	12,818,450	14,154,889	13,629,320
Licenses and Permits	811,725	811,725	934,644
Charges for Services	373,344	373,344	386,143
Fines and Forfeitures	122,900	122,900	131,311
Interest Income	100,000	100,000	445,173
Miscellaneous	177,637	177,637	447,146
Total Revenues	15,706,963	17,043,402	17,335,694
Expenditures			
General Government	4,418,111	4,068,716	3,958,308
Public Safety	6,313,982	6,170,094	6,125,486
Public Works	3,440,944	2,862,611	2,780,745
Economic Development	1,155,913	874,441	855,621
Total Expenditures	15,328,950	13,975,862	13,720,160
Excess (Deficiency) of Revenues Over (Under) Expenditures	378,013	3,067,540	3,615,534
Other Financing Sources (Uses)			
Transfers In	218,659	218,659	262,846
Transfers Out	(1,320,001)	(4,009,528)	(4,009,528)
	(1,101,342)	(3,790,869)	(3,746,682)
Net Change in Fund Balance	(723,329)	(723,329)	(131,148)
Fund Balance - Beginning			7,233,559
Fund Balance - Ending			7,102,411

VILLAGE OF MOKENA, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Motor Fuel Taxes	$ 844,999	955,000	985,876
Interest Income	74,000	360,829	261,420
Total Revenues	918,999	1,315,829	1,247,296
Expenditures			
Public Works	1,370,820	1,767,650	1,732,768
Net Change in Fund Balance	(451,821)	(451,821)	(485,472)
Fund Balance - Beginning			4,361,651
Fund Balance - Ending			3,876,179

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

Municipal Audit

The Municipal Audit Fund is used to account for the expenses related to the Village's annual audit. Financing is provided by a specific annual tax levy.

School Crossing Guard

The School Crossing Guard Fund provides services for the critical task to safeguard the Village's children who walk to school while school in session.

Motor Fuel Tax

The Motor Fuel Tax Fund is used to account for motor fuel tax allocations from the State of Illinois and expenditures related to the Village's annual road rehabilitation and construction program.

IMRF/FICA

The IMRF/FICA Fund is used to account for the Village's participation in the Illinois Municipal Retirement Fund and the Village's portion of Social Security and Medicare paid on behalf of its employees. Financing is provided by a specific annual property tax levy.

Special Tax Allocation

The Special Tax Allocation Fund is used to account for all TIF Development and financing activities for the Mokena Downtown area.

Performance Bond

The Performance Bond Fund ensures developers, ownerships, or business owners fulfill their performance objectives. Deposits are collected for specific types of projects (i.e. landscape, driveway, sidewalks, etc.). If the work isn't completed to the Village's standards, this deposit is used to complete the project. After the project has been completed to Village's standards, the deposit is returned to the contractor.

Tourism

The Tourism Fund is used to account for the promotion of tourism, beautification, and business enhancement activities within the Village.

INDIVIDUAL FUND DESCRIPTIONS - Continued

CAPITAL PROJECTS FUND

Capital Improvement, Repair, and Replacement Fund

The Capital Improvement, Repair, and Replacement Fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for the acquisition or construction of major capital facilities and retirement of debt.

ENTERPRISE FUNDS

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

Water and Sewerage Fund

The Water and Sewerage Fund is used to account for the provision of water and wastewater services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund.

Refuse Fund

The Refuse Fund is used to account for waste pick-up service in the Village.

Municipal Parking Lot Fund

The Municipal Parking Lot Fund is used to account for the operations of four commuter parking lots.

PENSION TRUST FUNDS

Police Pension Fund

The Police Pension Fund is used to account for the resources necessary to provide retirement and disability pension benefits to full-time sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employer and employee contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. Financing is provided by the Village contributions, employee payroll withholdings, and investment income.

