VILLAGE OF WOODRIDGE, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Established 1959

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2025

Five Plaza Drive
Woodridge, Illinois 60517-5014
Phone: 630.852.7000
www.woodridgeil.gov

VILLAGE OF WOODRIDGE, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025

Prepared by:

John Harrington
Director of Finance

Daren Clary
Assistant Director of Finance

VILLAGE OF WOODRIDGE, ILLINOIS

TABLE OF CONTENTS

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION - Continued

REQUIRED SUPPLEMENTARY INFORMATION - Continued

OTHER SUPPLEMENTARY INFORMATION

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION - Continued

OTHER SUPPLEMENTARY INFORMATION - Continued

SUPPLEMENTAL SCHEDULES

STATISTICAL SECTION (Unaudited)

INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Woodridge, Illinois including:

List of Principal Officials

Organizational Chart

Letter of Transmittal

Certificate of Achievement for Excellence in Financial Reporting

Principal Officials
December 31, 2025

MAYOR

Gina Cunningham

Village Clerk

Joseph Heneghan

Village Board

Curtis Nekovar	Jennifer Anteliz
Joseph Kagann	Kaleshia (Kay) Page
Magin (Mike) Martinez	Sean Durkin

ADMINISTRATION

Albert Stonitsch, Village Administrator

Andie Trucco, Assistant Village Administrator

John Harrington, Director of Finance

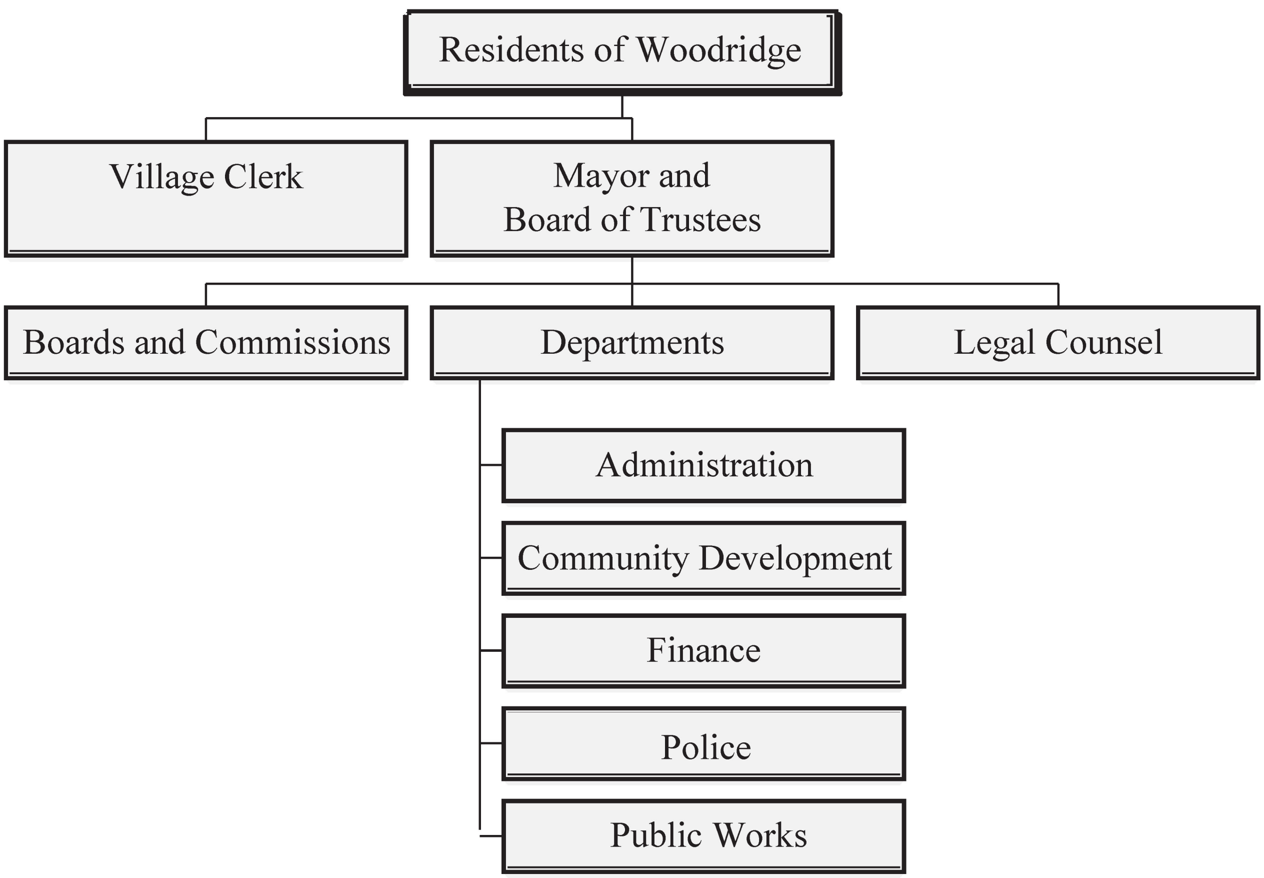
Christopher Bethel, Director of Public Works

Tom Stefanson, Chief of Police

Kimberly Clarke, Director of Community Development

Village of Woodridge

Organization Chart



Incorporated August 24, 1959 – Strong Mayor Form of Government

Finance Department • Five Plaza Drive • Woodridge, IL 60517-5014
(630) 852-7000 • Water Billing (630) 719-4909 • TTY (630) 719-2497 • FAX (630) 719-2900

June 4, 2026

Residents of the Village of Woodridge
Mayor Gina Cunningham
Members of the Board of Trustees

The Annual Comprehensive Financial Report of the Village of Woodridge (the Village), Illinois for the year ended December 31, 2025, is hereby submitted as mandated by both local ordinances and state statute. These require that the Village annually issue a report on its financial position presented in conformance with Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants.

Responsibility for both the completeness and reliability of the information presented in this report, including all disclosures, rests with the management of the Village. To provide a reasonable basis for making these representations, the Village has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Village of Woodridge's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village'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.

The Village's financial statements have been audited by the accounting firm of Lauterbach & Amen, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Woodridge for the year ended December 31, 2025, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Village's financial statements for the year ended December 31, 2025 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide an introduction, overview, and analysis in narrative form to accompany the basic financial statements, which can be found in the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and is meant to be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

Profile of the Village of Woodridge

The Village of Woodridge, a home rule community as defined by the Illinois Constitution, was incorporated in 1959 and is located approximately 26 miles southwest of the City of Chicago in Cook, DuPage, and Will Counties. The Village currently has a land area of nine square miles and a population of 34,158, which has increased modestly from the 2010 census figure of 32,971. The Village is empowered to levy a property tax on both real and personal properties located within its boundaries. It also has the power by state statute to extend its corporate limits by annexation, which has occurred periodically when deemed appropriate by the Village Board.

Profile of the Village of Woodridge - Continued

The Village operates under the Strong Mayor with an Administrator form of government. Policy making and legislative authority are vested in the Village Board, which consists of a Mayor and a six-member Board of Trustees. Board members are elected to four-year staggered terms with three Board members elected every two years. The Mayor is elected to a four-year term. The Village Administrator is responsible for overseeing the day-to-day operations of the Village, and for appointing the directors of the Village's departments.

The Village provides a full range of services, including police protection, water distribution and sanitary sewer collection services, the construction and maintenance of highways, streets and infrastructure, planning and development review. Fire protection services are provided by independent Fire Protection districts. The Woodridge Public Library, while it cannot issue general obligation bonds in its own name or levy its own property taxes, separately directs its own affairs. Thus, it has its own set of audited financial statements.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Village of Woodridge operates.

The Village closely monitors the financial climate at the state and federal levels and utilizes a conservative approach to financial planning based on potential national and regional financial impacts on the Village. At the federal level, the Village monitors those factors that directly impact Woodridge, including changes in monetary policy and legislation that could have potential impacts on Village revenues and expenditures. The State of Illinois continues to be an external risk to the Village's financial stability. The state's overall financial status impacts Woodridge in several ways, including the potential for higher borrowing costs, unfunded mandates, and fiscal uncertainty regarding economic development.

The Village maintains its strong AA+ credit rating with Fitch and S&P, along with a Aa1 credit rating with Moody's. All three cite the Village's strong fiscal management, healthy fund balances, and low long-term liability burden as their key rating drivers.

Local Economy

Woodridge's economy continues to grow and diversify. Over the past decade, Woodridge's office, research, light industrial and warehouse distribution sector has grown dramatically. Nine industrial business parks and various industrial sites - including the 920-acre Internationale Centre - offer over 14 million square feet of business space for new and existing industry. In 2025 there was a total of 14,069,022 square feet of industrial facilities in the community, with over 8,400 employees and a 95% occupancy rate. As a result of the Village's economic development efforts and strategic location, the Village's assessed value has tripled over the last two decades to over $1.7 billion.

The Village has several major employers that call Woodridge their home, including Personal Creations, Edward Don & Company, MPS Chicago Inc., Champion Packaging & Distribution, Eaton Corporation, Senior Midwest Direct, Orbus, Parker Hannifin Corporation, The Morey Corporation, Hendrickson International and Woodridge School District 68.

The Village welcomed 25 new businesses in 2025. Our business community continues to grow and diversify in our retail, office, and industrial facilities. A new McDonald's restaurant is now open in the Woodgrove Festival Shopping Center. Several new industrial facilities were approved or construction in 2025, strengthening the Village's prominence as a regional industrial hub. In addition, nearly $97 million in development investment occurred in 2025 including two major residential subdivisions, which will lead to more investment dollars coming to Woodridge.

Local Economy - Continued

The residential sector has seen an increase due to two national home builders who have chosen to build in our community. M/I Homes is completing their Townes of Farmingdale Subdivision. The subdivision consists of 77 new townhome units and as of date, all but five units have sold and the final permits were issued for the last set of townhomes. The second subdivision, Rivers Edge by Pulte Homes, has almost completed their duplex and townhome subdivision which includes a total of 110 new housing units. As part of this subdivision there is a 5-acre parcel of land zoned for commercial that is being marketed.

The Village has an economic incentive agreement as allowed by the Illinois Compiled Statues (65ILCS 5/8-11-20) that was approved in 2011. The Village entered into the economic incentive agreement to bring in a project at a property that was vacant for over a year, was expected to create job opportunities in the Village and would attract further development in the adjacent area. The corporation constructed a 362,500 square-foot office/ distribution facility. The Village rebated 50% of its share of state-shared and home rule sales taxes and 100% of utility taxes paid by the corporation. The 2025 rebate was $536,634 and the incentive agreement ends in 2032.

Budgetary Control and Accounting Systems

The annual budget serves as the foundation of the Village's financial planning. The annual budget is the policy document, operations guide, financial plan and communications device for the Village. The annual budget process begins in June with each department submitting their department budgets, which is the starting point to develop the final budget. The Village Board reviews all departmental budget requests at a Budget Workshop where they provide feedback and direction. The proposed budget is presented and adopted by ordinance in November or December.

Legal spending thresholds are established through the annual budget under the budget officer method. The Village Board is required to hold a public hearing on the budget document and must adopt a final budget no later than December 31st of each year. The budget is prepared by fund, department and program. Department directors may make transfers of budget allocations within a department. All budget adjustments must be approved by the Village Board to amend the legal spending thresholds. The legal level of budgetary control is at the fund level.

The accounts of the Village are organized on the basis of funds, each of which is considered a separate and distinct accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that compromise its assets, liabilities, fund equity, revenues and expenditures. Revenues are allocated and accounted for in individual funds based upon the purpose for which they are to be expended and the means by which spending activities are controlled. The account records for general governmental operations are maintained on the modified accrual basis, with revenues being recorded when available and measurable and expenditures being recorded when material or services are received, and the lability is incurred. Accounting records for the Village's enterprise funds, internal service fund and agency funds are maintained on the accrual basis of accounting.

Long-Term Financial Planning

The Village of Woodridge focuses on its mission statement "To achieve a high quality of life by providing superior services in a fiscally responsible manner." It has been the foundation of the Village's success and has been demonstrated through the Village's highly rated services, maintenance of and investment in infrastructure, connection to citizens, and financially sound practices.

