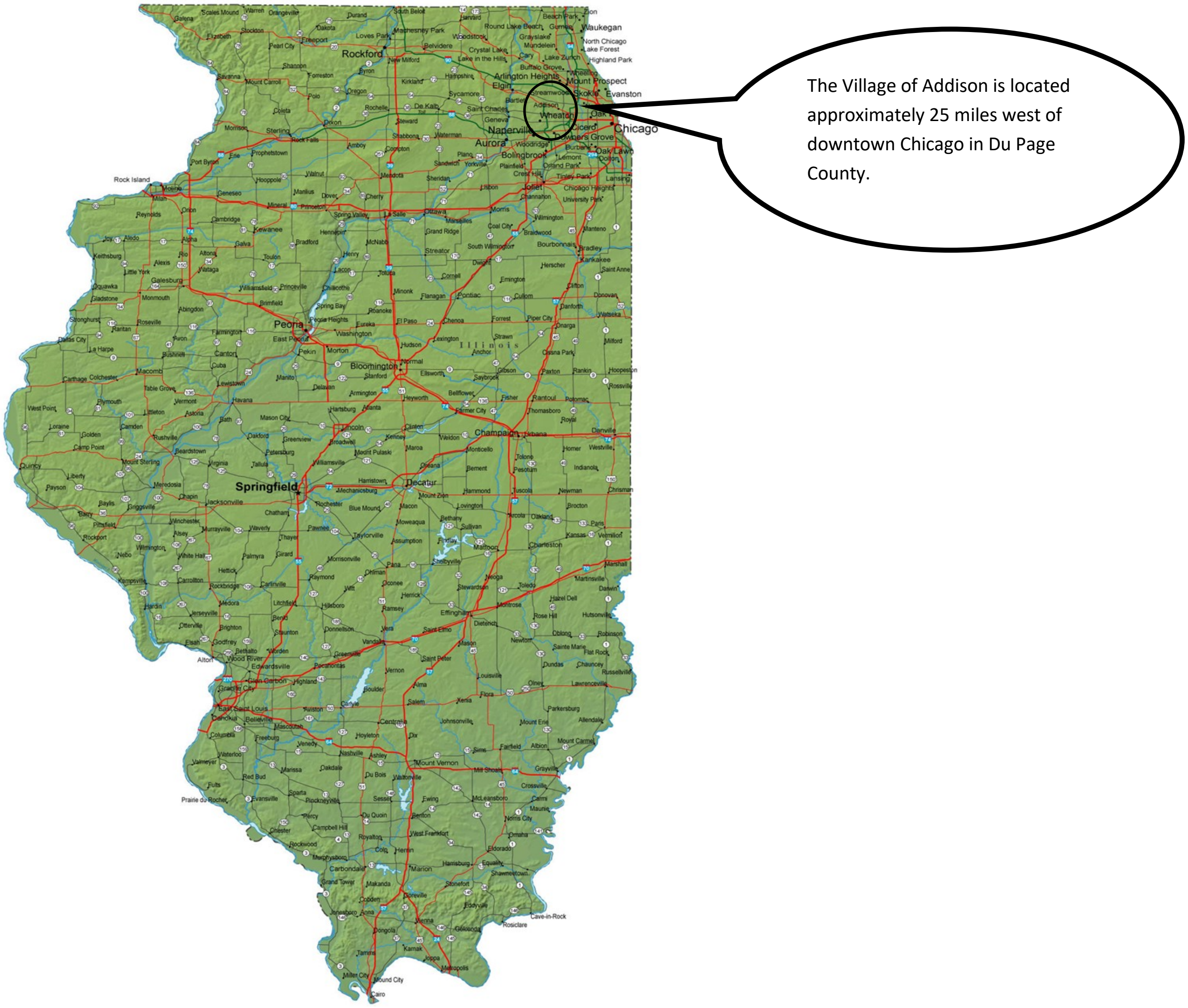
Village of Addison, Illinois

Annual Comprehensive Financial Report

Year Ended April 30, 2025



On the Cover - 40 years of Addison Community Television

Addison Community Television has been providing local cable programming to residents since 1982, and is one of only a few such stations in the Chicagoland area to provide 24-hour a day, 7-days a week programming.

On Comcast Cable Channel 6, or AT&T U-Verse Channel 99, residents may watch coverage of the board meetings of four different taxing bodies, including live coverage of the Village Board and its committee meetings.

On the first Monday of each month, Mayor Rich Veenstra appears on live television prior to the weekly meetings to answer questions from residents during Ask Mayor Veenstra.

Informational programming is produced by various taxing bodies and community agencies, such as the Addison Historical Museum and Addison Center for the Arts.

In addition, programming from outside the community, such as coverage of the Illinois Legislature through the Illinois Channel and College of DuPage, can also be seen.

Recent programming produced by Addison Community Television includes Behind the Advantage which highlights a local business each month.

Addison Community Television has a state of the art digital process studio at the Village Hall.

VILLAGE OF ADDISON, ILLINOIS

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

For the Year Ended
April 30, 2025

Prepared by Finance Department

Colleen Witt
Finance Director/Treasurer

Carolyn Illes
Assistant Finance Director

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STATISTICAL SECTION

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INTRODUCTORY SECTION

VILLAGE OFFICIALS

Village of Addison Board of Trustees:
Front row left to right: Village Clerk Lucille Zucchero, Mayor Richard Veenstra, Deputy Mayor Thomas Hundley, and Trustee Cathy Kluczny
Back row left to right: Trustee Maria Reyes, Trustee Jay DelRosario, Trustee Sam Nasti, and Trustee Dawn O'Brien

VILLAGE ATTORNEY

Robbins Schwartz

ADMINISTRATIVE

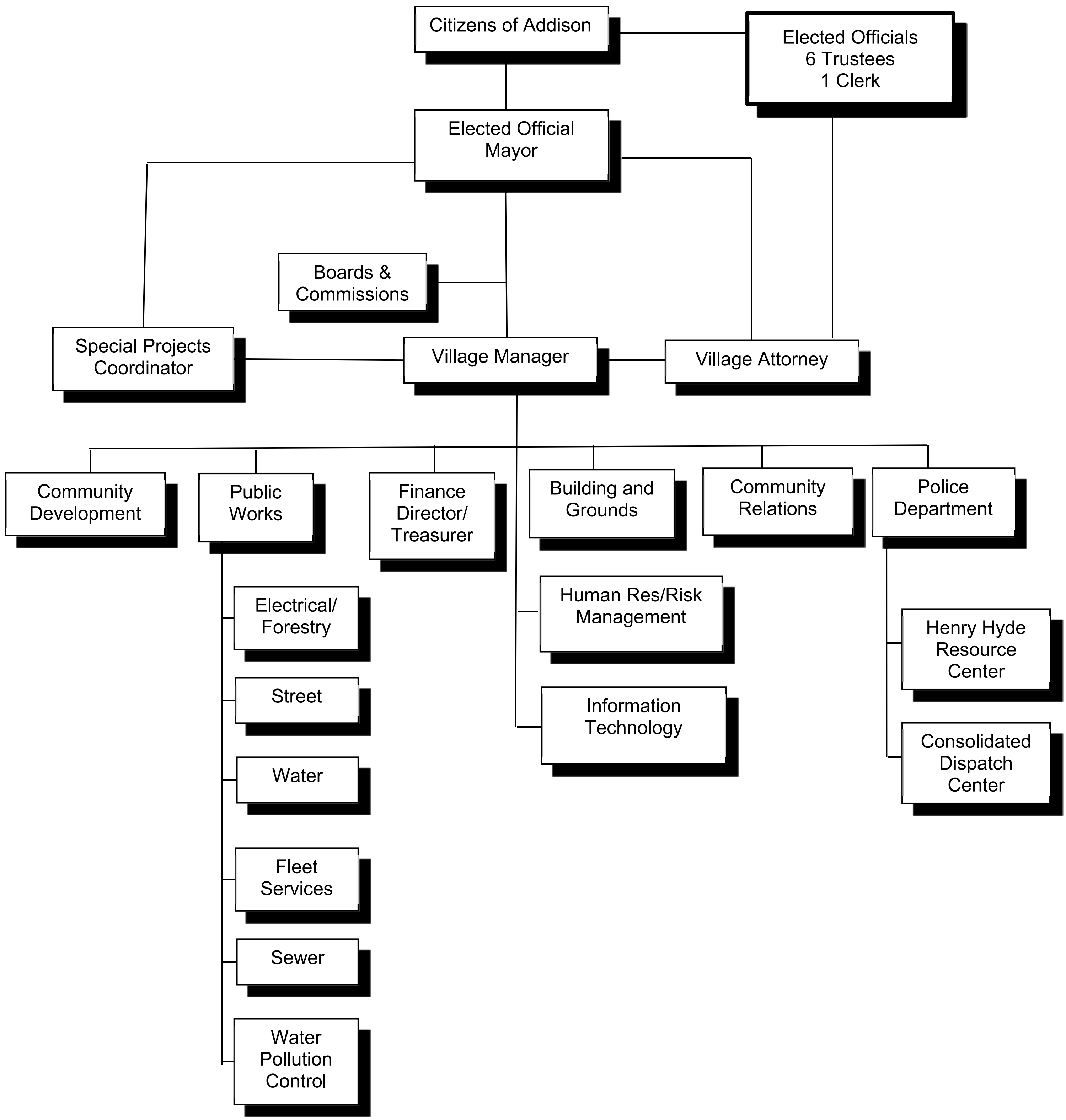
Joseph Maranowicz	Village Manager
Michael Crandall	Director of Community Development
Colleen Witt	Finance Director/Treasurer
Ryan Hayden	Director of Public Works
Roy Selvik	Chief of Police
Donald Weiss	Director of Community Relations
Donald Pinson	Director of HR/Risk Management
James Crotty	Director of Buildings and Grounds

VILLAGE OF ADDISON, ILLINOIS
PRINCIPAL OFFICERS
APRIL 30, 2025

Village Manager	**Joseph Maranowicz**
Director of Personnel/Risk Management	**Donald Pinson**
Director of Community Development	**Michael Crandall**
Finance Director/Treasurer	**Colleen Witt**
Director of Public Works	**Ryan Hayden**
Chief of Police	**Roy Selvik**
Director of Community Relations	**Donald Weiss**
Director of Buildings and Grounds	**James Crotty**
Village Attorney	**Robbins Schwarz**

VILLAGE OF ADDISON

Organizational Structure



***Fire services are provided by the Addison Fire Protection District, which is a separate taxing body. The Village has no authority over the District.**

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Addison
Illinois

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2024

Christopher P. Morrill

Executive Director/CEO

September 22, 2025

The Honorable Thomas Hundley, Mayor
Members of the Village Board of Trustees
Village Clerk Zucchero
Citizens of the Village of Addison, Illinois

Ladies and Gentlemen:

The Annual Comprehensive Financial Report (ACFR) of the Village of Addison for the fiscal year ended April 30, 2025, is herein submitted as required by State Statute. State Statute requires an audit shall be made by a licensed public accountant, annually, and shall cover the immediately preceding fiscal year and shall be filed with the Comptroller within six months after the close of the fiscal year.

