VILLAGE OF MOKENA, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2025

11004 Carpenter Street
Mokena, IL 60448
Phone: 708.479.3900
Fax: 708.479.4844
www.mokena.org

VILLAGE OF MOKENA, ILLINOIS

TABLE OF CONTENTS

PAGE

INTRODUCTORY SECTION

List of Principal Officials 1
Organizational Chart 2

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT 5

MANAGEMENT'S DISCUSSION AND ANALYSIS 9

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements
- Statement of Net Position - Modified Cash Basis 30
- Statement of Activities - Modified Cash Basis 31

Fund Financial Statements
- Balance Sheet - Governmental Funds - Modified Cash Basis 33
- Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities - Modified Cash Basis 34
- Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Modified Cash Basis 35
- Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities - Modified Cash Basis 36
- Statement of Net Position - Proprietary Funds - Modified Cash Basis 37
- Statement of Revenues, Expenses, and Changes in Net Position Proprietary Funds - Modified Cash Basis 38
- Statement of Cash Flows - Proprietary Funds - Modified Cash Basis 39
- Statement of Fiduciary Net Position 40
- Statement of Changes in Fiduciary Net Position 41

Notes to Financial Statements 42

OTHER SUPPLEMENTARY INFORMATION

Schedule of Employer Contributions - Last Ten Fiscal Years
- Illinois Municipal Retirement Fund 75
- Police Pension Fund 76

Schedule of Changes in the Employer's Net Pension Liability - Last Ten Fiscal Years
- Illinois Municipal Retirement Fund 78
- Police Pension Fund 80

VILLAGE OF MOKENA, ILLINOIS

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION - Continued

OTHER SUPPLEMENTARY INFORMATION - Continued

Schedule of Investment Returns - Last Ten Fiscal Years
Police Pension Fund 82
Schedule of Changes in the Employer's Total OPEB Liability
Retiree Benefit Plan 84
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Modified Cash Basis - General Fund 86
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Modified Cash Basis - Motor Fuel Tax - Special Revenue Fund 87
Schedule of Revenues - Budget and Actual - Modified Cash Basis - General Fund 90
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Modified Cash Basis - Capital Improvement, Repair, and Replacement Fund - Capital Projects Fund 91
Combining Balance Sheet - Modified Cash Basis - Nonmajor Governmental - Special Revenue Funds 92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Modified Cash Basis - Nonmajor Governmental - Special Revenue Funds 94
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Modified Cash Basis
Municipal Audit - Special Revenue Fund 96
School Crossing Guard - Special Revenue Fund 97
IMRF/FICA - Special Revenue Fund 98
Special Tax Allocation - Special Revenue Fund 99
Performance Bond - Special Revenue Fund 100
Tourism - Special Revenue Fund 101
Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual
Modified Cash Basis - Water and Sewerage - Enterprise Fund 102
Combining Statement of Net Position by Sub-Fund - Modified Cash Basis
Water and Sewerage - Enterprise Fund 103
Combining Statement of Revenues, Expenses, and Changes in Net Position by Sub-Fund
Modified Cash Basis - Water and Sewerage - Enterprise Fund 104
Schedule of Revenues, Expenses, and Change in Net Position - Budget and Actual
Modified Cash Basis
Water and Sewer - Water and Sewerage Sub-Fund 105
Sewer Plant Expansion - Water and Sewerage Sub-Fund 106
Sewer Plant Replacement - Water and Sewerage Sub-Fund 107
Water System Capital Improvement - Water and Sewerage Sub-Fund 108
Sewer System Capital Improvement - Water and Sewerage Sub-Fund 109

VILLAGE OF MOKENA, ILLINOIS

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION - Continued

OTHER SUPPLEMENTARY INFORMATION - Continued

Schedule of Revenues, Expenses, and Change in Net Position - Budget and Actual
Modified Cash Basis
Refuse - Enterprise Fund 110
Municipal Parking Lot - Enterprise Fund 111
Schedule of Changes in the Fiduciary Net Position - Budget and Actual
Police Pension - Pension Trust Fund 112

SUPPLEMENTAL SCHEDULES

Long-Term Debt Requirements
General Obligation Promissory Notes of 2022 114
Schedule of Assessed Valuations, Tax Rates, Extensions, and Collections - Last Ten Tax Levy Years 115
Schedule of Information Relating to Waterworks and Sewerage Accounts - Last Ten Fiscal Years 117

INTRODUCTORY SECTION

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

List of Principal Officials

Organizational Chart

VILLAGE OF MOKENA, ILLINOIS

List of Principal Officials
June 30, 2025

Village President

George J. Metanias

Village Clerk

Melissa Martini

Trustees

Josh M. Bailey

Nick Clancy

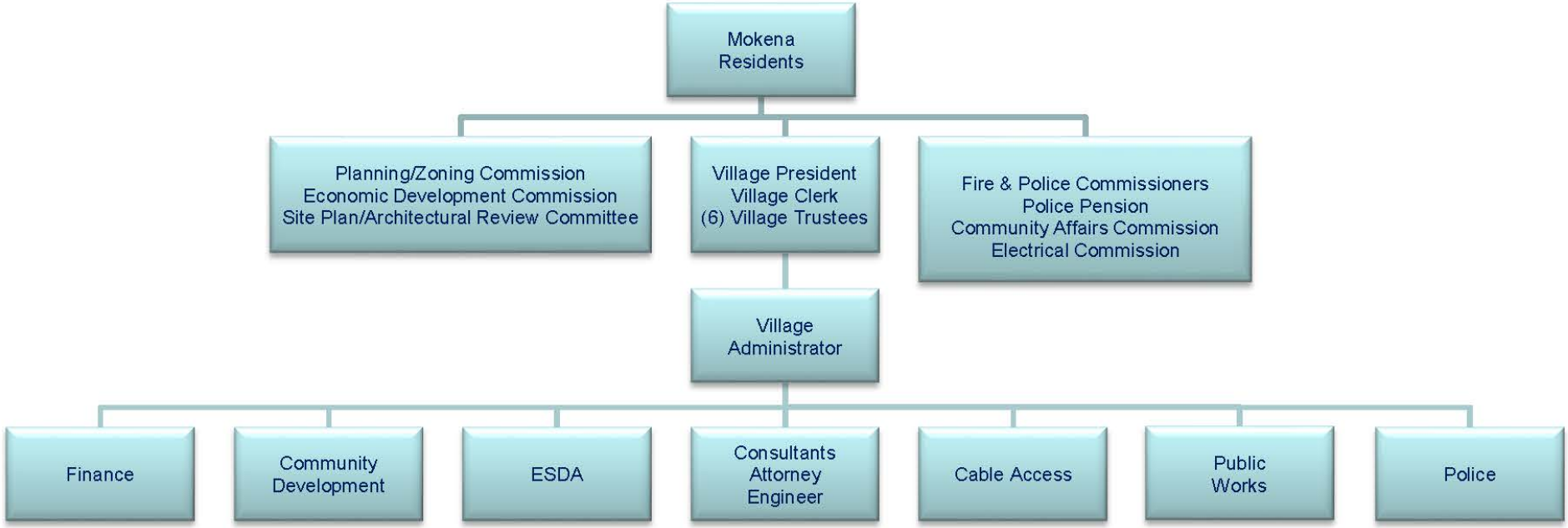
Debbie Engler

Melissa Fedora

Terry G. Germany

Daniel C. Gilbert

Village of Mokena
Fiscal 25 Organizational Chart



FINANCIAL SECTION

This section includes:

Independent Auditor's Report

Management’s Discussion and Analysis

Basic Financial Statements

Other Supplementary Information

Supplemental Schedules

INDEPENDENT AUDITOR'S REPORT

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

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

INDEPENDENT AUDITOR'S REPORT

October 23, 2025

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

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Mokena (the Village), Illinois, as of and for the year ended June 30, 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 modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Mokena, Illinois, as of June 30, 2025, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis for Opinions

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Mokena, Illinois' basic financial statements. The management's discussion and analysis, other supplementary information and supplemental schedules are is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, management's discussion and analysis, other supplementary information and supplemental schedules are is 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 of the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (MD&A) provides the reader with a narrative overview and analysis of the overall financial position and results of operations for the year ended June 30, 2025, for the Village of Mokena (the Village), Illinois. Please read it in conjunction with the Village's financial statements, which can be found in the basic financial statements section of this report.

FINANCIAL HIGHLIGHTS

- The Village's net position increased because of this year's operations. Net position of the governmental activities increased by $7,604,793, or 5.0 percent, from a beginning balance of $150,852,401. Net position of business-type activities increased by $171,196, or 0.4 percent, from a beginning balance of $41,508,521.

- During the year, government-wide revenues primary government totaled $36,568,422, while expenses totaled $28,792,433, resulting in an increase to net position of $7,775,989 from a beginning balance of $192,360,922.

- The Village's net position totaled $200,136,911 on June 30, 2025, which includes $149,355,898 net investment in capital assets, $6,011,043 subject to external restrictions, and $44,769,970 in unrestricted net position.

- At the end of the current fiscal year, the Village's governmental funds reported combined ending fund balances of $40,180,235. The total unassigned fund balance is $11,423,927.

USING THIS ANNUAL REPORT

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

Government-Wide Financial Statements

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

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

USING THIS ANNUAL REPORT - Continued

Government-Wide Financial Statements - Continued

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

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

Fund Financial Statements

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

Governmental Funds

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

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

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

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

USING THIS ANNUAL REPORT - Continued

Proprietary Funds

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

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

Fiduciary Funds

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

Notes to the Financial Statements

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

Other Information

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table represents the net position as of June 30, 2025. Net position serves over time as a useful indicator of a government's financial position. The following tables show that assets/deferred outflows exceeded liabilities/deferred inflows by $200,136,911.

	Net Position - Modified Cash Basis					
	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	$ 40,180,235	37,580,386	10,600,778	10,387,982	50,781,013	47,968,368
Capital Assets	121,941,959	118,140,854	31,078,939	31,120,539	153,020,898	149,261,393
Total Assets	162,122,194	155,721,240	41,679,717	41,508,521	203,801,911	197,229,761
Deferred Outflows	—	7,165	—	—	—	7,165
Total Assets/Deferred Outflows	162,122,194	155,728,405	41,679,717	41,508,521	203,801,911	197,236,926
Noncurrent Liabilities	3,100,000	3,665,000	—	—	3,100,000	3,665,000
Current Liabilities	565,000	1,211,004	—	—	565,000	1,211,004
Total Liabilities	3,665,000	4,876,004	—	—	3,665,000	4,876,004
Net Position						
Net Investment in Capital Assets	118,276,959	113,272,015	31,078,939	31,120,539	149,355,898	144,392,554
Restricted	6,011,043	5,794,606	—	—	6,011,043	5,794,606
Unrestricted	34,169,192	31,785,780	10,600,778	10,387,982	44,769,970	42,173,762
Total Net Position	158,457,194	150,852,401	41,679,717	41,508,521	200,136,911	192,360,922

A large portion of the Village's net position, $149,355,898, reflects its investment in capital assets (for land, construction in progress, buildings and improvements, machinery and equipment, infrastructure, and transportation equipment), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, $6,011,043 of the Village's net position represents resources that are subject to external restrictions on how they may be used. The remaining $44,769,970, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens.

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Change in Net Position - Modified Cash Basis					
	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges for Services	$ 1,528,100	1,452,098	10,696,497	10,618,509	12,224,597	12,070,607
Operating Grants/Contrib.	970,261	985,876	—	—	970,261	985,876
Capital Grants/Contrib.	—	—	37,500	—	37,500	—
General Revenues						
Property Tax	1,962,105	2,022,281	—	—	1,962,105	2,022,281
Intergovernmental	17,913,307	17,338,071	—	—	17,913,307	17,338,071
Other Taxes	745,283	606,235	—	—	745,283	606,235
Other General Revenues	2,022,170	3,367,961	693,199	664,798	2,715,369	4,032,759
Total Revenues	25,141,226	25,772,522	11,427,196	11,283,307	36,568,422	37,055,829
Expenses						
General Government	3,143,890	4,174,066	—	—	3,143,890	4,174,066
Public Safety	9,284,337	6,403,809	—	—	9,284,337	6,403,809
Public Works	3,572,745	11,461,581	—	—	3,572,745	11,461,581
Economic Development	1,245,509	960,681	—	—	1,245,509	960,681
Employee Retirement	879,122	884,023	—	—	879,122	884,023
Interest on Long-Term Debt	133,474	238,783	—	—	133,474	238,783
Water and Sewerage	—	—	8,625,631	8,625,640	8,625,631	8,625,640
Refuse	—	—	1,792,460	1,713,855	1,792,460	1,713,855
Municipal Parking Lot	—	—	115,265	128,579	115,265	128,579
Total Expenses	18,259,077	24,122,943	10,533,356	10,468,074	28,792,433	34,591,017
Change in Net Position Before Transfers	6,882,149	1,649,579	893,840	815,233	7,775,989	2,464,812
Transfers	722,644	1,002,644	(722,644)	(1,002,644)	—	—
Change in Net Position	7,604,793	2,652,223	171,196	(187,411)	7,775,989	2,464,812
Net Position - Beginning	150,852,401	148,200,178	41,508,521	41,695,932	192,360,922	189,896,110
Net Position - Ending	158,457,194	150,852,401	41,679,717	41,508,521	200,136,911	192,360,922

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Net position of the Village's governmental activities increased by 5.0 percent ($158,457,194 in 2025 compared to $150,852,401 in 2024).