The Village's General Fund and Capital Projects Fund have built up healthy fund balances for future capital and facility projects, such as the Police Facility and Public Works campus, located along Janes Avenue. Phase 1 of this project was completed in late 2023 with the planning of Phase 2 began in 2024 and the engineering/design in 2025. Phase 2 will involve constructing a new Public Works facility at the new Janes Avenue campus and the decommissioning of the old Police and Public Works building.

Long-Term Financial Planning - Continued

The Village Board priorities continue to be crime prevention, maintenance of streets and storm water infrastructure, and the need to keep the tax base balanced against the needs to maintain property tax affordability and housing values. Pervasive factors affecting expenses are the price fluctuations of gasoline and petroleum products, building materials, winter road treatments such as salt and brine, health insurance costs, pension expenses, and succession and retention of employees.

Awards and Acknowledgements

Since 2019, The Government Finance Officers Association of the United States and Canada (GFOA) has named Woodridge a Triple Crown winner. GFOA's Triple Crown designation recognizes governments who have received GFOA's Certificate of Achievement for:

- Excellence in Financial Reporting
- Popular Annual Financial Reporting Award
- Distinguished Budget Presentation Award for a fiscal year.

Woodridge is one of just 403 governments across the United States and Canada that have received the Triple Crown.

The Triple Crown designation represents a significant achievement. To qualify, each entity must meet the high standards of all three separate award programs. Each award program recognizes governments that produce reports which communicate their financial stories in a transparent manner and meet applicable standards.

The preparation of these reports would not be possible without the efficient and dedicated services across all our departments. Special thanks to the staff of the Finance department who dedicated many hours preparing for our annual audit and were at the ready during audit fieldwork.

I would like to extend our appreciation to our auditing firm, Lauterbach and Amen, LLP. Their leadership and expertise in the accounting and auditing field of local government has been such an asset to us. Ensuring that we in compliance with all laws and regulations, as well as leaders in our field.

In closing, thank you to the Mayor and Board of Trustees of the Village for their guidance and support of the financial operations of the Village. It is through their leadership and encouragement that this award-winning report is possible.

Respectfully submitted,

John Harrington
Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Woodridge
Illinois

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITOR'S REPORT

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

Lauterbach & Amen
668 N. River Road
Naperville, IL 60563
630.393.1483
lauterbachamen.com

INDEPENDENT AUDITOR'S REPORT

June 4, 2026

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

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Woodridge (the Village), Illinois as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Woodridge, Illinois, as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Woodridge, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (MD&A) provides the reader with a narrative overview and analysis of the overall financial position and results of operations for the year ended December 31, 2025, for the Village of Woodridge (the Village), Illinois.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Village exceeded its liabilities and deferred inflows of resources by $148,999,559 (net position) as of December 31, 2025. Of this amount, $33,452,537 (unrestricted net position) may be used to meet the Village's ongoing obligations to citizens and creditors.

- The Village's total net position increased $8,270,278 compared to prior year. This is the result of governmental revenues falling short of expenses by $2,299,793 and business-type revenues exceeding expenses by $10,570,071.

- The cash position of the Village remains strong, with cash and investments of $59,933,032 held at fiscal year-end, an increase of 7.48 million or 14% primarily due to a $5 million increase is sales tax revenues from prior year.

- All funds had positive fund balances at year-end.

- The Village's governmental funds reported combined ending fund balances of $44,128,167, a decrease of 9.6 percent from prior year primarily due to:

  - $3.5 million loan forgiveness for new water meters between the General Fund and the Waterworks and Sewerage Fund (fund balance decrease)
  - $5.5 million transfer from the General Fund to the Waterworks and Sewerage Fund for upcoming capital projects (fund balance decrease)
  - $4.5 million increase in sales tax revenues (fund balance increase)

- Of this amount, $22,494,314 (or 51.0 percent) is available for spending at the Village's discretion (unassigned fund balance).

- Expenditures in the General Fund were $82,148 (or less than one percent) below budget for the period and revenues were $4,343,674 (or 15.5 percent) over budget due to revenues performing better than expectations.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the Village's basic financial statements which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. Government-wide financial statements provide information on the finances of the Village as a whole and present a long-term view of the Village's finances. Fund financial statements tell how the Village's activities were financed in the short-term as well as what remains for future spending. They also report in greater detail than the government wide statements. Together, these statements allow for in-depth comparison of the Village's financial activities, and for comparison with the financial state of other governments. The notes to the financial statements provide additional information essential to a full understanding of the basic financial statements. This annual report also contains supplementary information required by Governmental Accounting Standards Board (GASB).

OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village's finances, in a matter similar to a private-sector business, for all its governmental and business-type activities.

The *Statement of Net Position* presents information on all of the Village's assets and deferred outflows of resources, less liabilities and deferred inflows of resources, with the difference between the two reported as net position. This statement combines and consolidates short-term, consumable resources with capital assets and long-term obligations, using the accrual method of accounting and economic resources measurement focus (see Notes to the Financial Statements for definitions). Over time, increases or decreases in net position may indicate whether the financial position of the Village is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Village's property tax base or the condition of the Village's roads, is also needed to assess the overall health of the Village.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal period. All changes in net position are reported as a result of the period's activities and events. Much like a private-sector business, all revenues and expenses 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).

Both of the government-wide financial statements distinguish functions of the Village that are financed primarily by general revenues such as taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or most of the cost of the service provided through program revenues such as user fees and charges (business-type activities). The governmental activities reflect the Village's basic services, including public safety, highways and streets and general administrative services. The business-type activities of the Village include waterworks and sewerage operations.

Excluded from the government-wide financial statements are fiduciary fund types (pension trust fund). Fiduciary funds are used to report the net position held in a trustee or agency capacity for others and therefore cannot be used to support the Village's programs.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other local governments, uses fund accounting to ensure and demonstrate fiscal accountability and compliance with finance-related legal requirements. Fund financial statements provide more detailed information about the Village's most significant funds, rather than about the Village as a whole. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

Fund Financial Statements - Continued

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

The Village maintains ten individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund (which includes the Charitable Contributions and Village of Greens Golf Course sub-funds), the Motor Fuel Tax Fund, the Debt Service Fund, and the Capital Projects Fund, all of which are considered major funds of the Village. Data from the other six nonmajor governmental funds are presented in the aggregate in the governmental fund financial statements.

The Village adopts an annual budget for all of the governmental funds. A budgetary comparison schedule for the General Fund has been provided in the required supplementary information to demonstrate compliance with this budget.

Proprietary Funds. The Village maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions.

The Village utilizes one enterprise fund to account for its waterworks and sewerage operations, considered a major fund of the Village and presented separately on the proprietary fund financial statements. The Village uses an internal service fund to account for costs of operating a maintenance facility for vehicular equipment used by other Village departments. Because this facility predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village maintains one fiduciary fund, the Police Pension Fund, to account for assets held in a trustee capacity by the Village for pension benefit payments. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's progress in funding its obligation to provide retirement and pension benefits to its employees. Schedules of budget and actual comparisons for the General Fund and the Motor Fuel Tax Fund are also found in this section. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents the net position as of December 31, 2025 and December 31, 2024 from the government-wide Statement of Net Position.

	Net Position					
	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	$ 67,331,728	70,062,103	20,329,699	8,483,033	87,661,427	78,545,136
Capital Assets	125,191,511	123,873,909	17,012,239	18,239,483	142,203,750	142,113,392
Total Assets	192,523,239	193,936,012	37,341,938	26,722,516	229,865,177	220,658,528
Deferred Outflows of Resources	11,647,714	15,376,745	1,779,903	2,191,263	13,427,617	17,568,008
Total Assets and Deferred Outflows of Resources	204,170,953	209,312,757	39,121,841	28,913,779	243,292,794	238,226,536
Noncurrent Liabilities	62,415,165	73,279,563	2,730,612	2,745,853	65,145,777	76,025,416
Other Liabilities	9,137,985	7,669,140	947,903	1,336,852	10,085,888	9,005,992
Total Liabilities	71,553,150	80,948,703	3,678,515	4,082,705	75,231,665	85,031,408
Deferred Inflows of Resources	18,729,300	12,175,758	332,270	290,089	19,061,570	12,465,847
Total Liabilities and Deferred Inflows of Resources	90,282,450	93,124,461	4,010,785	4,372,794	94,293,235	97,497,255
Net Position						
Net Investment in Capital Assets	93,362,095	92,949,065	17,012,239	18,239,483	110,374,334	111,188,548
Restricted	5,172,688	5,431,223	—	—	5,172,688	5,431,223
Unrestricted	15,353,720	17,808,008	18,098,817	6,301,502	33,452,537	24,109,510
Total Net Position	113,888,503	116,188,296	35,111,056	24,540,985	148,999,559	140,729,281

By far the largest portion of the Village's net position, $110,374,334, (or 74.0 percent), reflects its investment in capital assets (for example: land, construction in progress, right of way, buildings and improvements, intangibles, furniture and equipment, vehicles, infrastructure, leased assets, distribution system, and sewer system) less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets in the course of providing services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion, $5,172,688 (or 3.5 percent) of the Village's net position represents resources that are subject to external restrictions on how they may be used including special levies, public safety, streets and highways, and debt service. The remaining $33,452,537 (or 22.5 percent) represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

The Village's combined total net position increased from $140,729,281 to $148,999,559 during fiscal year 2025. This increase is primarily due to total revenues exceeding total expenses by $8,270,278.

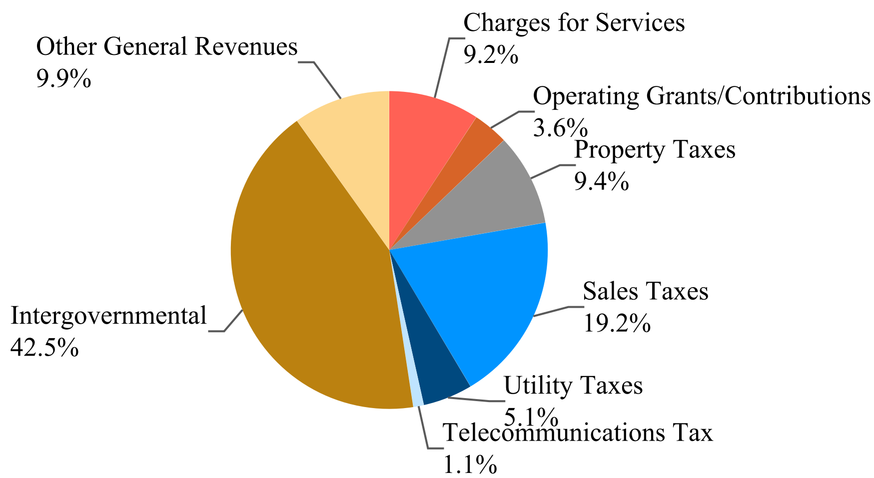
A review of the changes in net position provides the reader with information on the results of the year's operations. The following table presents data from the government-wide Statement of Activities.