This report consists of management's representations concerning the finances of the Village of Addison. Consequently, management assumes full responsibility for the completeness and reliability of all of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not outweigh their benefits, the Village of Addison's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Sikich CPA LLC, a firm of licensed Certified Public Accountants, has audited the Village of Addison's basic financial statements. They have issued an unmodified ("clean") opinion on the Village of Addison's basic financial statements for the fiscal year ended April 30, 2025. The independent auditor's report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government. The Village of Addison is rich in heritage, its history dating back to the years when the territory was inhabited by the Algonquin Indians. The first settlers arrived in 1833 and the community was incorporated on August 18, 1884. Located approximately 20 miles west of Chicago, in the County of DuPage, the Village occupies a land area of approximately 9.0 square miles and had a 2020 population of 35,702. Due to the large industrial park the daytime population increases to over 52,000. The Village has a variety of housing options from rental units to single-family homes. The value of a single-family residence ranges from $90,000 for a smaller condominium to more than $600,000 for a detached home. The median home value is $335,000. We are continuing to see a healthy home sales market with a mix of new construction and existing houses.

The Village of Addison is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by State Statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council. See Note 3a in the Notes to Financial Statements regarding the property tax levy and corresponding receivable.

The Village of Addison operates under a Mayor-Council, Manager form of government. Addison is a home-rule municipal corporation governed by the Mayor and six trustees, who are elected on a non-partisan basis to serve four-year overlapping terms. The Village Manager is appointed by the Village Board and serves as the Chief Administrative Officer. The Village Board is responsible for establishing Village policy, which, in turn, is implemented on a day-to-day basis by the Village Manager and Village staff.

The Village of Addison provides a full range of governmental services. Specifically, the Village provides police protection, water and sewer utilities, construction and maintenance of roadways and infrastructure, engineering, code enforcement, planning, zoning, finance and general administrative services. In addition, the Village operates a cable television station which televises Village Board meetings, special community events, community information bulletins and free movies as part of their broadcast schedule. The Addison Fire Protection District #1 provides fire protection, which is a separate entity and taxing body.

The Village also operates the Addison Consolidated Dispatch Center (ACDC). The center was established in 2012 and in FY25 provided police dispatch services for the Village of Addison, the Village of Bensenville, the Village of Bloomingdale, the DuPage County Forest Preserve Police, the City of Wood Dale, the Village of Itasca, the Village of Glendale Heights, Village of Westmont and the Canadian Pacific Railway. The Center provides fire dispatching to the Addison Fire Protection District, Tri-State Fire Protection District, Pleasantview Fire Protection District, Itasca Fire, Westmont Fire, Wood Dale Fire and the Bensenville Fire Protection District. The Center is capable of expanding services to other agencies.

The Emergency Telephone System Board provided funding to update the radio console system and replace radios for sworn personnel to allow for interoperability between many agencies and solve area-wide radio frequency issues. The Village completed the construction of a new state of the art dispatch center on vacant land owned by the Village. The facility is approximately 20,700 square feet and includes additional workstation space for expansion and to provide backup facilities for DU-COMM, the other consolidated dispatch center in DuPage County.

The Village's Park District, School Districts and Public Library, which are separate governmental entities, provide a wealth of services. Addison is served by a highly ranked public school system anchored by Addison Trail High School.

The Addison Park District has two major community parks, Community Park on the east side of Addison and Centennial Park on the west side of town in addition to 25 park sites. Centennial Park houses Northeast DuPage Special Recreation Association (NEDSRA) and a state-of-the-art fitness facility, Club Fitness. Both of these sites have community centers with a gym, meeting rooms, and activity rooms. Community Park hosts the outdoor Splash Pad as well as the Active Adult senior leisure center. Additionally, the Park District co-owns a gymnasium with Elementary School District #4 at Army Trail School. The Links & Tees Golf Facility on Lake Street is honored to be a Top 50 Stand-Alone Range by the Golf Range Association of America. The facility includes a nine-hole golf course, a miniature golf course, an outdoor driving range and putting green and an indoor golf dome, which includes a driving range, and putting and chipping areas.

The Addison Public Library, built in 2008, is a 56,000 square foot state of the art facility utilizing several aspects of green engineering including a green roof. The Library has seen an increase in the number of circulated items and the number of patrons using the facility. The old library building was remodeled and is occupied by DuPage High School District #88 for use as administrative offices and living classroom space for the Transitions Program. The Transitions Program helps cognitively disabled students, ages 1-21, learn life skills to transition to life after District #88.

The Village has strong community partnerships including businesses and other taxing bodies. In October, 2021 the Village received the Robert Wood Johnson Foundation (RJWF) Culture of Health Prize.

> "The Culture of Health Prize honors and elevates communities in America working at the forefront of advancing health, opportunity, and equity for all."

Additional information on the award can be found at https://www.rwjf.org/en/library/features/culture-of-health-prize/2020-2021-winner-addison-il.html.

The Village has evaluated other governmental services to determine whether they should be included in the Village's reporting entity. Excluded from the reporting entity are the various school districts, fire protection district, park district, library and township which fall within the Village's boundaries, but which do not meet the criteria for inclusion as set forth by Generally Accepted Accounting Principles (GAAP).

The annual budget serves as the foundation for the Village of Addison's financial planning and control. The budget process begins in November and culminates with passage by the Board before the end of the current fiscal year, April 30 and takes effect on May 1. The approved budget document serves as the basis of the Appropriations Ordinance which sets the legal spending limits of the Village. In November of each year, the Village Manager and the Finance Director distribute the budget calendar and instructions to Department Heads. Departments submit their budgets along with requested programs and projects. The Finance Department compiles a summary of all requests and a meeting is held with all department heads to share what the Village-wide requests for additional projects and programs are. This gives all department heads an idea of what everyone is asking for in the way of programs and projects. Subsequent to the Village-wide meeting, each department meets with the Village Manager and Finance Director, individually, to review each department's request and review the justification of the requests. The Village Manager and Finance Director will then propose a balanced baseline budget and propose new programs for consideration by the Finance and Policy Committee of the Village Board. The Committee then considers the proposed budget and approves final spending levels. The Committee formally considers the budget in April after holding a public hearing and recommends final approval to the Village Board. The Village Board then approves the budget prior to April 30. The new budget takes effect May 1. The approved budget is prepared by fund, function (e.g. public safety), and department (e.g., police). Department heads may make transfers of appropriations within a department. Transfers of appropriations between funds, however, require the special approval of the Village Board. Budget–to–actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund and the Town Center TIF#3 Fund, this comparison is presented as part of the Required Supplementary Information. For governmental funds, with appropriated annual budgets, this comparison is presented in the Combining and Individual Fund Financial Statements and Schedules subsection of this report.

In addition, the Village mandates extensive budgeting controls. The objective of these controls is to ensure compliance with legal provisions embodied in the adoption of the annual appropriations ordinance (budget) by the Village's governing body. The annual budget covers activities of the general, special revenue, debt service, capital projects, enterprise, internal service and pension trust funds. All budget authorizations lapse at year end, and incomplete projects are usually re-budgeted in the subsequent fiscal year. The level of budgetary control (i.e. the level at which expenditures cannot legally exceed the budgeted amount) is at the fund level. As one method of accomplishing budgetary control, the Village reports encumbrances, if any, as reservations of fund balance since they do not constitute expenditures or liabilities. As demonstrated by the statements and schedules included in the financial section of the report, the Village continues to meet its responsibilities for sound financial management.

Local economy. The Village of Addison has a diversified commercial and retail base, as well as a substantial number of small and medium sized manufacturing companies. The Village is home to the largest industrial park in DuPage County and the fourth largest in Illinois, with 1,200 acres of industrial park, 800 acres of which are sheltered (with structures). Recent studies report a 96% occupancy rate in the industrial park. Over the years, the Village has experienced steady growth and is now in an enviable position of maintaining a high level of development due to available land and a desirable location. Long-term revenue trends show steady growth with sales tax and state income tax being the primary revenue sources for the Village

The Village of Addison's strategic location has the advantage of being easily accessible from every direction. Four State highways penetrate and cross its boundaries including Route 20 (Lake Street), Route 53 (Rohlwing Road), Route 64 (North Avenue), and Route 83 (Robert Kingery Highway). Lake Street, the main street through the Village boasts over 30,000 cars traveling on a daily basis. Interstate I-290, the North-South Tollway I-355 and the Tri-State Tollway I-294 provide easy vehicular access to Addison. The Chicago Loop and Midway Airport are 35 minutes away; O'Hare International Airport is a 20-minute drive. Rail commuters can use METRA's Milwaukee District West Line station in Wood Dale, or the Union Pacific West Line in Villa Park, and may expect a 35 to 48-minute trip to the Loop. Two PACE bus routes were added to the Village in the summer of 2008, which now allow residents to go to a local shopping mall, and transfer to other bus routes within the county.

With a central location in the metropolitan area, Addison has attracted several regional distribution facilities, the largest being the United Parcel Service Distribution Center, which employs over 3,400 people. The Village is also the site of the international headquarters and expanded warehouse facilities for The Pampered Chef, a supplier of high-end kitchen utilities. The 43-acre site includes a 600,000 square foot warehouse and a 180,000 square foot office building.

The Lake Street Business and Entertainment Corridor is home to several commercial properties including a membership shopping club, big box retail store, hotel, movie theatre complex, drugstores, and several restaurants ranging from fast food and coffee shops to elegant steakhouse dining. The development of this corridor was accomplished through the use of various Village incentives and private developers. This corridor has seen the addition of a Senior Housing facility that offers independent living through full time care. The location allows their residents to enjoy the business that are close by. The addition of a Caputo's grocery store (specializing in Italian, Mexican, Polish and Middle Eastern items) and Jimenez grocery provide specialty grocery shopping for our ethnically diverse community and surrounding communities.

During Fiscal Year 2025, the Village saw several major developments, including:

- Construction continued at the Enclave at Mill Creek subdivision, located on the former 3-par golf course at Army Trail Road and Mill Road. Homes in phase one were sold with higher than anticipated prices starting from the mid $300,000 range and higher. The average sales price in phase one was $475,000 whereas the average sales price in phase two was $565,000. Phase one includes forty-four one-story single-family homes, with an option for a second level. Phase two began during FY 2022 with plans for forty-three additional homes. All 87 lots and homes have been sold with an average sales price of $525,000. Phase three is a townhome development with 11 buildings totaling 60 units. In FY 2025, approximately 21 of the townhomes were complete and sold and the remaining will continue construction into FY 2026.

- A residential property located adjacent to the Village Hall complex was sold late in FY 2022. The parcel at the southwest corner of Lake Street and Addison Road was to expand the Village Green and construct a Veteran's Memorial. This project moved the current Veteran's Memorial, which had limited space and accessibility to the Village Green that has parking and accessibility. This project was completed in FY 2025 and is a beautiful addition to the Village as well as a perfect memorial to honor our veterans and their service. The remainder of the property was used to construct a 187,000 square foot light industrial building that was completed in FY 2023. In FY 2024, the entire building was leased to one business which occupied and began operations in FY 2025.

- In December of 2021, the Village Board approved a 62-unit, 66,000 square foot affordable senior housing development. The three-story brick masonry residential facility is located on a 2.5-acre lot just north of the Green Meadows Shopping Center. The developer was awarded tax credits to help fund this project. The developer started construction in the spring of 2024 and anticipates occupancy in the fall of 2025.

- The Village received Federal Assistance referred to as the American Rescue Plan Act (ARPA) in FY2021 and FY2022. These funds had restrictions as to how the Village could spend the monies. After many considerations, the Village accepted a bid for water sewer infrastructure improvements that would impact the residents northeast of Lake St and Addison Road (the oldest subdivision in Addison) This area will see the separation of water and sewer lines as well as replacing lead pipes. The project was 75% complete at the end of FY 2024 with full completion in FY 2025. Over 95% of the costs associated with this project were funded with ARPA funds.