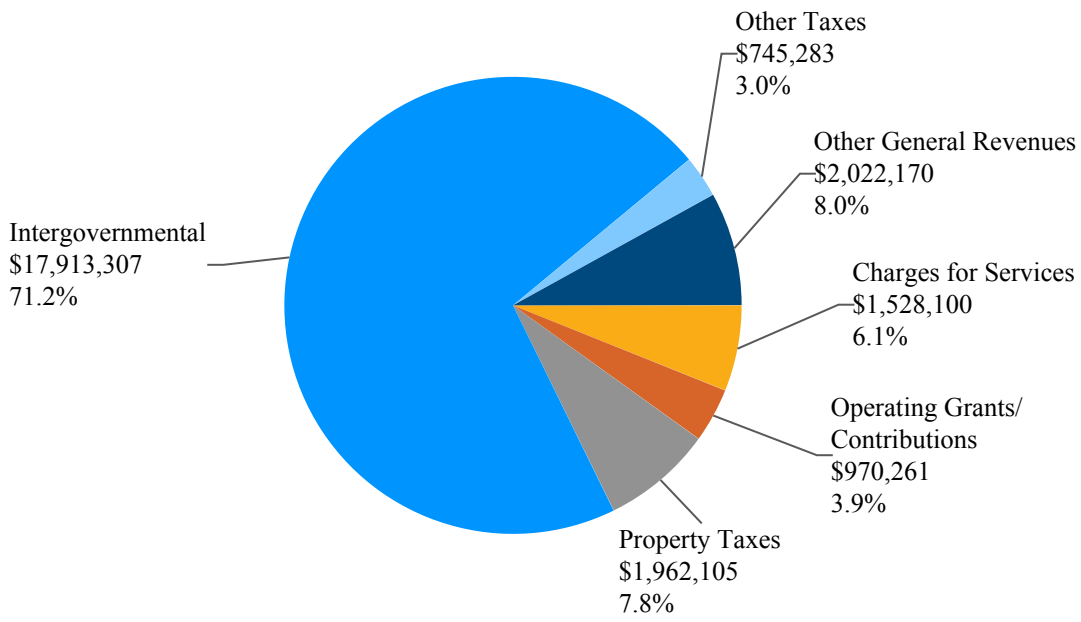
Net position of business-type activities increased by 0.4 percent ($41,679,717 in 2025 compared to $41,508,521 in 2024).

Governmental Activities

Revenues for governmental activities totaled $25,141,226, while the cost of all governmental functions totaled $18,259,077, which results in a surplus of $6,882,149 prior to transfers of $722,644. In 2024, revenues of $25,772,522 exceeded expenses of $24,122,943, resulting in a surplus of $1,649,579 prior to transfers in of $1,002,644. The surplus in the current year is due to fewer capital projects in FY25 which also reduced non-capitalized spending.

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

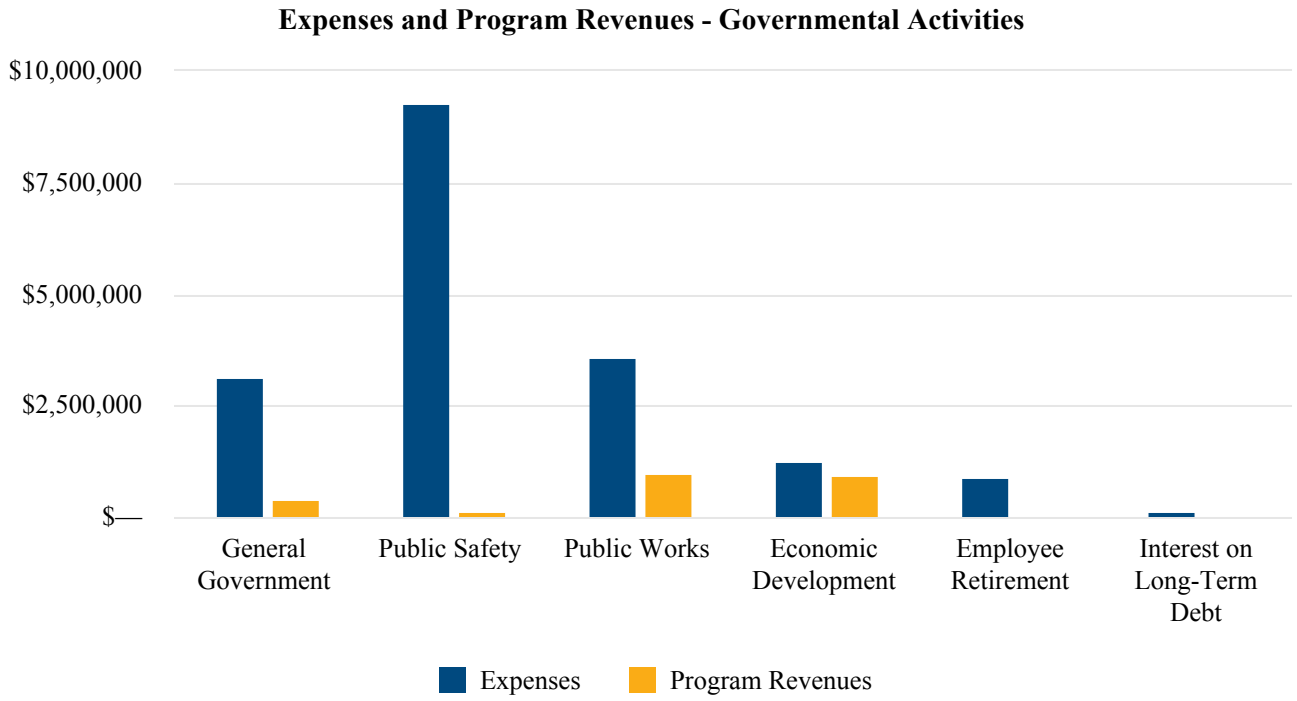
Revenue by Source - Governmental Activities



GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities - Continued

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



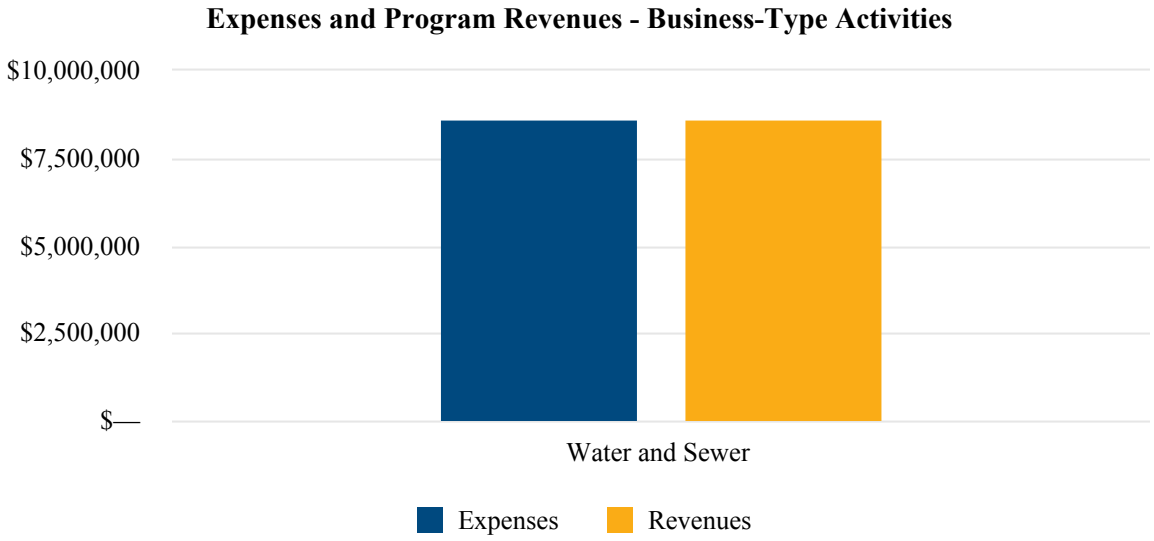
As depicted in the chart above, general government, public safety, and public works expenses far exceed any directly allocated revenues. Unlike the enterprise funds that are supported by user fees, these activities are substantially tax supported.

Business-Type Activities

Business-type activities posted total revenues of $11,427,196, while the cost of all business-type activities totaled $10,533,356. This results in a surplus of $893,840, prior to transfers out of $722,644. In 2024, revenues of $11,283,307 exceeded expenses of $10,468,074, resulting in a surplus of $815,233, prior to transfers out of $1,002,644. The surplus in the current year is consistent with the previous year with a slight increase in charges for services.

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Business-Type Activities - Continued



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

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

The Village's governmental funds reported combining ending fund balances of $40,180,235, which is $2,599,849, or 6.92 percent, higher than last year's total of $37,580,386. Of the $40,180,235 total, $11,423,927, or 28.4 percent, constitutes unassigned fund balance.

The General Fund is the chief operating fund of the Village. As mentioned earlier, the General Fund reported an increase in fund balance for the year of $4,321,516, or 60.8 percent, from a beginning balance of $7,102,411. The increase in the current year can be attributed to stronger sales tax and state income tax revenues as well as lower general government expenditures. The transfer to the Capital Improvements Fund in the previous year was not repeated this year.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - Continued

Governmental Funds - Continued

Unassigned fund balance in the General Fund was $11,423,927, which represents 100.0 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 89.3 percent of total General Fund expenditures.

The Motor Fuel Tax Fund is used to account for motor fuel tax allocations from the State of Illinois and expenditures related to the Village's annual road rehabilitation and construction program. At the end of the current fiscal year, the Motor Fuel Tax Fund reported an increase in fund balance of $259,091. This increase is due to a reduction in expenditures from the previous year and revenues from investments continuing to be strong.

The Capital Improvement, Repair, and Replacement Fund is used to account for the acquisition or construction of capital facilities and certain debt related to capital assets. At the end of the current fiscal year, the Capital Improvement, Repair, and Replacement Fund reported a decrease in fund balance of $2,275,170. This decrease is due to continued capital project costs funded by capital reserves in FY25.

Proprietary Funds

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

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

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

The Water and Sewerage Fund reported a decrease of $33,906 from a beginning balance of $40,270,179. Unrestricted net position in the Water and Sewerage Fund totaled $9,734,415 at June 30, 2025 which was 24.19 percent of total net position. The decrease in the current year is due to overall inflationary increases in operating expenses.

The Refuse Fund reported an increase of $14,157 from a beginning balance of $272,188. Unrestricted net position in the Refuse Fund totaled $286,345 at June 30, 2025 which was 100.00 percent of total net position. The increase in the current year is consistent with the annual budget.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Village made no budget amendments to the General Fund during the year. General Fund actual revenues for the year totaled $17,554,070, compared to budgeted revenues of $15,109,835. Revenues for all functions except miscellaneous were higher than budgeted.

General Fund actual expenditures for the year were $2,578,450 lower than budgeted ($12,799,232 actual compared to $15,377,682 budgeted). All expenditure functions were lower than budgeted.

CAPITAL ASSETS

The Village's investment in capital assets for its governmental and business type activities as of June 30, 2025 was $153,020,898 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, infrastructure, and transportation equipment.

	Capital Assets - Net of Depreciation					
	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Land	$ 47,479,781	47,479,781	1,934,830	1,934,830	49,414,611	49,414,611
Construction in Progress	3,252,019	16,130,182	441,314	—	3,693,333	16,130,182
Buildings and Improvements	20,157,409	2,088,771	16,002,131	16,399,400	36,159,540	18,488,171
Machinery and Equipment	641,576	466,781	1,719,350	1,300,141	2,360,926	1,766,922
Infrastructure	48,693,033	50,203,728	10,652,282	11,043,584	59,345,315	61,247,312
Transportation Equipment	1,718,141	1,771,611	329,032	442,584	2,047,173	2,214,195
Totals	121,941,959	118,140,854	31,078,939	31,120,539	153,020,898	149,261,393

This year's major additions included:

Construction in Progress	$ 3,693,333
Buildings and Improvements	2,213,817
Machinery and Equipment	910,464
Infrastructure	1,188,055
Transportation Equipment	397,242
	8,402,911

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

DEBT ADMINISTRATION

As of June 30, 2025, the Village had total outstanding debt of $3,665,000 as compared to $4,876,004 the previous year, a decrease of 24.8 percent. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds	$ —	655,000	—	—	—	655,000
Plus: Unamortized Premium	—	6,004	—	—	—	6,004
Promissory Note Payable	3,665,000	4,215,000	—	—	3,665,000	4,215,000
	3,665,000	4,876,004	—	—	3,665,000	4,876,004

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

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

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

The Village of Mokena operates on a conservative platform. Fiscal and budgetary decision making is conducted in a cautiously optimistic fashion with conservative tendencies utilized to guide spending, borrowing, revenue forecasts and fund balance objectives. Collectively, these budgetary practices have allowed Mokena to maintain services, improve infrastructure and develop an effective work climate for employees.

BUDGET PROCESS

Regardless of economic conditions, the following four (4) practical components are absolutely necessary for a public budget process to be successful: (1) The ability to collect and present information in an accurate, comprehensive and meaningful manner; (2) Adequate time to absorb, digest and interpret the information; (3) A balanced environment to deliberate fiscal policies; and (4) A cognitive awareness regarding the past, present and future of budgeting and program delivery in the community. The FY 2026 budget includes these necessary components as part of the budget process. Consistent with the Village's financial practices, the FY 2026 budget was prepared with a conservative approach.

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

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

ECONOMIC CONDITION AND OUTLOOK

FY 2026 presents a set of fiscal headwinds resulting from recent decisions by the Illinois General Assembly. The State continues to withhold a significant portion of Local Government Distributive Fund (LGDF) revenues, distributing just under 70% of what municipalities are entitled to by statute. The Local Government Distributive Fund (LGDF), established to share state income tax revenues with municipalities, has been a critical revenue stream for Mokena. Under Illinois law, municipalities are entitled to receive 10% of total state income tax collections. However, since 2011, the State of Illinois has repeatedly reduced the municipal share through budgetary sweeps and percentage reductions. For FY 2026, the State continues to withhold a substantial portion, distributing less than 70% of the full statutory allocation. The Village prepares for this reality and adjusts accordingly by budgeting 50% for LGDF as a disciplined response since the 2011 recession.

Additionally, the State reduced municipal allocations for Use Tax. According to the Illinois Municipal League, legislative changes have reallocated a portion of Municipal Use Tax to fund other state initiatives, particularly in transportation and education. The state's redirection of funds from Use Tax imposed on out-of-state and online purchases will result in municipal losses of $120 million statewide. For Mokena, this translates to an approximate $400,000 annual revenue shortfall. Based on actual receipts, the per capita estimate has continued to decline statewide from $38.76 in FY 2024 to $24.00 for FY 2025 and further down to $19.60 for FY 2026.

The State legislated the elimination of the 1% state grocery tax effective January 1, 2026, which will further reduce Mokena's local revenue. While the State previously shared this tax with municipalities to support general operations, its repeal will cut an estimated $850,000 annually from Mokena's budget. While the Illinois General Assembly included provisions allowing municipalities to reimpose the tax at the local level by ordinance, the State did not eliminate its portion of this tax. In June, 2025, the Board of Trustees approved an ordinance to establish a 1% local grocery tax to replace the 1% tax which the State had eliminated. This local tax will take effect January 1, 2026.

Beyond State-imposed revenue constraints, the FY 2026 budget is also shaped by broader economic uncertainties, including global trade disruptions and the potential imposition or escalation of tariffs. Ongoing geopolitical tensions, supply chain bottlenecks, and shifts in U.S. trade policy—especially with China and the European Union —pose risks to pricing and availability of essential municipal commodities such as fuel, vehicles, and construction materials. These macroeconomic factors are expected to exert upward pressure on capital project costs and procurement timelines throughout the fiscal year.