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges for Services	$ 3,789,460	3,916,762	12,784,248	11,936,289	16,573,708	15,853,051
Operating Grants/Contributions	1,482,015	2,045,973	—	—	1,482,015	2,045,973
Capital Grants/Contributions	—	556,208	—	—	—	556,208
General Revenues						
Property Taxes	3,835,738	3,586,855	—	—	3,835,738	3,586,855
Sales Taxes	7,856,117	5,146,118	—	—	7,856,117	5,146,118
Utility Taxes	2,072,453	2,012,867	—	—	2,072,453	2,012,867
Telecommunications Tax	442,028	437,861	—	—	442,028	437,861
Intergovernmental	17,414,538	15,678,387	—	—	17,414,538	15,678,387
Other General Revenues	4,046,142	4,069,599	461,736	422,186	4,507,878	4,491,785
Total Revenues	40,938,491	37,450,630	13,245,984	12,358,475	54,184,475	49,809,105
Expenses						
General Government	11,241,165	8,782,391	—	—	11,241,165	8,782,391
Public Safety	15,680,407	14,159,307	—	—	15,680,407	14,159,307
Highways and Streets	6,457,897	6,127,835	—	—	6,457,897	6,127,835
Interest on Long-Term Debt	905,482	949,065	—	—	905,482	949,065
Waterworks and Sewerage	—	—	11,629,246	12,603,825	11,629,246	12,603,825
Total Expenses	34,284,951	30,018,598	11,629,246	12,603,825	45,914,197	42,622,423
Change in Net Position						
Before Transfers	6,653,540	7,432,032	1,616,738	(245,350)	8,270,278	7,186,682
Transfers	(8,953,333)	3,980,000	8,953,333	(3,980,000)	—	—
Change in Net Position	(2,299,793)	11,412,032	10,570,071	(4,225,350)	8,270,278	7,186,682
Net Position - Beginning as Previously Reported	116,188,296	104,776,264	24,540,985	29,259,326	140,729,281	134,035,590
Restatement - Error Correction	—	—	—	(492,991)	—	(492,991)
Net Position - Beginning as Restated	116,188,296	104,776,264	24,540,985	28,766,335	140,729,281	133,542,599
Net Position - Ending	113,888,503	116,188,296	35,111,056	24,540,985	148,999,559	140,729,281

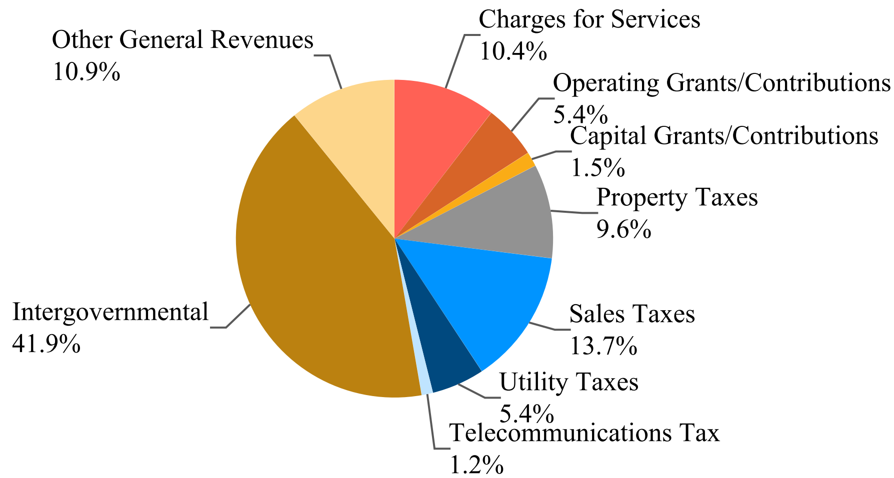
GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities. The following chart graphically depicts the major revenue sources of the Village for the fiscal years ending 12/31/2025 as well as 12/31/2024.

Revenue by Source - Governmental Activities
Fiscal Year Ending 12/31/25



Revenue by Source - Governmental Activities
Fiscal Year Ending 12/31/24



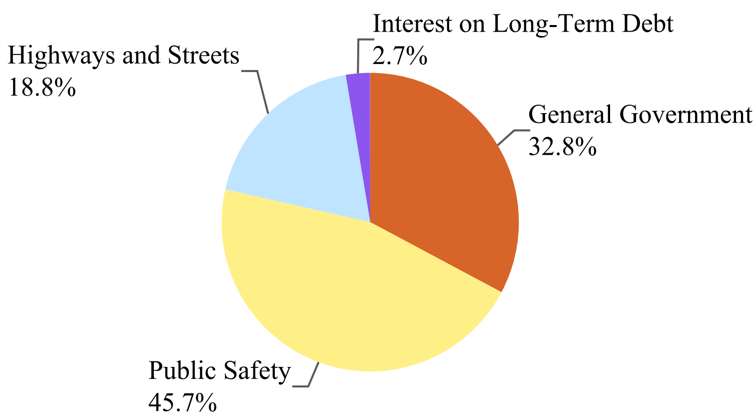
Intergovernmental revenues, at $17,414,538 (or 42.5 percent), is one of the Village's major source of revenue. The primary components of intergovernmental revenue are income taxes, state sales taxes, state use taxes and other intergovernmental revenues. Property taxes, at $3,835,738 (or 9.4 percent), is another major revenue source for the Village. The increase in the intergovernmental revenues compared to 2024 is primarily due to the increase in sales tax revenues, which includes home rule sales tax.

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

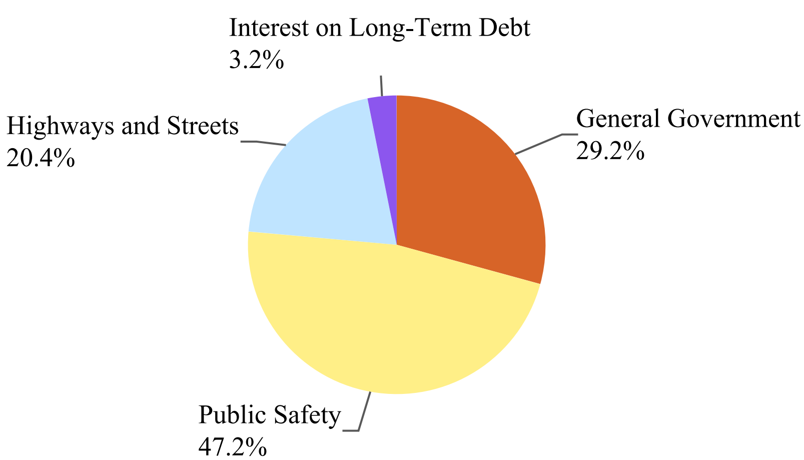
Governmental Activities - Continued. The following chart shows expenses for governmental activities by function. It identifies the largest function of the Village as public safety expenses for the period of $15,680,407 (or 45.7 percent). General government expenses were $11,241,165 (or 32.8 percent). Highways and streets expenses were $6,457,897 (or 18.8 percent). Interest on long-term debt comprised the remaining $905,482 (or 2.7 percent) of total expenses for governmental activities.

The shift in percent allocations in the charts below is primarily due to capital project costs for the new police and public works facilities.

Expenses - Governmental Activities
Fiscal Year Ending 12/31/25



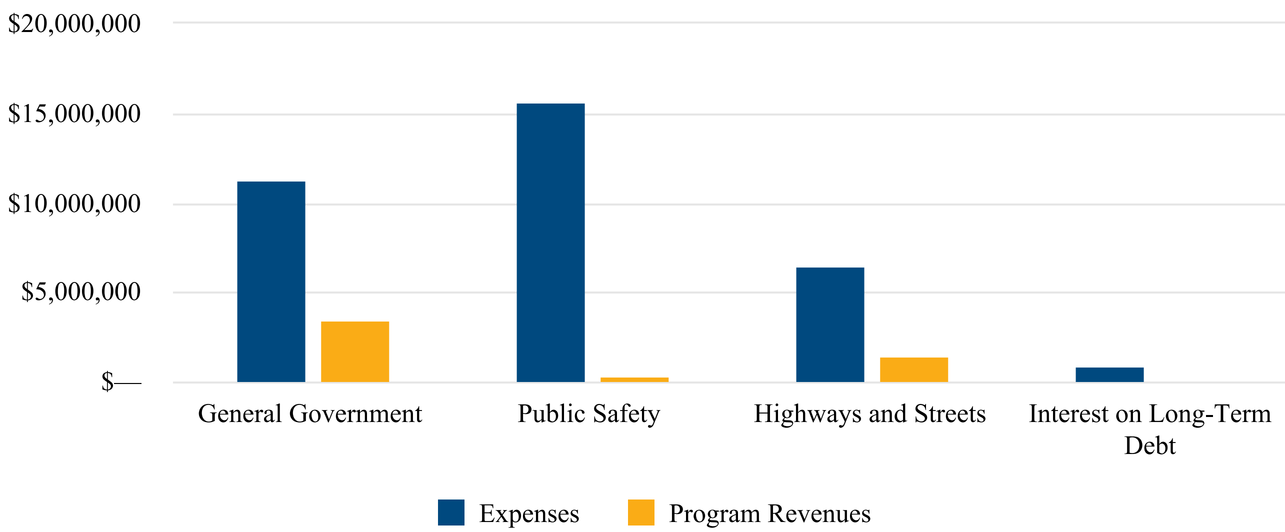
Expenses - Governmental Activities
Fiscal Year Ending 12/31/24



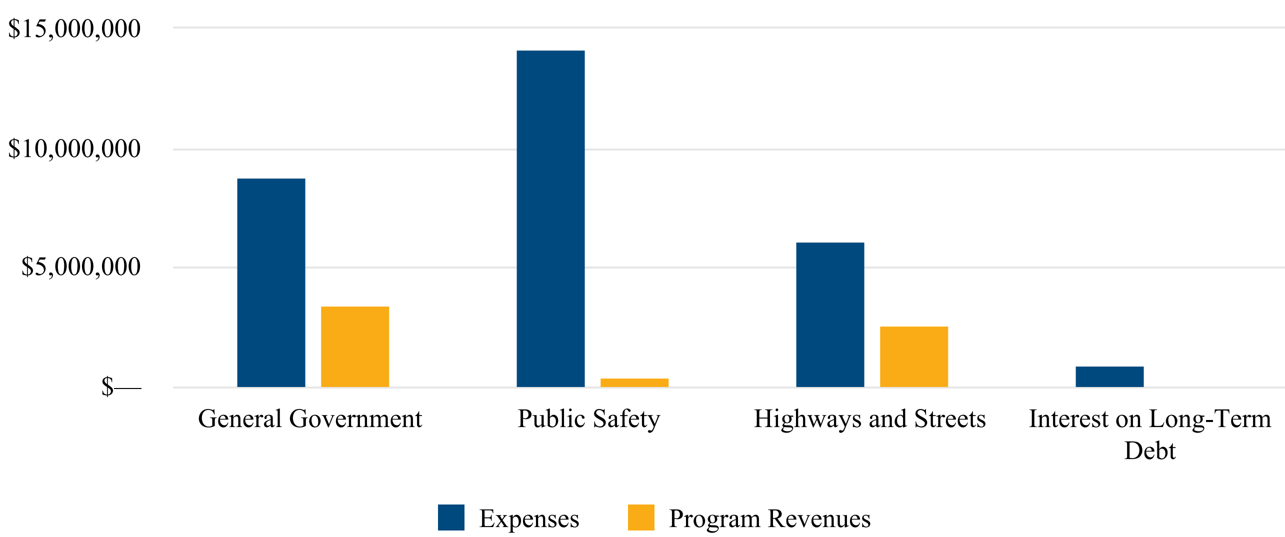
GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities - Continued. The following chart identifies those governmental functions where expenses greatly exceeded program revenues. In general, most program expenses are supported by general revenues of the Village and are not specifically allocated to a particular program. Fees for licenses, permits, and other expenses for which there is a direct relationship between the cost of providing service and the amount charged are reviewed on a yearly basis as part of the annual budget process.

Expenses and Program Revenues - Governmental Activities
Fiscal Year Ending 12/31/25



Expenses and Program Revenues - Governmental Activities
Fiscal Year Ending 12/31/24

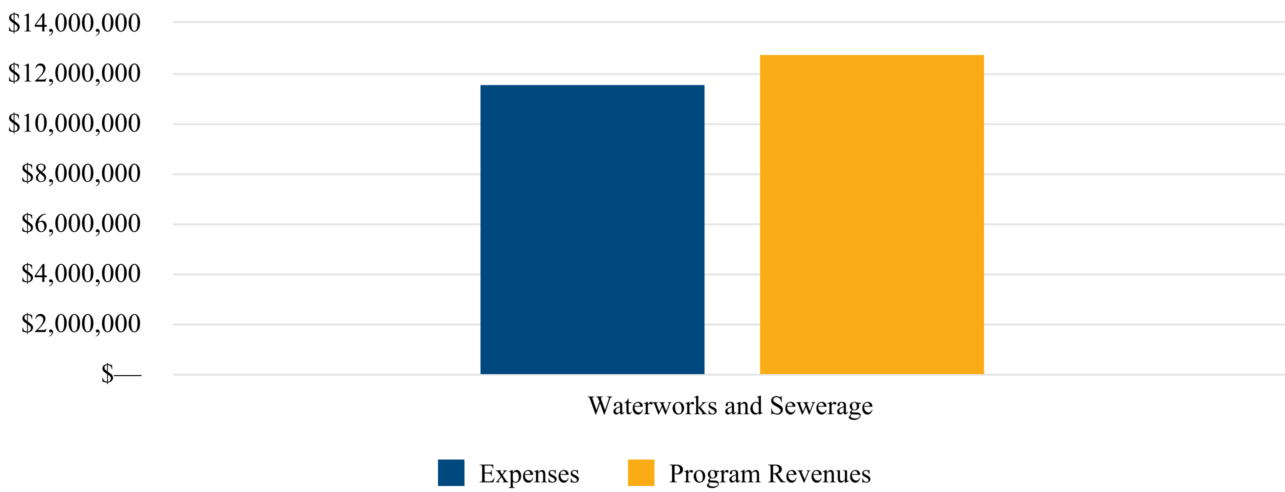


Governmental activities program revenues decreased by $1,247,468 (or 19.1 percent) largely due to salt shortage and streambank stabilization grant funds that were received in 2024 (but not in 2025), in addition to a one-time $300,000 transfer from the General Fund to the Motor Fuel Tax Fund in 2024.