VILLAGE OF MOKENA, ILLINOIS

General Fund
Schedule of Revenues - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Taxes			
Property Taxes	$ 160,039	160,039	171,739
Road and Bridge Taxes	760,818	760,818	792,453
Amusement Taxes	334,050	334,050	339,855
Other Taxes	48,000	48,000	57,910
	1,302,907	1,302,907	1,361,957
Intergovernmental			
Sales Taxes	9,929,863	9,929,863	8,884,093
State Income Taxes	1,545,220	2,881,659	3,313,376
Use Taxes	815,367	815,367	751,001
Gaming Taxes	528,000	528,000	680,850
	12,818,450	14,154,889	13,629,320
Licenses and Permits	811,725	811,725	934,644
Charges for Services	373,344	373,344	386,143
Fines and Forfeitures	122,900	122,900	131,311
Interest Income	100,000	100,000	445,173
Miscellaneous	177,637	177,637	447,146
Total Revenues	15,706,963	17,043,402	17,335,694

VILLAGE OF MOKENA, ILLINOIS

Capital Improvement, Repair, and Replacement Fund - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Sales Tax	$ 4,134,646	4,134,646	3,666,092
Interest Income	440,425	440,425	1,198,496
Miscellaneous	107,130	107,130	776,739
Total Revenues	4,682,201	4,682,201	5,641,327
Expenditures			
Public Works	1,564,966	1,564,966	809,112
Capital Outlay	17,304,751	17,304,751	13,415,521
Debt Service			
Principal Retirement	1,150,000	1,150,000	1,150,000
Interest and Fiscal Charges	235,701	235,701	235,701
Total Expenditures	20,255,418	20,255,418	15,610,334
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,573,217)	(15,573,217)	(9,969,007)
Other Financing Sources			
Transfers In	2,096,986	2,096,986	4,806,513
Net Change in Fund Balance	(13,476,231)	(13,476,231)	(5,162,494)
Fund Balance - Beginning			28,696,776
Fund Balance - Ending			23,534,282

VILLAGE OF MOKENA, ILLINOIS

Nonmajor Governmental - Special Revenue Funds
Combining Balance Sheet - Modified Cash Basis
June 30, 2024

See Following Page

VILLAGE OF MOKENA, ILLINOIS

Nonmajor Governmental - Special Revenue Funds
Combining Balance Sheet - Modified Cash Basis
June 30, 2024

	Municipal Audit	School Crossing Guard
ASSETS		
Cash and Investments	$ 19,776	40,683
LIABILITIES		
None	—	—
FUND BALANCES		
Restricted	19,776	40,683
Assigned	—	—
Total Fund Balances	19,776	40,683
Total Liabilities and Fund Balances	19,776	40,683

IMRF/ FICA	Special Tax Allocation	Performance Bond	Tourism	Totals
869,501	514,263	940,896	682,395	3,067,514
—	—	—	—	—
869,501	514,263	—	—	1,444,223
—	—	940,896	682,395	1,623,291
869,501	514,263	940,896	682,395	3,067,514
869,501	514,263	940,896	682,395	3,067,514

VILLAGE OF MOKENA, ILLINOIS

Nonmajor Governmental - Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Municipal Audit	School Crossing Guard
Revenues		
Taxes	$ 11,102	15,852
Intergovernmental	—	—
Interest Income	923	2,705
Miscellaneous	—	—
Total Revenues	12,025	18,557
Expenditures		
General Government	10,001	—
Public Safety	—	29,096
Economic Development	—	—
Employee Retirement	—	—
Total Expenditures	10,001	29,096
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,024	(10,539)
Other Financing (Uses)		
Transfers Out	—	—
Net Change in Fund Balances	2,024	(10,539)
Fund Balances - Beginning	17,752	51,222
Fund Balances - Ending	19,776	40,683

IMRF/ FICA	Special Tax Allocation	Performance Bond	Tourism	Totals
938,310	92,825	—	208,470	1,266,559
42,659	—	—	—	42,659
42,571	27,390	57,187	34,766	165,542
—	—	70,970	2,475	73,445
1,023,540	120,215	128,157	245,711	1,548,205
—	—	119,600	—	129,601
—	—	—	—	29,096
—	16,276	—	88,784	105,060
884,023	—	—	—	884,023
884,023	16,276	119,600	88,784	1,147,780
139,517	103,939	8,557	156,927	400,425
—	—	(57,187)	—	(57,187)
139,517	103,939	(48,630)	156,927	343,238
729,984	410,324	989,526	525,468	2,724,276
869,501	514,263	940,896	682,395	3,067,514