ECONOMIC CONDITION AND OUTLOOK - Continued

In parallel, the Village continues to monitor inflationary pressures and cost escalation. The Bureau of Labor Statistics reported a 3.4% CPI increase for the Midwest in 2024, which is expected to influence wage and operating cost increases in FY 2026. Collective bargaining agreements for the Metropolitan Alliance of Police and the International Union of Operating Engineers, Local 150 expire at the end of this fiscal year, and successor contract negotiations will begin in FY 2026 which include Patrol Officers, Sergeants, Clerical staff, and Public Works employees respectively.

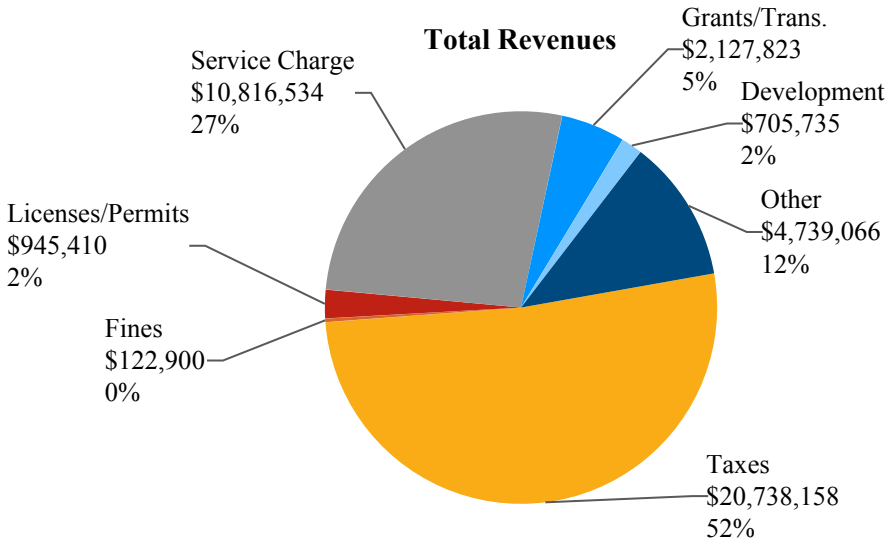
To counter these external impacts on the Village's budget, the Village continues to shape and develop the FY 2025-2026 budget in a proactive fashion. The Village completed the application for the Mokena Police Department Energy Investment Tax Credit which is anticipated to result in approximately a $784,000 refund to the Village for installing the geothermal heating and cooling system in the new building. In Fiscal Year 2024, the Village completed the Economic Incentive Agreement with Mokena Marketplace which returns that portion of the sales tax shared with Mokena Marketplace to the general fund of approximately $500,000. Financial incentives such as the one shared with Mokena Marketplace are long term investments by the Village as now that full benefit is realized. Those, coupled with the Village's disciplined practice of saving for major capital projects and minimizing debt, maintains the Village's strong financial position capable of continuing to provide core services at a high standard while investing in the development of the Village's capital projects, its buildings and equipment, and the development and retention of Village personnel.

OVERVIEW OF REVENUES

Total revenues across all funds are projected at $40,195,626 for FY 26. This represents an increase from FY 25 budget, largely driven by modest increases in tax revenue and service charges. Revenues within the General Fund are budgeted at $16.3 million, down slightly from FY 25, while water and sewer utility revenues are expected to remain stable.

Below is an aggregate comparison of all categorical revenues for the Village of Mokena. It is anticipated that overall revenues will increase by $3,145,325 or 8.49% above FY 25 budgeted amounts.

Total revenues for FY 2026 are estimated to be $40,195,626. Illustrated below is the breakdown of revenues for the entire budget as indicated by major category.

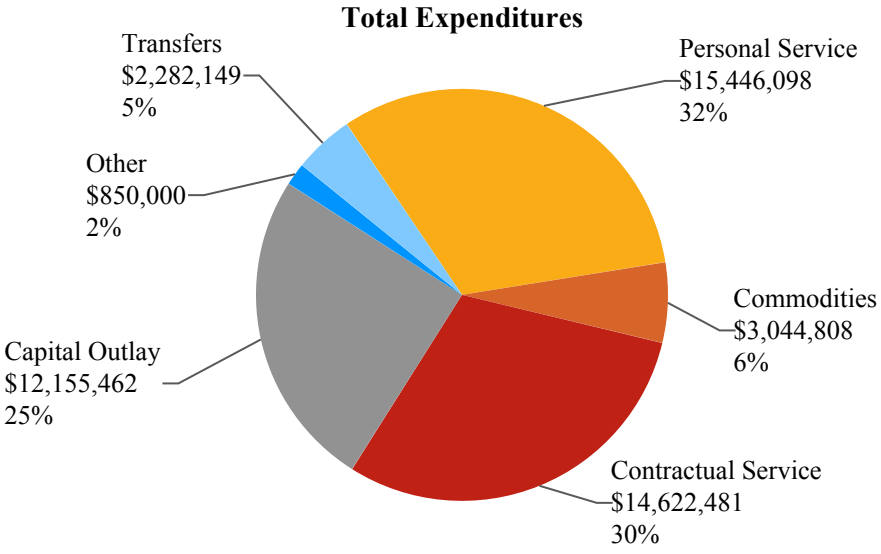


OVERVIEW OF REVENUES - Continued

	Overview of Budgeted Revenues			
	FY 25 Budget	FY 26 Budget	$ Inc/(Dec)	% Change
Taxes	$ 20,235,398	20,738,158	502,760	2.48%
Fines	122,900	122,900	—	—%
Licenses/Permits	915,869	945,410	29,541	3.23%
Service Charge	10,540,606	10,816,534	275,928	2.62%
Grants/Transfers	1,068,965	2,127,823	1,058,858	99.05%
Development	732,735	705,735	(27,000)	(3.68%)
Other	3,433,828	4,739,066	1,305,238	38.01%
Total	37,050,301	40,195,626	3,145,325	8.49%

OVERVIEW OF EXPENDITURES

Total expenditures across all funds for FY 26 are projected at $48,400,998. This includes capital, debt service, and operating costs. Within the General Fund, expenditures total $17.8 million, resulting in a planned deficit of $1.44 million. This deficit will be absorbed by reserves and is consistent with the Village's planned use of prior surpluses to fund one-time costs, including equipment and building-related improvements.



FINANCIAL AND OPERATING STATUS OF THE VILLAGE OF MOKENA

In addition to providing a basic overview of the proposed FY 2026 Budget, below are some of the key financial and budgetary issues associated with the budget. Although there are several important components affiliated with a public budgeting process, the Village traditionally concentrates on some basic issues to measure budget performance. These components include the following: (1) major operating fund balances; (2) capital reserves; and (3) per capita debt.

(1) MAJOR OPERATING FUND BALANCES

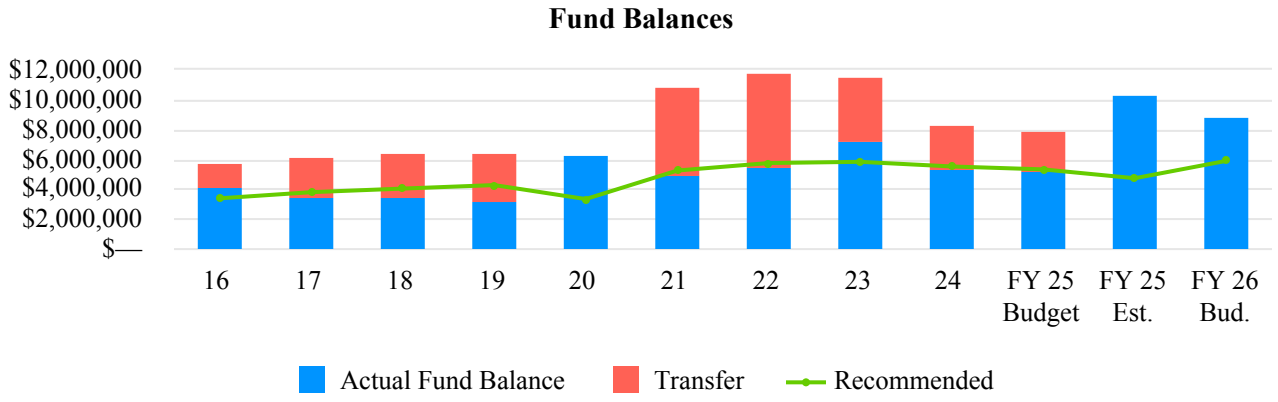
GENERAL FUND

FY2025 is the thirteenth consecutive year in which the General Fund has produced substantial "net positive operating" results. This has allowed for approximately $35.1M over the previous thirteen (13) years to be transferred into the Police Pension Fund ($600K), Water Operating Fund ($725K), Plant Expansion Fund ($5.82M), and the Capital Improvement, Repair and Replacement Fund for public improvement and municipal facility projects ($28.0M).

General Fund surpluses over the past twelve years have allowed the Village to transfer just over $35 million to capital and pension funds. FY 2026 continues this trajectory with budgeted capital and debt service support which includes:

- Debt service - $672,000 thousand for promissory note payments on the new Police Station. The Police Station was completed in FY 2025 at a total cost of $20.3 million. Of this amount, $4.75 million was financed, and approximately $3.4 million remains outstanding. The facility is now fully operational. The budget proposes to delay paying off the promissory note because the Village is earning revenue from the interest on the promissory note proceeds in excess of the interest schedule for the required payment. The Village has the ability to repay the promissory note in full with thirty days' notice if that changes.
- Capital - $115,000 for the Village's Comprehensive Plan which is estimated to be completed in 2026.
- Capital - $125,000 for BS&A Financial Management System Software and Licensing which will be the second of three payments. The first payment was made in the last fiscal year and the third payment will be in FY 2026-2027. This new system will provide a cloud-based enterprise resource management tool that will integrate all Departments and will be available to residents to pay bills, request permits, and engage with the Village directly through an automated process.

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



WATER/SEWER FUNDS

The water distribution system annually pumps approximately 650 million gallons of water, and the sewer system treats a similar approximate volume of wastewater. Personnel in these departments maintain approximately 110 miles of water mains, five (5) water storage facilities and several water pumping stations. They also operate a Wastewater Treatment Plant, approximately 100 miles of sanitary mains and twelve (12) sanitary sewer lift stations. Overall, the Village serves approximately 7,383 customer accounts on a 24/7 basis.

WATER FUND

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

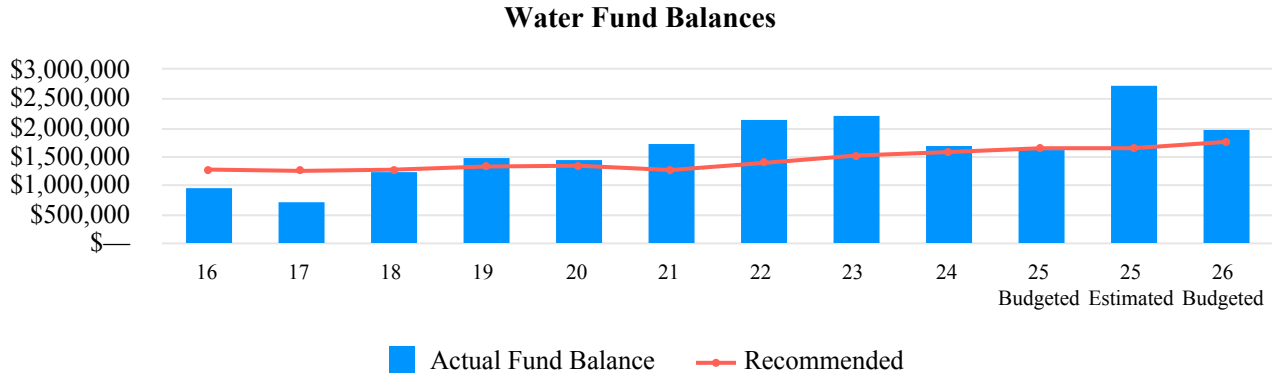
Adding the Southeast Customers to the RWS reduced the overall contribution percentage for all municipalities. Without their participation, Mokena's contribution percentage was 7.995%, or approximately $22,914,094. With the Southeast Customers, this percentage dropped to 6.823%, or $$21,492,450. In addition to reducing the Village's overall cost, it also adds some additional redundancy for the Village.

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

The Water Fund maintains its 25% reserve threshold. The FY 2025-2026 Budget proposes a $0.30 per 1000 gallons increase to the water rate which is based on the Chicago rate increasing $0.19 per 1000 gallons effective June 1, 2025, the Oak Lawn Delivery Charge increasing $0.07 per 1000 gallons, and the Tinley Park fee increasing $0.04 per 1000 gallons.

WATER FUND - Continued

The graph below shows the budgeted and recommended amount for FY 2016-FY 2026. The FY 2026 year-end balance is anticipated to be at 28%, which is above the recommended 25% target.

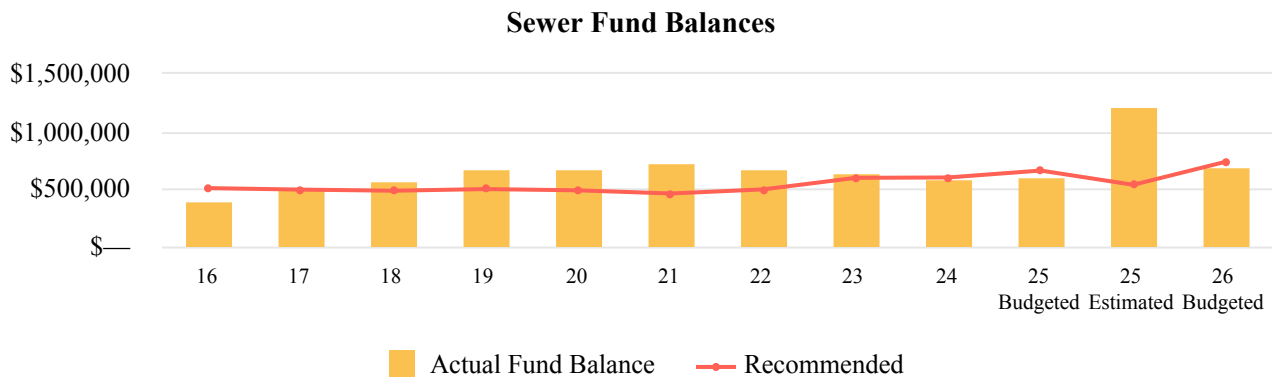


SEWER FUND

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

The Sewer Fund maintains its 24% reserve threshold. The FY 2025-2026 Budget proposes an increase in the sewer rate of $0.15 per 1000 gallons to maintain an adequate fund balance.