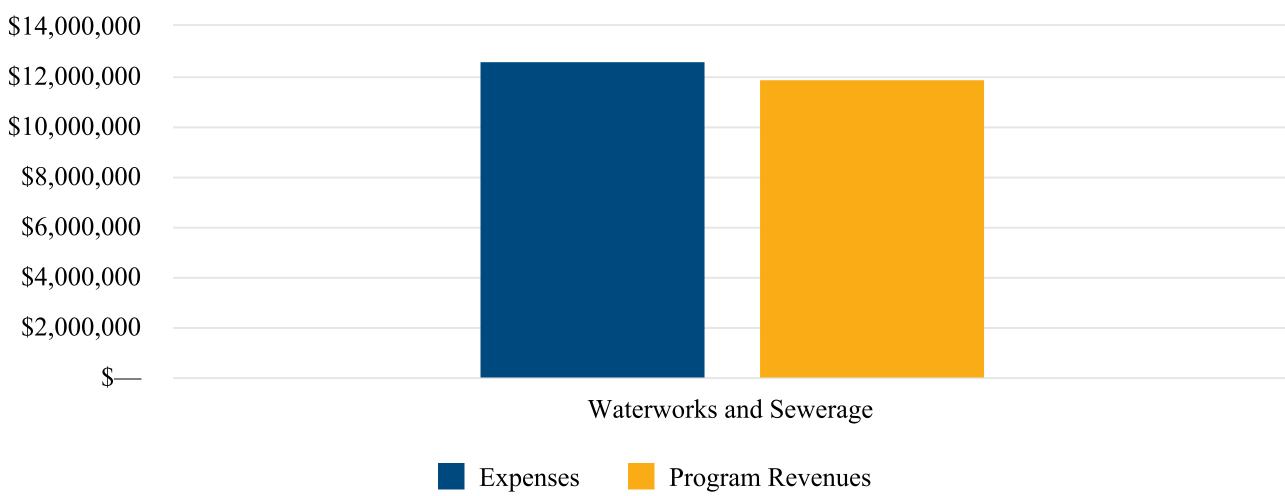
GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Business-Type Activities. The following chart compares program revenues to expenses for the waterworks and sewerage operations. Program revenues of the Village's business-type activities were $12,784,248, a 7.1 percent increase. In addition, the Village Board increased the capital improvement fee by $0.50 and the pass-through water rate increase from the DuPage Water Commission in the amount of $0.24 to cover the increased cost to purchase water. Expenses for business-type activities totaled $11,629,246, a 7.7 percent decrease from the prior year.

Expenses and Program Revenues - Business-Type Activities
Fiscal Year Ending 12/31/25



Expenses and Program Revenues - Business-Type Activities
Fiscal Year Ending 12/31/24



The Village's intention is that revenues from these activities should cover most, if not all, of the costs of operations, with no additional support from general revenues.

FINANCIAL ANALYSIS OF THE VILLAGE'S INDIVIDUAL FUNDS

As noted earlier, 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's fund financial statements are presented separately for governmental funds and proprietary funds. The Village's police pension fiduciary fund statements are included in this annual report, but are not discussed in this MD&A since the fund's assets are not available to support the Village's programs.

Governmental Funds

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

The governmental funds reported combined ending fund balances of $44,128,167. The following table provides information on the major funds: General, Motor Fuel Tax, Debt Service, and Capital Projects. The remaining $4,605,630 is in the nonmajor funds.

	Fund Balance Analysis			
	Current Year	Prior Year	Change	% Change
Major Governmental Funds				
General Fund	$ 26,193,152	30,307,096	(4,113,944)	(13.6%)
Motor Fuel Tax	2,646,056	3,029,350	(383,294)	(12.7%)
Debt Service	—	281,709	(281,709)	(100.0%)
Capital Projects	10,683,329	11,118,972	(435,643)	(3.9%)
	39,522,537	44,737,127	(5,214,590)	(11.7%)
Nonmajor Governmental Funds	4,605,630	4,086,878	518,752	12.7%
	44,128,167	48,824,005	(4,695,838)	(9.6%)

The General Fund's fund balance decreased $4,113,944 (or 13.6 percent) primarily due to the forgiveness of the loan to the Capital Account - Waterworks and Sewerage Fund of $3.45 million, as well as a one-time $5.5 million transfer to the Waterworks and Sewerage Fund for upcoming capital projects

The Motor Fuel Tax Fund experienced a 12.7 percent decrease in fund balance primarily due to significant decrease in capital outlay expenditures.

The Debt Service Fund experienced a 100.0 percent decrease in fund balance primarily due to the payment of debt and debt fees.

The Capital Projects Fund experienced a 3.9 percent or $435,643 decrease in fund balance primarily due to the capital project costs for the new police and public works facilities.

FINANCIAL ANALYSIS OF THE VILLAGE'S INDIVIDUAL FUNDS - Continued

Proprietary Funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, which consists of the Waterworks and Sewerage Fund. As of the end of the current fiscal year, the proprietary funds reported a combined net position of $35,111,056, reflecting an increase of $10,570,071 from prior year.

Of the total net position, $17,012,239 (or 48.5 percent) was investment in capital assets for Waterworks and Sewerage Fund operations. The remaining $18,098,817 (or 51.5 percent) represents the unrestricted net position.

The Village reports the Waterworks and Sewerage Fund as a major proprietary fund. This fund accounts for all of the operations involved in providing potable water and wastewater treatment services to the residents of the Village and unincorporated areas. Sewage is transported to the area treatment center operated by DuPage County.

The Village reports the Municipal Garage Fund in an internal service fund which is a proprietary type fund for governmental activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The budget is approved annually by the Mayor and the Board of Trustees. The budget includes operating and capital expenditures for all funds of the Village including the General Fund.

At the end of the fiscal year, General Fund actual revenues were $4,343,674 (or 15.5 percent) over the final budgeted amount. In addition, tax revenues performance greatly improved in 2025 compared to the previous year, as described below:

- The largest revenue variance was in state and home rule sales tax revenues, which came in $3,501,923 higher than budget as sales tax continues to outperform budgeted estimates.
- Investment income came in $448,154 higher than budgeted due to better-than-expected market conditions.
- Real estate transfer tax and building permit revenues came in $371,545 higher than anticipated.

At the end of the fiscal year, General Fund actual expenditures were $82,148 (or 0.3 percent) below the final budgeted amount.

- General government expenditures were below budget by $210,230 (or 2.3 percent) primarily due to an unfulfilled position in the administration department.
- Public safety expenditures were below budget by $264,386 (or 1.8 percent) due to multiple unfulfilled positions during the year.
- Highways and streets expenditures were over budget by $392,468 (or 11.6 percent) primarily due to payroll costs related to union-related retro-payments and employee retirement that were not budgeted.
- The remaining amount is the accumulation of numerous small budget-to-actual variances.

CAPITAL ASSETS

The following table presents the Village's net investment in capital assets for its governmental and business-type activities as of December 31, 2025 which is $142,203,750 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, right of way, buildings and improvements, intangibles, furniture and equipment, vehicles, infrastructure, leased assets, distribution system, and sewer system. For governmental activities, infrastructure assets include land, streets, sidewalks, bike paths, storm water, and bridges. For business-type activities, infrastructure assets include water distribution and sewer systems. The net increase in the Village's investment in capital assets for the year totaled $90,358.

	Capital Assets - Net of Depreciation					
	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Land	$ 12,004,198	12,004,198	51,625	51,625	12,055,823	12,055,823
Construction in Progress	2,751,253	714,457	—	—	2,751,253	714,457
Right of Way	51,944,760	51,944,760	—	—	51,944,760	51,944,760
Buildings and Improvements	30,251,796	31,046,462	2,365,626	2,419,211	32,617,422	33,465,673
Intangibles	—	—	402,179	430,900	402,179	430,900
Furniture and Equipment	924,739	957,932	629,538	729,246	1,554,277	1,687,178
Vehicles	755,294	1,109,616	—	—	755,294	1,109,616
Infrastructure	25,807,363	26,096,484	13,563,271	14,608,501	39,370,634	40,704,985
Leased Assets	752,108	—	—	—	752,108	—
Totals	125,191,511	123,873,909	17,012,239	18,239,483	142,203,750	142,113,392

In governmental activities, total capital assets increased $1,317,602 (or 1.1 percent). This net increase is primarily due to construction in progress related to the addition of leased assets, Woodridge Drive and Janes Ave Road Projects, as well as the new Public Works Facility Project. Offsetting these increases was depreciation expense.

In business-type activities, the total decrease of $1,227,244 (or 6.7 percent) is related to the annual depreciation of assets, which is primarily the water and sanitary sewer systems.

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

DEBT ADMINISTRATION

The following table represents, at the end of the fiscal year, the Village's total outstanding long-term debt of $67,515,854. Total debt decreased $10,652,707 due to the $9.3 million net decrease in net Pension Liability for Police. The Net Pension Liability for IMRF decreased $9.3 thousand, as well as the Total OPEB Liability - RBP, which decreased $297.4 thousand.

The Village's credit rating is strong. Recently, S&P Global rated the Village at AA+. This ratings incorporates the Village's finances, long-term planning, stable community, and fiscal management policy. The better the rating, the more competitive interest rates the Village is able to secure. To maintain this strong credit rating during these economic times speaks to the strength of Woodridge's finances and leadership.

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

	Long-Term Debt Outstanding					
	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Compensated Absences	$ 2,420,331	2,655,575	401,025	451,287	2,821,356	3,106,862
Net Pension Liability - IMRF	2,045,805	2,057,164	600,756	598,732	2,646,561	2,655,896
Net Pension Liability - SLEP	—	—	—	—	—	—
Net Pension Liability - Police Pension	25,937,944	35,243,189	575,833	542,352	26,513,777	35,785,541
Total OPEB Liability - RBP	3,553,803	3,851,185	—	—	3,553,803	3,851,185
General Obligation Bonds	27,895,000	29,285,000	—	—	27,895,000	29,285,000
Unamortized Premium	2,088,280	2,224,077	—	—	2,088,280	2,224,077
Leases Payable	737,077	—	—	—	737,077	—
Asset Retirement Obligation	—	—	1,260,000	1,260,000	1,260,000	1,260,000
Total	64,678,240	75,316,190	2,837,614	2,852,371	67,515,854	78,168,561

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

2025 was a very busy year for development. The following is a list of economic development highlights:

- The Village welcomed 25 new business during the year.
- Proposed 75th Street Tax Increment Financing (TIF) District, which was approved in 2026.
- Village awarded $100,000 development grant for façade improvements at Woodridge Plaza on 75th Street.
- Crow Holdings began construction of a new industrial building on Bluff Road.
- M/I Homes received approval from Village Board to construct a new townhome subdivision off of Woodward Avenue and 28 permits have been issued in 2025.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES - Continued

- Rivers Edge - Pulte Home Company received approval from the Village Board for a 110 unit townhome and duplex subdivision and 76 permits have been issued in 2025.

- McDonald's opened a new store on 75th Street.

- Demeter Millwork was is building a new state of the art manufacturing facility. The site will bring 25 to 200 new employees when at full capacity which is expected it to be in 2026.

- Seefried speculative office/warehouse on Beaudin Blvd began construction in 2025 with Tesla being secured as tenant.

- Panattoni Development Company was approved by the Village Board for a speculative industrial facility on Davey Road.