VILLAGE OF MOKENA, ILLINOIS

Municipal Audit - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	$ 10,500	10,500	11,102
Interest Income	250	250	923
Total Revenues	10,750	10,750	12,025
Expenditures			
General Government	11,394	11,394	10,001
Net Change in Fund Balance	(644)	(644)	2,024
Fund Balance - Beginning			17,752
Fund Balance - Ending			19,776

VILLAGE OF MOKENA, ILLINOIS

School Crossing Guard - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	$ 15,000	15,000	15,852
Interest Income	800	800	2,705
Total Revenues	15,800	15,800	18,557
Expenditures			
Public Safety	31,332	31,332	29,096
Net Change in Fund Balance	(15,532)	(15,532)	(10,539)
Fund Balance - Beginning			51,222
Fund Balance - Ending			40,683

VILLAGE OF MOKENA, ILLINOIS

IMRF/FICA - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	$ 905,795	905,795	938,310
Intergovernmental			
Replacement Tax	35,000	35,000	42,659
Interest Income	10,000	10,000	42,571
Total Revenues	950,795	950,795	1,023,540
Expenditures			
Employee Retirement	966,973	966,973	884,023
Net Change in Fund Balance	(16,178)	(16,178)	139,517
Fund Balance - Beginning			729,984
Fund Balance - Ending			869,501

VILLAGE OF MOKENA, ILLINOIS

Special Tax Allocation - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	$ 75,248	75,248	92,825
Interest Income	4,700	4,700	27,390
Total Revenues	79,948	79,948	120,215
Expenditures			
Economic Development	29,327	29,327	16,276
Net Change in Fund Balance	50,621	50,621	103,939
Fund Balance - Beginning			410,324
Fund Balance - Ending			514,263

VILLAGE OF MOKENA, ILLINOIS

Performance Bond - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Interest Income	$ 13,000	13,000	57,187
Miscellaneous	75,000	75,000	70,970
Total Revenues	88,000	88,000	128,157
Expenditures			
General Government	600,000	600,000	119,600
Excess (Deficiency) of Revenues Over (Under) Expenditures	(512,000)	(512,000)	8,557
Other Financing (Uses)			
Transfers Out	(13,000)	(13,000)	(57,187)
Net Change in Fund Balance	(525,000)	(525,000)	(48,630)
Fund Balance - Beginning			989,526
Fund Balance - Ending			940,896

VILLAGE OF MOKENA, ILLINOIS

Tourism - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis

For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Hotel and Motel Tax	$ 210,000	210,000	208,470
Interest Income	5,000	5,000	34,766
Miscellaneous	—	—	2,475
Total Revenues	215,000	215,000	245,711
Expenditures			
Economic Development	140,515	140,515	88,784
Net Change in Fund Balance	74,485	74,485	156,927
Fund Balance - Beginning			525,468
Fund Balance - Ending			682,395

VILLAGE OF MOKENA, ILLINOIS

Water and Sewerage - Enterprise Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	$ 8,216,892	8,216,892	8,424,356
Water Meter Installation	19,330	19,330	21,586
Inspection Fees	5,310	5,310	12,036
Other	98,520	98,520	148,710
Total Operating Revenues	8,340,052	8,340,052	8,606,688
Operating Expenses			
Operations			
Personnel Services	2,173,205	2,173,205	2,114,972
Commodities	600,809	600,809	607,409
Contractual Services	4,636,558	4,636,558	4,289,845
Capital Outlay	2,584,595	2,888,710	584,124
Depreciation	—	—	981,489
Total Operating Expenses	9,995,167	10,299,282	8,577,839
Operating Income (Loss)	(1,655,115)	(1,959,230)	28,849
Nonoperating Revenues (Expenses)			
Interest Income	248,500	442,615	595,168
Other Income	15,754	15,754	29,379
Other Expenses	(400,000)	(400,000)	(47,801)
	(135,746)	58,369	576,746
Income (Loss) Before Transfers	(1,790,861)	(1,900,861)	605,595
Transfers Out	(957,655)	(957,655)	(957,655)
Change in Net Position	(2,748,516)	(2,858,516)	(352,060)
Net Position - Beginning			40,622,239
Net Position - Ending			40,270,179

VILLAGE OF MOKENA, ILLINOIS

Water and Sewerage - Enterprise Fund
Combining Statement of Net Position by Sub-Fund - Modified Cash Basis
June 30, 2024