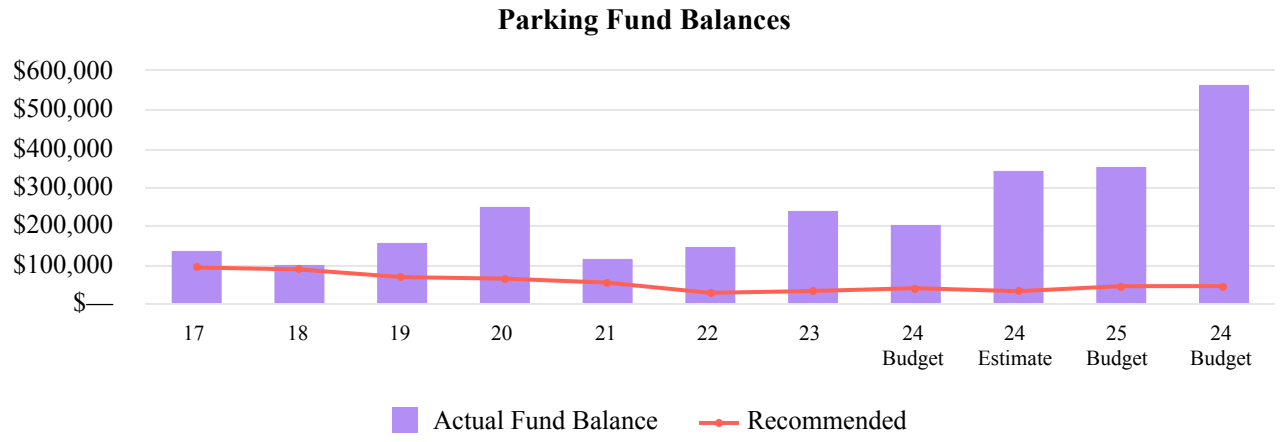
The graph below shows the budgeted and recommended amount for FY 2016-FY 2026. The FY 2026 year-end balance is anticipated to be at 24%.



PARKING LOT FUND

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

The Parking Fund remains self-sustaining, with an estimated year-end fund balance at 326% above anticipated expenditures. The Village completed major paving work at the Hickory Creek lot in FY 2024 and has no major expenditures planned for FY 2026.



(1) CAPITAL RESERVES

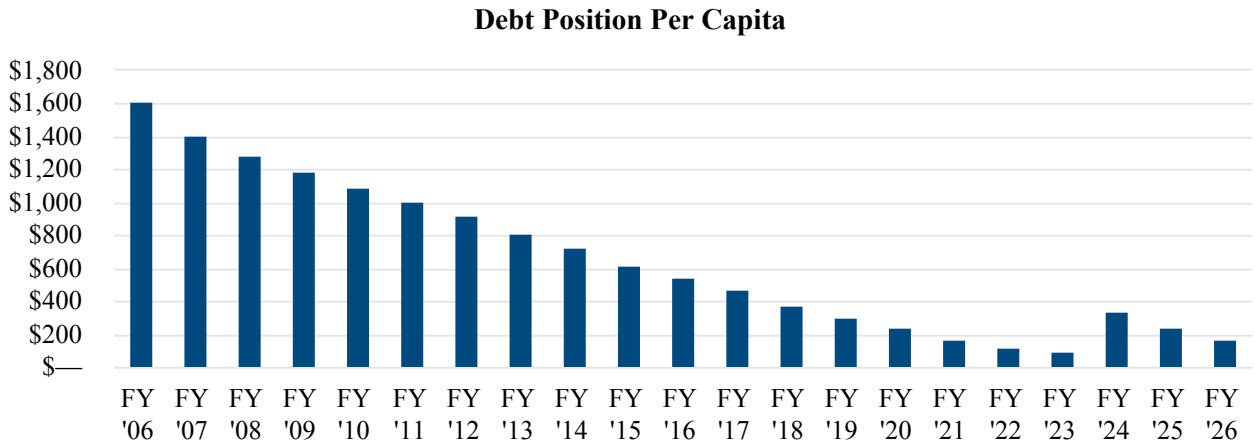
At the end of FY 2026, total capital reserves across all designated funds are projected to exceed $23 million. These reserves are earmarked for facility development, road rehabilitation, and utility capital improvements.

	Capital Reserve Fund Balance		
Fund	Beginning FY 25	Beginning FY 26	Ending FY 26
Water System Capital	$ 2,071,931	1,381,068	1,775,926
Sewer System Capital	1,867,530	1,819,167	556,121
Sewer Plant Replacement	1,277,602	1,123,627	(135,073)
Sewer Plant Expansion	1,073,834	664,959	(603,172)
Capital Imp., Repair, Replacement	23,534,283	24,945,750	21,528,851
Total	29,825,180	29,934,571	23,122,653
Change			(6,811,918)

(2) PER CAPITA DEBT

The Village's per capita debt remains among the lowest in the region. Total bonded and note obligations continue to decline and are fully supported by designated revenue streams. With the final payment on the 2004 Alternate Sales Tax Bonds made in FY 2025, the Village enters FY 2026 with only the Police Station promissory note as long-term debt.

The following historical chart depicts Mokena's per capita debt position over the past 20 years including projections for FY2026.



FY 2026 EXPENDITURE HIGHLIGHTS

Highlighted operating expenditures in the FY 2025–2026 Budget reflect the Village's ongoing investment in core services and infrastructure. Key operating costs include full-time salaries and benefits for administrative, police, public works, water, and sewer personnel; sales tax rebate agreements; and essential contractual services such as communications, tree maintenance, mosquito abatement, and liability coverage. Major capital and equipment investments include vehicle acquisitions for police and public works, machinery and equipment upgrades in water and sewer operations, stormwater improvements, continued resurfacing and repair of roads and sidewalks, and sewer lift station and treatment plant expansions. These expenditures are designed to support public safety, maintain critical infrastructure, and sustain high service levels across all Departments.

FISCAL IMPACTS ON CUSTOMERS

The FY 2026 Budget includes a water rate increase of $0.30/1,000 gallons and a sewer rate increase of $0.15/1,000 gallons, effective July 1, 2025. These changes are expected to increase the average monthly bill by $4.50 based on 10,000 gallon usage per household. Refuse rates will increase $0.51 per month for single-family homes and $0.65 for multi-family residences. Together, the average household will see a utility bill increase of approximately $120 annually.

FINAL THOUGHTS

The FY 2026 Budget was developed amid continued fiscal uncertainty at the state level. Through it all, Mokena remains well-positioned to protect essential services and make strategic investments. The Village's fund balance strategy, minimal debt profile, and efficient service delivery model ensure continued resiliency.

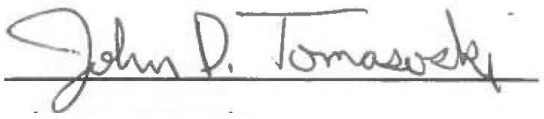
FINAL THOUGHTS - Continued

By keeping track of financial conditions and implementing strategic adjustments, the Village will ensure that essential services align with available resources, supporting ongoing progress, infrastructure investment, and fiscal responsibility in the face of economic uncertainties.

The preparation of this report was made possible through the dedication and hard work of the Village's Management Analyst and the Finance Department. We extend special recognition to all Village Departments for their invaluable assistance in providing the information necessary to complete this report.

Finally, this report reflects the strong leadership and unwavering support from the Village Mayor and Board of Trustees in upholding the highest standards in managing the Village's financial resources.

Respectfully submitted,



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

REQUESTS FOR INFORMATION

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

BASIC FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Fund

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

VILLAGE OF MOKENA, ILLINOIS

Statement of Net Position - Modified Cash Basis
June 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	$ 39,768,867	10,600,778	50,369,645
Restricted Cash	411,368	—	411,368
Total Current Assets	40,180,235	10,600,778	50,781,013
Noncurrent Assets			
Capital Assets			
Nondepreciable	50,731,800	2,376,144	53,107,944
Depreciable	139,988,220	50,668,104	190,656,324
Accumulated Depreciation	(68,778,061)	(21,965,309)	(90,743,370)
Total Capital Assets	121,941,959	31,078,939	153,020,898
Total Assets	162,122,194	41,679,717	203,801,911
LIABILITIES			
Current Liabilities			
Current Portion of Long-Term Debt	565,000	—	565,000
Noncurrent Liabilities			
Promissory Notes Payable	3,100,000	—	3,100,000
Total Liabilities	3,665,000	—	3,665,000
NET POSITION			
Net Investment in Capital Assets	118,276,959	31,078,939	149,355,898
Restricted			
Economic Development	534,372	—	534,372
Streets	4,135,270	—	4,135,270
Capital Improvements	276,760	—	276,760
Public Safety	37,721	—	37,721
Professional Services	24,278	—	24,278
Employee Retirement	1,002,642	—	1,002,642
Unrestricted	34,169,192	10,600,778	44,769,970
Total Net Position	158,457,194	41,679,717	200,136,911

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

VILLAGE OF MOKENA, ILLINOIS

Statement of Activities - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants/ Contributions	Program Revenues: Capital Grants/ Contributions
Governmental Activities				
General Government	$ 3,143,890	419,495	—	—
Public Safety	9,284,337	145,044	—	—
Public Works	3,572,745	—	970,261	—
Economic Development	1,245,509	963,561	—	—
Employee Retirement	879,122	—	—	—
Interest on Long-Term Debt	133,474	—	—	—
Total Governmental Activities	18,259,077	1,528,100	970,261	—
Business-Type Activities				
Water and Sewerage	8,625,631	8,581,279	—	37,500
Refuse	1,792,460	1,832,219	—	—
Municipal Parking Lot	115,265	282,999	—	—
Total Business-Type Activities	10,533,356	10,696,497	—	37,500
Total Primary Government	28,792,433	12,224,597	970,261	37,500
General Revenues				
Taxes				
Property Tax				
Road and Bridge Tax				
Amusement Tax				
Other Taxes				
Intergovernmental - Unrestricted				
Sales Tax				
State Income Tax				
Use Tax				
Gaming Tax				
Replacement Tax				
ARPA Grant				
Interest Income				
Miscellaneous				
Transfers - Internal Balances				
Change in Net Position				
Net Position - Beginning				
Net Position - Ending				

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

Net (Expenses), Revenues and Changes in Net Position		
Governmental Activities	Business-Type Activities	Totals
(2,724,395)	—	(2,724,395)
(9,139,293)	—	(9,139,293)
(2,602,484)	—	(2,602,484)
(281,948)	—	(281,948)
(879,122)	—	(879,122)
(133,474)	—	(133,474)
(15,760,716)	—	(15,760,716)
—	(6,852)	(6,852)
—	39,759	39,759
—	167,734	167,734
—	200,641	200,641
(15,760,716)	200,641	(15,560,075)
1,205,247	—	1,205,247
756,858	—	756,858
503,802	—	503,802
241,481	—	241,481
13,027,392	—	13,027,392
3,534,304	—	3,534,304
565,254	—	565,254
704,850	—	704,850
27,728	—	27,728
53,779	—	53,779
1,760,546	527,309	2,287,855
261,624	165,890	427,514
722,644	(722,644)	—
23,365,509	(29,445)	23,336,064
7,604,793	171,196	7,775,989
150,852,401	41,508,521	192,360,922
158,457,194	41,679,717	200,136,911

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

VILLAGE OF MOKENA, ILLINOIS

Balance Sheet - Governmental Funds - Modified Cash Basis
June 30, 2025

	General	Special Revenue Motor Fuel Tax	Capital Projects Capital Improvement, Repair, and Replacement	Nonmajor	Totals
ASSETS					
Cash and Investments	$ 11,289,319	4,135,270	20,982,352	3,361,926	39,768,867
Restricted Cash	134,608	—	276,760	—	411,368
Total Assets	11,423,927	4,135,270	21,259,112	3,361,926	40,180,235
LIABILITIES					
None	—	—	—	—	—
FUND BALANCES					
Restricted	—	4,135,270	276,760	1,599,013	6,011,043
Assigned	—	—	20,982,352	1,762,913	22,745,265
Unassigned	11,423,927	—	—	—	11,423,927
Total Fund Balances	11,423,927	4,135,270	21,259,112	3,361,926	40,180,235
Total Liabilities and Fund Balances	11,423,927	4,135,270	21,259,112	3,361,926	40,180,235

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

VILLAGE OF MOKENA, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities - Modified Cash Basis
June 30, 2025

Total Governmental Fund Balances	$ 40,180,235
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.	121,941,959
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Promissory Notes Payable	(3,665,000)
Net Position of Governmental Activities	158,457,194

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

VILLAGE OF MOKENA, ILLINOIS

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

For the Fiscal Year Ended June 30, 2025

	General	Special Revenue Motor Fuel Tax	Capital Projects Capital Improvement, Repair, and Replacement	Nonmajor	Totals
Revenues					
Taxes	$ 1,456,086	—	—	1,251,302	2,707,388
Intergovernmental	14,102,786	970,261	3,782,793	27,728	18,883,568
Licenses and Permits	963,561	—	—	—	963,561
Charges for Services	419,495	—	—	—	419,495
Fines and Forfeitures	145,044	—	—	—	145,044
Interest Income	362,667	188,099	1,059,243	150,537	1,760,546
Miscellaneous	104,431	—	70,900	86,293	261,624
Total Revenues	17,554,070	1,158,360	4,912,936	1,515,860	25,141,226
Expenditures					
General Government	2,987,189	—	—	73,719	3,060,908
Public Safety	6,153,565	—	—	30,618	6,184,183
Public Works	2,616,632	899,269	1,149,496	—	4,665,397
Economic Development	1,041,846	—	—	203,663	1,245,509
Employee Retirement	—	—	—	879,122	879,122
Capital Outlay	—	—	5,891,589	—	5,891,589
Debt Service					
Principal Retirement	—	—	1,205,000	—	1,205,000
Interest and Fiscal Charges	—	—	132,313	—	132,313
Total Expenditures	12,799,232	899,269	8,378,398	1,187,122	23,264,021
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,754,838	259,091	(3,465,462)	328,738	1,877,205
Other Financing Sources (Uses)					
Transfers In	239,985	—	1,320,292	—	1,560,277
Transfers Out	(673,307)	—	(130,000)	(34,326)	(837,633)
	(433,322)	—	1,190,292	(34,326)	722,644
Net Change in Fund Balances	4,321,516	259,091	(2,275,170)	294,412	2,599,849
Fund Balances - Beginning	7,102,411	3,876,179	23,534,282	3,067,514	37,580,386
Fund Balances - Ending	11,423,927	4,135,270	21,259,112	3,361,926	40,180,235