The 2025 Budget includes a balanced, $64.3 million spending plan and centers around the Village's mission "to achieve a high quality of life by providing superior services in a fiscally responsible manner." This year's budget focuses on:

- Capital infrastructure investments such as water/sewer maintenance, roadway and sidewalk improvements, and stormwater drainage improvements.

- Continued investments in Village core services and programs.

- Engineering and initial costs for the Facility Improvements Plan that includes beginning construction of a new Public Works Facility in 2026.

- Continued investments that support public safety and crime prevention, community and economic development initiatives, community engagement initiatives, and employee training and professional development.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Any questions concerning the information provided in this report or requests for additional information should be directed to the Director of Finance, Village of Woodridge, Five Plaza Drive, Woodridge, Illinois 60517-5014.

BASIC FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Fund

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

Statement of Net Position
December 31, 2025

See Following Page

Statement of Net Position
December 31, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	$ 41,787,316	18,145,716	59,933,032
Receivables - Net of Allowances			
Taxes	8,472,030	—	8,472,030
Accounts	1,096,941	2,000,176	3,097,117
Leases	900,914	—	900,914
Accrued Interest	433,766	83,022	516,788
Due from Other Governments	11,002,822	—	11,002,822
Prepaids/Inventories	3,459,489	100,785	3,560,274
Total Current Assets	67,153,278	20,329,699	87,482,977
Noncurrent Assets			
Capital Assets			
Nondepreciable	66,700,211	51,625	66,751,836
Depreciable	115,773,437	81,560,246	197,333,683
Accumulated Depreciation	(57,282,137)	(64,599,632)	(121,881,769)
Total Capital Assets	125,191,511	17,012,239	142,203,750
Other Assets			
Net Pension Asset - SLEP	178,450	—	178,450
Total Noncurrent Assets	125,369,961	17,012,239	142,382,200
Total Assets	192,523,239	37,341,938	229,865,177
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	1,688,801	496,006	2,184,807
Deferred Items - SLEP	10,144	—	10,144
Deferred Items - Police Pension	7,960,020	—	7,960,020
Deferred Items - RBP	1,473,470	238,751	1,712,221
Deferred Items - ARO	—	1,045,146	1,045,146
Unamortized Loss on Refunding	515,279	—	515,279
Total Deferred Outflows of Resources	11,647,714	1,779,903	13,427,617
Total Assets and Deferred Outflows of Resources	204,170,953	39,121,841	243,292,794

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

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	$ 3,563,386	707,366	4,270,752
Accrued Payroll	841,091	125,715	966,806
Deposits Payable	1,972,410	7,820	1,980,230
Accrued Interest Payable	402,227	—	402,227
Unearned Revenue	95,796	—	95,796
Current Portion of Long-Term Liabilities	2,263,075	107,002	2,370,077
Total Current Liabilities	9,137,985	947,903	10,085,888
Noncurrent Liabilities			
Compensated Absences Payable	1,936,265	320,820	2,257,085
Net Pension Liability - IMRF	2,045,805	600,756	2,646,561
Net Pension Liability - Police Pension	25,937,944	—	25,937,944
Total OPEB Liability - RBP	3,388,368	549,036	3,937,404
General Obligation Bonds Payable - Net	28,543,280	—	28,543,280
Leases Payable	563,503	—	563,503
Asset Retirement Obligation	—	1,260,000	1,260,000
Total Noncurrent Liabilities	62,415,165	2,730,612	65,145,777
Total Liabilities	71,553,150	3,678,515	75,231,665
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	3,877,835	—	3,877,835
Leases	886,806	—	886,806
Deferred Items - Police Pension	11,914,030	—	11,914,030
Deferred Items - RBP	2,050,629	332,270	2,382,899
Total Deferred Inflows of Resources	18,729,300	332,270	19,061,570
Total Liabilities and Deferred Inflows of Resources	90,282,450	4,010,785	94,293,235
NET POSITION			
Net Investment in Capital Assets	93,362,095	17,012,239	110,374,334
Restricted			
Charitable Contributions	319,656	—	319,656
Highways and Streets	2,646,056	—	2,646,056
Stormwater Maintenance	1,006,435	—	1,006,435
Police Services	1,022,091	—	1,022,091
Illinois Municipal Retirement	178,450	—	178,450
Unrestricted	15,353,720	18,098,817	33,452,537
Total Net Position	113,888,503	35,111,056	148,999,559

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

Statement of Activities
For the Fiscal Year Ended December 31, 2025

		Program Revenues		
	Expenses	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	$ 11,241,165	3,417,380	—	—
Public Safety	15,680,407	372,080	—	—
Highways and Streets	6,457,897	—	1,482,015	—
Interest on Long-Term Debt	905,482	—	—	—
Total Governmental Activities	34,284,951	3,789,460	1,482,015	—
Business-Type Activities				
Waterworks and Sewerage	11,629,246	12,784,248	—	—
Total Primary Government	45,914,197	16,573,708	1,482,015	—

General Revenues
Taxes
Property Tax
Home Rule Sales Tax
Utility Tax
Telecommunications Tax
Real Estate Transfer Tax
Video Gaming Tax
Intergovernmental - Unrestricted
State Sales Tax
State Income Tax
State Use Tax
Other
Investment Income
Miscellaneous
Transfers - Internal Activity

Change in Net Position

Net Pension - Beginning

Net Position - Ending

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

Net (Expenses)/Revenues		
Primary Government		
Governmental Activities	Business-Type Activities	Totals
(7,823,785)	—	(7,823,785)
(15,308,327)	—	(15,308,327)
(4,975,882)	—	(4,975,882)
(905,482)	—	(905,482)
(29,013,476)	—	(29,013,476)
—	1,155,002	1,155,002
(29,013,476)	1,155,002	(27,858,474)
3,835,738	—	3,835,738
7,856,117	—	7,856,117
2,072,453	—	2,072,453
442,028	—	442,028
906,774	—	906,774
294,328	—	294,328
9,806,267	—	9,806,267
6,160,202	—	6,160,202
284,214	—	284,214
1,163,855	—	1,163,855
1,954,832	461,736	2,416,568
890,208	—	890,208
(8,953,333)	8,953,333	—
26,713,683	9,415,069	36,128,752
(2,299,793)	10,570,071	8,270,278
116,188,296	24,540,985	140,729,281
113,888,503	35,111,056	148,999,559

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

VILLAGE OF WOODRIDGE, ILLINOIS

Balance Sheet - Governmental Funds
December 31, 2025

	General	Special Revenue Motor Fuel Tax	Debt Service	Capital Projects	Nonmajor	Totals
ASSETS						
Cash and Investments	$ 20,284,219	3,362,575	—	12,397,314	4,708,558	40,752,666
Receivables - Net of Allowances						
Taxes	8,405,000	—	—	—	67,030	8,472,030
Accounts	196,149	—	—	900,792	—	1,096,941
Leases	—	—	—	900,914	—	900,914
Accrued Interest	232,261	5,838	—	181,394	14,273	433,766
Due from Other Governments	79,121	176,201	—	10,747,500	—	11,002,822
Prepaids	3,379,112	—	—	—	—	3,379,112
Inventories	70	—	—	—	—	70
Total Assets	32,575,932	3,544,614	—	25,127,914	4,789,861	66,038,321
LIABILITIES						
Accounts Payable	973,348	898,558	—	1,624,338	21,405	3,517,649
Accrued Payroll	812,158	—	—	—	—	812,158
Deposits Payable	786,469	—	—	1,185,941	—	1,972,410
Unearned Revenue	—	—	—	—	95,796	95,796
Total Liabilities	2,571,975	898,558	—	2,810,279	117,201	6,398,013
DEFERRED INFLOWS OF RESOURCES						
Property Taxes	3,810,805	—	—	—	67,030	3,877,835
Leases	—	—	—	886,806	—	886,806
Intergovernmental	—	—	—	10,747,500	—	10,747,500
Total Deferred Inflows of Resources	3,810,805	—	—	11,634,306	67,030	15,512,141
Total Liabilities and Deferred Inflows of Resources	6,382,780	898,558	—	14,444,585	184,231	21,910,154
FUND BALANCES						
Nonspendable	3,379,182	—	—	—	—	3,379,182
Restricted	319,656	2,646,056	—	—	2,028,526	4,994,238
Committed	—	—	—	10,683,329	2,577,104	13,260,433
Unassigned	22,494,314	—	—	—	—	22,494,314
Total Fund Balances	26,193,152	2,646,056	—	10,683,329	4,605,630	44,128,167
Total Liabilities, Deferred Inflows of Resources and Fund Balances	32,575,932	3,544,614	—	25,127,914	4,789,861	66,038,321

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

VILLAGE OF WOODRIDGE, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities
December 31, 2025

Total Governmental Fund Balances	$ 44,128,167
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	125,191,511
Long-term intergovernmental receivables are not available to pay for current period expenditures and, therefore, are deferred inflows of resources in the and recognized as revenue in the government-wide financial statements.	10,747,500
A net pension asset is not considered to represent a financial resource and therefore is not reported in the funds.	
Net Pension Asset - SLEP	178,450
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	1,500,944
Deferred Items - SLEP	10,144
Deferred Items - Police Pension	(3,954,010)
Deferred Items - RBP	(553,194)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(2,312,460)
Net Pension Liability - IMRF	(1,818,265)
Net Pension Liability - Police Pension	(25,937,944)
Total OPEB Liability - RBP	(3,406,237)
General Obligation Bonds Payable	(27,895,000)
Leases Payable	(737,077)
Unamortized Bond Premium	(2,088,280)
Unamortized Loss on Refunding	515,279
Accrued Interest Payable	(402,227)
Internal service funds are used by the Village to charge the costs of operating and maintaining vehicles to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position.	721,202
Net Position of Governmental Activities	113,888,503

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

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended December 31, 2025

	General	Special Revenue Motor Fuel Tax	Debt Service	Capital Projects	Nonmajor	Totals
Revenues						
Taxes	$ 12,201,039	421,199	—	3,142,447	63,952	15,828,637
Intergovernmental	16,143,588	1,559,421	—	1,284,845	—	18,987,854
Charges for Services	397,027	6,350	—	278,877	—	682,254
Licenses and Permits	1,518,066	—	—	—	—	1,518,066
Fines and Forfeitures	263,247	—	—	—	108,833	372,080
Investment Income	1,011,608	138,531	—	612,036	156,143	1,918,318
Miscellaneous	859,339	—	—	30,869	—	890,208
Total Revenues	32,393,914	2,125,501	—	5,349,074	328,928	40,197,417
Expenditures						
General Government	8,820,227	—	—	—	—	8,820,227
Public Safety	14,412,131	—	—	—	33,420	14,445,551
Highways and Streets	3,762,572	—	—	433,196	7,193	4,202,961
Capital Outlay	—	2,508,795	—	3,990,159	351,180	6,850,134
Debt Service						
Principal Retirement	—	—	1,390,000	203,058	—	1,593,058
Interest and Fiscal Charges	—	—	990,148	—	—	990,148
Total Expenditures	26,994,930	2,508,795	2,380,148	4,626,413	391,793	36,902,079
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,398,984	(383,294)	(2,380,148)	722,661	(62,865)	3,295,338
Other Financing Sources (Uses)						
Lease Proceeds	—	—	—	940,135	—	940,135
Disposal of Capital Assets	—	—	—	—	22,022	22,022
Transfers In	1,500	—	2,379,198	280,759	561,095	3,222,552
Transfers Out	(9,514,428)	—	(280,759)	(2,379,198)	(1,500)	(12,175,885)
	(9,512,928)	—	2,098,439	(1,158,304)	581,617	(7,991,176)
Net Change in Fund Balances	(4,113,944)	(383,294)	(281,709)	(435,643)	518,752	(4,695,838)
Fund Balances - Beginning	30,307,096	3,029,350	281,709	11,118,972	4,086,878	48,824,005
Fund Balances - Ending	26,193,152	2,646,056	—	10,683,329	4,605,630	44,128,167

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

VILLAGE OF WOODRIDGE, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended December 31, 2025

