VILLAGE OF PALOS PARK, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

VILLAGE OF
PALOS PARK

FOR THE FISCAL YEAR ENDED
APRIL 30, 2025

8999 West 123rd Street
Palos Park, IL 60464
Phone: 708.671.3715
www.palospark.org

VILLAGE OF PALOS PARK, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED APRIL 30, 2025

Prepared by:
Finance Department

VILLAGE OF PALOS PARK, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Palos Park, including:

- List of Principal Officials
- Organizational Chart
- Letter of Transmittal
- GFOA Certificate of Achievement for Excellence in Financial Reporting

Village of Palos Park
Principal Officials
April 30, 2025

NICOLE MILOVICH-WALTERS
Mayor

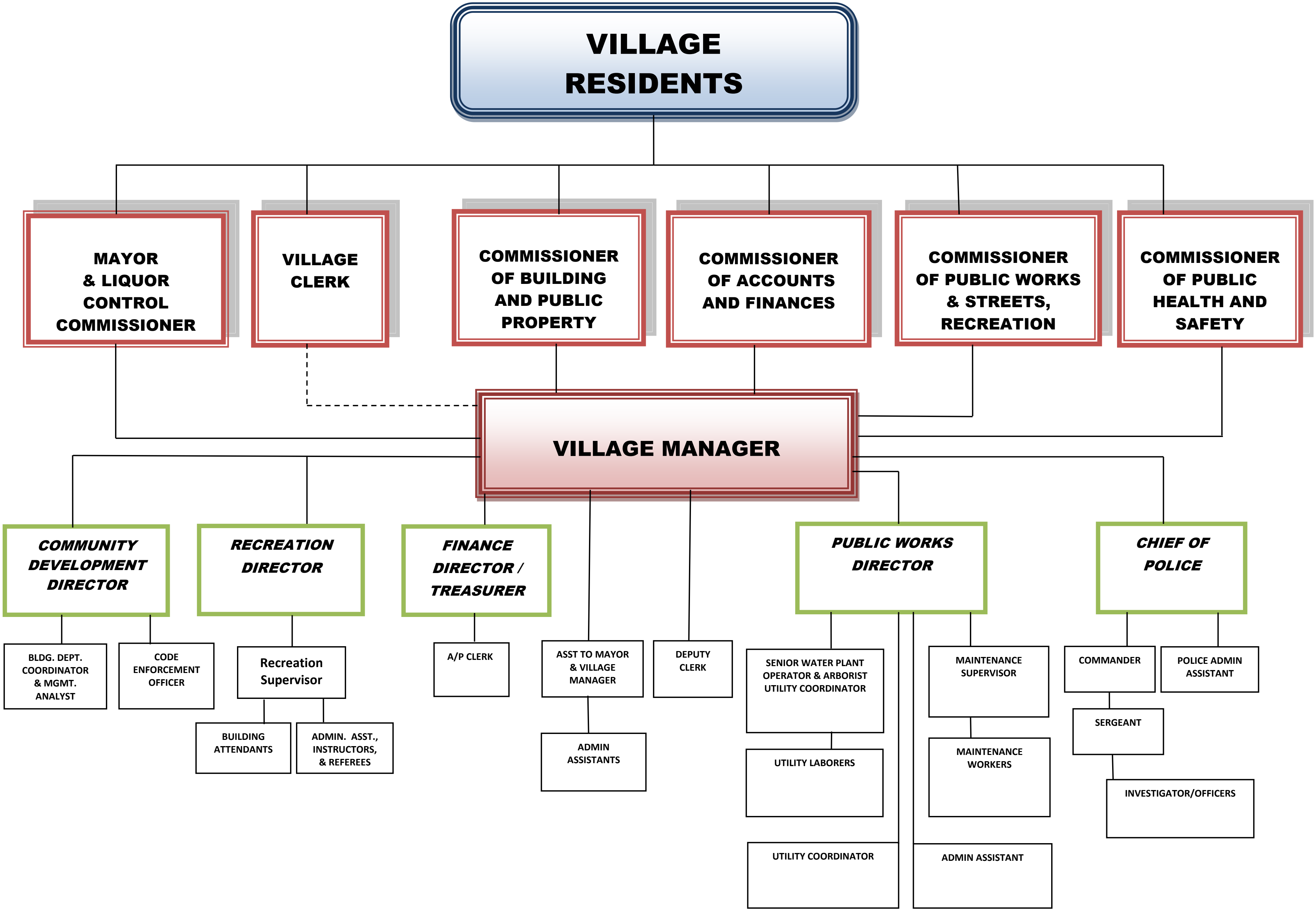
MARIE ARRIGONI
Village Clerk

BOARD OF COMMISSIONERS
G. Darryl Reed - *Commissioner of Accounts and Finance*
Rebecca Petan - *Commissioner of Public Works and Streets, and Recreation*
Daniel Polk - *Commissioner of Public Health and Safety*
Mike Wade - *Commissioner of Building and Public Property*

ADMINISTRATION
Richard B. Boehm - *Village Manager*

DEPARTMENT DIRECTORS
Alison Brothen - *Finance Director/Treasurer*
Joseph Miller - *Chief of Police*
Michael Sibrava - *Public Works Director*
Mark Herman - *Community Development Director*
Stephen DeFalco - *Recreation Director*

VILLAGE OF PALOS PARK ORGANIZATIONAL CHART



VILLAGE OF
PALOS PARK

NICOLE MILOVICH-WALTERS
Mayor

MARIE ARRIGONI
Village Clerk

G. DARRYL REED
Accounts & Finances

DAN POLK
Public Health & Safety

MIKE WADE
Building & Public Property

REBECCA PETAN
Public Works & Streets, Recreation

RICHARD B. BOEHM
Village Manager

November 14, 2025

To the Honorable Nicole Milovich-Walters, Village Commissioners, and Residents of the Village of Palos Park, Illinois:

The Annual Comprehensive Financial Report of the Village of Palos Park, Illinois (the Village) for the year ended April 30, 2025 is hereby submitted as mandated by both local ordinance and state statue. Illinois state statute requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accounts. This Annual Comprehensive Financial Report complies with these requirements. The accounting firm of Lauterbach & Amen, LLP, an independent firm of licensed Certified Public Accountants, was contracted as auditors. The objective of the independent audit is to provide reasonable assurance that the financial statements of the Village for the fiscal year ended April 30, 2025, are free of material misstatement. They have concluded that these financial statements present fairly, in all material respects, the respective financial position of the Village as of April 30, 2025, in accordance with GAAP. Their Independent Auditor's Report is included in the financial section of this Annual Comprehensive Financial Report.

Village management is responsible for the accuracy of financial data as well as the completeness and fairness of their presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is accurate, complete, and reliable in all material respects. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities have been included.

Responsibility for establishing and maintaining internal controls designed to safeguard Village assets from loss, theft, or misuse; as well as, ensuring that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles rests with Village management. The cost of implementing internal controls should not outweigh their benefits. Accordingly, internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

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This Annual Comprehensive Financial Report presents a narrative introduction, management's discussion and analysis (MD&A), basic financial statements, and required supplementary information. The MD&A provides an analytical overview and analysis of the Village's financial activity and should be read in conjunction with this letter. The basic financial statement section includes government-wide financial statements, fund financial statements and notes to the financial statements. The required supplementary information presents budgetary comparison schedules as well as other financial information.

PROFILE OF THE VILLAGE OF PALOS PARK

The Village of Palos Park was incorporated on October 31, 1914. Unlike many other well-to-do Chicago suburbs, Palos Park did not grow out of reclaimed farm fields. Residences sit amongst rolling hills of a moraine dug by ice age glaciers. An abundance of mature trees, long distances between houses, and frequent large street setbacks often make it difficult, if not impossible, to see homes from the street. Ditches typically take the place of sidewalks and storm sewers in the Village, helping to replenish aquifers while also further contributing to its distinctive character. Palos Park began as a destination for many seeking respite from the commotion of everyday life in the City of Chicago. Palos Park's serene environment provided the proper backdrop as a summer house or getaway destination for artists, nature enthusiasts, hikers, university professors, and even sharpshooters.

Rolling hills, natural features and wooded landscape continue to be a major draw for residents and visitors to Palos Park. The Village is located within the greater Chicago Metropolitan area, which represents a vast region of approximately 7,195 square miles and includes over 9.51 million people according to a 2022 Census Bureau estimate. The Village of Palos Park, nestled among Cook County's largest single Forest Preserve (the Palos section), sits less than 15 miles southwest of the city limits of the City of Chicago. The Village covers an area of 3.6 square miles and has an official population, according to the 2020 census, of 4,899. Despite being a small town, it offers many amenities common to much larger communities. Outstanding schools, retail and restaurant opportunities, and numerous recreation opportunities are available to residents and visitors. The Village also has quick access to O'Hare International Airport, one of the busiest airports in the world, as well as Midway International Airport.

Palos Park is a great place to work, live, and raise a family. The Village is dedicated to improving the delivery of its services; thereby, enhancing the quality of life for its residents and also the operating environment for its businesses. The Village is proud to offer a broad range of services including police protection, construction and maintenance of streets and infrastructure, planning and zoning, building permit and inspection services, code enforcement, recreational and social events, access to METRA rail service, storm water management, water and sewer services and other general government services.

Public education is provided through local elementary and high school districts. Additionally, an abundance of community and four-year colleges and universities throughout the Chicago metropolitan area offer opportunities for higher learning. Library services are provided by the Palos Park Public Library, which is guided by a separate governing board. For fire protection services, residents are serviced by the Palos Fire Protection District or the Lemont Fire Protection District. Each of these districts are separate legal standing entities and not fiscally dependent on the Village; hence they are excluded from being reported in this Annual Comprehensive Financial Report.

The Village is governed by the Commission form of government consisting of a Mayor and four Commissioners elected at large for four-year concurrent terms. Elected Commissioners are the legal department heads in the areas of Public Affairs (Mayor, by statute), Accounts and Finances, Public Health and Safety, Public Property and Building, and Streets and Public Improvements. The Village Clerk is also elected at large. The Village Council appoints, among others, the Village Manager, Village Attorney, and the Village Treasurer.

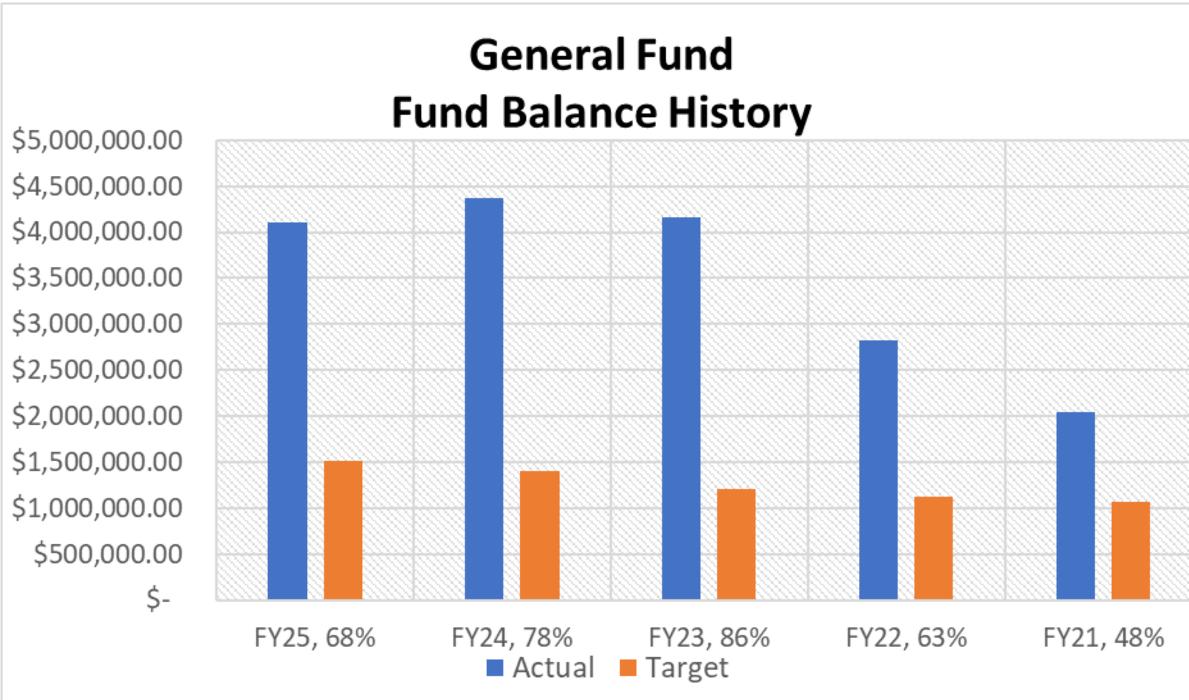
OVERVIEW OF THE LOCAL ECONOMY AND FINANCES

The Mayor, Commissioners, and the Village staff are intent on maintaining the Village's strong financial condition, while continuing to provide the highest level of public services to its residents, business owners and visitors. The Village's financial position, as reflected in the financial statements presented in this report, is perhaps best understood when considered from the broader perspective of the environment within which the Village operates.

The Village benefits from being a part of the greater Chicago Metropolitan Area and its proximity to the City of Chicago. Significant vehicle traffic occurs daily throughout the Village on major networks of roads that connect to the City of Chicago or to other large suburban municipalities. As previously stated, the Village is in proximity to two major international airports. Residents and visitors to Palos Park enjoy an abundance of recreational opportunities such as walking, hiking, and biking in addition to large greenspaces that include fishing ponds.

Despite primarily being a residential community, the Village does offer an attractive mix of retail, restaurant and commercial space. The northeast corner of 131st Street and LaGrange Road supports many individual businesses, while the northwest corner is home to the Shoppes of Mill Creek, Mill Creek Center, and gas stations. Several retail stores and office buildings are located in the area around Southwest Highway and Route 83. A major restaurant and commercial business are located at the intersection of 123rd Street and LaGrange Road.

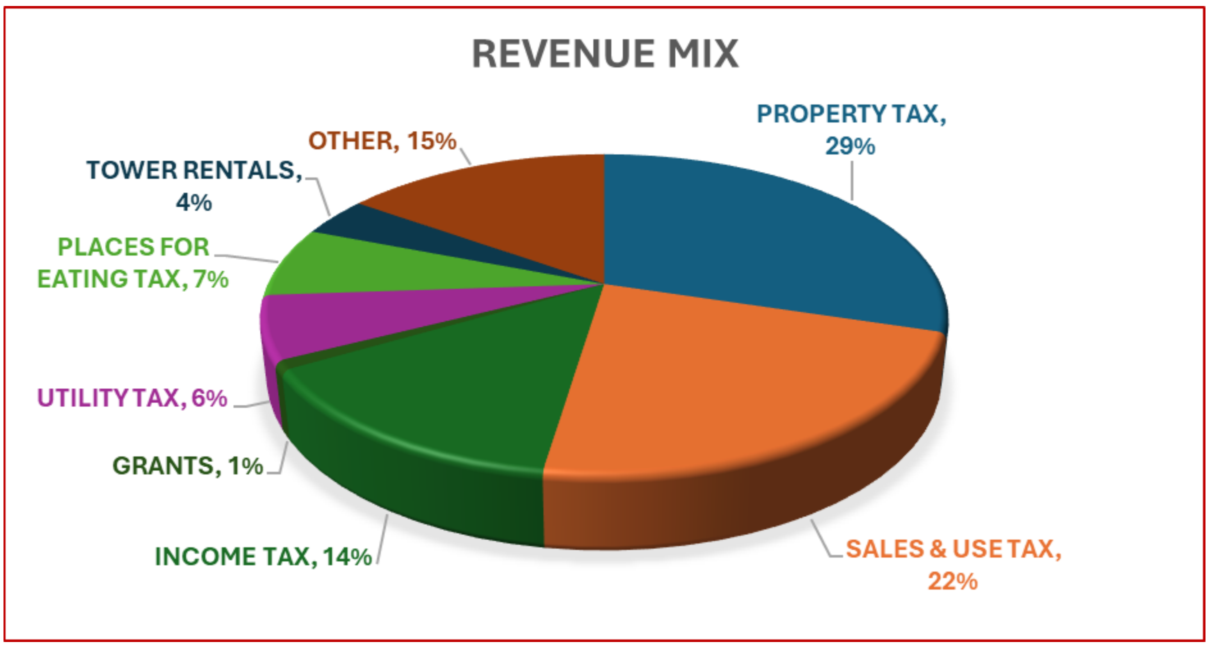
Immediately adjacent to the Village, in neighboring communities, are two large employers. The Palos Community Hospital (in Palos Heights) sits at the corner of 123rd Street and 80th Avenue and the Carl Sandburg High School (in Orland Park) lies across from the Shoppes of Mill Creek at 131st Street and LaGrange Road. These neighboring employers are fixtures in the greater Palos community and provide a positive impact on the community and economy of the Village.



The strength of the Village lies with its residents and business community. These factors contribute to making Palos Park a unique and special place to live and work. This strength is manifested into the strong financial health of the village. The chart above depicts the five-year historical fund balance of the General Fund. In each of the last five years, the Village's General Fund fund balance has exceeded the Village's minimum 25% of budgeted expenditures policy for fund balance. General revenues (excluding Other Financing Sources) increased to a total of approximately $6.25 million in Fiscal year 2025, compared to $5.85 million in Fiscal Year 2024. This is an increase of $400,000, or 7% from Fiscal Year 2024. Continued growth in state-wide income tax collections and in sales tax collections account for the increase in revenues in Fiscal Year 2025.

Property values are an important point of interest for residents of the Village. The Village has seen tremendous growth in residential property values over the last five years. Since tax levy year 2020 (collected over Fiscal Year 2021 & 2022), Village property values (EAV) have increased 19%. The average new residential home construction value in Fiscal Year 2025 was $1,259,333, with 3 new housing permits issued during the fiscal year.

The Village's strong and diverse revenue mix provides operating flexibility to weather outside influences. As depicted in the chart below, the Village is not significantly reliant on any one revenue source. The Village's largest revenue source, property tax receipts, represents approximately 29% of total revenues, and is generally considered to be the most stable revenue source for Illinois units of government.



LONG-TERM FINANCIAL PLANNING AND RELEVANT FINANCE POLICIES

The Village uses a number of processes and planning documents to accomplish its financial planning. The annual budget is the primary guiding document for the Village's financial planning and control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Village's governing body. Activities of the General Fund, Special Revenue Funds, Capital Projects Funds, Enterprise Funds, and Police Pension Fund are included in the annual budget. The level of budgetary control is established at the individual fund level.

Several tools are utilized for long-term financial planning, including five-year financial projections, and a five-year capital improvement plan for equipment and infrastructure. This information is critical to evaluating trends, assessing the benefits of certain services or initiatives, implementation of future capital improvements, developing new projects, and creating an overall financial plan for the Village. These tools have provided Village Council confidence in implementing a robust capital plan for the upcoming Fiscal Year 2026. The Village's approved budget anticipates spending nearly $3.2 million on capital-related projects. The Village remains committed to pursuing grant funding to assist with capital expenditures. Notable projects include a pump station upgrade at a cost of approximately $500,000, Romiga lift station upgrade at a cost of approximately $125,000, water main lowering on 123rd St. at a cost of approximately $625,000, and street resurfacing projects totaling nearly $1.06 million.

The Village Council has in place several key written financial policies including a fund balance policy, capitalization policy, purchasing policy and a finance and facilities plan. The General Fund policy for fund balance is to maintain fund balance equal to a minimum of 25% or three months of budgeted expenditures. The General Fund met (exceeded) this policy by more than 200% in Fiscal Year 2025 and is expected to meet this objective again in Fiscal Year 2026.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Palos Park for its annual comprehensive financial report for the fiscal year ended April 30, 2024. This was the 26th consecutive year that the Village has received this prestigious award. In order to be awarded, the Village published an easily readable and efficiently organized Annual Comprehensive Financial Report, like the one you are currently reading.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and this report will be submitted to the GFOA to determine its eligibility for another certificate.

The preparation of this Annual Comprehensive Financial Report was made possible by the dedicated service of the entire finance department and Village staff. Our sincere appreciation is extended to each one of them for their daily contributions made throughout the year and which culminate in this report. Their conscious efforts to comply with the control structure and environment, as well as responding to the needs and requests of the finance department are sincerely acknowledged and recognized. In closing, without the leadership and support of the Mayor and Commissioners, preparation of this report would not have been possible.

Respectfully Submitted,

VILLAGE OF PALOS PARK

Alison Brothen	RBBoehm
Alison Brothen	**Richard Boehm**
Finance Director and Treasurer	*Village Manager*

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Palos Park
Illinois

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

This section includes:

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information
- Supplemental Schedules

INDEPENDENT AUDITOR'S REPORT

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

Lauterbach & Amen

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Naperville, IL 60563
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INDEPENDENT AUDITOR'S REPORT

November 14, 2025

The Honorable Village Mayor
Members of the Board of Trustees
Village of Palos Park, Illinois

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Palos Park, Illinois, as of April 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Palos Park, Illinois' basic financial statements. The 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, the 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 and statistical sections 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

The Village of Palos Park's Management Discussion and Analysis (MD&A) is designed to assist the reader in focusing on significant financial issues and provides an overview of the Village's financial activity. In addition, it also helps to identify the following: *1)* changes in the financial position; *2)* material deviations from the financial plan; and *3)* individual fund issues or concerns. This section of the Village of Palos Park's Annual Comprehensive Financial Report presents our discussion and analysis of the Village's financial activities during the fiscal year ending April 30, 2025. The MD&A is designed to focus on the current year's activities; and should be read in conjunction with the Transmittal Letter at the front of this report, as well as the Village's financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- ***Net position and performance in total*** – The Village's total net position at fiscal year-end was $19,108,484, a decrease of $1,146,060 during the year. Total unrestricted net position decreased $105,695 to $4,388,331.
- ***Governmental activity summary*** – Net position for governmental activities decreased by $783,772 during the year to $3,873,497. Unrestricted net position decreased $438,085 to $140,635.
- ***Business-type activity summary*** – Net position for business-type activities decreased by $362,288 during the year to $15,234,987. Unrestricted net position increased $332,390 to $4,247,696.
- ***General Fund summary*** – The Village's General Fund reported a decrease of $272,477 in fund balance for the year to $4,105,218.
- ***Budget vs. Actual*** – The Village's actual revenues, including transfers, for the General Fund were more than budgeted by $253,853, and actual expenditures, including transfers, were less than budgeted by $187,004.
- The Village is implementing the provisions of GASB Statement 101, *Compensated Absences*, in the financial statements of the current fiscal year

OVERVIEW OF THE FINANCIAL STATEMENTS

The Village's financial statements present two kinds of statements, each with a different view or perspective. Both views (government-wide and major fund) allow users to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government) and enhances accountability.