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

VILLAGE OF MOKENA, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

Net Change in Fund Balances - Total Governmental Funds	$	2,599,849
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		7,246,381
Depreciation Expense		(3,445,276)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.		
Retirement of Debt		1,205,000
Amortization of Bond Premium		6,004
Amortization of Loss on Refunding		(7,165)
Changes in Net Position of Governmental Activities		7,604,793

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

VILLAGE OF MOKENA, ILLINOIS

Statement of Net Position - Proprietary Funds - Modified Cash Basis
June 30, 2025

	Water and Sewerage	Refuse	Nonmajor Municipal Parking Lot	Totals
ASSETS				
Current Assets				
Cash and Investments	$ 9,734,415	286,345	580,018	10,600,778
Noncurrent Assets				
Capital Assets				
Nondepreciable	1,850,920	—	525,224	2,376,144
Depreciable	50,318,896	3,828	345,380	50,668,104
Accumulated Depreciation	(21,667,958)	(3,828)	(293,523)	(21,965,309)
Total Noncurrent Assets	30,501,858	—	577,081	31,078,939
Total Assets	40,236,273	286,345	1,157,099	41,679,717
LIABILITIES				
None	—	—	—	—
NET POSITION				
Investment in Capital Assets	30,501,858	—	577,081	31,078,939
Unrestricted	9,734,415	286,345	580,018	10,600,778
Total Net Position	40,236,273	286,345	1,157,099	41,679,717

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

VILLAGE OF MOKENA, ILLINOIS

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

	Water and Sewerage	Refuse	Nonmajor Municipal Parking Lot	Totals
Operating Revenues				
Charges for Services	$ 8,450,807	1,832,219	282,999	10,566,025
Water Meter Installation	24,893	—	—	24,893
Inspection Fees	6,341	—	—	6,341
Other	99,238	—	—	99,238
Total Operating Revenues	8,581,279	1,832,219	282,999	10,696,497
Operating Expenses				
Operations				
Personnel Services	1,964,735	—	76,813	2,041,548
Commodities	456,290	—	1,948	458,238
Contractual Services	4,754,455	1,792,460	32,797	6,579,712
Capital Outlay	255,728	—	—	255,728
Depreciation	1,194,423	—	3,707	1,198,130
Total Operating Expenses	8,625,631	1,792,460	115,265	10,533,356
Operating Income (Loss)	(44,352)	39,759	167,734	163,141
Nonoperating Revenues				
Interest Income	490,500	13,598	23,211	527,309
Other Income	160,101	5,789	—	165,890
Other Expenses	—	—	—	—
	650,601	19,387	23,211	693,199
Income Before Transfers and Grants	606,249	59,146	190,945	856,340
Capital Grants	37,500	—	—	37,500
Transfers In	130,000	—	—	130,000
Transfers Out	(807,655)	(44,989)	—	(852,644)
	(640,155)	(44,989)	—	(685,144)
Change in Net Position	(33,906)	14,157	190,945	171,196
Net Position - Beginning	40,270,179	272,188	966,154	41,508,521
Net Position - Ending	40,236,273	286,345	1,157,099	41,679,717

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

VILLAGE OF MOKENA, ILLINOIS

Statement of Cash Flows - Proprietary Funds - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Water and Sewerage	Refuse	Nonmajor Municipal Parking Lot	Totals
Cash Flows from Operating Activities				
Receipts from Customers and Users	$ 8,741,380	1,838,008	282,999	10,862,387
Payments to Employees	(1,964,735)	—	(76,813)	(2,041,548)
Payments to Suppliers	(5,466,473)	(1,792,460)	(34,745)	(7,293,678)
	1,310,172	45,548	171,441	1,527,161
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(1,156,530)	—	—	(1,156,530)
Capital Grant	37,500	—	—	37,500
	(1,119,030)	—	—	(1,119,030)
Cash Flows from Noncapital Financing Activities				
Transfers In	130,000	—	—	130,000
Transfers Out	(807,655)	(44,989)	—	(852,644)
	(677,655)	(44,989)	—	(722,644)
Cash Flows from Investing Activities				
Interest Income	490,500	13,598	23,211	527,309
Net Change in Cash and Cash Equivalents	3,987	14,157	194,652	212,796
Cash and Cash Equivalents - Beginning	9,730,428	272,188	385,366	10,387,982
Cash and Cash Equivalents - Ending	9,734,415	286,345	580,018	10,600,778
Reconciliation of Operating Income to Net Cash Provided by Operating Activities				
Operating Income (Loss)	(44,352)	39,759	167,734	163,141
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by Operating Activities				
Depreciation Expense	1,194,423	—	3,707	1,198,130
Other Income (Expense)	160,101	5,789	—	165,890
Net Cash Provided by Operating Activities	1,310,172	45,548	171,441	1,527,161

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

VILLAGE OF MOKENA, ILLINOIS

Statement of Fiduciary Net Position - Modified Cash Basis
June 30, 2025

	Pension Trusts
ASSETS	
Cash and Cash Equivalents	$ 297,328
Investments	
Illinois Police Officers' Pension Investment Fund	34,971,869
Total Assets	35,269,197
LIABILITIES	
None	—
NET POSITION	
Net Position Restricted for Pensions	35,269,197

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

VILLAGE OF MOKENA, ILLINOIS

Statement of Changes in Fiduciary Net Position - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Pension Trusts
Additions	
Contributions - Employer	$ 1,098,324
Contributions - Plan Members	340,722
Contributions - Other	44,366
Total Contributions	1,483,412
Investment Income	
Interest Earned	323,859
Net Change in Fair Value	3,604,788
	3,928,647
Less Investment Expenses	(112,310)
Net Investment Income	3,816,337
Total Additions	5,299,749
Deductions	
Administration	32,412
Benefits and Refunds	1,232,717
Total Deductions	1,265,129
Change in Fiduciary Net Position	4,034,620
Net Position Restricted for Pensions	
Beginning	31,234,577
Ending	35,269,197

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

REPORTING ENTITY

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

Police Pension Employees Retirement System

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

BASIS OF PRESENTATION

Government-Wide Statements

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

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

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

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

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

Fund Financial Statements

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

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

Governmental Funds

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

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

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

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

Proprietary Funds

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

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

Fiduciary Funds

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fiduciary Funds - Continued

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

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND 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.

Restricted Cash and Investments

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

Deferred Outflows/Inflows of Resources

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Capital Assets

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

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

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

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

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

Long-Term Obligations

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Net Position

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

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

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

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

Use of Estimates

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Annual budgets are adopted on the modified cash basis of accounting, which is consistent with the basis of accounting utilized by the Village's funds.

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

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

BUDGETARY INFORMATION - Continued

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

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

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

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

Village

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type totaled $24,977,235 and the bank balances totaled $25,207,598. In addition, the Village has $25,803,778 invested in the Illinois Funds, which have an average maturity of less than one year and are measured at net asset value per share as determined by the pool.

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

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's investment policy addresses credit risk by limiting investments to the safest types of securities and diversifying the investment portfolio so that potential losses on individual securities will be minimized. At year-end, the Village's investments in Illinois Funds were rated AAAmmf by Fitch Ratings.

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

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village does not have an investment policy which specifically addresses custodial credit risk for investments. As of June 30, 2025, the Village's investments were not subject to custodial credit risk.

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

Police Pension Fund

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

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund - Continued

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 $297,328 and the bank balances totaled $299,801.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy requires that funds on deposit in excess of FDIC limits be secured by some form of 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 $34,971,869 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.

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

For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 8.10%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

INTERFUND TRANSFERS

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

Transfer In	Transfer Out	Amount
General	Nonmajor Governmental	$ 34,326
General	Refuse	44,989
General	Water and Sewerage	160,670
Capital Improvement, Repair, and Replacement	General	673,307
Capital Improvement, Repair, and Replacement	Water and Sewerage	646,985
Water and Sewerage	Capital Improvement, Repair, and Replacement	130,000
		1,690,277

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	$ 47,479,781	—	—	47,479,781
Construction in Progress	16,130,182	3,252,019	16,130,182	3,252,019
	63,609,963	3,252,019	16,130,182	50,731,800
Depreciable Capital Assets				
Buildings and Improvements	3,776,502	18,207,615	—	21,984,117
Machinery and Equipment	1,908,561	331,632	—	2,240,193
Infrastructure	109,746,513	1,188,055	—	110,934,568
Transportation Equipment	4,432,100	397,242	—	4,829,342
	119,863,676	20,124,544	—	139,988,220
Less Accumulated Depreciation				
Buildings and Improvements	1,687,731	138,977	—	1,826,708
Machinery and Equipment	1,441,780	156,837	—	1,598,617
Infrastructure	59,542,785	2,698,750	—	62,241,535
Transportation Equipment	2,660,489	450,712	—	3,111,201
	65,332,785	3,445,276	—	68,778,061
Total Net Depreciable Capital Assets	54,530,891	16,679,268	—	71,210,159
Total Net Capital Assets	118,140,854	19,931,287	16,130,182	121,941,959

Depreciation expense was charged to governmental activities as follows:

General Government	$ 82,982
Public Safety	3,100,154
Public Works	262,140
	3,445,276

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	$ 1,934,830	—	—	1,934,830
Construction in Progress	—	441,314	—	441,314
	1,934,830	441,314	—	2,376,144
Depreciable Capital Assets				
Buildings and Improvements	25,687,886	136,384	—	25,824,270
Machinery and Equipment	4,135,791	578,832	—	4,714,623
Infrastructure	19,150,855	—	—	19,150,855
Transportation Equipment	978,356	—	—	978,356
	49,952,888	715,216	—	50,668,104
Less Accumulated Depreciation				
Buildings and Improvements	9,288,486	533,653	—	9,822,139
Machinery and Equipment	2,835,650	159,623	—	2,995,273
Infrastructure	8,107,271	391,302	—	8,498,573
Transportation Equipment	535,772	113,552	—	649,324
	20,767,179	1,198,130	—	21,965,309
Total Net Depreciable Capital Assets	29,185,709	(482,914)	—	28,702,795
Total Net Capital Assets	31,120,539	(41,600)	—	31,078,939

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

Water and Sewerage	$ 1,194,423
Municipal Parking Lot	3,707
	1,198,130

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

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 the County and are payable in two installments, on or about June 1, and September 1. The County collects such taxes and remits them periodically.

LONG-TERM DEBT

General Obligation Bonds

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

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

Promissory Note Payable

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

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Promissory Note of 2022, due in annual installments of $535,000 to $660,000 plus interest at 2.71% to 3.33% through July 30, 2030.	Capital Improvement, Repair, and Replacement	$ 4,215,000	—	550,000	3,665,000

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liabilities Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
General Obligation Bonds	$ 655,000	—	655,000	—	—
Plus: Unamortized Premium	6,004	—	6,004	—	—
Promissory Note Payable	4,215,000	—	550,000	3,665,000	565,000
	4,876,004	—	1,211,004	3,665,000	565,000

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

Debt Service Requirements to Maturity

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

Fiscal Year	Governmental Activities: Promissory Note Payable Principal	Interest
2026	$ 565,000	107,164
2027	580,000	90,071
2028	600,000	71,984
2029	620,000	52,795
2030	640,000	32,442
2031	660,000	10,989
Totals	3,665,000	365,445

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Legal Debt Margin

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

Assessed Valuation - 2024	$ 1,099,909,231
Legal Debt Limit - 8.625% of Assessed Value	94,867,171
Amount of Debt Applicable to Limit	—
Legal Debt Margin	94,867,171

FUND BALANCE CLASSIFICATIONS

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

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

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

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

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

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

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

The following is a schedule of fund balance classifications for the governmental funds as of June 30, 2025:

	General	Special Revenue Motor Fuel Tax	Capital Projects Capital Improvement, Repair, and Replacement	Nonmajor	Totals
Fund Balances					
Restricted					
Economic Development	$ —	—	—	534,372	534,372
Streets	—	4,135,270	—	—	4,135,270
Capital Improvements	—	—	276,760	—	276,760
Public Safety	—	—	—	37,721	37,721
Professional Services	—	—	—	24,278	24,278
Employee Retirement	—	—	—	1,002,642	1,002,642
	—	4,135,270	276,760	1,599,013	6,011,043
Assigned					
Streets/Capital Improvements	—	—	20,982,352	—	20,982,352
Economic Development	—	—	—	1,762,913	1,762,913
	—	—	20,982,352	1,762,913	22,745,265
Unassigned	11,423,927	—	—	—	11,423,927
Total Fund Balances	11,423,927	4,135,270	21,259,112	3,361,926	40,180,235

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATIONS

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

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	$ 121,941,959
Less Capital Related Debt:	
Promissory Note Payable	(3,665,000)
Net Investment in Capital Assets	118,276,959
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	31,078,939
Less Capital Related Debt:	—
Net Investment in Capital Assets	31,078,939

NOTE 4 - OTHER INFORMATION

CONTINGENT LIABILITIES

Litigation

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

Grants

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

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. The Village has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds.

The Village has joined with selected other municipalities to form an externally administered insurance program, Southwest Agency for Risk Management (SWARM). This association provides workers' compensation, liability, and property insurance. Each individual member is self-insured for $50,000 and $300,000, respectively, for property and general liability claims per occurrence. The Village's estimated unfunded obligation to SWARM at June 30, 2025 was $0. There were no significant changes in insurance coverages from the prior year, the amount of coverage has not decreased, nor have the amount of settlements exceeded coverage in the current year or any of the past three years.

During the year ended June 30, 2025, the Village also participated in the Southwest Agency for Health Management (SWAHM) which provided health, vision, dental and life insurance to Village employees.

JOINT WATER SYSTEM INTERGOVERNMENTAL AGREEMENT

On September 21, 1999, the Village entered into an agreement with Village of New Lenox (New Lenox), Illinois to jointly construct a water main extension ("Joint System"). The Village has a one-half interest in the Joint System. The Village and New Lenox operate, repair, and maintain the Joint System. The Village reimburses New Lenox for its proportionate share of the cost of water supplied by Tinley Park to the Joint System, the cost of any water loss of the Joint System, and the Joint System's operation and maintenance costs. The Village's proportionate share is calculated by dividing the Village's actual water use by the sum of the water metered for both New Lenox and the Village and multiplying that percentage by the cost of water supplied by the Village of Tinley Park to the Joint System and the preceding month's actual operations and maintenance costs for the Joint System. This agreement is effective for 40 years from the date of the agreement. During the year ended June 30, 2025, the Village paid New Lenox approximately $3,656,059 from the Water and Sewerage Fund.