	Water and Sewer	Sewer Plant Expansion	Sewer Plant Replacement	Water System Capital Improvement	Sewer System Capital Improvement	Totals
ASSETS						
Current Assets						
Cash and Investments	$ 3,439,530	1,073,834	1,277,603	2,071,930	1,867,531	9,730,428
Noncurrent Assets						
Capital Assets						
Nondepreciable	1,409,606	—	—	—	—	1,409,606
Depreciable	32,424,637	12,767,587	399,300	1,969,985	2,042,171	49,603,680
Accumulated Depreciation	(19,087,251)	(454,419)	(192,620)	(447,312)	(291,933)	(20,473,535)
Total Capital Assets	14,746,992	12,313,168	206,680	1,522,673	1,750,238	30,539,751
Total Assets	18,186,522	13,387,002	1,484,283	3,594,603	3,617,769	40,270,179
LIABILITIES						
None	—	—	—	—	—	—
NET POSITION						
Investment in Capital Assets	14,746,992	12,313,168	206,680	1,522,673	1,750,238	30,539,751
Unrestricted	3,439,530	1,073,834	1,277,603	2,071,930	1,867,531	9,730,428
Total Net Position	18,186,522	13,387,002	1,484,283	3,594,603	3,617,769	40,270,179

VILLAGE OF MOKENA, ILLINOIS

Water and Sewerage - Enterprise Fund

Combining Statement of Revenues, Expenses, and Changes in Net Position by Sub-Fund - Modified Cash Basis

For the Fiscal Year Ended June 30, 2024

	Water and Sewer	Sewer Plant Expansion	Sewer Plant Replacement	Water System Capital Improvement	Sewer System Capital Improvement	Totals
Operating Revenues						
Charges for Services	$ 7,990,532	—	—	325,368	108,456	8,424,356
Water Meter Installation	21,586	—	—	—	—	21,586
Inspection Fees	12,036	—	—	—	—	12,036
Other	100,909	—	47,801	—	—	148,710
Total Operating Revenues	8,125,063	—	47,801	325,368	108,456	8,606,688
Operating Expenses						
Operations						
Personnel Services	2,114,972	—	—	—	—	2,114,972
Commodities	607,409	—	—	—	—	607,409
Contractual Services	4,250,195	39,650	—	—	—	4,289,845
Capital Outlay	15,632	—	69,107	434,522	64,863	584,124
Depreciation	632,063	155,525	26,873	87,822	79,206	981,489
Total Operating Expenses	7,620,271	195,175	95,980	522,344	144,069	8,577,839
Operating Income (Loss)	504,792	(195,175)	(48,179)	(196,976)	(35,613)	28,849
Nonoperating Revenues (Expenses)						
Interest Income	208,846	83,143	71,227	123,240	108,712	595,168
Other Income	29,379	—	—	—	—	29,379
Other Expenses	—	—	(47,801)	—	—	(47,801)
	238,225	83,143	23,426	123,240	108,712	576,746
Income (Loss) Before Transfers	743,017	(112,032)	(24,753)	(73,736)	73,099	605,595
Transfers Out	(807,655)	—	—	(150,000)	—	(957,655)
Change in Net Position	(64,638)	(112,032)	(24,753)	(223,736)	73,099	(352,060)
Net Position - Beginning	18,251,160	13,499,034	1,509,036	3,818,339	3,544,670	40,622,239
Net Position - Ending	18,186,522	13,387,002	1,484,283	3,594,603	3,617,769	40,270,179

VILLAGE OF MOKENA, ILLINOIS

Water and Sewer - Water and Sewerage Sub-Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	$ 7,756,645	7,756,645	7,990,532
Water Meter Installation	19,330	19,330	21,586
Inspection Fees	5,310	5,310	12,036
Other	98,520	98,520	100,909
Total Operating Revenues	7,879,805	7,879,805	8,125,063
Operating Expenses			
Operations			
Personnel Services	2,173,205	2,173,205	2,114,972
Commodities	600,809	600,809	607,409
Contractual Services	4,625,908	4,625,908	4,250,195
Capital Outlay	272,212	272,212	15,632
Depreciation	—	—	632,063
Total Operating Expenses	7,672,134	7,672,134	7,620,271
Operating Income	207,671	207,671	504,792
Nonoperating Revenues (Expenses)			
Interest Income	77,000	77,000	208,846
Other Income	15,754	15,754	29,379
Other Expenses	(200,000)	(200,000)	—
	(107,246)	(107,246)	238,225
Income Before Transfers	100,425	100,425	743,017
Transfers Out	(807,655)	(807,655)	(807,655)
Change in Net Position	(707,230)	(707,230)	(64,638)
Net Position - Beginning			18,251,160
Net Position - Ending			18,186,522