This discussion and analysis is intended to serve as an introduction to the Village of Palos Park's financial section of the Annual Comprehensive Financial Report. The financial section includes four components: *1)* management's discussion and analysis; *2)* the basic financial statements; *3)* required supplementary information; and, *4)* additional supplementary information. The basic financial statements include two kinds of statements that present different views of the Village's finances: government-wide financial statements and fund financial statements. The basic financial statements also include notes to the financial statements.

Government-wide financial statements provide both short and long-term information about the Village's overall financial status. Fund financial statements focus on individual parts of the Village government, reporting Village operations in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by the required supplementary information section that further explains and supports the information in the financial statements. In addition to all the required financial statement elements, we have provided sections for combining statements to provide detail on non-major funds, additional supplementary information, and statistical information.

The following table summarizes the major features of the Village's financial statements.

		FUND STATEMENTS		
DESCRIPTION	**GOVERNMENT-WIDE STATEMENTS**	**GOVERNMENTAL FUNDS**	**PROPRIETARY FUNDS**	**FIDUCIARY FUNDS**
Scope	Entire Village government (except fiduciary funds) and the Village's component unit.	Activities of the Village that are not proprietary or fiduciary; such as public safety.	Activities the Village operates similar to private business; such as the water and sewer systems.	Activities in which the Village is trustee or agent of another's resources; such as pension plans.
Required financial statements	- Statement of Net Position - Statement of Activities	- Balance Sheet - Statement of Revenues, Expenditures, and Changes in Fund Balances	- Statement of Net Position - Statement of Revenues, Expenses, and Changes in Net Position - Statement of Cash Flows	- Statement of Fiduciary Net Position - Statement of Changes in Fiduciary Net Position
Accounting basis	Accrual	Modified Accrual	Accrual	Accrual
Measurement focus	Economic resources	Current financial resources	Economic resources	Economic resources
Type of asset/deferred outflow and liability/deferred inflow information	All assets and liabilities; both financial and capital, short and long-term.	Assets expected to be used and liabilities that come due during the year or shortly thereafter; no capital assets.	All assets and liabilities; both financial and capital, short and long-term.	All assets and liabilities; both short and long-term. Does not currently contain capital assets.
Type of inflow and outflow information	All revenues and expenses during the year regardless of when cash is received or paid.	Revenues for which cash is received during the year or shortly thereafter; expenditures for goods or services that have been received and payment is due during the year or shortly thereafter.	All revenues and expenses during the year regardless of when cash is received or paid.	All revenues and expenses during the year regard-less of when cash is received or paid.

GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements are designed to imitate the corporate-like sector in that all governmental and business-type activities are consolidated into columns which add to a total for the primary government. The focus of the Statement of Net Position (the Unrestricted Net Position) is designed to disclose bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities presents information showing how the government's net position changed during the 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 the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. – uncollected taxes and earned but unused vacation leave).

Both 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, building and public grounds, culture and recreation, and interest on long-term debt. The business-type activities include water, sewer maintenance, refuse and recycling and commuter parking lot.

FUND FINANCIAL STATEMENTS

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus of these fund financial statements is on major funds, rather than fund types.

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. Such information may be useful in evaluating a government's near-term financing requirements.

Proprietary funds account for services that are generally fully supported by user fees charged to customers. Proprietary funds are presented on a total economic resources basis. Proprietary fund statements, like government-wide statements, provide both short and long-term financial information.

Fiduciary funds are presented for certain activities where the Village's role is that of trustee or agent (Police Pension and Custodial Funds). While fiduciary funds represent trust responsibilities of the government, these assets are restricted in purpose, and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

While the total column on the business-type fund financial statements is the same as the business-type column on the government-wide financial statement, the governmental funds total column requires reconciliation because of the different measurement focus (current financial resources/modified accrual versus total economic resources/full accrual), which is reflected on the page following each statement. The flow of current financial resources will reflect bond proceeds, proceeds from sales of capital assets, and interfund transfers as other financing sources; as well as capital outlay expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the governmental activities column in the government-wide financial statements.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

STATEMENT OF NET POSITION

Changes in, and total overall net position may serve as a useful indicator of a government's financial position and well-being. In the case of the Village, assets/deferred outflows exceeded liabilities/deferred inflows by $19,108,484. The following table reflects the condensed Statement of Net Position as of April 30, 2025, with comparative data at April 30, 2024. For more detailed information see the Statement of Net Position.

STATEMENT OF NET POSITION
FOR FISCAL YEARS 2025 AND 2024

	Governmental Activities 2025	Governmental Activities 2024	**Business-Type Activities 2025**	Business-Type Activities 2024	**Total Primary Government 2025**	Total Primary Government 2024
Assets:						
Current and Other Assets	$ 9,659,185	$ 10,640,481	$ 5,001,422	$ 4,216,254	$ 14,660,607	$ 14,856,735
Capital Assets	4,795,647	4,551,579	13,348,096	12,356,969	18,143,743	16,908,548
Total Assets	**$ 14,454,832**	**$ 15,192,060**	**$ 18,349,518**	**$ 16,573,223**	**$ 32,804,350**	**$ 31,765,283**
Deferred Outflows of Resources	$ 2,043,526	$ 2,286,391	$ 223,943	$ 221,967	$ 2,267,469	$ 2,508,358
Liabilities:						
Current Liabilities	$ 1,200,241	$ 1,285,067	$ 660,870	$ 323,989	$ 1,861,111	$ 1,609,056
Noncurrent Liabilities	7,581,561	6,889,906	2,662,962	858,411	10,244,523	7,748,317
Total Liabilities	**$ 8,781,802**	**$ 8,174,973**	**$ 3,323,832**	**$ 1,182,400**	**$ 12,105,634**	**$ 9,357,373**
Deferred Inflows of Resources	$ 3,843,139	$ 4,507,684	$ 14,642	$ 15,515	$ 3,857,781	$ 4,523,199
Net Position:						
Net Investment in Capital Assets	$ 2,017,031	$ 1,613,034	$ 10,987,291	$ 11,681,969	$ 13,004,322	$ 13,295,003
Restricted	1,715,831	2,604,040	-	-	1,715,831	2,604,040
Unrestricted	140,635	578,720	4,247,696	3,915,306	4,388,331	4,494,026
TOTAL NET POSITION	**$ 3,873,497**	**$ 4,795,794**	**$ 15,234,987**	**$ 15,597,275**	**$ 19,108,484**	**$ 20,393,069**

CURRENT YEAR IMPACT – NET POSITION

As previously stated, overall total net position was $19,108,484 at April 30, 2025, which is a decrease of $1,146,060 or 6% from the prior year. The largest line item within net position represents Net Investment in Capital Assets (i.e. - land, equipment, vehicles, infrastructure, etc.). This line item totals $13,004,322 at April 30, 2025, a decrease of $290,681 or 2%. This line item represents approximately 68% of total net position. Systematic depreciation of existing assets and related debt service payments simply outpaced new capital purchases. The Village uses these capital assets to provide services to citizens; consequently, they are not available for future spending. 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 assets themselves cannot be used to pay off the debt.

Total unrestricted net position of $4,388,331 may be used to meet the Village's ongoing obligation to citizens and creditors. Total unrestricted net position decreased $105,695 or 2% over the prior year. This line item represents approximately 23% of total net position. The remaining $1,715,831, or 9%, of total net position, represents resources that are subject to restriction as to their use. Total restricted net position decreased $888,209 or 34% primarily related to a decrease in resources restricted for Highways and Streets.

The net position of business type activities was $15,234,987 at April 30, 2025, a decrease of $362,288 or 2% from the prior year. The recognition of depreciation expense across all business-type funds totaled $919,552. Its impact cannot be ignored on net position. Excluding the effects of depreciation expense, which is subject to numerous estimates, total net position increased $557,264. Unrestricted net position during the year increased $332,390 or 8% to $4,247,696. Business-type activities include water, sewer, solid waste (refuse and recycling), and commuter parking lot services. The Village's two largest Business Type-Enterprise Funds are the Water and Sewer Maintenance funds. The unrestricted net position of the Water Fund was $2,411,332 at April 30, 2025. The unrestricted net position of the Sewer Maintenance Fund was $1,676,476 at April 30, 2025. Strong residential water consumption and interest income results coupled with a decrease in IMRF Pension liability contributed to the increase in net positions.

NORMAL IMPACTS – NET POSITION

There are six common (basic) types of transactions that will generally affect the comparability of the Statement of Net Position summary presentation.

1. ***Net Results of Activities*** – Impacts (increases/decreases) current assets and unrestricted net position.

2. ***Borrowing for Capital*** **–** Increases current assets and long-term debt.

3. ***Spending Borrowed Proceeds on New Capital*** – Reduces current assets and increases capital assets. Also, an increase in invested in capital assets and an increase in related net debt will not change the net investment in capital assets.

4. ***Spending of Non-borrowed Current Assets on New Capital*** – (*a)* Reduces current assets and increases capital assets, and *(b)* reduces unrestricted net position and increases net investment in capital assets.

5. ***Principal Payment on Debt*** – (*a)* Reduces current assets and reduces long-term debt; and, *(b)* reduces unrestricted net position and increases net investment in capital assets.

6. ***Reduction of Capital Assets Through Depreciation*** – Reduces capital assets and net investment in capital assets.

STATEMENT OF CHANGES IN NET POSITION

The following table presents a condensed summary of Changes in Net Position for the current fiscal year; as well as the previous fiscal year.

CHANGES IN NET POSITION
FOR FISCAL YEARS 2025 AND 2024

	Governmental Activities 2025	Governmental Activities 2024	Business-Type Activities 2025	Business-Type Activities 2024	Total Primary Government 2025	Total Primary Government 2024
REVENUES						
Program Revenues:						
Charges for Services	$ 806,792	$ 668,852	$ 3,053,374	$ 3,407,564	$ 3,860,166	$ 4,076,416
Operating Grants	491,561	418,335	-	-	491,561	418,335
General Revenues:						
Property Taxes	1,770,291	1,684,524	-	-	1,770,291	1,684,524
Sales Taxes	1,687,479	1,628,001	-	-	1,687,479	1,628,001
Utility Taxes	379,563	362,794	-	-	379,563	362,794
Income Taxes	851,469	802,038	-	-	851,469	802,038
Other Taxes	447,224	406,593	-	-	447,224	406,593
Investment Income	412,082	458,854	54,756	63,512	466,838	522,366
Other / Miscellaneous	426,812	530,898	103,410	(142,533)	530,222	388,365
Total Revenues	**7,273,273**	**6,960,889**	**3,211,540**	**3,328,543**	**10,484,813**	**10,289,432**
EXPENSES						
General Government	1,350,460	762,997	-	-	1,350,460	762,997
Public Safety	2,601,724	2,514,056	-	-	2,601,724	2,514,056
Public Works	2,336,058	2,303,958	-	-	2,336,058	2,303,958
Building and Public Grounds	650,903	693,351	-	-	650,903	693,351
Culture and Recreation	531,662	406,163	-	-	531,662	406,163
Water	-	-	2,730,438	2,640,077	2,730,438	2,640,077
Sewer	-	-	898,956	826,349	898,956	826,349
Solid Waste	-	-	399,411	382,780	399,411	382,780
Commuter Lot	-	-	29,521	23,302	29,521	23,302
Interest	101,740	107,833	-	-	101,740	107,833
Total Expenses	**7,572,547**	**6,788,358**	**4,058,326**	**3,872,508**	**11,630,873**	**10,660,866**
Change in Net Position Before Transfers	(299,274)	172,531	(846,786)	(543,965)	(1,146,060)	(371,434)
Transfers	(484,498)	-	484,498	-	-	-
Change in Net Position	**(783,772)**	**172,531**	**(362,288)**	**(543,965)**	**(1,146,060)**	**(371,434)**
Net Position - Beginning as Previously Reported	4,795,794	4,623,263	15,597,275	16,141,240	20,393,069	20,764,503
Restatement - Change in Accounting Principnple	(138,525)	-	-	-	(138,525)	-
Net Position - Beginning as Restated	4,657,269	4,623,263	15,597,275	16,141,240	20,254,544	20,764,503
Ending Net Position	**$ 3,873,497**	**$ 4,795,794**	**$ 15,234,987**	**$ 15,597,275**	**$ 19,108,484**	**$ 20,393,069**

CURRENT YEAR IMPACTS – CHANGES IN NET POSITION

Governmental Activities

Total revenues (excluding transfers) for governmental activities for Fiscal Year 2025 totaled $7,273,273, an increase of $312,384 or 4% from the prior year. Sales Tax increased $59,478 or 4% over the prior year to $1,687,479. State Income Tax increased $49,431 or 6% over the prior year to $851,469. Further explanation for both States Sales Tax and State Income Tax can be found below in the Financial Analysis of the Village's Funds section.

Expenses for governmental activities (excluding transfers) totaled $7,572,547 in Fiscal Year 2025, an increase of $784,189 or 12%. There were increased expenses which impacted most programs including personnel, wages, health insurance premiums and pension expenses. General Government expenses increased $587,463, or 77% to $1,350,460. In addition to the increases listed above, there were two employees who opted to take coverage with the Villages health insurance that were not on it previously. The Administration Department employed an intern for ten months in Fiscal Year 2025 that was not in Fiscal Year 2024. The Finance Department paid out unused vacation to an outgoing employee. There was an overlap in old and new ERP systems' payments. In the last quarter of Fiscal Year 2024, the Village purchased a new ERP system. In Fiscal Year 2025, the Village was paying for maintenance for both old and new ERP systems. Public Safety expenses increased $87,668 or 3% from the prior year. Village contributions to the Palos Park Police Pension Fund increased $64,000 or 15% to $489,000 in Fiscal Year 2025. Public Works expenses increased $ 32,100 or 1% during Fiscal Year 2025. Building and Public Grounds expenses decreased $42,448 or 9%. Flooding occurred in the Village Hall due to a ruptured water line in Fiscal Year 2024 thus needing unexpected repairs. Culture and Recreation expenses increased $125,499 or 31% during Fiscal Year 2025. This increase is primarily attribute to a new recreation supervisor position that was part time in Fiscal Year 2024 and became full time salaried position in Fiscal Year 2025, increased part-time staff to manage more recreation programs during the fiscal year and the increased cost of Village held community festivals.

Business-Type Activities

Revenue from business-type activities (excluding Transfers) totaled $3,211,540 for Fiscal Year 2025, a decrease of $117,003 or 3% from the prior year. Charges for Services revenue decreased $354,190, 10% from the prior year. In Fiscal Year 2025, there was a 6% reduction in water consumption which correspondingly lowered the volume of water billed. An additional factor contributing to the decrease is that at the end of Fiscal Year 2024, the Village implemented on online payment system that allows residents to pay their water utility bills and prevent late payment penalties. Late payment penalties decreased by 48%. Interest income decreased $8,756, or 14% from the prior year. This decrease in interest income is linked to reduced revenue from the reduction in water consumption.

Expenses for business-type activities totaled $4,058,326 for Fiscal Year 2025 an increase of $185,818 or 5%. Water services operational expenses increased by $90,361 or 3%, to $2,730,438. Personnel costs increased $115,391 or 24% in Fiscal Year 2025 compared to the prior year. Changes in staffing, increase in OPEB and IMRF pension expense, and large increase in health insurance costs contributed to the increase. Sewer operational expenses increased $72,607 or 9%, to $898,956. Personnel costs increased 54,087 or 29% in Fiscal Year 2025 compared to the prior year due to increase in OPEB and IMRF pension expense and large increase in health insurance costs. The Commuter Lot Fund operating expenses increased $6,219 or 29%, to $27,577. Repairs to the HVAC system at the Metra Lot station were completed in Fiscal Year 2025. All other costs remained relatively constant from the prior year. The Refuse and Recycling Fund operating expenses increased $16,631 or 4%, to $399,411 due to increase in refuse contract.

NORMAL IMPACTS – CHANGES IN NET POSITION

Reflected below are nine common (basic) impacts on revenues and expenses.

- ***Economic Condition*** – Reflects a declining, stable, or growing economic environment and has a substantial impact on state income, sales, telecommunications, and utility tax revenues; as well as public spending habits for items, such as: building permits and elective user fees including volumes of usage.

- ***Increase/Decrease in Village Approved Rates*** – While certain tax rates are set by statute, the Village Council has authority to impose and periodically increase/decrease rates (water, sewer, building permit fees, vehicle stickers, etc.) The Village's property taxes are subject to tax caps which generally limit Village increases to the lesser of Consumer Price Index (3.4% for the 2024 levy used to fund 2025) or 5.0%; plus any growth gained through development or redevelopment.

- ***Changing Patterns of Intergovernmental and Grant Revenue (both recurring and non-recurring)*** – Certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants make year-to-year comparisons difficult.

- ***Market Impacts on Investment Income*** – The Village's investment portfolio is managed with an approach utilizing competitive pricing, laddered maturities, and diversity of investments. Market conditions can fluctuate investment income.

- ***Changes in Programs*** – Within the functional expense categories (General Government, Public Safety, Public Works, etc.), individual programs may be added, deleted, or expanded to meet changing community needs.

- ***Changes in Authorized Personnel*** – Changes in service demand may cause the Village Council to increase/decrease authorized staffing.

- ***Salary Increases (annual adjustments and step increases)*** – The ability to attract and retain human and intellectual resources requires the Village to strive to maintain a competitive salary range position in the marketplace.

- ***Inflation*** – The Village is a major consumer of certain commodities and services which typically experience inflation at a rate that can be significantly difference from CPI; for example, insurance, fuel, electricity, and operating services.

- ***Unfunded Mandates and Imposed Fees*** – Over the years there have been many unfunded mandates and fee impositions that have hit municipalities. The Village is impacted by unfunded mandates imposed by federal, state, and local governments; as well as regulatory agencies. These unfunded mandates can generate additional expenses without compensating revenues.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

For the fiscal year ending April 30, 2025, the governmental funds reflect a combined fund balance of $7,307,270, which is a decrease of $843,670 or 10% from the prior year. The Village issued $3,000,000 in bonds in Fiscal Year 2022 for the purpose of repairing, maintaining, and improving Village roads and roadway drainage systems, and other related projects. The bond proceeds were received in Fiscal Year 2022 but work was not started until late Fiscal Year 2023, continued into Fiscal Year 2024 and was completed in Fiscal Year 2025. The General Fund ending fund balance at April 30, 2025 was $4,105,218 which is a decrease of $272,477 or 6%.

A healthy fund balance is sufficient to allow for short-term cash flow fluctuations as well as to meet future planned and unplanned projects or requirements. The Village's General Fund fund balance of $4,105,218 represents 72% of the Village's General Fund expenditures for Fiscal Year 2025. This percentage is over the Village's policy of three months or a 25% reserve of the General Fund expenditure budget in fund balance.

Total revenues for the General Fund for Fiscal Year 2025 totaled $6,249,762, which is an increase of $329,377, or 7% from the prior year. Many of the Village's taxing sources increased across the board during 2025. Income Tax revenue increased $49,431 or 6%. Sales Tax revenue increased $59,478 or 4%. Property tax revenues increased $85,767 or 5%. Licenses and permit revenue increased $54,566 or 23% due to an increase in renovations and demolitions. Notable differences between the budget and actual numbers in Revenues, Expenditures, and Other Financing Sources are explained in the table below.

Operating expenditures increased in Fiscal Year 2025 to $6,073,989. This represents an increase of $463,193 or 8% from the prior year's total of $5,610,7986. General Government expenditures increased $102,156 or 13% from the prior year. Wages increased $33,306 or 7% in Fiscal Year 2025 from prior year due to annual wage increases to staff as well as a payout of accrued vacation time to a departing employee. Benefits increased $47,326 or 44% in Fiscal Year 2025 from the prior year. In Fiscal Year 2025, there were two employees that choose to participate in the Village's health insurance program that did not participate in Fiscal Year 2024. Another factor contributing to the increase was the significant rise in health insurance premiums village-wide. Other contractual services increased $37,204 or 29% in Fiscal Year 2025. The increase is due to the use of an administrative intern on contract from a local university in Fiscal Year 2025 as well as an increase in fees for annual contracts for auditing and ERP maintenance. Legal fees decreased by $3,529 or 13% in Fiscal Year 2025 compared to the prior year. Commodities decreased $12,732 or 17% in Fiscal Year 2025 compared to the prior year. Decreases in phone and internet contract costs are the main drivers for the decrease in expenditures. Public Safety expenditures increased $186,858 or 7% from the prior year. actuarially determined contributions to the Palos Park Police Pension Fund increased $64,000 to $489,000 in Fiscal Year 2025. Wages increased 59,395 or 4% in Fiscal Year 2025 compared to the prior year. Both full time and part time police officers received wage increases effective at the start of the fiscal year combined with an increase in officer hours worked. Other contractual services increased $36,564 or 20% compared to prior year due to an aging vehicle inventory needing repairs as well as an increase in annual contracts for IT. Public Works expenditures increased $41,808 or 6% from the prior year. Wages increased $25,857 or 8% in Fiscal Year 2025 compared to the prior year. Public works staff received pay increases in the beginning of the fiscal year. Building and Public Grounds expenditures decreased $37,254 or 5% during the fiscal year. Wage expenditures increased $8,158 or 3% in Fiscal Year 2025 compared to the prior year. Building department staff received pay increases during the fiscal year. See previous discussion of Other Contractual Services decrease due to flooding in Fiscal Year 2024. Culture and Recreation expenditures increased $50,593 or 14% from the prior year. See previous discussion of staffing changes within the Recreation Department during Fiscal Year 2025. Capital Outlay Expenditures increased $74,149 or 18% from the prior year. The Village installed new tennis/pickleball courts in Fiscal Year 2025. See Changes in Net Capital Assets section within this MD&A for more discussion.

Total revenues for the Local Municipal Gas Tax Fund for Fiscal Year 2025 totaled $160,611, which represents a decrease of $106,001 or 40%. Receipts from the Village's 3¢ local gas tax (Intergovernmental) decreased $21,869 or 14%. The Village has seen declines in sales from each of its top two gas retailers. Interest earnings decreased from $114,703 in Fiscal Year 2024 to $30,571 in Fiscal Year 2025, a decrease of $84,132 or 73%. In Fiscal Year 2022, the Village issued $3,000,000 in bonds for the purpose of repairing, maintaining, and improving Village roads and roadway drainage systems and other related projects. The Village invested the proceeds and expended them for roadway and drainage improvements in Fiscal Year 2023, Fiscal Year 2024 and through the middle of Fiscal Year 2025. The funds were fully expended in November of 2024. Fiscal Year 2024 had twelve months

Total expenditures for the Local Municipal Gas Tax Fund for Fiscal Year 2025 totaled $1,179,950 which represents a decrease of $207,921 or 15%. The Village issued $3,000,000 in bonds in Fiscal Year 2022 for the purpose of repairing, maintaining, and improving Village roads and roadway drainage systems, and other related projects. In Fiscal Year 2023 the Village began expending bond proceeds for roadway and drainage improvements totaling $582,530. In Fiscal Year 2024, the Village expended $1,384,386 of bond proceeds for more roadway and drainage improvements. In Fiscal Year 2025, the Village expended the remaining bond proceeds to complete the roadway and drainage improvements.