Net Change in Fund Balances - Total Governmental Funds	$ (4,695,838)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlays	4,344,912
Depreciation Expense	(2,790,383)
Disposals - Cost	(258,466)
Disposals - Accumulated Depreciation	21,539
Certain revenues are not available to pay liabilities of the current period.	(512,500)
An addition to a net pension asset is not considered to be an increase in a financial asset in the governmental funds.	
Change in Net Pension Asset - SLEP	16,450
The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in Deferred Items - IMRF	(1,314,913)
Change in Deferred Items - SLEP	(10,876)
Change in Deferred Items - Police Pension	(7,747,615)
Change in Deferred Items - RBP	(235,258)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.	
Change in Compensated Absences Payable	255,677
Change in Net Pension Liability - IMRF	126,780
Change in Net Pension Liability - Police Pension	9,305,245
Change in Total OPEB Liability - RBP	289,211
Lease Proceeds	(940,135)
Debt Retirement	1,593,058
Amortization of Bond Premium	135,797
Amortization of Loss on Refunding	(68,954)
Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	17,823
Internal service funds are used by the Village to charge the costs of liability insurance and vehicle and equipment management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	168,653
Changes in Net Position of Governmental Activities	(2,299,793)

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

Statement of Net Position - Proprietary Funds
December 31, 2025

	Business-Type Activities - Enterprise - Waterworks and Sewerage	Governmental Activities - Internal Service
ASSETS		
Current Assets		
Cash and Investments	$ 18,145,716	1,034,650
Receivables - Net of Allowances		
Accounts	2,000,176	—
Accrued Interest	83,022	—
Prepaids	100,785	36,181
Inventories	—	44,126
Total Current Assets	20,329,699	1,114,957
Noncurrent Assets		
Capital Assets		
Nondepreciable	51,625	—
Depreciable	81,560,246	—
Accumulated Depreciation	(64,599,632)	—
Total Noncurrent Assets	17,012,239	—
Total Assets	37,341,938	1,114,957
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Items - IMRF	496,006	187,857
Deferred Items - RBP	238,751	61,184
Deferred Items - ARO	1,045,146	—
Total Deferred Outflows of Resources	1,779,903	249,041
Total Assets and Deferred Outflows of Resources	39,121,841	1,363,998

	Business-Type Activities	
	Enterprise	Governmental Activities
	Waterworks and Sewerage	Internal Service
LIABILITIES		
Current Liabilities		
Accounts Payable	$ 707,366	45,737
Accrued Payroll	125,715	28,933
Deposits Payable	7,820	—
Current Portion of Long-Term Liabilities	107,002	28,437
Total Current Liabilities	947,903	103,107
Noncurrent Liabilities		
Compensated Absences Payable	320,820	86,297
Net Pension Liability - IMRF	600,756	227,540
Total OPEB Liability - RBP	549,036	140,703
Asset Retirement Obligation	1,260,000	—
Total Noncurrent Liabilities	2,730,612	454,540
Total Liabilities	3,678,515	557,647
DEFERRED INFLOWS OF RESOURCES		
Deferred Items - RBP	332,270	85,149
Total Liabilities and Deferred Inflows of Resources	4,010,785	642,796
NET POSITION		
Investment in Capital Assets	17,012,239	—
Unrestricted	18,098,817	721,202
Total Net Position	35,111,056	721,202

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

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended December 31, 2025

	Business-Type Activities Enterprise Waterworks and Sewerage	Governmental Activities Internal Service
Operating Revenues		
Charges for Services	$ 12,784,248	—
Interfund Services	—	1,217,060
Total Operating Revenues	12,784,248	1,217,060
Operating Expenses		
Administration	1,689,754	—
Operations	8,676,439	1,084,921
Depreciation and Amortization	1,263,053	—
Total Operating Expenses	11,629,246	1,084,921
Operating Income	1,155,002	132,139
Nonoperating Revenues		
Investment Income	461,736	36,514
Income Before Transfers	1,616,738	168,653
Transfers In	8,953,333	—
Change in Net Position	10,570,071	168,653
Net Position - Beginning	24,540,985	552,549
Net Position - Ending	35,111,056	721,202

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

Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended December 31, 2025

	Business-Type Activities	Governmental Activities
	Enterprise	
	Waterworks and Sewerage	Internal Service
Cash Flows from Operating Activities		
Receipts from Customers and Users	$ 13,132,859	1,203,147
Payments to Employees	(2,476,906)	(567,463)
Payments to Suppliers	(11,704,629)	(410,082)
	(1,048,676)	225,602
Cash Flows from Noncapital Financing Activities		
Transfers In	8,953,333	—
Cash Flows from Investing Activities		
Investment Income	461,736	36,514
Net Change in Cash and Cash Equivalents	8,366,393	262,116
Cash and Cash Equivalents - Beginning	9,779,323	772,534
Cash and Cash Equivalents - Ending	18,145,716	1,034,650
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income	1,155,002	132,139
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities		
Depreciation and Amortization	1,263,053	—
(Increase) Decrease in Current Assets	348,611	(13,913)
Increase (Decrease) in Current Liabilities	(3,815,342)	107,376
Net Cash Provided by Operating Activities	(1,048,676)	225,602

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

Statement of Fiduciary Net Position
December 31, 2025

	Pension Trust Police Pension
ASSETS	
Cash and Cash Equivalents	$ 512,437
Investments	
Illinois Police Pension Investment Fund	72,949,347
Prepaids	7,609
Total Assets	73,469,393
LIABILITIES	
Accounts Payable	9,649
NET POSITION	
Net Position Restricted for Pensions	73,459,744

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

Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended December 31, 2025

	Pension Trust
	Police Pension
Additions	
Contributions - Employer	$ 4,212,362
Contributions - Plan Members	569,691
Contributions - Other	481,535
Total Contributions	5,263,588
Investment Income	
Interest Earned	369,617
Net Change in Fair Value	10,541,787
	10,911,404
Less: Investment Expenses	(142,043)
Net Investment Income	10,769,361
Total Additions	16,032,949
Deductions	
Administration	57,368
Benefits and Refunds	4,956,187
Total Deductions	5,013,555
Change in Fiduciary Net Position	11,019,394
Net Position Restricted for Pensions	
Beginning	62,440,350
Ending	73,459,744

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Woodridge (the Village), Illinois was incorporated in 1959 and is a municipal corporation governed by an elected mayor and six-member board. The Village provides the following services as authorized by its charter: police protection, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, water and sewerage services and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

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

Blended Component Unit

Police Pension Employees Retirement System

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

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's public safety, highways and streets, and general administrative services are classified as governmental activities. The Village's waterworks and sewerage services are classified as business-type activities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, highways and streets, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

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

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

Fund Financial Statements

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

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

Governmental Funds

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

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

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains six special revenue funds. The Motor Fuel Tax Fund, a major fund, is used to account for restricted revenues from motor fuel tax allotments and gasoline tax revenues, which are used in the operations of certain street maintenance programs and to fund specific capital project as authorized by the Illinois Department of Transportation.

Debt Service Funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds) and the purchase of equipment. The Village maintains two capital projects funds. The Capital Projects Fund, a major fund, is used to account for intergovernmental revenues, annexation fees and other minor resources restricted or assigned for roadway improvements and large capital projects relating to new development.

Proprietary Funds

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Proprietary Funds - Continued

Internal Service Funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Municipal Garage Fund is used to account for the costs of operating a maintenance facility for vehicular equipment used by other Village departments. A monthly charge is assessed which provides for the cost of mechanics, fuel, repair parts, and other expenses. The Village's internal service fund is presented in the proprietary fund's financial statements. Because the principal users of the internal services are the Village's governmental activities, the financial statements of the internal service fund are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, highways and streets, etc.).

Fiduciary Funds

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

Pension Trust Funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund is used to account for the accumulation of resources to be used for disability and retirement annuity payments to sworn police department personnel in the future. Resources are contributed by employees at fixed rates by law and by the Village at amounts determined by an independent actuary from a specific property tax levy.

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/ deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Measurement Focus - Continued

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Village’s enterprise funds are charges to customers for sales and services.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Cash and Investments

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

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

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Prepaids/Inventories

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

Receivables

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Compensated Absences

The Village's policy allows full time and part time employees to earn varying amounts of sick and vacation pay for each year employed.

Vacation Leave

Full time, nonexempt and exempt employees accrue vacation leave between 80 and 200 hours per year, based on their length of service with the Village. Part time employees accrue vacation on a pro-rated basis determined by the number of hours the position is approved for by the Village Board. Vacation hours accumulated by an employee shall not be allowed to exceed more than twice the number of hours an employee would earn annually.

Upon separation of employment, the employee will be paid all unused, accrued vacation leave.

Sick Leave

All full time employees earn 3.7 hours of sick leave per pay period for a total of 96.2 hours of sick leave and can continuously accrue sick hours. All part time, regularly scheduled employees shall accrue sick leave on a pro-rated basis determined by the number of hours the position is approved for by the Village Board.

Upon separation of employment, the employee will be paid out for unused sick time according to the following schedule:

- When a full-time, exempt employee with more than ten (10) years but less than fifteen (15) years of continuous service separates employment for any reason, excluding termination for cause, that employee shall be paid at fifty percent (50%) of their accrued and unused sick leave up to a maximum of three hundred and sixty (360) hours of sick leave, a maximum pay out of one hundred and eighty (180) hours.
- When a full-time, non-exempt employee with more than ten (10) years but less than twenty (20) years of continuous service separates employment for any reason, excluding termination for cause, that employee shall be paid at fifty percent (50%) of their accrued and unused sick leave up to a maximum of three hundred and sixty (360) hours of sick leave, a maximum pay out of one hundred and eighty (180) hours.
- When a full-time, exempt employee with more than fifteen (15) years of continuous service or a full-time non-union, non-exempt employee with more than twenty (20) years of continuous service separates from the Village for any reason, excluding termination for cause, they must contribute a maximum of seventy-five percent (75%) of one-thousand forty (1,040) hours - seven-hundred eighty (780) hours of accrued, unused sick time to the Retirement Health Savings Plan (RHS).
- When a part-time employee with more than ten (10) years of continuous service separates employment for any reason, excluding termination for cause, that employee shall be paid at fifty percent (50%) of their accrued and unused sick leave up to a maximum of three hundred and sixty (360) hours, for a maximum payout of one hundred and eighty (180) hours.

All vacation pay and sick pay eligible to be contributed to the RHS is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Capital Assets

Capital assets purchased or acquired with an original cost of $50,000 to $250,000, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities) the government chose to include all such items regardless of their acquisition date. Infrastructure such as streets are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

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

Buildings and Improvements	20 - 45 Years
Intangibles	54 Years
Furniture and Equipment	3 - 15 Years
Vehicles	3 - 15 Years
Infrastructure	20 - 40 Years
Distribution and Sewer System	25 - 75 Years
Leased Assets	5 Years

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Long-Term Obligations - Continued

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

Deferred Outflows/Inflows of Resources

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

Net Position

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

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

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

Use of Estimates

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The budget includes operating and capital expenses/expenditures for all funds of the Village. Amendments to the budget are presented to the Board of Trustees for approval during the fiscal year, if necessary.

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

- The Village Administrator submits to the Village Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenses/ expenditures and the means of financing them.
- Public hearings are conducted by the Village to obtain taxpayer comments.
- Subsequently, the budget is legally enacted through passage of an ordinance.
- Formal budgetary integration is employed as a management control device during the year for all funds.
- Budgets, as described above, are adopted on a basis consistent with GAAP.
- The legal level of budgetary control is at the fund level. The Village Administrator can transfer budgeted amounts between departments; however, any increases to budgeted expenses/expenditures at the fund level must be approved by the Board of Trustees.
- Budgetary authority lapses at year end.
- During the year, there was one budget amendment necessary.

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." If a fund overdraws its equity in the pool, an interfund payable is recorded with a corresponding interfund receivable reported in a fund designated by the Village. The deposits and investments of the pension trust funds are held separately from those of other funds.

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

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. The Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

The Illinois Trust is a diversified, open-end, actively managed investment trust designed to address the short-term cash investment needs of Illinois public Investors, including school districts, municipalities and their political subdivisions and agencies. The Illinois Trust is not registered with the SEC as an Investment Company. Investments in the Illinois Trust are valued at the share price, the price for which the investment could be sold.