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

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

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

	Pension Expense	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
IMRF	$ 977,903	3,879,707	956,515	5,268
Police Pension	1,385,828	7,580,676	4,271,276	3,011,112
	2,363,731	11,460,383	5,227,791	3,016,380

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

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

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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

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

Inactive Plan Members Currently Receiving Benefits	66
Inactive Plan Members Entitled to but not yet Receiving Benefits	54
Active Plan Members	49
Total	169

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year ended June 30, 2025, the Village's contribution was 12.34% of covered payroll.

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 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%

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

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued.

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	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 periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	$ 7,250,557	3,879,707	1,125,351

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2023	$ 27,552,330	23,252,625	4,299,705
Changes for the Year:			
Service Cost	375,913	—	375,913
Interest on the Total Pension Liability	1,958,852	—	1,958,852
Difference Between Expected and Actual Experience of the Total Pension Liability	207,036	—	207,036
Changes of Assumptions	—	—	—
Contributions - Employer	—	523,399	(523,399)
Contributions - Employees	—	192,988	(192,988)
Net Investment Income	—	2,333,667	(2,333,667)
Benefit Payments, Including Refunds of Employee Contributions	(1,443,264)	(1,443,264)	—
Other (Net Transfer)	—	(88,255)	88,255
Net Changes	1,098,537	1,518,535	(419,998)
Balances at December 31, 2024	28,650,867	24,771,160	3,879,707

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended June 30, 2025, the Village recognized pension expense of $528,231 on a cash basis. At June 30, 2025 the Village would have reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources under the GAAP basis of accounting:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 154,293	—	154,293
Change in Assumptions	—	(5,268)	(5,268)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	528,179	—	528,179
	682,472	(5,268)	677,204
Pension Contributions Made Subsequent to the Measurement Date	274,043	—	274,043
Total Deferred Amounts Related to IMRF	956,515	(5,268)	951,247

$274,043 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and would be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2026, under the GAAP basis of accounting. Amounts that would be reported under the GAAP basis of accounting as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense in future periods as follows:

Calendar Year	Net Deferred Outflows/ (Inflows) of Resources
2026	$ 376,149
2027	744,665
2028	(308,130)
2029	(135,480)
2030	—
Thereafter	—
Totals	677,204

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan

Plan Descriptions

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

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

Inactive Plan Members Currently Receiving Benefits	15
Inactive Plan Members Entitled to but not yet Receiving Benefits	6
Active Plan Members	31
Total	52

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

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Plan Descriptions - Continued

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

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year ended June 30, 2025, the Village's contribution was 31.95% of covered payroll.

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

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of June 30, 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	3.00%
Cost of Living Adjustments	2.25%
Inflation	2.25%

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

Discount Rate

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

Discount Rate Sensitivity

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

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net Pension Liability	$ 14,248,878	7,580,676	2,166,676

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at June 30, 2024	$ 38,821,196	31,234,577	7,586,619
Changes for the Year:			
Service Cost	797,836	—	797,836
Interest on the Total Pension Liability	2,540,533	—	2,540,533
Changes of Benefit Terms	859,095	—	859,095
Difference Between Expected and Actual Experience of the Total Pension Liability	—	—	—
Changes of Assumptions	1,063,930	—	1,063,930
Contributions - Employer	—	1,098,324	(1,098,324)
Contributions - Employees	—	340,722	(340,722)
Contributions - Other	—	44,366	(44,366)
Net Investment Income	—	3,816,337	(3,816,337)
Benefit Payments, Including Refunds of Employee Contributions	(1,232,717)	(1,232,717)	—
Other (Net Transfer)	—	(32,412)	32,412
Net Changes	4,028,677	4,034,620	(5,943)
Balances at June 30, 2025	42,849,873	35,269,197	7,580,676

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

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

For the year ended June 30, 2025, the Village recognized pension expense of $1,098,324 on a cash basis. At June 30, 2025 the Village would have reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources under the GAAP basis of accounting:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	$ 1,832,407	(746,666)	1,085,741
Change in Assumptions	1,318,259	—	1,318,259
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,120,610	(2,264,446)	(1,143,836)
Total Deferred Amounts Related to Police Pension	4,271,276	(3,011,112)	1,260,164

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2026	$ 933,872
2027	(195,355)
2028	(203,025)
2029	14,573
2030	305,728
Thereafter	404,371
Total	1,260,164

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

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

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

Inactive Plan Members Currently Receiving Benefits	7
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	79
Total	86

Total OPEB Liability

The Village's total OPEB liability was measured as of June 30, 2025, and was determined by an actuarial valuation as of June 30, 2024.

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

Inflation	2.25%
Salary Increases	2.75%
Discount Rate	5.20%
Healthcare Cost Trend Rates	Starting at 7.60% for HMO and 6.80% for PPO with an ultimate rates of 5.00% for 2034 and later.
Retirees' Share of Benefit-Related Costs	100% of the Blended Cost of Coverage

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

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

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2024	$ 2,064,930
Changes for the Year:	
Service Cost	157,967
Interest on the Total OPEB Liability	79,575
Difference Between Expected and Actual Experience	—
Changes of Assumptions or Other Inputs	(247,197)
Benefit Payments	(80,253)
Net Changes	(89,908)
Balance at June 30, 2025	1,975,022

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

The discount rate used to measure the total pension liability was 5.20%, while the prior valuation used 3.93%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
Total OPEB Liability	$ 2,165,950	1,975,022	1,808,114

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

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

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

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	$ 1,753,616	1,975,022	2,238,636

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

For the year ended June 30, 2025, the Village recognized OPEB expense of $80,253 on a cash basis. Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expense, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB.

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Schedule Employer Contributions - Last Ten Fiscal Years
  Illinois Municipal Retirement Fund
  Police Pension Fund

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

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

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

- Budgetary Comparison Schedules - Major Governmental Funds

- Combining Statements - Nonmajor Governmental - Special Revenue Funds

- Budgetary Comparison Schedules - Nonmajor Governmental - Special Revenue Funds

- Budgetary Comparison Schedule - Water and Sewerage - Enterprise Fund

- Combining Statements - Water and Sewerage Sub-Funds

- Budgetary Comparison Schedules - Water and Sewerage Sub-Funds

- Budgetary Comparison Schedules - Enterprise Funds

- Budgetary Comparison Schedules - Pension Trust Fund

VILLAGE OF MOKENA, ILLINOIS

Illinois Municipal Retirement Fund
Schedule of Employer Contributions - Last Ten Fiscal Years
June 30, 2025

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 469,045	$ 512,911	$ 43,866	$ 3,401,343	15.08%
2017	482,308	482,308	—	3,389,383	14.23%
2018	496,619	496,619	—	3,382,960	14.68%
2019	503,117	513,323	10,206	3,503,601	14.65%
2020	453,361	506,829	53,468	3,578,226	14.16%
2021	505,485	505,606	121	3,636,583	13.90%
2022	501,218	501,218	—	3,644,812	13.75%
2023	546,551	546,551	—	4,145,533	13.18%
2024	552,583	552,583	—	4,439,432	12.45%
2025	528,231	528,231	—	4,280,241	12.34%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

VILLAGE OF MOKENA, ILLINOIS

Police Pension Fund
Schedule of Employer Contributions - Last Ten Fiscal Years
June 30, 2025

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 698,278	$ 1,345,938	$ 647,660	$ 2,516,400	53.49%
2017	736,553	739,438	2,885	2,536,934	29.15%
2018	741,301	787,552	46,251	2,625,727	29.99%
2019	717,491	750,164	32,673	2,753,030	27.25%
2020	761,502	764,027	2,525	2,939,708	25.99%
2021	815,171	815,363	192	3,017,246	27.02%
2022	894,660	1,091,060	196,400	2,974,341	36.68%
2023	1,117,735	1,040,566	(77,169)	3,275,174	31.77%
2024	1,067,448	1,083,585	16,137	3,373,429	32.12%
2025	1,037,048	1,098,324	61,276	3,438,168	31.95%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar (Closed)
Remaining Amortization Period	100% Funded Over 18 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	3.00%
Investment Rate of Return	6.50%
Retirement Age	Capped at 65
Mortality	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described

VILLAGE OF MOKENA, ILLINOIS

Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability - Last Ten Measurement Years
June 30, 2025

See Following Page

VILLAGE OF MOKENA, ILLINOIS

Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability - Last Ten Measurement Years
June 30, 2025

	12/31/2015	12/31/2016	12/31/2017
Total Pension Liability			
Service Cost	$ 379,143	386,660	385,620
Interest	1,197,694	1,289,673	1,359,633
Differences Between Expected and Actual Experience	150,291	(164,933)	(330,374)
Change of Assumptions	69,618	(144,626)	(548,219)
Benefit Payments, Including Refunds of Member Contributions	(455,208)	(543,955)	(600,300)
Net Change in Total Pension Liability	1,341,538	822,819	266,360
Total Pension Liability - Beginning	16,071,421	17,412,959	18,235,778
Total Pension Liability - Ending	17,412,959	18,235,778	18,502,138
Plan Fiduciary Net Position			
Contributions - Employer	$ 512,911	482,308	496,619
Contributions - Members	153,060	154,905	163,094
Net Investment Income	66,583	920,221	2,364,400
Benefit Payments, Including Refunds of Member Contributions	(455,208)	(543,955)	(600,300)
Other (Net Transfer)	(384,026)	126,233	(221,235)
Net Change in Plan Fiduciary Net Position	(106,680)	1,139,712	2,202,578
Plan Net Position - Beginning	13,211,263	13,104,583	14,244,295
Plan Net Position - Ending	13,104,583	14,244,295	16,446,873
Employer's Net Pension Liability	$ 4,308,376	3,991,483	2,055,265
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.26%	78.11%	88.89%
Covered Payroll	$ 3,401,343	3,389,383	3,382,960
Employer's Net Pension Liability as a Percentage of Covered Payroll	126.67%	117.76%	60.75%

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2015, 2017 and 2023.

12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
342,335	379,139	362,050	333,149	344,973	361,565	375,913
1,375,597	1,477,116	1,564,927	1,657,928	1,798,897	1,898,143	1,958,852
407,558	236,702	533,241	1,118,610	561,425	18,408	207,036
622,482	—	(154,045)	—	—	(15,426)	—
(664,021)	(803,302)	(943,129)	(1,074,791)	(1,267,607)	(1,421,732)	(1,443,264)
2,083,951	1,289,655	1,363,044	2,034,896	1,437,688	840,958	1,098,537
18,502,138	20,586,089	21,875,744	23,238,788	25,273,684	26,711,372	27,552,330
20,586,089	21,875,744	23,238,788	25,273,684	26,711,372	27,552,330	28,650,867
513,323	506,829	505,606	520,828	518,838	554,462	523,399
157,662	161,670	183,320	161,698	174,237	190,756	192,988
(784,081)	2,871,553	2,684,835	3,609,910	(3,190,691)	2,401,696	2,333,667
(664,021)	(803,302)	(943,129)	(1,074,791)	(1,267,607)	(1,421,732)	(1,443,264)
571,679	163,203	161,984	15,892	386,754	(61,629)	(88,255)
(205,438)	2,899,953	2,592,616	3,233,537	(3,378,469)	1,663,553	1,518,535
16,446,873	16,241,435	19,141,388	21,734,004	24,967,541	21,589,072	23,252,625
16,241,435	19,141,388	21,734,004	24,967,541	21,589,072	23,252,625	24,771,160
4,344,654	2,734,356	1,504,784	306,143	5,122,300	4,299,705	3,879,707
78.90%	87.50%	93.52%	98.79%	80.82%	84.39%	86.46%
3,503,601	3,578,226	3,636,583	3,576,898	3,871,919	4,239,011	4,354,401
124.01%	76.42%	41.38%	8.56%	132.29%	101.43%	89.10%

VILLAGE OF MOKENA, ILLINOIS

Police Pension Fund
Schedule of Changes in the Employer's Net Pension Liability - Last Ten Fiscal Years
June 30, 2025

	6/30/2016	6/30/2017	6/30/2018
Total Pension Liability			
Service Cost	$ 560,933	623,125	663,628
Interest	1,333,306	1,462,958	1,551,095
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	(201,968)	300,834	112,741
Change of Assumptions	822,982	(410,830)	—
Benefit Payments, Including Refunds of Member Contributions	(496,242)	(544,984)	(695,291)
Net Change in Total Pension Liability	2,019,011	1,431,103	1,632,173
Total Pension Liability - Beginning	20,760,524	22,779,535	24,210,638
Total Pension Liability - Ending	22,779,535	24,210,638	25,842,811
Plan Fiduciary Net Position			
Contributions - Employer	$ 1,345,938	739,438	787,552
Contributions - Members	253,539	252,203	253,116
Contributions - Other	—	—	—
Net Investment Income	544,516	1,438,079	1,157,923
Benefit Payments, Including Refunds of Member Contributions	(496,242)	(544,984)	(695,291)
Administrative Expenses	(65,946)	(81,428)	(88,205)
Net Change in Plan Fiduciary Net Position	1,581,805	1,803,308	1,415,095
Plan Net Position - Beginning	16,273,371	17,855,176	19,658,484
Plan Net Position - Ending	17,855,176	19,658,484	21,073,579
Employer's Net Pension Liability	$ 4,924,359	4,552,154	4,769,232
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.38%	81.20%	81.55%
Covered Payroll	$ 2,516,400	2,536,934	2,625,727
Employer's Net Pension Liability as a Percentage of Covered Payroll	195.69%	179.44%	181.63%

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

6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025
712,266	778,502	806,863	789,144	771,426	808,055	797,836
1,657,180	1,765,593	1,997,329	2,036,604	2,209,789	2,354,899	2,540,533
—	73,345	—	—	(13,168)	—	—
(27,779)	261,602	354,595	(1,328,403)	840,462	389,474	859,095
493,241	607,584	—	—	—	—	1,063,930
(695,461)	(703,384)	(778,382)	(919,388)	(1,088,148)	(1,175,455)	(1,232,717)
2,139,447	2,783,242	2,380,405	577,957	2,720,361	2,376,973	4,028,677
25,842,811	27,982,258	30,765,500	33,145,905	33,723,862	36,444,223	38,821,196
27,982,258	30,765,500	33,145,905	33,723,862	36,444,223	38,821,196	42,849,873
750,164	764,027	815,363	1,091,060	1,040,566	1,083,585	1,098,324
272,824	291,617	296,377	294,757	324,568	328,645	340,722
—	—	—	—	—	—	44,366
1,381,687	1,647,514	4,197,292	(3,693,506)	1,689,927	3,216,769	3,816,337
(695,461)	(703,384)	(778,382)	(919,388)	(1,088,148)	(1,175,455)	(1,232,717)
(32,372)	(102,858)	(34,495)	(30,773)	(33,975)	(37,547)	(32,412)
1,676,842	1,896,916	4,496,155	(3,257,850)	1,932,938	3,415,997	4,034,620
21,073,579	22,750,421	24,647,337	29,143,492	25,885,642	27,818,580	31,234,577
22,750,421	24,647,337	29,143,492	25,885,642	27,818,580	31,234,577	35,269,197
5,231,837	6,118,163	4,002,413	7,838,220	8,625,643	7,586,619	7,580,676
81.30%	80.11%	87.92%	76.76%	76.33%	80.46%	82.31%
2,753,030	2,939,708	3,017,246	2,974,341	3,275,175	3,373,429	3,438,168
190.04%	208.12%	132.65%	263.53%	263.36%	224.89%	220.49%

VILLAGE OF MOKENA, ILLINOIS

Police Pension Fund
Schedule of Investment Returns - Last Ten Fiscal Years
June 30, 2025

Fiscal Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2016	3.05%
2017	7.11%
2018	5.52%
2019	5.87%
2020	6.73%
2021	14.53%
2022	(12.80%)
2023	5.70%
2024	11.20%
2025	8.10%

VILLAGE OF MOKENA, ILLINOIS

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

See Following Page

VILLAGE OF MOKENA, ILLINOIS

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

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

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

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

Changes of Assumptions. Change of assumption related to the discount rate were made in 2018 through 2025.