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund	*FY25 Budget*	*FY25 Actual*	*FY24 Actual*	*FY23 Actual*	*FY22 Actual*	*FY21 Actual*	*FY20 Actual*
Revenues:							
Taxes	$ 2,546,732	$ 2,580,504	$ 2,453,911	$ 2,368,367	$ 2,286,079	$ 1,983,135	$ 2,011,050
Licenses & Permits	249,313	293,234	238,668	380,584	436,586	467,987	407,059
Intergovernmental	2,142,363	2,212,910	2,159,452	2,777,782	1,933,015	1,688,939	1,417,227
Other	1,057,501	1,163,114	1,002,010	905,037	688,137	757,403	745,671
Total	**5,995,909**	**6,249,762**	**5,854,041**	**6,431,770**	**4,897,464**	**4,581,007**	**4,682,675**
Expenditures:							
Current	(5,772,055)	(5,588,791)	(5,199,747)	(4,720,861)	(4,399,050)	(4,239,719)	(4,639,178)
Capital Outlay	(488,938)	(485,198)	(411,049)	(114,361)	(115,359)	(21,993)	(8,100)
Debt Service	-	-	-	-	-	-	-
Total	**(6,260,993)**	**(6,073,989)**	**(5,610,796)**	**(4,835,222)**	**(4,261,712)**	**(4,647,278)**	**(4,439,920)**
Other Financing Sources (Uses)							
Transfers In	160,000	160,000	165,000	-	-	5,260	-
Transfers Out	(751,200)	(751,200)	(194,784)	(259,476)	(44,580)	(15,394)	(110,721)
Debt Issuance	-	142,950	-	-	-	-	-
Total	**(591,200)**	**(448,250)**	**(29,784)**	**(259,476)**	**(10,134)**	**(110,721)**	**-**
Net Change in Fund Balance	**$ (856,284)**	**$ (272,477)**	**$ 213,461**	**$ 1,337,072**	**$ 625,618**	**$ (176,992)**	**$ 242,755**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of Fiscal Year 2025, the Village's capital assets totaled $18,143,743. These assets are invested in a broad range of items including land, land improvements, buildings, vehicles, machinery and equipment, furniture and fixtures, streets, water mains, storm sewers, and sanitary sewer lines.

Major capital activity during the year, as reported by Governmental Activities, included new tennis/pickleball courts purchased by the General Fund in the amount of $ 224,250, the purchase of a police squad SUV purchased by the General Fund in the amount of $66,395, and body cameras purchased by the General Fund in the amount of $58,021. Major Sewer Fund (Business-type activities) capital activity during the year includes partial reconstruction of Old Creek Lift Station (Construction in Progress) in the amount of $65,692. Major Water Fund (Business-type activities) capital activity during the year includes the partial construction of the McCarthy Road Water Main Extension (Construction in Progress) in the amount of $1,788,210.

For more detailed information on capital assets, refer to Notes to Financial Statements #3*: Capital Assets* in the basic financial statements.

CHANGES IN NET CAPITAL ASSETS

	Beginning Balance May 1, 2024	Additions/ Deletion	Ending Balance April 30, 2025
Non-Depreciable Assets			
Land	*$ 1,729,988*	*$ -*	*$ 1,729,988*
Construction in Progress	*-*	*1,883,609*	*1,883,609*
Depreciable Capital Assets			
Buildings and Improvements	*4,754,792*	*236,305*	*4,991,097*
Equipment and Vehicles	*2,062,256*	*128,065*	*2,190,321*
Land Improvements	*30,116*	*-*	*30,116*
Water Distribution System	*18,759,137*	*15,092*	*18,774,229*
Sewer Distribution System	*17,494,435*	*11,978*	*17,506,413*
Accumulated Depreciation on Capital Assets	*(27,922,176)*	*(1,154,214)*	*(29,076,390)*
TOTAL	***$ 17,554,451***	***$ 1,120,835***	***$ 18,029,383***

Debt Outstanding

At year end, the Village of Palos Park had the following debt outstanding:

- In the fall of 2006, the Village issued a $570,000 installment contract for the purchase of property for a park. As of April 30, 2025, the principal balance remaining was $45,000.

- In Fiscal Year 2021, the Village issued $1,000,000 in General Obligation Refunding Alternate Revenue Bonds for the purpose of refunding Series 2010 General Obligation Alternative Revenue Bonds. The original Series 2010 General Obligation Alternative Revenue Bonds were used to finance the construction of an underground reservoir. As of April 30, 2025, the principal balance remaining was $565,000.

- In Fiscal Year 2022, the Village issued $3,000,000 in General Obligation (Alternate Revenue Source) bonds for the purpose of repairing, maintaining, and improving Village roads and roadway drainage systems, and other related capital projects. As of April 30, 2025, the principal balance remaining was $2,645,000.

- The Village received a credit upgrade by Moody's Investor Services to Aa2 (High quality, subject to very low credit risk) in Fiscal Year 2022.

- In Fiscal Year 2025, the Village issued $1,798,805 in an IEPA Loan for the purpose of waterworks and sewerage improvements.

The Village's total legal general obligation debt limit is $26,772,004. The Village's total general obligation debt applicable to this limit of $45,000 is well within the limit. See Notes to Financial Statements #3: *Long-Term Debt* for additional information regarding the long-term debt of the Village.

ECONOMIC FACTORS

The Village is primarily residential in nature with commercial enterprises sprinkled within the community. The Village's personal income, per capita personal income as well as unemployment rate rank favorably compared to Cook County and State of Illinois averages. The economic strength of the community allows the Village to be less susceptible to economic fluctuations.

The Village benefits from a strong and diversified revenue base. In Fiscal Year 2025 the Village's largest single source of revenue, property taxes, represents only 29% of total revenues. A similar breakdown has been achieved in prior years. Fiscal Year 2024 saw growth in sales tax revenue and income tax revenue pushing the Village's 2024 tax year equalized assessed value (EAV) for property taxes payable in calendar year 2025 has yet to be certified by Cook County as of the time of this report.

The Village's elected officials and department directors consider many factors when preparing the annual budget, adopting the property tax levy, and setting fees that will be charged for its governmental and business-type activities. The economic factors taken into account, or considered include but are not limited to interest rates, inflation, credit rates, and overall strength of the regional economy and financial stability of the State of Illinois. The Village's Fiscal Year 2026 budget anticipates strong fund balance reserves throughout the year in key funds such as the General Fund, Sewer Fund, and Water Fund. Starting in Fiscal Year 2023, and budgeted in Fiscal Year 2024, 2025, the Village has implemented a plan to save for future capital replacement needs. Transfers of $56,947 from the General Fund to the Capital Improvements Fund for future capital replacement needs were made in Fiscal Year 2025.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. This report and others may be found on the Village's website at *www.palospark.org.* Questions concerning this report or requests for additional financial information should be directed to:

Alison Brothen
Finance Director/Treasurer
Village of Palos Park
8999 W. 123rd Street
Palos Park, Illinois 60464

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 Funds

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.

Statement of Net Position
April 30, 2025

See Following Page

VILLAGE OF PALOS PARK, ILLINOIS

Statement of Net Position
April 30, 2025

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	$ 7,508,130	4,096,408	11,604,538
Receivables - Net of Allowances	1,885,979	895,666	2,781,645
Due from Other Governments	45,681	-	45,681
Prepaids	45,643	9,348	54,991
Total Current Assets	9,485,433	5,001,422	14,486,855
Noncurrent Assets			
Capital Assets			
Nondepreciable	1,709,988	1,903,609	3,613,597
Depreciable	6,979,599	36,655,527	43,635,126
Accumulated Depreciation	(3,893,940)	(25,211,040)	(29,104,980)
Total Capital Assets	4,795,647	13,348,096	18,143,743
Other Assets			
Net Pension Asset - SLEP	173,752	-	173,752
Total Noncurrent Assets	4,969,399	13,348,096	18,317,495
Total Assets	14,454,832	18,349,518	32,804,350
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	503,468	223,943	727,411
Deferred Items - SLEP	23,351	-	23,351
Deferred Items - Police Pension	1,516,707	-	1,516,707
Total Deferred Outflows of Resources	2,043,526	223,943	2,267,469
Total Assets and Deferred Outflows of Resources	16,498,358	18,573,461	35,071,819

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

	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	$ 776,410	488,248	1,264,658
Accrued Payroll	95,576	19,113	114,689
Accrued Interest	42,535	3,655	46,190
Current Portion of Long-Term Liabilities	285,720	120,574	406,294
Total Current Liabilities	1,200,241	631,590	1,831,831
Noncurrent Liabilities			
Compensated Absences Payable	385,524	37,041	422,565
Net Pension Liability - IMRF	793,373	352,894	1,146,267
Net Pension Liability - Police Pension	3,424,141	-	3,424,141
Total OPEB Liability - RBP	284,195	51,502	335,697
General Obligation Bonds	2,618,349	455,000	3,073,349
Leases Payable	75,979	-	75,979
IEPA Loan Payable	-	1,795,805	1,795,805
Total Noncurrent Liabilities	7,581,561	2,692,242	10,273,803
Total Liabilities	8,781,802	3,323,832	12,105,634
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	1,088,574	-	1,088,574
Deferred Items - Leases	217,603	13,256	230,859
Deferred Items - IMRF	3,116	1,386	4,502
Deferred Items - SLEP	35,587	-	35,587
Deferred Items - Police Pension	2,498,179	-	2,498,179
Total Deferred Inflows of Resources	3,843,059	14,642	3,857,701
Total Liabilities and Deferred Inflows of Resources	12,624,861	3,338,474	15,963,335
NET POSITION			
Net Investment in Capital Assets	2,017,031	10,987,291	13,004,322
Restricted - IMRF	375,369	-	375,369
Restricted - SLEP	173,752	-	173,752
Restricted - Audit	209	-	209
Restricted - Highways and Streets	1,123,876	-	1,123,876
Restricted - Exaction Fee	42,625	-	42,625
Unrestricted	140,635	4,247,696	4,388,331
Total Net Position	3,873,497	15,234,987	19,108,484

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

VILLAGE OF PALOS PARK, ILLINOIS

Statement of Activities
For the Fiscal Year Ended April 30, 2025

		Program Revenues		
	Expenses	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	$ 1,350,460	293,234	140,093	-
Public Safety	2,601,724	106,464	-	-
Public Works	2,336,058	-	351,468	-
Building and Public Grounds	650,903	-	-	-
Culture and Recreation	531,662	407,094	-	-
Interest on Long-Term Debt	101,740	-	-	-
Total Governmental Activities	7,572,547	806,792	491,561	-
Business-Type Activities				
Water	2,730,438	2,037,927	-	-
Sewer Maintenance	898,956	534,420	-	-
Refuse and Recycling	399,411	433,192	-	-
Commuter Parking Lot	29,521	47,835	-	-
Total Business-Type Activities	4,058,326	3,053,374	-	-
Total Primary Government	11,630,873	3,860,166	491,561	-

General Revenues
Taxes
Property
Local Sales
Utility
Other Taxes
Intergovernmental - Unrestricted
State Sales Tax
State Income Tax
Replacement Tax
Investment Income
Miscellaneous
Internal Activity - Transfers

Change in Net Position

Net Position - Beginning as Previously Reported
Restatement - Change in Accounting Principle
Net Position - Beginning as Restated

Net Position - Ending

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

Primary Government		
Net (Expense)/Revenue		
Governmental Activities	Business-Type Activities	Totals
(917,133)	-	(917,133)
(2,495,260)	-	(2,495,260)
(1,984,590)	-	(1,984,590)
(650,903)	-	(650,903)
(124,568)	-	(124,568)
(101,740)	-	(101,740)
(6,274,194)	-	(6,274,194)
-	(692,511)	(692,511)
-	(364,536)	(364,536)
-	33,781	33,781
-	18,314	18,314
-	(1,004,952)	(1,004,952)
(6,274,194)	(1,004,952)	(7,279,146)
1,770,291	-	1,770,291
379,913	-	379,913
379,563		379,563
430,650	-	430,650
1,307,566	-	1,307,566
851,469	-	851,469
16,574	-	16,574
412,082	54,756	466,838
426,812	103,410	530,222
(484,498)	484,498	-
5,490,422	642,664	6,133,086
(783,772)	(362,288)	(1,146,060)
4,795,794	15,597,275	20,393,069
(138,525)	-	(138,525)
4,657,269	15,597,275	20,254,544
3,873,497	15,234,987	19,108,484

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

VILLAGE OF PALOS PARK, ILLINOIS

Balance Sheet - Governmental Funds
April 30, 2025

	General	Special Revenue Local Municipal Gas Tax	Nonmajor	Totals
ASSETS				
Cash and Investments	$ 4,439,537	184,820	2,883,773	7,508,130
Receivables - Net of Allowances				
Taxes	1,279,102	-	93,132	1,372,234
Accounts	26,784	-	-	26,784
Leases	238,658	-	-	238,658
Other	248,303	-	-	248,303
Due from Other Governments	-	27,974	17,707	45,681
Due from Other Funds	600	-	-	600
Prepaids	45,643	-	-	45,643
Total Assets	6,278,627	212,794	2,994,612	9,486,033
LIABILITIES				
Accounts Payable	771,656	-	4,754	776,410
Accrued Payroll	95,576	-	-	95,576
Due to Other Funds	-	-	600	600
Total Liabilities	867,232	-	5,354	872,586
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	1,088,574	-	-	1,088,574
Deferred Items - Leases	217,603	-	-	217,603
Total Deferred Inflows of Resources	1,306,177	-	-	1,306,177
Total Liabilities and Deferred Inflows of Resources	2,173,409	-	5,354	2,178,763
FUND BALANCES				
Nonspendable	45,643	-	-	45,643
Restricted	375,578	212,794	953,707	1,542,079
Committed	-	-	2,036,151	2,036,151
Assigned	8,487	-	-	8,487
Unassigned	3,675,510	-	(600)	3,674,910
Total Fund Balances	4,105,218	212,794	2,989,258	7,307,270
Total Liabilities, Deferred Inflows of Resources and Fund Balances	6,278,627	212,794	2,994,612	9,486,033

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

Reconciliation of Total Governmental Fund Balance to
Net Position - Governmental Activities
April 30, 2025

Total Governmental Fund Balances	$	7,307,270
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.		4,795,647
A net pension asset is not considered to represent a financial resource and therefore is not reported in the funds.		
Net Pension Asset - SLEP		173,752
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.		
Deferred Items - IMRF		500,352
Deferred Items - SLEP		(12,236)
Deferred Items - Police Pension		(981,472)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Compensated Absences Payable		(481,905)
Net Pension Liability - IMRF		(793,373)
Net Pension Liability - Police Pension		(3,424,141)
Total OPEB Liability - RBP		(291,446)
Debt Certificates Payable		(45,000)
General Obligation Bonds - Net		(2,733,349)
Leases Payable		(98,067)
Accrued Interest Payable		(42,535)
Net Position of Governmental Activities		3,873,497

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

VILLAGE OF PALOS PARK, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2025

	General	Special Revenue Local Municipal Gas Tax	Nonmajor	Totals
Revenues				
Taxes	$ 2,580,504	-	379,913	2,960,417
Intergovernmental	2,212,910	130,040	324,220	2,667,170
Licenses and Permits	293,234	-	-	293,234
Charges for Services	407,094	-	-	407,094
Fines and Forfeitures	106,464	-	-	106,464
Investment Income	255,399	30,571	126,112	412,082
Miscellaneous	394,157	-	32,655	426,812
Total Revenues	6,249,762	160,611	862,900	7,273,273
Expenditures				
General Government	913,952	1,195	-	915,147
Public Safety	2,865,368	-	-	2,865,368
Public Works	702,751	-	9,644	712,395
Building and Public Grounds	643,089	-	7,814	650,903
Culture and Recreation	418,748	-	1,950	420,698
Capital Outlay	485,198	1,178,755	237,468	1,901,421
Debt Service				
Principal Retirement	44,883	-	155,000	199,883
Interest and Fiscal Charges	-	-	109,580	109,580
Total Expenditures	6,073,989	1,179,950	521,456	7,775,395
Excess (Deficiency) of Revenues Over (Under) Expenditures	175,773	(1,019,339)	341,444	(502,122)
Other Financing Sources (Uses)				
Debt Issuance	142,950	-	-	142,950
Transfers In	160,000	-	321,227	481,227
Transfers Out	(751,200)	(214,525)	-	(965,725)
	(448,250)	(214,525)	321,227	(341,548)
Net Change in Fund Balances	(272,477)	(1,233,864)	662,671	(843,670)
Fund Balances - Beginning	4,377,695	1,446,658	2,326,587	8,150,940
Fund Balances - Ending	4,105,218	212,794	2,989,258	7,307,270

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

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended April 30, 2025

Net Change in Fund Balances - Total Governmental Funds	$ (843,670)
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	533,820
Depreciation Expense	(289,752)
Disposals - Cost	(26,500)
Disposals - Accumulated Depreciation	26,500
An addition to a net pension asset is not considered to be an increase in a financial asset in the governmental funds.	
Change in Net Pension Asset - SLEP	32,874
The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in Deferred Items - IMRF	48,153
Change in Deferred Items - SLEP	(18,202)
Change in Deferred Items - Police Pension	394,939
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.	
Changes in Compensated Absences Payable	(147,019)
Changes in Net Pension Liability - IMRF	(348,186)
Changes in Net Pension Liability - Police Pension	(105,216)
Changes in Total OPEB Liability - RBP	(106,286)
Issuance of Debt	(142,950)
Retirement of Debt	199,883
Amortization of Bond Premium	5,196
Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	2,644
Changes in Net Position of Governmental Activities	(783,772)

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

VILLAGE OF PALOS PARK, ILLINOIS

Statement of Net Position - Proprietary Funds
April 30, 2025

	Business-Type Activities - Enterprise			
	Water	Sewer Maintenance	Nonmajor	Totals
ASSETS				
Current Assets				
Cash and Investments	$ 2,206,663	1,731,668	158,077	4,096,408
Receivables - Net of Allowances				
Accounts	728,724	83,441	69,493	881,658
Leases	14,008	-	-	14,008
Prepaids	4,612	3,636	1,100	9,348
Total Current Assets	2,954,007	1,818,745	228,670	5,001,422
Noncurrent Assets				
Capital Assets				
Nondepreciable	1,808,210	95,399	-	1,903,609
Depreciable	18,952,961	17,672,450	30,116	36,655,527
Accumulated Depreciation	(12,655,852)	(12,542,950)	(12,238)	(25,211,040)
Total Noncurrent Assets	8,105,319	5,224,899	17,878	13,348,096
Total Assets	11,059,326	7,043,644	246,548	18,349,518
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Items - IMRF	158,483	65,460	-	223,943
Total Assets and Deferred Outflows of Resources	11,217,809	7,109,104	246,548	18,573,461

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

	Business-Type Activities - Enterprise			
	Water	Sewer Maintenance	Nonmajor	Totals
LIABILITIES				
Current Liabilities				
Accounts Payable	$ 350,027	69,439	68,782	488,248
Accrued Payroll	13,421	5,692	-	19,113
Accrued Interest	3,655	-	-	3,655
Current Portion of Long-Term Debt	117,422	3,152	-	120,574
Total Current Liabilities	484,525	78,283	68,782	631,590
Noncurrent Liabilities				
Compensated Absences Payable	25,938	11,103	-	37,041
Net Pension Liability - IMRF	249,741	103,153	-	352,894
Total OPEB Liability - RBP	36,717	14,785	-	51,502
General Obligation Bonds	455,000	-	-	455,000
IEPA Loan Payable	1,795,805	-	-	1,795,805
Total Noncurrent Liabilities	2,563,201	129,041	-	2,692,242
Total Liabilities	3,047,726	207,324	68,782	3,323,832
DEFERRED INFLOWS OF RESOURCES				
Deferred Items - IMRF	981	405	-	1,386
Deferred Items - Leases	13,256	-	-	13,256
Total Deferred Inflows of Resources	14,237	405	-	14,642
Total Liabilities and Deferred Inflows of Resources	3,061,963	207,729	68,782	3,338,474
NET POSITION				
Net Investment in Capital Assets	5,744,514	5,224,899	17,878	10,987,291
Unrestricted	2,411,332	1,676,476	159,888	4,247,696
Total Net Position	8,155,846	6,901,375	177,766	15,234,987

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

VILLAGE OF PALOS PARK, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended April 30, 2025

	Business-Type Activities - Enterprise			
	Water	Sewer Maintenance	Nonmajor	Totals
Operating Revenues				
Charges for Services	$ 2,013,245	533,620	481,027	3,027,892
Sale of Water Meters	5,200	-	-	5,200
Miscellaneous	19,482	800	1,666	21,948
Total Operating Revenues	2,037,927	534,420	482,693	3,055,040
Operating Expenses				
Personnel	594,095	242,877	-	836,972
Commodities	50,998	14,727	754	66,479
Water Purchases	891,768	-	-	891,768
Services	695,837	211,909	413,150	1,320,896
Capital Outlay	-	-	13,084	13,084
Depreciation	488,165	429,443	1,944	919,552
Total Operating Expenses	2,720,863	898,956	428,932	4,048,751
Operating Income/(Loss)	(682,936)	(364,536)	53,761	(993,711)
Nonoperating Revenues (Expenses)				
Investment Income	43,197	11,501	58	54,756
Rental Income	21,280	-	-	21,280
Tap-On Fees	33,502	46,962	-	80,464
Interest Expense	(9,575)	-	-	(9,575)
	88,404	58,463	58	146,925
Income/(Loss) Before Transfers	(594,532)	(306,073)	53,819	(846,786)
Transfers In	644,498	-	-	644,498
Transfers Out	(75,000)	(40,000)	(45,000)	(160,000)
	569,498	(40,000)	(45,000)	484,498
Change in Net Position	(25,034)	(346,073)	8,819	(362,288)
Net Position - Beginning	8,180,880	7,247,448	168,947	15,597,275
Net Position - Ending	8,155,846	6,901,375	177,766	15,234,987