VILLAGE OF MOKENA, ILLINOIS

Sewer Plant Expansion - Water and Sewerage Sub-Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	$ —	—	—
Operating Expenses			
Operations			
Contractual Services	—	—	39,650
Capital Outlay	1,346,083	1,346,083	—
Depreciation	—	—	155,525
Total Operating Expenses	1,346,083	1,346,083	195,175
Operating (Loss)	(1,346,083)	(1,346,083)	(195,175)
Nonoperating Revenues (Expenses)			
Interest Income	67,000	67,000	83,143
Other Expenses	(50,000)	(50,000)	—
	17,000	17,000	83,143
Change in Net Position	(1,329,083)	(1,329,083)	(112,032)
Net Position - Beginning			13,499,034
Net Position - Ending			13,387,002

VILLAGE OF MOKENA, ILLINOIS

Sewer Plant Replacement - Water and Sewerage Sub-Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Other	$ —	—	47,801
Operating Expenses			
Operations			
Capital Outlay	230,500	230,500	69,107
Depreciation	—	—	26,873
Total Operating Expenses	230,500	230,500	95,980
Operating (Loss)	(230,500)	(230,500)	(48,179)
Nonoperating Revenues (Expenses)			
Interest Income	45,000	45,000	71,227
Other Expenses	(50,000)	(50,000)	(47,801)
	(5,000)	(5,000)	23,426
Change in Net Position	(235,500)	(235,500)	(24,753)
Net Position - Beginning			1,509,036
Net Position - Ending			1,484,283

VILLAGE OF MOKENA, ILLINOIS

Water System Capital Improvement - Water and Sewerage Sub-Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	$ 345,185	345,185	325,368
Operating Expenses			
Operations			
Contractual Services	350	350	—
Capital Outlay	203,500	507,615	434,522
Depreciation	—	—	87,822
Total Operating Expenses	203,850	507,965	522,344
Operating Income (Loss)	141,335	(162,780)	(196,976)
Nonoperating Revenues			
Interest Income	37,000	231,115	123,240
Income (Loss) Before Transfers	178,335	68,335	(73,736)
Transfers Out	(150,000)	(150,000)	(150,000)
Change in Net Position	28,335	(81,665)	(223,736)
Net Position - Beginning			3,818,339
Net Position - Ending			3,594,603

VILLAGE OF MOKENA, ILLINOIS

Sewer System Capital Improvement - Water and Sewerage Sub-Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	$ 115,062	115,062	108,456
Operating Expenses			
Operations			
Contractual Services	10,300	10,300	—
Capital Outlay	532,300	532,300	64,863
Depreciation	—	—	79,206
Total Operating Expenses	542,600	542,600	144,069
Operating (Loss)	(427,538)	(427,538)	(35,613)
Nonoperating Revenues (Expenses)			
Interest Income	22,500	22,500	108,712
Other Expenses	(100,000)	(100,000)	—
	(77,500)	(77,500)	108,712
Change in Net Position	(505,038)	(505,038)	73,099
Net Position - Beginning			3,544,670
Net Position - Ending			3,617,769

VILLAGE OF MOKENA, ILLINOIS

Refuse - Enterprise Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	$ 1,753,051	1,753,051	1,773,971
Operating Expenses			
Operations			
Contractual Services	1,712,464	1,732,250	1,713,760
Depreciation	—	—	95
Total Operating Expenses	1,712,464	1,732,250	1,713,855
Operating Income	40,587	20,801	60,116
Nonoperating Revenues			
Interest Income	4,200	23,986	15,614
Other Income	4,640	4,640	5,114
	8,840	28,626	20,728
Income Before Before Transfers	49,427	49,427	80,844
Transfers Out	(44,989)	(44,989)	(44,989)
Change in Net Position	4,438	4,438	35,855
Net Position - Beginning			236,333
Net Position - Ending			272,188