- The Village was awarded a three-million-dollar grant from the State of Illinois, Department of Commerce and Economic Development in FY 2024. The grant-imposed restrictions as to what the grant could be used for. After much consideration, the Village decided to use the grant for a water sewer separation project in the *Home Additions* area of the Village. This project will separate the current combined sewer system into a separate sanitary and storm sewer system. The long-term plan of the Village has always included this separation, and with pending unfunded mandates for phosphorus removal at the wastewater facilities, the priority for this project greatly increased and therefore was chosen for the three million dollar grant. Engineering began in FY 2025 with construction scheduled for Spring 2025 and estimated completion in Summer 2026.

- The Illinois Environmental Protection Agency (IEPA) requires all Illinois wastewater treatment plants to remove phosphorus by 2030. This unfunded mandate is forcing all wastewater treatment plants to perform costly upgrades. The Village performed multiple engineering studies, and found the most cost-effective path is consolidating the current two treatment plants into one. The cost of this project, which will consolidate the two plants as well as adhere to IEPA standards for phosphorus removal, is anticipated to cost approximately $168 million dollars. Since this is an unfunded mandate, which means the state will not provide financial assistance towards it, the Village must comply with the rules and regulations enforced by the IEPA for phosphorus removal by using local funds. In FY 2025, the Village enacted an EPA/Consolidation fee on each water bill as well as an increase in the home rule sales tax of .25% in order to fund this project. The revenue received from the fee and increased home rule sales tax will be used to pay the principal and interest on loans the Village will have to take out to fund this project. The anticipated loans will be low interest rate loans from the IEPA as well as WIFIA (a loan program within the US EPA). The project was broken down into 3 components with construction and completion anticipated over a 3-year period. Completion is anticipated by the January 1, 2030 IEPA deadline. The design engineering on all 3 components began in FY 2025.

- Several restaurants redeveloped existing vacant spaces that will add to the diversity of dining options within the Village.

During the next year, the Village will see major developments including:

- Phase three of The Enclave at Mill Creek subdivision -The Townes of Mill Creek will continue construction and anticipate completion in FY 2026. Phase three is a townhome development with 11 buildings totaling 60 units.

- The completion and occupancy of a 62-unit, 66,000 square foot affordable senior housing development. The three-story brick masonry residential facility is located on a 2.5-acre lot just north of the Green Meadows Shopping Center.

- The start of construction to build twenty detached single-family homes on Itasca Road (Grove Enclave) - This project received Village Board approval in 2025.The subject property consisted of two lots totaling 7.215 acres located in unincorporated DuPage County. The property was annexed into the Village of Addison, rezoned to the R2 Single-Family Residence District, and resubdivided into twenty lots to construct detached single-family homes and an outlot for wetland and detention measuring over three acres. This project is expected to start in the fall of 2025.

- Issuance of zoning approval for one new office/warehouse building measuring approximately 131,861 square feet in area and at 2349 W. Lake Street. Loading truck docks will be in the rear of the building with parking spaces to the west, north, and east of the building. The existing office building would be demolished.

- Approval of exterior building facade renovations of the Hampton Inn & Suites located at 1685 W. Lake Street. The owner of the 4-story, 55,000 sq. ft. building began construction in 2002. To date, there have been no modifications or improvements to the building façade. The existing building façade is primarily of masonry construction with EIFS accents at various locations. The goal of the façade upgrade is to maintain the overall timeless appearance of the hotel by cleaning up the cornices throughout to match new Hampton standards. This will be added to the entire building as well as porte cochere parapets. In addition, a few of the masonry pilasters will be refaced with a blue vertical accent that is the current Hampton Brand Standard. Lastly, adding an acrylic stucco finish overlay to provide a wood look to portions of the brick as well as painting or staining the brick will provide additional contrast.

- Approval of interior remodeling upgrades and updates to the Hilton Garden Inn at 551 N. Swift Road. The interior work includes 145 guest rooms and all common and office areas on the first floor. Project costs are valued at $50,000. The project received Board approval after the building appearance was reviewed and facade changes were approved. Work is underway.

- Approval of an 18,000 sq. ft. expansion to the existing Razny Jewelers building located on Lake Street. Exterior sitework and enclosing the proposed building addition prior to the weather turning colder is ongoing. All work is expected to be completed in the fall of 2026. Total project costs are expected to be approximately $4.5 million dollars.

- Approval of a $20,000 facade grant to renovate the façade at Smokes More for Less, located at 330 W. Lake Street. The building suffered extensive fire damage in the summer of 2025. The owner estimates a $220,000 cost to renovate and upgrade the building facade.

- The sewer separation project in the Home Additions area will start construction in late FY 2026 with completion anticipated in early FY 2027. A three-million-dollar grant from the State of Illinois, Department of Commerce and Economic Development was awarded to the Village in FY 2024 and will be used toward this project. This will separate the current combined sewer system into a separate sanitary and storm sewer system as well as replace lead pipes in this area. The Village applied for and was awarded another $160 thousand dollars to use toward this lead replacement.

- The EPA/Consolidation project will continue into FY 2026 with engineering on all 3 components. Permitting and bidding on component number one is anticipated in late FY 2026.

The Village government has actively promoted the Village to prospective business owners, and has constructed an extensive streetscape beautification project along the Lake Street Corridor. Other development promotions utilized by the Village include Tax Increment Financing (TIF) incentives, the creation of a business district qualifying this area for various state grants and loans, and sales tax sharing arrangements used as a development incentive.

The Village completed a feasibility study for the establishment of a Town Center in the commercial area located north of Lake Street and west of Addison Road (the eastern section of the Village). The Village approved the plan and established it as a TIF district during FY 2007.

In addition to the commercial and residential growth, the various local governmental units, business community, and service clubs have been active participants in maintaining the vitality of the Village. Through a strong sense of community and a high rate of volunteerism, numerous community activities are hosted each year. Some of these annual events include, The Mayor's Community Charity Ball, the Police/Fire Merit Review Awards, the Christmas Tree Lighting Ceremony which is preceded by a Christmas parade throughout the Village, the Tuesday night Concerts in the Park series, the Thursday night Rock'N'Wheels, (live music, car and bike show), the National Night Out Event. The Historical District in Addison, which is just south of the Village Hall complex, holds tours of the two houses and sponsors a craft show during the weekly Rock'N'Wheels events. These events attract a multitude of people from the Village and surrounding communities to downtown Addison. The popularity of these events has made Addison a destination on Thursday nights.

Long-term financial planning. The Village, during the annual budget process, projects general operational expenditures over a three-year period and capital expenditures over a five-year period. This enables the Village to determine the best use of resources both currently and in future years. In addition, the Village leverages its cash outflow by applying for federal and state grants, and replaces water and sewer related infrastructure in conjunction with county or state road reconstruction projects. Joining other agencies for road construction projects not only gives the Village the ability to accomplish more with less, it also decreases the inconvenience to residents as their street is only torn up once. The Village has utilized General Obligation Bonds to fund some of the larger projects. However, this source is used only upon careful consideration by the board. In addition to judicious issuance of new General Obligation Bonds, the Village has taken advantage of dropping interest rates to refund, or refinance current debt as it becomes available. This process provides cost savings to the Village and its residents over the remaining life of the bond. The Village is proud of its AA rating by Fitch and AA rating by S&P Global.

The Village completed a Comprehensive Master Plan for the Water and Sewer facilities to provide guidance in determining future funding needs. The Village utilizes the State of Illinois EPA Revolving Loan program when appropriate. The interest rate is usually lower than a General Obligation Bond.

Relevant financial policies. The Village's financial policy requires the maintenance of a minimum of three months' cash balance in all operating funds. The Village has been successful in maintaining this level of balances. In addition, the maintenance of a scheduled replacement program for rolling stock is achieved by the establishment of an Equipment Replacement Fund, dedicated to providing for the replacement of all vehicles and related capital equipment.

Major initiatives. The coming year will see continued road improvements and various water/sewer infrastructure projects. The largest water/sewer infrastructure project is the EPA/Consolidation project discussed earlier.

Awards and Acknowledgements. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Addison for its Annual Comprehensive Financial Report for the fiscal year ended April 30, 2024. The Village of Addison has received this prestigious award every year since 1985. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. 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 we are submitting it to the GFOA to determine its eligibility for another certificate.

The Village of Addison has also received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget. The Village of Addison has received this prestigious award every year since 1989. In order to qualify for the Distinguished Budget Presentation Award, the Village's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

Acknowledgments. The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of the entire staff of the Finance Department, especially Carolyn Illes, the Assistant Finance Director. The department heads, supervisors and employees of the Village have worked hard to continue to provide services to our residents with limited resources and unique solutions to challenges that occur. As we move into FY26 and the challenges we will face, the Village will continue to be fiscally responsible and provide the services the residents have come to depend on. In addition, I would like to personally thank the Mayor and the Board of Trustees along with the Village Manager for their leadership and continued support in planning and conducting the financial affairs of the Village in a responsible and progressive manner.

Respectfully submitted,

Colleen Witt

Colleen Witt, CPA
Finance Director/Treasurer

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

SIKICH.

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS
Members of American Institute of Certified Public Accountants

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the Board of Trustees
Village of Addison, Illinois

Report on the Audit of the Financial Statements

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 Addison, Illinois (the Village), as of and for the year ended April 30, 2025, and the related notes to 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 Addison, 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 conformity 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under these 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 12 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 GAAS and *Government 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information be presented to supplement the basic financial statements. Such information, 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's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate 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 combining and individual fund financial statements and 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2025 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich CPA LLC

Naperville, Illinois
September 22, 2025

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Mayor
Members of the Board of Trustees
Village of Addison, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Addison, Illinois (the Village), as of and for the year ended April 30, 2025, and the related notes to financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated September 22, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich CPA LLC

Naperville, Illinois
September 22, 2025

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF ADDISON, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2025

This section of the Village of Addison's (the "Village") Annual Comprehensive Financial Report (ACFR) presents Management's Discussion and Analysis (MD&A) of the Village's financial activities during the fiscal year ended April 30, 2025 with comparison to the fiscal year ended April 30, 2024. It is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the subsequent years' challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current years' activities, resulting changes, and currently known facts, please read it in conjunction with the Transmittal Letter which can be found on pages v-xi of this report.

Financial Highlights

- The Village obtained an unmodified opinion from the independent audit firm, Sikich CPA LLC.

- The net position of the Village of Addison at the close of the most recent fiscal year was $237,747,112. Of this amount, the unrestricted net position was $29,953,227, which represents an increase of $18.41 million from the prior year's unrestricted net position of $11,540,319. The unrestricted net position includes the Village portion of the Police Pension Liability that totals $47,681,985, Other Post-Employment Benefits (OPEB) Liability of $3,180,406 and IMRF Liability of $5,562,149. In the current fiscal year, excluding the above liabilities, the net unrestricted position of $86,377,767 is available to finance day to day operations.

- The Village's total net position increased by $21,610,556 or 10.0% during the fiscal year ending April 30, 2025. Governmental net position increased $12,030,513 or 7.9%. Business-type net position increased by $9,580,043 or 15%. Government-wide expenses were $72,082,812, funded with program revenues of $36,217,261 and property, sales, telecommunications, and other taxes, interest, and miscellaneous revenues of $57,476,107; with the difference accounting for the increase in net position during the fiscal year of $21,610,556. See page 6 of the MD&A for further details.