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

VILLAGE OF PALOS PARK, ILLINOIS

Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended April 30, 2025

	Business-Type Activities - Enterprise			
	Water	Sewer Maintenance	Nonmajor	Totals
Cash Flows from Operating Activities				
Receipts from Customers and Users	$ 1,736,575	576,195	493,877	2,806,647
Payments to Suppliers	(1,482,525)	(200,653)	(391,975)	(2,075,153)
Payments to Employees	(424,458)	(174,834)	-	(599,292)
	(170,408)	200,708	101,902	132,202
Cash Flows from Noncapital Financing Activities				
Transfers In	644,498	-	-	644,498
Transfers Out	(75,000)	(40,000)	(45,000)	(160,000)
	569,498	(40,000)	(45,000)	484,498
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(1,803,302)	(107,377)	-	(1,910,679)
Issuance of Debt	1,795,805	-	-	1,795,805
Principal Retirement	(110,000)	-	-	(110,000)
Interest Expense	(9,575)	-	-	(9,575)
	(127,072)	(107,377)	-	(234,449)
Cash Flows from Investing Activities				
Investment Income	43,197	11,501	58	54,756
Net Change in Cash and Cash Equivalents	315,215	64,832	56,960	437,007
Cash and Cash Equivalents - Beginning	1,891,448	1,666,836	101,117	3,659,401
Cash and Cash Equivalents - Ending	2,206,663	1,731,668	158,077	4,096,408
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income/(Loss)	(682,936)	(364,536)	53,761	(993,711)
Adjustments to Reconcile Operating Income Income to Net Cash Provided by (Used in) Operating Activities:				
Depreciation Expense	488,165	429,443	1,944	919,552
Other Income	54,782	46,962	-	101,744
(Increase) Decrease in Current Assets	(356,134)	(5,187)	11,184	(350,137)
Increase (Decrease) in Current Liabilities	325,715	94,026	35,013	454,754
Net Cash Provided by Operating Activities	(170,408)	200,708	101,902	132,202

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

Statement of Fiduciary Net Position
April 30, 2025

	Pension Trust	Custodial
	Police Pension	Assessment Funds
ASSETS		
Cash and Cash Equivalents	$ 319,296	1,110,517
Investments		
Illinois Police Officers Pension Investment Fund	5,582,212	-
Total Assets	5,901,508	1,110,517
LIABILITIES		
None	-	-
NET POSITION		
Net Position Restricted for Pensions, Individuals, Organizations, and Other Governments	5,901,508	1,110,517

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

VILLAGE OF PALOS PARK, ILLINOIS

Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2025

	Pension Trust	Custodial
	Police Pension	Assessment Funds
Additions		
Contributions - Employer	$ 489,000	-
Contributions - Plan Members	91,865	-
Total Contributions	580,865	-
Investment Earnings		
Interest Earned	495,868	7,016
Net Change in Fair Value	879	-
	496,747	7,016
Less Investment Expenses	(5,150)	-
Net Investment Income	491,597	7,016
Total Additions	1,072,462	7,016
Deductions		
Administration	17,320	-
Benefits and Refunds	380,488	-
Total Deductions	397,808	-
Change in Fiduciary Net Position	674,654	7,016
Net Position Restricted for Pensions, Individuals, Organizations, and Other Governments		
Beginning	5,226,854	1,103,501
Ending	5,901,508	1,110,517

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Palos Park, Illinois (the Village), is a non-home rule village incorporated in 1914. The Village Council is composed of the Mayor and four Commissioners which form the legislative branch of the Village. The Village provides a wide range of general municipal services including police protection, crime prevention, community planning and zoning, recreation, building inspection and safety, street building and maintenance, traffic control, water and sewer service, and commuter parking.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village 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 pension trust fund and there is no discretely component unit 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. Two members appointed by the Village's Mayor, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state 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 pension trust fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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 public safety, public works, building and public grounds, culture and recreation, and general administrative services are classified as governmental activities. The Village's water, sewer maintenance, refuse and recycling, and commuter 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.

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, building and public grounds, culture and recreation, water, sewer maintenance, refuse and recycling, commuter parking lot, 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, which include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, sales taxes, intergovernmental revenues, investment 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

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 comprises 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 nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the 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 fund or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined.

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 Local Municipal Gas Tax Fund is a major fund and is used to account for the operation of street maintenance and related capital projects. Financing is provided from the Village's local 3¢ gas tax. The Village maintains four nonmajor special revenue funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Debt Service Funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains one nonmajor debt service fund.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains two nonmajor capital projects funds.

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 four enterprise funds. The Water Fund, a major fund, is used to account for the provisions of water to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt services and billing and collection. The Sewer Maintenance Fund, a major fund, is used to account for the provisions of sanitary sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt services and billing and collection. The Village maintains two nonmajor enterprise funds, the Refuse and Recycling Fund and the Commuter Parking Lot 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

Fund Financial Statements – 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.

Custodial Funds are used to account for assets held by the Village in a purely custodial capacity. The Village's eight (8) Special Assessment Funds are used to account for the accumulation of resources and payment of principal and interest on non-commitment special assessment bonds.

The Village's fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and custodial). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) 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 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 fiduciary 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 and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and fiduciary fund 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 accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary, pension trust and custodial funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

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 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND FUND BALANCE/NET POSITION

Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents 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.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report charges for services as their major receivables.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Internal service fund services provided and used are not eliminated in the process of consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Prepaids

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepaids are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND FUND BALANCE/NET POSITION – Continued

Capital Assets

Capital assets purchased or acquired with an original cost of $10,000 or more 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/amortized. 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/amortized. Infrastructure such as streets, traffic signals and signs are capitalized/amortized. 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/amortized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at acquisition value on the date donated.

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

Land Improvements	40 Years
Buildings and Improvements	40 Years
Vehicles and Equipment	5 Years
Water Distribution System	40 Years
Sewer Distribution System	40 Years
Axon Body Cam Lease	5 Years

Compensated Absences

The Village's policy allows employees to accrue a standard amount of sick leave and varying amounts of vacation leave based on years of service.

All full-time regular employees accrue seventy hours of sick leave on January 1st of each year. No accrued but unused sick leave will be paid out upon termination.

Each regular full-time employee accrues paid vacation leave based on years of service with the Village. Vacation time shall be credited to each full-time employee on January 1st immediately following the completion of the required number of years of service. Employees not working an entire year (i.e. those in their first year of employment) shall be given prorated vacation time on January 1st. Employees are allowed to carry over up to 35 hours of accumulated vacation time from year to year.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND FUND BALANCE/NET POSITION – Continued

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.

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.

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 legislations.
>
> Unrestricted – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND FUND BALANCE/NET POSITION – Continued

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

Budgets are adopted on a basis consistent with generally accepted accounting principles, except that in Enterprise Funds, capital additions and debt principal payments are budgeted, while depreciation is not. Annual budgets are adopted (at the fund level) for the general, special revenue (except for the Police Forfeiture, Exaction Fee, and Fine Arts Funds), debt service, capital projects, enterprise, and pension trust funds. All annual appropriations lapse at fiscal year-end.

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

- All departments of the Village submit requests for budgets to the Village Manager so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on end-of-year projections and requested budget for the next fiscal year.

- The Village Council adopts a budget, which is the operational plan, and includes a budget for all funds utilized by the Village. The budget is presented in these financial statements. The Exaction Fee and Fine Arts Funds are not budgeted.

- The Budget Ordinance, based on the budget is published for public hearing to obtain taxpayer comment. The Budget Ordinance serves as a budget authorization.

- The Budget Ordinance is legally enacted through the passage of an ordinance. The fiscal year 2025 Budget was approved in April 2024. During the year, no budget amendments were necessary.

- The Village Manager is authorized to transfer budgeted amounts between departments within any fund. However, any revision that alters the total expenditures of any fund must be approved by the Village Council.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY – Continued

EXCESS OF ACTUAL EXPENDITURES/EXPENSES, EXCLUSIVE OF DEPRECIATION, OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

Fund	Excess
Refuse and Recycling	$ 1,576
Police Pension	3,603

DEFICIT FUND BALANCE

The following fund had deficit fund balance as of the date of this report:

Fund	Deficit
2022A Bond	$ 600

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 funds. 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 funds are held separately from those of other funds.

Permitted Deposits and Investments – Statutes authorize 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, Illinois Funds and the Illinois Metropolitan Investment Fund.

The 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. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold. The Illinois Funds is not registered with the SEC as an Investment Company.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled $4,120,794 and the bank balances totaled $5,122,524 In addition, the Village had $7,230,055 invested in Illinois Funds and $253,689 invested in IMET.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure by structuring the portfolio to provide liquidity for short-term and long-term cash flow needs while providing a reasonable rate of return based on the current market. At year-end, the Village's investment in the Illinois Fund and IMET have an average maturity of less than one year.

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 does not address credit risk. At year-end, the Village's investments in the Illinois Funds was rated AAAmmf by Fitch and the IMET Convenience Fund is not rated.

Concentration 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 states that an investment shall be appropriate to the nature and purpose of the fund and amount of security in the portfolio. At year-end, the Village does not have any investments over five percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

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 pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured. 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. To limits its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) or a receipt versus payment (RVP) basis with the underlying investments held by a safekeeping agent designated by the Village and evidenced by safekeeping receipts. The Village's investments in the Illinois Funds and IMET are not subject to custodial credit risk.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund

The Illinois Police Officers Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual comprehensive financial report. For additional information on IPOPIF's investments, please refer to their annual comprehensive financial report, which can be obtained from IPOPIF at 456 Fulton Street, Suite 402 Peoria, Illinois 61602 or at www.ipopif.org.

Deposits. The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled $319,296 and the bank balances totaled $319,296.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy requires all deposits in excess of FDIC insurable limits (applies to bank Certificates of Deposit) be secured by collateral in order to protect deposits from default. The pledging of collateral for all investments in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the Fund, an independent third party or the Federal Reserve Bank of Chicago. At year-end, $52,025 of the bank balance deposits were not covered by collateral.

Investments. At year-end, the Fund has $5,582,212 invested in IPOPIF. The pooled investments consist of the investments as noted in the target allocation table available at www.ipopif.org. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at year-end. The fund may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Continued

Investment Policy. IPOPIF's current investment policy was adopted by the Board of Trustees on December 17, 2021. IPOPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 3 of the Illinois Pension Code.

Rate of Return

For the year ended April 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.68%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for 2024 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 Cook County and are payable in two installments, on or about March 1 and August 1 during the following year. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy to reflect actual collection experience.

INTERFUND BALANCES

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	$ 600

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount	
General	Water	$ 75,000	(1)
General	Sewer	40,000	(1)
General	Nonmajor Business-Type	45,000	(1)
Water	General	644,498	(2)
Nonmajor Governmental	General	106,702	(3)
Nonmajor Governmental	Local Municipal Gas Tax	214,525	(4)
		1,125,725	

Transfers are used to move (1) reimbursement of administrative costs incurred by the General Fund, (2) transfer of grant monies originally recorded to the General Fund but used to fund expenses paid out of Water Fund, (3) fund capital purchases, and (4) fund debt service costs.

LEASES RECEIVABLE

The Village is a lessor on the following leases at year end:

Lease	Start Date	End Date	Payments	Interest Rate
AT&T Cell Tower - Water Tower	May 1, 2022	May 1, 2040	$1,773 per month, including interest	3.66%
AT&T Cell Tower - Ground Space	May 1, 2022	January 1, 2028	$2,787 to $3,231 per month, including interest	4.48%
T-Mobile Cell Tower - Tower and Ground	May 1, 2022	June 1, 2025	$2,624 per month, including interest	5.82%
Verizon Cell Tower - Water Tower	May 1, 2022	January 1, 2026	$4,761 per month, including interest	3.64%
T-Mobile Cell Tower - Water Towers	July 1, 2022	July 1, 2026	$26,119 to $29,397 per month, including interest	4.48%
Crown Castle Ground and Land Lease	August 1, 2022	May 1, 2022	$33,437 per year, including interest	4.60%

During the fiscal year, the Village has recognized $188,043 of lease revenue.

The future principal and interest lease payments as of the year-end were as follows:

Fiscal	Governmental Activities		Business Type Activities		Total	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 116,782	8,502	14,008	193	130,790	8,502
2027	92,531	3,769	-	-	92,531	3,769
2028	29,345	563	-	-	29,345	563
	238,658	12,834	14,008	193	252,666	12,834

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	$ 1,709,988	-	-	1,709,988
Depreciable/Amortizable Capital Assets				
Buildings and Improvements	4,754,792	236,305	-	4,991,097
Vehicles and Equipment	1,717,487	154,565	26,500	1,845,552
Axon Body Cam Lease	-	142,950	-	142,950
	6,472,279	533,820	26,500	6,979,599
Less Accumulated Depreciation/Amortization				
Buildings and Improvements	2,458,649	131,510	-	2,590,159
Vehicles and Equipment	1,172,039	129,652	26,500	1,275,191
Axon Body Cam Lease	-	28,590	-	28,590
	3,630,688	289,752	26,500	3,893,940
Total Net Depreciable/Amortizable Capital Assets	2,841,591	244,068	-	3,085,659
Total Net Capital Assets	4,551,579	244,068	-	4,795,647

Depreciation/amortization expense was charged to governmental activities as follows:

General Government	$ 95,734
Public Safety	40,751
Public Works	42,303
Culture and Recreation	110,964
	289,752

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	$ 20,000	-	-	20,000
Construction in Progress	-	1,883,609	-	1,883,609
	20,000	1,883,609	-	1,903,609
Depreciable Capital Assets				
Land Improvements	30,116	-	-	30,116
Vehicles and Equipment	344,769	-	-	344,769
Water Distribution System	18,759,137	15,092	-	18,774,229
Sewer Distribution System	17,494,435	11,978	-	17,506,413
	36,628,457	27,070	-	36,655,527
Less Accumulated Depreciation				
Land Improvements	10,294	1,944	-	12,238
Vehicles and Equipment	344,771	-	-	344,771
Water Distribution System	11,988,954	488,165	-	12,477,119
Sewer Distribution System	11,947,469	429,443	-	12,376,912
	24,291,488	919,552	-	25,211,040
Total Net Depreciable Capital Assets	12,336,969	(892,482)	-	11,444,487
Total Net Capital Assets	12,356,969	991,127	-	13,348,096

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

Water	$ 488,165
Sewer Maintenance	429,443
Commuter Parking Lot	1,944
	919,552

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for business-type activities. 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	Beginning Balances	Issuances	Retirements	Ending Balances
$1,000,000 General Obligation Refunding Alternate Revenue Bonds of 2021, due in annual installments of $105,000 to $115,000 plus interest at 0.95% to 1.75% through December 1, 2029.	$ 675,000	-	110,000	565,000
$3,000,000 General Obligation Alternate Revenue Bonds of 2022, due in annual installments of $105,000 to $205,000 plus interest at 3.50% to 4.00% through December 1, 2041.	2,755,000	-	110,000	2,645,000
	3,430,000	-	220,000	3,210,000

Debt Certificates

The Village issues debt certificates to provide funds for the acquisition and construction of major capital facilities. Debt certificates have been issued for governmental activities. Debt certificates currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
$570,000 Debt Certificates of 2006, due in annual installments of $15,000 to $45,000 plus interest at 3.60% to 4.35% through December 1, 2025.	$ 90,000	-	45,000	45,000

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

IEPA Loan Payable

The Village has entered into a loan agreement with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA loans currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
$1,795,805 IEPA Loan Payable of 2025, due in semi-annual installments of $29,280 to $53,548 plus interest at 1.81% through June 30, 2045.	$ -	1,795,805	-	1,795,805

Leases Payable

The Village has the following lease outstanding at year end:

Lease	Start Date	End Date	Payments	Interest Rate
Axon Body Cams	June 1, 2024	June 1, 2028	$24,657 to $27,736 per Year	2.62%

The future principal and interest lease payments as of the year-end were as follows:

Fiscal Year	Governmental Activities Principal	Governmental Activities Interest
2026	$ 22,088	2,569
2027	23,653	1,991
2028	25,298	1,371
2029	27,028	708
	98,067	6,639

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

Long-Term Liability Activity

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

Type of Debt	Beginning Balances as Restated	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	$ 334,886	147,019	-	481,905	96,381
Net Pension Liability - IMRF	445,187	348,186	-	793,373	-
Net Pension Liability - Police Pension	3,318,925	105,216	-	3,424,141	-
Total OPEB Liability - RBP	185,160	106,286	-	291,446	7,251
General Obligation Bonds	2,755,000	-	110,000	2,645,000	115,000
Unamortized Bond Premium	93,545	-	5,196	88,349	-
Leases Payable	-	142,950	44,883	98,067	22,088
Debt Certificates	90,000	-	45,000	45,000	45,000
	7,222,703	849,657	205,079	7,867,281	285,720
Business-Type Activities					
Compensated Absences	43,461	2,840	-	46,301	9,260
Net Pension Liability - IMRF	215,328	137,566	-	352,894	-
Total OPEB Liability - RBP	43,314	9,502	-	52,816	1,314
General Obligation Bonds	675,000	-	110,000	565,000	110,000
IEPA Loan Payable	-	1,795,805	-	1,795,805	-
	977,103	1,945,713	110,000	2,812,816	120,574

For the governmental activities, payments on the net pension liabilities and the total OPEB liability are made by the General Fund. Payments on the general obligation bonds are being liquidated by the 2022A Bond Fund, payment on the leases payable are being liquidated by the General Fund, and the debt certificates are being liquidated by the Land Acquisition Fund.

Additionally, for business-type activities the net pension liability, IEPA Loan Payable, and total OPEB liability are generally liquidated by the Water Fund and Sewer Maintenance Fund. The general obligation bonds are being liquidated by the Water Fund.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

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

	Governmental Activities				Business-Type Activities	
	General Obligation Bonds		Debt Certificates		General Obligation Bonds	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 115,000	100,125	45,000	1,957	110,000	8,773
2027	115,000	95,525	-	-	110,000	7,287
2028	120,000	90,925	-	-	115,000	5,693
2029	125,000	86,125	-	-	115,000	3,910
2030	130,000	81,125	-	-	115,000	2,012
2031	135,000	75,925	-	-	-	-
2032	140,000	70,525	-	-	-	-
2033	150,000	64,925	-	-	-	-
2034	155,000	58,925	-	-	-	-
2035	160,000	52,725	-	-	-	-
2036	165,000	46,325	-	-	-	-
2037	175,000	39,725	-	-	-	-
2038	180,000	33,600	-	-	-	-
2039	185,000	27,300	-	-	-	-
2040	190,000	20,825	-	-	-	-
2041	200,000	14,175	-	-	-	-
2042	205,000	7,175	-	-	-	-
Totals	2,645,000	965,975	45,000	1,957	565,000	27,675

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."

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin – Continued

Assessed Valuation - 2024	$ 310,400,052
Legal Debt Limit - 8.625% of Assessed Value	26,772,004
Amount of Debt Applicable to Limit	45,000
Legal Debt Margin	26,727,004

FUND BALANCE/NET POSITION

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 Commissioners; 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 Village Board's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by: a) the Village Board; or b) a body or official to which the Village Board has delegated the authority to assign amounts to be used for specific purposes. The Village's highest level of decision-making authority is the Village Board, who is authorized to assign amounts to a specific purpose. In accordance with the Villages fund balance policy, funds that are intended to be used for specific purposes but have not received the formal approval action of the Village Council may be classified as assigned fund balance. The Village Council, the Village Manager, or the Finance Director has the ability to set aside funds or assign fund balance for specific purposes.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET POSITION - Continued

Fund Balance Classifications – Continued

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.

Minimum Fund Balance Policy. The Village's policy manual states that the General Fund should maintain a minimum fund balance equal to 25% of budgeted operating expenditures.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

		Special Revenue		
	General	Local Municipal Gas Tax	Nonmajor	Totals
Fund Balances				
Nonspendable				
Prepaids	$ 45,643	-	-	45,643
Restricted				
IMRF	375,369	-	-	375,369
Auditing	209	-	-	209
Highways and Streets	-	212,794	911,082	1,123,876
Exaction Fee	-	-	42,625	42,625
	375,578	212,794	953,707	1,542,079
Committed				
Capital Projects	-	-	523,978	523,978
Public Infrastructure Improvements	-	-	1,512,173	1,512,173
	-	-	2,036,151	2,036,151
Assigned				
Special Events	6,490	-	-	6,490
Beautification	1,997	-	-	1,997
	8,487	-	-	8,487
Unassigned	3,675,510	-	(600)	3,674,910
Total Fund Balances	4,105,218	212,794	2,989,258	7,307,270

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET POSITION – Continued

Net Position Classifications

Net investment in capital assets was comprised of the following as of April 30, 2025:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	$ 4,795,647
Less Capital Related Debt:	
Debt Certificates of 2006	(45,000)
General Obligation Alternate Revenue Bonds of 2022	(2,645,000)
Unamortized Bond Premium	(88,349)
Capital Related Accounts Payable	(267)
Net Investment in Capital Assets	2,017,031
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	13,348,096
Less Capital Related Debt:	
General Obligation Refunding Alternate Revenue Bonds of 2021	(565,000)
IEPA Loan Payable of 2025	(1,795,805)
Net Investment in Capital Assets	10,987,291

REPORTING UNITS AFFECTED BY ADJUSTMENTS TO AND RESTATEMENTS OF BEGINNING BALANCES

Change in Accounting Principle. The Village is implementing the provisions of GASB Statement 101, *Compensated Absences*, in the financial statements of the current fiscal year. The Village provides two forms of employee leave (vacation and sick), but has previously only accrued vacation leave. Sick leave is earned each month and carries over without limits at the end of the fiscal year. Because unused sick leave is not paid upon termination, however, the Village did not accrue a liability in previous years. Under Statement 101, accumulated sick leave meets the first two criteria (attributable to past service and accumulates). The Village therefore examined its past experience with accumulated sick leave and estimated the amount of accumulated leave that was more likely than not to be used by employees. This estimate is now to be reported as a liability in the government-wide and enterprise fund financial statements. The portion of this liability that existed at the beginning of the current year (or the earliest year presented in comparative statements) is recognized as a decrease in beginning net position resulting from adoption of a new accounting standard.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

REPORTING UNITS AFFECTED BY ADJUSTMENTS TO AND RESTATEMENTS OF BEGINNING BALANCES – Continued

	Governmental Activities
Beginning - Net Position as Previously Reported	$ 4,795,794
Change in Accounting Principle GASB 101	(138,525)
Beginning - Net Position as Restated	4,657,269

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

Intergovernmental Risk Management Agency

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 government's employees. These risks, along with medical claims for employees and retirees, are provided for through a limited self-insurance program.