6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025
39,324	18,273	49,392	53,060	52,274	49,464	157,967
78,964	75,398	60,731	60,007	86,228	87,260	79,575
—	75,986	—	197,174	—	(384,869)	—
85,214	514,460	14,463	(545,085)	(68,710)	(20,300)	(247,197)
(88,164)	(91,356)	(89,346)	(99,639)	(115,196)	(114,643)	(80,253)
115,338	592,761	35,240	(334,483)	(45,404)	(383,088)	(89,908)
2,084,566	2,199,904	2,792,665	2,827,905	2,493,422	2,448,018	2,064,930
2,199,904	2,792,665	2,827,905	2,493,422	2,448,018	2,064,930	1,975,022
6,251,137	6,542,224	6,438,752	6,226,796	7,420,707	7,716,196	7,928,391
35.19%	42.69%	43.92%	40.04%	32.99%	26.76%	24.91%

VILLAGE OF MOKENA, ILLINOIS

General Fund

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

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Taxes	$ 1,379,014	1,379,014	1,456,086
Intergovernmental	12,038,439	12,038,439	14,102,786
Licenses and Permits	915,869	915,869	963,561
Charges for Services	388,839	388,839	419,495
Fines and Forfeitures	122,900	122,900	145,044
Interest Income	100,000	100,000	362,667
Miscellaneous	164,774	164,774	104,431
Total Revenues	15,109,835	15,109,835	17,554,070
Expenditures			
General Government	4,014,755	4,014,755	2,987,189
Public Safety	7,026,477	7,026,477	6,153,565
Public Works	3,269,770	3,269,770	2,616,632
Economic Development	1,066,680	1,066,680	1,041,846
Total Expenditures	15,377,682	15,377,682	12,799,232
Excess (Deficiency) of Revenues Over (Under) Expenditures	(267,847)	(267,847)	4,754,838
Other Financing Sources (Uses)			
Transfers In	218,659	218,659	239,985
Transfers Out	—	—	(673,307)
	218,659	218,659	(433,322)
Net Change in Fund Balance	(49,188)	(49,188)	4,321,516
Fund Balance - Beginning			7,102,411
Fund Balance - Ending			11,423,927

VILLAGE OF MOKENA, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Motor Fuel Taxes	$ 867,073	867,073	970,261
Interest Income	74,000	74,000	188,099
Total Revenues	941,073	941,073	1,158,360
Expenditures			
Public Works	1,967,560	1,967,560	899,269
Net Change in Fund Balance	(1,026,487)	(1,026,487)	259,091
Fund Balance - Beginning			3,876,179
Fund Balance - Ending			4,135,270

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Municipal Audit

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

School Crossing Guard

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

Motor Fuel Tax

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

IMRF/FICA

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

Special Tax Allocation

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

Performance Bond

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

Tourism

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

INDIVIDUAL FUND DESCRIPTIONS - Continued

CAPITAL PROJECTS FUND

Capital Improvement, Repair, and Replacement Fund

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

ENTERPRISE FUNDS

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

Water and Sewerage Fund

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

Refuse Fund

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

Municipal Parking Lot Fund

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

PENSION TRUST FUNDS

Police Pension Fund

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

VILLAGE OF MOKENA, ILLINOIS

General Fund
Schedule of Revenues - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Taxes			
Property Taxes	$ 193,239	193,239	135,677
Road and Bridge Taxes	777,975	777,975	756,858
Amusement Taxes	356,800	356,800	503,802
Other Taxes	51,000	51,000	59,749
	1,379,014	1,379,014	1,456,086
Intergovernmental			
Sales Taxes	8,834,846	8,834,846	9,244,599
State Income Taxes	1,700,339	1,700,339	3,534,304
Use Taxes	835,254	835,254	565,254
Gaming Taxes	608,000	608,000	704,850
Grants	60,000	60,000	53,779
	12,038,439	12,038,439	14,102,786
Licenses and Permits	915,869	915,869	963,561
Charges for Services	388,839	388,839	419,495
Fines and Forfeitures	122,900	122,900	145,044
Interest Income	100,000	100,000	362,667
Miscellaneous	164,774	164,774	104,431
Total Revenues	15,109,835	15,109,835	17,554,070

VILLAGE OF MOKENA, ILLINOIS

Capital Improvement, Repair, and Replacement Fund - Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Sales Tax	$ 3,661,202	3,661,202	3,782,793
Interest Income	363,425	363,425	1,059,243
Miscellaneous	58,750	58,750	70,900
Total Revenues	4,083,377	4,083,377	4,912,936
Expenditures			
Public Works	1,439,976	1,439,976	1,149,496
Capital Outlay	6,819,000	6,819,000	5,891,589
Debt Service			
Principal Retirement	1,205,000	1,205,000	1,205,000
Interest and Fiscal Charges	132,313	132,313	132,313
Total Expenditures	9,596,289	9,596,289	8,378,398
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,512,912)	(5,512,912)	(3,465,462)
Other Financing Sources (Uses)			
Transfers In	—	—	1,320,292
Transfers Out	—	—	(130,000)
	—	—	1,190,292
Net Change in Fund Balance	(5,512,912)	(5,512,912)	(2,275,170)
Fund Balance - Beginning			23,534,282
Fund Balance - Ending			21,259,112

VILLAGE OF MOKENA, ILLINOIS

Nonmajor Governmental - Special Revenue Funds
Combining Balance Sheet - Modified Cash Basis
June 30, 2025

	Municipal Audit	School Crossing Guard
ASSETS		
Cash and Investments	$ 24,278	37,721
LIABILITIES		
None	—	—
FUND BALANCES		
Restricted	24,278	37,721
Assigned	—	—
Total Fund Balances	24,278	37,721
Total Liabilities and Fund Balances	24,278	37,721

IMRF/ FICA	Special Tax Allocation	Performance Bond	Tourism	Totals
1,002,642	534,372	968,359	794,554	3,361,926
—	—	—	—	—
1,002,642	534,372	—	—	1,599,013
—	—	968,359	794,554	1,762,913
1,002,642	534,372	968,359	794,554	3,361,926
1,002,642	534,372	968,359	794,554	3,361,926

VILLAGE OF MOKENA, ILLINOIS

Nonmajor Governmental - Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Municipal Audit	School Crossing Guard
Revenues		
Taxes	$ 10,667	25,856
Intergovernmental	—	—
Interest Income	934	1,800
Miscellaneous	—	—
Total Revenues	11,601	27,656
Expenditures		
General Government	7,099	—
Public Safety	—	30,618
Economic Development	—	—
Employee Retirement	—	—
Total Expenditures	7,099	30,618
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,502	(2,962)
Other Financing (Uses)		
Transfers Out	—	—
Net Change in Fund Balances	4,502	(2,962)
Fund Balances - Beginning	19,776	40,683
Fund Balances - Ending	24,278	37,721

IMRF/ FICA	Special Tax Allocation	Performance Bond	Tourism	Totals
943,772	89,275	—	181,732	1,251,302
27,728	—	—	—	27,728
40,839	25,439	47,009	34,516	150,537
(76)	—	81,400	4,969	86,293
1,012,263	114,714	128,409	221,217	1,515,860
—	—	66,620	—	73,719
—	—	—	—	30,618
—	94,605	—	109,058	203,663
879,122	—	—	—	879,122
879,122	94,605	66,620	109,058	1,187,122
133,141	20,109	61,789	112,159	328,738
—	—	(34,326)	—	(34,326)
133,141	20,109	27,463	112,159	294,412
869,501	514,263	940,896	682,395	3,067,514
1,002,642	534,372	968,359	794,554	3,361,926

VILLAGE OF MOKENA, ILLINOIS

Municipal Audit - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	$ 11,500	11,500	10,667
Interest Income	250	250	934
Total Revenues	11,750	11,750	11,601
Expenditures			
General Government	11,600	11,600	7,099
Net Change in Fund Balance	150	150	4,502
Fund Balance - Beginning			19,776
Fund Balance - Ending			24,278

VILLAGE OF MOKENA, ILLINOIS

School Crossing Guard - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	$ 25,000	25,000	25,856
Interest Income	800	800	1,800
Total Revenues	25,800	25,800	27,656
Expenditures			
Public Safety	37,140	37,140	30,618
Net Change in Fund Balance	(11,340)	(11,340)	(2,962)
Fund Balance - Beginning			40,683
Fund Balance - Ending			37,721

VILLAGE OF MOKENA, ILLINOIS

IMRF/FICA - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	$ 931,684	931,684	943,772
Intergovernmental			
Replacement Tax	35,000	35,000	27,728
Interest Income	10,000	10,000	40,839
Miscellaneous	—	—	(76)
Total Revenues	976,684	976,684	1,012,263
Expenditures			
Employee Retirement	1,036,037	1,036,037	879,122
Net Change in Fund Balance	(59,353)	(59,353)	133,141
Fund Balance - Beginning			869,501
Fund Balance - Ending			1,002,642

VILLAGE OF MOKENA, ILLINOIS

Special Tax Allocation - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Tax	$ 78,993	78,993	89,275
Interest Income	6,500	6,500	25,439
Total Revenues	85,493	85,493	114,714
Expenditures			
Economic Development	159,120	159,120	94,605
Net Change in Fund Balance	(73,627)	(73,627)	20,109
Fund Balance - Beginning			514,263
Fund Balance - Ending			534,372

VILLAGE OF MOKENA, ILLINOIS

Performance Bond - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Interest Income	$ 13,000	13,000	47,009
Miscellaneous	75,000	75,000	81,400
Total Revenues	88,000	88,000	128,409
Expenditures			
General Government	600,000	600,000	66,620
Excess (Deficiency) of Revenues Over (Under) Expenditures	(512,000)	(512,000)	61,789
Other Financing (Uses)			
Transfers Out	(13,000)	(13,000)	(34,326)
Net Change in Fund Balance	(525,000)	(525,000)	27,463
Fund Balance - Beginning			940,896
Fund Balance - Ending			968,359

VILLAGE OF MOKENA, ILLINOIS

Tourism - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Hotel and Motel Tax	$ 170,000	170,000	181,732
Interest Income	5,000	5,000	34,516
Miscellaneous	8,000	8,000	4,969
Total Revenues	183,000	183,000	221,217
Expenditures			
Economic Development	179,037	179,037	109,058
Net Change in Fund Balance	3,963	3,963	112,159
Fund Balance - Beginning			682,395
Fund Balance - Ending			794,554

VILLAGE OF MOKENA, ILLINOIS

Water and Sewerage - Enterprise Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	$ 8,397,233	8,397,233	8,450,807
Water Meter Installation	16,420	16,420	24,893
Inspection Fees	10,974	10,974	6,341
Other	99,600	99,600	99,238
Total Operating Revenues	8,524,227	8,524,227	8,581,279
Operating Expenses			
Operations			
Personnel Services	2,472,290	2,472,290	1,964,735
Commodities	633,182	633,182	456,290
Contractual Services	5,300,458	5,300,458	4,754,455
Capital Outlay	3,812,544	3,812,544	255,728
Depreciation	—	—	1,194,423
Total Operating Expenses	12,218,474	12,218,474	8,625,631
Operating (Loss)	(3,694,247)	(3,694,247)	(44,352)
Nonoperating Revenues (Expenses)			
Interest Income	199,404	199,404	490,500
Other Income	14,992	14,992	160,101
Other Expenses	(500,000)	(500,000)	—
	(285,604)	(285,604)	650,601
Income (Loss) Before Transfers and Grants	(3,979,851)	(3,979,851)	606,249
Capital Grants	—	—	37,500
Transfers In	130,000	130,000	130,000
Transfers Out	(160,670)	(160,670)	(807,655)
	(30,670)	(30,670)	(640,155)
Change in Net Position	(4,010,521)	(4,010,521)	(33,906)
Net Position - Beginning			40,270,179
Net Position - Ending			40,236,273

VILLAGE OF MOKENA, ILLINOIS

Water and Sewerage - Enterprise Fund
Combining Statement of Net Position by Sub-Fund - Modified Cash Basis
June 30, 2025

	Water and Sewer	Sewer Plant Expansion	Sewer Plant Replacement	Water System Capital Improvement	Sewer System Capital Improvement	Totals
ASSETS						
Current Assets						
Cash and Investments	$ 3,809,493	1,110,859	1,154,511	1,780,583	1,878,969	9,734,415
Noncurrent Assets						
Capital Assets						
Nondepreciable	1,409,606	50,573	168,502	222,239	—	1,850,920
Depreciable	32,624,835	12,828,994	452,904	2,256,831	2,155,332	50,318,896
Accumulated Depreciation	(20,210,142)	(477,504)	(203,478)	(470,226)	(306,608)	(21,667,958)
Total Capital Assets	13,824,299	12,402,063	417,928	2,008,844	1,848,724	30,501,858
Total Assets	17,633,792	13,512,922	1,572,439	3,789,427	3,727,693	40,236,273
LIABILITIES						
None	—	—	—	—	—	—
NET POSITION						
Investment in Capital Assets	13,824,299	12,402,063	417,928	2,008,844	1,848,724	30,501,858
Unrestricted	3,809,493	1,110,859	1,154,511	1,780,583	1,878,969	9,734,415
Total Net Position	17,633,792	13,512,922	1,572,439	3,789,427	3,727,693	40,236,273