- As of the close of the current fiscal year, the Village of Addison's governmental funds reported combined ending fund balances of $61,806,042 an increase of $7,644,988 or 14.1% in comparison with the prior year. This increase results from an increase in Assigned funds of $15,183,834. Unassigned funds decreased by $824,650, Non-spendable funds by $107,266, and Restricted Funds by $6,606,930.
  - Assigned funds include increases in Assigned for Subsequent Budget of $2,311,236, Assigned for Capital Projects of $4,922,057 and Assigned for Debt Service of $716,144, and an increase in Highway and Streets of $7,234,397 resulting in an overall increase of $15,183,834.
  - The decrease in Unrestricted Unassigned Fund Balance was $824,650 in FY25 from the prior fiscal year. Approximately 41.6% of the total fund balance amount, $25,690,638, is *available for spending* at the government's discretion (*unrestricted, unassigned fund balance*).
  - The decrease in Non-Spendable funds includes a decrease in Reserved for Advance to other funds of $16,887 and a decrease in Reserved for Prepaid Items of $90,379, resulting in an overall decrease of $107,266.
  - The decrease in Restricted Funds of $6,606,930 includes a decrease in Highways and Streets of $7,154,454, combined with an increase in funds restricted for Public Safety of $197,524 and an increase in Capital Projects of $350,000.

At the end of the current fiscal year, unrestricted fund balance (the total of the assigned and unassigned components of the fund balance) for the General Fund was $27,956,598 or 68.5% of General Fund expenditures. This exceeds the Village's target of 25%. The budgeted FY26 expenses are projected to decrease the general fund balance to 52.9% of General Fund Expenditures.

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the Village of Addison's basic financial statements. The Village of Addison's basic financial statements comprise three components: 1) government-wide financials, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The Government-Wide Financial Statements beginning on page 7 are designed to provide readers with a broad overview of the Village of Addison's finances, in a manner similar to a private-sector business.

The Statement of Net Position (pages 7 to 8) presents information on the Village's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental funds' 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. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Addison is improving or deteriorating.

The Statement of Activities (pages 9 to 10) presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave) and is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the Village's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities.

Both of the government-wide financial statements distinguish functions of the Village of Addison 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 of Addison include general government, public safety (police), community development, highways and streets, and interest & fiscal charges. The business-type activities of the Village of Addison include the Waterworks and Sewerage Fund.

The Governmental Activities reflect the Village's basic services, including police, public works, highways and streets, community development, and general administration. Property taxes, shared state sales taxes, local telecommunications taxes, shared state income taxes, and sales tax increments, finance the majority of these activities. The Business-Type Activities reflect private sector-type operations (Waterworks and Sewerage Fund), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Addison, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith. Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is now on major funds, rather than fund types. All the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The Village maintains fourteen individual governmental funds; two major funds and twelve non-major funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance for the General Fund and Town Center TIF #3, which are considered to be major funds. Data from the other twelve governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual appropriated budget for its General and Town Center TIF #3. Budgetary comparison schedules have been provided for the General Fund and the Town Center TIF #3 to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found beginning on page 11 of this report.

Proprietary Funds. The Village of Addison maintains two different types of proprietary funds. *Enterprise Funds* are used to report the same functions presented in Business-Type Activities in the Government-Wide Financial Statements. The Village has only one enterprise fund, the Waterworks and Sewerage Fund. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for its central garage operations, management information systems and equipment replacement. All Internal Service Funds serve governmental rather than business-type functions and have been included with Governmental Activities in the Government-Wide Financial Statements.

Proprietary Fund Financial Statements (pages 16 to 20) provide the same type of information as the Government-Wide Financial Statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Fund which is considered a major fund of the Village and is presented in a separate column in the Fund Financial Statements. Conversely, all three Internal Service Funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements. Individual fund data for the Internal Service Funds is provided in the form of combining statements presented elsewhere in the report.

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

The basic fiduciary fund financial statements can be found beginning on page 21 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The notes to financial statements can be found immediately following the Basic Financial Statements section of this report beginning on page 23.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* including the General Fund and Town Center TIF #3 budgetary schedules and data concerning the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found immediately following the notes to the financial statements beginning on page 67.

The combining and individual fund financial statements referred to earlier in connection with major governmental funds are presented immediately following the required supplementary information beginning on page 78. The combining and individual fund financial statements for non-major governmental, enterprise, and internal service funds are presented immediately following, beginning on page 93.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The net position of the Village of Addison was $237,747,112 as of April 30, 2025.

By far the largest portion of the Village of Addison's net position, 86% reflects its net investment in capital assets. Net investment in capital assets is the investment in capital assets (e.g. land, buildings, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The Village of Addison uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Addison's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Village of Addison's Net Position

	Governmental Activities		Business-Type Activities		Total Primary Governmental	
	2025	2024	2025	2024	2025	2024
Assets						
Current and other assets	$ 92,681,853	$ 85,327,201	$ 26,492,630	$ 21,470,300	$ 119,174,483	$ 106,797,501
Capital Assets	169,691,626	165,940,516	69,891,529	66,744,030	239,583,155	232,684,546
Total Assets	262,373,479	251,267,717	96,384,159	88,214,330	358,757,638	339,482,047
Deferred outflows of Resources						
Unamortized loss on refunding	74,784	91,407	-	-	74,784	91,407
OPEB Items	570,006	712,983	120,614	185,252	690,620	898,235
Pension Items - IMRF	2,504,646	4,950,702	917,502	1,813,545	3,422,148	6,764,247
Pension Items - police pension	6,353,574	7,677,518	-	-	6,353,574	7,677,518
Asset retirement obligation	-	-	160,186	163,489	160,186	163,489
	9,503,010	13,432,610	1,198,302	2,162,286	10,701,312	15,594,896
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	271,876,489	264,700,327	97,582,461	90,376,616	369,458,950	355,076,943
Liabilities						
Current Liabilities	10,274,056	6,032,717	4,628,690	3,607,.928	14,902,746	9,640,645
Non-current Liabilities	74,672,808	83,676,101	19,131,310	22,509,111	93,804,118	106,185,212
Total Liabilities	84,946,864	89,708,818	23,760,000	26,117,039	108,706,864	115,825,857
Deferred inflows of Resources						
Unavailable revenue - property tax	12,404,171	11,607,765	-	-	12,404,171	11,607,765
Deferred Inflows - leases	8,074,116	8,520,427	-	-	8,074,116	8,520,427
OPEB Items	936,262	1,141,619	43,177	136,016	979,439	1,277,635
Pension Items - IMRF	466,163	259,565	170,765	95,085	636,928	354,650
Pension Items - police pension	910,320	1,354,053	-	-	910,320	1,354,053
	22,791,032	22,883,429	213,942	231,101	23,004,974	23,114,530
Net Position:						
Invested in Cap assets, net of debt	149,197,358	143,351,307	55,539,407	51,580,880	204,736,765	194,932,187
Restricted	3,027,120	9,634,050	30,000	30,000	3,057,120	9,664,050
Unrestricted	11,914,115	(877,277)	18,039,112	12,417,596	29,953,227	11,540,319
Total Net Position	$164,138,593	$152,108,080	$ 73,608,519	$ 64,028,476	$ 237,747,112	$ 216,136,556

Net Investment In Capital Assets

The following table shows the calculation of Net Investment in Capital Assets.

GOVERNMENTAL ACTIVITIES		
Capital Assets		$ 169,691,626
Less: Outstanding Debt		
GOB Series 2015 Refunding (partial of 2006C & 2007)	$ 2,320,000	
GOB Series 2016A ACDC Building	8,080,000	
GOB Series 2016B Refunding 2006 A	480,000	
GOB Series 2017 ACDC and other Capital	1,097,040	
GOB Series 2017A Refunding 2010	1,430,000	
GOB Series 2020 Taxable – Land Acquisition	3,270,000	
SBITA Liability	3,476,006	
Capital Assets in Accounts Payable and Retainage	120,095	
Net unamortized premium/discount/gain/losses	295,911	
Loss on refunding	(74,784)	
		(20,494,268)
Net Investment in Capital Assets		$ 149,197,358
BUSINESS-TYPE ACTIVITIES		
Capital Assets		$ 69,891,529
Less: Outstanding Debt - GOB Series 2012 - Water/Sewer Portion		
GOB Series 2017 - Water/Sewer Portion	$ 1,302,960	
Illinois EPA Loans	11,312,423	
SBITA Liability	171,491	
Net unamortized premium/discount/gain/losses	65,948	
Capital Assets in Accounts Payable and Retainage	1,499,300	
		(14,352,122)
Net Investment in Capital Assets		$ 55,539,407

For more detailed information, see the Statement of Net Position on pages 7 to 8.

An additional portion of the Village of Addison's net position, 1.3%, represents resources that are subject to restrictions on how they may be used. Prior to the addition of the liabilities for police pension, IMRF and OPEB, the net unrestricted position of $86,377,767 is available to finance day to day operations.

The Village's total net position increased by $21,610,556 or 10% during the fiscal year ending April 30, 2025.

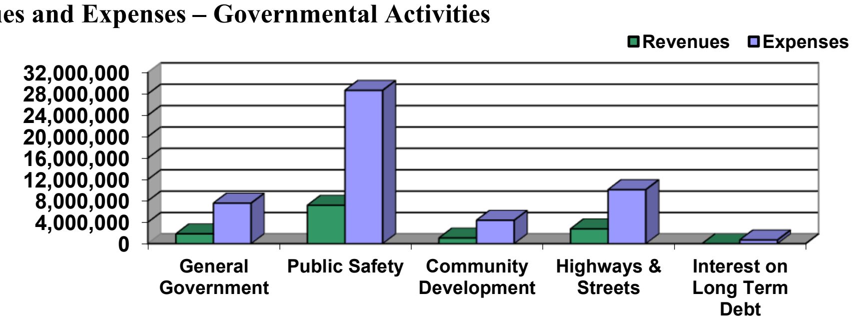
Governmental activities. Governmental activities from operations increased net position of the Village by $12,030,513 or 7.9%. Business-type net position increased $9,580,043 or 15%, for a total net increase in the Village of Addison's net position of $21,610,556. Key elements of these changes are as follows:

Village of Addison's Changes in Net Position

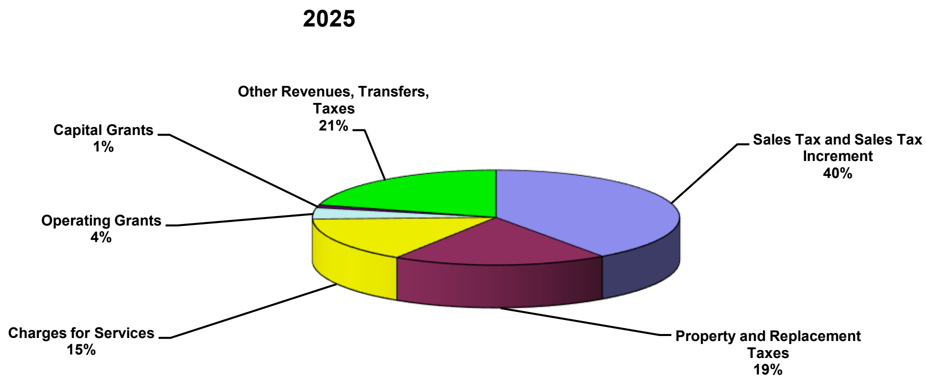
	Governmental Activities		Business - Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenues						
Charge for Services	9,756,314	10,389,761	22,049,449	19,418,017	31,805,763	29,807,778
Operating Grants	2,430,249	2,585,938	-	-	2,430,249	2,585,938
Capital Grants	648,124	1,050,000	1,333,125	-	1,981,249	1,050,000
General Revenue						
Property & Replacement Taxes	11,957,680	11,554,462	-	-	11,957,680	11,554,462
Sales and Home Rule Sales Tax	25,510,746	25,343,520	5,140,320	2,830,229	30,651,066	28,173,749
Telecommunications Tax	586,879	644,793	-	-	586,879	644,793
Other Taxes	9,145,191	9,227,043	-	-	9,145,191	9,227,043
Other Revenue	3,638,404	3,427,840	1,496,887	5,030,887	5,135,291	8,458,727
Total Revenues	63,673,587	64,223,357	30,019,781	27,279,133	93,693,368	91,502,490
Expenses						
General Government	7,576,391	7,627,370	-	-	7,576,391	7,627,370
Public Safety	28,676,395	28,489,930	-	-	28,676,395	28,489,930
Community Development	4,374,175	3,737,835	-	-	4,374,175	3,737,835
Highways and Streets	10,107,884	6,525,432	-	-	10,107,884	6,525,432
Interest	688,354	639,016	-	-	688,354	639,016
Waterworks and Sewerage	-	-	20,659,613	20,337,280	20,659,613	20,337,280
Total Expenses	51,423,199	47,019,583	20,659,613	20,337,280	72,082,812	67,356,863
Change in Net Position before Transfers	12,250,388	17,203,774	9,360,168	6,941,853	21,610,556	24,145,627
Transfers	(219,875)	(225,575)	219,875	225,575	-	-
Change in Net Position	12,030,513	16,978,199	9,580,043	7,167,428	21,610,556	24,145,627
Beginning Net Position	152,108,080	135,110,098	64,028,476	56,861,048	216,136,556	191,971,146
Change in Accounting Principle	-	19,783	-	-	-	19,783
Restated Beginning Position	152,108,080	135,129,881	64,028,476	56,861,048	216,136,556	191,990,929
Ending Net Position	164,138,593	152,108,080	73,608,519	64,028,476	237,747,112	216,136,556

Revenues for the total Primary Government increased by $2,190,878. Increases in sales and sales tax increments of $2,477,317, capital grants of $931,249, property and replacement taxes of $403,218, and charges for services of $1,997,985 were offset by decreases in operating grants of $155,689, telecommunication taxes of $57,914, other taxes of $81,852, and other revenue of $3,323,436. The decrease in other revenue is primarily attributed to the recognition of ARPA funds in FY24, with $3.5M less being recognized in FY25 with the completion of the project.

Program Revenues and Expenses – Governmental Activities



Revenues by Source – Governmental Activities



For the fiscal year ended April 30, 2025, total revenues from Governmental Activities, excluding transfers, totaled $63,673,587. Program revenues which include charges for services, capital grants and operating grants provided $12,834,687 or 20.16% of total revenues. The remaining 79.84% is from general revenues. Sales tax and sales tax increment continue to be the Village's largest revenue source coming in at $25,510,746 and representing 40.06% of total Governmental Activity revenue. Property and replacement tax revenues of $11,957,680 represent 18.78% while other revenues, transfers and taxes (primarily telecommunications tax, local use tax, and real estate transfer tax) total $13,370,474 which represents 21% of the total Governmental Activity revenue.

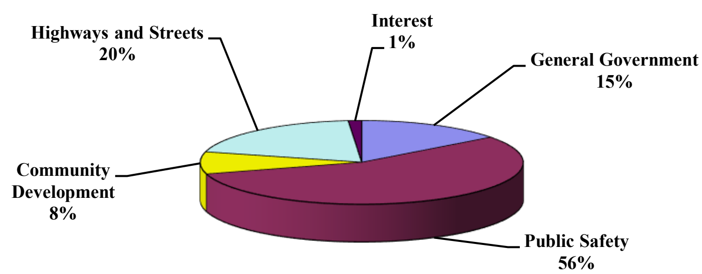
The Village's property and replacement tax revenues increased from $11,554,462 in FY24 to $11,957,680 in FY25. The property tax levy had an overall increase of $949,996, or 8.4% ($15,150 for the Corporate Fund, $1,965 for Debt Service, and $949,996 for Police Pension). Decreases in the replacement tax account were $188,094 in FY25 from the prior year. The Village also experienced a $96,909,109 increase in its equalized assessed valuation (EAV) from $1,433,589,209 in the 2022 property tax levy year to $1,530,498,318 in the 2023 property tax levy year.

Equalized Assessed Valuation

							TOTAL EAV GROWTH	
Levy Year	Fiscal Year	Assessed Valuation	State Equalization Factor	Equalized Assessed Valuation	EAV Growth	% Incr	New Growth/ Annex.	Other Growth **
2015	2017	980,650,193	1	980,650,193	27,666,663	2.90%	1,314,590	26,352,073
2016	2018	1,056,052,138	1	1,056,052,138	75,401,945	7.69%	900,530	74,501,415
2017	2019	1,140,968,934	1	1,140,968,934	84,916,796	8.04%	9,526,720	75,390,076
2018	2020	1,193,812,106	1	1,193,812,106	52,843,172	4.63%	2,612,890	50,230,282
2019	2021	1,265,737,906	1	1,265,737,906	71,925,800	6.02%	9,164,750	62,761,050
2020	2022	1,308,308,708	1	1,308,308,708	42,570,802	3.36%	7,142,680	35,428,122
2021	2023	1,363,387,488	1	1,363,387,488	55,078,780	4.21%	5,994,890	49,083,890
2022	2024	1,433,589,209	1	1,433,589,209	70,201,721	5.15%	8,764,850	61,436,871
2023	2025	1,530,498,318	1	1,530,498,318	96,909,109	6.76%	5,376,186	91,532,923

Expenses:

2025 Governmental Activities
Expenses by Function



For the fiscal year ended April 30, 2025, expenses from Governmental Activities, excluding transfers, totaled $51,423,199 or an increase from FY 2024 of $4,403,616 or 9.37%. The overall increase in expenses is primarily due to increased expenses in Highways and Streets of $3.58M due to MFT street maintenance and improvement projects. The majority of the Governmental Activities expenses come from the General Fund. A more in-depth discussion of the General Fund results follows on page MD & A- 9.

Business-Type Activities

Business-type net position increased $9,580,043 or 15%.

Revenues:

Charges for services increased by $2,631,432 or 13.55% for the Water and Sewerage funds. The addition of EPA fees accounted for 80.28% of the increase. The EPA/Consolidation fees were added in order to assist in funding upcoming infrastructure projects to comply with EPA mandates regarding phosphorus removal as well as the consolidation of the two existing wastewater treatment plants. These fees are recorded in the Water Sewer Infrastructure Subfund. User Fees, which are recorded in the Water Sewer Debt Service Subfund accounted for an additional 12.6% of the overall increase. The user fees are assessed to help cover the cost of debt service payments associated with capital improvements as well as infrastructure projects. There was an increase in the user fee in FY 25 that was necessary to cover the increased infrastructure costs. In addition, water rates increased by 3% in FY25 from the prior year, resulting in increased water and sewer revenue, despite a 2.13% reduction in consumption, as shown below.

Comparison of Consumption (in 000 gallons)

	FY 2025	FY 2024	% Change
Residential	408,821	412,142	-0.81%
Commercial	135,024	141,147	-4.34%
Industrial	209,157	210,067	-0.43%
Apartments	226,203	237,133	-4.61%
	979,205	1,000,489	-2.13%

The Village is a member of the DuPage Water Commission (DPWC), which purchases Lake Michigan water from Chicago and distributes it to its members and charges them according to usage. The Village passed a 3-year rate plan in FY 2025 with an effective date of May 1, 2025. The three-year plan is based on projected usage, Village expenses and charges from the DPWC.

Non-operating revenue/(expenses) decreased by $484,454 (7.11%) in FY25 from the prior year. The decrease was primarily due to a decrease of $3,528,127 in recognition of the American Rescue Plan grant funds that were utilized for a water sewer infrastructure project which was completed in FY25. Additionally, there was an increase in sales tax increment revenue of $2,310,091 over the prior year, with an additional .25% in home rule sales tax implemented in July 2024. In FY24, there was a loss on the disposal of capital assets of $706,138 with no gain or loss on disposal in 2025. These factors combined resulted in the overall decrease in FY25 in non-operating revenue.

Expenses:

Expenses from Business-Type Activities increased by $1.06 million from the prior year. This increase is primarily attributed to increases in Personnel Services of $1.41 million, Supplies and Materials of $452,661, Charges for Internal Services of $213,170 and Depreciation of $173,844. These increases are offset by decreases in Services and Charges of $95,051 and Capital Outlay of $1,092,001.

The decrease in Capital Outlay is primarily due to the sewer separation project. Most of the installation and capital outlay took place during FY24 with the completion of the project in FY25. The $1.41 million increase in Personnel Cost is primarily due to a $1.3 million increase in IMRF Pension Expenses incurred in FY25, attributable to the IMRF actuarial valuation.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

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

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

At April 30, 2025, the Governmental Funds (as presented on page 11) reported a combined ending fund balance of $61,806,042 which is an increase of $7,644,988 or 14.1% from the beginning of the year balance of $54,161,054. Of the total fund balance, $25,690,638 is unassigned fund balance indicating availability for continuing Village services. An additional $12,325,581 is assigned for capital projects funds, $7,004,286 assigned for debt service, and $8,521,538 assigned for Highways and Streets. The assigned for subsequent budget is $2,869,690. Restricted fund balance of $3,027,120 includes $1,627,120 for public safety and $1,400,000 for Capital Projects. A total of $2,367,189 is non-spendable fund balance and includes advance to other funds of $2,265,960 and prepaid items of $101,229.

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. The total fund balance of the General Fund increased by $1,350,782 in FY25 compared to an increase of $4,694,838 in FY24. Both revenues and expenses decreased in FY25 in comparison to the prior fiscal year. Revenues decreased by $242,887 or 0.48% from the prior year and expenditures decreased by $1,724,655 or 3.69% as shown below. Net other financing sources (uses) increased by $2,318,612 from FY 2024. $3,750,000 in transfers to other funds comprised the other financing uses for FY25. $2M was transferred to the Capital Projects Fund and $1.5M to the Public Building Fund for future capital projects, and $250K was transferred to the ACDC Building Fund for future equipment purchases.

General Fund Revenue Comparison

	FY 2025	FY 2024	$ Increase (Decrease)	% Increase (Decrease)
Taxes	$16,138,795	$15,812,850	$325,945	2.06%
Licenses and Permits	2,541,245	2,138,763	$402,482	18.82%
Intergovernmental	21,913,952	21,976,755	-$62,803	-0.29%
Charges for Services	5,973,299	7,079,945	-$1,106,646	-15.63%
Fines and Forfeits	1,113,209	1,110,144	$3,065	0.28%
Investment Income	1,762,136	1,543,738	$218,398	14.15%
Miscellaneous	514,341	537,669	-$23,328	-4.34%
	$49,956,977	$50,199,864	-$242,887	-0.48%

Revenues remained relatively unchanged, with an overall decrease of .48% in FY 25 from the prior year. The increase in Licenses and Permits of 18.82% was due to larger housing developments requiring permits for construction in FY25. Investment income increased by 14.15% due to federal fiscal policy affecting interest rates. Taxes had a modest 2.06% increase while intergovernmental revenue had a slight decrease at .29% and Miscellaneous income had a 4.34% decrease. Charges for services decreased by 15.63%, primarily due to the nonrenewal of a contract with the Consolidated Dispatch Center.