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of Illinois municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs. IRMA administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers compensation claim administration and litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

Each member appoints one delegate along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. The Village assumes the first $25,000 of each occurrence, and IRMA has self-insurance retentions at various amounts above that level. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in the appropriate funds. The coverages provided by IRMA are generally consistent with the coverages in the prior year.

The Village is exposed to various risks of loss related to illnesses of employees. The Village has purchased commercial insurance for health claim risks. The monthly premiums are accounted for in the general fund, water fund and sewer fund. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years and there has not been any significant decrease in coverage over the past three fiscal years.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans: the Illinois Municipal Retirement Fund (IMRF), a defined benefit cost-sharing multiple-employer public employee retirement system; the Sheriff's Law Enforcement Personnel Fund (SLEP), a defined benefit cost-sharing multiple-employer public employee retirement system and is administered by the IMRF; and the Police Pension Plan which is a single-employer pension plan. The Village is in cost-sharing arrangement with the Palos Park Library for the IMRF plan. A separate report is issued for the Police Pension Plan and may be obtained by writing to the Village at 8999 West 123rd Street, Palos Park, Illinois 60464. 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 recognized for these pension plans are:

	Net Pension Liabilities/ (Asset)	Deferred Outflows	Deferred Inflows	Pension Expenses/ Revenue
IMRF	$ 1,146,267	727,411	4,502	561,461
SLEP	(173,752)	23,351	35,587	(1,913)
Police Pension	3,424,141	1,516,707	2,498,179	199,277
	4,396,656	2,267,469	2,538,268	758,825

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. All employees (other than those covered by the Police Pension Plan) hired in positions that need 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).

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. The IMRF Regular Plan 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.

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.

Sheriff's Law Enforcement Personnel (SLEP), having accumulated at least 30 years of SLEP service and terminating IMRF participation on or after January 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.50% of their final rate of earnings, for each year of credited service up to 20 years, 2.00% of their final earning rate for the next 10 years of credited service and 1.00% for each year thereafter. For those SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Plan Membership. As of December 31, 2024, the measurement date, the following employees were covered by the benefit terms:

	Regular	SLEP
Inactive Plan Members Currently Receiving Benefits	49	-
Inactive Plan Members Entitled to but not yet Receiving Benefits	37	-
Active Plan Members	35	1
Totals	121	1

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary and SLEP Plan Members are required to contribute 7.50% 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. At April 30, 2025, the Village's contribution was 7.97% of covered payroll for the Regular Plan and 4.32% for the SLEP Plan.

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2024, using the following actuarial methods and assumptions:

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

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. For nondisabled 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.

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 weighing 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:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	5.20%
Domestic Equities	33.50%	4.35%
International Equities	18.00%	5.40%
Real Estate	10.50%	6.30%
Blended	12.50%	4.85% - 6.25%
Cash and Cash Equivalents	1.00%	3.60%

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.25% for both the Regular Plan and the SLEP Plan, the same as 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 period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the net pension liability/(asset) of the Village calculated using the discount rate as well as what the Village's net pension liability/(asset) 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:

		IMRF	
	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	$ 2,393,583	1,146,267	129,883

		SLEP	
	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension (Asset)	$ (60,481)	(173,752)	(271,369)

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 – Regular Plan

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2023	$ 10,220,311	9,559,796	660,515
Changes for the Year:			
Service Cost	146,248	-	146,248
Interest on the Total Pension Liability	723,518	-	723,518
Difference Between Expected and Actual Experience of the Total Pension Liability	758,232	-	758,232
Changes of Assumptions	-	-	-
Contributions - Employer	-	131,436	(131,436)
Contributions - Employees	-	79,178	(79,178)
Net Investment Income	-	1,011,191	(1,011,191)
Benefit Payments, including Refunds of Employee Contributions	(597,249)	(597,249)	-
Other (Net Transfer)	-	(79,559)	79,559
Net Changes	1,030,749	544,997	485,752
Balances at December 31, 2024	11,251,060	10,104,793	1,146,267

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension (Asset) – SLEP Plan

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) (A) - (B)
Balances at December 31, 2023	$ 1,000,146	1,141,024	(140,878)
Changes for the Year:			
Service Cost	23,049	-	23,049
Interest on the Total Pension Liability	73,346	-	73,346
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	(34,865)	-	(34,865)
Changes of Assumptions	-	-	-
Contributions - Employer	-	7,200	(7,200)
Contributions - Employees	-	21,830	(21,830)
Net Investment Income	-	98,445	(98,445)
Benefit Payments, including Refunds of Employee Contributions	-	-	-
Other (Net Transfer)	-	(33,071)	33,071
Net Changes	61,530	94,404	(32,874)
Balances at December 31, 2024	1,061,676	1,235,428	(173,752)

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

For the year ended April 30, 2025, the Village recognized pension expense of $561,461 for the regular plan and a pension revenue of $1,913 for the SLEP Plan. At April 30, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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 – Continued

	IMRF		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 496,341	-	496,341
Change in Assumptions	-	(4,502)	(4,502)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	180,085	-	180,085
Total Pension Expense to be Recognized in Future Periods	676,426	(4,502)	671,924
Pension Contributions Made Subsequent to the Measurement Date	50,985	-	50,985
Total Deferred Amounts Related to IMRF	727,411	(4,502)	722,909

$47,588 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2026	$ 444,693
2027	429,222
2028	(134,720)
2029	(67,271)
2030	-
Thereafter	-
Totals	671,924

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 – Continued

	SLEP		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ -	(35,587)	(35,587)
Change in Assumptions	710	-	710
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	20,999	-	20,999
Total Pension Expense to be Recognized in Future Periods	21,709	(35,587)	(13,878)
Pension Contributions Made Subsequent to the Measurement Date	1,642	-	1,642
Total Deferred Amounts Related to SLEP	23,351	(35,587)	(12,236)

$1,642 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2026	$ (13,172)
2027	10,659
2028	(8,190)
2029	(3,175)
2030	-
Thereafter	-
Total	(13,878)

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 Police Pension Plan as a pension trust fund. The Police Pension Plan is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At April 30, 2025, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	6
Inactive Plan Members Entitled to but not yet Receiving Benefits	4
Active Plan Members	10
Total	20

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, 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 office 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 or ½ of 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 April 30, 2025, the Village's contribution was 54.47% of covered payroll.

Concentrations At year-end, the Police Pension Plan does not have any investments over 5 percent of the 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).

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 April 30, 2025, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	5-Year Smooth Fair Value
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	2.50% - 20.75%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on Sex Distinct Raw Rates as developed in the Pub-2010(A) Study improved to 2021 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%, 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 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.

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

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 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 (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	$ 4,798,690	3,424,141	2,302,176

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2024	$ 8,545,779	5,226,854	3,318,925
Changes for the Year:			
Service Cost	229,215	-	229,215
Interest on the Total Pension Liability	580,061	-	580,061
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	239,301	-	239,301
Changes of Assumptions	111,781	-	111,781
Contributions - Employer	-	489,000	(489,000)
Contributions - Employees	-	91,865	(91,865)
Net Investment Income	-	491,597	(491,597)
Benefit Payments, including Refunds of Employee Contributions	(380,488)	(380,488)	-
Other (Net Transfer)	-	(17,320)	17,320
Net Changes	779,870	674,654	105,216
Balances at April 30, 2025	9,325,649	5,901,508	3,424,141

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 April 30, 2025, the Village recognized pension expense of $199,277. At April 30, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 672,677	(410,769)	261,908
Change in Assumptions	844,030	(2,082,034)	(1,238,004)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(5,376)	(5,376)
Total Deferred Amounts Related to Police Pension	1,516,707	(2,498,179)	(981,472)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2026	$ (91,685)
2027	(273,781)
2028	(389,587)
2029	(294,570)
2030	15,304
Thereafter	52,847
Total	(981,472)

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

Benefits Provided. RBP provides healthcare benefits for retirees and their dependents. The benefit terms provide for the individual to pay the entire cost of health insurance premiums for non-Medicare eligible retirees and supplemental health insurance premiums for Medicare-eligible retirees.

Plan Membership. As of April 30, 2025, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	-
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members	30
Total	31

Total OPEB Liability

The Village's total OPEB liability was measured as of April 30, 2025, and was determined by an actuarial valuation as of April 30, 2025.

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Total OPEB Liability – Continued

Actuarial Assumptions and Other Inputs. The total OPEB liability in the April 30, 2025, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	2.75%
Discount Rate	5.24%
Healthcare Cost Trend Rates	7.90% for PPO plans for 2025, decreasing to an ultimate rate of 5.00% for 2035 and later years. 7.80% for HMO plans for 2025, decreasing to an ultimate rate of 5.00% for 2035 and later years. 8.30% for HSA plans for 2025, decreasing to an ultimate rate of 5.00% for 2035 and later years.
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for retirees

The discount rate was based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

Mortality rates were based on the PubS-2010(A) or PubG-2010(B) improved to 2021 fully generationally using MP-2021 improvement rates.

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at April 30, 2024	$ 228,474
Changes for the Year:	
Service Cost	21,178
Interest on the Total OPEB Liability	9,125
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	83,990
Changes of Assumptions or Other Inputs	10,060
Benefit Payments	(8,565)
Net Changes	115,788
Balance at April 30, 2025	344,262

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

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

The discount rate used to measure the total pension liability was 5.24%, while the prior valuation used 4.07%. 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 (4.24%)	Current Discount Rate (5.24%)	1% Increase (6.24%)
Total OPEB Liability	$ 370,725	344,262	319,731

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

The following presents the total OPEB liability, calculated using varied Healthcare Trend Rates, as well as what the total OPEB liability would be if it were calculated using Healthcare Trend Rates 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	$ 309,764	344,262	384,064

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

For the year ended April 30, 2025, the Village recognized OPEB expense of $124,353. 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.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions - Last Ten Fiscal Years
  - Illinois Municipal Retirement Fund
  - Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel
  - Police Pension Fund

- Schedule of Changes in the Employer’s Net Pension Liability/(Asset) - Last Ten Fiscal Years
  - Illinois Municipal Retirement Fund - Last Ten Measurement Years
  - Illinois Municipal Retirement Fund
    Sheriff's Law Enforcement Personnel - Last Ten Measurement Years
  - Police Pension Fund - Last Ten Fiscal Years

- Schedule of Investment Returns - Last Ten Fiscal Years
  - Police Pension Fund

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

- Budgetary Comparison Schedule
  - General Fund
  - Local Municipal Gas Tax – Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF PALOS PARK, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Employer Contributions - Last Ten Fiscal Years
April 30, 2025

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
2016	$ 183,004	$ 183,004	$ -	$ 1,419,733	12.89%
2017	188,769	187,792	(977)	1,450,955	12.94%
2018	177,511	177,511	-	1,465,900	12.11%
2019	174,429	174,429	-	1,481,166	11.78%
2020	172,645	172,645	-	1,557,213	11.09%
2021	174,958	174,958	-	1,629,021	10.74%
2022	168,238	168,238	-	1,489,316	11.30%
2023	137,779	137,779	-	1,550,407	8.89%
2024	127,699	127,699	-	1,689,263	7.56%
2025	163,760	163,760	-	2,054,512	7.97%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	19 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

VILLAGE OF PALOS PARK, ILLINOIS

Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel

Required Supplementary Information
Schedule of Employer Contributions - Last Ten Fiscal Years
April 30, 2025

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
2016	$ 19,269	$ 19,269	$ -	$ 116,504	16.54%
2017	20,362	20,362	-	119,217	17.08%
2018	20,256	20,256	-	123,123	16.45%
2019	20,736	20,736	-	126,200	16.43%
2020	22,959	22,959	-	134,335	17.09%
2021	22,999	22,999	-	130,076	17.68%
2022	21,757	21,757	-	135,032	16.11%
2023	17,986	17,986	-	139,084	12.93%
2024	12,759	12,759	-	143,621	8.88%
2025	6,402	6,402	-	148,271	4.32%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	19 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

VILLAGE OF PALOS PARK, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Employer Contributions - Last Ten Fiscal Years
April 30, 2025

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
2016	$ 175,000	$ 200,000	$ 25,000	$ 762,167	26.24%
2017	270,351	200,000	(70,351)	628,629	31.82%
2018	343,328	250,000	(93,328)	664,715	37.61%
2019	313,958	250,000	(63,958)	815,769	30.65%
2020	372,057	325,000	(47,057)	850,714	38.20%
2021	403,962	335,000	(68,962)	829,232	40.40%
2022	463,841	414,000	(49,841)	864,089	47.91%
2023	485,566	486,000	434	927,542	52.40%
2024	424,673	425,000	327	871,544	48.76%
2025	488,633	489,000	367	897,690	54.47%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	100% Funded Over 15 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	3.00%
Investment Rate of Return	6.75%
Retirement Age	50-70
Mortality	PubS-2010 Adjusted for Plan Status & Demographics, as Described

*Village contributions have exceeded the Statutory minimum contribution requirements.

VILLAGE OF PALOS PARK, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability/(Asset) - Last Ten Measurement Years
April 30, 2025

	12/31/2015	12/31/2016	12/31/2017
Total Pension Liability			
Service Cost	$ 157,935	166,212	163,102
Interest	513,332	536,775	571,830
Differences Between Expected and Actual Experience	(31,948)	390,587	(45,873)
Change of Assumptions	8,402	(26,814)	(263,489)
Benefit Payments, Including Refunds of Member Contributions	(401,684)	(398,967)	(406,483)
Net Change in Total Pension Liability	246,037	667,793	19,087
Total Pension Liability - Beginning	6,984,598	6,984,598	7,652,391
Total Pension Liability - Ending	7,230,635	7,652,391	7,671,478
Plan Fiduciary Net Position			
Contributions - Employer	$ 183,004	187,792	171,645
Contributions - Members	72,845	65,716	64,475
Net Investment Income	30,009	416,086	1,181,987
Benefit Payments, Including Refunds of Member Contributions	(401,684)	(398,967)	(406,483)
Administrative Expense	68,641	125,998	(216,430)
Net Change in Plan Fiduciary Net Position	(47,185)	396,625	795,194
Plan Net Position - Beginning	6,079,999	6,032,814	6,429,439
Plan Net Position - Ending	6,032,814	6,429,439	7,224,633
Employer's Net Pension Liability/(Asset)	$ 1,197,821	1,222,952	446,845
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.43%	84.02%	94.18%
Covered Payroll	$ 1,419,733	1,450,955	1,432,772
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	84.37%	84.29%	31.19%

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2016 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017 and 2023.

12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
153,547	160,736	163,686	136,714	140,629	153,734	146,248
564,053	596,796	618,326	627,256	662,998	726,505	723,518
113,272	74,115	34,733	170,745	117,708	146,059	758,232
222,637	-	(99,360)	-	-	(15,422)	-
(425,046)	(442,119)	(471,455)	(501,080)	(508,007)	(572,927)	(597,249)
628,463	389,528	245,930	433,635	413,328	437,949	1,030,749
7,671,478	8,299,941	8,689,469	8,935,399	9,369,034	9,782,362	10,220,311
8,299,941	8,689,469	8,935,399	9,369,034	9,782,362	10,220,311	11,251,060
182,908	158,540	176,935	178,104	146,534	125,850	131,436
66,432	68,141	64,366	66,130	70,645	76,017	79,178
(420,518)	1,314,892	1,143,247	1,522,313	(1,294,246)	965,603	1,011,191
(425,046)	(442,119)	(471,455)	(501,080)	(508,007)	(572,927)	(597,249)
169,978	43,736	130,251	74,517	47,215	178,207	(79,559)
(426,246)	1,143,190	1,043,344	1,339,984	(1,537,859)	772,750	544,997
7,224,633	6,798,387	7,941,577	8,984,921	10,324,905	8,787,046	9,559,796
6,798,387	7,941,577	8,984,921	10,324,905	8,787,046	9,559,796	10,104,793
1,501,554	747,892	(49,522)	(955,871)	995,316	660,515	1,146,267
81.91%	91.39%	100.55%	110.20%	89.83%	93.54%	89.81%
1,476,259	1,514,235	1,430,351	1,463,467	1,437,326	1,483,205	1,759,515
101.71%	49.39%	(3.46%)	(65.32%)	69.25%	44.53%	65.15%

VILLAGE OF PALOS PARK, ILLINOIS

Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability/(Asset) - Last Ten Measurement Years
April 30, 2025

	12/31/2015	12/31/2016	12/31/2017
Total Pension Liability			
Service Cost	$ 22,925	22,956	23,049
Interest	38,090	48,785	45,070
Differences Between Expected and Actual Experience	82,166	(121,692)	(8,779)
Change of Assumptions	2,613	(4,883)	9,106
Net Change in Total Pension Liability	145,794	(54,834)	68,446
Total Pension Liability - Beginning	498,443	644,237	589,403
Total Pension Liability - Ending	644,237	589,403	657,849
Plan Fiduciary Net Position			
Contributions - Employer	$ 19,269	20,362	20,175
Contributions - Members	8,738	8,941	9,165
Net Investment Income	2,289	40,231	74,211
Administrative Expense	83,130	(112,148)	(2,317)
Net Change in Plan Fiduciary Net Position	113,426	(42,614)	101,234
Plan Net Position - Beginning	443,726	557,152	514,538
Plan Net Position - Ending	557,152	514,538	615,772
Employer's Net Pension Liability/(Asset)	$ 87,085	74,865	42,077
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.48%	87.30%	93.60%
Covered Payroll	$ 116,504	119,217	122,198
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	74.75%	62.80%	34.43%

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2016 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017 and 2023.

12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
23,205	22,735	23,721	21,398	22,845	23,264	23,049
50,209	54,957	58,150	61,912	65,295	69,182	73,346
(6,097)	(34,144)	(43,898)	(37,365)	(34,739)	(37,030)	(34,865)
21,491	-	15,078	-	-	2,128	-
88,808	43,548	53,051	45,945	53,401	57,544	61,530
657,849	746,657	790,205	843,256	889,201	942,602	1,000,146
746,657	790,205	843,256	889,201	942,602	1,000,146	1,061,676
20,442	21,415	23,190	23,064	19,221	15,611	7,200
9,394	9,629	9,711	10,028	10,326	10,653	21,830
(9,368)	96,370	93,398	126,461	(75,796)	98,860	98,445
670	(2,392)	1,091	(5,629)	(3,975)	22,878	(33,071)
21,138	125,022	127,390	153,924	(50,224)	148,002	94,404
615,772	636,910	761,932	889,322	1,043,246	993,022	1,141,024
636,910	761,932	889,322	1,043,246	993,022	1,141,024	1,235,428
109,747	28,273	(46,066)	(154,045)	(50,420)	(140,878)	(173,752)
85.30%	96.42%	105.46%	117.32%	105.35%	114.09%	116.37%
125,252	128,383	129,476	133,707	137,681	142,039	146,655
87.62%	22.02%	(35.58%)	(115.21%)	(36.62%)	(99.18%)	(118.48%)

VILLAGE OF PALOS PARK, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability - Last Ten Fiscal Years
April 30, 2025

		2016	2017	2018
Total Pension Liability				
Service Cost	$	208,166	251,198	266,270
Interest		312,935	374,757	391,218
Changes in Benefit Terms		-	-	-
Differences Between Expected and Actual Experience		139,203	26,392	(454,778)
Change of Assumptions		500,727	(218,530)	590,072
Benefit Payments, Including Refunds of Member Contributions		(118,504)	(142,868)	(176,031)
Net Change in Total Pension Liability		1,042,527	290,949	616,751
Total Pension Liability - Beginning		5,274,838	6,317,365	6,608,314
Total Pension Liability - Ending		6,317,365	6,608,314	7,225,065
Plan Fiduciary Net Position				
Contributions - Employer		200,000	200,000	250,000
Contributions - Members		74,670	75,391	65,873
Net Investment Income		49,037	110,855	108,930
Benefit Payments, Including Refunds of Member Contributions		(118,504)	(142,868)	(176,031)
Administrative Expense		(1,642)	(1,380)	(1,856)
Net Change in Plan Fiduciary Net Position		203,561	241,998	246,916
Plan Net Position - Beginning		2,329,489	2,533,050	2,775,048
Plan Net Position - Ending		2,533,050	2,775,048	3,021,964
Employer's Net Pension Liability		3,784,315	3,833,266	4,203,101
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		40.10%	41.99%	41.83%
Covered Payroll	$	762,167	628,629	664,715
Employer's Net Pension Liability as a Percentage of Covered Payroll		496.52%	609.78%	632.32%

2019	2020	2021	2022	2023	2024	2025
237,104	264,252	341,269	470,506	327,411	289,419	229,215
397,276	414,920	420,852	402,080	493,518	528,599	580,061
-	116,245	-	-	(11,259)	-	-
(148,438)	(50,678)	(291,127)	(577,065)	656,550	76,236	239,301
(163,568)	908,814	1,452,629	(1,912,575)	(474,143)	(1,149,767)	111,781
(185,283)	(191,203)	(372,797)	(289,812)	(301,158)	(358,093)	(380,488)
137,091	1,462,350	1,550,826	(1,906,866)	690,919	(613,606)	779,870
7,225,065	7,362,156	8,824,506	10,375,332	8,468,466	9,159,385	8,545,779
7,362,156	8,824,506	10,375,332	8,468,466	9,159,385	8,545,779	9,325,649
250,000	325,000	335,000	414,000	486,000	425,000	489,000
77,130	84,306	82,177	85,149	89,435	86,370	91,865
176,722	40,642	696,544	(264,654)	107,596	452,521	491,597
(185,283)	(191,203)	(372,797)	(289,812)	(301,158)	(358,093)	(380,488)
(1,455)	(4,319)	(5,785)	(8,878)	(12,659)	(12,606)	(17,320)
317,114	254,426	735,139	(64,195)	369,214	593,192	674,654
3,021,964	3,339,078	3,593,504	4,328,643	4,264,448	4,633,662	5,226,854
3,339,078	3,593,504	4,328,643	4,264,448	4,633,662	5,226,854	5,901,508
4,023,078	5,231,002	6,046,689	4,204,018	4,525,723	3,318,925	3,424,141
45.35%	40.72%	41.72%	50.36%	50.59%	61.16%	63.28%
815,769	850,714	829,232	864,089	927,542	871,544	897,690
493.16%	614.90%	729.19%	486.53%	487.93%	380.81%	381.44%

VILLAGE OF PALOS PARK, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Investment Returns - Last Ten Fiscal Years
April 30, 2025

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2016	2.07%
2017	4.25%
2018	3.94%
2019	5.92%
2020	(4.96%)
2021	19.89%
2022	(6.11%)
2023	6.43%
2024	1.42%
2025	9.68%

Retiree Benefits Plan
Schedule of Changes in the Employer's Total OPEB Liability
April 30, 2025

See Following Page

VILLAGE OF PALOS PARK, ILLINOIS

Retiree Benefits Plan

Required Supplementary Information
Schedule of Changes in the Employer's Total OPEB Liability
April 30, 2025

	2019
Total OPEB Liability	
Service Cost	$ 9,273
Interest	8,193
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	-
Change of Assumptions or Other Inputs	3,621
Benefit Payments	(7,401)
Net Change in Total OPEB Liability	13,686
Total OPEB Liability - Beginning	210,075
Total OPEB Liability - Ending	223,761
Covered-Employee Payroll	$ 2,267,478
Total OPEB Liability as a Percentage of Covered-Employee Payroll	9.87%

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2019 through 2025.