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

The Illinois Public Reserves Investment Management Trust (IPRIME) is an investment opportunity and cash management service for Illinois Municipal Treasurers acting on behalf of counties, townships, cities, towns, villages, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, and all other political corporations or subdivisions of the State of Illinois. IPRIME is not registered with the SEC as an Investment Company. Investments in IPRIME are valued at the share price, the price for which the investment could be sold.

Village

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled $37,160,235 and the bank balances totaled $37,394,843.

Investments. The Village has the following investment fair values and maturities:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Securities	$ 295,863	—	295,863	—	—
U.S. Government Bonds	1,944,121	—	1,944,121	—	—
State and Local Obligations	2,602,460	1,757,916	844,544	—	—
Illinois Funds	10,197,895	10,197,895	—	—	—
Illinois Trust	227,515	227,515	—	—	—
IMET	6,614,752	6,614,752	—	—	—
IPRIME	890,191	890,191	—	—	—
Totals	22,772,797	19,688,269	3,084,528	—	—

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Village - Continued

Investments - Continued. The Village has the following recurring fair value measurements as of December 31, 2025:

		Fair Value Measurements Using		
Investments by Fair Value Level	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Securities	$ 295,863	295,863	—	—
U.S. Government Bonds	1,944,121	1,944,121	—	—
State and Local Obligations	2,602,460	—	2,602,460	—
Total Investments by Fair Value Level	4,842,444	2,239,984	2,602,460	—
Investments Measured at the Net Asset Value (NAV)				
Illinois Funds	10,197,895			
Illinois Trust	227,515			
IMET	6,614,752			
IPRIME	890,191			
Total Investments at the (NAV)	17,930,353			
Total Investments Measured at Fair Value	22,772,797			

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

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a three-year period. The investment policy limits the maximum maturity length of investments for unrestricted funds to three years from date of purchase.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Village - Continued

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village limits its exposure to credit risk by limiting investments to the safest types of securities or other allowable investments, prequalifying the financial institutions, broker/dealers, intermediates and advisers with which the Village will do business; and diversifying the investment portfolio so that potential losses on individual securities or other allowable investments will be minimized. At year-end, the Village's investments in U.S Government Bonds was rated Aa1 by Moody's. State and Local Obligations were rated Aa1 to Aa3 by Moody's. The Illinois Funds and the Illinois Trust were rated AAAmmf by Fitch. The Illinois Metropolitan Investment Trust Convenience Fund was rated Aaa by Moodys. The investment in IPRIME was rated AAAm by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy limits custodial credit risk by collateralizing any amounts in excess of the FDIC insurance limit at a rate of 110% of the fair value. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance. Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. The Village's investment policy does not address this risk and the investments in IMET, Illinois Funds, Illinois Trust and IPRIME are not subject to custodial credit risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy limits the amount of the portfolio that can be invested in any one investment vehicle as follows: no more than 50% of the portfolio can be with one financial institution, no more than 10% in commercial paper and no more than 50% in Illinois Funds. At year-end, the Village does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Police Pension Fund

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

Deposits. The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled $512,437 and the bank balances totaled $512,437.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund - Continued

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy states that funds on deposit (checking accounts, certificates of deposit, money market, etc.) in excess of FDIC limits must be secured by collateral. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

Investments. At year-end the Fund has $72,949,347 invested in IPOPIF. The pooled investments consist of the investments as noted in the target allocation table available at www.ipopif.org. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at year-end. The plan may redeem shares by giving notice by 5:00 pm central time on the 1st of each month. Requests properly submitted on or before the 1st of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IPOPIF.

Rate of Return. For the year ended December 31, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 17.79%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for 2024 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by DuPage County and are payable in two installments, on or about June 1, and September 1. The County collects such taxes and remits them periodically.

INTERGOVERNMENTAL RECEIVABLES

Governmental Activities

The following receivables are included in amounts due from other governments on the Statement of Net Position:

Use Tax	$	79,121
Motor Fuel Tax		176,201
Woodridge Park District		10,747,500
		11,002,822

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERGOVERNMENTAL RECEIVABLES - Continued

Governmental Activities - Continued

The Series 2014 General Obligation Refunding Bonds and the Series 2017 General Obligation Refunding Bonds were issued for a joint purchase of land owned 50% by the Village and 50% by the Woodridge Park District (the District). The District is repaying 50% of these bonds issued by the Village. In 2023, the Village sold this piece of property to the District and will be paid off through a 'buy-out' clause in their updated agreement, starting in 2024 though 2043. Future principal, interest, and 'buy-out' payments owed from the District are as follows, with the principal and 'buy-out' portion recorded as an intergovernmental receivable in the capital projects fund/ governmental activities.

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

Fiscal Year	Principal	Buy-Out	Total	Interest
2026	$ 435,000	100,000	535,000	139,375
2027	452,500	150,000	602,500	122,200
2028	472,500	150,000	622,500	106,613
2029	507,500	200,000	707,500	89,350
2030	502,500	200,000	702,500	69,150
2031	497,500	250,000	747,500	49,150
2032	492,500	250,000	742,500	29,350
2033	487,500	400,000	887,500	9,750
2034	—	400,000	400,000	—
2035	—	400,000	400,000	—
2036	—	400,000	400,000	—
2037	—	500,000	500,000	—
2038	—	500,000	500,000	—
2039	—	500,000	500,000	—
2040	—	500,000	500,000	—
2041	—	600,000	600,000	—
2042	—	700,000	700,000	—
2043	—	700,000	700,000	—
	3,847,500	6,900,000	10,747,500	614,938

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the fiscal year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	$ 12,004,198	—	—	12,004,198
Construction in Progress	714,457	2,128,817	92,021	2,751,253
Right of Way	51,944,760	—	—	51,944,760
	64,663,415	2,128,817	92,021	66,700,211
Depreciable Capital Assets				
Buildings and Improvements	39,432,033	92,021	—	39,524,054
Furniture and Equipment	10,500,331	97,252	—	10,597,583
Vehicles	1,901,839	—	258,466	1,643,373
Infrastructure	61,889,584	1,178,708	—	63,068,292
Leased Assets	—	940,135	—	940,135
	113,723,787	2,308,116	258,466	115,773,437
Less Accumulated Depreciation				
Buildings and Improvements	8,385,571	886,687	—	9,272,258
Furniture and Equipment	9,542,399	130,445	—	9,672,844
Vehicles	792,223	117,395	21,539	888,079
Infrastructure	35,793,100	1,467,829	—	37,260,929
Leased Assets	—	188,027	—	188,027
	54,513,293	2,790,383	21,539	57,282,137
Total Net Depreciable Capital Assets	59,210,494	(482,267)	236,927	58,491,300
Total Net Capital Assets	123,873,909	1,646,550	328,948	125,191,511

Depreciation expenditures were charged to governmental activities as follows:

General Government	$ 242,609
Public Safety	292,838
Highways and Streets	2,254,936
	2,790,383

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	$ 51,625	—	—	51,625
Depreciable Capital Assets				
Buildings and Improvements	4,214,102	—	—	4,214,102
Intangibles	1,374,281	—	—	1,374,281
Furniture and Equipment	2,071,293	—	—	2,071,293
Distribution System	41,311,273	—	—	41,311,273
Sewer System	32,589,297	—	—	32,589,297
	81,560,246	—	—	81,560,246
Less Accumulated Depreciation				
Buildings and Improvements	1,794,891	53,585	—	1,848,476
Intangibles	943,381	28,721	—	972,102
Furniture and Equipment	1,342,047	99,708	—	1,441,755
Distribution System	33,471,197	599,537	—	34,070,734
Sewer System	25,820,872	445,693	—	26,266,565
	63,372,388	1,227,244	—	64,599,632
Total Net Depreciable Capital Assets	18,187,858	(1,227,244)	—	16,960,614
Total Net Capital Assets	18,239,483	(1,227,244)	—	17,012,239

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

Waterworks and Sewerage	$ 1,227,244

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND TRANSFERS

Interfund transfers for the fiscal year consisted of the following:

Transfer In	Transfer Out	Amount	
General	Nonmajor Governmental	$ 1,500	(2)
Debt Service	Capital Projects	2,379,198	(1)
Capital Projects	Debt Service	280,759	(5)
Nonmajor Governmental	General	561,095	(4)
Waterworks and Sewerage	General	5,500,000	(6)
Waterworks and Sewerage	General	3,453,333	(3)
		12,175,885	

Transfers are used to (1) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, (2) move monies owed to the General Fund from the SSA Funds for Village staff time spent on ongoing maintenance of these funds, which constitutes eligible SSA expenditures, (3) loan forgiveness between the General and Waterworks and Sewerage Funds for meter upgrades throughout the Village, (4) move monies related to the General Fund's contributions to the Equipment Replacement Fund for future capital expenditures, (5) move excess funds back to the Capital Projects Fund, and (6) move funds to the Waterworks and Sewerage Fund for future capital projects.

LEASES RECEIVABLE

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

Leases	Start Date	End Date	Payments	Interest Rate
Verizon Wireless	May 1, 2020	May 1, 2028	$45,895 to $48,690 yearly	4.00%
T-Mobile 75th St	July 1, 2000	June 1, 2030	$4,266 to $4,614 monthly	4.00%
T-Mobile 7642 Woodridge Dr.	April 1, 2005	March 1, 2030	$5,886 to $6,489 monthly	4.00%
New Cingular Wireless (AT&T)	November 2, 2023	November 2, 2028	$45,900 to $48,695 yearly	4.00%

During the fiscal year, the Village has recognized $122,120 of lease revenue.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LEASES RECEIVABLE - Continued

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

Fiscal	Governmental Activities		
Year		Principal	Interest
2026	$	217,170	22,444
2027		224,125	24,961
2028		243,181	15,770
2029		158,465	5,804
2030		57,973	39,113
		900,914	108,092

LONG-TERM OBLIGATIONS

General Obligation Bonds Payable

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village.

General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by		Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Refunding Bonds of 2014, due in annual installments of $10,000 to $1,015,000 plus interest at 2.00% to 4.00% through February 1, 2033.	Debt Service	$	7,355,000	—	825,000	6,530,000
General Obligation Refunding Bonds of 2017, due in annual installments of $230,000 to $935,000 plus interest at 2.00% to 3.00% through February 1, 2028.	Debt Service		1,165,000	—	—	1,165,000

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM OBLIGATIONS - Continued

General Obligation Bonds Payable - Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2019, due in annual installments of $300,000 to $590,000 plus interest at 1.73% through February 1, 2029.	Debt Service	$ 2,605,000	—	565,000	2,040,000
General Obligation Bonds of 2021, due in annual installments of $1,120,000 to $1,710,000 plus interest at 2.40% to 4.00% through February 1, 2046.	Debt Service	18,160,000	—	—	18,160,000
		29,285,000	—	1,390,000	27,895,000

Leases Payable

The Village is a lessee on the following lease at year-end:

Lease	Start Date	End Date	Payments	Interest
Axon Body Cameras	February 1, 2025	February 1, 2029	$173,574 - $195,248 Annually	4.000%

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

Fiscal	Governmental Activities	
Year	Principal	Interest
2026	$ 173,574	29,483
2027	180,517	22,540
2028	187,738	15,319
2029	195,248	7,810
	737,077	75,152

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM OBLIGATIONS - Continued

Long-Term Liabilities Activity

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

Type of Liability	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due Within One Year
Governmental Activities					
Compensated Absences					
General	$ 2,568,137	—	255,677	2,312,460	462,492
Internal Service	87,438	20,433	—	107,871	21,574
Net Pension Liabilities - IMRF					
General	1,945,045	—	126,780	1,818,265	—
Internal Service	112,119	115,421	—	227,540	—
Net Pension Liability - Police Pension	35,243,189	—	9,305,245	25,937,944	—
Total OPEB Liability - RBP					
General	3,695,448	—	289,211	3,406,237	158,572
Internal Service	155,737	—	8,171	147,566	6,863
General Obligation Bonds Payable	29,285,000	—	1,390,000	27,895,000	1,440,000
Plus: Unamortized Bond Premium	2,224,077	—	135,797	2,088,280	—
Leases Payable	—	940,135	203,058	737,077	173,574
	75,316,190	1,075,989	11,713,939	64,678,240	2,263,075
Business-Type Activities					
Compensated Absences	$ 451,287	—	50,262	401,025	80,205
Net Pension Liability - IMRF	598,732	2,024	—	600,756	—
Total OPEB Liability - RBP	542,352	33,481	—	575,833	26,797
Asset Retirement Obligation	1,260,000	—	—	1,260,000	—
	2,852,371	35,505	50,262	2,837,614	107,002

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM OBLIGATIONS - Continued

Long-Term Liabilities Activity - Continued

Compensated absences are reported as the net change amount for the fiscal year.