General Fund Expenditure Comparison

	FY 2025	FY 2024	$ Increase (Decrease)	% Increase (Decrease)
Personnel Services	32,521,077	$31,811,536	709,541	2.23%
Services & Charges	5,886,978	5,831,142	55,836	0.96%
Supplies & Materials	1,163,306	1,202,872	-39,566	-3.29%
Capital Outlay	52,863	363,209	-310,346	-85.45%
Transfer to Internal Service Funds	5,001,186	4,319,592	681,594	15.78%
SBITA-Cap Outlay	17,768	2,836,482	-2,818,714	-99.37%
SBITA- Debt Service	390,799	393,799	-3,000	-0.76%
	$45,033,977	$46,758,632	-$1,724,655	-3.69%

The table below shows the Net Increase (Decrease) by department and Expenditure Category,

	Personnel Services	Services and Charges	Supplies and Materials	Capital Outlay	Transfer to Internal Service Funds
Administration	-4,914	13,025	-4,099	-	83,844
Finance	-17,722	-8,678	3,012	-	22,595
Community Relations	980	88,413	13,403	-54,271	18,577
Building & Grounds	49,333	100,764	18,769	-	-13,087
Police	805,790	-250,642	-4,907	-97,336	259,050
HHRC	-829	6,796	714	-	15,785
ACDC	-562,806	73,033	603	-158,739	41,357
Community Development	270,653	-89,469	1,610	-	79,207
Electrical & Forestry	154,651	56,673	-157,575	-	58,782
Streets	14,405	65,921	88,904	-	115,484

Overall, expenditures in the General Fund decreased by 3.69% in comparison to FY24. The largest increase was in Personnel Services at $709,541, which is a 2.23% increase from the prior year. The Police department had an increase of $805,790 in Personnel Services, consisting of an increase in pension benefits, which is directly paid through the property tax levy for the Police Pension and an increase in salaries and wages of $370K. Community Development and Electrical and Forestry also had increases in salaries and benefits, while the Consolidated Dispatch Center personnel expenses decreased by $562K, with less staff due to the nonrenewal of a contract with the Dispatch Center. Transfers to Internal Services increased by 16% from the prior year with increased equipment replacement costs in the Equipment Replacement fund. Services and Charges, as well as Supplies and Materials remained relatively flat from the prior year with Services and Charges increasing by 1% and Supplies and Materials decreasing by 3% from the prior year. Capital outlay in FY25 was primarily from the Consolidated Dispatch Center with the purchase of some PC and monitor replacements and firewalls. The implementation of the GASB Statement No. 96, Subscription-Based Information Technology Arrangements, in FY24 accounted for the large decrease in SBITA Capital Outlay, with only one new SBITA added in the General Fund in FY25.

The TIF #3 Fund had an increase in Property Tax Revenue of $174,116 from the prior year due to an increase in the EAV in the TIF district. The General Fund advanced money to the TIF #3 fund in prior fiscal years, for completion of the Veteran's Memorial, as a loan with the anticipation of the TIF repaying the loan over the remaining TIF life. In FY 24 an Ordinance was enacted authorizing the repayment of interest from the TIF #3 to the General Fund for this loan beginning in FY25. TIF #3 expenses during FY25 were $357,987 to complete the Veteran's Memorial. Available funds remaining in the TIF #3 fund, after expenses, are used to repay the loan to the General Fund, resulting in a loan repayment during FY25 of $16,887.

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

Unrestricted net position of the Water and Sewerage Fund at the end of the year amounted to $18,039,112 whereas unrestricted net position of the Internal Service Funds was $4,750,464.

At April 30, 2025, the Water and Sewerage Fund (as presented on page 17) total net position increased by $9,580,043, which represents a total increase of 14.9%. This increase in primarily due to the addition of EPA fees, the increase in User Fees, and the .25% increase in home rule sales tax allocated to this fund, which became effective on July 1, 2024. The increased revenues will be used to fund the upcoming large plant consolidation and infrastructure project. Expenses remained relatively consistent from the prior year, increasing by only 1.6% from FY24. The Internal Service Funds total net position increased by $1,281,745 or 12.9%. The increase in the Internal Service Funds is primarily due to the increased costs in the Equipment Replacement fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original FY 25 budget projected a negative change in fund balance of $558,454. Actual results were more favorable with a surplus for FY 25 of $1,350,782.

General Fund Budgetary Highlights

	Original Budget	Final Budget	Actual
Revenues	$48,520,569	$48,520,569	$49,956,977
Expenditures	48,829,023	49,988,913	45,033,977
Excess (Deficiency) of Revenues over Expenditures	-308,454	-1,468,344	4,923,000
Other Financing Sources (Uses)	-250,000	-3,750,000	-3,572,218
Net Changes in Fund Balance	($558,454)	($5,218,344)	$1,350,782

General Fund actual revenues were $1,436,408 or 2.96% more than the final budgeted amounts. The increase from final budget is primarily due to increased Licenses, Permits & Fees as well as an increase in investment income. A comparison of budget to actual is as follows:

General Fund Revenues Comparison – Actual to Budget

	Original Budget	Final Budget	Actual	Change from Final Budget
Taxes	$16,292,959	$16,292,959	$16,138,795	($154,164)
Licenses, Permits & Fees	1,987,700	1,987,700	2,541,245	$553,545
Intergovernmental	22,278,800	22,278,800	21,913,952	($364,848)
Charges For Services	5,940,310	5,940,310	5,973,299	$32,989
Fines & Forfeitures	965,300	965,300	1,113,209	$147,909
Investment Income	750,000	750,000	1,762,136	$1,012,136
Miscellaneous	305,500	305,500	541,341	$208,841
Total Revenues	$48,520,569	$48,520,569	$49,956,977	$1,436,408

Building permit revenue was $173K higher than the budgeted amount, with several new developments in the area requiring permits. Additionally, we received $117K more than budgeted income for rental housing licenses and we received $70K more in business license revenue than the budgeted amount. Replacement tax, local use tax, local adult use cannabis tax, and sales tax increment all came in slightly under budget. Investment income was higher than expected at $1M over budgeted earnings.

General Fund Expenditure Comparison – Actual to Budget

	Original Budget	Final Budget	Actual	Change from Final Budget
Personnel Services	$33,182,558	$33,450,058	$32,521,077	($928,981)
Services & Charges	$8,015,565	$8,464,915	$5,886,978	(2,577,937)
Supplies & Materials	$1,442,850	$1,476,390	$1,163,306	(313,084)
Capital Outlay	$452,500	$822,800	$52,863	(769,937)
Transfer to Internal Service Funds	$5,735,550	$5,774,750	$5,001,186	(773,564)
*Capital Outlay	$-	$-	$17,768	$17,768
*Debt Service	$-	$-	$390,799	$390,799
	$48,829,023	$49,988,913	$45,033,977	($5,018,236)

General Fund actual expenditures were $5.01 million less than the final budgeted amount. All expenditure categories in the General Fund ended the year with total expenditures less than final budgeted amounts, with the exception of capital outlay and debt service which are not budgeted. Actual expenses for Personnel Services were $928,981 lower than budgeted expenses. Personnel expense for most departments was approximately 3 to 6% under budget. Actual expenses for Services and Charges were $2.57 million lower than budgeted expenses. Approximately $600K of the difference was in Streets with street maintenance expenses lower than expected and the College Boulevard Reconstruction project being moved to FY26. Community Relations Services and Charges came in about $250K under budget due primarily to event expenses coming in under budget. IRMA insurance expense was $232K under budget for the Police Department, and Data Processing expense for the Dispatch Center was $150K under budget. The Dispatch Center also pushed $380k in microwave expenses to FY26 as they could not complete in FY25 as budgeted. Community Development was approximately $295K under budget due to less than expected being spent in Façade Grants and architectural and consulting services. Expenses in Supplies and Materials were $313K lower than budgeted amount. Capital Outlay was lower than expected due to payments for subscription based services being categorized as SBITAs.

CAPITAL ASSETS

The Village's capital assets net of depreciation/amortization for its Governmental and Business-Type Activities as of April 30, 2025, amounts to $239,583,155. The investment in capital assets includes land, buildings and structures, equipment, improvements other than buildings, infrastructure, and construction in progress. This amount represents a net increase (including additions and deductions) of $6,898,609 from FY24. Detailed information regarding the change in capital assets for Governmental and Business-Type Activities can be found in Note 4 of the notes to financial statements.

The Governmental Activities capital assets net of depreciation/amortization increased from last year by $3,751,110. The Business-Type Activities capital assets net of accumulated depreciation/amortization increased by $3,147,499.

DEBT OUTSTANDING

The Village currently has five general obligation bond series and two taxable general obligation series outstanding. $17,980,000 of general obligation bonds are outstanding at April 30, 2025.

The Village, under its home rule authority, does not have a legal debt limit. The Village is rated AA by Fitch Ratings and AA by S&P Global. Additional information of the Village's long-term debt can be found in Note 6 in the notes to financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Village's 2023 Equalized Assessed Valuation (EAV) was comprised of 59% residential, 11% commercial, 30% industrial, and less than 1% of farm and railroad properties. The property tax revenue derived from the residential, commercial, and industrial properties has been stable, with a 6.76% increase in the 2023 EAV, which is the rate for taxes received in FY25. The 2023 EAV is used to determine the property tax rate for taxes received in FY25. The Village also has a strong industrial park, accounting for 30% of property tax revenues. As we move into FY26, phase three of a townhome development is under construction. In addition, a senior living development began construction in summer of 2025. A new warehouse/commercial building has been approved through zoning. Both the residential and commercial additions will increase our EAV as the property was vacant prior to the development.

The budget for FY26 is projected to have a deficit of $8,951,727 with the deficit covered with existing fund balances. The large deficit is due to infrastructure projects originally budgeted for FY25 being pushed to FY26. This as well as increased costs for general operations. The Village traditionally has ended each year in a better position than was originally budgeted.

The Letter of Transmittal on pages v-xi, states more details regarding the following projects.

During FY25 the Village completed a Veterans Memorial on the Village Green which is part of the TIF district. Additionally, the Village received American Rescue Plan funds of $4.9 million over FY21 and FY22. The Village used those funds for a water sewer separation project that was fully completed in FY25. The Community Development offices as well as the Police Records offices remodeling projects were also completed in FY25.

Engineering began in FY25 for the wastewater treatment plant consolidation and phosphorous treatment project. The construction for this large project is expected to begin in FY27.

The Village is a member of the DuPage Water Commission (DPWC), which purchases Lake Michigan water from Chicago and distributes it to its members and charges them according to usage. The Village passed a 3-year rate plan which took effect in FY25. The three-year plan is based on projected usage, Village expenses and charges from the DPWC.

The Village Board approved an updated Strategic Plan in FY24, which includes continued economic development, enhancement of the community image and senior housing. A senior living development is under construction and is expected to be completed in fall of 2025. Street resurfacing and sidewalk maintenance programs continue to be budgeted for FY26 as well as water main maintenance and repair.

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. Questions concerning this report or requests for additional financial information should be directed to Colleen Witt, Finance Director/Treasurer, Village of Addison, 1 Friendship Plaza, Addison, Illinois 60101 CWitt@addison-il.org or through the village website, www.addisonadvantage.org.