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

Notes:
This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available. The Village implemented GASB 74/75 starting in fiscal year April 30, 2019.

2020	2021	2022	2023	2024	2025
9,819	11,760	8,733	7,287	21,921	21,178
8,236	6,478	5,796	6,865	7,691	9,125
-	-	-	-	-	-
-	(19,567)	-	14,979	-	83,990
33,197	19,506	(41,958)	(8,918)	(10,095)	10,060
(12,845)	(18,208)	(13,570)	(14,577)	(17,817)	(8,565)
38,407	(31)	(40,999)	5,636	1,700	115,788
223,761	262,168	262,137	221,138	226,774	228,474
262,168	262,137	221,138	226,774	228,474	344,262
2,556,338	2,458,250	2,376,511	2,548,253	2,618,330	2,670,687
10.26%	10.66%	9.31%	8.90%	8.73%	12.89%

VILLAGE OF PALOS PARK, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
Revenues				
Taxes	$ 2,546,732	2,580,504	33,772	2,453,911
Intergovernmental	2,142,363	2,212,910	70,547	2,159,452
Licenses and Permits	249,313	293,234	43,921	238,668
Charges for Services	317,628	407,094	89,466	312,862
Fines and Forfeitures	96,745	106,464	9,719	117,322
Investment Income	175,845	255,399	79,554	243,097
Miscellaneous	467,283	394,157	(73,126)	328,729
Total Revenues	5,995,909	6,249,762	253,853	5,854,041
Expenditures				
General Government	838,881	913,952	75,071	811,796
Public Safety	2,932,571	2,865,368	(67,203)	2,678,510
Public Works	718,138	702,751	(15,387)	660,943
Building and Public Grounds	884,675	643,089	(241,586)	680,343
Culture and Recreation	397,790	418,748	20,958	368,155
Capital Outlay	488,938	485,198	(3,740)	411,049
Debt Service				
Principal Retirement	-	44,883	44,883	-
Total Expenditures	6,260,993	6,073,989	(187,004)	5,610,796
Excess (Deficiency) of Revenues Over (Under) Expenditures	(265,084)	175,773	440,857	243,245
Other Financing Sources (Uses)				
Debt Issuance	-	142,950	142,950	-
Transfers In	160,000	160,000	-	165,000
Transfers Out	(751,200)	(751,200)	-	(194,784)
	(591,200)	(448,250)	142,950	(29,784)
Net Change in Fund Balance	(856,284)	(272,477)	583,807	213,461
Fund Balance - Beginning		4,377,695		4,164,234
Fund Balance - Ending		4,105,218		4,377,695

VILLAGE OF PALOS PARK, ILLINOIS

Local Municipal Gas Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
Revenues				
Intergovernmental				
Local Municipal Gas Tax	$ 156,000	130,040	(25,960)	151,909
Investment Income	10,100	30,571	20,471	114,703
Total Revenues	166,100	160,611	(5,489)	266,612
Expenditures				
General Government				
Other Contractual Services	5,500	1,195	(4,305)	3,485
Capital Outlay	1,158,720	1,178,755	20,035	1,384,386
Total Expenditures	1,164,220	1,179,950	15,730	1,387,871
Excess (Deficiency) of Revenues Over (Under) Expenditures	(998,120)	(1,019,339)	(21,219)	(1,121,259)
Other Financing (Uses)				
Transfers Out	(214,825)	(214,525)	300	(213,725)
Net Change in Fund Balance	(1,212,945)	(1,233,864)	(20,919)	(1,334,984)
Fund Balance - Beginning		1,446,658		2,781,642
Fund Balance - Ending		212,794		1,446,658

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:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Major Enterprise Funds
- Combining Schedules - Nonmajor Enterprise Funds
- Budgetary Comparison Schedule – Nonmajor Enterprise FundS
- Budgetary Comparison Schedule – Pension Trust Fund
- Combining Statements – Custodial Funds Funds

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

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

Local Municipal Gas Tax Fund

The Local Municipal Gas Tax Fund is used to account for the operation of street maintenance and related capital projects. Financing is provided from the Village's local 3¢ gas tax.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the operation of street maintenance programs and capital projects as authorized by the Illinois Department of Transportation. Financing is provided from the Village's share of gasoline taxes.

Land Acquisition and Recreation Fund

The Land Acquisition and Recreation Fund is used to account for the acquisition and preservation of open lands that enhance the natural setting.

Exaction Fee Fund

The Exaction Fee Fund is used to account for charges for construction (and the impact of construction) that offset costs carried by the Village and other taxing bodies because of increased demand for services. Exaction fees received are intended to be spent on debt service related to transportation or recreation improvements. The Village, however, also receives exaction fees to support both grammar and high schools and the library. Fees received are forwarded directly to these organizations annually.

Fine Arts Fund

The Fine Arts Fund is used to account for a Fine Arts Committee, which is generally self-sufficient in operation. Fine Arts activities provide residents with meaningful, celebrated events related to the Arts and Humanities.

INDIVIDUAL FUND DESCRIPTIONS

DEBT SERVICE FUND

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

2022A Bond Fund

The Debt Service Fund is used to accumulate monies for the Village's general obligation alternate revenue source bonds, Series 2022A, for payment of the principal and interest on governmental debt (non-proprietary). Local resources are transferred from the Local Municipal Gas Tax fund or the 1/2% Sales Tax Fund to finance the annual debt service payment requirements.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by proprietary funds.

Capital Improvements Fund

The Capital Improvement Fund is used to account for the accumulation of resources to be used for the replacement of Village vehicles, equipment, buildings and land improvements.

1/2% Sales Tax Fund

The 1/2% Sales Tax Fund is used to account for the proceeds of non-home rule sales tax.

ENTERPRISE FUNDS

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 Fund

The Water Fund is used to account for the provisions of water to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt services and billing and collection.

INDIVIDUAL FUND DESCRIPTIONS

ENTERPRISE FUNDS – Continued

Sewer Maintenance Fund

The Sewer Maintenance Fund is used to account for the provisions of sanitary sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt services and billing and collection.

Refuse and Recycling Fund

The Refuse and Recycling Fund is used to account for the provisions of refuse and recycling services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt services and billing and collection.

Commuter Parking Lot Fund

The Commuter Parking Lot Fund is used to account for the provisions of public parking services. All activities are accounted for in this fund, including, but not limited to, administration, operations, capital construction, financing, and revenue collection.

TRUST AND CUSTODIAL FUNDS

PENSION TRUST FUND

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

CUSTODIAL FUNDS

Special Assessment Funds

The Special Assessment Funds are used to account for the accumulation of resources and payment of principal and interest on non-commitment special assessment bonds.

VILLAGE OF PALOS PARK, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
Taxes				
Property	$ 1,778,890	1,770,291	(8,599)	1,684,524
Utility	345,840	379,563	33,723	362,794
Other Taxes	422,002	430,650	8,648	406,593
Total Taxes	2,546,732	2,580,504	33,772	2,453,911
Intergovernmental				
State Sales Tax	1,264,726	1,307,566	42,840	1,279,156
State Income Tax	832,830	851,469	18,639	802,038
Replacement Tax	27,807	16,574	(11,233)	26,995
Grants	17,000	37,301	20,301	51,263
Total Intergovernmental	2,142,363	2,212,910	70,547	2,159,452
Licenses and Permits	249,313	293,234	43,921	238,668
Charges for Services	317,628	407,094	89,466	312,862
Fines and Forfeitures	96,745	106,464	9,719	117,322
Investment Income	175,845	255,399	79,554	243,097
Miscellaneous				
Fees by Agreement	254,148	258,582	4,434	262,153
Sponsorships and Donations	37,625	22,803	(14,822)	28,693
Miscellaneous	175,510	112,772	(62,738)	37,883
Total Miscellaneous	467,283	394,157	(73,126)	328,729
Total Revenues	5,995,909	6,249,762	253,853	5,854,041

VILLAGE OF PALOS PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
General Government				
Administration				
Wages	$ 345,915	352,379	6,464	349,082
Benefits	102,561	99,152	(3,409)	91,148
Risk Management Insurance	12,598	12,741	143	12,176
Legal Fees	38,000	22,799	(15,201)	26,193
Other Contractual Services	60,740	78,154	17,414	59,320
Commodities	54,551	50,839	(3,712)	61,284
Public Affairs				
Benefits	-	20,887	20,887	-
Risk Management Insurance	1,200	1,037	(163)	991
Legal Fees	1,000	-	(1,000)	135
Other Contractual Services	15,795	17,968	2,173	13,530
Commodities	2,050	3,322	1,272	4,951
Finance				
Wages	102,388	132,920	30,532	102,911
Benefits	16,110	34,208	18,098	15,773
Risk Management Insurance	4,199	3,640	(559)	3,479
Legal Fees	400	-	(400)	-
Other Contractual Services	59,833	67,727	7,894	53,795
Commodities	6,966	4,948	(2,018)	6,515
Other				
Other Contractual Services	12,475	7,813	(4,662)	8,004
Commodities	2,100	3,418	1,318	2,509
Total General Government	838,881	913,952	75,071	811,796

VILLAGE OF PALOS PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
Public Safety				
Wages	$ 1,660,415	1,616,453	(43,962)	1,557,058
Benefits	842,550	835,820	(6,730)	734,227
Risk Management Insurance	49,193	19,887	(29,306)	40,750
Legal Fees	34,000	33,748	(252)	29,343
Other Contractual Services	193,088	218,769	25,681	182,205
Commodities	153,325	140,691	(12,634)	134,927
Total Public Safety	2,932,571	2,865,368	(67,203)	2,678,510
Public Works				
Wages	325,837	340,736	14,899	314,879
Benefits	85,406	87,333	1,927	76,200
Risk Management Insurance	13,198	11,438	(1,760)	10,931
Legal Fees	2,000	-	(2,000)	-
Other Contractual Services	217,225	214,986	(2,239)	204,279
Commodities	74,472	48,258	(26,214)	54,654
Total Public Works	718,138	702,751	(15,387)	660,943
Building and Public Grounds				
Building				
Wages	266,525	252,103	(14,422)	243,945
Benefits	105,384	103,346	(2,038)	97,425
Risk Management Insurance	6,599	5,724	(875)	5,470
Legal Fees	18,000	4,907	(13,093)	7,219
Other Contractual Services	102,989	96,866	(6,123)	91,592
Commodities	168,794	36,314	(132,480)	40,765
Public Grounds				
Risk Management Insurance	-	3,121	3,121	2,983
Commodities	-	502	502	-

VILLAGE OF PALOS PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
Building and Public Grounds - Continued				
Miscellaneous				
Other Contractual Services	$ 191,839	120,769	(71,070)	182,559
Commodities	24,545	19,437	(5,108)	8,385
Total Building and Public Grounds	884,675	643,089	(241,586)	680,343
Culture and Recreation				
Recreation				
Wages	200,277	199,130	(1,147)	173,856
Benefits	36,515	36,715	200	23,926
Risk Management Insurance	9,599	8,317	(1,282)	7,948
Legal Fees	300	-	(300)	-
Other Contractual Services	53,135	75,310	22,175	54,931
Commodities	22,722	18,615	(4,107)	17,797
Festivals				
Other Contractual Services	56,232	53,882	(2,350)	66,312
Commodities	19,010	26,779	7,769	23,385
Total Culture and Recreation	397,790	418,748	20,958	368,155
Capital Outlay				
Administration	23,934	22,911	(1,023)	48,913
Public Safety	108,105	232,159	124,054	117,219
Building and Public Grounds	356,899	230,128	(126,771)	244,917
	488,938	485,198	(3,740)	411,049
Debt Service				
Prinicpal Retirement	-	44,883	44,883	-
Total Expenditures	6,260,993	6,073,989	(187,004)	5,610,796

VILLAGE OF PALOS PARK, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet
April 30, 2025

	Special Revenue	Debt Service 2022A Bond	Capital Projects	Totals
ASSETS				
Cash and Investments	$ 940,487	-	1,943,286	2,883,773
Receivables - Net of Allowances				
Sales Tax	-	-	93,132	93,132
Due from Other Governments	17,707	-	-	17,707
Total Assets	958,194	-	2,036,418	2,994,612
LIABILITES				
Accounts Payable	4,487	-	267	4,754
Due to Other Funds	-	600	-	600
Total Liabilities	4,487	600	267	5,354
FUND BALANCES				
Restricted	953,707	-	-	953,707
Committed	-	-	2,036,151	2,036,151
Unassigned	-	(600)	-	(600)
Total Fund Balances	953,707	(600)	2,036,151	2,989,258
Total Liabilities and Fund Balances	958,194	-	2,036,418	2,994,612

VILLAGE OF PALOS PARK, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2025

	Special Revenue	Debt Service 2022A Bond	Capital Projects	Totals
Revenues				
Taxes	$ -	-	379,913	379,913
Intergovernmental	221,428	-	102,792	324,220
Investment Income	40,409	-	85,703	126,112
Miscellaneous	32,655	-	-	32,655
Total Revenues	294,492	-	568,408	862,900
Expenditures				
Public Works	9,644	-	-	9,644
Culture and Recreation	1,950	-	-	1,950
Building and Public Grounds	-	-	7,814	7,814
Capital Outlay	69,047	-	168,421	237,468
Debt Service				
Principal Retirement	45,000	110,000	-	155,000
Interest and Fiscal Charges	4,755	104,825	-	109,580
Total Expenditures	130,396	214,825	176,235	521,456
Excess (Deficiency) of Revenues Over (Under) Expenditures	164,096	(214,825)	392,173	341,444
Other Financing Sources				
Transfers In	49,755	214,525	56,947	321,227
Net Change in Fund Balances	213,851	(300)	449,120	662,671
Fund Balances - Beginning	739,856	(300)	1,587,031	2,326,587
Fund Balances - Ending	953,707	(600)	2,036,151	2,989,258

VILLAGE OF PALOS PARK, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet
April 30, 2025

	Motor Fuel Tax	Land Acquisition and Recreation	Exaction Fee	Fine Arts	Totals
ASSETS					
Cash and Investments	$ 893,375	-	47,112	-	940,487
Due from Other Governments	17,707	-	-	-	17,707
Total Assets	911,082	-	47,112	-	958,194
LIABILITIES					
Accounts Payable	-	-	4,487	-	4,487
FUND BALANCES					
Restricted	911,082	-	42,625	-	953,707
Total Liabilities and Fund Balances	911,082	-	47,112	-	958,194

VILLAGE OF PALOS PARK, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2025

	Motor Fuel Tax	Land Acquisition and Recreation	Exaction Fee	Fine Arts	Totals
Revenues					
Intergovernmental	$ 221,428	-	-	-	221,428
Investment Income	40,409	-	-	-	40,409
Miscellaneous	-	-	32,652	3	32,655
Total Revenues	261,837	-	32,652	3	294,492
Expenditures					
Public Works	9,644	-	-	-	9,644
Culture and Recreation	-	-	-	1,950	1,950
Capital Outlay	69,047	-	-	-	69,047
Debt Service					
Principal Retirement	-	45,000	-	-	45,000
Interest and Fiscal Charges	-	4,755	-	-	4,755
Total Expenditures	78,691	49,755	-	1,950	130,396
Excess (Deficiency) of Revenues Over (Under) Expenditures	183,146	(49,755)	32,652	(1,947)	164,096
Other Financing Sources					
Transfers In	-	49,755	-	-	49,755
Net Change in Fund Balances	183,146	-	32,652	(1,947)	213,851
Fund Balances - Beginning	727,936	-	9,973	1,947	739,856
Fund Balances - Ending	911,082	-	42,625	-	953,707

VILLAGE OF PALOS PARK, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
Revenues				
Intergovernmental				
Motor Fuel Tax Allotments	$ 213,596	221,428	7,832	215,163
Investment Income	23,800	40,409	16,609	34,712
Total Revenues	237,396	261,837	24,441	249,875
Expenditures				
Public Works				
Commodities	19,900	9,644	(10,256)	18,408
Capital Outlay	105,500	69,047	(36,453)	92,490
Total Expenditures	125,400	78,691	(46,709)	110,898
Net Change in Fund Balance	111,996	183,146	71,150	138,977
Fund Balance - Beginning		727,936		588,959
Fund Balance - Ending		911,082		727,936

VILLAGE OF PALOS PARK, ILLINOIS

Land Acquisition and Recreation - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
Revenues				
Intergovernmental	$ -	-	-	-
Expenditures				
Debt Service				
Principal Retirement	45,000	45,000	-	40,000
Interest and Fiscal Charges	4,755	4,755	-	6,470
Total Expenditures	49,755	49,755	-	46,470
Excess (Deficiency) of Revenues Over (Under) Expenditures	(49,755)	(49,755)	-	(46,470)
Other Financing Sources				
Transfers In	49,755	49,755	-	39,096
Net Change in Fund Balance	-	-	-	(7,374)
Fund Balance - Beginning		-		7,374
Fund Balance - Ending		-		-

VILLAGE OF PALOS PARK, ILLINOIS

2022A Bond - Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
Revenues				
Intergovernmental	$ -	-	-	-
Expenditures				
Debt Service				
Principal Retirement	110,000	110,000	-	105,000
Interest and Fiscal Charges	104,825	104,825	-	109,025
Total Expenditures	214,825	214,825	-	214,025
Excess (Deficiency) of Revenues Over (Under) Expenditures	(214,825)	(214,825)	-	(214,025)
Other Financing Sources				
Transfers In	214,825	214,525	(300)	213,725
Net Change in Fund Balance	-	(300)	(300)	(300)
Fund Balance - Beginning		(300)		-
Fund Balance - Ending		(600)		(300)

VILLAGE OF PALOS PARK, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Balance Sheet
April 30, 2025

	Capital Improvements	1/2% Sales Tax	Totals
ASSETS			
Cash and Investments	$ 523,978	1,419,308	1,943,286
Receivables - Net of Allowances			
Sales Tax	-	93,132	93,132
Total Assets	523,978	1,512,440	2,036,418
LIABILITIES			
Accounts Payable	-	267	267
FUND BALANCES			
Committed	523,978	1,512,173	2,036,151
Total Liabilities and Fund Balances	523,978	1,512,440	2,036,418

VILLAGE OF PALOS PARK, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2025

	Capital Improvements	1/2% Sales Tax	Totals
Revenues			
Taxes	$ -	379,913	379,913
Intergovernmental			
Grants	-	102,792	102,792
Investment Income	22,962	62,741	85,703
Total Revenues	22,962	545,446	568,408
Expenditures			
Building and Public Grounds	-	7,814	7,814
Capital Outlay	-	168,421	168,421
Total Expenditures	-	176,235	176,235
Excess (Deficiency) of Revenues Over (Under) Expenditures	22,962	369,211	392,173
Other Financing Sources			
Transfers In	56,947	-	56,947
Net Change in Fund Balances	79,909	369,211	449,120
Fund Balances - Beginning	444,069	1,142,962	1,587,031
Fund Balances - Ending	523,978	1,512,173	2,036,151

VILLAGE OF PALOS PARK, ILLINOIS

Capital Improvements - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
Revenues				
Investment Income	$ 5,500	22,962	17,462	15,586
Expenditures				
Capital Outlay	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,500	22,962	17,462	15,586
Other Financing Sources				
Transfers In	56,947	56,947	-	155,688
Net Change in Fund Balance	62,447	79,909	17,462	171,274
Fund Balance - Beginning		444,069		272,795
Fund Balance - Ending		523,978		444,069

VILLAGE OF PALOS PARK, ILLINOIS

1/2% Sales Tax - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
Revenues				
Taxes				
1/2% Sales Tax	$ 349,762	379,913	30,151	348,845
Intergovernmental				
Grants	150,000	102,792	(47,208)	-
Investment Income	34,070	62,741	28,671	50,756
Total Revenues	533,832	545,446	11,614	399,601
Expenditures				
Building and Grounds				
Street Maintenance	43,450	4,764	(38,686)	8,928
Equipment	10,900	3,050	(7,850)	4,080
Capital Outlay	312,840	168,421	(144,419)	175,915
Total Expenditures	367,190	176,235	(190,955)	188,923
Net Change in Fund Balance	166,642	369,211	202,569	210,678
Fund Balance - Beginning		1,142,962		932,284
Fund Balance - Ending		1,512,173		1,142,962

VILLAGE OF PALOS PARK, ILLINOIS

Water - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
Operating Revenues				
Charges for Services	$ 2,091,160	2,013,245	(77,915)	2,257,725
Sale of Water Meters	6,900	5,200	(1,700)	3,612
Miscellaneous	33,805	19,482	(14,323)	145,782
Total Operating Revenues	2,131,865	2,037,927	(93,938)	2,407,119
Operating Expenses				
Personnel	492,696	594,095	101,399	478,704
Commodities	82,574	50,998	(31,576)	79,398
Water Purchases	822,950	891,768	68,818	857,613
Services	836,676	687,487	(149,189)	688,119
Capital Outlay	2,307,000	1,811,652	(495,348)	30,907
Total Operating Expenses	4,541,896	4,036,000	(505,896)	2,134,741
Operating Income (Loss)	(2,410,031)	(1,998,073)	411,958	272,378
Nonoperating Revenues (Expenses)				
Investment Income	19,288	43,197	23,909	51,674
Rental Income	10,640	21,280	10,640	21,280
Tap-On Fees	17,966	33,502	15,536	1,187
Principal Retirement	(110,000)	(110,000)	-	(110,000)
Interest Expense	(9,575)	(9,575)	-	(10,885)
	(71,681)	(21,596)	50,085	(46,744)
Income (Loss) Before Transfers	(2,481,712)	(2,019,669)	462,043	225,634
Debt Issuance	2,111,650	-	(2,111,650)	-
Transfers In	644,498	644,498	-	-
Transfers Out	(75,000)	(75,000)	-	(75,000)
	2,681,148	569,498	(2,111,650)	(75,000)
Income (Loss) Before GAAP Adjustments	199,436	(1,450,171)	(1,649,607)	150,634
Principal Retirement		110,000		110,000
Capitalized Assets		1,803,302		-
Depreciation		(488,165)		(494,451)
Change in Net Position		(25,034)		(233,817)
Net Position - Beginning		8,180,880		8,414,697
Net Position - Ending		8,155,846		8,180,880