VILLAGE OF MOKENA, ILLINOIS

Municipal Parking Lot - Enterprise Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	$ 141,340	141,340	237,850
Operating Expenses			
Operations			
Personnel Services	80,677	80,677	76,551
Commodities	6,009	6,009	1,415
Contractual Services	65,876	65,876	35,820
Depreciation	—	—	14,793
Total Operating Expenses	152,562	152,562	128,579
Operating Income (Loss)	(11,222)	(11,222)	109,271
Nonoperating Revenues			
Interest Income	3,000	3,000	18,523
Other Income	1,000	1,000	1,000
	4,000	4,000	19,523
Change in Net Position	(7,222)	(7,222)	128,794
Net Position - Beginning			837,360
Net Position - Ending			966,154

VILLAGE OF MOKENA, ILLINOIS

Police Pension - Pension Trust Fund
Schedule of Changes in the Fiduciary Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual
Additions			
Contributions - Employer	$ 1,052,248	1,052,248	1,083,585
Contributions - Plan Members	338,248	338,248	328,645
Total Contributions	1,390,496	1,390,496	1,412,230
Investment Income			
Interest Earned	450,000	450,000	1,016,814
Net Change in Fair Value	1,187,000	1,187,000	2,286,846
	1,637,000	1,637,000	3,303,660
Less Investment Expenses	(97,300)	(97,300)	(86,891)
Net Investment Income	1,539,700	1,539,700	3,216,769
Total Additions	2,930,196	2,930,196	4,628,999
Deductions			
Administration	111,755	111,755	37,547
Benefits and Refunds	1,116,054	1,116,054	1,175,455
Total Deductions	1,227,809	1,227,809	1,213,002
Change in Fiduciary Net Position	1,702,387	1,702,387	3,415,997
Net Position Restricted for Pensions			
Beginning			27,818,580
Ending			31,234,577

SUPPLEMENTAL SCHEDULES

VILLAGE OF MOKENA, ILLINOIS

Long-Term Debt Requirements
General Obligation Refunding Bonds of 2012
June 30, 2024

Date of Issue	May 17, 2012
Date of Maturity	December 15, 2024
Authorized Issue	$6,890,000
Interest Rates	1.00% - 2.75%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Bank of New York

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	$ 655,000	9,006	664,006

VILLAGE OF MOKENA, ILLINOIS

Long-Term Debt Requirements
General Obligation Promissory Notes of 2022
June 30, 2024

Date of Issue	August 3, 2022
Date of Maturity	July 30, 2030
Authorized Issue	$4,750,000
Interest Rates	2.71% - 3.33%
Interest Dates	July 30 and January 30
Principal Maturity Date	July 30
Payable at	Bank of New York

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2025	$ 550,000	123,307	673,307
2026	565,000	107,164	672,164
2027	580,000	90,071	670,071
2028	600,000	71,984	671,984
2029	620,000	52,795	672,795
2030	640,000	32,442	672,442
2031	660,000	10,989	670,989
	4,215,000	488,752	4,703,752

VILLAGE OF MOKENA, ILLINOIS

Schedule of Assessed Valuations, Tax Rates, Extensions, and Collections - Last Ten Tax Levy Years
June 30, 2024

See Following Page

VILLAGE OF MOKENA, ILLINOIS

Schedule of Assessed Valuations, Tax Rates, Extensions, and Collections - Last Ten Tax Levy Years
June 30, 2024