VILLAGE OF MOKENA, ILLINOIS

Water and Sewerage - Enterprise Fund

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

For the Fiscal Year Ended June 30, 2025

	Water and Sewer	Sewer Plant Expansion	Sewer Plant Replacement	Water System Capital Improvement	Sewer System Capital Improvement	Totals
Operating Revenues						
Charges for Services	$ 8,228,735	—	—	169,831	52,241	8,450,807
Water Meter Installation	24,893	—	—	—	—	24,893
Inspection Fees	6,341	—	—	—	—	6,341
Other	99,238	—	—	—	—	99,238
Total Operating Revenues	8,359,207	—	—	169,831	52,241	8,581,279
Operating Expenses						
Operations						
Personnel Services	1,964,735	—	—	—	—	1,964,735
Commodities	456,290	—	—	—	—	456,290
Contractual Services	4,681,102	—	—	54,708	18,645	4,754,455
Capital Outlay	76,326	90,868	88,534	—	—	255,728
Depreciation	1,122,891	23,085	10,858	22,914	14,675	1,194,423
Total Operating Expenses	8,301,344	113,953	99,392	77,622	33,320	8,625,631
Operating Income (Loss)	57,863	(113,953)	(99,392)	92,209	18,921	(44,352)
Nonoperating Revenues						
Interest Income	185,218	54,116	57,548	102,615	91,003	490,500
Other Income	11,844	148,257	—	—	—	160,101
Other Expenses	—	—	—	—	—	—
	197,062	202,373	57,548	102,615	91,003	650,601
Income (Loss) Before Transfers and Grants	254,925	88,420	(41,844)	194,824	109,924	606,249
Capital Grants	—	37,500	—	—	—	37,500
Transfers In	—	—	130,000	—	—	130,000
Transfers Out	(807,655)	—	—	—	—	(807,655)
	(807,655)	37,500	130,000	—	—	(640,155)
Change in Net Position	(552,730)	125,920	88,156	194,824	109,924	(33,906)
Net Position - Beginning	18,186,522	13,387,002	1,484,283	3,594,603	3,617,769	40,270,179
Net Position - Ending	17,633,792	13,512,922	1,572,439	3,789,427	3,727,693	40,236,273

VILLAGE OF MOKENA, ILLINOIS

Water and Sewer - Water and Sewerage Sub-Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	$ 8,135,073	8,135,073	8,228,735
Water Meter Installation	16,420	16,420	24,893
Inspection Fees	10,974	10,974	6,341
Other	99,600	99,600	99,238
Total Operating Revenues	8,262,067	8,262,067	8,359,207
Operating Expenses			
Operations			
Personnel Services	2,472,290	2,472,290	1,964,735
Commodities	633,182	633,182	456,290
Contractual Services	4,882,308	4,882,308	4,681,102
Capital Outlay	189,000	189,000	76,326
Depreciation	—	—	1,122,891
Total Operating Expenses	8,176,780	8,176,780	8,301,344
Operating Income	85,287	85,287	57,863
Nonoperating Revenues (Expenses)			
Interest Income	100,000	100,000	185,218
Other Income	14,992	14,992	11,844
Other Expenses	(200,000)	(200,000)	—
	(85,008)	(85,008)	197,062
Income Before Transfers	279	279	254,925
Transfers Out	(160,670)	(160,670)	(807,655)
Change in Net Position	(160,391)	(160,391)	(552,730)
Net Position - Beginning			18,186,522
Net Position - Ending			17,633,792

VILLAGE OF MOKENA, ILLINOIS

Sewer Plant Expansion - Water and Sewerage Sub-Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	$ —	—	—
Operating Expenses			
Operations			
Contractual Services	150,000	150,000	—
Capital Outlay	500,000	500,000	90,868
Depreciation	—	—	23,085
Total Operating Expenses	650,000	650,000	113,953
Operating (Loss)	(650,000)	(650,000)	(113,953)
Nonoperating Revenues (Expenses)			
Interest Income	9,904	9,904	54,116
Other Income	—	—	148,257
Other Expenses	(50,000)	(50,000)	—
	(40,096)	(40,096)	202,373
Income (Loss) Before Grants	(690,096)	(690,096)	88,420
Capital Grants	—	—	37,500
Change in Net Position	(690,096)	(690,096)	125,920
Net Position - Beginning			13,387,002
Net Position - Ending			13,512,922

VILLAGE OF MOKENA, ILLINOIS

Sewer Plant Replacement - Water and Sewerage Sub-Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Operating Revenues			
Other	$ —	—	—
Operating Expenses			
Operations			
Capital Outlay	1,356,000	1,356,000	88,534
Depreciation	—	—	10,858
Total Operating Expenses	1,356,000	1,356,000	99,392
Operating (Loss)	(1,356,000)	(1,356,000)	(99,392)
Nonoperating Revenues (Expenses)			
Interest Income	30,000	30,000	57,548
Other Expenses	(50,000)	(50,000)	—
	(20,000)	(20,000)	57,548
(Loss) Before Transfers	(1,376,000)	(1,376,000)	(41,844)
Transfers Out	130,000	130,000	130,000
Change in Net Position	(1,246,000)	(1,246,000)	88,156
Net Position - Beginning			1,484,283
Net Position - Ending			1,572,439

VILLAGE OF MOKENA, ILLINOIS

Water System Capital Improvement - Water and Sewerage Sub-Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	$ 196,620	196,620	169,831
Operating Expenses			
Operations			
Contractual Services	142,850	142,850	54,708
Capital Outlay	1,157,000	1,157,000	—
Depreciation	—	—	22,914
Total Operating Expenses	1,299,850	1,299,850	77,622
Operating Income (Loss)	(1,103,230)	(1,103,230)	92,209
Nonoperating Revenues (Expenses)			
Interest Income	37,000	37,000	102,615
Other Expenses	(100,000)	(100,000)	—
	(63,000)	(63,000)	102,615
Change in Net Position	(1,166,230)	(1,166,230)	194,824
Net Position - Beginning			3,594,603
Net Position - Ending			3,789,427

VILLAGE OF MOKENA, ILLINOIS

Sewer System Capital Improvement - Water and Sewerage Sub-Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	$ 65,540	65,540	52,241
Operating Expenses			
Operations			
Contractual Services	125,300	125,300	18,645
Capital Outlay	610,544	610,544	—
Depreciation	—	—	14,675
Total Operating Expenses	735,844	735,844	33,320
Operating Income (Loss)	(670,304)	(670,304)	18,921
Nonoperating Revenues (Expenses)			
Interest Income	22,500	22,500	91,003
Other Expenses	(100,000)	(100,000)	—
	(77,500)	(77,500)	91,003
Change in Net Position	(747,804)	(747,804)	109,924
Net Position - Beginning			3,617,769
Net Position - Ending			3,727,693

VILLAGE OF MOKENA, ILLINOIS

Refuse - Enterprise Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	$ 1,837,540	1,837,540	1,832,219
Operating Expenses			
Operations			
Contractual Services	1,813,943	1,813,943	1,792,460
Operating Income	23,597	23,597	39,759
Nonoperating Revenues			
Interest Income	8,000	8,000	13,598
Other Income	6,200	6,200	5,789
	14,200	14,200	19,387
Income Before Before Transfers	37,797	37,797	59,146
Transfers Out	(44,989)	(44,989)	(44,989)
Change in Net Position	(7,192)	(7,192)	14,157
Net Position - Beginning			272,188
Net Position - Ending			286,345

VILLAGE OF MOKENA, ILLINOIS

Municipal Parking Lot - Enterprise Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	$ 178,840	178,840	282,999
Operating Expenses			
Operations			
Personnel Services	89,471	89,471	76,813
Commodities	6,440	6,440	1,948
Contractual Services	77,587	77,587	32,797
Depreciation	—	—	3,707
Total Operating Expenses	173,498	173,498	115,265
Operating Income	5,342	5,342	167,734
Nonoperating Revenues			
Interest Income	5,000	5,000	23,211
Change in Net Position	10,342	10,342	190,945
Net Position - Beginning			966,154
Net Position - Ending			1,157,099

VILLAGE OF MOKENA, ILLINOIS

Police Pension - Pension Trust Fund
Schedule of Changes in the Fiduciary Net Position - Budget and Actual - Modified Cash Basis
For the Fiscal Year Ended June 30, 2025

	Original Budget	Final Budget	Actual
Additions			
Contributions - Employer	$ 1,097,493	1,097,493	1,098,324
Contributions - Plan Members	376,645	376,645	340,722
Contributions - Other	—	—	44,366
Total Contributions	1,474,138	1,474,138	1,483,412
Investment Income			
Interest Earned	450,000	450,000	323,859
Net Change in Fair Value	1,177,000	1,177,000	3,604,788
	1,627,000	1,627,000	3,928,647
Less Investment Expenses	(3,900)	(3,900)	(112,310)
Net Investment Income	1,623,100	1,623,100	3,816,337
Total Additions	3,097,238	3,097,238	5,299,749
Deductions			
Administration	97,780	97,780	32,412
Benefits and Refunds	1,261,642	1,261,642	1,232,717
Total Deductions	1,359,422	1,359,422	1,265,129
Change in Fiduciary Net Position	1,737,816	1,737,816	4,034,620
Net Position Restricted for Pensions			
Beginning			31,234,577
Ending			35,269,197

SUPPLEMENTAL SCHEDULES

VILLAGE OF MOKENA, ILLINOIS

Long-Term Debt Requirements
General Obligation Promissory Notes of 2022
June 30, 2025

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements		
	Principal	Interest	Totals
2026	$ 565,000	107,164	672,164
2027	580,000	90,071	670,071
2028	600,000	71,984	671,984
2029	620,000	52,795	672,795
2030	640,000	32,442	672,442
2031	660,000	10,989	670,989
	3,665,000	365,445	4,030,445

VILLAGE OF MOKENA, ILLINOIS

Schedule of Assessed Valuations, Tax Rates, Extensions, and Collections - Last Ten Tax Levy Years
June 30, 2025

Tax Levy Year		2015	2016	2017
Assessed Valuation	$	714,080,367	751,253,179	778,461,163
Tax Rates				
Corporate		0.0542	0.0521	0.0550
Police Pension		0.1053	0.1012	0.0977
Municipal Audit		0.0009	0.0008	0.0008
Police Protection		0.0006	0.0005	0.0005
School Crossing Guard		0.0039	0.0040	0.0039
Illinois Municipal Retirement		0.0400	0.0406	0.0390
Medicare		0.0106	0.0107	0.0103
Social Security		0.0442	0.0433	0.0424
		0.2597	0.2532	0.2496
Road and Bridge (1)		0.1009	0.0972	0.0925
Total Tax Rates		0.3606	0.3504	0.3421
Tax Extensions				
Corporate	$	387,032	391,403	428,154
Police Pension		751,927	760,268	760,557
Municipal Audit		6,427	6,010	6,228
Police Protection		4,284	3,756	3,892
School Crossing Guard		27,849	30,050	30,360
Illinois Municipal Retirement		285,632	305,009	303,600
Medicare		75,693	80,384	80,181
Social Security		315,624	325,293	330,068
		1,854,468	1,902,173	1,943,040
Road and Bridge (1)		720,175	730,012	720,343
Total Tax Extensions		2,574,643	2,632,185	2,663,383
Tax Collections		2,571,637	2,627,936	2,675,759
Percentage Collected		99.88%	99.84%	100.46%

(1) Levied through Frankfort and New Lenox

2018	2019	2020	2021	2022	2023	2024
806,636,322	827,815,720	851,734,866	890,596,891	948,846,448	1,002,352,64	1,099,909,231
0.0579	0.0519	0.0384	0.0076	0.0152	0.0188	0.0086
0.0945	0.0985	0.1051	0.1256	0.1125	0.1035	0.1053
0.0008	0.0007	0.0008	0.0017	0.0011	0.0011	0.0011
0.0005	0.0005	0.0005	0.0005	0.0004	0.0004	0.0004
0.0038	0.0037	0.0032	0.0012	0.0011	0.0020	0.0028
0.0360	0.0346	0.0373	0.0405	0.0379	0.0366	0.0334
0.0099	0.0100	0.0102	0.0107	0.0106	0.0104	0.0101
0.0423	0.0428	0.0433	0.0457	0.0451	0.0454	0.0427
0.2457	0.2427	0.2388	0.2335	0.2239	0.2182	0.2044
0.0892	0.0887	0.0808	0.0800	0.0802	0.0776	0.0674
0.3349	0.3314	0.3196	0.3135	0.3041	0.2958	0.2718
467,043	429,636	327,066	67,686	144,225	188,442	94,592
762,271	815,398	895,173	1,118,590	1,067,452	1,037,435	1,158,204
6,453	5,795	6,814	15,140	10,437	11,026	12,099
4,033	4,139	4,259	4,453	3,795	4,009	4,400
30,652	30,629	27,256	10,687	10,437	20,047	30,797
290,389	286,424	317,697	360,691	359,613	366,861	367,370
79,857	82,782	86,877	95,294	100,578	104,245	111,091
341,207	354,305	368,801	407,003	427,930	455,068	469,661
1,981,905	2,009,108	2,033,943	2,079,544	2,124,467	2,187,133	2,248,214
719,397	734,168	688,570	712,090	760,818	777,975	740,792
2,701,302	2,743,276	2,722,513	2,791,634	2,885,285	2,965,108	2,989,006
2,688,230	2,742,403	2,722,251	2,781,836	2,451,657	2,946,391	1,175,726
99.52%	99.97%	99.99%	99.65%	84.97%	99.37%	39.34%

VILLAGE OF MOKENA, ILLINOIS

Schedule of Information Relating to Waterworks and Sewerage Accounts - Last Ten Fiscal Years
June 30, 2025 (Unaudited)

	2016	2017	2018
Customer Data			
Number of Customers Served by Combined Waterworks and Sewerage System	7,040	7,143	7,202
Number of Metered Customers			
Water Service Only	130	102	105
Water and Sewer Services	6,729	6,816	6,914
Number of Unmetered Customers			
Sewer Service Only	102	102	103
Refuse Service Only	79	79	79
Gallons of Water Pumped	593,283,000	630,055,000	660,289,000
Gallons of Water Billed	548,742,000	591,896,000	613,084,000

Source: Village Records

2019	2020	2021	2022	2023	2024	2025
7,274	7,291	7,351	7,380	7,400	7,404	7,709
108	110	111	114	113	103	113
6,983	6,998	7,055	7,062	7,101	7,117	7,412
103	103	103	103	103	103	103
80	80	82	82	83	81	81
654,601,000	586,230,000	660,892,000	651,032,000	704,369,000	615,329,000	624,055,000
575,287,000	548,397,000	617,370,000	618,191,000	586,061,000	601,720,000	618,010,000