VILLAGE OF PALOS PARK, ILLINOIS

Sewer Maintenance - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
Operating Revenues				
Charges for Services	$ 505,000	533,620	28,620	527,859
Miscellaneous	1,000	800	(200)	502
Total Operating Revenues	506,000	534,420	28,420	528,361
Operating Expenses				
Personnel	232,185	242,877	10,692	188,790
Commodities	19,472	14,727	(4,745)	10,472
Services	241,156	204,836	(36,320)	127,531
Capital Outlay	347,500	114,450	(233,050)	96,973
Total Operating Expenses	840,313	576,890	(263,423)	423,766
Operating Income (Loss)	(334,313)	(42,470)	291,843	104,595
Nonoperating Revenues				
Investment Income	8,966	11,501	2,535	11,475
Tap-On Fees	17,028	46,962	29,934	-
	25,994	58,463	32,469	11,475
Income (Loss) Before Transfers	(308,319)	15,993	324,312	116,070
Transfers Out	(40,000)	(40,000)	-	(40,000)
Income (Loss) Before GAAP Adjustments	(348,319)	(24,007)	324,312	76,070
Capitalized Assets		107,377		44,317
Depreciation		(429,443)		(446,900)
Change in Net Position		(346,073)		(326,513)
Net Position - Beginning		7,247,448		7,573,961
Net Position - Ending		6,901,375		7,247,448

VILLAGE OF PALOS PARK, ILLINOIS

Combining Statement of Net Position - Nonmajor Proprietary Funds
April 30, 2025

	Refuse and Recycling	Commuter Parking Lot	Totals
ASSETS			
Current Assets			
Cash and Investments	$ 42,270	115,807	158,077
Receivables - Net of Allowances			
Accounts	69,493	-	69,493
Prepaids	-	1,100	1,100
Total Current Assets	111,763	116,907	228,670
Noncurrent Assets			
Capital Assets			
Depreciable	-	30,116	30,116
Accumulated Depreciation	-	(12,238)	(12,238)
Total Noncurrent Assets	-	17,878	17,878
Total Assets	111,763	134,785	246,548
LIABILITIES			
Accounts Payable	67,639	1,143	68,782
NET POSITION			
Net Investment in Capital Assets	-	17,878	17,878
Unrestricted	44,124	115,764	159,888
Total Net Position	44,124	133,642	177,766

VILLAGE OF PALOS PARK, ILLINOIS

Combining Statement of Revenues, Expenses and Changes in Net Position - Nonmajor Proprietary Funds
For the Fiscal Year Ended April 30, 2025

	Refuse and Recycling	Commuter Parking Lot	Totals
Operating Revenues			
Charges for Services	$ 433,192	47,835	481,027
Miscellaneous	-	1,666	1,666
Total Operating Revenues	433,192	49,501	482,693
Operating Expenses			
Commodities	-	754	754
Services	399,411	13,739	413,150
Capital Outlay	-	13,084	13,084
Depreciation	-	1,944	1,944
Total Operating Expenses	399,411	29,521	428,932
Operating Inocme	33,781	19,980	53,761
Nonoperating Revenues			
Investment Income	-	58	58
Income Before Transfers	33,781	20,038	53,819
Transfers Out	(40,000)	(5,000)	(45,000)
Change in Net Position	(6,219)	15,038	8,819
Net Position - Beginning	50,343	118,604	168,947
Net Position - Ending	44,124	133,642	177,766

VILLAGE OF PALOS PARK, ILLINOIS

Combining Statement of Cash Flows - Nonmajor Proprietary Funds
For the Fiscal Year Ended April 30, 2025

	Refuse and Recycling	Commuter Parking Lot	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	$ 443,910	49,967	493,877
Payments to Suppliers	(364,925)	(27,050)	(391,975)
	78,985	22,917	101,902
Cash Flows from Noncapital Financing Activities			
Transfers Out	(40,000)	(5,000)	(45,000)
Cash Flows from Investing Activities			
Investment Income	-	58	58
Net Change in Cash and Cash Equivalents	38,985	17,975	56,960
Cash and Cash Equivalents - Beginning	3,285	97,832	101,117
Cash and Cash Equivalents - Ending	42,270	115,807	158,077
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income/(Loss)	33,781	19,980	53,761
Adjustments to Reconcile Operating Income Income to Net Cash Provided by (Used in) Operating Activities:			
Depreciation Expense	-	1,944	1,944
(Increase) Decrease in Current Assets	10,718	466	11,184
Increase (Decrease) in Current Liabilities	34,486	527	35,013
Net Cash Provided by Operating Activities	78,985	22,917	101,902

VILLAGE OF PALOS PARK, ILLINOIS

Refuse and Recycling - Nonmajor Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
Operating Revenues				
Charges for Services	$ 436,252	433,192	(3,060)	426,986
Operating Expenses				
Services	397,835	399,411	1,576	382,780
Income (Loss) Before Transfers	38,417	33,781	(4,636)	44,206
Transfers Out	(40,000)	(40,000)	-	(45,000)
Change in Net Position	(1,583)	(6,219)	(4,636)	(794)
Net Position - Beginning		50,343		51,137
Net Position - Ending		44,124		50,343

VILLAGE OF PALOS PARK, ILLINOIS

Commuter Parking Lot - Nonmajor Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			
	Original and Final Budget	Actual	Variance Over (Under)	4/30/24 Actual
Operating Revenues				
Charges for Services	$ 49,200	47,835	(1,365)	44,713
Miscellaneous	1,525	1,666	141	385
Total Operating Revenues	50,725	49,501	(1,224)	45,098
Operating Expenses				
Commodities	7,155	754	(6,401)	449
Services	11,195	13,739	2,544	10,160
Capital Outlay	14,088	13,084	(1,004)	10,749
Total Operating Expenses	32,438	27,577	(4,861)	21,358
Operating Income	18,287	21,924	3,637	23,740
Nonoperating Revenues				
Investment Income	210	58	(152)	363
Income Before Transfers	18,497	21,982	3,485	24,103
Transfers Out	(5,000)	(5,000)	-	(5,000)
Income Before GAAP Adjustments	13,497	16,982	3,485	19,103
Depreciation		(1,944)		(1,944)
Change in Net Position		15,038		17,159
Net Position - Beginning		118,604		101,445
Net Position - Ending		133,642		118,604

VILLAGE OF PALOS PARK, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2025
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2024)

	4/30/25			4/30/24
	Original and Final Budget	Actual	Variance Over (Under)	Actual
Additions				
Contributions - Employer	$ 489,000	489,000	-	425,000
Contributions - Plan Members	94,940	91,865	(3,075)	86,370
Total Contributions	583,940	580,865	(3,075)	511,370
Investment Income				
Interest Earned	-	495,868	495,868	454,504
Net Change in Fair Value	-	879	879	892
	-	496,747	496,747	455,396
Less Investment Expenses	(4,000)	(5,150)	(1,150)	(2,875)
Net Investment Income	(4,000)	491,597	495,597	452,521
Total Additions	579,940	1,072,462	492,522	963,891
Deductions				
Administration	15,855	17,320	1,465	12,606
Benefits and Refunds	379,500	380,488	988	358,093
Total Deductions	395,355	397,808	2,453	370,699
Change in Fiduciary Net Position	184,585	674,654	490,069	593,192
Net Position Restricted for Pensions				
Beginning		5,226,854		4,633,662
Ending		5,901,508		5,226,854

VILLAGE OF PALOS PARK, ILLINOIS

Special Assessment - Custodial Funds

Combining Statement of Fiduciary Net Position
April 30, 2025

		Special Assessment Fund #9	Special Assessment Fund #11	Special Assessment Fund #12
ASSETS				
Cash and Investments	$	123,179	37,408	204,705
LIABILITIES				
Accounts Payable		-	-	-
NET POSITION				
Net Position Restricted for Individuals, Organizations, and Other Governments		123,179	37,408	204,705

Special Assessment Fund #93-1	Special Assessment Fund #96-1A	Special Assessment Fund #96-1B	Special Assessment Fund #13A	Special Assessment Fund #13B	Total
561,666	89,339	28,115	64,507	1,598	1,110,517
-	-	-	-	-	-
561,666	89,339	28,115	64,507	1,598	1,110,517

VILLAGE OF PALOS PARK, ILLINOIS

Special Assessment - Custodial Funds

Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2025

	Special Assessment Fund #9	Special Assessment Fund #11	Special Assessment Fund #12
Additions			
Investment Income	$ -	155	6,861
Deductions			
Administration	-	-	-
Change in Fiduciary Net Position	-	155	6,861
Net Position Restricted for Individuals, Organizations, and Other Governments			
Beginning	123,179	37,253	197,844
Ending	123,179	37,408	204,705

Special Assessment Fund #93-1	Special Assessment Fund #96-1A	Special Assessment Fund #96-1B	Special Assessment Fund #13A	Special Assessment Fund #13B	Total
-	-	-	-	-	7,016
-	-	-	-	-	-
-	-	-	-	-	7,016
561,666	89,339	28,115	64,507	1,598	1,103,501
561,666	89,339	28,115	64,507	1,598	1,110,517

SUPPLEMENTAL SCHEDULES

VILLAGE OF PALOS PARK, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Alternate Revenue Bonds of 2021
April 30, 2025

Date of Issue	January 19, 2021
Date of Maturity	December 1, 2029
Authorized Issue	$1,000,000
Interest Rates	0.95% - 1.75%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Republic Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	$ 110,000	8,773	118,773
2027	110,000	7,287	117,287
2028	115,000	5,693	120,693
2029	115,000	3,910	118,910
2030	115,000	2,012	117,012
	565,000	27,675	592,675

VILLAGE OF PALOS PARK, ILLINOIS

Long-Term Debt Requirements

General Obligation Alternate Revenue Bonds of 2022
April 30, 2025

Date of Issue	April 12, 2022
Date of Maturity	December 1, 2041
Authorized Issue	$3,000,000
Interest Rates	3.50% - 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	$ 115,000	100,125	215,125
2027	115,000	95,525	210,525
2028	120,000	90,925	210,925
2029	125,000	86,125	211,125
2030	130,000	81,125	211,125
2031	135,000	75,925	210,925
2032	140,000	70,525	210,525
2033	150,000	64,925	214,925
2034	155,000	58,925	213,925
2035	160,000	52,725	212,725
2036	165,000	46,325	211,325
2037	175,000	39,725	214,725
2038	180,000	33,600	213,600
2039	185,000	27,300	212,300
2040	190,000	20,825	210,825
2041	200,000	14,175	214,175
2042	205,000	7,175	212,175
	2,645,000	965,975	3,610,975

VILLAGE OF PALOS PARK, ILLINOIS

Long-Term Debt Requirements

Debt Certificates of 2006
April 30, 2025

Date of Issue	October 26, 2006
Date of Maturity	December 1, 2025
Authorized Issue	$570,000
Denomination of Bonds	$5,000
Interest Rates	3.60% - 4.35%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	BNY Mellon, Chicago IL

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	$ 45,000	1,957	46,957

STATISTICAL SECTION
(Unaudited)

This part of the annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

Net Position by Component - Last Ten Fiscal Years*
April 30, 2025 (Unaudited)

See Following Page

VILLAGE OF PALOS PARK, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*
April 30, 2025 (Unaudited)

		2016	2017	2018	2019
Governmental Activities					
Net Investment in Capital Assets	$	4,247,176	4,321,833	4,254,941	4,165,843
Restricted		1,035,595	836,377	1,011,916	890,713
Unrestricted (Deficit)		(2,891,941)	(3,043,625)	(3,411,839)	(3,534,851)
Total Governmental Activities Net Position		2,390,830	2,114,585	1,855,018	1,521,705
Business-Type Activities					
Net Investment in Capital Assets		17,547,723	16,928,804	16,182,778	15,454,054
Unrestricted		2,706,556	2,769,067	3,026,951	2,881,719
Total Business-Type Activities Net Position		20,254,279	19,697,871	19,209,729	18,335,773
Primary Government					
Net Investment in Capital Assets		21,794,899	21,250,637	20,437,719	19,619,897
Restricted		1,035,595	836,377	1,011,916	890,713
Unrestricted (Deficit)		(185,385)	(274,558)	(384,888)	(653,132)
Total Primary Government Net Position		22,645,109	21,812,456	21,064,747	19,857,478

Data Source: Audited Financial Statements

* Accrual Basis of Accounting

2020	2021	2022	2023	2024	2025
4,047,163	3,982,149	3,845,104	3,715,035	1,613,034	2,017,031
400,144	806,475	994,177	686,782	2,604,040	1,715,831
(3,347,219)	(2,785,006)	(1,817,946)	221,446	578,720	140,635
1,100,088	2,003,618	3,021,335	4,623,263	4,795,794	3,873,497
14,740,296	13,953,687	13,189,370	12,470,947	11,681,969	10,987,291
3,108,092	3,333,928	3,599,809	3,670,293	3,915,306	4,247,696
17,848,388	17,287,615	16,789,179	16,141,240	15,597,275	15,234,987
18,787,459	17,935,836	17,034,474	16,185,982	13,295,003	13,004,322
400,144	806,475	994,177	686,782	2,604,040	1,715,831
(239,127)	548,922	1,781,863	3,891,739	4,494,026	4,388,331
18,948,476	19,291,233	19,810,514	20,764,503	20,393,069	19,108,484

VILLAGE OF PALOS PARK, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years*
April 30, 2025 (Unaudited)

		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses											
Governmental Activities											
General Government	$	1,025,499	721,192	895,776	698,093	713,486	534,585	265,203	689,244	762,997	1,350,460
Public Safety		2,698,289	2,634,989	2,512,388	2,560,411	2,976,891	2,770,316	2,577,763	2,654,241	2,514,056	2,601,724
Public Works		704,318	576,081	603,189	1,207,602	742,161	656,183	1,426,442	1,329,604	2,303,958	2,336,058
Building and Public Grounds		688,816	498,089	565,910	549,017	549,323	505,500	537,635	577,195	693,351	650,903
Culture and Recreation		562,906	516,908	459,347	467,237	474,916	204,633	298,901	296,209	406,163	531,662
Interest on Long-Term Debt		16,953	15,671	14,456	13,227	11,899	10,438	86,465	115,371	107,833	101,740
Total Governmental Activities Expenses		5,696,781	4,962,930	5,051,066	5,495,587	5,468,676	4,681,655	5,192,409	5,661,864	6,788,358	7,572,547
Business-Type Activities											
Water		2,107,252	2,201,814	2,294,997	2,258,454	2,197,314	2,438,489	2,349,430	2,558,101	2,640,077	2,730,438
Sewer Maintenance		771,114	781,918	777,810	886,842	831,967	746,324	785,454	851,780	826,349	898,956
Refuse and Recycling		316,838	354,417	357,510	360,784	387,281	328,245	392,613	429,165	382,780	399,411
Commuter Parking Lot		81,690	82,748	66,503	90,327	85,780	46,272	24,392	28,603	23,302	29,521
Total Business-Type Activities Expenses		3,276,894	3,420,897	3,496,820	3,596,407	3,502,342	3,559,330	3,551,889	3,867,649	3,872,508	4,058,326
Total Primary Government Expenses		8,973,675	8,383,827	8,547,886	9,091,994	8,971,018	8,240,985	8,744,298	9,529,513	10,660,866	11,630,873
Program Revenues											
Governmental Activities											
Charges for Services											
General Government		503,771	426,234	409,710	411,870	407,059	467,987	436,586	380,584	238,668	293,234
Public Safety		106,261	85,555	140,327	199,701	187,415	63,530	62,430	49,432	117,322	106,464
Culture and Recreation		163,568	219,006	164,345	212,517	199,368	186,173	140,380	190,437	312,862	407,094
Operating Grants/Contributions		123,981	122,854	123,759	123,039	191,362	517,594	519,073	416,906	418,335	491,561
Total Governmental Activities Program Revenues		897,581	853,649	838,141	947,127	985,204	1,235,284	1,158,469	1,037,359	1,087,187	1,298,353
Business-Type Activities											
Charges for Services											
Water		1,878,775	1,863,555	1,972,650	1,938,898	1,925,784	2,064,432	2,066,790	2,173,214	2,407,119	2,037,927
Sewer Maintenance		470,470	470,878	495,186	476,208	485,401	492,865	497,855	506,658	528,361	534,420
Refuse and Recycling		339,892	345,398	356,056	360,211	370,396	384,390	385,151	399,292	426,986	433,192
Commuter Parking Lot		97,095	101,901	91,885	103,301	95,484	4,655	15,417	27,251	45,098	47,835
Total Business-Type Act. Program Rev.		2,786,232	2,781,732	2,915,777	2,878,618	2,877,065	2,946,342	2,965,213	3,106,415	3,407,564	3,053,374
Total Primary Gov't Program Revenues		3,683,813	3,635,381	3,753,918	3,825,745	3,862,269	4,181,626	4,123,682	4,143,774	4,494,751	4,351,727

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expense) Revenue										
Governmental Activities	$ (4,799,200)	(4,109,281)	(4,212,925)	(4,548,460)	(4,483,472)	(3,446,371)	(4,033,940)	(4,624,505)	(5,701,171)	(6,274,194)
Business-Type Activities	(490,662)	(639,165)	(581,043)	(717,789)	(625,277)	(612,988)	(586,676)	(761,234)	(464,944)	(1,004,952)
Total Primary Gov't Net (Expense) Revenue	(5,289,862)	(4,748,446)	(4,793,968)	(5,266,249)	(5,108,749)	(4,059,359)	(4,620,616)	(5,385,739)	(6,166,115)	(7,279,146)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	1,311,982	1,311,952	1,340,768	1,422,799	1,450,299	1,422,163	1,586,067	1,545,511	1,684,524	1,770,291
Local Sales	165,167	194,529	199,931	210,717	197,990	200,308	322,452	359,464	348,845	379,913
Utility	442,551	442,015	421,304	445,823	393,704	391,033	434,069	440,548	362,794	379,563
Other Taxes	272,394	162,083	207,021	210,148	167,047	322,855	265,943	382,308	406,593	430,650
Intergovernmental - Unrestricted										
State Sales Tax	624,675	782,615	805,558	846,293	866,394	936,706	1,187,419	1,296,303	1,279,156	1,307,566
State Income Tax	516,556	458,162	439,535	470,590	525,339	555,647	700,890	791,573	802,038	851,469
Replacement Tax	-	-	-	-	12,994	12,252	28,481	37,334	26,995	16,574
Grants	-	-	-	-	-	-	-	644,497	-	-
Investment Income	5,543	20,730	43,014	47,291	34,575	12,385	5,660	222,414	458,854	412,082
Miscellaneous	524,000	460,950	496,227	545,541	476,728	508,302	520,676	518,541	338,903	426,812
Transfers	30,000	-	-	175,000	(63,215)	(11,750)	-	(12,060)	165,000	(484,498)
Total Governmental Activities	3,892,868	3,833,036	3,953,358	4,374,202	4,061,855	4,349,901	5,051,657	6,226,433	5,873,702	5,490,422
Business-Type Activities										
Investment Income	751	1,544	2,546	2,337	1,961	2,248	1,392	30,313	63,512	54,756
Miscellaneous	38,568	81,213	90,355	67,516	72,716	38,217	86,848	70,922	22,467	103,410
Transfers	(30,000)	-	-	(175,000)	63,215	11,750	-	12,060	(165,000)	484,498
Total Business-Type Activities	9,319	82,757	92,901	(105,147)	137,892	52,215	88,240	113,295	(79,021)	642,664
Total Primary Government	3,902,187	3,915,793	4,046,259	4,269,055	4,199,747	4,402,116	5,139,897	6,339,728	5,794,681	6,133,086
Changes in Net Position										
Governmental Activities	(906,332)	(276,245)	(259,567)	(174,258)	(421,617)	903,530	1,017,717	1,601,928	172,531	(783,772)
Business-Type Activities	(481,343)	(556,408)	(488,142)	(822,936)	(487,385)	(560,773)	(498,436)	(647,939)	(543,965)	(362,288)
Total Primary Government	(1,387,675)	(832,653)	(747,709)	(997,194)	(909,002)	342,757	519,281	953,989	(371,434)	(1,146,060)

Data Source: Audited Financial Statements

* Accrual Basis of Accounting

VILLAGE OF PALOS PARK, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years*
April 30, 2025 (Unaudited)

	2016	2017	2018
General Fund			
Nonspendable	$ 54,283	161,464	166,918
Restricted	276,324	3,965	4,415
Assigned	-	-	-
Unassigned	1,015,120	1,152,948	1,179,620
Total General Fund	1,345,727	1,318,377	1,350,953
All Other Governmental Funds			
Restricted	759,271	832,412	1,007,501
Committed	-	-	-
Assigned	30,054	33,392	24,089
Unassigned	-	(32,257)	(32,441)
Total All Other Governmental Funds	789,325	833,547	999,149
Total All Governmental Funds	2,135,052	2,151,924	2,350,102

Data Source: Audited Financial Statements

* Modified Accrual Basis of Accounting

2019	2020	2021	2022	2023	2024	2025
191,097	228,724	308,957	373,055	356,913	65,002	45,643
5,178	5,704	50,266	168,821	286,313	278,595	375,578
-	-	-	-	21,490	7,714	8,487
1,397,433	1,182,288	1,683,111	2,285,286	3,499,518	4,026,384	3,675,510
1,593,708	1,416,716	2,042,334	2,827,162	4,164,234	4,377,695	4,105,218
885,535	394,440	756,209	3,795,488	3,370,601	2,184,567	1,166,501
-	804,844	891,554	878,863	1,205,079	1,587,031	2,036,151
19,208	16,040	16,222	14,964	20,696	1,947	-
(32,441)	-	-	-	-	(300)	(600)
872,302	1,215,324	1,663,985	4,689,315	4,596,376	3,773,245	3,202,052
2,466,010	2,632,040	3,706,319	7,516,477	8,760,610	8,150,940	7,307,270

VILLAGE OF PALOS PARK, ILLINOIS

Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years*
April 30, 2025 (Unaudited)