Tax Levy Year		2014	2015	2016
Assessed Valuation	$	707,265,949	714,080,367	751,253,179
Tax Rates				
Corporate		0.0587	0.0542	0.0521
Police Pension		0.1047	0.1053	0.1012
Municipal Audit		0.0008	0.0009	0.0008
Police Protection		0.0006	0.0006	0.0005
School Crossing Guard		0.0039	0.0039	0.0040
Illinois Municipal Retirement		0.0389	0.0400	0.0406
Medicare		0.0099	0.0106	0.0107
Social Security		0.0422	0.0442	0.0433
		0.2597	0.2597	0.2532
Road and Bridge (1)		0.1041	0.1009	0.0972
Total Tax Rates		0.3638	0.3606	0.3504
Tax Extensions				
Corporate	$	415,165	387,032	391,403
Police Pension		740,507	751,927	760,268
Municipal Audit		5,658	6,427	6,010
Police Protection		4,244	4,284	3,756
School Crossing Guard		27,583	27,849	30,050
Illinois Municipal Retirement		275,126	285,632	305,009
Medicare		70,019	75,693	80,384
Social Security		298,466	315,624	325,293
		1,836,768	1,854,468	1,902,173
Road and Bridge (1)		736,264	720,175	730,012
Total Tax Extensions		2,573,032	2,574,643	2,632,185
Tax Collections		2,569,816	2,571,637	2,627,936
Percentage Collected		99.88%	99.88%	99.84%

(1) Levied through Frankfort and New Lenox

2017	2018	2019	2020	2021	2022	2023
778,461,163	806,636,322	827,815,720	851,734,866	890,596,891	948,846,448	1,002,352,644
0.0550	0.0579	0.0519	0.0384	0.0076	0.0152	0.0188
0.0977	0.0945	0.0985	0.1051	0.1256	0.1125	0.1035
0.0008	0.0008	0.0007	0.0008	0.0017	0.0011	0.0011
0.0005	0.0005	0.0005	0.0005	0.0005	0.0004	0.0004
0.0039	0.0038	0.0037	0.0032	0.0012	0.0011	0.0020
0.0390	0.0360	0.0346	0.0373	0.0405	0.0379	0.0366
0.0103	0.0099	0.0100	0.0102	0.0107	0.0106	0.0104
0.0424	0.0423	0.0428	0.0433	0.0457	0.0451	0.0454
0.2496	0.2457	0.2427	0.2388	0.2335	0.2239	0.2182
0.0925	0.0892	0.0887	0.0808	0.0800	0.0802	0.0776
0.3421	0.3349	0.3314	0.3196	0.3135	0.3041	0.2958
428,154	467,043	429,636	327,066	67,686	144,225	188,442
760,557	762,271	815,398	895,173	1,118,590	1,067,452	1,037,435
6,228	6,453	5,795	6,814	15,140	10,437	11,026
3,892	4,033	4,139	4,259	4,453	3,795	4,009
30,360	30,652	30,629	27,256	10,687	10,437	20,047
303,600	290,389	286,424	317,697	360,691	359,613	366,861
80,181	79,857	82,782	86,877	95,294	100,578	104,245
330,068	341,207	354,305	368,801	407,003	427,930	455,068
1,943,040	1,981,905	2,009,108	2,033,943	2,079,544	2,124,467	2,187,133
720,343	719,397	734,168	688,570	712,090	760,818	777,975
2,663,383	2,701,302	2,743,276	2,722,513	2,791,634	2,885,285	2,965,108
2,675,759	2,688,230	2,742,403	2,722,251	2,781,836	2,451,657	1,143,697
100.46%	99.52%	99.97%	99.99%	99.65%	84.97%	38.57%

VILLAGE OF MOKENA, ILLINOIS

Schedule of Information Relating to Waterworks and Sewerage Accounts - Last Ten Fiscal Years
June 30, 2024 (Unaudited)

	2015	2016	2017
Customer Data			
Number of Customers Served by Combined Waterworks and Sewerage System	6,956	7,040	7,143
Number of Metered Customers			
Water Service Only	130	130	102
Water and Sewer Services	6,645	6,729	6,816
Number of Unmetered Customers			
Sewer Service Only	102	102	102
Refuse Service Only	79	79	79
Gallons of Water Pumped	590,727,000	593,283,000	630,055,000
Gallons of Water Billed	546,379,000	548,742,000	591,896,000

Source: Village Records

2018	2019	2020	2021	2022	2023	2024
7,202	7,274	7,291	7,351	7,380	7,400	7,404
105	108	110	111	114	113	103
6,914	6,983	6,998	7,055	7,062	7,101	7,117
103	103	103	103	103	103	103
79	80	80	82	82	83	81
660,289,000	654,601,000	586,230,000	660,892,000	651,032,000	704,369,000	615,329,000
613,084,000	575,287,000	548,397,000	617,370,000	618,191,000	586,061,000	601,720,000