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included are part of the above totals for governmental activities. For the governmental activities, the General Fund and Municipal Garage Fund make payments on the net pension liabilities and the total OPEB liability. The Debt Service Fund makes payments on the general obligation bonds. The Capital Projects Fund makes payments on the leases payable.

For the business-type activities, the Waterworks and Sewerage Fund makes payments on the net pension liability, the total OPEB liability, and the asset retirement obligation.

Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of legal debt margin. “The General Assembly may limit by law the amount and require referendum approval of debt to the incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property…(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum…shall not be included in the foregoing percentage amounts.” To date the Illinois General Assembly has set no limits for home rule municipalities. The Village is a home rule municipality.

Asset Retirement Obligation

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells and demolition of the Village’s water towers and standpipes at the end of their estimated useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives on these assets varies between 8 - 45 years.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM OBLIGATIONS - Continued

Debt Service Requirements to Maturity

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

	Governmental Activities	
	General Obligation Bonds Payable	
Fiscal Year	Principal	Interest
2026	$ 1,440,000	945,480
2027	1,485,000	901,225
2028	1,535,000	859,973
2029	1,315,000	815,198
2030	1,005,000	772,203
2031	995,000	732,203
2032	985,000	692,603
2033	975,000	653,403
2034	1,120,000	611,502
2035	1,165,000	565,803
2036	1,210,000	518,302
2037	1,260,000	468,903
2038	1,310,000	417,502
2039	1,360,000	375,323
2040	1,395,000	342,602
2041	1,425,000	308,407
2042	1,460,000	261,750
2043	1,520,000	202,150
2044	1,580,000	140,150
2045	1,645,000	75,650
2046	1,710,000	21,370
Totals	27,895,000	10,681,702

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS

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

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

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

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

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

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

Minimum Fund Balance Policy. The Village has established fund balance reserve policies for the General Fund. The General Fund should maintain 50% of the next years' budgeted operating expenditures.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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

		Special Revenue				
	General	Motor Fuel Tax	Debt Service	Capital Projects	Nonmajor	Totals
Fund Balances						
Nonspendable						
Prepaids	$ 3,379,112	—	—	—	—	3,379,112
Inventories	70	—	—	—	—	70
	3,379,182	—	—	—	—	3,379,182
Restricted						
Charitable Contributions	319,656	—	—	—	—	319,656
Highways and Streets	—	2,646,056	—	—	—	2,646,056
Stormwater Maintenance	—	—	—	—	1,006,435	1,006,435
Police Services	—	—	—	—	1,022,091	1,022,091
	319,656	2,646,056	—	—	2,028,526	4,994,238
Committed						
Capital Projects	—	—	—	10,683,329	—	10,683,329
Equipment Replacement	—	—	—	—	2,577,104	2,577,104
	—	—	—	10,683,329	2,577,104	13,260,433
Unassigned	22,494,314	—	—	—	—	22,494,314
Total Fund Balances	26,193,152	2,646,056	—	10,683,329	4,605,630	44,128,167

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of December 31, 2025:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	$ 125,191,511
Plus: Unamortized Loss on Refunding	515,279
Less Capital Related Debt:	
General Obligation Refunding Bonds of 2014	(6,530,000)
General Obligation Refunding Bonds of 2017	(1,165,000)
General Obligation Bonds of 2019	(2,040,000)
General Obligation Bonds of 2021	(18,160,000)
Unamortized Bond Premium	(2,088,280)
Leases Payable	(737,077)
Capital Related Account Payables	(1,624,338)
Net Investment in Capital Assets	93,362,095
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	17,012,239
Less Capital Related Debt:	—
Investment in Capital Assets	17,012,239

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; employee health; natural disasters; and injuries to the Village's employees. Employees' health insurance is purchased through the Intergovernmental Personnel Benefit Cooperative (IPBC) and no risk of loss is retained by the Village.

Intergovernmental Personnel Benefit Cooperative (IPBC)

Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in IPBC. IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of $50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

The Village had a balance in its terminal reserve account with IPBC as of June 30, 2025 (most recent available) of $1,398,811. This amount was declared as a dividend to the Village and, therefore, has been recorded as a receivable in the General Fund.

Intergovernmental Risk Management Agency (IRMA)

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

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. The Village assumes the first $25,000 of each occurrence and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

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

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member.

Supplemental contributions may be required to fund these deficits. The Village is aware of no additional contributions due to IRMA as of December 31, 2025. There have been no significant changes in coverage from the prior two years and settlements have not exceeded coverage in any of the prior three years.

NOTE 4 - OTHER INFORMATION - Continued

CONTINGENT LIABILITIES

Litigation

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

Grants

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

Deferred Compensation Plan

The Village offers its employees a deferred compensation plan in accordance with Internal Revenue Service Code Section 457. The plan, available to all Village employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation plan is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan are held in trust on behalf of the employees. Accordingly, the assets are not reported in these financial statements.

COMMITMENTS

DuPage Water Commission

The Village has a contract for the purchase of Lake Michigan water from the DuPage Water Commission (the Commission). The Commission's obligation to deliver lake water is limited to certain specified maximum amounts as defined by the terms of the agreement. The Village is obligated to pay a share of operation and maintenance costs on a monthly basis computed based on current price and consumption. Additionally, the Village is obligated to pay its share of fixed costs for each fiscal year.

Economic Incentives/Tax Abatements

The Village has entered into certain economic incentive agreements as allowed by Illinois Compiled Statues (65 ILCS 5/8-11-20).

For the fiscal year ended December 31, 2025, the Village rebated 50% of its share of stated-shared and home rule sales taxes and 100% of its share of utility taxes paid by a corporation who constructed a 362,500 square-foot office/distribution facility in the Village. The rebate for the year amounted to $536,634. The rebate is subject to recapture, in whole or in part, if the corporation ceases operations prior to March 1, 2033.

NOTE 4 - OTHER INFORMATION - Continued

SEVEN BRIDGES GOLF COURSE OPERATIONS

The Village has entered into various agreements with a developer to operate Seven Bridges Golf Course. An affiliate of the developer operates the course under an agreement that had an initial termination date of June 30, 2021, with four separate five-year options to renew through June 30, 2041. The Village and developer are currently in their first optional renewal period.

Payments on the Golf Course Second Mortgage Note (payable to an affiliate of the developer) are made solely from golf course revenues and are guaranteed by the developer. Operating cash flow of the course is also subsidized by the developer, as necessary.

The developer has contributed approximately $6,700,000 in various improvements to the course. Under the first amendment to the Intergovernmental Operating Agreement, for fiscal year 2019-2028 the developer shall be entitled to an amount equal to thirty percent of the Net Revenues of each particular fiscal year; for the fiscal years 2029-2031 the developer shall be entitled to an amount equal to thirty-five percent of the Net Revenues of each particular fiscal year; for the fiscal years 2032-2036 the developer shall be entitled to an amount equal to forty percent of the Net Revenues of each particular fiscal year; and for the fiscal years 2037-2041 the developer shall be entitled to an amount equal to sixty percent of the Net Revenues of each particular fiscal year.

Complete financial statements of the Seven Bridges Golf Course may be obtained from the Village Administrative Offices.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Sheriff's Law Enforcement Personnel Fund (SLEP), which is administered by the IMRF, and the Police Pension Plan, which is a single-employer pension plan. Separate reports are not issued for the Police Pension Plan. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amounts recognized for the pension plans are:

	Pension Expense/ (Revenue)	Net Pension Liability/ (Asset)	Deferred Outflows	Deferred Inflows
IMRF				
Regular Plan	$ 2,247,843	2,646,561	2,184,807	—
SLEP	(5,574)	(178,450)	10,144	—
Police Pension	2,654,732	25,937,944	7,960,020	11,914,030
	4,897,001	28,406,055	10,154,971	11,914,030

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

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

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

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

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

	Regular*	SLEP
Inactive Plan Members Currently Receiving Benefits	171	1
Inactive Plan Members Entitled to but not yet Receiving Benefits	123	—
Active Plan Members	115	—
Total	409	1

*Includes inactive and active members for the Village and Library.

Contributions. As set by statute, the Village's Regular Plan Members and SLEP Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the fiscal year-ended December 31, 2025, the Village's Regular Plan and the Village's SLEP Plan contributions were 10.56% and 0.00%, respectively, of covered payroll.

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

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

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	5.20%
Domestic Equities	33.50%	4.35%
International Equities	18.00%	5.40%
Real Estate	10.50%	6.40%
Blended	12.50%	4.85% - 6.25%
Cash and Cash Equivalents	1.00%	3.60%

Discount Rate

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Discount Rate Sensitivity

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

	Regular Plan		
	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	$ 8,969,800	2,646,561	(2,362,737)

	SLEP Plan		
	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension (Asset)	$ (159,145)	(178,450)	(195,228)

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability - Regular Plan

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2023	$ 52,794,575	50,138,679	2,655,896
Changes for the Year:			
Service Cost	595,702	—	595,702
Interest on the Total Pension Liability	3,730,138	—	3,730,138
Difference between Expected and Actual Experience of the total Pension Liability	173,445	—	173,445
Changes of Assumptions	—	—	—
Contributions - Employer	—	445,027	(445,027)
Contributions - Employees	—	302,661	(302,661)
Net Investment Income	—	4,925,669	(4,925,669)
Benefit Payments, Including Refunds of Employee Contributions	(2,707,488)	(2,707,488)	—
Other (Net Transfer)	—	(1,164,737)	1,164,737
Net Changes	1,791,797	1,801,132	(9,335)
Balances at December 31, 2024	54,586,372	51,939,811	2,646,561

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension (Asset) - SLEP Plan

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) (A) - (B)
Balances at December 31, 2023	$ 194,790	356,790	(162,000)
Changes for the Year:			
Service Cost	—	—	—
Interest on the Total Pension Liability	13,472	—	13,472
Difference between Expected and Actual Experience of the total Pension Liability	27,692	—	27,692
Changes of Assumptions	—	—	—
Contributions - Employer	—	—	—
Contributions - Employees	—	—	—
Net Investment Income	—	37,657	(37,657)
Benefit Payments, Including Refunds of Employee Contributions	(17,929)	(17,929)	—
Other (Net Transfer)	—	19,957	(19,957)
Net Changes	23,235	39,685	(16,450)
Balances at December 31, 2024	218,025	396,475	(178,450)

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the fiscal year ended December 31, 2025, the Village recognized pension expense of $2,247,843 for the Regular Plan and recognized pension revenue of $5,574 for the SLEP Plan. At December 31, 2025, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Regular Plan			SLEP Plan		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 462,638	—	462,638	—	—	—
Change in Assumptions	4,176	—	4,176	—	—	—
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,121,081	—	1,121,081	10,144	—	10,144
Total Pension Expense to be Recognized in Future Periods	1,587,895	—	1,587,895	10,144	—	10,144
Pension Contributions Made Subsequent to the Measurement Date	596,912	—	596,912	—	—	—
Total Deferred Amounts Related to IMRF	2,184,807	—	2,184,807	10,144	—	10,144

$596,912 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended December 31, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal	Net Deferred Outflows/(Inflows) of Resources	
Year	Regular Plan	SLEP Plan
2026	$ 977,818	4,791
2027	1,517,807	13,165
2028	(624,087)	(5,468)
2029	(283,643)	(2,344)
2030	—	—
Thereafter	—	—
Totals	1,587,895	10,144

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan

Plan Descriptions

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

Plan Membership. At December 31, 2025, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	55
Inactive Plan Members Entitled to but not yet Receiving Benefits	9
Active Plan Members	47
Total	111

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

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

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Plan Descriptions - Continued

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the fiscal year-ended December 31, 2025, the Village's contribution was 72.61% of covered payroll.

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

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2025, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	6.50%
Salary Increases	2.50%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the Sex Distinct Raw Rates as developed in the PubS-2010(A). These rates were then improved generationally using scale MP-2021 improvement rates.