	2016	2017	2018
Revenues			
Taxes	$ 2,192,094	2,110,579	2,169,024
Intergovernmental	1,265,212	1,363,631	1,368,852
Licenses and Permits	503,771	426,234	409,710
Charges for Services	163,568	219,006	164,345
Fines and Forfeitures	106,261	85,555	140,327
Investment Income	5,543	20,730	43,014
Miscellaneous	524,000	460,950	496,227
Total Revenues	4,760,449	4,686,685	4,791,499
Expenditures			
General Government	870,967	661,854	705,120
Public Safety	2,233,001	2,172,075	2,201,816
Public Works	581,525	544,366	585,635
Building and Public Grounds	688,816	541,512	411,155
Culture and Recreation	546,696	513,331	471,644
Capital Outlay	399,932	190,500	172,985
Debt Service			
Principal Retirement	33,921	30,000	30,000
Interest and Fiscal Charges	17,449	16,175	14,966
Total Expenditures	5,372,307	4,669,813	4,593,321
Excess (Deficiency) of Revenues Over (Under) Expenditures	(611,858)	16,872	198,178
Other Financing Sources (Uses)			
Transfer In	246,588	56,175	36,331
Transfer Out	(216,588)	(56,175)	(36,331)
Debt Issuance	-	-	-
Premium on Debt Issuance	-	-	-
Disposal of Capital Assets	5,218	-	-
	35,218	-	-
Net Change in Fund Balances	(576,640)	16,872	198,178
Debt Service as a Percentage of Noncapital Expenditures	1.02%	1.04%	1.00%

Data Source: Audited Financial Statements

* Modified Accrual Basis of Accounting

2019	2020	2021	2022	2023	2024	2025
2,289,487	2,222,034	2,336,359	2,608,531	2,727,831	2,802,756	2,960,417
1,439,922	1,583,095	2,022,199	2,435,863	3,186,613	2,526,524	2,667,170
411,870	407,059	467,987	436,586	380,584	238,668	293,234
212,517	199,368	186,173	140,380	190,437	312,862	407,094
199,701	187,415	63,530	62,430	49,432	117,322	106,464
47,291	34,575	12,385	5,660	222,414	458,854	412,082
545,541	476,728	508,302	520,676	518,541	338,903	426,812
5,146,329	5,110,274	5,596,935	6,210,126	7,275,852	6,795,889	7,273,273
633,516	611,927	633,434	537,384	573,502	815,281	915,147
2,283,579	2,460,261	2,378,302	2,460,217	2,721,638	2,678,510	2,865,368
652,736	654,260	622,123	653,371	676,603	679,351	712,395
544,111	549,323	505,500	537,635	577,195	693,351	650,903
460,306	460,800	189,588	283,383	242,776	379,731	420,698
627,431	96,952	135,909	914,683	967,122	2,063,840	1,901,421
30,000	35,000	35,000	35,000	180,000	145,000	199,883
13,742	12,506	11,050	82,234	80,823	115,495	109,580
5,245,421	4,881,029	4,510,906	5,503,907	6,019,659	7,570,559	7,775,395
(99,092)	229,245	1,086,029	706,219	1,256,193	(774,670)	(502,122)
178,742	47,506	51,310	197,496	479,573	573,509	481,227
(3,742)	(110,721)	(63,060)	(197,496)	(491,633)	(408,509)	(965,725)
-	-	-	3,000,000	-	-	142,950
-	-	-	103,939	-	-	-
40,000	-	-	-	-	-	-
215,000	(63,215)	(11,750)	3,103,939	(12,060)	165,000	(341,548)
115,908	166,030	1,074,279	3,810,158	1,244,133	(609,670)	(843,670)
0.84%	0.98%	1.04%	2.20%	4.60%	3.68%	4.27%

VILLAGE OF PALOS PARK, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
April 30, 2025 (Unaudited)

Tax Levy Year	Residential Property	Commercial Property	Industrial Property	Farm Valuation
2015	$ 168,617,169	$ 19,584,654	$ 8,708,669	$ 19,703
2016	176,145,947	20,459,111	9,097,512	20,583
2017	216,816,388	25,182,927	11,198,042	25,335
2018	209,599,547	24,344,701	10,825,310	24,492
2019	204,167,374	35,481,405	898,204	163,892
2020	219,474,140	43,257,263	972,851	179,261
2021	201,193,974	38,348,902	906,241	132,765
2022	199,289,676	37,708,751	882,400	131,821
2023	272,311,651	39,280,154	1,096,286	137,856
2024	N/A	N/A	N/A	N/A

Data Source: Office of the County Clerk

Notes:
Property in the Village is reassessed every three years. Property is assessed at 33% of actual value.

Total Direct Tax Rate is the Village only. (Does not include overlapping rates.)

N/A - The 2024 tax levy extension is not available as of the date of this report.

Railroad Valuation	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Ratio of Total Assessed Value to Total Estimated Actual Value
$ 98,514	$ 197,028,709	$ 0.6635	$ 591,086,127	33.33%
102,913	205,826,066	0.6430	617,478,198	33.33%
126,675	253,349,367	0.5580	760,048,101	33.33%
122,457	244,916,507	0.5920	734,749,521	33.33%
136,342	240,847,217	0.6130	722,541,651	33.33%
141,563	264,025,078	0.5760	792,075,234	33.33%
141,563	240,723,445	0.6450	722,170,335	33.33%
184,229	238,196,877	0.7000	714,590,631	33.33%
190,327	313,016,274	0.5560	939,048,822	33.33%
N/A	310,400,052	0.5785	931,200,156	33.33%

VILLAGE OF PALOS PARK, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
April 30, 2025 (Unaudited)

	2015	2016	2017
Village Direct Rates			
General	$ 0.5027	0.4767	0.4039
Illinois Municipal Retirement	0.0708	0.0732	0.0679
Police Protection	0.0900	0.0931	0.0862
Total Direct Rates	0.6635	0.6430	0.5580
Overlapping Rates			
School Districts	6.5100	11.1930	9.7710
Library	0.2160	0.2100	0.1820
County	0.6720	1.4660	0.6050
Fire Protection District	1.2550	2.1330	1.8550
Township	0.1330	0.9320	0.8010
South Palos Sanitary District *	0.4210	0.4090	0.3450
MWRD	0.4260	0.4060	0.4020
Total Overlapping Rates	9.6330	16.7490	13.9610
Total Direct and Overlapping Rates	10.2965	17.3920	14.5190

Data Source: Office of the County Clerk

Notes:
The Village's basic property tax rate may be increased only by a majority vote of the Village's residents. Rates for debt service are set based on each year's requirements.

Overlapping rates are those of local and county governments that apply to property owners within the Village. Not all overlapping rates apply to all Village property owners; County property tax rates for example, although the County property tax rates apply to all Village property owners, other rates (i.e., certain school districts) may apply to only certain property in the Village.

* Only some Village residents are within the South Palos Sanitary District

N/A - The 2024 tax levy extensoin is not available as of the date of this report.

2018	2019	2020	2021	2022	2023	2024
0.4266	0.4322	0.4064	0.4581	0.5124	0.3967	0.4123
0.0728	0.0796	0.0747	0.0815	0.0749	0.0604	0.0632
0.0926	0.1012	0.0949	0.1054	0.1127	0.0989	0.1030
0.5920	0.6130	0.5760	0.6450	0.7000	0.5560	0.5785
10.2520	10.5270	9.7800	10.6420	11.7570	9.3960	N/A
0.2250	0.5300	0.4810	0.2100	0.2280	0.1810	N/A
0.5660	0.5610	0.5280	0.5420	0.5330	0.5100	N/A
1.9830	2.0430	1.9150	1.2690	1.3830	1.0620	N/A
0.8500	0.3690	0.3330	1.8060	1.9400	1.5220	N/A
0.3660	0.3770	0.3470	0.3880	0.4110	0.0920	N/A
0.3960	0.3890	0.3780	0.3820	0.3740	0.3450	N/A
14.6380	14.7960	13.7620	15.2390	16.6260	13.1080	N/A
15.2300	15.4090	14.3380	15.8840	17.3260	13.6640	0.5785

VILLAGE OF PALOS PARK, ILLINOIS

Principal Property Tax Payers - Prior Fiscal Year and Nine Fiscal Years Ago
April 30, 2025 (Unaudited)

	2024*			2017		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
In Retail Fund Shoppes	$ 7,540,750	1	2.41%			
Sym Palos Park Realty	6,887,993	2	2.20%			
Cog Hill Golf Properties	5,242,339	3	1.67%	$ 5,848,468	3	2.31%
RDK Ventures	3,018,085	4	0.96%	2,218,159	5	0.88%
James Marth	2,446,970	5	0.78%	2,346,876	4	0.93%
Sunrise Senior Living	2,072,470	6	0.66%	6,431,462	2	2.54%
Wutran Palos Park LLC	1,871,849	7	0.60%			
Walgreen Co. Tax Dept.	1,429,762	8	0.46%	1,248,316	8	0.49%
Milap Shah	1,223,426	9	0.39%			
Park Management Inv. Ltd.	1,121,103	10	0.36%			
IRC (Formerly CNC)				7,036,413	1	2.78%
Glen Eagles Country Club				2,039,292	6	0.80%
Inter Cont'l 131st Palos Park				1,584,515	7	0.63%
Southwest Highway LLC				833,186	9	0.33%
Individual				813,380	10	0.32%
Total	32,854,747		10.49%	30,400,067		12.01%

Data Source: Office of the County Clerk and Assessor's Office

Notes:
Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

*Tax year 2023 values wee used in this statement as they were the most recent values available of the the creation of this table.

VILLAGE OF PALOS PARK, ILLINOIS

Property Tax Levies and Collections - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	$ 1,396,368	$ 679,298	48.65%	$ 632,684	$ 1,311,982	93.96%
2017	1,323,252	679,477	51.35%	630,728	1,310,205	99.01%
2018	1,411,912	686,077	48.59%	685,255	1,371,332	97.13%
2019	1,447,697	712,458	49.21%	686,464	1,398,922	96.63%
2020	1,475,426	740,056	50.16%	693,311	1,433,367	97.15%
2021	1,519,196	705,988	46.47%	777,522	1,483,510	97.65%
2022	1,547,702	784,062	50.66%	717,185	1,501,247	97.00%
2023	1,703,330	804,408	47.23%	822,896	1,627,304	95.54%
2024	1,773,919	821,223	46.29%	898,664	1,719,887	96.95%
2025	1,827,140	928,476	50.82%	-	928,476	50.82%

Data Source - Office of the Cook County Treasurer's Office

Notes:
Total collections to date include collections within the current fiscal year and collections in subsequent years. The percentage of levy represent the ratio of total collections to date to the taxes levied for that fiscal year. Extensions include loss amounts assessed by the County. Therefore, actual collections could exceed 100%.

Property in the Village is reassessed every three years. Property is assessed at 33% of actual value.

VILLAGE OF PALOS PARK, ILLINOIS

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

	Governmental Activities		
Fiscal Year	Debt Certificates	Leases Payable	General Obligation Bonds
2016	$ 365,000	$ -	$ -
2017	335,000	-	-
2018	305,000	-	-
2019	275,000	-	-
2020	240,000	-	-
2021	205,000	-	-
2022	170,000	-	3,103,939
2023	130,000	-	2,958,742
2024	90,000	-	2,848,545
2025	45,000	98,067	2,733,349

Note: The Village's outstanding debt can be found in the Notes to the Financial Statements

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

N/A - Not Available

Business-Type Activities					
General Obligation Bonds	IEPA Loan Payable	Public Benefit Debt	Total Primary Government	Percentage of Assessed Valuation (1)	Per Capita (2)
$ 1,650,000	$ -	$ 94,652	$ 2,109,652	1.02%	$ 435.25
1,505,000	-	56,942	1,896,942	0.75%	391.36
1,360,000	-	19,232	1,684,232	0.69%	347.48
1,210,000	-	-	1,485,000	0.62%	306.38
1,050,000	-	-	1,290,000	0.49%	266.14
1,000,000	-	-	1,205,000	0.50%	245.97
895,000	-	-	4,168,939	1.73%	850.98
785,000	-	-	3,873,742	1.63%	790.72
675,000	-	-	3,613,545	1.15%	737.61
565,000	1,795,805	-	5,237,221	1.69%	1,069.04

VILLAGE OF PALOS PARK, ILLINOIS

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

	Governmental Activities		Business-Type Activities				
Fiscal Year	Debt Certificates	General Obligation Bonds	General Obligation Bonds	Less: Amounts Available for Debt Service	Total	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
2016	$ 365,000	$ -	$ 1,650,000	$ -	$ 2,015,000	1.02%	$ 415.72
2017	335,000	-	1,505,000	-	1,840,000	0.89%	379.62
2018	305,000	-	1,360,000	-	1,665,000	0.66%	343.51
2019	275,000	-	1,210,000	-	1,485,000	0.61%	306.38
2020	240,000	-	1,050,000	-	1,290,000	0.54%	266.14
2021	205,000	-	1,000,000	-	1,205,000	0.46%	245.97
2022	170,000	3,103,939	895,000	-	4,168,939	1.73%	850.98
2023	130,000	2,958,742	785,000	-	3,873,742	1.63%	790.72
2024	90,000	2,848,545	675,000	-	3,613,545	1.15%	737.61
2025	45,000	2,733,349	565,000	-	3,343,349	1.08%	682.46

Data Source: Audited Financial Statements

Note: Details of the Village's outstanding debt can be found in notes to financial statements.

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistic for population data.

N/A - Not Available

VILLAGE OF PALOS PARK, ILLINOIS

Schedule of Direct and Overlapping Governmental Activities Debt
April 30, 2025 (Unaudited)

Governmental Unit	Gross Debt		Percentage of Debt Applicable to the Village of Palos Park (1)	Village of Palos Park Share of Debt
Village of Palos Park	$ 2,876,416		100.00%	$ 2,876,416
Overlapping Debt				
Cook County	1,930,661,750		0.157%	3,031,139
Cook County Forest Preserve District	75,290,000		0.157%	118,205
Metropolitan Water Reclamation District	2,437,561,774	(2)	0.160%	3,900,099
Lemont Public Library	1,175,000		0.679%	7,978
Lemont Park District	9,681,000		1.176%	113,849
Schools	38,600,000	(1)	0.922%	355,892
Comm. Consolidated School Dist. 118				
High School District 210	17,825,000		1.239%	220,852
High School Dist. 230	25,935,000		4.546%	1,179,005
Community College 524	16,085,000	(1)	2.107%	338,911
Community College 525	32,370,000	(1)	0.057%	18,451
Total Overlapping Debt	4,585,184,524			9,284,381
Total Direct and Overlapping Debt	4,588,060,940			12,160,797

Data Source: Office of the Cook County Clerk, Office of the Comptroller of the State of Illinois and Treasurer of the Metropolitan Water Reclamation District.

(1) Excludes principal amounts from outstanding General Obligation Alternate Revenue Source Bonds, notes, and debt certificates.
(2) Includes IEPA Revolving Loan Fund Bonds.

VILLAGE OF PALOS PARK, ILLINOIS

Schedule of Legal Debt Margin - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

	2016	2017	2018	2019
Legal Debt Limit	$ 16,993,726	17,752,498	21,851,383	21,124,049
Total Net Debt Applicable to Limit	365,000	335,000	305,000	275,000
Legal Debt Margin	16,628,726	17,417,498	21,546,383	20,849,049
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	2.15%	1.89%	1.40%	1.30%

Data Source: Village Records

Note:
G.O. Alternative bonds are considered G.O. Bonds in these calculations even though they are to be paid by water and sewer revenues.

2020	2021	2022	2023	2024	2025
20,533,072	22,567,163	22,772,163	20,762,397	26,997,654	26,772,004
240,000	205,000	170,000	130,000	90,000	45,000
20,293,072	22,362,163	22,602,163	20,632,397	26,907,654	26,727,004
1.17%	0.91%	0.75%	0.63%	0.33%	0.17%

Legal Debt Margin Calculation for Fiscal Year 2025	
Assessed Value	$ 310,400,052
Bonded Debt Limit - 8.625% of Assessed Value	26,772,004
Amount of Debt Applicable to Limit	45,000
Legal Debt Margin	26,727,004

VILLAGE OF PALOS PARK, ILLINOIS

Pledged Revenue Coverage - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

Fiscal Year	Water Charges and Other	Less Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2016	$ 2,388,377	$ 1,817,242	$ 571,135	$ 143,920	93,604	2.40
2017	2,416,969	1,943,438	473,531	145,000	71,556	2.19
2018	2,489,111	2,044,568	444,543	145,000	60,185	2.17
2019	2,436,250	2,189,418	246,832	150,000	58,989	1.18
2020	1,979,075	1,711,639	267,436	160,000	47,841	1.29
2021	2,104,464	1,876,503	227,961	85,000	53,726	1.64
2022	2,138,881	1,839,032	299,849	105,000	13,140	2.54
2023	2,216,847	2,063,144	153,703	110,000	12,086	1.26
2024	2,480,073	2,134,741	345,332	110,000	10,885	2.86
2025	2,102,404	4,036,000	(1,933,596)	110,000	9,575	(16.17)

Notes:
Details of the Village's outstanding debt can be found in the Notes to the Financial Statements

Water Charges and Other includes investment earnings but no tap-on fees.

Operating expenses do not include interest or depreciation.

Special Assessment projects within the Village are not pledged by Village funds; projects are funded by Village residents through direct collections and, therefore are not recorded here.

VILLAGE OF PALOS PARK, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2016	4,847	$ 374,692,488	$ 77,304	6.50%
2017	4,847	429,579,916	84,609	4.40%
2018	4,847	480,996,892	84,609	3.60%
2019	4,847	480,996,892	84,609	3.60%
2020	4,847	480,996,892	84,609	3.60%
2021	4,899	260,190,789	53,111	4.90%
2022	4,899	311,086,500	63,500	2.30%
2023	4,899	314,927,316	64,284	1.80%
2024	4,899	336,742,563	68,737	1.77%
2025	4,899	411,290,646	83,954	4.40%

Data Source: Population is from the U.S. Bureau of the Census

VILLAGE OF PALOS PARK, ILLINOIS

Principal Employers - Prior Fiscal Year and Nine Fiscal Years Ago
April 30, 2025 (Unaudited)

	2024		2017	
Employer	Rank	Percentage of Total Village Employment	Rank	Percentage of Total Village Employment
Palos Community School District #118	1	14.47%		
Jewel Osco	2	12.06%	3	3.09%
Peace Village	3	6.75%		
Holy Family Villa	4	4.82%	2	3.88%
Sunrise Assisted Living	5	3.62%	4	2.06%
Palos Fire Protection District	6	2.65%		
Children's Farm At The Center	7	2.41%		
Village of Palos Park	8	2.17%	5	1.71%
South Palos Township Sanitary District	9	1.93%		
Re/Max	10	1.78%		
Cog Hill Golf Course			1	6.19%
Glen Eagles Country Club			6	1.03%
Francesca's			7	0.76%
Hackney's			8	0.72%
Walgreens			9	0.41%
McDivott's			10	0.25%
		52.68%		20.10%

Data Source: Village Records / School District Records, Data Axle U.S. Business Database, Employer Website.

Full-Time and Part-Time Employees by Function/Program - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

See Following Page

VILLAGE OF PALOS PARK, ILLINOIS

Full-Time and Part-Time Employees by Function/Program - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

Function/Program	2016	2017	2018
General Government			
Administration	4.30	4.30	4.30
Building and Zoning	3.50	3.50	3.50
Finance	1.50	1.50	1.50
Police			
Officers FT	9.00	9.00	9.00
Officers PT	23.00	23.00	23.00
Civilians	2.00	2.00	2.00
Public Works			
Water Department	4.60	4.60	4.60
Sewer Department	1.40	1.40	1.40
Street Maintenance	4.50	4.50	4.50
Recreation	3.00	3.00	3.00
Totals	56.80	56.80	56.80

Data Source: Village Finance Department Payroll

2019	2020	2021	2022	2023	2024	2025
4.00	4.50	4.00	4.10	4.10	4.10	4.10
3.50	3.50	3.13	3.00	3.00	3.00	3.00
1.50	1.50	1.46	1.46	1.46	1.46	1.46
9.00	12.00	12.00	11.00	11.00	11.00	10.00
23.00	20.00	4.68	4.94	5.55	6.25	12.00
2.00	2.00	2.52	2.42	2.10	2.10	2.10
4.60	4.60	4.53	4.25	5.00	5.00	5.00
1.40	1.91	1.68	2.50	2.50	2.50	2.50
4.50	4.50	4.39	5.50	5.33	5.50	5.50
3.00	4.00	4.00	4.00	4.10	4.00	4.00
56.50	58.51	42.39	43.17	44.14	44.91	49.66

VILLAGE OF PALOS PARK, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

Function/Program	2016	2017	2018
Public Safety			
Police			
Physical Arrests	240	136	223
Parking Violations	1,048	728	1,359
Traffic Violations	864	470	687
Public Works			
Street Resurfacing (Miles)	1.30	0.10	0.50
Pothole Repairs	2,769	150-175	4,165
Water			
New Connections	5	4	10
Water Main Breaks	15	8	11
Average Daily Consumption (1)	402,186	408,000	425,000
Peak Demand	750,000	684,000	725,000

Data Source: Appropriate Village Department

(1) Average Gallons per Day

Note: The Village does not treat wastewater. It is treated by MWRD.

2019	2020	2021	2022	2023	2024	2025
257	111	51	39	19	19	26
1,260	1,002	700	591	632	1,443	1,322
517	450	202	174	198	192	331
20.13	-	-	3.75	3.75	6.00	6.75
6,497	600	655	627	597	542	345
5	6	9	7	7	5	7
7	4	12	22	21	24	14
429,132	425,191	469,000	373,000	421,000	375,000	413,000
810,000	765,000	979,000	920,000	861,000	725,000	773,000

VILLAGE OF PALOS PARK, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

Function/Program	2016	2017	2018
Public Safety			
Police			
Stations	1	1	1
Patrol Units	8	8	8
Public Works			
Residential Streets (Miles)	14.70	14.70	14.70
Water			
Water Mains (Miles)	52	52	52
Fire Hydrants	731	731	731
Storage Capacity (Gallons)	1,300,000	1,300,000	1,300,000
Wastewater			
Sanitary Sewer (Miles)	39.37	39.37	39.37
Storm Sewers (Miles)	7.67	7.67	7.67

Data Source: Appropriate Village Departmental Directors

Note: All Village arterial streets, streetlights and traffic signals are not owned by the Village.

2019	2020	2021	2022	2023	2024	2025
1	1	1	1	1	1	1
8	8	8	8	8	8	8
14.70	14.70	14.70	14.70	14.70	14.70	14.70
52	52	52	52	52	52	52
731	731	731	731	731	731	731
1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
39.37	39.37	39.37	39.37	39.37	39.37	39.37
7.67	7.67	7.67	7.67	7.67	7.67	7.67