BASIC FINANCIAL STATEMENTS

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	$ 63,749,916	$ 20,547,154	$ 84,297,070
Restricted cash and investments	-	30,000	30,000
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	12,404,171	-	12,404,171
Accounts	463,801	4,235,650	4,699,451
Accrued interest	10,288	-	10,288
Leases	8,595,748	-	8,595,748
Other	604,379	-	604,379
Inventory	90,343	19,015	109,358
Prepaid items	348,953	37,151	386,104
Due from other governments	6,414,254	1,623,660	8,037,914
Capital assets, not being depreciated	59,751,122	7,081,742	66,832,864
Tangible and intangible capital assets, being depreciated and amortized (net of accumulated depreciation and amortization)	109,940,504	62,809,787	172,750,291
Total assets	262,373,479	96,384,159	358,757,638
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized charge on refunding	74,784	-	74,784
OPEB items	570,006	120,614	690,620
Pension items - IMRF	2,504,646	917,502	3,422,148
Pension items - police pension	6,353,574	-	6,353,574
Asset retirement obligation	-	160,186	160,186
Total deferred outflows of resources	9,503,010	1,198,302	10,701,312
Total assets and deferred outflows of resources	271,876,489	97,582,461	369,458,950

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2025

	Primary Government		
	Governmental Activities	**Business-Type Activities**	**Total**
LIABILITIES			
Accounts payable	$ 1,547,391	$ 2,502,774	$ 4,050,165
Accrued payroll	1,474,439	141,932	1,616,371
Accrued interest	248,947	126,775	375,722
Unearned revenues	282,227	-	282,227
Retainage payable	113,045	-	113,045
Other liabilities	1,472,043	177,953	1,649,996
Noncurrent liabilities			
Due within one year	5,135,964	1,679,256	6,815,220
Due in more than one year	74,672,808	19,131,310	93,804,118
Total liabilities	84,946,864	23,760,000	108,706,864
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	12,404,171	-	12,404,171
Deferred inflows - leases	8,074,116	-	8,074,116
OPEB items	936,262	43,177	979,439
Pension items - IMRF	466,163	170,765	636,928
Pension items - police pension	910,320	-	910,320
Total deferred inflows of resources	22,791,032	213,942	23,004,974
Total liabilities and deferred inflows of resources	107,737,896	23,973,942	131,711,838
NET POSITION			
Net investment in capital assets	149,197,358	55,539,407	204,736,765
Restricted for			
Special Service Area #1	-	30,000	30,000
Capital projects	1,400,000	-	1,400,000
Public safety	1,627,120	-	1,627,120
Unrestricted	11,914,115	18,039,112	29,953,227
TOTAL NET POSITION	$ 164,138,593	$ 73,608,519	$ 237,747,112

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2025

		Program Revenues		
FUNCTIONS/PROGRAMS	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
PRIMARY GOVERNMENT				
Governmental Activities				
General government	$ 7,576,391	$ 1,792,383	$ 41,820	$ -
Public safety	28,676,395	6,050,530	774,747	350,000
Community development	4,374,175	1,056,623	-	-
Highways and streets	10,107,884	856,778	1,613,682	298,124
Interest expense	688,354	-	-	-
Total governmental activities	51,423,199	9,756,314	2,430,249	648,124
Business-Type Activities				
Water and sewerage	20,659,613	22,049,449	-	1,333,125
Total business-type activities	20,659,613	22,049,449	-	1,333,125
TOTAL PRIMARY GOVERNMENT	$ 72,082,812	$ 31,805,763	$ 2,430,249	$ 1,981,249

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	$ (5,742,188)	$ -	$ (5,742,188)
	(21,501,118)	-	(21,501,118)
	(3,317,552)	-	(3,317,552)
	(7,339,300)	-	(7,339,300)
	(688,354)	-	(688,354)
	(38,588,512)	-	(38,588,512)
	-	2,722,961	2,722,961
	-	2,722,961	2,722,961
	(38,588,512)	2,722,961	(35,865,551)
General Revenues			
Taxes			
Property	11,659,627	-	11,659,627
Sales tax increment	11,233,875	5,140,320	16,374,195
Telecommunications	586,879	-	586,879
Local use	933,037	-	933,037
Cannabis	316,169	-	316,169
Video gaming	677,765	-	677,765
Other	1,013,055	-	1,013,055
Intergovernmental			
Income taxes	6,205,165	-	6,205,165
Sales	14,276,871	-	14,276,871
Replacement taxes	298,053	-	298,053
American rescue plan act	-	678,221	678,221
Investment income	2,945,311	818,666	3,763,977
Miscellaneous	533,079	-	533,079
Gain on disposal of capital assets	160,014	-	160,014
Transfers in (out)	(219,875)	219,875	-
Total	50,619,025	6,857,082	57,476,107
CHANGE IN NET POSITION	12,030,513	9,580,043	21,610,556
NET POSITION, MAY 1	152,108,080	64,028,476	216,136,556
NET POSITION, APRIL 30	$ 164,138,593	$ 73,608,519	$ 237,747,112

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2025

	General	Town Center TIF #3	Nonmajor	Total
ASSETS				
Cash and investments	$ 29,146,500	$ -	$ 29,276,278	$ 58,422,778
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	11,253,193	637,281	513,697	12,404,171
Accounts	175,618	-	209,031	384,649
Leases	8,595,748	-	-	8,595,748
Accrued interest	10,288	-	-	10,288
Other	604,379	-	-	604,379
Advance to other funds	2,265,960	-	-	2,265,960
Prepaid items	89,579	-	11,650	101,229
Due from other governments	4,277,225	-	2,137,029	6,414,254
TOTAL ASSETS	$ 56,418,490	$ 637,281	$ 32,147,685	$ 89,203,456
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 816,991	$ -	$ 548,141	$ 1,365,132
Accrued payroll	1,420,720	-	-	1,420,720
Unearned revenues	199,600	-	82,627	282,227
Retainage payable	-	-	113,045	113,045
Other liabilities	1,472,043	-	-	1,472,043
Advance from other funds	-	2,265,960	-	2,265,960
Total liabilities	3,909,354	2,265,960	743,813	6,919,127
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	11,253,193	637,281	513,697	12,404,171
Deferred inflows - leases	8,074,116	-	-	8,074,116
Total deferred inflows of resources	19,327,309	637,281	513,697	20,478,287
FUND BALANCES				
Nonspendable in form				
Advance to other funds	2,265,960	-	-	2,265,960
Prepaid items	89,579	-	11,650	101,229
Restricted for				
Public safety	-	-	1,627,120	1,627,120
Capital projects	-	-	1,400,000	1,400,000
Assigned for				
Highways and streets	-		8,521,538	8,521,538
Subsequent year's budget	2,869,690	-	-	2,869,690
Debt service	-	-	7,004,286	7,004,286
Capital projects	-	-	12,325,581	12,325,581
Unassigned (deficit)	27,956,598	(2,265,960)	-	25,690,638
Total fund balances (deficit)	33,181,827	(2,265,960)	30,890,175	61,806,042
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 56,418,490	$ 637,281	$ 32,147,685	$ 89,203,456

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2025

FUND BALANCES OF GOVERNMENTAL FUNDS	$ 61,806,042
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 governmental funds	169,691,626
Less internal service funds' capital assets	(7,359,245)
The OPEB liability is not a current financial resource and, therefore, is not reported in the governmental funds	(2,736,018)
Less internal service funds' portion	122,484
The unamortized charge on refunding is not a current financial resource and, therefore, is not reported in the governmental funds	74,784
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(16,677,040)
Unamortized premium on general obligation bonds	(295,911)
SBITA liabilities	(3,476,006)
Less internal service funds' portion	921,930
Compensated absences	(4,870,919)
Less internal service funds' portion	435,903
Accrued interest on long-term liabilities is not due and payable in the current period and, therefore, is not reported in governmental funds	(248,947)
Less internal service funds' portion	1,921
Net pension (liability) is shown as an (liability)	
Illinois Municipal Retirement Fund	(4,070,893)
Less internal service funds' portion	359,538
Police Pension	(47,681,985)
Differences between expected and actual experiences, assumption changes, net differences between projected, and actual earnings are recognized as deferred outflows and inflows of resources on the statement of net position	
OPEB	(366,256)
Less internal service funds' portion	18,086
Illinois Municipal Retirement Fund	2,038,483
Less internal service funds' portion	(180,017)
Police Pension	5,443,254
The net position of the internal service funds are included in the governmental activities in the statement of net position	11,187,779
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 164,138,593

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2025

	General	(Formerly Major) Motor Fuel Tax	(Formerly Nonmajor) Town Center TIF #3	Nonmajor	Total
REVENUES					
Taxes	$ 16,138,795	$ -	$ 369,912	$ 9,010,466	$ 25,519,173
Licenses and permits	2,541,245	-	-	-	2,541,245
Intergovernmental	21,913,952	-	-	2,910,069	24,824,021
Charges for services	5,973,299	-	-	-	5,973,299
Fines and forfeits	1,113,209	-	-	-	1,113,209
Investment income	1,762,136	-	4,963	1,178,212	2,945,311
Miscellaneous	514,341	-	-	82,974	597,315
Total revenues	49,956,977	-	374,875	13,181,721	63,513,573
EXPENDITURES					
Current					
General government	7,009,921	-	-	-	7,009,921
Public safety	27,446,582	-	-	539,606	27,986,188
Community development	3,906,349	-	-	-	3,906,349
Highways and streets	6,262,558	-	-	5,022,734	11,285,292
Capital outlay	17,768	-	234,940	2,140,344	2,393,052
Debt service					
Principal retirement	324,090	-	-	2,201,238	2,525,328
Interest and fiscal charges	66,709	-	123,047	577,159	766,915
Total expenditures	45,033,977	-	357,987	10,481,081	55,873,045
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,923,000	-	16,888	2,700,640	7,640,528
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	3,750,000	3,750,000
Transfers (out)	(3,750,000)	-	-	(219,875)	(3,969,875)
SBITA issuance	17,768	-	-	46,553	64,321
Insurance recoveries	160,014	-	-	-	160,014
Total other financing sources (uses)	(3,572,218)	-	-	3,576,678	4,460
NET CHANGE IN FUND BALANCES	1,350,782	-	16,888	6,277,318	7,644,988
FUND BALANCES, MAY 1, AS PREVIOUSLY REPORTED	31,831,045	8,441,595	-	13,888,414	54,161,054
Changes within the financial reporting entity	-	(8,441,595)	(2,282,848)	10,724,443	-
FUND BALANCES (DEFICIT), MAY 1, AS RESTATED	31,831,045	-	(2,282,848)	24,612,857	54,161,054
FUND BALANCES (DEFICIT), APRIL 30	$ 33,181,827	$ -	$ (2,265,960)	$ 30,890,175	$ 61,806,042

See accompanying notes to financial statements.

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2025

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$ 7,644,988
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	9,817,210
Less amount applicable to internal service funds	(3,040,843)
Depreciation is shown as a functional expense in governmental activities on the statement of activities	(5,942,067)
Less amount applicable to internal service funds	1,449,171
The transfer of capital assets to internal service funds are recognized on the statement of activities	(114,180)
The change in the OPEB liability is shown as a functional expense on the statement of activities	40,355
Less amount applicable to internal service funds	(2,734)
The unamortized accounting charge on refunding is shown as an expense on the statement of activities	(16,623)
Long-term liabilities:	
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase in principal outstanding on the statement of net position	
SBITA liabilities	(986,930)
Less amount applicable to internal service funds	922,609
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	
General obligation bonds	2,182,130
SBITA liabilities	746,885
Less amount applicable to internal service funds	(403,687)

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES (Continued)

For the Year Ended April 30, 2025

Long-term liabilities (Continued):	
The unamortized premium on bonds is shown as an increase of principal outstanding on the statement of net position and amortized over the life of the bonds	96,003
The change in accrued interest is shown as a change in the interest expense on the statement of activities	$ (819)
The (increase) decrease in the compensated absences liability is shown as a functional expense on the statement of activities	(42,177)
Less amount applicable to internal service funds	(64,452)
The change in the net pension liability is reported only in the statement of activities	
Illinois Municipal Retirement Fund	1,434,628
Less amount applicable to internal service funds	(126,705)
Police Pension	396,435
The change in deferred inflows and outflows of resources is reported only in the statement of activities	
Illinois Municipal Retirement Fund	(2,652,656)
Less amount applicable to internal service funds	234,283
OPEB liability	62,380
Less amount applicable to internal service funds	(4,225)
Police Pension	(880,211)
The change in net position in internal service funds is shown as a governmental activity on the statement of activities	1,281,745
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 12,030,513

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

April 30, 2025

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT ASSETS		
Cash and investments	$ 20,547,154	$ 5,327,138
Restricted cash and investments - Special Service Area #1	30,000	-
Receivables		
Accounts - billed	1,309,164	79,152
Accounts - unbilled	2,926,486	-
Due from other governments	1,623,660	-
Prepaid items	37,151	247,724
Inventory	19,015	90,343
Total current assets	26,492,630	5,744,357
NONCURRENT ASSETS		
Tangible capital assets not being depreciated		
Land	2,890,141	-
Construction in progress	4,191,601	361,198
Total tangible capital assets not being depreciated	7,081,742	361,198
Tangible and intangible capital assets being depreciated and amortized		
Land improvements	116,522,936	-
Equipment and vehicles	5,087,622	14,244,339
Right-to-use software	216,025	1,973,203
Subtotal	121,826,583	16,217,542
Less accumulated depreciation and amortization	(59,016,796)	(9,219,495)
Net tangible and intangible capital assets being depreciated and amortized	62,809,787	6,998,047
Total tangible and intangible capital assets	69,891,529	7,359,245
Total noncurrent assets	69,891,529	7,359,245
Total assets	96,384,159	13,103,602
DEFERRED OUTFLOWS OF RESOURCES		
Pension items - IMRF	917,502	221,188
OPEB items	120,614	28,158
Asset retirement obligation	160,186	-
Total deferred outflows of resources	1,198,302	249,346
Total assets and deferred outflows of resources	97,582,461	13,352,948

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

April 30, 2025

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	**Internal Service**
CURRENT LIABILITIES		
Accounts payable	$ 2,502,774	$ 182,259
Accrued payroll	141,932	53,719
Accrued interest payable	126,775	1,921
Compensated absences	441,678	191,083
SBITA liability	23,679	128,793
OPEB liability	84,804	12,708
Illinois EPA revolving loan	966,225	-
General obligation bonds payable	162,870	-
Other liabilities	177,953	-
Total current liabilities	4,628,690	570,483
NONCURRENT LIABILITIES		
Compensated absences payable	777,046	244,820
SBITA liability	147,812	793,137
OPEB liability	359,584	109,776
IMRF net pension liability	1,491,256	359,538
Asset retirement obligation	180,000	-
Illinois EPA revolving loan	14,969,574	-
General obligation bonds payable	1,206,038	-
Total noncurrent liabilities	19,131,310	1,507,271
Total liabilities	23,760,000	2,077,754
DEFERRED INFLOWS OF RESOURCES		
Pension items - IMRF	170,765	41,171
OPEB items	43,177	46,244
Total deferred inflows of resources	213,942	87,415
Total liabilities and deferred inflows of resources	23,973,942	2,165,169
NET POSITION		
Net investment in capital assets	55,539,407	6,437,315
Restricted for Special Service Area #1	30,000	-
Unrestricted	18,039,112	4,750,464
TOTAL NET POSITION	$ 73,608,519	$ 11,187,779

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

For the Year Ended April 30, 2025

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	**Internal Service**
OPERATING REVENUES		
Charges for services	$ 22,049,449	$ 6,081,356
Other	-	337,968
Total operating revenues	22,049,449	6,419,324
OPERATING EXPENSES		
Operations	-	4,093,560
Water	9,888,302	-
Sewer	2,848,534	-
Water pollution control	4,837,776	-
Depreciation and amortization	2,767,609	1,449,171
Total operating expenses	20,342,221	5,542,731
OPERATING INCOME	1,707,228	876,593
NON-OPERATING REVENUES (EXPENSES)		
Investment income	818,666	268,354
American rescue plan act grant	678,221	-
Gain (loss) on disposal of capital assets	-	39,059
Sales tax increment	5,140,320	-
Interest expense	(317,392)	(16,441)
Total non-operating revenues (expenses)	6,319,815	290,972
NET INCOME BEFORE TRANSFERS AND CONTRIBUTIONS	8,027,043	1,167,565
TRANSFERS		
Transfers in	219,875	-
Total transfers	219,875	-
CONTRIBUTIONS	1,333,125	114,180
CHANGE IN NET POSITION	9,580,043	1,281,745
NET POSITION, MAY 1	64,028,476	9,906,034
NET POSITION, APRIL 30	$ 73,608,519	$ 11,187,779

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended April 30, 2025

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	**Internal Service**
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	$ 21,830,772	$ -
Receipts from internal services transactions	-	6,081,356
Payments from internal services transactions	(921,319)	-
Receipts from other sources	-	337,968
Payments to suppliers	(9,682,043)	(1,997,962)
Payments to employees	(6,659,593)	(2,160,755)
Net cash from operating activities	4,567,817	2,260,607
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Sales tax receipts	4,450,087	-
Transfers in	219,875	-
Net cash from noncapital financing activities	4,669,962	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	(5,795,563)	(2,118,234)
Proceeds from the disposal of capital assets	-	163,092
Capital grant receipts	1,048,125	-
Principal paid on bonds	(162,870)	-
Principal paid on Illinois EPA loans	(949,762)	-
Interest paid on bonds and Illinois EPA loans	(337,147)	-
Principal paid on SBITA liabilities	(22,654)	(403,687)
Interest paid on SBITA liabilities	(2,192)	(15,389)
Net cash from capital and related financing activities	(6,222,063)	(2,374,218)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	818,666	268,354
Net cash from investing activities	818,666	268,354
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,834,382	154,743
CASH AND CASH EQUIVALENTS, MAY 1	16,742,772	5,172,395
CASH AND CASH EQUIVALENTS, APRIL 30	$ 20,577,154	$ 5,327,138

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended April 30, 2025

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	$ 1,707,228	$ 876,593
Adjustments to reconcile operating income to net cash from operating activities		
Depreciation and amortization	2,767,609	1,449,171
Changes in assets and liabilities		
Inventory	(8,571)	(5,982)
Accounts receivable	(228,752)	(2,508)
Prepaid items	24,607	(98,573)
Deferred outflows of resources - pension items - IMRF	896,043	216,036
Deferred outflows of resources - OPEB	64,638	9,686
Accounts payable	(108,265)	(2,074)
Accrued payroll	10,899	7,813
Other liabilities	10,075	-
Deferred inflows of resources - pension items - IMRF	75,680	18,247
Deferred inflows of resources - OPEB	(92,839)	(13,911)
Asset retirement obligation	3,303	-
Compensated absences payable	(10,058)	(64,452)
OPEB liability	(18,244)	(2,734)
Net pension liability - IMRF	(525,536)	(126,705)
NET CASH FROM OPERATING ACTIVITIES	$ 4,567,817	$ 2,260,607
CASH AND INVESTMENTS		
Cash and cash equivalents	$ 20,547,154	$ 5,327,138
Restricted cash and investments	30,000	-
TOTAL CASH AND INVESTMENTS	$ 20,577,154	$ 5,327,138
NONCASH CAPITAL AND RELATED FINANCING TRANSACTIONS		
Capital assets in accounts payable and retainage	$ 1,499,300	$ -
SBITA right-to-use asset addition	-	922,609
Issuance of SBITA liability	-	(922,609)
Capital contribution	-	114,180
TOTAL NONCASH CAPITAL AND RELATED FINANCING TRANSACTIONS	$ 1,499,300	$ 114,180

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

April 30, 2025

	Police Pension Trust	Custodial
ASSETS		
Cash and cash equivalents	$ 915,961	$ 16,386
Investments, at fair value		
Held in the Illinois Police Officer's Pension Investment Fund	72,241,538	-
Receivables		
Property taxes	-	159
Prepaid items	8,578	-
Total assets	73,166,077	16,545
LIABILITIES		
Accounts payable	4,568	-
Funds held for others	-	6,555
Total liabilities	4,568	6,555
NET POSITION		
Restricted for pension benefits	73,161,509	-
Restricted for debt service	-	9,990
TOTAL NET PENSION	$ 73,161,509	$ 9,990

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

For the Year Ended April 30, 2025

	Police Pension Trust	Custodial
ADDITIONS		
Contributions - employer		
Property taxes transferred from General Fund	$ 4,374,315	$ -
Contributions - plan members	746,443	-
Total contributions	5,120,758	-
Investment income		
Net appreciation in fair value of investments	6,159,024	-
Interest earned on investments	453,276	-
Total investment income	6,612,300	-
Less investment expense	(47,159)	-
Net investment income	6,565,141	-
Total additions	11,685,899	-
DEDUCTIONS		
Benefits and refunds	5,956,761	-
Administration	87,326	-
Legal	12,322	-
Total deductions	6,056,409	-
NET INCREASE	5,629,490	-
NET POSITION		
May 1	67,532,019	9,990
April 30	$ 73,161,509	$ 9,990

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Addison, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

The Village is a municipal corporation governed by a seven-member board consisting of six trustees and the mayor. As required by GAAP, these financial statements present the Village and its component units, entities for which the government is considered to be financially accountable.

Management has determined that there is one fiduciary component unit that is required to be included in the financial statements of the Village as a pension trust fund.

Police Pension Employees Retirement System

The Village's 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 active police employees constitute the Pension Board. The Village and PPERS participants are obligated to fund all 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 possesses many of the characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees, and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund. PPERS does not issue a stand-alone financial report.

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain village functions or activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of restricted and committed monies (special revenue funds), the acquisition and construction of capital assets (capital projects funds), and the accumulation of restricted, committed, or assigned resources for the payment of principal and interest on general long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds).

Fiduciary funds are used to account for fiduciary activities (e.g., assets held on behalf of outside parties, including other governments). The Village utilizes pension trust funds and a custodial fund which are generally used to account for assets that the Village holds in fiduciary capacity or on behalf of others as their agent.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity, other than interfund services provided and used, has been eliminated from these financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to, a significant extent, on fees and charges for support.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Town Center TIF #3 Fund is used to account for the proceeds of specific tax allocations to finance the redevelopment of these areas.

The Village reports the following major proprietary funds:

The Waterworks and Sewerage Fund accounts for the provision of water and 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, billing, and collection.

The Village reports the following internal service funds:

Internal service funds account for operations that provide services to other departments or agencies of the Village, or to other governments, on a cost-reimbursement basis. The Fleet Services Fund accounts for the costs of operating a maintenance facility for automotive equipment used by other village departments. Actual cost includes depreciation on the machinery and equipment used to provide the service.

The Information Systems Fund accounts for the costs of running the Village's management information system. The Equipment Replacement Fund accounts for the purchase and replacement of the Village's vehicles.

The Village reports the following fiduciary funds:

Police Pension Trust Fund as a fiduciary component unit to account for the Police Pension Fund.

Custodial fund is used to account for special service area collection of taxes from benefited property owners for payment to the bondholders where the Village is acting in only an agent capacity.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary funds (pension trust funds and custodial funds). Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred.

Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunications taxes which use a 90-day period. The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Sales taxes owed to the state at year end, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Income and motor fuel taxes and fines collected and held by the state or county at year end on behalf of the Village also are recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.